

What science can do

AstraZeneca Annual Report and Form 20-F Information 2017



A global biopharmaceutical business delivering medicines to patients through innovative science and excellence in development and commercialisation.

Our Purpose is to push the boundaries of science to deliver life-changing medicines. We want to be valued and trusted by our stakeholders as a source of great medicines over the long term.

Our strategic priorities

Reflect how we are working to achieve our Purpose

- 1. Achieve Scientific Leadership
- 2. Return to Growth
- 3. Be a Great Place to Work

A science-led innovation strategy

□ Strategy and Key Performance Indicators from page 17.

Distinctive R&D capabilities: Small molecules, oligonucleotides and other emerging drug platforms, as well as biologic medicines, including immunotherapies, and innovative delivery devices

11 new molecular entities (NMEs) in Phase III/ pivotal Phase II or under regulatory review covering 19 indications

2017	11
2016	12
2015	15
2014	13

Broad R&D platform in three main areas

□ Achieve Scientific Leadership from page 23 and Therapy Area Review from page 46.

Oncology
Our ambition is to eliminate cancer as a cause of death through scientific discovery and collaborations. We seek to achieve this by means of exploiting the power of four scientific platforms

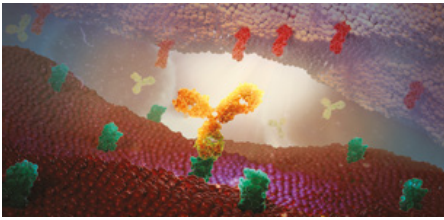
Cardiovascular & Metabolic Diseases
We are following the science to transform how cardiovascular, renal and metabolic diseases are understood, interact and impact one another

Respiratory
We aim to transform the treatment of respiratory disease with our growing portfolio of medicines and scientific research targeting disease modification

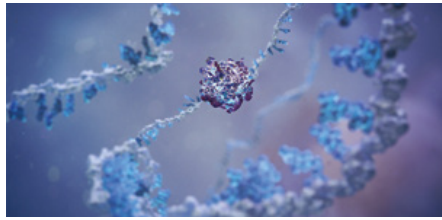
We are also selectively active in the areas of autoimmunity, neuroscience and infection

Portfolio of specialty and primary care products (Product Sales)

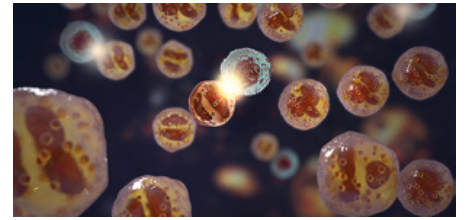
Oncology	Cardiovascular & Metabolic Diseases	Respiratory	Other Disease Areas
\$4,024m	\$7,266m	\$4,706m	\$4,156m
20% of total	36% of total	23% of total	21% of total
2016: \$3,383m 2015: \$2,825m	2016: \$8,116m 2015: \$9,489m	2016: \$4,753m 2015: \$4,987m	2016: \$5,067m 2015: \$6,340m
<p><i>Tagrisso</i> sales up 126% (126% at CER) and approved in more than 60 markets</p> <p><i>Iressa</i> sales of \$528 million, up 3% (3% at CER); <i>Lynparza</i> sales of \$297 million, up 36% (35% at CER)</p> <p><i>Imfinzi</i> launched in the US in May and sales of \$19 million; <i>Calquence</i> launched in the US in October and sales of \$3 million</p>	<p><i>Brilinta</i> sales of \$1,079 million, up 29% (29% at CER) and <i>Forxiga</i> sales of \$1,074 million, up 29% (28% at CER)</p> <p>Sales of <i>Onglyza</i> were down by 15% (16% at CER) to \$611 million</p> <p>Legacy sales: <i>Crestor</i> down 30% (30% at CER) to \$2,365 million</p>	<p><i>Symbicort</i> sales of \$2,803 million, down 6% (6% at CER)</p> <p>Sales of <i>Pulmicort</i> up 11% (12% at CER) at \$1,176 million</p> <p><i>Fasenra</i> approved in the US in November</p>	<p><i>Nexium</i> sales down 4% (3% at CER) to \$1,952 million</p> <p>Sales of <i>Synagis</i> up 1% (1% at CER) to \$687 million</p> <p><i>Seroquel XR</i> sales of \$332 million, down 55% (55% at CER)</p> <p><i>FluMist/Fluenz</i> sales of \$78 million, down 25% (28% at CER)</p>



Oncology. See page 48



Cardiovascular & Metabolic Diseases. See page 52



Respiratory. See page 56

Global commercial presence, with strength in Emerging Markets (Product Sales)

US

\$6,169m

31% of total

2016: \$7,365m

2015: \$9,474m

Emerging Markets

\$6,149m

30% of total

2016: \$5,794m

2015: \$5,822m

Europe

\$4,753m

24% of total

2016: \$5,064m

2015: \$5,323m

Established Rest of World

\$3,081m

15% of total

2016: \$3,096m

2015: \$3,022m

Commercial Highlights: Growth Platforms grew by 5% (6% at CER) in 2017 and represented 68% of Total Revenue

Return to Growth from page 26.

Emerging Markets: Sales growth of 6% (8% at CER), in line with long-term ambitions. China sales in the year grew by 12% (15% at CER), supported by the launches of new medicines

New CVMD: Sales growth of 9% (9% at CER). Strong performances from *Farxiga* and *Brinta*, with sales exceeding \$1 billion in 2017
Respiratory: Sales declined by 1% (1% at CER). Sales of *Symbicort* declined by 6% (6% at CER) and *Pulmicort* sales rose by 11% (12% at CER)

Japan: 1% growth in sales (4% at CER), underpinned by the growth of *Tagrisso* and *Forxiga*, partly mitigated by the impact of the entry of generic competition to *Crestor* in the second half of the year

New Oncology: Sales growth of 98% (98% at CER). Sales of *Tagrisso* reached \$955 million to become AstraZeneca's largest-selling Oncology medicine

Our talented employees:

Committed to achieving our Purpose in a sustainable way and upholding our Values by fostering a strong AstraZeneca culture

Be a Great Place to Work from page 34.

61,100

employees

2016: 59,700

2015: 61,500

100%

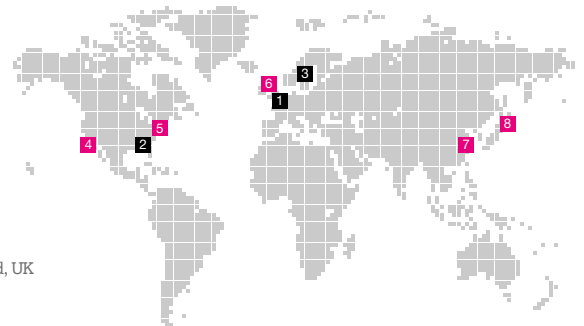
of employees trained in new Code of Ethics

Strategic R&D centres

1. Cambridge, UK (HQ)
2. Gaithersburg, MD, US
3. Gothenburg, Sweden

Other R&D centres

4. California, US
5. Boston, MA, US
6. Alderley Park and Macclesfield, UK
7. Shanghai, China
8. Osaka, Japan



Our capital-allocation priorities:

Striking a balance between the interests of the business, our financial creditors and shareholders, and supporting our progressive dividend policy

Financial Review from page 66.

Distributions to shareholders

Dividends

\$3,519m

2016: \$3,561m

2015: \$3,486m

Proceeds from issue of shares

\$(43)m

2016: \$(47)m

2015: \$(43)m

Total

\$3,476m

2016: \$3,514m

2015: \$3,443m

Dividend per Ordinary Share for 2017

1st interim dividend

\$0.90

Pence: 68.9

SEK: 7.40

Payment date:

11 September 2017

2nd interim dividend

\$1.90

Pence: 133.6

SEK: 14.97

Payment date:

19 March 2018

Total

\$2.80

Pence: 202.5

SEK: 22.37

2016: \$2.80

2015: \$2.80