AstraZeneca PLC
Notice of Annual General
Meeting 2005 and
Shareholders' Circular

notice of agm

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Letter from the Chairman

This document is important. If you are in any doubt about its contents you should consult your independent financial adviser. If you have sold or transferred all of your AstraZeneca Ordinary Shares you should send this complete document with the Proxy Form to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

18 March 2005

15 Stanhope Gate
London
W1K 1LN

Dear Shareholder

On behalf of the Board of AstraZeneca PLC, I enclose various documents concerning your shareholding in the Company. These are:

1 A Shareholders' Circular incorporating the formal Notice of the Annual General Meeting of the Company to be held on Thursday, 28 April 2005 ("AGM") and a letter from the Chairman of the Remuneration Committee.

2 A Proxy Form and Attendance Card for the AGM. This also includes an Option Card for use if you wish to receive the full Annual Report and Form 20-F Information next year.

As in previous years, the principal meeting place for the AGM will be in London. There will be one satellite meeting place, in Stockholm. An audio-visual link will enable shareholders and their proxies attending the AGM at each venue to see and hear the business being conducted, ask questions and vote. English/Swedish translation facilities will be available at each venue.

The business to be conducted at the AGM is summarised below.

Item 5: Directors: Following the appointments by the Board in January and March 2005 of John Patterson and David Brennan respectively as Executive Directors, it is proposed that they should be elected to the Board by shareholders for the first time at the AGM.

Biographical details of the Directors presenting themselves for election or re-election are given in the Shareholders' Circular. Towards the end of 2004, following a review of Board performance, the Board concluded that each Director and the Board as a whole are performing effectively. During 2004, the Board also considered the independence of the Non-Executive Directors under the UK's Combined Code on Corporate Governance. With the exception of myself as Chairman, Håkan Mogren and Marcus Wallenberg for the reasons explained in the Directors' Report for 2004, the Board concluded that all are independent. The Directors' Report can be found in the Company's Annual Report and Form 20-F Information 2004 which is available on our website, astrazeneca.com, or by request from the Company if you have not already received a copy.

In addition to the ordinary business of the meeting under Items 1 to 6, shareholders will be asked for their approval of the following matters:

Item 7: AstraZeneca Performance Share Plan: During 2004, in line with the undertaking given to shareholders in 2000, the Company reviewed its executive remuneration practices. As a result, a number of changes are being proposed, including the introduction of the AstraZeneca Performance Share Plan. These changes are summarised in the Directors' Remuneration Report for 2004 set out in Appendix 1 to the Shareholders' Circular. More details are given in the letter from Sir Peter Bonfield, Senior Non-Executive Director and Chairman of the Remuneration Committee on page 4. A summary of the AstraZeneca Performance Share Plan is set out in Appendix 2 to the Shareholders' Circular.

The proposed changes are intended to make the overall remuneration of AstraZeneca's most senior executives (principally the Executive Directors and members of the Senior Executive Team) more competitive, benchmarking against UK based, global companies; to link their reward more closely to the achievement of demanding performance conditions; and to increase the variable elements of reward as a proportion of the overall remuneration package, when compared to the fixed reward elements.

Item 8: Political Donations: As in previous years, this ordinary resolution seeks authority from shareholders to enable the Company or its subsidiaries to make donations or incur expenditure in the European Union ("EU"), up to an aggregate limit of $150,000, which it would otherwise be prohibited from making or incurring because of the Political Parties, Elections and Referendums Act 2000 in the UK ("the Act").

The Company has no intention of changing its current practice of not making donations to political parties in the EU and it will not do so without the specific endorsement of its shareholders. However, the Act defines 'political organisation' widely to include, amongst other things, an organisation which carries on activities which are capable of being reasonably regarded as intended to influence public support for a political party in any EU member state or to influence voters in relation to any referendum in any EU member state.

As a result, it is possible that EU political organisations may include, for example, interest groups or lobbying organisations concerned with the review of government policy or law reform. It may, depending upon the issue, be in the Company's interest to support or participate in such groups or organisations and the purpose of this resolution is to enable the Company or its subsidiaries to do so without inadvertently breaching the Act.

Item 9: Allotment of New Shares: This ordinary resolution, if approved by shareholders, would enable the Directors to continue to exercise their existing power under the Company's Articles to allot new shares in the capital of the Company. As specified in the resolution, the Directors' authority will only be valid until the conclusion of the AGM in 2006 or 30 June 2006, whichever is earlier. It would be limited to the allotment of a maximum of 545,954,084 Ordinary Shares representing 33.33% of the total Ordinary Share capital of the Company in issue at 28 February 2005 (known as the Section 80 amount). The limit of 33.33% is derived from guidelines issued by the Association of British Insurers ("ABI") which, for public companies listed in the UK, effectively limit the maximum amount of share capital which can be authorised for allotment to one third of a company's issued Ordinary Share capital.

As at 28 February 2005, no shares in the Company were held as treasury shares.

Other than the allotment of Ordinary Shares for the purposes of fulfilling the Company's obligations under its various share plans, the Directors have no present intention of allotting any of the authorised share capital of the Company which has not yet been allotted.

For information, during 2004, the Directors used equivalent authorities, given to them by shareholders at previous AGMs, for the purposes of fulfilling the Company's obligations under its various share plans. In total, 2,456,945 new Ordinary Shares were allotted in 2004 which represented 0.1493% of the total Ordinary Share capital of the Company at 31 December 2004. The number of new Ordinary Shares allotted during 2004, the percentage of the Company's share capital they represented at 31 December 2004 and the share plans in respect of which they were allotted were as follows:

Zeneca 1993 Senior Staff Share Option Scheme*	750	0.0001%
Zeneca 1994 Executive Share Option Scheme*	586,473	0.0356%
AstraZeneca Share Option Plan	328,767	0.0200%
AstraZeneca Savings-Related Share Option Scheme* and AstraZeneca Savings-Related Share Option Plan	602,295	0.0366%
AstraZeneca All-Employee Share Plan†	938,660	0.0570%
Total allotted in 2004	**2,456,945**	**0.1493%**

* No further options are being granted under this scheme.
† UK Share Incentive Plan approved by the Inland Revenue, offering free shares and partnership shares.

No other new shares were allotted during 2004.

Item 10: Pre-Emption Rights: This special resolution renews the authority of the Directors to allot shares of the Company and to sell treasury shares for cash as if the pre-emption provisions of Section 89 of the Companies Act 1985 do not apply. Under Section 89, when new shares are allotted or treasury shares are sold for cash, they must first be offered to existing shareholders pro rata to their holdings. This provision was designed to prevent the holdings of existing shareholders being diluted against their wishes by the allotment of new shares. Shareholders may waive this right of pre-emption. The authority contained in this resolution would be limited to the allotment of shares or the sale of treasury shares for cash having an aggregate nominal value of $20,473,278 which represents 5.00% of the total Ordinary Share capital of the Company in issue at 28 February 2005 (known as the Section 89 amount). The limit of 5.00% is also derived from the ABI guidelines mentioned above. This authority will expire at the conclusion of the AGM in 2006 or 30 June 2006, whichever is earlier.

Item 11: Purchase of Own Shares by the Company: This special resolution renews the authority of the Directors to purchase, in the market, the Company's own shares, for the purposes of Section 166 of the Companies Act 1985. The authority limits the total number of shares that could be purchased and sets minimum and maximum prices.

In accordance with the announcement it made in August 1999, the Company embarked at the end of 1999 on a share re-purchase programme as part of a balanced distribution policy to give the Company more flexibility in managing its capital structure over time. The original programme envisaged re-purchases totalling $2 billion over three years. In January 2002, the programme was extended by an additional $2 billion, which was completed on schedule by the end of 2003. In January 2004, the Board approved a new share re-purchase programme of $4 billion to be completed by the end of 2005. In January 2005, the Board restated its intention to grow dividends in line with earnings while maintaining dividend cover in the two to three times range, and confirmed its belief that the share re-purchase programme is a key part of shareholder return that addresses cash flow and potentially surplus capital. In the absence of strategic uses for cash, the Board expects to distribute to shareholders the free cash flow generated over the next three years. It is anticipated that share re-purchases in 2005 will not be less than 2004 levels.

As at 28 February 2005 since the beginning of the original re-purchase programme in 1999, the Company has purchased in total 150,146,504 of its own Ordinary Shares with a nominal value of $0.25 each for an aggregate cost of $6,457 million. This number of shares represents 9.17% of the Company's total issued share capital at 28 February 2005. Following the purchase of these shares, they were all cancelled and not used for any other purpose.

The authority being sought under this resolution would permit any shares so purchased to either be cancelled or held as treasury shares. The authority will be exercised only if the Directors believe that to do so would result in an increase in earnings per share and would be in the best interests of shareholders generally.

As at 28 February 2005, the total number of options over shares that were outstanding under all of the Company's share option plans was 55,042,990 representing 3.36% of the Company's issued share capital at that date. This number of outstanding options could potentially represent 4.03% of the issued capital of the Company, if the Company were to purchase its own shares to the fullest possible extent of its authority from shareholders (existing and being sought).

This authority will only be valid until the conclusion of the AGM in 2006 or 30 June 2006, whichever is earlier.

In accordance with the Company's Articles, a poll vote will be held for the special resolutions. All other resolutions will also be put to a poll vote. This means that the votes of all shareholders, including the majority of our shareholders who cannot attend the meeting but who submit a Proxy Form, are counted. A poll vote allows the entire shareholder base to express its views.

The Directors unanimously recommend that you vote in favour of all the resolutions and ask you to complete the Proxy Form and return it as soon as possible. You may, if you wish, register the appointment of your proxy electronically either via the internet or, if you hold your shares through CREST, using the CREST electronic proxy appointment service. Please refer to the notes in the Notice of AGM on page 9 for details. The appointment of a proxy will not prevent you from also attending the AGM and voting in person. All shareholders or proxies attending the AGM are asked to bring the Attendance Card with them.

Please note that if you wish to receive the full Annual Report and Form 20-F Information next year, you must return the Option Card by 31 October 2005. If you do not, you will receive the shorter Annual Review only.

Yours sincerely

Louis Schweitzer
Chairman

Note:
In order to update you since the publication of the Company's Annual Report and Form 20-F Information 2004, please note:

- On 28 February 2005, the proportion of Ordinary Shares represented by American Depositary Shares was 8.80% of the Ordinary Share capital of the Company in issue on that date.
- The number of registered holders of Ordinary Shares on 28 February 2005 was 159,794 (of which 818 were in the US) and the number of record holders of American Depositary Receipts on the same date was 2,886 (of which 2,854 were in the US).
- On 28 February 2005, there were options outstanding to subscribe over 55,042,990 Ordinary Shares of the Company, with subscription prices in the range of 891 – 3487 pence (weighted average subscription price 2713 pence) and normal expiry dates from 2005 – 2014.
- During the period 1 January 2005 to 28 February 2005, no Director exercised any options. As disclosed in the Annual Report and Form 20-F Information 2004, on 14 January 2005, Håkan Mogren ceased to have an interest in an option over 6,462 Ordinary Shares on the expiry of the option. On 28 February 2005, John Patterson purchased 150 Ordinary Shares at a price of 2093 pence per share.

Letter from the Chairman of the Remuneration Committee

This document is important. If you are in any doubt about its contents you should consult your independent financial adviser. If you have sold or transferred all of your AstraZeneca Ordinary Shares you should send this complete document with the Proxy Form to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

18 March 2005

15 Stanhope Gate
London
W1K 1LN

Dear Shareholder

As explained in the Chairman's letter, shareholders' approval is being sought to establish the AstraZeneca Performance Share Plan (the "Plan"). The Plan has the full support of the Remuneration Committee comprised solely of independent, Non-Executive Directors. It takes into account the comments made by those larger shareholders and their representative bodies that my colleagues and I have consulted in recent months.

In 2000, the Company undertook to review fully its executive remuneration practices after five years. This review took place during 2004 and, in combination with a number of changes described below, the new Plan is proposed as a result. The Remuneration Committee believes that we should bring the remuneration of our senior executives closer to the market, in a way that is linked to the achievement of demanding performance conditions. The Company has made no changes for the last five years; it now needs to implement arrangements that will be effective, flexible and competitive.

Arising from the review, the Remuneration Committee confirmed that:

> Executive remuneration should continue to be benchmarked primarily against UK based, global companies.

> Base pay and pensions should be positioned at the median of the market; bonus and long term arrangements should provide upper quartile opportunity for upper quartile performance. Variable, performance-related reward should predominate.

> For the Senior Executive Team, annual bonus earning opportunity should be increased to competitive levels with any additional bonus arising delivered in shares and deferred for three years. For example, in 2005, the Chief Executive would be eligible for a bonus payable on a scale of 0-180% of salary; 90% of salary would be payable for the achievement of target performance. The annual bonus payment should depend on a range of performance metrics. In 2005, this would be 50% on earnings per share performance, 25% on functional performance and 25% on a balance of measures determined by the Remuneration Committee which address the quality of business performance. The purpose of this third set of measures would be to ensure the Remuneration Committee could take an overview of the progress made over the year and the extent to which the underlying business had been enhanced.

> The operating policy of the AstraZeneca Share Option Plan should be modified so that a performance condition would be applicable to the exercise of options for members of the Senior Executive Team over the three years following grant with no re-test. The condition would be that earnings per share must increase by the increase in the UK Retail Prices Index plus 5% per annum on average over three years. Executives would be required to retain shares for at least six months following the exercise of any option. However, some shares would be sold to meet exercise and tax costs.

> In addition, executives should be required to build up a holding of AstraZeneca shares equivalent to one times annual salary.

> The new Plan should be implemented in order to provide increased long term incentive opportunities closer to the market. In so doing, it would introduce a demanding comparative measure of performance, complementing the current absolute performance measure of increases in the share price contained in the AstraZeneca Share Option Plan.

> No increases in base salaries are proposed arising from the review; there may be increases in base salaries in the future as part of the normal, annual salary review process or, for example, to reflect promotions or new responsibilities.

The main features of the Plan are set out in Appendix 2 to the Shareholders' Circular. In summary they are:

Performance Measure: The performance measure for the initial awards would be Total Shareholder Return ("TSR") – the increase or decrease in the value of a number of shares over a period, together with reinvested dividends. This would be measured over a three year reference period and compared with the TSR performance of a peer group of 12 other major pharmaceutical companies.

Reward: Nominated executives would be awarded a target number of shares, determined at the beginning of a three year period from the date of the award. The actual number of shares to which an executive would, in practice, become entitled at the end of this period would depend on the extent to which the performance measure between the beginning and end of the three year reference period had been met. Any shares to which the executive had become entitled may accrue the value of dividends paid on those shares during the period.

Reward, Performance and Accountability: If the Company's performance by reference to the performance measure were below the median of the peer group over the three year period, executives would not be entitled to any shares. Executives would become entitled to 30% of the target number of shares if the performance were at the median. The whole target number of shares would only be available to executives if the AstraZeneca performance were at the upper quartile level.

The Remuneration Committee would have discretion to vest up to a further 25% of the shares subject to the award if the Company's TSR performance were substantially above that of the upper quartile of the comparator group.

In addition, before an executive could become entitled to any shares, the TSR performance measure would be underpinned by the requirement that the Remuneration Committee must be satisfied that the TSR achieved over the period was a genuine reflection of the Company's underlying financial performance. The Remuneration Committee would describe in the Directors' Remuneration Report those factors it had taken into account to ensure that TSR performance was consistent with the real underlying quality of business performance each year, particularly if it exercised its discretion to increase the target award for top performance in the peer group.

Individual Participation: Individual executives would be considered for participation in the Plan separately each year. The target level of award would also be considered each year, with an upper limit to the target number of shares able to be awarded to any individual. The face value of the initial award for the Chief Executive would be 250% of basic salary, with all of this initial award only being available if AstraZeneca's performance were at the upper quartile level of performance in the peer group over the first three year period.

In the event of an executive ceasing employment before he or she had become entitled to any shares under an award, he or she would generally lose any right to those shares. However, in certain circumstances, such as ill health, redundancy, retirement or on a change in control of the Company, the number of shares to which the executive had become entitled would be pro-rated both for time and performance; the shares would generally become available at the end of the full three year period, except on a change of control, when they would become available on the change of control taking place.

Review of the Plan: Whilst shareholders are asked to approve the Plan for a period of 10 years, the Remuneration Committee would review it formally no later than five years from its approval by shareholders. This review would, as it has done in 2004, take account of the views of the Company's shareholders and the needs of the business at that time.

The Remuneration Committee believes that the proposed changes, most particularly the introduction of the Plan, would not only improve significantly the Company's ability to attract and retain executives of the quality necessary to lead AstraZeneca in the future, but also support the Company's objective of delivering superior value to shareholders.

Yours sincerely

Sir Peter Bonfield CBE
Senior Non-Executive Director
Chairman of the Remuneration Committee

Notice of Annual General Meeting of AstraZeneca PLC and Shareholders' Circular

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Notice is hereby given that the Annual General Meeting of AstraZeneca PLC will be held on Thursday, 28 April 2005 in the Great Hall at Kensington Town Hall, Hornton Street, London W8 7NX at 11.00 am (BST), with an audio-visual link to a satellite meeting place at The Globe Arena, Stockholm at 12.00 noon (local time) for the following purposes:

1. To receive the Company's Accounts and the Reports of the Directors and Auditor for the year ended 31 December 2004.

2. To confirm the first interim dividend of \$0.295 (16.0 pence, SEK2.200) per Ordinary Share and to confirm as the final dividend for 2004 the second interim dividend of \$0.645 (34.3 pence, SEK4.497) per Ordinary Share.

3. To re-appoint KPMG Audit Plc, London as Auditor.

4. To authorise the Directors to agree the remuneration of the Auditor.

5. To elect or re-elect the following Directors:

   A separate vote will be taken in respect of the election or re-election of each Director. In accordance with Article 65 of the Company's Articles of Association, all of the Directors will retire at the Annual General Meeting in 2006 and may present themselves for re-election.

Louis Schweitzer (62) – Non-Executive Chairman. Chairman of the Nomination Committee.
Appointed as a Director 11 March 2004. Chairman and Chief Executive Officer of Renault SA since May 1992. President of the Management Board of Renault-Nissan BV since March 2002. Chief Financial Officer and Executive Vice-President 1988-1992 and President and Chief Operating Officer 1990-1992, Renault SA. Non-Executive Director of BNP Paribas, Electricité de France, Philips Electronics NV, Veolia Environnement and Volvo AB.

Håkan Mogren (60) – Non-Executive Deputy Chairman. Member of the Nomination Committee.
Appointed as a Director 6 April 1999. Formerly CEO and a Director of Astra AB (appointed 18 May 1988). Chairman of Affibody AB and the Sweden-America Foundation. Vice-Chairman of Gambro AB. Member of the Board of Directors of Investor AB, Rémy Cointreau SA, Groupe Danone and Norsk Hydro ASA. Director of the Marianne and Marcus Wallenberg Foundation.

Sir Tom McKillop (61) – Executive Director and Chief Executive.
Appointed as a Director 1 January 1996. Non-Executive Director of BP p.l.c. Vice-President of the European Federation of Pharmaceutical Industries and Associations. Pro-Chancellor of the University of Leicester. Chairman of the British Pharma Group and the Northwest Science Council.

Jonathan Symonds (46) – Executive Director and Chief Financial Officer.
Appointed as a Director 1 October 1997. Also has overall responsibility for Information Services. Non-Executive Director of Diageo plc. Member of the UK Accounting Standards Board. Chairman of The Hundred Group of Finance Directors in the UK.

John Patterson FRCP (57) – Executive Director, Development.
Appointed as a Director 1 January 2005. Fellow of the Royal College of Physicians. Director of the British Pharma Group. Non-Executive Director of Amersham plc 2001-2004. President of the Association of the British Pharmaceutical Industry 2002-2004. Member of the Supervisory Board of the UK Medicines Control Agency 1990-1994. Executive Vice-President, Product Strategy & Licensing and Business Development, AstraZeneca PLC 1999-2004.

David R. Brennan (51) – Executive Director, North America.
Appointed as a Director 14 March 2005. Member of the Executive Board of the Pharmaceutical Research and Manufacturers of America (PhRMA). Chairman of the Board of the Southeastern Chapter of the American Heart Association. General Manager of Chibret International, France (a subsidiary of Merck & Co., Inc.) 1990-1992. Vice-President of Marketing, Business Planning and Development Astra Merck, Inc., and then Astra Pharmaceuticals LP 1992-1999. Senior Vice-President of Commercial Operations AstraZeneca Pharmaceuticals LP 1999-2001. Executive Vice-President, North America, AstraZeneca PLC since 2001.

Sir Peter Bonfield CBE, FREng (60) – Senior Non-Executive Director. Chairman of the Remuneration Committee. Member of the Nomination Committee.
Appointed as a Director 1 January 1995. Fellow of the Royal Academy of Engineering. Non-Executive Director of Telefonaktiebolaget LM Ericsson, Mentor Graphics Corporation and Taiwan Semiconductor Manufacturing Company Ltd. Vice-President of The British Quality Foundation. Member of Citigroup International Advisory Board. Member of the Sony Corporation Advisory Board. Non-Executive Director, Corporate Board of the Department for Constitutional Affairs.

John Buchanan (61) – Non-Executive Director. Chairman of the Audit Committee. Member of the Remuneration Committee.
Appointed as a Director 25 April 2002. Executive Director and Group Chief Financial Officer of BP p.l.c. 1996-2002. Member of the UK Accounting Standards Board 1997-2001. Senior Independent Non-Executive Director of BHP Billiton Plc and Non-Executive Director of Vodafone Group Plc. Non-Executive Director and Deputy Chairman of Smith & Nephew plc.

Jane Henney (57) – Non-Executive Director. Member of the Audit Committee, the Nomination Committee and the Science Committee.
Appointed as a Director 24 September 2001. Senior Vice-President & Provost for Health Affairs, University of Cincinnati Medical Center. Commissioner of Food and Drugs 1998-2001 and Deputy Commissioner for Operations 1992-1994, US Food and Drug Administration. Deputy Director, US National Cancer Institute 1980-1995. Non-Executive Director of AmerisourceBergen Corporation and CIGNA Corporation. Member of the Board of Trustees of the Commonwealth Fund and the China Medical Board.

Michele Hooper (53) – Non-Executive Director. Member of the Audit Committee.
Appointed as a Director 1 July 2003. President and Chief Executive Officer of Stadtlander Drug Company 1998-1999. Corporate Vice-President and President, International Businesses of Caremark International Inc. 1992-1998. Non-Executive Director of PPG Industries, Inc., Target Corporation and Davita Inc.

Joe Jimenez (45) – Non-Executive Director. Member of the Remuneration Committee and the Nomination Committee.
Appointed as a Director 1 July 2003. Executive Vice-President of H J Heinz Company and President and Chief Executive Officer of Heinz Europe since 2002. Corporate Vice-President then Senior Vice-President and President of Heinz North America 1998-2002. Non-Executive Director of Blue Nile, Inc.

Erna Möller (65) – Non-Executive Director. Member of the Remuneration Committee and the Science Committee.
Appointed as a Director 6 April 1999. Formerly a Director of Astra AB (appointed 15 May 1995). Executive Director of the Knut and Alice Wallenberg Foundation. Professor of Clinical Immunology and Member of the Nobel Assembly and of the Nobel Committee, Karolinska Institutet. Member of the Royal Swedish Academy of Engineering Sciences and the Royal Swedish Academy of Science.

Dame Bridget Ogilvie (66) – Non-Executive Director. Member of the Audit Committee and the Science Committee.
Appointed as a Director 1 January 1997. Also has responsibility for overseeing corporate responsibility. Chairman of the Medicines for Malaria Venture and the Association of Medical Research Charities. Trustee of Cancer Research UK. Chairman of the Trustees of the AstraZeneca Science Teaching Trust.

Marcus Wallenberg (48) – Non-Executive Director. Member of the Audit Committee.
Appointed as a Director 6 April 1999. Formerly a Director of Astra AB (appointed 18 May 1989). President and Chief Executive Officer of Investor AB. Non-Executive Vice-Chairman of Saab AB, Skandinaviska Enskilda Banken AB and Telefonaktiebolaget LM Ericsson. Non-Executive Director of Scania AB, Stora Enso Oyj and the Knut and Alice Wallenberg Foundation.

6 To approve the Directors' Remuneration Report for the year ended 31 December 2004 set out in Appendix 1.

7 To consider and, if thought fit, pass the following as an ordinary resolution:

"That:

(a) the rules of the AstraZeneca Performance Share Plan ("the Plan"), the main features of which are summarised in Appendix 2 to the Shareholders' Circular, and a copy of which is produced to the meeting and initialled by the Chairman for the purposes of identification, be approved and the Directors be authorised to do all such acts and things as they may consider necessary or expedient to carry the Plan into effect; and

(b) the Directors be authorised to establish such schedules to the Plan as they may consider necessary in relation to employees in jurisdictions outside the UK, with such modifications as may be necessary or desirable to take account of local securities laws, exchange control and tax legislation, provided that any shares made available under such schedules be treated as counting against the relevant limits on individual and overall participation in the Plan."

8 To consider and, if thought fit, pass the following as an ordinary resolution:

"That the Company and any company which is or becomes a subsidiary of the Company during the period to which this resolution relates be and is hereby authorised for the purposes of Part XA of the Companies Act 1985 to make Donations to EU Political Organisations or incur EU Political Expenditure during the period ending on the date of the Company's Annual General Meeting in 2006 provided that any such donations and expenditure made by the Company together with those made by any subsidiary company while it is a subsidiary of the Company shall not exceed in aggregate $150,000 during that period. For the purposes of this resolution, the expressions 'Donations', 'EU Political Organisations' and 'EU Political Expenditure' have the meanings set out in Part XA of the Companies Act 1985 (as amended by the Political Parties, Elections and Referendums Act 2000)."

9 To consider and, if thought fit, pass the following as an ordinary resolution:

"That the authority and power to allot new shares conferred on the Directors by Article 7.1 of the Company's Articles of Association be renewed for the period commencing on the date of this Annual General Meeting and ending on the date of the Annual General Meeting of the Company in 2006 or, if earlier, on 30 June 2006, and for such period the Section 80 amount shall be US dollars 136,488,521."

10 To consider and, if thought fit, pass the following as a special resolution:

"That the power conferred on the Directors by Article 7.2 of the Company's Articles of Association be renewed for the period commencing on the date of this Annual General Meeting and ending on the date of the Annual General Meeting of the Company in 2006 or, if earlier, on 30 June 2006, and for such period the Section 89 amount shall be US dollars 20,473,278."

11 To consider and, if thought fit, pass the following as a special resolution:

"That the Company be and is hereby unconditionally and generally authorised for the purposes of Section 166 of the Companies Act 1985 to make market purchases (as defined in Section 163 of that Act) of Ordinary Shares of $0.25 each in the capital of the Company provided that:

(a) the maximum number of shares which may be purchased is 10% of the Company's share capital then in issue;

(b) the minimum price which may be paid for each share is $0.25;

(c) the maximum price which may be paid for a share is an amount equal to 105% of the average of the middle market values of the Company's Ordinary Shares as derived from The London Stock Exchange Limited Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased; and

(d) this authority shall expire at the conclusion of the Annual General Meeting of the Company held in 2006 or, if earlier, on 30 June 2006 (except in relation to the purchase of shares the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry)."

By order of the Board:
G H R Musker
Group Secretary and Solicitor
AstraZeneca PLC

Registered in England No. 2723534
Registered Office: 15 Stanhope Gate, London W1K 1LN

18 March 2005

Note: An explanation of Items 7 to 11 is given in the letter from the Chairman accompanying this Notice of Annual General Meeting.

Notes:

Entitlement to attend and vote and deadline for receipt of Proxy Form

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only holders of Ordinary Shares entered in the register of members of the Company at 10.00 pm on Tuesday, 26 April 2005 (or their duly appointed proxies) are entitled to attend or vote at the AGM in respect of the number of Ordinary Shares registered in their name at that time. Changes to the entries in the register of members after 10.00 pm on Tuesday 26 April 2005 shall be disregarded in determining the rights of any person to attend or vote at the AGM.

To be effective, the Proxy Form (or electronic appointment of a proxy) must be received by the AstraZeneca Registrar, Lloyds TSB Registrars, not less than 48 hours before the time for holding the AGM. The appointment of a proxy will not prevent a shareholder from attending and voting in person at the meeting.

Appointment of proxies through Sharevote and Shareview websites

A shareholder may appoint one or more proxies (whether shareholders or not) to attend and vote in his or her place. Shareholders who have not elected to receive shareholder documents electronically have been sent a Proxy Form containing notes on completion and use. Shareholders who would prefer to register the appointment of their proxy electronically via the internet can do so through the Sharevote website, www.sharevote.co.uk, using their personal Authentication Reference Number (this is the series of 24 numbers printed under the shareholder's name on the Proxy Form). Alternatively, shareholders who have already registered with Lloyds TSB Registrars' online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk and clicking on 'Company Meetings'. Full details and instructions on these electronic proxy facilities are given on the websites.

Appointment of proxies through CREST

CREST members who wish to appoint a proxy or proxies for the AGM, including any adjournment(s) thereof, through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given for a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Lloyds TSB Registrars (ID 7RA01) by the latest time for receipt of proxy appointments specified above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Lloyds TSB Registrars is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Documents available for inspection

The following information may be inspected during business hours at the Company's registered office and at the R&D headquarters of the Company, S-151 85 Södertälje, Sweden and will on the day of the AGM be available for inspection at Kensington Town Hall, Hornton Street, London W8 7NX from 10.45 am (BST) and at The Globe Arena, Stockholm from 11.45 am (local time) until the conclusion of the AGM: (1) a statement of the interests and transactions of Directors and their families in the share capital of the Company and any of its subsidiaries; and (2) copies of all contracts of service and letters of appointment under which Directors of the Company are employed by the Company or any of its subsidiaries; and (3) a copy of the rules of the AstraZeneca Performance Share Plan.

Appendix 1: Directors' Remuneration Report for the Year Ended 31 December 2004

At the Annual General Meeting ("AGM") on 28 April 2005, a resolution will be proposed to approve the Directors' Remuneration Report.

Remuneration Committee

The members of the Remuneration Committee are Sir Peter Bonfield (Chairman of the Committee), John Buchanan, Erna Möller and Joe Jimenez. Mr Jimenez was appointed as a member of the Remuneration Committee with effect from the end of the AGM on 29 April 2004. They are all Non-Executive Directors. The Board considers them all to be independent.

The remit of the Remuneration Committee is, primarily, to recommend for decision by the Board the fundamental remuneration policy for the Company and to ensure the proper operation of all plans for employees involving the Company's shares. More particularly, it makes specific proposals in respect of the remuneration packages of individual Executive Directors and the Company's most senior executives. A copy of the Remuneration Committee's remit is available on the Company's website: astrazeneca.com.

The Remuneration Committee met six times during 2004. Each meeting was attended by all of its members except that John Buchanan was unable to attend the September meeting and Joe Jimenez was unable to attend the December meeting due to other commitments. At the invitation of the Remuneration Committee, the Chairman of the Board, a Non-Executive Director, attended all of its meetings in 2004 except for those held in September and December.

At the request of the Remuneration Committee, Sir Tom McKillop, Chief Executive, Tony Bloxham, Executive Vice-President, Human Resources and Peter Brown, Vice-President, Global Compensation and Benefits, as well as the Secretary of the Remuneration Committee, Graeme Musker, attended all of its meetings in 2004, except when their own remuneration was being discussed. They provided advice and services which materially assisted the Remuneration Committee during the year. In doing so, Mr Brown drew on various sources of data concerning directors' and executives' salaries, bonus levels and other incentives including general pharmaceutical industry reports and surveys, as well as surveys specifically carried out for the Company. These included certain surveys prepared for the Company by Towers Perrin. During 2004, Towers Perrin also provided global share plan administration services to the Company and consultancy services to the Company's US business.

In July 2004, Ms Carol Arrowsmith of Deloitte & Touche was appointed by the Remuneration Committee to provide it with independent advice on all matters being considered by it. During 2004, Deloitte & Touche also provided taxation advice and other non-audit services to the Company.

Overall remuneration policy and purpose

The Company is committed to maintaining a dynamic performance culture in which every employee champions the growth of share-holder value, is clear about the Company's objectives, knows how their work impacts on those objectives and that they will benefit from achieving high levels of performance.

The Board has confirmed that the Company's overall remuneration policy and purpose is:

> To attract and retain people of the quality necessary to sustain the Company as one of the best pharmaceutical companies in the world.

> To motivate them to achieve the level of performance necessary to create sustained growth in shareholder value.

In order to achieve this, remuneration policy and practice is designed:

> To closely align individual and team reward with business performance at each level.

> To encourage employees to perform to their fullest capacity.

> To encourage employees to align their interests with those of shareholders.

> To support managers' responsibility to achieve business performance through people and for them to recognise superior performance, in the short and longer term.

> To be as locally focused and flexible as is practicable and beneficial.

> To be competitive and cost-effective in each of the relevant employment markets.

> To be as internally consistent as is practicable and beneficial taking due account of market need.

The cost and value of the components of the remuneration package are considered as a whole and are designed:

> To ensure a proper balance of fixed and variable performance-related components, linked to short and longer term objectives.

> To reflect market competitiveness taking account of the total value of all of the benefit components.

Throughout 2004, the principal components contained in the total remuneration package, for employees as a whole, were:

> Annual salary – based on conditions in the relevant geographic market, with the provision to recognise, in addition, the value of individuals' sustained personal performance, resulting from their ability and experience.

> Annual bonus – a lump sum payment related to the targeted achievement of corporate, functional and individual goals, measured over a year and contained within a specific plan. The corporate goals are derived from the annual financial targets set by the Board and take into account external expectations of performance. The functional goals are agreed by the Remuneration Committee at the start of, and are monitored throughout, the year.

> Longer term incentive – for selected groups, a longer term incentive targeted at the achievement of strategic objectives with close alignment to the interests of shareholders.

> Pension arrangements which are appropriate to the relevant national market.

> Other benefits such as holidays and sickness benefit which are cost-effective and compatible with the relevant national welfare arrangements.

- Share participation – various plans provide the opportunity for employees to take a personal stake in the Company's wealth creation as shareholders.

The way in which these elements are combined and applied varies depending, for example, on market need and practice in various countries.

In 2004, for each Executive Director, the individual components were:

- Annual salary – the actual salary for each of the Executive Directors is determined by the Remuneration Committee on behalf of the Board and established in sterling. These salaries reflect the experience and sustained performance of the individuals to whom they apply, as judged annually by the Remuneration Committee, taking account also of market competitiveness and the level of increases applicable to all other employees.
- Short term bonus:
  - The Chief Executive was eligible for an annual bonus related solely to the achievement of the targeted performance of earnings per share. The bonus payable was on a scale of 0-100% of salary and 50% of salary was payable for the achievement of target performance. This was derived from the financial targets set by the Board and took into account external expectations of performance. The bonus was not pensionable. In the light of the disappointing setbacks with *Exanta* and *Iressa* in 2004, the Remuneration Committee and Sir Tom McKillop agreed a reduction in his bonus. It was agreed that his bonus for 2004 should be reduced to a sum equivalent to 50% of the bonus he received in respect of 2003. This amounts to £430,000 ($782,000). The Remuneration Committee was also mindful in setting the bonus for 2004 that all employees, including Sir Tom McKillop, who had an interest in shares throughout 2004, had seen the value of their shares fall significantly during the year, in common with other shareholders.
  - The Chief Financial Officer was eligible for an annual bonus related to the achievement of both the targeted performance of earnings per share and the achievement of performance measures relevant to his particular area of responsibility. The bonus payable was on a scale of 0-100% of salary and 50% of salary was payable for the achievement of target business performance. 80% of the bonus related to the achievement of the earnings per share target and 20% to the other performance measures. The bonus was not pensionable.
- Longer term incentive – Executive Directors are also rewarded for improvement in the share price performance of the Company over a period of years by the grant of share options. The grant of options under the AstraZeneca Share Option Plan is determined by the Remuneration Committee, as are the performance targets that will apply and whether they will apply to the grant and/or exercise of options – this is described in more detail below.
- Pension arrangements – the table on page 16 gives details of the changes in the value of the Executive Directors' accrued pensions during 2004:
  - UK Executive Directors' pension arrangements – the Chief Executive is a member of the Company's main UK defined benefit pension plan. The normal pension age under this plan is 62. However, a member's accrued pension is available from age 60 without any actuarial reduction. In addition the accrued pension is available, unreduced, from age 57 if the Company consents to a request for early retirement and from age 50 if the retirement is at the Company's request.

    On death in retirement, the accrued pension is guaranteed payable for the first five years of retirement and then reduces to two-thirds of this amount should there be a surviving spouse or other dependant. Any member may choose higher or lower levels of survivor's pensions at retirement, subject to Inland Revenue limits, in return for an adjustment to their own pension of equivalent actuarial value. Pensions are also payable to dependant children. In the event of a senior employee becoming incapacitated, then a pension is payable immediately as if such person had reached normal retirement age (subject to a maximum of 10 years additional service), based on current pensionable salary. In the event of death prior to retirement, dependants are entitled to a pension of two-thirds of the pension that would have been earned had such person remained in service to age 62 plus a capital sum of four times pensionable pay. Pensions in payment are increased annually in line with inflation, as measured by the UK Retail Prices Index, up to a maximum of 5%.

    In respect of UK Executive Directors whose pensionable earnings are capped by the earnings limit imposed by the Finance Act 1989, unapproved defined contribution schemes are made available. Currently, only the Chief Financial Officer is affected by this limit. The Company has agreed to pay annually 50% of base salary in excess of the statutory earnings cap for the pension and associated tax liability, with the intention of providing equivalence of benefits with non-capped UK Executive Directors. If this does not provide equivalence, the Company has agreed to make up the difference. The benefits derived from equivalence are shown in the table on page 16 as if the scheme were a defined benefit arrangement. The Company contribution in 2004 in respect of the pension element was £124,000 ($225,000).

Other customary benefits (such as a car and health benefits) are also made available through participation in the Company's flexible benefits arrangements, which extend to the vast majority of the Company's UK and Swedish employees.

Measurement of performance

Each year, as referred to above, both short term and longer term objectives are agreed with the Board and regularly monitored in respect of both individual business functions and integrated corporate strategy in the business performance report. Performance against these objectives determines functional bonuses and, separately, whether or not share options will be granted.

In respect of bonuses in 2004, relevant factors included financial results ahead of expectations and excellent progress in key areas. Earnings per share increased by 18%; global sales increased by 9% overall and by 30% in key growth products (all at constant exchange rates), with particularly strong performance in emerging markets. In Research, all targets for new compounds were exceeded; in Development, good progress was made in the restructuring of the clinical and regulatory function; in Operations, there was excellent performance in customer satisfaction, supply chain management and financial control. Bonus outcomes reflected the variety of functional performance in the context of overall business success and the disappointments in the year.

AstraZeneca Share Option Plan

The AstraZeneca Share Option Plan was approved at the AGM in 2000 following prior consultation with major shareholders. Its design took account of the overall competitiveness of the Company's remuneration arrangements for senior executives and US employees in the context of the Company's peers in the pharmaceutical industry.

The Remuneration Committee must on every occasion, before agreeing the grant of options to Executive Directors and others, be satisfied that the most recent and also the underlying performance of the Company justifies the grant; in addition it must be satisfied that the necessary performance has been achieved by each individual.

In agreeing grants of options in 2004 (which occurred before the disappointing events relating to *Exanta* and *Iressa*), the Remuneration Committee took into account, the fact that the Company, when compared with its peer group of international pharmaceutical companies, was ranked first in terms of both relative share price and total shareholder return over the three year period January 2001 to January 2004; in 2003, the loss of $2.6 billion in sales to generic competition was compensated for by strong growth in the sales of newer products, with the sales of those newer products representing 44% of total sales in 2003; strong sales growth (at constant exchange rates) in 2003 for *Nexium* (up 62% to $3.3 billion), *Seroquel* (up 27% to $1.5 billion), *Symbicort* (up 61% to $549 million) and *Arimidex* (up 46% to $519 million); good progress was made with cost control initiatives and other efficiency initiatives resulting in significant savings in the area of purchasing and more effective working practices and clinical productivity in R&D. Further positive steps were taken with regard to issues in the areas of corporate responsibility, governance and access to medicines.

The Remuneration Committee also sought and received assurances that all individuals proposed for a grant of options had been confirmed as performing in a manner that justified a grant to them. It was noted that there was some variation in the level of grants being proposed between individuals, to reflect differing levels of performance.

The dilutive effect of the proposed grants of options on the Company's issued share capital was also considered by the Remuneration Committee, in accordance with the commitment, given that the percentage of the issued share capital which could be allocated under all of the Company's employee share plans over a period of ten years should be under 10%; this commitment is applied by the Remuneration Committee in practice as a limit, on average, of under 1% per annum.

The Remuneration Committee concluded that a grant of options to those plan participants and individual Executive Directors proposed for a grant was appropriate given the level of performance achieved. For the grants of options in 2004 to members of the Senior Executive Team, the Remuneration Committee requested that a condition be included to the effect that if an event occurred which caused material reputational damage to the Company such that it was not appropriate for the options to vest and become exercisable, then the Remuneration Committee could make a determination to that effect.

Review of executive remuneration

In 2000, the Company volunteered a commitment that a review of practice would take place in five years, taking account of the view of the Company's shareholders and the needs of the business at that time. This review took place during 2004.

The Remuneration Committee reviewed its basic philosophy and confirmed that in seeking to achieve sustained growth in shareholder value it would demand the highest level of performance from all employees with the Company conducting itself in a fair and moderate way, maintaining the highest standards of social responsibility and corporate governance. In order to achieve this, it must attract and retain Executive Directors and other senior executives of the highest quality, competing for them in the global employment market and providing appropriate rewards directly linked to top performance.

In the last five years, the Company has honoured its promise regarding shareholder dilution. Grants of options under the AstraZeneca Share Option Plan worldwide have amounted to 2.71% (plus 0.45% under the old Zeneca 1994 Executive Share Option Scheme). Dilution under other share plans has been 0.36%.

During this time, the Company has intensified its action to align reward directly with performance. For example, the business performance report has been developed as described above. This contains the short and long term strategic objectives agreed annually with the Board and cascaded down throughout the Company; these are monitored quarterly and determine both short term bonus and long term awards. In addition, the reward of employees at all levels has become increasingly differentiated based on their individual performance.

In the review, the Remuneration Committee confirmed that the reward package of Executive Directors should be primarily benchmarked against major UK based companies with global operations similar to those of AstraZeneca, as opposed to alignment with the global industry practice. However, in appropriately balancing the total package towards the delivery of award for demonstrable performance, bonuses and incentives should provide for upper quartile opportunity for upper quartile performance.

During 2004, the Remuneration Committee sought the views of major shareholders. As it is five years since the last major review, the Committee identified that the competitive market place in major UK companies had developed and shareholder expectations had also changed. The Remuneration Committee has taken the views of shareholders into account in formulating proposals which focus upon performance-related pay and strengthened the links to measures which are aligned to the creation of shareholder value. These proposals, primarily for the Senior Executive Team, are closely aligned to current best practice and include:

> An increase in the annual bonus opportunity linked to a broader assessment of performance together with a requirement for the Senior Executive Team to defer a portion of their bonus earned into shares for a period of three years. As a result of the most recent consultation, the basis of determining the annual bonus for the Senior Executive Team will be changed. In the past, the whole of the bonus of the Chief Executive and 80% of those of the others was determined by reference to earnings per share. For 2005, 50% will be determined by earnings per share, 25% by measures relating to the individual's particular area of responsibility and 25% by a balance of qualitative and quantitative measures which address the quality of business performance. The Remuneration Committee would reserve the right to modify the bonus outcome if it believed it did not reflect the underlying performance of the business.

> The introduction of performance conditions on exercise of options granted under the AstraZeneca Share Option Plan with no re-test facility, in order to bring our policy in line with best practice.

> A requirement for executives to hold shares equivalent to one-times salary, and to retain the net number of shares acquired under the AstraZeneca Share Option Plan for at least six months after the option is exercised.

> Subject to a shareholder vote at the AGM, the introduction of a new performance share plan based on the Company's total shareholder return relative to a global industry peer group. This test would be underpinned by the requirement of the Remuneration Committee to satisfy itself that any total shareholder return rewarded was a genuine reflection of the Company's underlying performance and it would explain its reasoning in the subsequent Directors' Remuneration Report.

The Board and the Remuneration Committee believe that bringing bonus and long term incentive opportunities closer to the market, subject to demanding performance conditions, will appropriately rebalance the proportion of reward so that variable performance-related pay is dominant and will significantly improve the Company's ability to attract and retain executives of the quality necessary to lead AstraZeneca in the future.

Executive Directors' service contracts

The service contracts of the current Executive Directors provide for a notice period of one year. For new Executive Directors, the Board would aim to negotiate a one year notice period. In exceptional circumstances, the initial notice period may be for longer than one year. In those circumstances, the Board would explain to shareholders the reasons why it believed a longer notice period was necessary and it would be the Board's intention that it should be reduced to one year subsequently. At the time of the AGM on 28 April 2005, the unexpired term of Executive Directors' service contracts will be a maximum of one year. The details of the Executive Directors' individual service contracts are set out in the table below. In the event of the termination of an Executive Director's service contract, depending upon the circumstances, the Company may be liable to provide compensation to the Executive Director equivalent to the benefits which he or she would have received during the contractual notice period. For current Executive Directors, it is the Company's expectation that any such liability would be calculated on the basis of one year's base salary, target bonus and other benefits. The Company's policy in the event of the termination of an Executive Director's service contract is to avoid any liability to the Executive Director in excess of his or her contractual entitlement and aim to ensure that any liability is mitigated to the fullest extent possible.

Details of Executive Directors' service contracts at 31 December 2004

Executive Director	Date of service contract	Unexpired term at 31 December 2004	Notice period
Sir Tom McKillop	11.01.96	One year	One year
Jonathan Symonds	20.05.98	One year	One year

Arrangements for Håkan Mogren and Åke Stavling

Håkan Mogren, formerly Executive Deputy Chairman, ceased to be an Executive Director and employee of the Company and became Non-Executive Deputy Chairman at the end of August 2003. Dr Mogren's remuneration arrangements as a result of this change were considered and approved by the Remuneration Committee in 2003, based on existing contracts and practice, and were fully disclosed in the Directors' Remuneration Report for 2003. Under these arrangements, Dr Mogren received compensation from the Company which was paid on a monthly basis until the end of August 2004. The sum received by Dr Mogren in respect of this compensation in 2004 is included in the disclosure of Directors' emoluments on page 15.

Åke Stavling, formerly an Executive Director, left the Company at the end of January 2003. Mr Stavling's leaving arrangements were considered and approved by the Remuneration Committee in 2002, based on existing contracts and practice, and were fully disclosed in the Directors' Remuneration Report for 2003. Under these arrangements, Mr Stavling is receiving compensation from the Company which is being paid on a monthly basis until the end of January 2005. The amount of this compensation is equivalent to two years' base annual salary. Mr Stavling was entitled to a notice period of two years under his service contract at the time he left the Company. The sum received by Mr Stavling in respect of this compensation in 2004 is included in the disclosure of Directors' emoluments on page 15.

Position of the Non-Executive Directors

None of the Non-Executive Directors has a service contract. They are not eligible for performance-related bonuses or the grant of share options. No pension contributions are made on their behalf. The fees payable to the Non-Executive Directors are set by a committee of the Board comprising the Executive Directors.

External appointments and retention of fees

With the specific approval of the Board in each case, Executive Directors may accept external appointments as non-executive directors of other companies and retain any related fees paid to them.

Sir Tom McKillop, Chief Executive, served as a Non-Executive Director of Lloyds TSB Group plc until 31 December 2004. He was appointed as a Non-Executive Director of BP p.l.c. on 1 July 2004. In respect of each position, he retained the fees paid to him for his services. In 2004, the total amount of such fees paid to him in respect of these services was £90,000.

Jonathan Symonds, Chief Financial Officer, served as a Non-Executive Director of QinetiQ Group plc until 30 June 2004. He was appointed as a Non-Executive Director of Diageo plc on 1 May 2004. In respect of each position, he retained the fees paid to him for his services. In 2004, the total amount of such fees paid to him in respect of these services was £55,500. Mr Symonds also receives and retains fees of £15,000 per annum for his position as a member of the UK Accounting Standards Board.

Directors' emoluments in 2004

The Directors' emoluments in 2004 are disclosed on pages 15 to 16.

Directors' interests in shares

Details of the Directors' interests in the Company's Ordinary Shares are disclosed on pages 17 to 18.

Audit

The Directors' emoluments in 2004 and the details of the Directors' interests in the Company's Ordinary Shares disclosed on pages 15 to 18 have been audited by the Company's external auditor.

Directors' emoluments in 2004

The aggregate remuneration, excluding pension contributions, paid to or accrued for all Directors and officers of the Company for services in all capacities during the year ended 31 December 2004 was £10 million ($17 million). Remuneration of individual Directors is set out below in sterling and US dollars. All salaries, fees and bonuses for Directors are established in sterling.

Sterling	Salary and fees £'000	Bonuses £'000	Taxable benefits £'000	Other £'000	**Total 2004 £'000**	Total 2003 £'000	Total 2002 £'000
Percy Barnevik	250	–	–	–	**250**	250	250
Sir Tom McKillop	958	430	1	22[1]	**1,411**	1,790	1,479
Jonathan Symonds	559	314	7	90[2]	**970**	1,071	909
Sir Peter Bonfield	76	–	–	–	**76**	74	46
John Buchanan	61	–	–	–	**61**	53	33[4]
Jane Henney	54	–	–	–	**54**	49	60
Michele Hooper	43	–	–	–	**43**	19[4]	–
Joe Jimenez	43	–	–	–	**43**	19[4]	–
Håkan Mogren	29[4]	–	–	450[3]	**479**	1,246	1,347
Erna Möller	54	–	–	–	**54**	49	62
Dame Bridget Ogilvie	54	–	–	–	**54**	49	62
Louis Schweitzer	31[4]	–	–	–	**31**	–	–
Marcus Wallenberg	46	–	–	–	**46**	46	42
Former Directors							
Karl von der Heyden	19[4]	–	–	–	**19**	55	47
Åke Stavling	–	–	–	435[3]	**435**	489	835
Others	–	–	–	–	**–**	–	621
Total	2,277	744	8	997	**4,026**	5,259	5,793

[1] Relates to relocation allowances; [2] Payment for pension related tax liabilities; [3] Compensation payment; [4] Part year only.

US dollars	Salary and fees $'000	Bonuses $'000	Taxable benefits $'000	Other $'000	**Total 2004 $'000**	Total 2003 $'000	Total 2002 $'000
Percy Barnevik	455	–	–	–	**455**	403	373
Sir Tom McKillop	1,742	782	2	40[1]	**2,566**	2,886	2,208
Jonathan Symonds	1,016	571	13	164[2]	**1,764**	1,726	1,357
Sir Peter Bonfield	138	–	–	–	**138**	119	68
John Buchanan	111	–	–	–	**111**	86	49[4]
Jane Henney	98	–	–	–	**98**	79	90
Michele Hooper	78	–	–	–	**78**	31[4]	–
Joe Jimenez	78	–	–	–	**78**	31[4]	–
Håkan Mogren	53[4]	–	–	818[3]	**871**	2,008	2,010
Erna Möller	98	–	–	–	**98**	79	93
Dame Bridget Ogilvie	98	–	–	–	**98**	79	93
Louis Schweitzer	56[4]	–	–	–	**56**	–	–
Marcus Wallenberg	84	–	–	–	**84**	74	63
Former Directors							
Karl von der Heyden	35[4]	–	–	–	**35**	89	70
Åke Stavling	–	–	–	791[3]	**791**	788	1,246
Others	–	–	–	–	**–**	–	927
Total	4,140	1,353	15	1,813	**7,321**	8,478	8,647

[1] Relates to relocation allowances; [2] Payment for pension related tax liabilities; [3] Compensation payment; [4] Part year only.

As described fully in the AstraZeneca Annual Report and Form 20-F Information 2003 and noted on page 63 of the Directors' Remuneration Report for 2004, compensation payments to Håkan Mogren and Åke Stavling were £450,000 ($818,000) and £435,000 ($791,000), respectively and are included within Other in the above tables.

Directors' emoluments in 2004 (continued)

The remuneration of Directors is or was in the case of former Directors (with minor exceptions) established in sterling and has been converted into US dollars in the second table on page 15 at the average exchange rate for the year in question. These rates were:

	GBP/USD
2002	0.67
2003	0.62
2004	0.55

Some Directors and officers were also granted options to subscribe for Ordinary Shares under the Company's share option plans. Details of share options granted to, and exercised by, Directors and the aggregate of gains realised on exercised options in the year are given on page 18.

No Director or officer has a family relationship with any other Director or officer.

Pensions

Pensions are payable to Directors in sterling. For ease of understanding, the whole table has been presented in both sterling and dollars using the exchange rates for 2004 set out above.

Executive Directors' Pension Arrangements (per annum)	Sir Tom McKillop £'000	Jonathan Symonds £'000	Sir Tom McKillop $'000	Jonathan Symonds $'000
Defined Benefit Arrangements				
1. Accrued pension at 1 January 2004	575	214	1,046	389
2. Increase in accrued pension during year as a result of inflation	18	7	33	13
3. Adjustment to accrued pension as a result of salary increase relative to inflation	9	2	16	4
4. Increase in accrued pension as a result of additional service	–	11	–	20
5. Accrued pension at 31 December 2004	602	234	1,095	426
6. Employee contributions during year	–	20	–	36
7. Transfer value of accrued pension at 31 December 2003	10,773	1,879	19,587	3,416
8. Transfer value of accrued pension at 31 December 2004	11,585	2,190	21,064	3,982
9. Change in transfer value during the period less employee contributions	812	291	1,477	530
10. Age at 31 December 2004	$61\frac{9}{12}$	$45\frac{10}{12}$	$61\frac{9}{12}$	$45\frac{10}{12}$
11. Pensionable service (years)	$35\frac{3}{12}$	$24\frac{4}{12}$	$35\frac{3}{12}$	$24\frac{4}{12}$

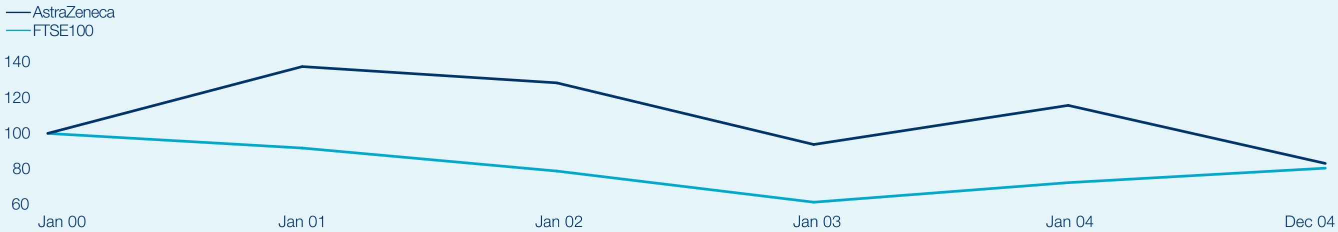
Transactions with Directors

There were no material recorded transactions between the Company and the Directors during 2004 or 2003.

Graph showing total shareholder return

The UK Directors' Remuneration Report Regulations 2002 require the inclusion in the Directors' Remuneration Report of a graph showing total shareholder return (TSR) over a five year period in respect of a holding of the Company's shares, plotted against TSR in respect of a hypothetical holding of shares of a similar kind and number by reference to which a broad equity market index is calculated. This illustrates the Company's TSR performance against the broad equity market index selected. The Company is a member of the FTSE 100 Index and consequently, for the purposes of this graph which is set out below, we have selected the FTSE 100 Index as the appropriate index.

Graph showing total shareholder return
1 January 2000 – 31 December 2004



Source: Thomson Financial Datastream

Directors' interests in shares

The interests at 31 December 2004 or on date of retirement of the persons who on that date were Directors (including the interests of their families) in shares and debentures of AstraZeneca PLC are shown below, all of which were beneficial except as otherwise stated. None of the Directors has a beneficial interest in the shares of any of the Company's subsidiaries.

	Interest in Ordinary Shares at 1 Jan 2004 or appointment date	Net shares acquired/ (disposed)	Interest in Ordinary Shares at 31 Dec 2004 or resignation date
Louis Schweitzer	4,000	–	4,000
Percy Barnevik	50,000	–	50,000
Håkan Mogren	62,164	–	62,164
Sir Tom McKillop	77,835	–	77,835
Jonathan Symonds	10,929	–	10,929
Sir Peter Bonfield	500	–	500
John Buchanan	500	–	500
Jane Henney	500	–	500
Michele Hooper	500	–	500
Joe Jimenez	500	–	500
Erna Möller	2,718	–	2,718
Dame Bridget Ogilvie	500	–	500
Marcus Wallenberg	74,504	(3,622)	70,882
Former Directors			
Karl von der Heyden	20,000	–	20,000

No Director or senior executive beneficially owns, or has options over, 1% or more of the outstanding shares of the Company, nor do they have different voting rights to other shareholders.

The interests of Directors and former Directors in options to subscribe for Ordinary Shares of the Company, which include options granted under the AstraZeneca Savings-Related Share Option Scheme, together with options granted and exercised during the year, are included in the following table:

		No. of shares under option	Exercise price per share†	Market price at date of exercise	First date exercisable*	Last date exercisable*
Håkan Mogren	At 1 Jan 2004	244,896	2848p		13.12.02	24.03.13
	– market price above option price	65,551	2231p		25.03.06	24.03.13
	– market price below option price	179,345	3073p		13.12.02	27.03.12
	At 31 Dec 2004	244,896	2848p		13.12.02	24.03.13
	– market price above option price	–				
	– market price below option price	244,896	2848p		13.12.02	24.03.13
Sir Tom McKillop	At 1 Jan 2004	453,242	2555p		27.03.98	24.03.13
	– market price above option price	256,350	2013p		27.03.98	24.03.13
	– market price below option price	196,892	3260p		16.03.03	27.03.12
	Granted	118,622	2529p		26.03.07	25.03.14
	At 31 Dec 2004	571,864	2549p		27.03.98	25.03.14
	– market price above option price	79,184	1311p		27.03.98	03.04.07
	– market price below option price	492,680	2748p		26.03.01	25.03.14
Jonathan Symonds	At 1 Jan 2004	208,388	2691p		01.10.00	24.03.13
	– market price above option price	121,444	2271p		01.10.00	24.03.13
	– market price below option price	86,944	3277p		23.08.03	27.03.12
	Granted	44,049	2529p		26.03.07	25.03.14
	Granted	418	2262p		01.12.07	31.05.08
	At 31 Dec 2004	252,855	2662p		01.10.00	25.03.14
	– market price above option price	–				
	– market price below option price	252,855	2662p		01.10.00	25.03.14

† Exercise prices are weighted averages.
* First and last exercise dates of groups of options, within which periods there are shorter exercise periods.

In addition to the above, the following Directors or former Directors held options under the Astra Shareholder Value Incentive Plan which were converted into options over AstraZeneca shares on completion of the merger based on an exchange ratio of 0.5045 AstraZeneca options for each Astra option held. No further options have been or will be granted under the scheme:

Astra SVIP Options

		No. of shares under option	Exercise price per share†	Market price at date of exercise	First date exercisable*	Last date exercisable*
Håkan Mogren	At 1 Jan 2004	16,288	429.38SEK		06.04.99	23.01.06
	– market price above option price	–				
	– market price below option price	16,288	429.38SEK		06.04.99	23.01.06
	At 31 Dec 2004	16,288	429.38SEK		06.04.99	23.01.06
	– market price above option price	–				
	– market price below option price	16,288	429.38SEK		06.04.99	23.01.06

† Exercise prices are weighted averages.
* First and last exercise dates of groups of options, within which periods there are shorter exercise periods.

The aggregate amount of gains made by Directors on the exercise of share options during the year amounted to $nil (2003 $0.5 million, 2002 $0.4 million) and the gains made by the highest paid Director were $nil (2003 $470,000, 2002 $nil). The market price of shares trading on the London Stock Exchange at 31 December 2004 was 1889 pence and the range during 2004 was 1863 pence to 2749 pence. The market price of shares trading on the Stockholm Stock Exchange at 31 December 2004 was 241.50 SEK and the range during 2004 was 237.50 SEK to 374.00 SEK. The Register of Directors' Interests (which is open to inspection) contains full details of Directors' shareholdings and options to subscribe for Ordinary Shares.

On behalf of the Board
G H R Musker
Group Secretary and Solicitor
27 January 2005

Appendix 2: Summary of the AstraZeneca Performance Share Plan

Introduction

The AstraZeneca Performance Share Plan (the "Plan") provides for the grant of performance share awards ("Awards") as described below.

Objectives of the Plan

Currently, executive share options are the sole form of long term incentive outside the US. Following the Remuneration Committee's recent review of executive remuneration, the Remuneration Committee has decided to propose a performance share plan, not only to link more closely executive reward to the achievement of long term performance targets and shareholder value creation, but also to ensure that the total reward potential for Executive Directors and the Senior Executive Team is competitive.

Nature of Awards

Awards will be in respect of Ordinary Shares in AstraZeneca PLC ("Shares") (which may be delivered in the form of American Depositary Shares in the US) and, subject to the exceptional circumstances referred to below, their vesting is contingent on the satisfaction of specified performance target(s) and continued employment with the AstraZeneca group. Awards are not pensionable and may not be assigned or transferred, except on a participant's death, when they may be assigned to the participant's personal representatives.

The basis of participation

The Remuneration Committee will have responsibility for agreeing any Awards under the Plan and for setting the policy for the way in which the Plan should be operated, including agreeing performance targets and which employees should be invited to participate in the Plan. All employees of the Company and its subsidiaries, including Executive Directors, are eligible to participate, although an employee may not be granted an Award if he or she is within six months from retirement.

Grant of Awards

Generally, Awards can be granted at any time, but not during a close period of the Company. The first grant of Awards is intended to be made as soon as practicable following approval of the Plan at the Annual General Meeting. Thereafter, the majority of Awards are likely to be made at or around the same time as options are granted under the AstraZeneca Share Option Plan. No payment is required for the grant of Awards. All Shares allotted under the Plan will carry the same rights as all other issued Ordinary Shares in the Company and application will be made for the Shares to be listed on the London Stock Exchange.

If there is a variation in the share capital of the Company, the Awards may be adjusted to reflect that variation.

Limits on the issue of Shares under the Plan

Under the terms of the Plan, in any 10 year period the use of new issue or treasury Shares under the Plan and any other employees' share scheme established by the Company, is limited to 10% of the issued share capital of the Company from time to time.

To the extent that Shares to satisfy Awards under the Plan are purchased, this may be done through the AstraZeneca Employee Benefit Trust (the "Trust") which is being established at the same time as the Plan. The Trust will be resident in Guernsey and its trustee will be an independent professional trustee company. It will not be entitled to hold 5% or more of the Company's issued share capital without the prior approval of shareholders nor will it vote at shareholders' meetings in respect of any Shares it holds which have not vested.

Performance period

An Award may not generally vest before the third anniversary of its date of grant nor unless the specified performance target(s) have been met at the end of a three year period.

Performance targets

For the initial Award to be made after the Plan has been approved by shareholders, the performance target will be the Company's Total Shareholder Return ("TSR") compared to the TSR of a selected peer group of 12 other pharmaceutical companies. Currently these companies are:

Abbott Laboratories, Bristol Myers Squibb, Eli Lilly, GlaxoSmithKline, Johnson & Johnson, Merck, Novartis, Pfizer, Roche, Sanofi-Aventis, Schering-Plough and Wyeth.

Awards will vest on the basis of the vesting schedule set out below:

TSR Ranking of the Company	Vesting Percentage of Shares under Award
Below Median	0%
Median	30%
Upper quartile	100%
Between median and upper quartile	Pro rata

In addition to the TSR performance target being met as set out above, the Remuneration Committee must also be satisfied that achievement of the TSR performance target is a genuine reflection of the Company's underlying financial performance.

The Remuneration Committee will have discretion to vest up to a further 25% of the Shares subject to the Award if the Company's TSR performance were substantially above that of the upper quartile of the comparator group.

To alleviate any short term volatility, the return index will be averaged in the TSR calculations for each company over the three months prior to the start and end of the performance period.

The Remuneration Committee may vary or waive the performance target(s) applying to an Award to take account of events which lead the Remuneration Committee, acting fairly and reasonably, to believe that the performance target(s) is no longer appropriate. Any variation to the performance target(s) made by the Remuneration Committee will not result in the varied performance target(s) being, in the opinion of the Remuneration Committee, more difficult or easier to satisfy than the initial performance target(s).

Individual limit

In respect of any financial year, the maximum market value of Shares which may be put under Award in respect of an employee will be 500% of that employee's basic salary. This limit excludes the additional Shares which may vest as described above, at the sole discretion of the Remuneration Committee, if the Company's TSR performance were substantially above that of the upper quartile of the comparator group. As referred to above, the number of additional Shares which may vest in such circumstances will not exceed 25% of the total number of Shares the subject of the Award on the date of grant.

The actual individual limits which will apply under the Plan will be set by the Remuneration Committee from time to time and the individual limit described above is the maximum permitted under the Plan. For example, the face value of the initial Award for the Chief Executive will be 250% of basic salary, with all of this initial award only being available if AstraZeneca's performance were at the upper quartile level of performance in the peer group over the first three year period.

Rights attaching to Shares prior to the vesting of Awards

A participant has no rights in relation to the Award or to the Shares which are the subject of the Award until it has vested.

Cessation of employment before an Award has vested

If a participant ceases employment with the AstraZeneca group before an Award has vested at the end of the relevant period, his or her Award(s) will generally lapse. However, if a participant dies or leaves employment in certain circumstances such as ill health, injury, disability, retirement, redundancy or his or her employing business being sold or transferred outside the AstraZeneca group, the Award will vest pro rata to the time elapsed between the date of grant of the Award and the date of cessation of employment at the end of the relevant performance period, subject to the satisfaction of the performance target(s) measured over the relevant performance period. However, the Remuneration Committee may permit the Award to vest immediately on cessation of employment to the extent that the performance target(s) has been met from the date of grant to the date of cessation of employment. If the Remuneration Committee believes that exceptional circumstances warrant this, it may exercise its discretion to vest the Award on another basis. Any Award of a participant whose employment has been terminated for gross misconduct will lapse immediately on termination.

Payment on account of dividends

The participant may receive an amount (in cash or shares) equivalent to the accrued dividends in respect of the proportion (if any) of the Award that actually vests.

Transfer or issue of shares once the Award has vested

Once a participant's Award has vested, the relevant number of Shares will be transferred or issued to the participant as soon as practicable.

Change of control

If there is a change of control of AstraZeneca PLC, Shares will vest on the change of control, pro rata to the time elapsed between the date of grant of an Award and the change of control, to the extent that the performance target(s) has been met up to the date of the change of control (or the most practicable earlier date having regard to the relevant performance target(s)). The Remuneration Committee will, in addition, and if it believes that exceptional circumstances warrant this, have discretion to take into account any other factors it believes to be relevant in determining the extent to which Awards will vest in these circumstances.

Duration of the Plan

No Award may be granted after ten years from the date of shareholder approval of the Plan.

The Remuneration Committee intends to consider, on a regular basis, whether the Plan continues to meet its objectives, and will undertake a more wide-ranging review not later than the fifth anniversary of its approval by shareholders.

Amending the rules of the Plan

The Company (acting through the Board or the Remuneration Committee) will have authority to amend the rules of the Plan, provided that no amendment to the advantage of participants may be made to provisions relating to:

> who can be a participant;

> the limits on the number of Shares which can be issued under the Plan;

> the basis for determining a participant's entitlement to Shares and the terms on which they can be acquired; and

> any adjustment in the event of a variation in the Company's share capital

without the prior approval of shareholders in general meeting unless the amendment is minor and made to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment.

Additional schedules to the rules can be incorporated to operate the Plan outside the UK. These schedules can vary the rules of the Plan to take account of any securities, exchange control or taxation laws or regulations. The Shares issued for these purposes will count towards the overall limit of Shares issued under the Plan.

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