Fixed-income investor update

14 February 2020
Forward-looking statements

In order, among other things, to utilise the 'safe harbour' provisions of the US Private Securities Litigation Reform Act 1995, we are providing the following cautionary statement: this document contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group, including, among other things, statements about expected revenues, margins, earnings per share or other financial or other measures. Although we believe our expectations are based on reasonable assumptions, any forward-looking statements, by their very nature, involve risks and uncertainties and may be influenced by factors that could cause actual outcomes and results to be materially different from those predicted. The forward-looking statements reflect knowledge and information available at the date of preparation of this document and AstraZeneca undertakes no obligation to update these forward-looking statements. We identify the forward-looking statements by using the words 'anticipates', 'believes', 'expects', 'intends' and similar expressions in such statements. Important factors that could cause actual results to differ materially from those contained in forward-looking statements, certain of which are beyond our control, include, among other things: the loss or expiration of, or limitations to, patents, marketing exclusivity or trademarks, or the risk of failure to obtain and enforce patent protection; effects of patent litigation in respect of IP rights; the impact of any delays in the manufacturing, distribution and sale of any of our products; the impact of any failure by third parties to supply materials or services; the risk of failure of outsourcing; the risks associated with manufacturing biologics; the risk that R&D will not yield new products that achieve commercial success; the risk of delay to new product launches; the risk that new products do not perform as we expect; the risk that strategic alliances and acquisitions, including licensing and collaborations, will be unsuccessful; the risks from pressures resulting from generic competition; the impact of competition, price controls and price reductions; the risks associated with developing our business in emerging markets; the risk of illegal trade in our products; the difficulties of obtaining and maintaining regulatory approvals for products; the risk that regulatory approval processes for biosimilars could have an adverse effect on future commercial prospects; the risk of failure to successfully implement planned cost reduction measures through productivity initiatives and restructuring programmes; the risk of failure of critical processes affecting business continuity; economic, regulatory and political pressures to limit or reduce the cost of our products; failure to achieve strategic priorities or to meet targets or expectations; the risk of substantial adverse litigation/government investigation claims and insufficient insurance coverage; the risk of substantial product liability claims; the risk of failure to adhere to applicable laws, rules and regulations; the risk of failure to adhere to applicable laws, rules and regulations relating to anti-competitive behaviour; the impact of increasing implementation and enforcement of more stringent anti-bribery and anti-corruption legislation; taxation risks; exchange rate fluctuations; the risk of an adverse impact of a sustained economic downturn; political and socio-economic conditions; the risk of environmental liabilities; the risk of occupational health and safety liabilities; the risk associated with pensions liabilities; the impact of failing to attract and retain key personnel and to successfully engage with our employees; the risk of misuse of social medial platforms and new technology; and the risk of failure of information technology and cybercrime. Nothing in this presentation / webcast should be construed as a profit forecast.
**Disclaimer**

This presentation is neither an offer to sell nor a solicitation of an offer to buy any securities and shall not constitute an offer, solicitation, or sale in any jurisdiction in which an offer, solicitation, or sale is unlawful.

**Non-GAAP measures**

This presentation contains financial measures that are not calculated in accordance with generally accepted accounting principles ("GAAP"). These non-GAAP financial measures include net debt as well as our core financial measures and constant exchange rate (CER) growth rates. Non-GAAP measures included in this presentation should be considered in addition to, but not as substitutes for, the information we prepare in accordance with GAAP and as a result should be reviewed in conjunction with our financial statements. We provide reconciliations on slides 38 and 39 in the Appendix to this presentation between our non-GAAP financial measures and the respective most directly comparable financial measure calculated and presented in accordance with GAAP. However, the Company presents Core EPS guidance only at CER. It is unable to provide guidance on a Reported/GAAP basis because the Company cannot reliably forecast material elements of the Reported/GAAP result, including the fair value adjustments arising on acquisition-related liabilities, intangible asset impairment charges and legal settlement provisions.
Continued strong top-line growth

Set for operating leverage and cash generation

Maintaining innovation and pipeline delivery

Financial priorities on track
Business update
2019: sales showed persistent growth
15% sales growth; new medicines up by 62%

**Strong sales growth continued**

- **Oncology**: Tagrisso, Imfinzi, Lynparza, Calquence, Farxiga, Brilipta, Lokelma, Fasenra, Bevespi and Breztri; not all displayed.
- **New CVRM**: Calquence, Farxiga, Brilipta, Fasenra, Lympara, Imfinzi, Tagrisso

**Changes at CER.**


- **Product sales growth, per cent**
  - **BMS**: 9%, 8%, 14%, 19%, 18%, 9%
  - **Diabetes Alliance**: 9%

**New medicines** now 42% of total sales

**2019:**

- **+$3.8bn** incremental sales of new medicines compared to 2018

**Absolute values at CER.**
AstraZeneca

Increasingly balanced and diversified company

Nearly half of sales now in specialty care

More than one third of sales generated in Emerging markets

Nine blockbusters: reduced reliance on single medicines

Blockbuster medicines are medicines with sales at $1bn or above.

Speciality care Primary care
Speciality-care medicines comprise Oncology, Brilinta, Lokelma and Fasenra.
Per cent of sales at actual exchange rates.

Emerging markets Established markets
Per cent of sales at actual exchange rates.

Speciality care

Primary care
2019: double-digit growth in all therapy areas, EMs\(^1\)

<table>
<thead>
<tr>
<th>Product sales</th>
<th>Q4 2019 $m</th>
<th>change %</th>
<th>ratio %</th>
<th>2019 $m</th>
<th>change %</th>
<th>ratio %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Product sales</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oncology</td>
<td>2,274</td>
<td>29</td>
<td>36</td>
<td>8,667</td>
<td>47</td>
<td>37</td>
</tr>
<tr>
<td>New CVRM</td>
<td>1,168</td>
<td>7</td>
<td>19</td>
<td>4,376</td>
<td>12</td>
<td>19</td>
</tr>
<tr>
<td>Respiratory</td>
<td>1,537</td>
<td>14</td>
<td>25</td>
<td>5,391</td>
<td>13</td>
<td>23</td>
</tr>
<tr>
<td>Other medicines</td>
<td>1,271</td>
<td>(16)</td>
<td>20</td>
<td>5,131</td>
<td>(13)</td>
<td>22</td>
</tr>
<tr>
<td><strong>Emerging markets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- EMs ex China</td>
<td>902</td>
<td>11</td>
<td>14</td>
<td>3,285</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>- China</td>
<td>1,189</td>
<td>28</td>
<td>19</td>
<td>4,880</td>
<td>35</td>
<td>21</td>
</tr>
</tbody>
</table>

1. Emerging markets. Absolute values at actual exchange rates; changes at CER.
Oncology: 47% sales growth in 2019; annualising ~$9bn
2020 is anticipated to be another year of significant growth in sales

As anticipated, Q4 growth temporarily offset by Faslodex US generics; Tagrisso price/adjustments

New medicines Tagrisso, Imfinzi, Lynparza and Calquence added $2.9bn in 2019

- Tagrisso: global expansion in 1st-line use continued
- Imfinzi: US growth eased; ex-US continued to expand
- Lynparza: now blockbuster status; global PARP1 leadership
- Calquence: extensive US use in MCL2; strong launch in CLL
- Faslodex: fast US erosion after loss of exclusivity

Growth in new medicines in Q4 2019: +58% year-on-year; +3% sequentially

Absolute values and changes at CER and for 2019, unless otherwise stated.

1. Poly-ADP ribose polymerase (inhibitor).
BioPharmaceuticals: New CVRM and Respiratory

Increasing growth across all major medicines

13% growth in 2019

Solid franchises with strong growth in 2019

- **Farxiga**: strong position in growing class; unique CV data, including in HF
- **Brilinta**: global growth continued
- **Fasenra**: strong US, EU and Japan launches; new-patient market leader of novel biologics in severe asthma
- **Symbicort/Pulmicort**: solid, growing inhaled respiratory business
- **Breztri**: launched in Japan
- **Lokelma**: launched in EU, US; US leader in new patients

Other include Symlin, Qtern in New CVRM and Daliresp, Bricanyl, Nebula, Duaklir, Eklira/Tudorza, Bevespi and a number of smaller medicines in Respiratory.

Absolute values and changes at CER and for 2019, unless otherwise stated.
Emerging markets
Broad performance from diverse portfolio of countries

Total EMs +24% - ex-China EMs +12% - China +35%
Diversified growth: AP\(^1\) +10% - MEA\(^2\) +8% - LA\(^3\) +16% - Russia +40%

Sales continued to grow ahead of the long-term ambition of mid to high single-digit growth

- **New medicines +84%**
  23% of total sales; $0.9bn\(^4\) in incremental sales

- **Therapy areas**
  Oncology +52%: *Tagrisso* ($762m)
  New CVRM +41%: *Forxiga* (+48%); *Brilinta* (+49%)
  Respiratory +27%: *Pulmicort* (+24%, $1,190m); *Symbicort* (+17%, $547m)

- **2019 China NRDL additions**
  *Tagrisso* 2nd-line use added at the beginning of the year
  *Kombiglyzey* added and *Symbicort*, *Nexium* restrictions lifted
  *Lynparza*, *Forxiga* and roxadustat added from January 2020

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1. Asia Pacific  2. Middle East, Africa and other  3. Latin America.
   Absolute values at actual exchange rates; changes at CER and for 2019, unless otherwise stated.

4. Absolute value at CER.
## 2020 guidance confirms strong operating leverage

<table>
<thead>
<tr>
<th>Total revenue</th>
<th>Core EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase by a high single-digit to a low double-digit percentage&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Increase by a mid- to high-teens percentage&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

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1. Depending on the impact of the Covid-19 epidemic. All guidance assumes an unfavourable impact from China lasting up to a few months as a result of the recent novel coronavirus (Covid-19) outbreak. The Company will monitor closely the development of the epidemic and anticipates providing an update at the time of the Q1 2020 results. Guidance at CER.
AstraZeneca aims to eliminate CO₂ emissions by 2025 and become carbon negative by 2030.

$1bn programme will include the launch of next-generation respiratory inhalers and a wide range of energy initiatives to reduce climate impact to zero.

AstraZeneca has joined the Sustainable Markets Council to drive climate policy change.

Reforestation plans for 50 million trees.


Mt-CO₂ = metric tons of carbon dioxide.
Positive pipeline progression supports sustainable growth

2019: another year of very significant news flow

<table>
<thead>
<tr>
<th>Approval</th>
<th>Indication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forxiga T1D approval (EU)</td>
<td>T1D approval (JP)</td>
</tr>
<tr>
<td>Qternmet XR T2D approval (US)</td>
<td>Lynparza breast cancer approval (EU)</td>
</tr>
<tr>
<td>Breztri COPD approval (JP)</td>
<td>Bevespi COPD approval (JP)</td>
</tr>
<tr>
<td>Lymparza OC 1L (SOLO-1) approval (JP)</td>
<td>Forxiga T2D CVOT approval (EU)</td>
</tr>
<tr>
<td>ruxadustat anaemia CKD approval (CN)</td>
<td>Qternmet T2D approval (EU)</td>
</tr>
<tr>
<td>Forxiga T2D CVOT approval (JP)</td>
<td>Calquence CLL relapsed/refractory approval (US)</td>
</tr>
<tr>
<td>Lynparza OC 1L (SOLO-1) approval (US)</td>
<td>Enhertu breast cancer 3L approval (US)</td>
</tr>
<tr>
<td>Calquence CLL relapsed/refractory approval (US)</td>
<td>Imfinzi unv. SLH NSCLC approval (CN)</td>
</tr>
<tr>
<td>Lynparza pancreatic cancer Phase II/III pos.</td>
<td>nirsevimab CMV PRIME designation (EU)</td>
</tr>
<tr>
<td>Imfinzi SCLC Phase III pos.</td>
<td>selumetinib NF1 breakthrough designation (US)</td>
</tr>
<tr>
<td>Calquence CLL Front line Phase III pos.</td>
<td>Calquence CLL relapsed/refractory Phase III pos.</td>
</tr>
<tr>
<td>nirsevimab CMV breakthrough designation (US)</td>
<td>Fasenra breast cancer 3L approval (US)</td>
</tr>
<tr>
<td>ruxadustat anaemia from CKD Phase III safety</td>
<td>Lynparza prostate cancer 2L Phase III pos.</td>
</tr>
<tr>
<td>Farxiga T1D Phase III pos.</td>
<td>selumetinib NF1 Breakthrough designation (US)</td>
</tr>
<tr>
<td>Calquence CLL Front line Phase III pos.</td>
<td>anifrolumab lupus (SLE) Phase III pos.</td>
</tr>
<tr>
<td>Lymparza OC 1L (PAOLA-1) Phase III pos.</td>
<td>Fasenra Est E CMV orphan designation (US)</td>
</tr>
<tr>
<td>Imfinzi +/- treme NSCLC 1L (POSEIDON) (PFS) Phase III pos.</td>
<td>Lynparza prostate cancer 2L Phase III pos.</td>
</tr>
<tr>
<td>Breztri COPD (ETHOS) Phase III pos.</td>
<td>selumetinib NF1 Breakthrough designation (US)</td>
</tr>
<tr>
<td>Enhertu breast cancer Priority Review (US)</td>
<td>selumetinib NF1 Breakthrough designation (US)</td>
</tr>
<tr>
<td>Imfinzi +/- treme NSCLC 1L (NEPTUNE) Phase III neg.</td>
<td>selumetinib NF1 Breakthrough designation (US)</td>
</tr>
</tbody>
</table>

## Late-stage pipeline events in the 2020-2021 timeframe

**Busy news flow continues; underpinning consistent sales growth**

<table>
<thead>
<tr>
<th>Regulatory decision</th>
<th>H1 2020</th>
<th>H2 2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Imfinzi</strong> - SCLC (ED) (US)</td>
<td></td>
<td></td>
<td>Calquence - CLL (JP)</td>
</tr>
<tr>
<td><strong>Lynparza</strong> - OC (1L) (PAOLA-1) (US)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- breast cancer (BRCam) (CN)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- prostate cancer (2L) (US)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Enhertu</strong> - breast cancer (3L, HER2+) (JP)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>selunetinib - NF1 (US)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Forsig+/Farxiga</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- T2D CVOT (CN)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- HF CVOT (US)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Locelma</strong> - hyperkalaemia (JP)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Bevespi</strong> - COPD (CN)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Limited-disease stage. 
   Status as of 14 February 2020.

| Regulatory submission and/or acceptance | | | |
| **Imfinzi** +/ treme | | | |
| - bladder cancer (1L) (DANUBE) | | | |
| - head & neck cancer (1L) | | | |
| - gastric cancer (HER2+) selunetinib - NF1 (EU) | | | |
| **Brillinta** - stroke (THALES) | | | |
| **Symbicort** - mild asthma (EU) | | | |

| Key Phase III data readouts | | | |
| **Imfinzi** +/ treme | | | |
| - bladder cancer (1L) (DANUBE) | | | |
| - head & neck cancer (1L) | | | |
| **Lynparza** + cediranib - OC (2L) | | | |
| **Imfinzi** - SCLC (ED) (CN) | | | |
| **Lynparza** - OC (1L) (PAOLA-1) (EU) | | | |
| - breast cancer (1L, BRCAm) (EU) | | | |
| - prostate cancer (2L) (EU) | | | |
| **Calquence** - CLL (EU) | | | |
| **Forsig+/Farxiga** - HF CVOT (EU, JP, CN) | | | |
| **Brilinta/Brilique** - CAD/T2D CVOT (US, EU) | | | |
| **roxadustat** - anaemia from CKD (US) | | | |
| **Symbicort** - mild asthma (CN) | | | |
| **PT010** - COPD (US, EU) | | | |

1. Limited-disease stage. 
   Status as of 14 February 2020.
Financial update
## Reported profit and loss

<table>
<thead>
<tr>
<th></th>
<th>2019 $m</th>
<th>change</th>
<th>% total revenue</th>
<th>Q4 2019 $m</th>
<th>change</th>
<th>% total revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product sales</td>
<td>23,565</td>
<td>15</td>
<td>97</td>
<td>6,250</td>
<td>9</td>
<td>94</td>
</tr>
<tr>
<td>Collaboration revenue</td>
<td>819</td>
<td>(20)</td>
<td>3</td>
<td>414</td>
<td>(36)</td>
<td>6</td>
</tr>
<tr>
<td>Total revenue</td>
<td>24,384</td>
<td>13</td>
<td>100</td>
<td>6,664</td>
<td>5</td>
<td>100</td>
</tr>
<tr>
<td>Gross margin</td>
<td>79.1%</td>
<td>2.1 pp²</td>
<td>78.0%</td>
<td>5.1 pp</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating expenses¹</td>
<td>18,080</td>
<td>14</td>
<td>74</td>
<td>5,209</td>
<td>12</td>
<td>78</td>
</tr>
<tr>
<td>- R&amp;D expenses</td>
<td>6,059</td>
<td>5</td>
<td>25</td>
<td>2,091</td>
<td>5</td>
<td>31</td>
</tr>
<tr>
<td>- SG&amp;A expenses</td>
<td>11,622</td>
<td>20</td>
<td>48</td>
<td>3,026</td>
<td>18</td>
<td>45</td>
</tr>
<tr>
<td>Other operating income</td>
<td>1,541</td>
<td>(38)</td>
<td>6</td>
<td>500</td>
<td>(50)</td>
<td>8</td>
</tr>
<tr>
<td>Operating profit</td>
<td>2,924</td>
<td>(16)</td>
<td>12</td>
<td>577</td>
<td>(56)</td>
<td>9</td>
</tr>
<tr>
<td>Tax rate</td>
<td>21%</td>
<td></td>
<td></td>
<td>(15%)</td>
<td></td>
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<tr>
<td>EPS</td>
<td>$1.03</td>
<td>(44)</td>
<td></td>
<td>$0.24</td>
<td>(78)</td>
<td></td>
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</tbody>
</table>

1. Includes distribution expenses  
2. Percentage points.  
Absolute values at actual exchange rates; changes at CER.  
Gross margin reflects gross profit derived from product sales, divided by product sales.
# Core profit and loss

<table>
<thead>
<tr>
<th></th>
<th>2019 $m</th>
<th>change %</th>
<th>% total revenue</th>
<th>Q4 2019 $m</th>
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<td>13</td>
<td>100</td>
<td>6,664</td>
<td>5</td>
<td>100</td>
</tr>
<tr>
<td>Gross margin</td>
<td>79.8%</td>
<td>(0.2) pp</td>
<td></td>
<td>77.5%</td>
<td>(2.4) pp</td>
<td></td>
</tr>
<tr>
<td>Operating expenses¹</td>
<td>14,748</td>
<td>7</td>
<td>60</td>
<td>4,211</td>
<td>7</td>
<td>63</td>
</tr>
<tr>
<td>- R&amp;D expenses</td>
<td>5,320</td>
<td>4</td>
<td>22</td>
<td>1,494</td>
<td>4</td>
<td>22</td>
</tr>
<tr>
<td>- SG&amp;A expenses</td>
<td>9,089</td>
<td>8</td>
<td>37</td>
<td>2,625</td>
<td>9</td>
<td>39</td>
</tr>
<tr>
<td>Other operating income</td>
<td>1,561</td>
<td>(26)</td>
<td>6</td>
<td>501</td>
<td>(50)</td>
<td>8</td>
</tr>
<tr>
<td>Operating profit</td>
<td>6,436</td>
<td>13</td>
<td>26</td>
<td>1,545</td>
<td>(33)</td>
<td>23</td>
</tr>
<tr>
<td>Tax rate</td>
<td>20%</td>
<td></td>
<td></td>
<td></td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>EPS</td>
<td>$3.50</td>
<td>-</td>
<td></td>
<td>$0.89</td>
<td>(46)</td>
<td></td>
</tr>
</tbody>
</table>

1. Includes distribution expenses.
Absolute values at actual exchange rates; changes at CER.
Gross margin reflects gross profit derived from product sales, divided by product sales.
Cash flow
13% improvement in operating cash flow

Net debt reduced to $11.9bn

Cash-flow headlines 2019 versus 2018

- Net cash from operating activities
  $2,969m versus $2,618m
  Improved ‘organic’ profit
  Lower disposals
  Improvements in working capital
  Higher taxes paid

- Cash before financing activities
  $2,312m versus $3,581m
  Higher one-off payments for past business development agreements
  Purchase of intangible assets, including Enhertu

Absolute values at actual exchange rates.
Finance priorities
FY results supportive

Deleveraging / dividend growth
• As cash flow improves, deleveraging and progressive dividend policy

Cash-flow growth
• 2019: slight improvement in cash flow from operating activities
• 2020: anticipate further improvement in cash flow from operating activities

Revenue growth
+13% growth in total revenue in 2019

Operating leverage
• 60% ratio of core operating expenses to total revenue (from 64% in 2018)
• 13% growth in core operating profit, after ~2%-point Epanova impact
• 26% core operating profit margin despite large reduction in collaboration revenue and other operating income
# Net debt position

<table>
<thead>
<tr>
<th></th>
<th>31-Dec-19</th>
<th>31-Dec-18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross debt</strong></td>
<td>(18,227)</td>
<td>(19,113)</td>
</tr>
<tr>
<td><strong>Cash &amp; cash equivalents</strong></td>
<td>5,369</td>
<td>4,831</td>
</tr>
<tr>
<td><strong>Other investments</strong></td>
<td>911</td>
<td>895</td>
</tr>
<tr>
<td><strong>Net derivative financial instruments</strong></td>
<td>43</td>
<td>384</td>
</tr>
<tr>
<td><strong>Closing net debt(^1)</strong></td>
<td>(11,904)</td>
<td>(13,003)</td>
</tr>
<tr>
<td><strong>IFRS 16 lease adjustment</strong></td>
<td></td>
<td>(720)</td>
</tr>
<tr>
<td><strong>Adjusted closing net debt</strong></td>
<td>(13,723)</td>
<td></td>
</tr>
</tbody>
</table>

1. Net debt is a non-GAAP measure. The equivalent GAAP measure to net debt is 'liabilities arising from financing activities' which excludes the amounts for cash and overdrafts, other investments and non-financing derivatives shown above and includes the Acerta put option liability of $2.1bn shown in non-current other payables. Further details are available in our FY results announcement published on 14 February 2020.

2. Adjusted to reflect IFRS 16 impact. IFRS 16 is effective for accounting periods beginning on or after 1 January 2019. Initial adoption resulted in the recognition of right-of-use assets of $722m and lease liabilities of $720m. The weighted average incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 3%.
Liquidity, debt and rating summary

• Strong liquidity at 31 December 2019
  • Group cash and investments of $6.3bn
  • Undrawn $4.1bn committed bank facilities ($3.4bn of which mature in 2022)

• Access to diverse sources of funding through US and European debt programme, USCP programme

<table>
<thead>
<tr>
<th>Programme</th>
<th>Last Updated</th>
<th>Valid to</th>
<th>Limit</th>
<th>Rating (Moody’s / S&amp;P)</th>
<th>Utilisation as at 31/12/2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Euro Medium Term Note Programme</td>
<td>Jun-19</td>
<td>Jun-20</td>
<td>USD 10bn</td>
<td>A3 / BBB+</td>
<td>USD 3.8bn</td>
</tr>
<tr>
<td>US Commercial Paper</td>
<td>N/A</td>
<td>N/A</td>
<td>USD 15bn</td>
<td>A-2 / P-2</td>
<td>None</td>
</tr>
</tbody>
</table>

• The Board continues to target a strong, investment-grade credit rating

• The Company is currently rated as:
  • Moody’s: A3 Stable outlook / P2
  • Standard & Poor’s: BBB+ Stable outlook / A2

1 Notional bond values. FX converted at 31 December 2019 spot rates (USD/EUR 0.8699; USD/GBP 0.7614)
Smooth bond maturity profile with ten-year average life

Debt Maturity Profile at 31 December 2019

1. Notional bond values. FX converted at 31 December 2019 spot rates (USD/EUR 0.8699; USD/GBP 0.7614). Current portion of leases of $188m are included in 2020, whilst non-current Leases of $487m have been excluded from the chart.
Summary
Continued strong top-line growth

Set for operating leverage and cash generation

Maintaining innovation and pipeline delivery

Financial priorities on track
Appendix
Geographic growth
Strong performance in all major regions

FY 2019 Regional Product Sales as reported
Growth rates for FY 2019 vs FY 2018 at CER
Lung cancer: *Tagrisso*

1st-line standard of care in US, JP; reimbursements underway elsewhere

- **US +46% (40% of total)**
  Sequential growth reduced by higher Q3 inventory; Q4 GtN¹ adjustments
- **Europe +59%**
  Growth driven by top-4 EU; many reimbursement decisions to come
- **Emerging markets +130%**
  Strong 2nd-line use in many countries, incl. China following the NRDL² listing
- **Established RoW +106%**
  Japan: +97%; 15% price cut in Q4 at ¥35bn in sales

Approved in 80 countries (1st-line use) and 87 countries (2nd-line use)

- **Only 18 reimbursements out of 80 1st-line approvals**

1st-line NRDL listing in China anticipated by year-end 2020

Source: AstraZeneca proprietary market research based on speciality data; total prescriptions per quarter.

---

US  Europe  Established Rest of World (RoW)  Emerging markets
Absolute values at actual exchange rates; changes at CER and for 2019, unless otherwise stated.

Lung cancer: *Imfinzi*

**Continued expansion in ex-US countries**

- **US peak sales above $1bn p.a.**
- **PACIFIC (treatment of unresectable, Stage III NSCLC) becoming new SoC**
  - Approved in 61 countries plus 15 countries in bladder cancer
  - **US $1,041m** (71% of total) unresectable CRT rate ~2/3; ~2/3 adoption post CRT
  - Global use expanding; ex-US $428m
  - **2020 to provide new growth opportunities**
    - PACIFIC opportunities
      1) Increase CRT rates
      2) Extend duration of treatment
      3) Expand reimbursement to more countries
    - Regulatory decisions for use in SCLC (ED) (US, EU, JP) anticipated in 2020
    - Phase III data readouts approaching
      - Head & neck cancer (1L)
      - Bladder cancer (1L) (DANUBE)
      - Unresect., Stage III NSCLC (PACIFIC-2)
      - Liver cancer (1L)

---

2. Urothelial carcinoma (bladder cancer); 2nd-line use.
3. Chemoradiotherapy; a combination of chemotherapy and radiotherapy.

Absolute values at actual exchange rates.
Lynparza

The leading PARP inhibitor globally; more than 30,000 patients treated

Ten quarters of strong growth: +89% in 2019

Approved in 73 countries (ovarian)  
58 (breast) and 1 (pancreatic cancer)

- **US +81%** (52% of total)  
  Growth primarily from use in 1st-line BRCAm ovarian cancer (SOLO-1 trial)

- **Europe +59%**  
  Growth mostly from launch in 1st-line BRCAm ovarian cancer (SOLO-1 trial)

- **Emerging markets +177%**  
  China: launched in ovarian cancer

- **Established RoW +148%**  
  Japan: +167%; fast uptake in ovarian, breast cancer

Merck\(^1\) collaboration:  
$2.6bn revenue received;  
$5.3bn future potential

---

\(1\) Merck & Co., Inc., Kenilworth, NJ, US, known as MSD outside the US and Canada.
Oncology: new launch medicines

Strong launches of Calquence, Enhertu

**Calquence**

Now approved in 3 countries (CLL) and 12 countries (MCL)

- Global $164m; US $162m
- **US CLL**
  Demand from bolus/‘warehoused’ and de-novo CLL 1st-line patients
  ~60% of new-patient starts in CLL from new Calquence prescribers
- **US MCL**
  Calquence now a widely used BTK\(^1\)-inhibitor in relapsed/refractory MCL

Global CLL launch to continue in H2 2020 with more regulatory decisions

**Enhertu**

(trastuzumab deruxtecan)

- US approval on 20 December 2019
  First sales from Daiichi Sankyo to wholesalers on 31 December 2019;
  $0.1m booking incurred by AstraZeneca
- **First infusion on 2 January 2020**
  Officially launched on 6 January 2020

1. Bruton’s tyrosine kinase.

Source: AstraZeneca proprietary market research.

Absolute values at actual exchange rates.
**‘What’s next’ in Oncology**

**Good progress across Phase I/II**

<table>
<thead>
<tr>
<th>Drug Name</th>
<th>Target/Activity</th>
<th>Cancer Types</th>
<th>Phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>capivasertib (AKT(^1) inhibitor)</td>
<td>breast, prostate cancers</td>
<td>Phase III</td>
<td></td>
</tr>
<tr>
<td>adavosertib (WEE1(^2) inhibitor)</td>
<td>solid tumours</td>
<td>Phase II</td>
<td></td>
</tr>
<tr>
<td>ceralasertib (ATR(^3) inhibitor)</td>
<td>solid tumours / blood cancers</td>
<td>Phase II</td>
<td></td>
</tr>
<tr>
<td>AZD9833 (SERD(^4), oral)</td>
<td>breast cancer</td>
<td>Phase II</td>
<td></td>
</tr>
<tr>
<td>AZD5991 (MCL1(^5) inhibitor)</td>
<td>blood cancers</td>
<td>Phase I</td>
<td></td>
</tr>
<tr>
<td>AZD2811 (Aurora B inhibitor)</td>
<td>solid tumours / blood cancers</td>
<td>Phase I/II</td>
<td></td>
</tr>
<tr>
<td>monalizumab (NKG2a(^6) mAb)</td>
<td>head &amp; neck, colorectal cancers</td>
<td>Phase III</td>
<td></td>
</tr>
<tr>
<td>oleclumab (CD73(^7) mAb)</td>
<td>lung, pancreatic cancers</td>
<td>Phase II</td>
<td></td>
</tr>
<tr>
<td>AZD4635 (AZAR(^8) inhibitor)</td>
<td>solid tumours</td>
<td>Phase II</td>
<td></td>
</tr>
<tr>
<td>danvatrisen (STAT3(^9) inhibitor)</td>
<td>bladder, head &amp; neck, lung cancer</td>
<td>Phase I/II</td>
<td></td>
</tr>
<tr>
<td>MEDI5752 (PD-1(^{10}) / CTLA-4(^{11}))</td>
<td>solid tumours</td>
<td>Phase I/II</td>
<td></td>
</tr>
<tr>
<td>AZD0466 (Bcl-2(^{12})/xL)</td>
<td>blood cancers</td>
<td>Phase I</td>
<td></td>
</tr>
</tbody>
</table>

1. Protein kinase B  
2. Tyrosine kinase WEE1  
3. Ataxia telangiectasia and rad3-related kinase  
4. Selective oestrogen receptor degrader  
5. Induced myeloid leukaemia cell differentiation protein  
6. Inhibitory cell surface receptor covalently bound to CD94  
7. Monoclonal antibody  
8. 5’-nucleotidase  
9. Adenosine A2A receptor  
10. Signal transducer and activator of transcription  
11. Programmed cell death protein  
12. Cytotoxic T-lymphocyte-associated protein  
BioPharmaceuticals: New CVRM
Blockbusters Farxiga and Brilinta continued global growth

Diabetes growth of 6% driven by Farxiga
SGLT2\(^1\) now the fastest-growing class of any T2D medicine by volume

- **Farxiga +14%**
  - US (-9%): volume growth offset by gross-to-net rebates (~$50m)
  - Positive feedback on CVOT DECLARE

  Ex-US (65% of total):
  - Europe: +25%; volume growth in growing SGLT2 class
  - Emerging markets: +48%; Forxiga leading above-market growing SGLT2 class. China NRDL listing

Continued growth in Brilinta sales in 2019

- **Brilinta +23%**: continued solid growth across all major regions

---

1. Sodium-glucose co-transporter 2.
2. Absolute values at actual exchange rates; changes at CER and for 2019, unless otherwise stated.
BioPharmaceuticals: Respiratory
Sales growth of 13%; Fasenra, Pulmicort, EMs leading

Performance supported by portfolio mix across regions
*Symbicort* back to stability in 2019

- **US +17%**
  *Fasenra* (+121%) offset by *Symbicort* (-4%); Q4 growth and increasing volume against competitor/generics to competitor. Authorised generic in January 2020

- **European -5%**
  Lower *Symbicort* volumes in competitive markets; remained market leader overall

- **Established RoW +4%**
  Japan: +17%; *Fasenra* growth offset transfer of *Symbicort* distribution

- **Emerging markets +27%**
  Strong *Pulmicort* and *Symbicort*. *Pulmicort* passed the blockbuster mark in China

Respiratory delivered strong performance

Absolute values at actual exchange rates; changes at CER and for 2019, unless otherwise stated.
BioPharmaceuticals: new launch medicines
Portfolio of new medicines across uses and markets

Fasenra now approved in 52 countries; reimbursed in 36

- US $482m
  Leading new biologic medicine in new-to-brand prescription volume share

- Europe $118m
  Leading new biologic medicine in DE, ES, FR, IT and UK

- Japan $86m
  Leading biologic overall in new-patient market share (>40%)

Breztri COPD

- Japan
  Initial uptake ahead of previous LABA/LAMA\(^1\) launches offset by Ryotanki\(^2\) restriction

- Rest of world
  Regulatory approval (CN); under regulatory review (US, EU). Global launch anticipated from H2 2020

Lokelma Hyperkalaemia

- Global $14m; Q4 $8m
  Majority in the US; good payer access. Surpassed competitor in new-to-brand prescriptions. Broad European launch awaiting reimbursement

  Recent approval (CN); under regulatory review (JP)

DE = Germany, ES = Spain, FR = France, IT = Italy, UK = United Kingdom.
Market-share measures include only approved indication in severe, uncontrolled asthma. Source: IQVIA, other market research.

1. Long-acting beta2 agonist/long-acting muscarinic antagonist.
2. Ryotanki: regulation in Japan that restricts prescriptions for medicines in their first year on the market to just two weeks.

Source: AstraZeneca proprietary market research.
### New CVRM

- **cotadutide (GLP-1/glucagon co-agonist) - NASH**
  - Phase II
- **AZD5718 (FLAP\(^6\) inhibitor)**
  - coronary artery disease
  - Phase II
- **AZD4831 (MPO\(^4\) inhibitor)**
  - HF (HFP EF)
  - Phase II
- **AZD8601 (VEGF-A mRNA\(^5\))**
  - HF
  - Phase II
- **MEDI7219 (GLP-1, oral)**
  - T2D
  - Phase I
- **AZD2693 (PNPLA3\(^6\) inhibitor)**
  - NASH
  - Phase I

### Respiratory

- **PT027 (SABA/ICS\(^7\))**
  - asthma
  - Phase III
- **AZD7594 (inhaled/nebulised SGRM\(^8\)) - asthma, COPD**
  - Phase II
- **MEDI3506 (IL33\(^9\) mAb)**
  - multiple indications
  - Phase I/II
- **AZD1402 (IL4R\(^10\) antagonist)**
  - asthma
  - Phase II start in H2 2020
- **AZD0449 (inhaled JAK\(^11\) inhibitor)**
  - asthma
  - Phase I
- **AZD8154 (inhaled PI3Kg\(^12\)) inhibitor - asthma**
  - Phase I

---

1. Glucagon-like peptide-1
2. Non-alcoholic steatohepatitis
3. Lipooxygenase-activating protein
4. Myeloperoxidase
5. Vascular endothelial growth factor A modified messenger RNA
6. Patatin-like phospholipase domain-containing protein 3
7. Short-acting β-agonist/inhaled corticosteroid
8. Selective glucocorticoid receptor modulator
9. Interleukin-33
10. Interleukin-4 receptor
11. Janus kinase
12. Phosphoinositide 3-kinase gamma/delta.
## FY 2019 Reconciliation of Reported to Core Financial Measures

<table>
<thead>
<tr>
<th></th>
<th>Reported</th>
<th>Restructuring</th>
<th>Intangible Asset Amortisation &amp; Impairments</th>
<th>Diabetes Alliance</th>
<th>Other&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Core&lt;sup&gt;2&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$m</td>
<td>$m</td>
<td>$m</td>
<td>$m</td>
<td>$m</td>
<td>$m</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>19,463</td>
<td>73</td>
<td>87</td>
<td>-</td>
<td>-</td>
<td>19,623</td>
</tr>
<tr>
<td>Distribution Expense</td>
<td>(339)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(339)</td>
</tr>
<tr>
<td>R&amp;D Expense</td>
<td>(6,059)</td>
<td>101</td>
<td>638</td>
<td>-</td>
<td>-</td>
<td>(5,320)</td>
</tr>
<tr>
<td>SG&amp;A Expense</td>
<td>(11,682)</td>
<td>173</td>
<td>1,771</td>
<td>(126)</td>
<td>775</td>
<td>(9,089)</td>
</tr>
<tr>
<td>Other Operating Income &amp; Expense</td>
<td>1,541</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>19</td>
<td>1,561</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>2,924</td>
<td>347</td>
<td>2,497</td>
<td>(126)</td>
<td>794</td>
<td>6,436</td>
</tr>
<tr>
<td>Net Finance Expense</td>
<td>(1,260)</td>
<td>-</td>
<td>-</td>
<td>287</td>
<td>208</td>
<td>(765)</td>
</tr>
<tr>
<td>Taxation</td>
<td>(321)</td>
<td>(66)</td>
<td>(519)</td>
<td>(54)</td>
<td>(149)</td>
<td>(1,109)</td>
</tr>
<tr>
<td>Earnings Per Share</td>
<td>$1.03</td>
<td>$0.22</td>
<td>$1.52</td>
<td>$0.08</td>
<td>$0.65</td>
<td>$3.50</td>
</tr>
</tbody>
</table>

<sup>1</sup> Other adjustments include fair-value adjustments relating to contingent consideration on business combinations, discount unwind on acquisition-related liabilities and provision movements related to certain legal matters.

<sup>2</sup> Each of the measures in the Core column in the above table are non-GAAP financial measures.
## Q4 2019 Reconciliation of Reported to Core Financial Measures

<table>
<thead>
<tr>
<th></th>
<th>Reported $m</th>
<th>Restructuring $m</th>
<th>Intangible Asset Amortisation &amp; Impairments $m</th>
<th>Diabetes Alliance $m</th>
<th>Other $m</th>
<th>Core $m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Profit</td>
<td>5,286</td>
<td>(49)</td>
<td>18</td>
<td>-</td>
<td>-</td>
<td>5,255</td>
</tr>
<tr>
<td>Distribution Expense</td>
<td>(92)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(92)</td>
</tr>
<tr>
<td>R&amp;D Expense</td>
<td>(2,091)</td>
<td>19</td>
<td>578</td>
<td>-</td>
<td>-</td>
<td>(1,494)</td>
</tr>
<tr>
<td>SG&amp;A Expense</td>
<td>(3,026)</td>
<td>26</td>
<td>762</td>
<td>(420)</td>
<td>33</td>
<td>(2,625)</td>
</tr>
<tr>
<td>Other Operating Income &amp; Expense</td>
<td>500</td>
<td>-</td>
<td>(2)</td>
<td>-</td>
<td>3</td>
<td>501</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>577</td>
<td>(4)</td>
<td>1,356</td>
<td>(420)</td>
<td>36</td>
<td>1,545</td>
</tr>
<tr>
<td>Net Finance Expense</td>
<td>(312)</td>
<td>-</td>
<td>-</td>
<td>71</td>
<td>55</td>
<td>(186)</td>
</tr>
<tr>
<td>Taxation</td>
<td>37</td>
<td>8</td>
<td>(279)</td>
<td>52</td>
<td>(13)</td>
<td>(195)</td>
</tr>
<tr>
<td>Earnings Per Share</td>
<td>$0.24</td>
<td>-</td>
<td>$0.83</td>
<td>($0.23)</td>
<td>$0.05</td>
<td>$0.89</td>
</tr>
</tbody>
</table>

1 Other adjustments include fair-value adjustments relating to contingent consideration on business combinations, discount unwind on acquisition-related liabilities and provision movements related to certain legal matters.

2 Each of the measures in the Core column in the above table are non-GAAP financial measures.
**Prudent treasury risk-management policies**

The Company operates with a centralised Treasury structure so that key Treasury risks are managed at a Group level.

**Investment policy**
- Security and liquidity
- Financial counterparty limits

**Foreign Exchange Policy**
- Foreign Exchange exposures managed centrally
- Transactional currency exposures substantially hedged

**Interest Rate Policy**
- Level of floating rate debt matched to cash
- Significant portion of financial liabilities at fixed interest rates

**Credit Risk**
- Cash managed centrally
- Derivatives positions fully collateralised

**Liquidity Policy**
- Substantial level of available cash and unutilised credit facilities
- Group funding centrally managed
Use of AstraZeneca conference call, webcast and presentation slides

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