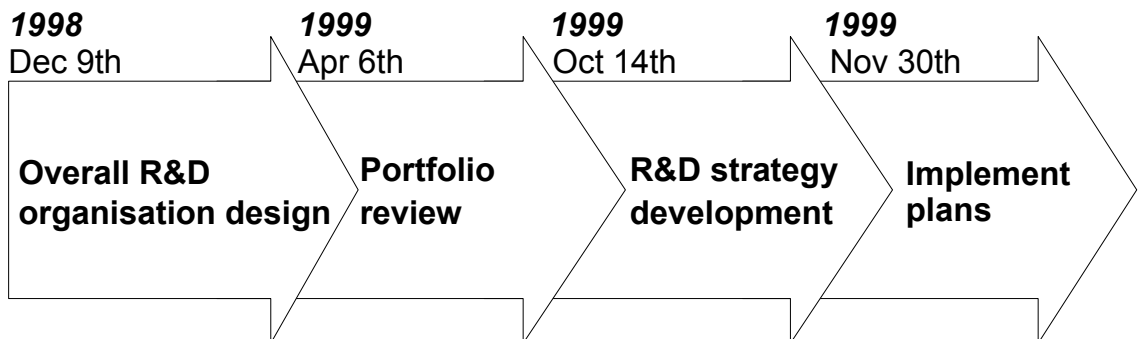


AstraZeneca

Building our future
Claes Wilhelmsson
Director, Research & Development

First year – designing the AstraZeneca R&D future



AstraZeneca - a mega-merger that is working

Why the future looks promising

- Well-suited partners
- Savvy patent management
- Promising pipeline
- Strong growth

Source: Business Week, November 15, 1999



Portfolio complementarity

	<i>Astra</i>	<i>Zeneca</i>
CV	<ul style="list-style-type: none">• Thromboembolism• Arrhythmias	<ul style="list-style-type: none">• Lipid lowering• Metabolism
RITA	<ul style="list-style-type: none">• Inhaled steroids• Inhalation technology	<ul style="list-style-type: none">• Leukotriene receptor modulation



Portfolio complementarity

	<i>Astra</i>	<i>Zeneca</i>
<i>Pain</i>	<ul style="list-style-type: none">• Local and regional anaesthetics	<ul style="list-style-type: none">• General anaesthesia
<i>CNS</i>	<ul style="list-style-type: none">• Depression• Epilepsy• Parkinson's disease• Multiple sclerosis	<ul style="list-style-type: none">• Schizophrenia• Migraine

Portfolio complementarity

	<i>Astra</i>	<i>Zeneca</i>
<i>GI</i>	<ul style="list-style-type: none">• World leader in gastroenterology	
<i>Oncology</i>		<ul style="list-style-type: none">• World leader in hormonal cancer treatment

A strong portfolio today



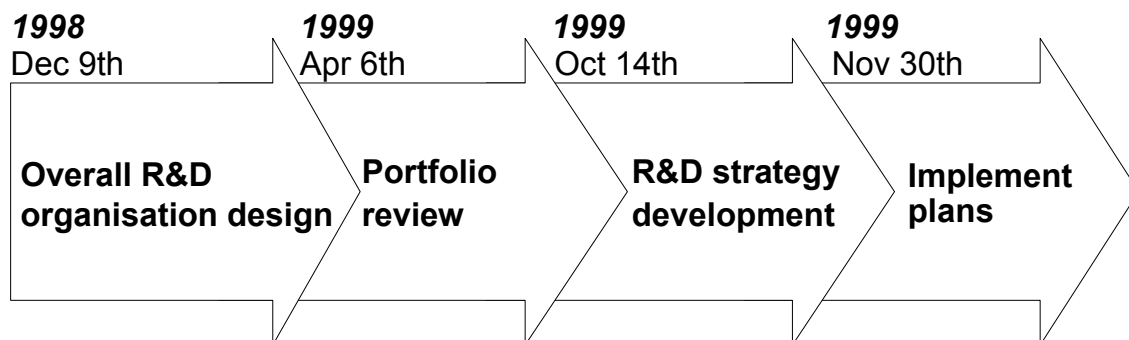
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A strong pipeline for tomorrow

- The merged pipeline
 - 159 projects
 - 57 New Chemical Entities
- Priority one
 - 20 projects
 - 11 brands

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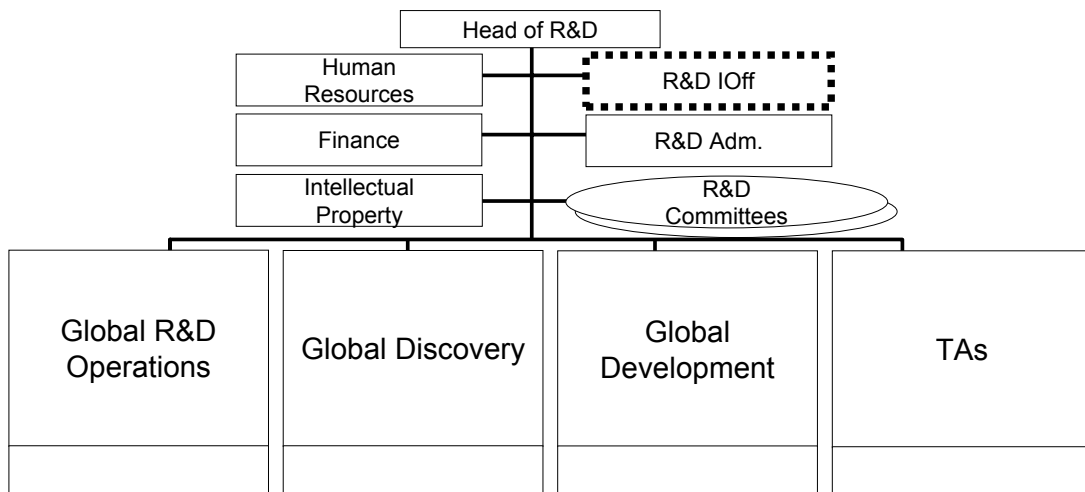
First year – designing the AstraZeneca R&D future



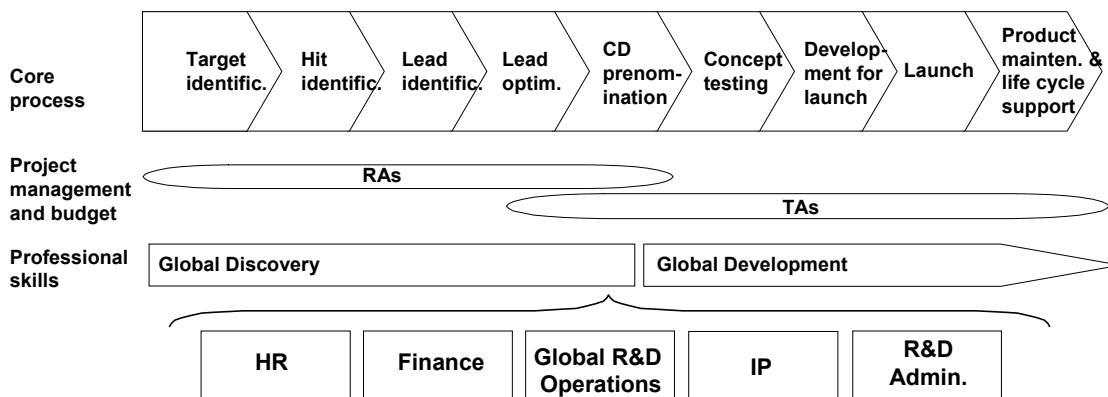
Principles

- One R&D organisation managed globally
- Critical mass to be leading in our chosen areas
- Strong portfolio management
- Therapy Area driven
- Team oriented and project-led
- Delivery focused
- Diversity

One R&D organisation managed globally



Team oriented and project-led organisation



Objectives

- Build a leading Discovery organisation
- Increase R&D output and efficiency
- Build US presence
- Achieve scientific and technological critical mass
- Build, develop and diversify our talent

Building a leading force in Global Discovery

- Improve candidate drug output and quality
- Lead in informatics - “Towards *in silico* R&D”
- Deliver “tailored treatments”
- Streamline the organisation
- Become a key player in the USA

Global Discovery actions

- Consolidate Research Areas to achieve critical mass
- Enabling Science & Technology - create 3 centres of excellence
- Safety Assessment - 2 GLP sites and 1 Discovery site
- Reduce from 15 sites to 9
- Build in the USA
- Build Informatics and Genetics
- Major expansion in Cancer

Building a leading force in Global Development

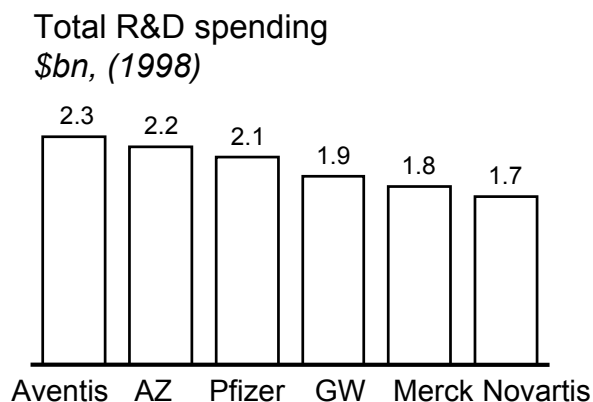
- Continue to deliver priority projects
- Complete integration quickly and make the new organisation work effectively
- Rapidly become leading at using technology to boost performance
- Change the way we work, to increase the flow of products in the future
- Develop, launch and grow products faster than our competitors

Summary of Global Development actions

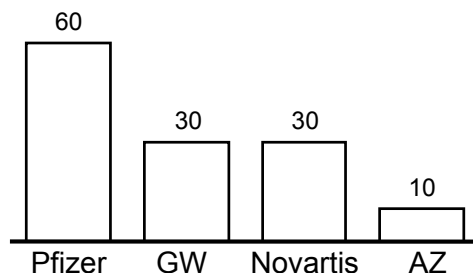
- Create a simple and effective global organisation
- Create a stimulating, performance-linked culture for everyone
- Use strategic sourcing to make best use of internal and external skills
- Radically improve performance through world class information management and automation
- Set up a global, electronic data and document library
- Become competitive in using genome-based technologies

Strong commitment to R&D

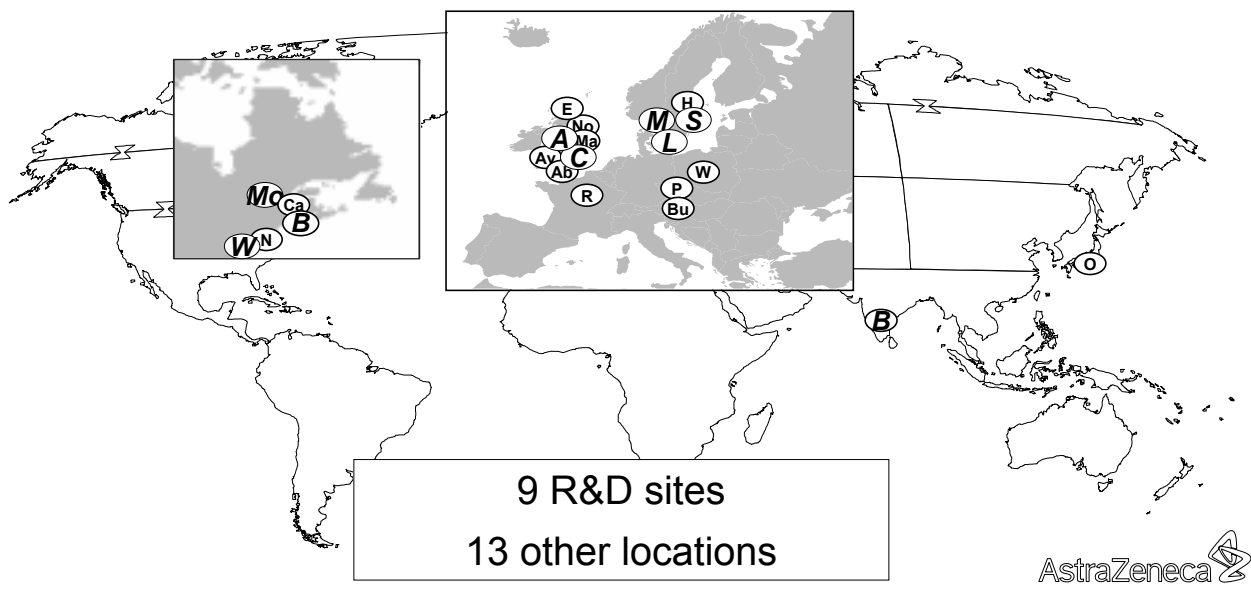
but insufficient R&D presence in the USA



Approximate share
of R&D employees in US
per cent (1998)



Future AstraZeneca R&D sites



R&D output and efficiency targets

- Increase Candidate Drug (CD) output (>15/year) by 2003
- Double project success rate from CD to launch to 20%
- Deliver three medically important, commercially attractive products per year
- Reduce time from CD to launch to six years
- Register in all major markets within one year
- Contribute to doubling the value of the portfolio

Rationale for TA driven organisation

- Disease orientation
 - Capitalises on breadth of experience
 - Builds scientific, medical and regulatory competence
 - Parallels FDA organisational approach
 - Builds opinion leader/investigator networks
- Scientifically opportunistic
- Innovation orientation
- Long-term perspective
- One team, one focus, less bureaucracy

Therapy Area missions

GI

To decrease morbidity and enhance quality of life in patients with GI disease

Respiratory

Become the company of first choice in the treatment of asthma and COPD

CV

Decrease the risk, prevalence and impact of cardiovascular disease

Inflammation

Provide novel treatments for disease modification and symptom relief in inflammation/immunological disorders

Therapy Area missions

Oncology

New treatments for major cancers

CNS

Delivering competitive brands that meet important unmet medical needs in psychiatry and neurology

Pain

Maintain leadership in anaesthesia and develop novel treatment in chronic pain

Infection

Bring to market new antimicrobial therapies avoiding cross-resistance with existing drugs

High TA growth ambitions

Market position in 10 years

GI	#1	
CV	#1	
RITA		
Oncology	#2	(Respiratory)
Pain control	#1	
CNS	#1	
Infection	#1	
	10%	(Share)
	Top 3	(Serious hospital infection)

A strong pipeline for tomorrow



AstraZeneca 

R&D Strategy
Building our future

