Year-to-date and Q3 2018 results

Conference call and webcast for investors and analysts

08 November 2018
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.
Speakers

Pascal Soriot  
Executive Director and  
Chief Executive Officer

Dave Fredrickson  
Executive Vice President,  
Oncology Business Unit

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

Marc Dunoyer  
Executive Director and  
Chief Financial Officer

Sean Bohen  
Executive Vice President,  
Global Medicines Development  
and Chief Medical Officer
Agenda

Overview

Oncology

New CVRM, Respiratory, EMs

Finance

Year-end pipeline update

Closing and Q&A
### Strategic business focus is paying off

<table>
<thead>
<tr>
<th>Product sales growth (CER(^1))</th>
<th>YTD(^2) 2018</th>
<th>Q3 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oncology, New CVRM(^3), Respiratory</td>
<td>+19%</td>
<td>+27%</td>
</tr>
<tr>
<td>Other</td>
<td>-23%</td>
<td>-19%</td>
</tr>
</tbody>
</table>

1. Constant exchange rates.  2. Year to date.  3. New Cardiovascular, Renal and Metabolism incorporating Brilinta, Diabetes and Lokelma.
Strategic portfolio transformation continues

Absolute values at CER, adjusted for divestments. Relative values to total product sales for the quarter.

Oncology, New CVRM and Respiratory were up 19% YTD and 27% in Q3 2018

Oncology, New CVRM, Respiratory now comprise >70% of total business

Absolute values at CER, adjusted for divestments. Relative values to total product sales for the quarter.
Launches continue to support a 2018 return to growth
Strategic transformation of AstraZeneca reached inflection point

Business and financials

**Product sales** increased by 2% and by 9% in the quarter
- Strong performance of new medicines\(^1\) (+76%) and China
- Adverse impact of divestments (1-2%) and generics

**Total revenue** declined by 8% due to limited externalisation in the quarter; Q4 expected to improve

**New medicines\(^1\) continued performance: >$1.8bn incremental sales vs. YTD 2017**
- Oncology: +44%; continued strong performance by *Lynparza*, *Tagrisso* and *Imfinzi*
- New CVRM: +12%; *Brilinta* (+18%); *Farxiga* (+32%)
- Respiratory: +2%; *Symbicort* competition offset by *Pulmicort* and rapid *Fasenra* launch
- Emerging Markets: +12%
  - China: +27%; another very strong quarter (+32%)

**Core EPS $1.88 and FY 2018 guidance on track**

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Absolute values at actual exchange rates; changes at CER and for YTD September 2018, unless otherwise stated. Guidance at CER.
## Q3 2018 late-stage pipeline news

### Continued progress across main areas

### Pipeline news

<table>
<thead>
<tr>
<th>Category</th>
<th>Drug</th>
<th>Disease Area</th>
<th>Stage</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Oncology</strong></td>
<td>Lynparza</td>
<td>ovarian cancer 2L</td>
<td>Approval (CN)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>ovarian cancer 1L</td>
<td>Regulatory submission acceptance (EU, JP, CN)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>pancreatic cancer</td>
<td>Orphan Drug Designation (US)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tagrisso</td>
<td>lung cancer 1L</td>
<td>Approval (JP), regulatory submission (CN)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Imfinzi</td>
<td>locally-advanced, unresectable NSCLC¹</td>
<td>Approval (EU)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lumoxiti</td>
<td>HCL² 3L</td>
<td>Approval (US)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>selumetinib</td>
<td>NF1³</td>
<td>Orphan designation (EU)</td>
<td></td>
</tr>
<tr>
<td><strong>Cardiovascular, Renal and Metabolism</strong></td>
<td>Farxiga</td>
<td>type-2 diabetes</td>
<td>Phase III CVOT⁴ primary safety and one of two primary efficacy endpoints met</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bydureon BCise</td>
<td>type-2 diabetes</td>
<td>Approval (EU)</td>
<td></td>
</tr>
<tr>
<td><strong>Respiratory</strong></td>
<td>Symbicort</td>
<td>mild asthma</td>
<td>Regulatory submission acceptance (EU)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Duaklir</td>
<td>COPD⁵</td>
<td>Regulatory submission acceptance (US)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bevespi</td>
<td>COPD</td>
<td>CHMP⁶ positive opinion (EU)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PT010</td>
<td>COPD</td>
<td>Regulatory submission (JP, CN)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>tezepelumab</td>
<td>severe asthma</td>
<td>Regulatory submission (JP, CN)</td>
<td></td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>anifrolumab</td>
<td>lupus</td>
<td>Phase III TULIP 1 trial primary endpoint not met</td>
<td></td>
</tr>
</tbody>
</table>

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2018: return to sales growth on track
Product sales reached the inflection point

Unchanged 2018 expectations - Q4 2017 a tough comparison

Medicines important for product sales in 2018

- **Lynparza**: ongoing launch of tablet in ovarian and breast cancer
- **Tagrisso**: ongoing launch in 1st-line lung cancer
- **Imfinzi**: ongoing launch in unresect., SIII lung cancer
- **Brilinta**: continued global growth
- **Farxiga**: continued global growth and the DECLARE trial
- **Crestor**: loss of exclusivity (EU, JP)
- **Fasenra**: ongoing launch in severe, eosinophilic asthma

2018: low single-digit growth in product sales

Change (product sales growth) and FY 2018 guidance at CER.
Product sales: new medicines progressing well

>$1.8bn in incremental sales; growth of 76% YTD 2018

incremental sales from new medicines in YTD 2018 compared to YTD 2017

Calquence, Brilinta, Fasenra, Lynparza, Farxiga, Imfinzi, Tagrisso

Absolute values at CER.
Product sales: growth across all main therapy areas
Oncology, New CVRM and China all performed very strongly

<table>
<thead>
<tr>
<th>Product sales</th>
<th>Q3 2018 $m</th>
<th>% change</th>
<th>% product sales</th>
<th>YTD 2018 $m</th>
<th>% change</th>
<th>% product sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product sales</td>
<td>5,266</td>
<td>9</td>
<td>100</td>
<td>15,281</td>
<td>2</td>
<td>100</td>
</tr>
<tr>
<td>Oncology</td>
<td>1,597</td>
<td>57</td>
<td>30</td>
<td>4,261</td>
<td>44</td>
<td>28</td>
</tr>
<tr>
<td>New CVRM</td>
<td>1,027</td>
<td>19</td>
<td>20</td>
<td>2,901</td>
<td>12</td>
<td>19</td>
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<tr>
<td>Respiratory</td>
<td>1,142</td>
<td>5</td>
<td>22</td>
<td>3,549</td>
<td>2</td>
<td>23</td>
</tr>
<tr>
<td>Other</td>
<td>1,500</td>
<td>(19)</td>
<td>28</td>
<td>4,570</td>
<td>(23)</td>
<td>30</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>1,700</td>
<td>16</td>
<td>32</td>
<td>5,124</td>
<td>12</td>
<td>34</td>
</tr>
<tr>
<td>-of which China</td>
<td>954</td>
<td>32</td>
<td>18</td>
<td>2,847</td>
<td>27</td>
<td>19</td>
</tr>
</tbody>
</table>

Product sales values at actual exchange rates; changes at CER and for YTD September 2018, unless otherwise stated.
Agenda

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Closing and Q&A
Oncology
New medicines launching well

Total Oncology sales:
+44% YTD, +57% Q3

New medicines Lynparza, Tagrisso, Imfinzi and Calquence added $1.2bn

- **Lynparza**: strong growth globally; encouraging, ongoing launch in Japan and China
- **Tagrisso**: sustained very high growth; increasing use in the 2nd line; fast uptake in the 1st-line setting
- **Imfinzi**: strong US sales; early, optimistic ex-US launch
- **Calquence**: launch progressing as expected in the smaller MCL indication

Absolute values and change at CER and for YTD September 2018, unless otherwise stated.
Quickly expanding benefits to more patients

**Five quarters of strong growth: +110% in Q3**

- **US +168%**
  Broad label in ovarian cancer and launch in breast cancer. Capsule withdrawal slowed sequential growth in Q3

- **Europe +37%**
  Generally higher testing rates, adoption of tablet and broad label in ovarian cancer. Breast cancer approval anticipated in H1 2019

**Leading PARP inhibitor approved in >60 countries**

- **Established RoW $35m**
  Successful launches in Japan ($25m, $15m Q3)

- **Emerging Markets $33m**
  Early, encouraging launch in China

- **Merck**
  Strategic collaboration progressing to plan

Absolute values at actual exchange rates; changes at CER and for YTD September 2018, unless otherwise stated.
Lung cancer: Tagrisso
Success in 2nd line; becoming standard of care in 1st line

Accelerated performance in all markets: +105% in Q3

- **US** +109%
  Continued momentum in 2nd line; 1st-line penetration encouraging

- **Europe** +68%
  Continued 2nd-line momentum; 1st-line launches underway

- **Established RoW** +18%
  Japan back to strong growth (+18%) following 1st-line approval

- **Emerging Markets** $266m
  China 2L reimbursement listing obtained with effect from 2019

Approved in >80 countries worldwide

Stage IV, 1st-line launches to expand patient benefits

- Unprecedented 1st-line PFS\(^1\) data
- Approved in ~40 countries, including US, EU, Japan
- EU reimbursement underway; launched in several countries, incl. France, Germany, UK (private)
- China regulatory decision expected in H2 2019

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1. Progression-free survival.
Lung cancer: *Imfinzi*

Strong uptake in unresectable, Stage III NSCLC (PACIFIC)

- **Q3 sales:** $187m; increasing ex-US use
  - >40 global approvals obtained
  - Sales advanced to $187m in Q3; total $371m YTD
    - Lung cancer >95% of sales
  - **US sales strong**
    - Increase seen in use of CRT\(^1\) and systemic IO therapy, post CRT
  - **Non-US sales gaining momentum**
    - EU launch in Germany, France, UK (private); Japan $9m (Q3)

**PACIFIC Stage III launch gaining global momentum**

**US patient infusions continue to increase**

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Absolute values at actual exchange rates.

1. Chemoradiotherapy; a combination of chemotherapy and radiotherapy.

Source: proprietary market research.
Haematology: *Calquence* and *Lumoxiti*
Emerging franchise; initially in small indications

**Calquence highlights**

- **Sales $38m, US only**
- **Encouraging early uptake**
  Increased to >1/3 of new-patient starts in approved indication with a majority in BTK$^1$-naïve patients
- **Expanding patient benefit**
  First ex-US regulatory decision expected in Q4 2018
- **Lifecycle plans underway in larger indications**
  CLL$^2$ Phase III data in H2 2019

**Lumoxiti**

- **US approval in September for 3rd-line hairy cell leukaemia - first AstraZeneca immunotoxin**
- **Small indication with ~1,000 new US patients per year and ~500 patients in labelled indication**
- **Launched in October**
- **Collaboration and out-licensing to Innate Pharma**

Absolute values at actual exchange rates.

1. Bruton’s tyrosine kinase,
2. Chronic lymphocytic leukaemia.
New CVRM

**Brilinta and Farxiga** sustained strong performance

**Brilinta +18%**: continued good growth across all major regions

**Farxiga +32%**
- US (+24%); market growth compounded by market share gain
- Ex-US (58% of total; increasing) Strong volume-driven growth continued, e.g. Europe (+25%), Emerging Markets (+57%)

**Bydureon +3%, but +19% in Q3**
- Strong launch of new BCise device

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**Chart legend:** US, Europe, Established RoW, Emerging Markets. Absolute values at actual exchange rates; changes at CER and for YTD September 2018, unless otherwise stated.
Respiratory
Improving performance; Fasenra, Pulmicort offsetting Symbicort

Respiratory product sales and growth

US competitive; new medicines, Emerging Markets encouraging

US -6%
- Symbicort (-19%); improving performance; volume and market share gain offset by continued price-competitive environment

Europe -2%
- Relatively flat Symbicort volume

Established RoW +3%
- Japan (+13%) from Fasenra

Emerging Markets +15%
- China (+21%)

Fasenra launch performing strongly

US $129m with $62m in Q3
- Leading novel biologic (within IL-5 class) across pulmonologists and allergists¹

Europe $17m with $9m in Q3
- Germany majority of sales
- Launched in other EU markets

Japan $26m with $15m in Q3
- Already obtained market leadership

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¹. Proprietary market research based on IQVIA.

Chart legend: Symbicort Pulmicort Fasenra Others.
Absolute values at actual exchange rates; changes at CER and for YTD September 2018, unless otherwise stated.
Respiratory: Fasenra
Leading novel respiratory biologic; unsurpassed efficacy and dosing

Source: IQVIA. Competitor landscape defined as any subcutaneous IL-5 or IL-5 receptor monoclonal antibody.
Emerging Markets
China continued to outperform

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

- **Ex-China growth -2%**
  Growth ex-China reduced by divestments (~10%-points impact, including anaesthetics, *Seroquel*, etc.) and general economic conditions in some countries

Focus on main therapy areas paying off

- **Oncology +39%**: *Tagrisso* ($266m) now second-biggest Oncology medicine. *Zoladex, Faslodex* and *Lynparza* providing most incremental sales
- **New CVRM +39%**: *Brilinta* (+31%); *Forxiga* (+57%)
- **Respiratory +15%**: *Pulmicort* (+16%, $688m); *Symbicort* (+12%, $364m)

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Overview

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Finance

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Closing and Q&A
## Reported Profit and Loss

<table>
<thead>
<tr>
<th></th>
<th>YTD 2018 $m</th>
<th>% change</th>
<th>% total revenue</th>
<th>Q3 2018 $m</th>
<th>% change</th>
<th>% total revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total revenue</strong></td>
<td>15,673</td>
<td>(8)</td>
<td>100</td>
<td>5,340</td>
<td>(13)</td>
<td>100</td>
</tr>
<tr>
<td>- Product sales</td>
<td>15,281</td>
<td>2</td>
<td>97</td>
<td>5,266</td>
<td>9</td>
<td>99</td>
</tr>
<tr>
<td>- Externalisation revenue</td>
<td>392</td>
<td>(81)</td>
<td>3</td>
<td>74</td>
<td>(95)</td>
<td>1</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>78.4%</td>
<td>(2) pp¹</td>
<td>-</td>
<td>78.1%</td>
<td>1 pp</td>
<td>-</td>
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<tr>
<td><strong>Operating expenses²</strong></td>
<td>11,589</td>
<td>(2)</td>
<td>74</td>
<td>3,775</td>
<td>(4)</td>
<td>71</td>
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<tr>
<td>- R&amp;D expenses</td>
<td>3,920</td>
<td>(8)</td>
<td>25</td>
<td>1,279</td>
<td>(8)</td>
<td>24</td>
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<tr>
<td>- SG&amp;A expenses</td>
<td>7,431</td>
<td>1</td>
<td>47</td>
<td>2,423</td>
<td>(2)</td>
<td>45</td>
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<tr>
<td>Other operating inc. &amp; exp.</td>
<td>1,525</td>
<td>55</td>
<td>10</td>
<td>439</td>
<td>210</td>
<td>8</td>
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<tr>
<td><strong>Operating profit</strong></td>
<td>2,310</td>
<td>(20)</td>
<td>14</td>
<td>851</td>
<td>(21)</td>
<td>16</td>
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<tr>
<td><strong>Tax rate</strong></td>
<td>17.6%</td>
<td>-</td>
<td>-</td>
<td>14.9%</td>
<td>-</td>
<td>-</td>
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<tr>
<td><strong>EPS</strong></td>
<td>$0.88</td>
<td>(34)</td>
<td>-</td>
<td>$0.34</td>
<td>(36)</td>
<td>-</td>
</tr>
</tbody>
</table>

1. Percentage points. 2. Includes distribution expense. 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>YTD 2018 $m</th>
<th>% change</th>
<th>% total revenue</th>
<th>Q3 2018 $m</th>
<th>% change</th>
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<td>(81)</td>
<td>3</td>
<td>74</td>
<td>(95)</td>
<td>1</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>79.8%</td>
<td>(2) pp</td>
<td>-</td>
<td>79.4%</td>
<td>(0) pp</td>
<td>-</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- R&amp;D expenses</td>
<td>3,800</td>
<td>(6)</td>
<td>24</td>
<td>1,242</td>
<td>(6)</td>
<td>23</td>
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<tr>
<td>- SG&amp;A expenses</td>
<td>6,215</td>
<td>7</td>
<td>40</td>
<td>2,061</td>
<td>7</td>
<td>39</td>
</tr>
<tr>
<td>Other operating inc. &amp; exp.</td>
<td>1,143</td>
<td>3</td>
<td>7</td>
<td>439</td>
<td>210</td>
<td>8</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>3,480</td>
<td>(31)</td>
<td>22</td>
<td>1,319</td>
<td>(26)</td>
<td>25</td>
</tr>
<tr>
<td><strong>Tax rate</strong></td>
<td>19.1%</td>
<td>-</td>
<td>-</td>
<td>19.7%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>$1.88</td>
<td>(37)</td>
<td></td>
<td>$0.71</td>
<td>(33)</td>
<td></td>
</tr>
</tbody>
</table>

1. Includes distribution expense.
2. Absolute values at actual exchange rates; changes at CER.
3. Gross margin reflects gross profit derived from product sales, divided by product sales.
Limited Q3 initial externalisation revenue; $10m with ongoing externalisation revenue at $64m

Q4 potential for significant revenue from the Merck collaboration

Merck collaboration
  - Regular milestones; approval (~1/3) and sales-related (~2/3); mono and combo therapy
  - Remaining $500m option payments in 2018-2019

Absolute values at actual exchange rates.
Core R&D costs declined by 6%, and by 6% in Q3

Continued high activity level and new trials offset by productivity improvements, improved resource utilisation and simplification

FY 2018: now decline by low single-digit percentage

Core SG&A costs increased by 7%, and by 7% in Q3

Continued ongoing investment in launches and growth, including in China

FY 2018: now increase broadly in line with those seen in the year to date

Total core operating expenses increased by 2%

Operating expenses remain in focus with sequential declines

- Core R&D costs declined by 6%, and by 6% in Q3
  - Continued high activity level and new trials offset by productivity improvements, improved resource utilisation and simplification
  - FY 2018: now decline by low single-digit percentage

- Core SG&A costs increased by 7%, and by 7% in Q3
  - Continued ongoing investment in launches and growth, including in China
  - FY 2018: now increase broadly in line with those seen in the year to date

Absolute values and changes at CER and for YTD September 2018, unless otherwise stated.
Readiness for the UK leaving the EU (Brexit)
Significant preparations to handle different scenarios

Safeguarding access to medicines for patients
- EU medicines testing standards accepted in the UK if no deal/no transition period
- Coordinating variations to licences and thousands of packaging-material changes
- Focusing on reduction of mutual interdependence
- Replicating critical production processes, both in the UK and EU

Ensuring supply chain between UK and Swedish factories
- Duplication of testing for UK-tested medicines in Sweden and vice-versa
- Additional stock moved to EU distribution centres as the UK leaves the EU
- Stock build - six weeks in the UK, four weeks in the EU
- Outreach to EU and Member State governments, calling on EU to accept UK testing standards
2018 guidance on track; unchanged capital allocation

Product sales
A low single-digit percentage increase

Core EPS
$3.30 to $3.50

Capital-allocation priorities
- Investment in the business
- Progressive dividend policy
- Strong, investment-grade credit rating
- Immediately earnings-accretive, value-enhancing opportunities
Agenda

Overview

Oncology

New CVRM, Respiratory, EMs

Finance

Year-end pipeline update

Closing and Q&A
### 2018 year-end pipeline update

Significant news flow supports sustainable growth

<table>
<thead>
<tr>
<th>Lynparza</th>
<th>breast cancer approval (US)</th>
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<tr>
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<tr>
<td>Tagrisso</td>
<td>lung cancer 1L approval (JP)</td>
</tr>
<tr>
<td>Lumoxiti</td>
<td>HCL 3L approval (US)</td>
</tr>
</tbody>
</table>

**Approvals**

2018: year of significant news flow to sustain return to growth

| Lynparza | ovarian cancer 2L approval (JP) |
| Fasenra | severe asthma approval (JP) |
| Tagrisso | lung cancer 1L approval (US) |
| Lokelma | hyperkalaemia approval (EU) |
| Tagrisso | hyperkalaemia approval (US) |
| Lokelma | lung cancer 1L approval (JP) |
| Bevespi | COPD pos. opinion (EU) |
| Imfinzi | lung cancer SIII approval (EU) |

**Approvals**

Data, designations, regulatory submissions and/or acceptances

| PT010 | COPD Phase III pos. |
| Fasenra | COPD Phase III neg. |
| selumetinib | thyroid cancer Phase III neg. |
| Forxiga | type-1 diabetes regulatory submission (EU) |
| selumetinib | NF1 orphan designation (EU) |
| Symbicort | mild asthma regulatory submission (EU) |
| Duaklir | COPD regulatory submission (US) |
| Lynparza | ovarian cancer 1L reg. submission (EU, JP, CN) |

**Approvals**

| selumetinib | lung cancer 3L Phase III neg. |
| Lynparza | ovarian cancer 1L Phase III pos. |
| Imanabcestat | Alzheimer’s disease Phase III neg. |
| Forxiga | type-1 diabetes regulatory submission (JP) |
| Farxiga | CVOT Phase III pos. |
| anifrolumab | lupus Phase III neg. |
| Bevespi | COPD reg. submission (JP, CN) |

**Legend:** Positive news | Negative news,
Lynparza
Advancing to 1st-line use and into new tumour types

2018 successful: Data and approvals

SOLO-1
1st-line OC: submission EU, Japan, China with US regulatory submission anticipated this quarter

SOLO-2
2nd-line OC: approval US, EU, Japan, China

OlympiAD
Breast cancer: approval US, Japan with EU regulatory decision anticipated in H1 2019

2019 to continue momentum: Potential for new indications

• Data readouts
  H1 2019
  - pancreatic cancer (POLO)
  H2 2019
  - prostate cancer 2L (PROFOUND)
  - OC 1L (PAOLA-1)

• New trials
  - Lynparza + Imfinzi - OC 1L (DuO-O)
  - Lynparza + Imfinzi - NSCLC (DuO-L)

SOLO-1
Strong PFS benefit
(investigator-assessed, 50.6% maturity)

2018 successful: Data and approvals

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  - Lynparza + Imfinzi - NSCLC (DuO-L)

1. Ovarian cancer.
2. Hazard ratio.
Source: ESMO 2018.
Tagrisso
FLAURA delivery and expansion into earlier use

Standard-of-care treatment in two lung-cancer settings

1st line
(FLAURA trial, EGFR mutation)

Approved: ~40 countries, including US, EU, Japan. China anticipated in H2 2019

2nd line
(T790M mutation)

Approved: more than 80 countries, including US, EU, Japan, China

FLAURA PFS almost doubled

Median PFS (95% CI), months

<table>
<thead>
<tr>
<th>Tagrisso</th>
<th>18.9 (15.2, 21.4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SoC¹</td>
<td>10.2 (9.6, 11.1)</td>
</tr>
</tbody>
</table>

PFS HR = 0.46
(95% CI 0.37, 0.57; p<0.0001)

2019 focus on remaining 1st-line approvals and OS²

- China regulatory decision
- Final FLAURA OS H2 2019
- Data in earlier/adjuvant use 2020+
  - adjuvant (ADAURA)
  - locally-advanced (LAURA)

   Source: ESMO 2017.

2. Overall survival.
   Source: AstraZeneca data on file.
**PACIFIC rollout and upcoming catalysts**

**Significant regulatory success**

- >40 approvals of PACIFIC regimen
  - US, Canada, Switzerland, India, Japan, Brazil, EU1, UAE, Malaysia, Australia, Israel and Taiwan

- 7 approvals in 2nd-line bladder cancer
  - US2, Canada, Brazil, Israel, India, Australia, Hong Kong and Singapore

**PACIFIC Solid OS benefit**

- OS HR = 0.68
  - (99.73% CI 0.469, 0.997; p=0.00251)

**Upcoming milestones: more lung and non-lung**

- Data readouts
  - Q4 2018/H1 2019
    - lung cancer 1L (MYSTIC) (final OS) (Q4)
    - lung cancer 1L (NEPTUNE)
    - head & neck cancer 1L
    - head & neck cancer 2L (Q4)
  - H2 2019
    - lung cancer 1L (POSEIDON) (CTx3 combo)
    - small-cell lung cancer (CTx combo)
    - bladder cancer 1L (DANUBE)

- New trials
  - Stage I-III, limited-stage disease SCLC
  - unresectable, Stage III NSCLC (PACIFIC-5, Asia)
  - muscle-invasive bladder cancer
  - bladder cancer 1L (NILE) (CTx combo)

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1. Including the EU and the European Economic Area; 31 countries.
3. Chemotherapy.

Source: WCLC 2018.
Lumoxiti approval; Calquence readying for CLL

**Lumoxiti**

**Hairy cell leukaemia (3L)**
- US approval in September following priority review
- 5th Oncology approval since 2014
- First AstraZeneca immunotoxin

**Mantle cell lymphoma**
- Fast-to-market approval based on single-arm Phase II trial in unmet need indication
- US approval in October 2017
- Non-US regulatory submissions underway with first decisions anticipated from Q4 2018

**Calquence**

**Lifecycle plans moving forward**

**Chronic lymphocytic leukaemia**
- Two first randomised Phase III trials data readout in H2 2019
  - Front line (Study ‘309’)
  - Relapsed/refractory (Study ‘007’)
- Third randomised Phase III trial data readout in 2020+
  - Relapsed/refractory (Study ‘006’)

Steady progress in lifecycle delivery
Farxiga’s DECLARE CV-outcomes trial positive

- Statistically-significant reduction in the composite endpoint of hospitalisation for heart failure or CV death in a broad patient population
- Second primary end-point (MACE) did not reach statistical significance
- Safety profile confirmed

Full suite of CV outcomes trial across key medicines in New CVRM

<table>
<thead>
<tr>
<th>Medicine</th>
<th>Trial</th>
<th>Patients</th>
<th>Data readouts</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Farxiga</strong></td>
<td>DAPA-HF</td>
<td>Heart failure, reduced ejection fraction</td>
<td>2020</td>
</tr>
<tr>
<td></td>
<td>DELIVER</td>
<td>Heart failure, preserved ejection fraction</td>
<td>2020+</td>
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<tr>
<td></td>
<td>DAPA-CKD</td>
<td>Chronic kidney disease (CKD)</td>
<td>2020</td>
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<tr>
<td><strong>Brilinta</strong></td>
<td>THEMIS</td>
<td>Type-2 diabetes and coronary artery disease</td>
<td>H1 2019</td>
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<tr>
<td></td>
<td>THALES</td>
<td>Acute ischaemic stroke or transient ischaemic attack</td>
<td>2020</td>
</tr>
<tr>
<td><strong>Epanova</strong></td>
<td>STRENGTH</td>
<td>Mixed dyslipidaemia/ hypertriglyceridaemia</td>
<td>2020</td>
</tr>
</tbody>
</table>
Renal franchise building: **Lokelma**, roxadustat

*Lokelma*: potential best-in-class treatment for hyperkalaemia

**Regulatory status**

- 2018: approval (EU, US)
- H2 2019: regulatory submission (JP)
- 2020: regulatory submission (CN)

**roxadustat**: potential, first-in-class, oral HIF-PHI inhibitor for anaemia of CKD

<table>
<thead>
<tr>
<th>Patients</th>
<th>Company</th>
<th>Phase III trial</th>
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</thead>
<tbody>
<tr>
<td>Anaemia in CKD patients not receiving dialysis</td>
<td><strong>FIBROGEN</strong></td>
<td>ANDES</td>
</tr>
<tr>
<td>Anaemia in CKD patients receiving dialysis</td>
<td><strong>AstraZeneca</strong></td>
<td>OLYMPUS</td>
</tr>
<tr>
<td>Anaemia in newly-initiated dialysis patients</td>
<td><strong>FIBROGEN</strong></td>
<td>SIERRAS</td>
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<td><strong>astellas</strong></td>
<td>ALPS</td>
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<td><strong>astellas</strong></td>
<td>ROCKIES</td>
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<td></td>
<td><strong>astellas</strong></td>
<td>PYRENEES</td>
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<td>DOLOMITES</td>
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China regulatory decision anticipated in Q4 2018

Data readout in Q4 2018; pooled safety in H1 2019

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1. Chronic kidney disease.
Respiratory
Future inhaled platform moving steadily ahead

Bevespi Aerosphere: fixed-dose dual bronchodilator for COPD

Regulatory status 2018
- First non-US approval; Canada
- Positive CHMP opinion (EU)
- Regulatory submission (JP, CN)

PT010: Phase III KRONOS trial demonstrated exacerbation rate reduction of PT010 vs. LAMA/LABA in moderate-severe COPD

- Regulatory news
  H2 2019: regulatory submission acceptance (US, EU)
  H2 2019: regulatory decision (JP)
  2020: regulatory decision (CN)

- Data readouts
  2018: TELOS, qualified PT009 as an active comparator and KRONOS, met six of seven primary endpoints evaluating lung function
  H2 2019: ETHOS data readout

KRONOS data published in the *Lancet Respiratory Medicine*
Respiratory
Unique biologics portfolio

Fasenra: long-term safety and efficacy from the BORA trial

Phase III BORA trial presented at European Respiratory Society

Fasenra and tezepelumab target different aspects of the inflammatory cascade

Tezepelumab: Phase III programme first data anticipated in 2020

OSTRO Phase III trial initiated in nasal polyposis

Source: European Respiratory Society International Congress.


Breakthrough Therapy Designation granted

Chart legend: placebo 70mg Q4W 210mg Q4W 280mg Q2W.
Source: PATHWAY Phase IIb re-analysis (Mar-18) excluding site with PK anomalies. Local blood eosinophil measures used as per protocol.
### Late-stage pipeline events in 2019, 2020 timeframe

Busy news flow continues; sustaining return to sales growth

<table>
<thead>
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<th>Q4 2018 / H1 2019</th>
<th>H2 2019</th>
<th>2020</th>
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<td><strong>Regulatory decision</strong></td>
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<tr>
<td>Lynparza - breast cancer (EU)</td>
<td>Lynparza - ovarian cancer 1L (EU, JP, CN)</td>
<td>PT010 - COPD (CN)</td>
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<tr>
<td>roxadustat - anaemia (CN) (Q4)</td>
<td>Tagrisso - lung cancer 1L (CN)</td>
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<td>Bevespi - COPD (EU) (Q4)</td>
<td>Forxiga - type-1 diabetes (EU, JP)</td>
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<td>Lynparza - ovarian cancer 1L (US) (Q4)</td>
<td>Lynparza - pancreatic cancer</td>
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<td><em>Imfinzi +/- treme</em></td>
<td><em>Imfinzi +/- treme</em> - lung cancer 1L (NEPTUNE)</td>
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<td><strong>Key Phase III data readouts</strong></td>
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<td>- prostate cancer 2L, castration resistant</td>
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<td><em>Imfinzi</em> - lung cancer 1L (PEARL)</td>
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<td>- lung cancer 1L (MYSTIC) (final OS) (Q4)</td>
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<td><strong>1. Coronary artery disease.</strong></td>
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<td><strong>2. Myelodysplastic syndrome.</strong></td>
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<td>Status as of 08 November 2018.</td>
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Year-end pipeline update

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AstraZeneca has returned to growth
Significant inflection point in product sales

• Financials improved
  • Sales returned to growth
    – Very strong launches continued; reduced impact of Crestor EU/Japan and divestments
  • Total revenue impacted by lower externalisation in the quarter
  • Core operating expenses increased by 2%; cost management continues

• New medicines delivered >$1.8bn in incremental sales and grew by 76% vs. YTD 2017
  • Lynparza, Tagrisso, Imfinzi all performing well
  • New CVRM blockbusters Brilinta and Farxiga continued global growth
  • Respiratory further improved in Q3 and Fasenra carried on its encouraging launch
  • China continued to outperform

• Pipeline news flow supporting sustainable growth

• FY 2018 guidance on track

Absolute values, changes and guidance all at CER.
Q&A
AstraZeneca has returned to growth
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- **Pipeline news flow supporting sustainable growth**

- **FY 2018 guidance on track**

Absolute values, changes and guidance all at CER.
YTD and Q3 2018 results

Conference call and webcast for investors and analysts

08 November 2018