

FINANCIAL HIGHLIGHTS

Growth rates represent underlying performance, which shows growth at constant exchange rates (CER) by excluding the effects of exchange rate movements. Underlying CER growth is calculated by retranslating the current year's performance at the previous year's exchange rates and adjusting for other exchange effects, including hedging.

SALES \$M		
		GROWTH
07	29,559	+7%
06	26,475	+11%
05	23,950	+10%

OPERATING PROFIT \$M		
		GROWTH
07 ¹	9,060	+8%
07	8,094	-4%
06	8,216	+28%
05	6,502	+39%

PROFIT BEFORE TAX \$M		
		GROWTH
07 ¹	8,949	+2%
07	7,983	-9%
06	8,543	+29%
05	6,667	+41%

EARNINGS PER ORDINARY SHARE \$		
		GROWTH
07 ¹	4.20	+7%
07	3.74	-5%
06	3.86	+34%
05	2.91	+41%

R&D INVESTMENT \$M		
		GROWTH
07 ¹	5,089	+22%
07	5,162	+24%
06	3,902	+16%
05	3,379	-4%

SG&A COSTS \$M		
		GROWTH
07 ¹	9,886	+4%
07	10,364	+9%
06	9,096	+5%
05	8,695	+4%

RETURNS TO SHAREHOLDERS – DIVIDENDS AND SHARE RE-PURCHASES \$M		
07	6,811	
06	6,367	
05	4,718	

¹ Excluding restructuring and synergy costs.

PRODUCT PERFORMANCE SUMMARY \$M

NEXIUM -2%

07	5,216
06	5,182
05	4,633

SEROQUEL +15%

07	4,027
06	3,416
05	2,761

CRESTOR +33%

07	2,796
06	2,028
05	1,268

ARIMIDEX +10%

07	1,730
06	1,508
05	1,181

SYMBICORT +22%

07	1,575
06	1,184
05	1,006

PULMICORT +10%

07	1,454
06	1,292
05	1,162

SELOKEN/TOPROL-XL -22%

07	1,438
06	1,795
05	1,735

CASODEX +6%

07	1,335
06	1,206
05	1,123

ATACAND +9%

07	1,287
06	1,110
05	974

LOSEC/PRILOSEC -20%

07	1,143
06	1,371
05	1,652

ZOLADEX +4%

07	1,104
06	1,008
05	1,004

MERREM +20%

07	773
06	604
05	505

SYNAGIS¹

07	618
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FLUMIST¹

07	53
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¹ Sales of MedImmune products are consolidated in AstraZeneca accounts from 1 June 2007. As a result, there are no prior period sales included.

DIVIDEND FOR 2007

	\$	Pence	SEK	Payment date
First interim dividend	0.52	25.3	3.49	17 September 2007
Second interim dividend	1.35	67.7	8.61	17 March 2008
Total	1.87	93.0	12.10	

GOALS, STRATEGY AND PERFORMANCE MEASUREMENT

CREATING VALUE FOR SHAREHOLDERS BY MAKING THE MOST MEANINGFUL DIFFERENCE TO PATIENT HEALTH THROUGH GREAT MEDICINES.

GOALS AND STRATEGY

Our overall goal is to create enduring value for shareholders by being one of the best-performing pharmaceutical companies and making the most meaningful difference to patient health through great medicines.

Our strategy centres on four main priorities:

Strengthen the pipeline

We are focused on improving the speed and quality of our R&D and gaining access to the right external opportunities to broaden our research base, to make us one of the fastest and most productive companies in the industry.

Our goals are to:

- > Achieve a median eight-year product development cycle for small molecule medicines and biologics by 2010.
- > Deliver two new molecular entity (NME) launches per year from 2010.
- > In order to achieve these target NME launches per year, ensure that we have 10 or more NMEs in phase III development by 2010.

Our strategic initiatives include:

- > Improving R&D quality and speed through leading-edge science, effective risk management and decision-making and overall business efficiency.
- > Maximising the value of our biologics business, MedImmune, and continuing to build a major presence in this fast-growing sector.
- > Investing in attractive external opportunities to enhance our internal innovation through partnerships, alliances and acquisitions that further strengthen our pipeline of new products.

Grow the business

We continue to drive the levels of commercial excellence that will maintain our position among the industry world leaders.

Our goals are to:

- > Deliver overall sales growth in line with market growth.
- > Achieve our sales growth targets in key markets.
- > Profitably launch our own and our in-licensed products.

Strategic initiatives include:

- > Actively and rigorously developing our brands to bring further benefits to patients, and maximising the commercial potential of our range of products.
- > Driving high standards of sales force effectiveness, marketing excellence and customer support by working closely with patients and their healthcare providers to understand what they need and what they value.
- > Building on our leadership positions in existing markets and expanding our presence in important emerging ones.

Reshape the business

We are working to create an organisation with the flexibility and financial strength to adapt quickly and effectively within a challenging and rapidly changing business environment.

Our goals are to:

- > Maintain our gross profit margin.
- > Efficiently deliver on our R&D investment.
- > Achieve upper quartile industry performance in relation to our selling, general and administrative (SG&A) costs.
- > Achieve our target for procurement savings.

Strategic initiatives include:

- > Reviewing our Operations (manufacturing and supply) assets.
- > R&D efficiency improvements.
- > Efficiency programmes in support functions such as Information Systems, Finance, HR and in the area of procurement.

Promote a culture of responsibility and accountability

We aim to create an organisation that is recognised not only for the skills, experience and quality of our people, but also for the integrity with which we conduct our business.

Our goals are to:

- > Achieve an upper quartile industry ranking for employee engagement.
- > Ensure that a culture of ethics, integrity and compliance is embedded in all of our business practices.
- > Ensure that our reputation is favourable and supports our continued success.

Strategic initiatives include:

- > Investing in leadership development.
- > Driving the accountability of managers for the performance of their people.
- > Integrating corporate responsibility considerations into everyday business thinking and decision-making.