What science can do

AstraZeneca 2014 In Brief
At AstraZeneca, each and every one of us is bold in the belief that science should be at the centre of everything we do.

Science compels us to push the boundaries of what is possible. We trust in the potential of ideas and pursue them, alone and with others, until we have transformed the treatment of disease.

AstraZeneca. What science can do.

See what science can do…

The future of treatment for many of today’s diseases lies in uncovering mechanisms that are newly emerging or are still to be discovered. We believe the best way to help patients is to focus on breakthrough science to discover these mechanisms and develop novel, targeted therapies that interact with them.

This is at the heart of our business and our purpose as a company: to push the boundaries of science to deliver life-changing medicines.

…make hearts healthier

… help more people survive cancer

… help people breathe easier

For more information see page 9

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Front cover: Oncology combination therapies

AstraZeneca is combining biologic and small molecule therapies for the treatment of cancer. These combinations not only target the tumour directly, but help boost the body’s own immune system to induce tumour cell death.
Financial highlights

Revenue
up 3% at CER to
$26,095 million

Net cash flow from
operating activities
down 5% (at actual rate
of exchange) to $7,058 million

Core operating profit
down 13% at CER to
$6,937 million

Revenue
2014 $26,095m
2013 $25,711m
2012 $27,973m

Net cash flow from operating activities
2014 $7,058m
2013 $7,400m
2012 $6,948m

Core operating profit
2014 $6,937m
2013 $8,390m
2012 $11,159m

$26.1bn $7.1bn $6.9bn

Reported operating profit
down 31% at CER to
$2,137 million

Core EPS
for the full year down 8%
at CER to $4.28

Reported EPS
for the full year down 34%
at CER to $0.98

Reported operating profit
2014 $2,137m
2013 $3,712m
2012 $8,148m

Core EPS
2014 $4.28
2013 $5.05
2012 $6.83

Reported EPS
2014 $0.98
2013 $2.04
2012 $4.95

$2.1bn $4.28 $0.98

Distributions to shareholders $m

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends</td>
<td>$3,521</td>
<td>$3,461</td>
<td>$3,665</td>
</tr>
<tr>
<td>Proceeds from issue of shares</td>
<td>($279)</td>
<td>($482)</td>
<td>($429)</td>
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<tr>
<td>Share repurchases¹</td>
<td>–</td>
<td>–</td>
<td>$2,635</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$3,242</td>
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Dividend per Ordinary Share $

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<th>2013</th>
<th>2012</th>
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<tr>
<td>Dividend per Ordinary Share</td>
<td>$2.80</td>
<td>$2.80</td>
<td>$2.80</td>
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Dividend for 2014

<table>
<thead>
<tr>
<th></th>
<th>$</th>
<th>Pence</th>
<th>SEK</th>
<th>Payment date</th>
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<tbody>
<tr>
<td>First interim dividend</td>
<td>0.90</td>
<td>53.1</td>
<td>6.20</td>
<td>15 September 2014</td>
</tr>
<tr>
<td>Second interim dividend</td>
<td>1.90</td>
<td>125.0</td>
<td>15.62</td>
<td>23 March 2015</td>
</tr>
<tr>
<td>Total</td>
<td>2.80</td>
<td>178.1</td>
<td>21.82</td>
<td></td>
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</tbody>
</table>

¹ The share repurchase programme was suspended effective 1 October 2012.
Chief Executive Officer’s Review

Dear shareholder

2014 was a remarkable year that shows what AstraZeneca can achieve by following the science.

We strengthened and accelerated our pipeline, and increased the momentum behind our growth platforms. Our efforts are creating significant value for patients and shareholders.

AstraZeneca has completed the first phase in its strategic journey. We have rebuilt strong foundations for sustainable delivery and are on track to return to growth by 2017. Fuelled by an exciting portfolio, oncology has become AstraZeneca’s sixth growth platform and will deliver life-changing medicines to patients and long-term growth.

Achieve scientific leadership

The changes we have made in the last two years have transformed AstraZeneca’s pipeline and accelerated clinical programmes. For example, we have already achieved our 2016 target for the number of potential medicines in Phase III – three years ahead of schedule. The changes have also helped towards our goal of achieving scientific leadership in our three main therapy areas: Respiratory, Inflammation and Autoimmunity (RIA); Cardiovascular and Metabolic diseases (CVMD); and Oncology.

We achieved a record 12 approvals in 2014 and, while we must expect occasional setbacks, such as the discontinuation of a few early-stage projects, we have every reason to be confident in our pipeline. In addition to launching new medicines, such as Lynparza and Movantik/Moventig, by the end of 2016, we anticipate

> 12 to 16 Phase II starts
> 14 to 16 NME and major line extension regulatory submissions
> 8 to 10 NME and major line extension approvals.

A highlight of the year came in December when Lynparza was approved in the US and EU as the first PARP inhibitor for the treatment of women with BRCA-mutated (BRCAm) ovarian cancer who have had very limited treatment options to date. The story of Lynparza shows what AstraZeneca can achieve by following the science. Less than three years ago, Lynparza development was discontinued following Phase II study results. These indicated that the progression-free survival (PFS) benefit seen in the overall ovarian cancer population was unlikely to translate into an overall survival benefit. Attempts to identify a suitable dose of the new tablet formulation also proved challenging.

Our teams were undeterred. They saw an opportunity to explore why the data showed better efficacy in patients with BRCAm ovarian cancer and sought to re-analyse the Phase II data. This included obtaining the BRCAm status for almost all patients – itself a great achievement. Looking at the data again made it clear that the team was right – Lynparza significantly prolonged PFS compared with placebo in patients with
BRCAm ovarian cancer. In parallel, the team also identified a suitable dose and tablet formulation.

This really does exemplify our values in action and demonstrates our determination to push the boundaries of science to deliver life-changing medicines. We continue to explore the potential of this exciting new medicine, and additional late-stage clinical studies are underway to explore Lynparza’s benefit for a variety of other cancers.

Respiratory, Inflammation and Autoimmunity

The American College of Rheumatology annual meeting in Boston, MA accepted more than 15 abstracts of AstraZeneca work.

We are making significant progress in the RIA therapy area. Eight projects are in Phase III or registration. In particular, we are leveraging biologics in severe asthma and COPD, and developing several promising assets in inflammation and autoimmune disease areas. These include dermatology, gout, systemic lupus and rheumatoid arthritis. In November, we strengthened our own capabilities by acquiring the rights to Almirall’s respiratory business, and inhalation device subsidiary, which will help us develop the next generation of devices that meet patient needs. We further strengthened our respiratory portfolio through our agreement – announced in February 2015 – to acquire the rights to Actavis’s branded respiratory business in the US and Canada.*

Phase III studies began in 2014 for tralokinumab for the treatment of severe, inadequately controlled asthma. Furthermore, we decided to progress benralizumab to Phase III in COPD based on the finding that patients with elevated eosinophils seem to benefit from the drug.

Highlighting the potential of our inflammation and autoimmunity biologics portfolio, two Phase IIb studies for mavrilimumab and sifalimumab both met their primary endpoints. Results from Phase III trials for brodalumab also met all primary endpoints for the treatment of moderate to severe psoriasis, with two of these trials showing superior efficacy compared to the current standard of care. Following top-line results from the Phase III programme for lesinurad in combination with xanthine oxidase inhibitors in gout patients, our regulatory filing in the EU has been accepted.

Cardiovascular and Metabolic diseases

The 74th Scientific Sessions of the American Diabetes Association in San Francisco, CA accepted for presentation 43 abstracts reporting results of our R&D in diabetes. The Annual Meeting of the European Association for the Study of Diabetes in Vienna, Austria accepted 29 abstracts for presentation.

A record total of six major market approvals in 2014 for medicines that treat Type 2 diabetes further demonstrates how we are achieving scientific leadership. We also had positive results from a Phase III study of saxagliptin/dapagliflozin combination in patients with Type 2 diabetes and are progressing a regulatory filing in the US.

*A transaction subject to competition law clearances as well as other customary terms and conditions.
Chief Executive Officer’s Review continued

Strategic priorities overview

Achieve scientific leadership

> 12 approvals of NMEs or major LCM projects in major markets
  - CVMD: Bydureon Pen (US and EU), Farxiga/Forxiga (US and Japan), Xigduo XR (US) and Xigduo (EU) for Type 2 diabetes; Myalept (US) for generalised lipodystrophy; Epanova (US) for dyslipidaemia
  - Oncology: Lynparza (US and EU) for BRCA-mutated ovarian cancer
  - Neuroscience: Movantik/Moventig (US and EU) for opioid-induced constipation
> 11 Phase III starts, including 5 NMEs: MEDI4736 and AZD9291 for non-small cell lung cancer; tremelimumab for mesothelioma; roxadustat for chronic kidney disease and end-stage renal disease; and tralokinumab for severe asthma
> 6 NME or major LCM regulatory submissions in major markets
  - CVMD: Bydureon Pen (Japan) and saxagliptin/dapagliflozin FDC (US)
  - Oncology: Iressa (US) and Lynparza (US)
  - Inflammation: lesinurad (US and EU)
> 9 projects discontinued
> 3 acquisitions: the rights to Almirall’s respiratory franchise and inhalation device subsidiary; Definiens; and completion of the acquisition of BMS’s share of the diabetes alliance

Return to growth*

> 3% increase in revenue to $26,095 million
  - Accelerating performance of growth platforms more than offset impact of loss of exclusivity
> 15% increase in growth platforms revenue contributing 53% of total revenue
  - Brilinta/Brilique +70%; continued global progress
  - Diabetes +139%; successful Farxiga/Forxiga launch and good uptake of Bydureon Pen in the US
  - Respiratory +10%; Emerging Markets growth of 27% and decelerating US growth of 15%
  - Emerging Markets +12% to $5,827 million
  - Japan revenue -3%; due to mandated biennial price cuts, increased use of generics and Nexium recall in the fourth quarter
> US revenue was up 4% to $10,120 million, with Europe down 1% at $6,638 million; Established ROW revenue was down 4% to $3,510 million
> 22% growth in China, making it our second largest market

Great place to work

> Our 2014 employee survey showed understanding of our strategy up by 14 percentage points, to 88%, compared with the previous survey in 2012 – 4 points above the global high performing company norm. Belief in our direction rose by 18 points, to 86%
> Following transactions, some 4,100 BMS and Almirall employees were integrated into AstraZeneca
> Simplified organisation with 75% of employees now within six management steps of the CEO (40% in 2012)

Do business responsibly

> AstraZeneca launched the Healthy Heart Africa programme to address hypertension in Africa for some of the poorest people in the community

* Growth rates are expressed at CER unless otherwise stated.
The acquisition in February 2014 of BMS’s share of the diabetes alliance was a significant event for AstraZeneca and we now have one of the broadest non-insulin anti-diabetic portfolios in the industry. Our diabetes strategy is to shift the treatment paradigm towards early use of combination therapies, help accelerate the achievement of patients’ treatment goals and potentially delay disease progression.

2014 was a strong year for our growth platform, Brilinta/Brilique, both in terms of revenue growth and news flow. The US Department of Justice’s closure of its investigation into the PLATO clinical trial in August reaffirmed our confidence in Brilinta/Brilique and the PLATO trial. In September, new data indicated that the profile of Brilinta/Brilique was comparable whether administered pre-hospital or in-hospital in ST segment elevation myocardial infarction (STEMI) patients. Most recently, in January 2015, we announced that the PEGASUS-TIMI 54 study, a large-scale outcomes trial involving over 21,000 patients, had met its primary endpoint in both 60mg and 90mg doses. The study demonstrated that, when taken in combination with aspirin, Brilinta/Brilique reduced more major cardiovascular thrombotic events in patients with a history of heart attack than using aspirin alone.

**Oncology**

We presented over 40 scientific abstracts related to our investigational medicines to the American Society of Clinical Oncology meeting in Chicago, IL and the European Society of Medical Oncology 2014 Congress in Madrid, Spain.

AstraZeneca has a deep-rooted heritage in oncology. Our vision is to help patients by redefining the cancer treatment paradigm. Our broad pipeline of next-generation medicines is focused on four main disease areas: breast, ovarian, lung and haematological cancers. For these, we are targeting immunotherapy; the genetic drivers of cancer and resistance; DNA damage repair; and antibody-drug conjugates (ADCs).

The potential of our oncology pipeline is highlighted by our small molecule, investigational non-small cell lung cancer (NSCLC) compound, AZD9291. AZD9291 is a highly selective, irreversible inhibitor of both the activating sensitising epidermal growth factor receptor (EGFR) mutation and the resistance mutation T790M. The FDA has granted it breakthrough therapy designation as well as orphan drug and fast track status. This will allow us to speed the medicine’s development and we are planning to file for approval in the US in the second quarter of 2015. At just over two years after the compound entered clinical testing, this would represent a tremendous achievement.

In a development that enhances its value to patients and demonstrates our commitment to ensure the full potential of our science-led strategy is realised, our business model is evolving to include value creation through collaboration, out-licensing and divestments. In 2014, we established an alliance with Lilly to co-develop and commercialise our BACE inhibitor, AZD3293, for Alzheimer’s disease. As part of the European Commission’s Innovative Medicines Initiative, we also secured partial funding for MEDI4893, a potential infection medicine. In January 2015, we completed the divestment of the rare-disease drug Myalept to Aegerion. This provides another example of additional value creation.
Focus on...our pipeline
At 31 December 2014, our pipeline comprised 133 projects, including 118 in clinical development and 16 approved or launched. Our late-stage pipeline has transformed faster than we anticipated, with 13 NMEs in Phase III/pivotal Phase II, or under regulatory review compared with the original target of eight set in March 2013. Our early-stage pipeline has also grown rapidly through a sharp focus on novel science and technologies, providing a sustainable discovery engine behind our main therapy areas.

Development projects

<table>
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<th>Year</th>
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<th>Phase II</th>
<th>Late-stage development</th>
<th>LCM projects</th>
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<td>35</td>
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<td>2013</td>
<td>33</td>
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<td>19(^3)</td>
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<td>2012</td>
<td>29</td>
<td>24</td>
<td>7(^5)</td>
<td>23(^6)</td>
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</table>

\(^1\) Includes eight projects that are either approved or launched in at least one market. Includes one project that is filed in at least one market.

\(^2\) Includes eight projects that are either approved or launched in at least one market. Includes one project that is filed in at least one market.

\(^3\) Included four projects that were either approved or launched in at least one market. Included four projects that were filed in at least one market.

\(^4\) Included five projects that were either approved or launched in at least one market. Included one project that was filed in at least one market.

\(^5\) Included five projects that were either approved or launched in at least one market.

\(^6\) Included eight projects that were filed, approved or launched in at least one market.

\(^7\) Phase III/pivotal Phase II, or under regulatory review.

to personalised healthcare, Iressa now includes blood-based diagnostic testing in its European label for patients unable to provide a suitable tumour sample. In the US, the FDA has accepted a filing for Iressa as a targeted monotherapy for the 1st line treatment of patients with advanced or metastatic EGFR mutation-positive NSCLC.

Immuno-oncology has the potential to transform the way cancer patients are treated by harnessing the body’s own immune system. Our broad portfolio includes almost 30 combination trials, either underway or planned. In a crowded field, we are particularly well positioned to explore synergistic combinations of immunotherapies, both with each other and with our own highly targeted small molecules. In 2014, we initiated a Phase III immunotherapy study for MEDI4736 in patients with NSCLC.

Collaborations, such as those made in 2014 with Incyte, Advaxis, Kyowa Hakko Kirin, Pharmacyclics and Janssen are accelerating our own R&D efforts. The acquisition of Definiens further strengthened our immuno-oncology capabilities, as described in the panel on the right.

Return to growth
The steps we took to achieve scientific leadership in 2014 were complemented by our progress towards returning to growth. We are doing this through maximising the potential of our existing medicines, leveraging our global scale and investing in our growth platforms and key geographies.

Our commercial expertise and global scale, including a strong presence in Emerging Markets, helped maximise the value of our
our revenues in 2014. We will continue to focus on driving growth in these areas, with the addition of oncology as a growth platform in 2015 as we navigate a period that will see some of our established products losing their exclusivity.

As already indicated, targeted business development reinforces our main therapy areas. A focus on early-stage academic and biotech alliances supports our long-term pipeline aspirations. At the same time, strategic transactions, such as those with BMS and Almirall, support the late-stage and marketed portfolio.

In parallel with the pipeline transformation, and leveraging our global scale and commercial expertise, our business shape is changing to become more sustainable, durable and profitable. Biologics now account for nearly half our pipeline. This increases the probability of success of our projects and potentially enhances the longevity of our assets. A greater focus on innovative delivery devices can offer choice to patients while also ensuring the durability of our products. Overall, we believe the growing proportion of specialty care products in our portfolio will boost profitability.

Great place to work
We continue to drive our cultural transformation and operational simplification to support our strategic goals. Our efforts to nurture an enhanced culture of innovation and enterprise are having a positive impact across the organisation. Results from our 2014 employee survey reflect the progress we have made. Employee understanding of our strategy was up 14 percentage points to 88% over the 2012 survey, and belief in our direction was up 18 points to 86%. A simpler management structure is helping sharpen our focus and remove barriers, further accelerating decision making and increasing productivity.
Our activities in Cambridge, shown on the left, highlight the benefit of co-locating our R&D around three strategic bioscience clusters in the US, Sweden and the UK. These moves are making it easier for our researchers to collaborate with external partners – and with each other – to leverage our small and large molecule capabilities, and our innovative technology to maintain the pace of pipeline development.

Appreciation
The year 2014 was remarkable for AstraZeneca. A period that might easily have distracted us with external events instead proved to be a time that strengthened the case for our future as an independent company. All of this was due to the achievements of our employees, partners and collaborators. I would like to pay tribute to every one of them. In doing so, I would particularly like to welcome all those who have joined AstraZeneca and share our passion for working in a company that follows the science. That welcome includes Fiona Cicconi and Luke Miels, who both joined in 2014 and became members of the Senior Executive Team.

All of us should be proud of what AstraZeneca achieved in 2014. Together, we can be confident that, by leading in science, we will transform the lives of patients around the world. In doing so, we will return to growth and deliver value to our shareholders.

Pascal Soriot
Chief Executive Officer
What science can do

Make hearts healthier

Cardiac regeneration

mRNA being read by a ribosome to produce signalling proteins. These signals cause stem cells in the heart to proliferate and differentiate to new cardiac cells that can repair damage in the heart. We are researching medicines that generate these signals and functional effects in the heart.

17.3m
An estimated 17.3 million people die annually from CV disease, representing 30% of all global deaths. More than 80% of these deaths occur in low- to middle-income countries.

Help more people survive cancer

Circulating tumour DNA

We have pioneered the use of circulating tumour DNA (ctDNA) in the diagnosis of cancer. Pieces of DNA break off from a tumour and circulate in the bloodstream. Highly advanced methods are used to interrogate these tiny quantities of DNA so that doctors gain information specific to a patient’s tumour to determine the most appropriate treatment through a non-invasive blood test.

14m

Annual cancer cases are expected to rise from 14 million in 2012 to an estimated 22 million within the next two decades.

Approximately 235 million people suffer from asthma.* Prevalence is increasing, especially among children. Approximately 300 million people suffer from COPD.


Biologics in the treatment of asthma

We are working to improve asthma outcomes through the development of biologics. Eosinophils are thought to be responsible for inflammation and asthma attacks in some asthma patients. We are developing a biologic that binds to a receptor on the surface of eosinophils and then recruits effector cells to remove eosinophils from circulation.

235m
Approximately 235 million people suffer from asthma.* Prevalence is increasing, especially among children. Approximately 300 million people suffer from COPD.

* Source: WHO Factsheet 2013.
Further information

AstraZeneca 2014 In Brief
This document contains information, including financial information, extracted from the Annual Report and Form 20-F Information 2014 (Annual Report) for AstraZeneca PLC (the Company). The Company and its subsidiaries are variously referred to in this document as ‘AstraZeneca’, the ‘Group’, ‘we’, ‘us’ and ‘our’. This information is provided solely for the convenience of current and future members of the Company and is only intended to introduce the information contained in the Annual Report. Consequently, it should not be read as a substitute for the Annual Report itself. It is not intended to satisfy any statutory and/or regulatory requirements in the UK or elsewhere. Accordingly, it should only be read in conjunction with the Annual Report. The Company, its subsidiaries, Directors and officers shall not be liable for the consequence of any action taken solely in reliance on the information contained in this document.

Website
A copy of the Annual Report is available on our website, www.astrazeneca.com/annualreport2014. It is also available by request from the Company Secretary.

Trade marks
Trade marks of the Group appear throughout this document in italics. AstraZeneca, the AstraZeneca logotype and the AstraZeneca symbol are all trade marks of the Group.

Defined terms
Unless otherwise defined in this document, defined terms used in this document shall have the meaning given to them in the Annual Report.

Financial measures
The following measures are referred to in this document:

> Reported performance. Reported performance takes into account all the factors (including those which we cannot influence, principally currency exchange rates) that have affected the results of our business as reflected in our Group Financial Statements prepared in accordance with International Financial Reporting Standards as adopted by the EU and as issued by the International Accounting Standards Board.

> Core financial measures. These are non-GAAP measures because unlike Reported performance they cannot be derived directly from the information in the Group’s Financial Statements. These measures are adjusted to exclude certain significant items, such as charges and provisions related to our global restructuring programmes, all intangible asset amortisation charges and impairments, except for IT-related intangibles, and other specified items, principally legal settlements and acquisition-related costs.

> Constant exchange rate (CER) growth rates. These are also non-GAAP measures. These measures remove the effects of currency movements (by retranslating the current year’s performance at the previous year’s exchange rates and adjusting for other exchange effects, including hedging). Throughout this document, growth rates are expressed at CER unless otherwise stated. AstraZeneca’s determination of non-GAAP measures together with our presentation of them within our financial information may differ from similarly titled non-GAAP measures of other companies.
Cautionary statement regarding forward-looking statements

The purpose of this document is to provide information to the members of the Company. The Company and its Directors, employees, agents and advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed. In order, among other things, to utilise the ‘safe harbour’ provisions of the US Private Securities Litigation Reform Act of 1995 and the UK Companies Act 2006, 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. Forward-looking statements are statements relating to the future which are based on information available at the time such statements are made, including information relating to risks and uncertainties. Although we believe that the forward-looking statements in this document are based on reasonable assumptions, the matters discussed in the forward-looking statements may be influenced by factors that could cause actual outcomes and results to be materially different from those expressed or implied by these statements. The forward-looking statements reflect knowledge and information available at the date of the preparation of this document and the Company 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, those factors identified in the Risk section from page 203 of the Annual Report. Nothing in this document should be construed as a profit forecast.