H1 2017 Results

Conference call and webcast for investors and analysts

27 July 2017
Forward-looking statements

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Presenters

Pascal Soriot
Executive Director and Chief Executive Officer

Mark Mallon
Executive Vice President, Global Products & Portfolio Strategy, Global Medical Affairs, Corporate Affairs

Jamie Freedman
Executive Vice President and Head, Oncology Business Unit

Marc Dunoyer
Executive Director and Chief Financial Officer

Sean Bohen
Executive Vice President, Global Medicines Development and Chief Medical Officer
Antibody that blocks inhibitory signals from the tumour to cells of the immune system, resulting in enhanced anti-tumour immunity.
Total Revenue declined as anticipated, reflecting mainly the tail impact of *Crestor*’s and *Seroquel XR*’s US loss of exclusivity

**Sales from Growth Platforms increased**

- **Emerging Markets:** Up 6%, some impact from economic conditions in LatAm/MEA
  - China: Up 8%; *Tagrisso* off to a strong start
- **Respiratory:** Continued to be impacted by US *Symbicort*
- **New CVMD**: Supported by *Brilinta* (+28%) and *Farxiga* (+22%)
- **Japan:** Up 6%, supported by lapping of price cuts and strength of *Tagrisso*
- **New Oncology:** Boosted by *Tagrisso* ($403m)

**EPS growth underpinned by cost management and Other Operating Income**

**2017 guidance reiterated**

1. LatAm/MEA = Latin America and Middle-East & Africa.
2. CVMD = Cardiovascular & Metabolic Diseases.

Growth at Constant Exchange Rates (CER) and for H1 2017, unless otherwise stated. Guidance at CER.
## Highlights, continued

### Pipeline news summary

#### Pipeline

<table>
<thead>
<tr>
<th>Category</th>
<th>Product</th>
<th>Disease/Stage</th>
<th>Status/Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Oncology</strong></td>
<td><strong>Imfinzi</strong></td>
<td>bladder cancer</td>
<td>Approval (US)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>lung cancer Stage III</td>
<td>Phase III PACIFIC: Met PFS1 primary endpoint</td>
</tr>
<tr>
<td></td>
<td></td>
<td>lung cancer 1L</td>
<td>Phase III MYSTIC: Did not meet PFS primary endpoint</td>
</tr>
<tr>
<td></td>
<td><strong>Tagrisso</strong></td>
<td>lung cancer 1L</td>
<td>Phase III FLAURA: Met primary endpoint</td>
</tr>
<tr>
<td></td>
<td><strong>Faslodex</strong></td>
<td>breast cancer 1L</td>
<td>Approval (EU, JP)</td>
</tr>
<tr>
<td></td>
<td><strong>Lynparza</strong></td>
<td>ovarian cancer 2L</td>
<td>Regulatory submission acceptance (EU, JP)</td>
</tr>
<tr>
<td><strong>Cardiovascular &amp; Metabolic Diseases</strong></td>
<td><strong>Bydureon</strong></td>
<td>type-2 diabetes CVOT2</td>
<td>Phase III EXSCEL: Met primary safety objective; did not meet primary efficacy objective</td>
</tr>
<tr>
<td><strong>Respiratory</strong></td>
<td><strong>Bevespi</strong></td>
<td>COPD severe, uncontrolled asthma</td>
<td>Regulatory submission (EU)</td>
</tr>
<tr>
<td></td>
<td>tralokinumab</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td><strong>Kyntheum</strong></td>
<td>psoriasis</td>
<td>Approval (EU; received by partner)</td>
</tr>
</tbody>
</table>

#### New scientist joiners

- Jean-Charles Soria, SVP, Research and Early Development, from Gustave Roussy Cancer Centre
- Geoffrey Kim, Head of Oncology Strategic Combinations, from US FDA

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1. PFS = Progression-free survival.
2. CVOT = Cardiovascular outcomes trial.

Status since the results announcement on 27 April 2017.
Total Revenue: An inflection point approaching
New AstraZeneca emerging visibly from patent losses

Absolute values at CER. Change at CER and for H1 2017, unless otherwise stated.
2017: Becoming a defining year

Launches of new medicines from main therapy areas

- **Duaklir**
- **Lynparza**
- **TAGRISSO**
- **forxiga**

Some of the key news flow opportunities in 2017

- **Imfinzi**
  - bladder cancer reg. decision
  - NSCLC Stage III PACIFIC PFS

- **ZS-9**
  - hyperkalaemia reg. decision

- **benralizumab**
  - asthma reg. decision

- **Lynparza**
  - multiple cancers data readouts

- **Tagrisso**
  - NSCLC 1L FLAURA

- **acalabrutinib**
  - blood cancers fast-to-market opportunity

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1. NSCLC = Non-small cell lung cancer.
Lynparza affirmed as the globally-leading PARP inhibitor
Merck collaboration expands potential, in particular for IO combos

• Establishes Lynparza as the preferred PARP-inhibitor backbone of future PD-1/PD-L1 combinations

• Accelerates Lynparza’s development with the leading PD-1 inhibitor in clinical trials, Keytruda

• Financially-attractive total deal value of up to $8.5bn
Antibody that blocks inhibitory signals from the tumour to cells of the immune system, resulting in enhanced anti-tumour immunity.
Growth Platforms: Focus further strengthened

<table>
<thead>
<tr>
<th></th>
<th>Q2 2017 $m</th>
<th>% change</th>
<th>% Total Revenue</th>
<th>H1 2017 $m</th>
<th>% change</th>
<th>% Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth Platforms</td>
<td>3,723</td>
<td>1</td>
<td>74</td>
<td>7,295</td>
<td>3</td>
<td>70</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>1,442</td>
<td>2</td>
<td>-</td>
<td>3,004</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>Respiratory</td>
<td>1,099</td>
<td>(9)</td>
<td>-</td>
<td>2,280</td>
<td>(4)</td>
<td>-</td>
</tr>
<tr>
<td>New CVMD(^1)</td>
<td>872</td>
<td>3</td>
<td>-</td>
<td>1,670</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Japan</td>
<td>617</td>
<td>8</td>
<td>-</td>
<td>1,067</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>New Oncology(^2)</td>
<td>301</td>
<td>99</td>
<td>-</td>
<td>537</td>
<td>n/m</td>
<td>-</td>
</tr>
</tbody>
</table>

1. New CVMD comprises Brilinta and Diabetes.

Absolute values at actual exchange rates. Change at CER.
Emerging Markets
China performing well

Product Sales growth
Long-term target: Mid to high single-digit

- Mid to high single-digit growth continues
  - Some impact of economic conditions in LatAm/MEA¹
  - Underlying growth 3-6% higher when adjusting for partnerships/divestments
- Oncology +15%: Legacy medicines, incl. Faslodex (+9%), boosted by Tagrisso ($40m) and China launch
- New CVMD +23%: Principal medicines Brilinta (+36%) and Forxiga (+83%) supporting growth
- Respiratory +9%: Continued double-digit growth for important medicine Pulmicort (+19%; 60% of total)

1. LatAm/MEA = Latin America and Middle-East & Africa. Change at CER and for H1 2017, unless otherwise stated.
Respiratory
Continued challenging market for *Symbicort*

**Steady Pulmicort growth**

- US -17%
- Europe -5%
- Emerging Markets +9%

**US prescription stability; Symbicort differentiation**

- US -17%
- Europe -5%
- Emerging Markets +9%

- Global focus: Emphasis on *Symbicort’s* superior profile

- Pricing pressure continued as expected
- *Bevespi* off to a solid start
- Overall stable business volumes
- *Duaklir* (+29%) continues its rollout

**39%**

fewer severe exacerbations with lower steroid dose¹

1. *Symbicort* vs. salmeterol/fluticasone+SABA.
   Source: QuintilesIMS.

Absolute values at actual exchange rates. Change at CER and for H1 2017, unless otherwise stated.

1. Symbicort vs. salmeterol/fluticasone+SABA. Source: QuintilesIMS.
Bevespi in the US
Good, but early path

Maximise bronchodilation
Achieved a 381mL improvement in peak inspiratory capacity

Bevespi is indicated for the long-term, maintenance treatment of airflow obstruction in patients with COPD, including chronic bronchitis and/or emphysema.

1. NBRx = New-to-brand prescriptions.
2. Improvements in lung function relative to its individual components and placebo in two 24-week pivotal trials.

Source: QuintilesIMS.
Sharper focus on Brilinta and Farxiga

**Brilinta: Strong execution; US NBRx continued to grow**

- **Q2 2017**
  - US: 36%
  - Europe: 35%
  - EMs: 13%
- **H1 2017**
  - US: 28%
  - Europe: 36%
  - EMs: 13%

**Diabetes: Farxiga growth drives global market leadership**

- **Q2 2017**
  - Farxiga: 35%
  - Onglyza: 22%
  - Bydureon: 0%
  - Byetta: 0%
- **H1 2017**
  - Farxiga: 36%
  - Onglyza: 24%
  - Bydureon: 3%
  - Byetta: -24%

**Commercial focus sharpened on differentiated medicines**

- **Brilinta**
  - Continued solid growth in all geographies

- **Farxiga**
  - US (-1%)
    - Impacted by affordability programmes.
    - Sharpened message on HbA1c.
    - Scientific rollout of CVD-REAL study
  - Ex-US (55% of total)
    - Continued growth, e.g. Europe (+24%)

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Source: QuintilesIMS. Includes Farxiga fixed-dose combinations.

Absolute values at actual exchange rates.
Change at CER and for H1 2017, unless otherwise stated.
Source: QuintilesIMS.
Japan

Tagrisso supports business growth

Strong growth
Q2 2017: Up 8%

Forxiga now the leading SGLT2 inhibitor based on value

Tagrisso: Supported by testing rates >90%

Absolute values at actual exchange rates. Change at CER and for H1 2017, unless otherwise stated.

Source: QuintilesIMS.
Oncology

Q2 2017: First quarter since 2010 with ~$1bn in Product Sales

- **Total Oncology**
  - 20% growth and 19% of total Product Sales
  - Faslodex (+16%) benefited from recent label expansions into 1st-line use and combination

- **New Oncology**
  - Commitment to six new medicines 2014-2020; three already delivered:
    - Tagrisso: Very strong uptake, particularly in Asia
    - Imfinzi: Strategic launch May 2017
    - Lynparza: Continued strong news flow; 2nd-line ovarian and breast cancer

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Oncology Product Sales
New medicines boosting growth

- Other Oncology
- Zoladex
- Faslodex
- Iressa
- Lynparza
- Tagrisso
- Imfinzi

Absolute values at CER.
**Tagrisso**

**Strong growth**

**Continued global growth**

<table>
<thead>
<tr>
<th></th>
<th>Q1 2016</th>
<th>Q2 2016</th>
<th>Q3 2016</th>
<th>Q4 2016</th>
<th>Q1 2017</th>
<th>Q2 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>$150m</td>
<td>$200m</td>
<td>$250m</td>
<td>$300m</td>
<td>$350m</td>
<td>$400m</td>
</tr>
<tr>
<td>Europe</td>
<td>$50m</td>
<td>$75m</td>
<td>$100m</td>
<td>$125m</td>
<td>$150m</td>
<td>$175m</td>
</tr>
<tr>
<td>EM</td>
<td>$25m</td>
<td>$60m</td>
<td>$95m</td>
<td>$130m</td>
<td>$165m</td>
<td>$200m</td>
</tr>
<tr>
<td>Est. ROW</td>
<td>$10m</td>
<td>$25m</td>
<td>$40m</td>
<td>$55m</td>
<td>$70m</td>
<td>$85m</td>
</tr>
</tbody>
</table>

**Global commercial execution**

- **US**: T790M\(^1\)-mutation testing rate holding back access to Tagrisso
  - Progress being made on improving testing and education around ctDNA/plasma retesting
- **Europe**: More reimbursements secured
- **Japan**: Continued strong growth; T790M testing rate >90%
- **China**: First launch in May

**1st-line opportunity as seen in EGFRm\(^2\) cohort from Phase I**

- 60 EGFRm patients who received Tagrisso in 1L setting
- 77% confirmed overall objective response rate
- 19.3 months of median PFS

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1. T790M = Mutation that results in an amino acid substitution at position 790 in EGFR, from threonine (T) to methionine (M).
2. EGFRm = Epidermal growth factor receptor mutation.

Source: ELCC 2016, abstract LBA1_PR.

Absolute values at actual exchange rates.
Imfinzi

Strategic US launch in bladder cancer; preparing for lung cancer

Bladder cancer US launch

- 8 Weeks since launch
- 2nd ‘Share of Voice’ position
- >35% ‘Share of Voice’ share

Stage III unresectable NSCLC PACIFIC trial

- Met PFS primary endpoint based on interim analysis
  - trial continues to assess OS\(^1\) primary endpoint, anticipated in 2019 at the latest
- Regulatory submission anticipated in H2 2017
- ~100,000 Stage III patients in G7; about half have unresectable tumours
- Two-three years ahead of competitors

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1. OS = Overall survival.
Source: BrandImpact market research, May 2017, AstraZeneca epidemiology data. G7 countries include the US, Japan, Germany, the UK, France, Italy and Canada.
Global leader

Lynparza

US to benefit from ovarian 2L and breast-cancer indication

Absolute values at actual exchange rates.

Significant news flow expected

Potential launches

1) Establish leadership
2) Expand patient segments
2) Add VEGF(r) combinations
4) New combinations and tumour types
**Lynparza - Merck collaboration**

Establish as the preferred PARP-inhibitor backbone of future PD-1/PD-L1 and DNA Damage Response (DDR) combinations

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**Combination with IO**

**Combination with DDR**

**Combination with VEGF(r)**

**Monotherapy**

- **BRCAm**
- **HRRm**
- **Biomarker negative**

**Expanding patient population**

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Source: AstraZeneca epidemiology data.

HRRm = Homologous recombination repair mutation.
Lynparza - Merck collaboration
Accelerates development with the leading PD-1 in clinical trials

Ongoing trials for approved PD-1/L1 medicines

- Keytruda: 39%
- Imfinzi: 13%
- nivolumab: 33%
- atezolizumab: 11%
- avelumab: 4%

Combined more than half of all ongoing trials

Lynparza - Merck collaboration

Summary

- Combines capabilities of two main oncology players
- Establishes Lynparza as the preferred PARP-inhibitor backbone of future PD-1/PD-L1 combinations
- Accelerates Lynparza’s development with the leading PD-1 inhibitor in clinical trials, Keytruda
- Maximises potential number of treatment options available
- Total payments to AstraZeneca of up to $8.5bn
Agenda

Overview

Growth Platforms

Oncology

Finance

Pipeline and news flow

Closing and Q&A

Antibody that blocks inhibitory signals from the tumour to cells of the immune system, resulting in enhanced anti-tumour immunity
## Reported Profit & Loss

<table>
<thead>
<tr>
<th></th>
<th>H1 2017 $m</th>
<th>% change</th>
<th>% Total Revenue</th>
<th>Q2 2017 $m</th>
<th>% change</th>
<th>% Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenue</strong></td>
<td>10,456</td>
<td>(9)</td>
<td>100</td>
<td>5,051</td>
<td>(8)</td>
<td>100</td>
</tr>
<tr>
<td>- Product Sales</td>
<td>9,783</td>
<td>(10)</td>
<td>94</td>
<td>4,940</td>
<td>(8)</td>
<td>98</td>
</tr>
<tr>
<td>- Externalisation Revenue</td>
<td>673</td>
<td>(1)</td>
<td>6</td>
<td>111</td>
<td>(15)</td>
<td>2</td>
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<tr>
<td><strong>Gross Margin</strong></td>
<td>81.5%</td>
<td>(1)</td>
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<td>80.8%</td>
<td>-</td>
<td>-</td>
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<tr>
<td><strong>R&amp;D Expenses</strong></td>
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<td>(1)</td>
<td>27</td>
<td>1,349</td>
<td>(4)</td>
<td>27</td>
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<tr>
<td><strong>SG&amp;A Expenses</strong></td>
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<td>45</td>
<td>2,358</td>
<td>(20)</td>
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<tr>
<td><strong>Other Operating Income and Expense</strong></td>
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<td>101</td>
<td>8</td>
<td>603</td>
<td>65</td>
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<tr>
<td><strong>Tax Rate</strong></td>
<td>11%</td>
<td>-</td>
<td>-</td>
<td>9%</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**EPS**

- **$0.80** $0.38 $0.38 n/m

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Absolute values at actual exchange rates. Change at CER and for H1 2017, unless otherwise stated. Gross Margin reflects Gross Profit derived from Product Sales, divided by Product Sales.
## Core Profit & Loss

Opex reduction larger than anticipated for FY 2017

<table>
<thead>
<tr>
<th></th>
<th>H1 2017 $m</th>
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<td>100</td>
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<td>- Product Sales</td>
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<td>94</td>
<td>4,940</td>
<td>(8)</td>
<td>98</td>
</tr>
<tr>
<td>- Externalisation Revenue</td>
<td>673</td>
<td>(1)</td>
<td>6</td>
<td>111</td>
<td>(15)</td>
<td>2</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>83.0%</td>
<td>-</td>
<td>-</td>
<td>82.3%</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td><strong>R&amp;D Expenses</strong></td>
<td>2,617</td>
<td>(4)</td>
<td>25</td>
<td>1,279</td>
<td>(4)</td>
<td>25</td>
</tr>
<tr>
<td><strong>SG&amp;A Expenses</strong></td>
<td>3,728</td>
<td>(9)</td>
<td>36</td>
<td>1,899</td>
<td>(7)</td>
<td>38</td>
</tr>
<tr>
<td><strong>Other Operating Income and Expense</strong></td>
<td>958</td>
<td>n/m</td>
<td>9</td>
<td>625</td>
<td>61</td>
<td>12</td>
</tr>
<tr>
<td><strong>Tax Rate</strong></td>
<td>19%</td>
<td>-</td>
<td>-</td>
<td>20%</td>
<td>-</td>
<td>-</td>
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<tr>
<td><strong>EPS</strong></td>
<td>$1.86</td>
<td>1</td>
<td></td>
<td>$0.87</td>
<td>6</td>
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</tr>
</tbody>
</table>

Absolute values at actual exchange rates. Change at CER and for H1 2017, unless otherwise stated. Gross Margin reflects Gross Profit derived from Product Sales, divided by Product Sales.
Continued progress and focus on cost discipline

- Reduction in Core R&D costs
  - H1 2017: Down by 4%
  - FY 2017: Core R&D costs are expected to be broadly in line with those in FY 2016

- Significant reduction in Core SG&A costs
  - H1 2017: Down by 9%
  - FY 2017: Reduction in FY 2017 not expected to be as large as in H1 2017

Absolute values and change at CER; growth rates for H1 2017, unless otherwise stated.
Core Operating Profit margin underpinned by news flow

Core Operating Profit margin

Core Operating Profit margin supported by Core gross margin and reduced expenses

• Core **Gross Margin** strategically supported over time, by the growing influence of speciality-care medicines
• Core **R&D** costs not targeted as a ratio to Product Sales, but driven by opportunities in the late-stage pipeline
• Core **SG&A** costs have the capacity to reduce as momentum in cost discipline continues

Operating leverage expected after return to growth while still retaining flexibility on attractive pipeline opportunities
## FY 2017 guidance and capital-allocation priorities

<table>
<thead>
<tr>
<th>Guidance</th>
<th>Capital-allocation priorities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>Investment in the business</strong></td>
</tr>
<tr>
<td>Low to mid single-digit percentage</td>
<td><strong>Progressive dividend policy</strong></td>
</tr>
<tr>
<td>decline</td>
<td></td>
</tr>
<tr>
<td><strong>Core EPS</strong></td>
<td><strong>Strong, investment-grade credit rating</strong></td>
</tr>
<tr>
<td>Low to mid teens percentage decline</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Immediately earnings-accretive, value-enhancing opportunities</strong></td>
</tr>
</tbody>
</table>
Antibody that blocks inhibitory signals from the tumour to cells of the immune system, resulting in enhanced anti-tumour immunity
Q2 2017 late-stage pipeline update

**Oncology**
- **Imfinzi** - bladder cancer: Approval (US)
  - lung cancer:
    - Stage III (PACIFIC): Met PFS primary endpoint
    - 1L (MYSTIC): Did not meet PFS primary endpoint for combo with treme
- **Tagrisso** - lung cancer 1L (FLAURA): Met primary endpoint
- **Faslodex** - breast cancer 1L: Approval (EU, JP)
- **Lynparza** - ovarian cancer 2L: Regulatory submission acceptance (EU, JP)

**Cardiovascular & Metabolic Diseases**
- **Bydureon** - type-2 diabetes: Met primary safety objective in CVOT; did not meet primary efficacy objective

**Respiratory**
- **Bevespi** - COPD: Regulatory submission acceptance (EU)
- **tralokinumab** - severe, uncontrolled asthma: Did not meet primary endpoint in first Phase III trial, STRATOS 1

**Other**
- **Kyntheum** (brodalumab) - psoriasis: Approval (EU, received by partner)

Status since the prior results announcement on 27 April 2017.
Oncology: Highlights from ASCO 2017 Annual Meeting
100 abstracts; broad presence with *Lynparza*, *Tagrisso* & *Imfinzi*

1. **DNA Damage Response**
   *Lynparza* OlympiAD Phase III trial in BRCA-mutated metastatic breast cancer and SOLO-2 trial health-related quality of life in BRCA-mutated, metastatic ovarian cancer

2. **Tumour Drivers and Resistance**
   *Tagrisso* AURA3 Phase III trial and BLOOM Phase I trial in EGFR and/or T790M mutation-positive non-small cell lung cancer (NSCLC) with leptomeningeal disease or metastases of the central nervous system

3. **Immuno-Oncology**
   *Imfinzi* Study 1108 Phase I/II updates in metastatic bladder cancer and NSCLC as monotherapy and from other trials as monotherapy and combination therapy in other tumour types
### Patients with EGFR-mutated tumours

~15-20% of patients, but double in Asia

<table>
<thead>
<tr>
<th>Medicine</th>
<th>Phase</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tagrisso</td>
<td>ADAURA (2021/2022)</td>
<td>✓</td>
</tr>
<tr>
<td>Tagrisso</td>
<td>FLAURA</td>
<td>✓</td>
</tr>
<tr>
<td>Tagrisso</td>
<td>T790M</td>
<td>✓</td>
</tr>
</tbody>
</table>

### Patients with no EGFR- or ALK-mutated tumours

~75-80% of patients

- Imfinzi + tremelimumab (Imfinzi + treme)
- Imfinzi

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<tr>
<td>ADJUVANT</td>
<td>(2020)</td>
<td></td>
</tr>
<tr>
<td>PACIFIC</td>
<td>(2019 final OS)</td>
<td>✓</td>
</tr>
<tr>
<td>POSEIDON CTx</td>
<td>(2019)</td>
<td></td>
</tr>
<tr>
<td>PEARL</td>
<td>(2020)</td>
<td></td>
</tr>
<tr>
<td>NEPTUNE</td>
<td>(H2 2018)</td>
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</tr>
<tr>
<td>MYSTIC</td>
<td>(H1 2018 final OS)</td>
<td></td>
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<tr>
<td>ARCTIC</td>
<td>(H2 2017)</td>
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### Stage/progression of disease

- **Stage Ib-IIIa**
  - Stage I-III (early / non-metastatic)
- **Stage III**
- **1st line**
  - Stage IV (metastatic)
- **2nd/3rd line**
  - Stage III

(✓) = First/next data anticipated. Source: AstraZeneca epidemiology data.
Stage IV metastatic (~1/2 of NSCLC)

- Met the primary endpoint showing a statistically-significant and clinically-meaningful improvement in PFS
- OSC is a secondary endpoint; trial will be followed to greater maturity
- Regulatory submission H2 2017

**FLAURA trial**
15-20% EGFR mutated (double in Asia)

Stage III unresectable (10-15% of NSCLC)

**PACIFIC trial**

- Met a primary endpoint of statistically-significant and clinically-meaningful improvement in PFS based on interim analysis
- Trial continues to assess OS primary endpoint anticipated in 2019 at the latest
- Regulatory submission H2 2017

**MYSTIC trial**
80-85% EGFR wild type

- Did not meet PFS endpoints for Imfinzi and treme combination or Imfinzi mono-therapy
- Trial continues to assess OS primary endpoints for Imfinzi and the Imfinzi + treme combination
- Final OS data expected H1 2018

**Increased presence in lung cancer across stages and key segments**

**NSCLC: Three major news items**

*Imfinzi* and *Tagrisso* continue to inform
Imfinzi: MYSTIC trial has more data to come

<table>
<thead>
<tr>
<th>Primary endpoints</th>
<th>2017</th>
<th>H1 2018</th>
</tr>
</thead>
</table>
| **Imfinzi + treme combo**  
PFS in ‘expressers’ | Mid-2017 | ✓ PFS final analysis |
| **Imfinzi + treme combo**  
OS in ‘expressers’ | OS interim analyses | OS final analysis |
| **Imfinzi**  
OS in ‘expressers’ | OS interim analyses | OS final analysis |
### Imfinzi: Overview of ongoing Phase III trials

#### Broad development programme in NSCLC patients

<table>
<thead>
<tr>
<th>Trial design</th>
<th>ADJUVANT</th>
<th>PACIFIC</th>
<th>MYSTIC</th>
<th>NEPTUNE</th>
<th>PEARL</th>
<th>POSEIDON</th>
<th>ARCTIC</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Stage Ib-Illa</td>
<td>Stage III unresectable</td>
<td>Stage IV / 1L EGFR/ALK wt Non-sq / sq</td>
<td>Stage IV / 1L EGFR/ALK wt Non-sq / sq</td>
<td>Stage IV / 1L EGFR/ALK wt Non-sq / sq</td>
<td>Stage IV / 1L EGFR/ALK wt Non-sq / sq</td>
<td>Stage IV / 3L EGFR/ALK wt Non-sq / sq PD-L1 low</td>
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<tr>
<td></td>
<td>Randomised, controlled</td>
<td>Randomised, controlled</td>
<td>Randomised, controlled</td>
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<tr>
<td></td>
<td>Imfinzi vs placebo</td>
<td>Imfinzi vs placebo</td>
<td>Imfinzi, Imfinzi + treme vs SoC</td>
<td>Imfinzi vs SoC</td>
<td>Imfinzi vs SoC</td>
<td>Imfinzi + SoC, Imfinzi + treme + SoC vs SoC</td>
<td>Imfinzi, treme, Imfinzi + treme vs SoC</td>
</tr>
<tr>
<td>Primary endpoint(s)</td>
<td>DFS¹</td>
<td>PFS OS</td>
<td>PFS OS</td>
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</tr>
<tr>
<td>Recruitment status</td>
<td>Ongoing</td>
<td>Fully recruited</td>
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<td>Ongoing</td>
<td>Ongoing</td>
<td>Fully recruited</td>
</tr>
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</table>

1. DFS = Disease-free survival.

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**Trial design**
- **Stage Ib-IIIa**: Randomised, controlled
  - **Imfinzi vs placebo**
  - **Stage III unresectable**
  - **Stage IV / 1L EGFR/ALK wt Non-sq / sq**
  - **Stage IV / 1L EGFR/ALK wt Non-sq / sq PD-L1 expr.**
  - **Stage IV / 1L EGFR/ALK wt Non-sq / sq PD-L1 low**
- **Stage III unresectable**: Randomised, controlled
  - **Imfinzi vs placebo**
  - **Imfinzi**
  - **Imfinzi + treme vs SoC**
- **Stage IV / 1L EGFR/ALK wt Non-sq / sq**: Randomised, controlled
  - **Imfinzi vs SoC**
  - **Imfinzi vs SoC**
  - **Imfinzi + SoC, Imfinzi + treme + SoC vs SoC**
  - **Imfinzi, treme, Imfinzi + treme vs SoC**

**Primary endpoint(s)**
- **DFS¹**
- **PFS**
- **OS**
- **H2 2018**
- **2020**
- **2019**
- **H2 2017**

**Data readout**
- **2020**
- **PFS 2019 (final OS)**
- **PFS H1 2018 (final OS)**
- **OS**
- **PFS**
- **OS**

**Recruitment status**
- **Ongoing**
- **Fully recruited**
- **Fully recruited**
- **Fully recruited**
- **Ongoing**
- **Ongoing**
- **Fully recruited**

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Imfinzi: Expected upcoming news flow

Ongoing Phase III trials across tumour types

- **Imfinzi**: Fully recruited
- **Imfinzi +/- tremelimumab**: Fully recruited

### Head & neck cancer, bladder cancer (UC1)
- **EAGLE**: 2L H&N
- **KESTREL**: 1L H&N
- **DANUBE**: 1L bladder

### Lung cancer (NSCLC)
- **ARCTIC**: 3L PD-L1 low/neg. (H2 2017)
- **MYSTIC**: 1L (final OS) (H1 2018)
- **NEPTUNE**: 1L (final OS) (H2 2018)
- **POSEIDON**: 1L IO-IO-CTx triple (2018+)
- **PEARL**: 1L (Asia) (2018+)
- **ADJUVANT**: Adjuvant (2018+)

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Potential leadership in IO & IO-IO combinations across multiple cancer types

1. Urothelial carcinoma.
2. Global trial excluding China.
Oncology: News flow to intensify
Upcoming key late-stage news events

Major Oncology milestones over the 2017-2018 timeframe

- **Faslodex**
  - breast cancer 1L reg. decision (US)

- **Lynparza**
  - ovarian cancer 2L reg. decision (US)
  - breast cancer reg. submissions

- **Imfinzi**
  - lung cancer Stage III reg. submission
  - +/- treme lung cancer 1L Phase III NEPTUNE
  - +/- treme head/neck cancer 1L Phase III KESTREL
  - +/- treme head/neck cancer 2L Phase III EAGLE

- **Lynparza**
  - ovarian cancer 1L Phase III

- **moxetumomab**
  - leukaemia Phase III

- **Imfinzi +/- treme**
  - bladder cancer Phase III DANUBE

1. Potential fast-to-market opportunity ahead of randomised, controlled trials.
   Timeline based on H1 2017 Results forthcoming major news flow; the exact location of each box is approximate.
   ▼ = Relatively bigger news item ▲ = Relatively smaller news item
CVMD: Highlights from medical meetings
Jointly addressing metabolic / cardio / renal risks

- June -
  - Farxiga - Type-2 diabetes (T2D) CVD-REAL real-world evidence study; additional findings/sub-group analyses
  - Farxiga + Bydureon - T2D DURATION-8 52 weeks and subgroup data
  - Bydureon + insulin - T2D DURATION-7: Reduction in HbA1c\(^1\), weight, fasting plasma glucose and post-prandial glucose

- August -
  - Brilinta - CV disease New insights from PEGASUS-TIMI 54 trial in high-risk PMI\(^2\) patients
  - Farxiga - T2D CVD-REAL real-world evidence study; additional findings/sub-group analyses
  - ZS-9 - hyperkalaemia Clinical outcomes and healthcare resource use in CHF\(^3\) patients

- September -
  - Farxiga - Type-1 diabetes Phase III DEPICT-1 trial primary results
  - Bydureon - T2D Full data from the Phase IIIb/IV EXSCEL CVOT
  - ZS-9 - hyperkalaemia Clinical and resource burden of hyperkalaemia in diabetic population

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2. PMI = Perioperative myocardial infarction.
3. CHF = Chronic heart failure.
## Late-stage pipeline news flow in 2017 and 2018
Unlocking and realising the potential of new medicines

<table>
<thead>
<tr>
<th>Regulatory decision</th>
<th>H2 2017</th>
<th>H1 2018</th>
<th>H2 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Faslodex</strong> - breast cancer 1L (US)</td>
<td></td>
<td></td>
<td>Bevespi - COPD (EU)</td>
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<tr>
<td><strong>Lynparza</strong> - ovarian cancer 2L (US)</td>
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<tr>
<td><strong>Bydureon</strong> - autoinjector (US)</td>
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<tr>
<td><strong>Benralizumab</strong> - severe, uncontrolled asthma (US)</td>
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<table>
<thead>
<tr>
<th>Regulatory submission</th>
<th>H2 2017</th>
<th>H1 2018</th>
<th>H2 2018</th>
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<tr>
<td><strong>Tagrisso</strong> - lung cancer 1L</td>
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<tr>
<td><strong>Imfinzi</strong> - lung cancer (PACIFIC)</td>
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<td><strong>Imfinzi +/− treme</strong> - lung cancer (NEPTUNE)</td>
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<tr>
<td><strong>Acalabrutinib</strong> - blood cancer (US)</td>
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<td><strong>Benralizumab</strong> - anaemia (US)</td>
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<td><strong>PT010 - COPD</strong></td>
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<tr>
<td><strong>Selumetinib</strong> - thyroid cancer</td>
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<th>Key Phase III data readouts</th>
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1. Potential fast-to-market opportunity ahead of randomised, controlled trials.
Antibody that blocks inhibitory signals from the tumour to cells of the immune system, resulting in enhanced anti-tumour immunity.
Pipeline-driven transformation continues
New AstraZeneca steadily emerging during 2017

• **H1 2017 in line with expectations**
  – Financials on track
  – Guidance reiterated
  – Continued busy pipeline news flow

• **12 new potential medicines in Phase III/under registration**

• **Oncology progressing**
  – *Tagrisso, Lynparza* ahead of expectations
  – *Imfinzi*: PACIFIC positive; MYSTIC waiting for OS

• **Continued busy pipeline news flow over next nine months**
Q&A
H1 2017 Results

Conference call and webcast for investors and analysts 27 July 2017