H1 2018 Results

Presentation, conference call and webcast for investors and analysts

26 July 2018
Forward-looking statements

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

Pascal Soriot  
Executive Director and Chief Executive Officer

Dave Fredrickson  
Executive Vice President, Oncology Business Unit

Mark Mallon  
Executive Vice President, Global Products & 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
Pancreatic beta cells at different stages of regeneration: AstraZeneca is investing in research that could stimulate the regeneration of beta cells in the pancreas with the aim of stopping the progression of, or reversing, the course of diabetes.
Strategic business focus is paying off
The main therapy areas accelerated growth

<table>
<thead>
<tr>
<th>Product Sales growth (CER(^1))</th>
<th>Q2 2018</th>
<th>H1 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oncology, New CVRM(^2), Respiratory</td>
<td>+19% ➧</td>
<td>+14% ➧</td>
</tr>
<tr>
<td>Other</td>
<td>-32%</td>
<td>-25%</td>
</tr>
</tbody>
</table>

1. Constant exchange rates.
2. New Cardiovascular, Renal and Metabolism incorporating Brilinta and Diabetes.
Launches continue to support 2018 return to growth
Portfolio transformation of AstraZeneca is nearing completion

Business & financials

**Product Sales** declined by 2% and only by 1% in the quarter
- Strong performance of new medicines\(^1\) (+69%) and China
- Offset by divestments (~2%) and EU/JP Crestor generics

**Total Revenue** declined by 5%

**New medicines\(^1\)** continued forward: >$1bn additional sales vs. H1 2017
- Oncology: +37%; continued strong sales of *Lynparza*, *Tagrisso* and *Imfinzi*
- New CVRM: +9%; *Brilinta* (+18%); *Farxiga* (+36%)
- Respiratory: stabilised; *Symbicort* competition; *Pulmicort* supply normalised; *Fasenra* continued strong launch
- Emerging Markets: +10%
  - China: +24%; another very strong quarter (+26%)

**Core EPS** $1.17 and FY 2018 guidance reiterated

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1. *Lynparza*, *Tagrisso*, *Imfinzi*, *Calquence*, *Brilinta*, *Farxiga*, *Bevespi* and *Fasenra*. Absolute growth at CER and compared to H1 2017. Absolute values at actual exchange rates; changes at CER and for H1 2018, unless otherwise stated. Guidance at CER.
The pipeline continued to deliver
Late-stage pipeline quarterly highlights

### Pipeline news

<table>
<thead>
<tr>
<th>Oncology</th>
<th>Lynparza</th>
<th>breast cancer ova ran cancer 1L</th>
<th>Approval (JP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tagrisso</td>
<td></td>
<td>ovarian cancer 1L</td>
<td>Met primary endpoint</td>
</tr>
<tr>
<td>Imfinzi</td>
<td></td>
<td>lung cancer 1L</td>
<td>Approval (EU)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>unresectable, Stage III NSCLC(^1)</td>
<td>Approval (JP)</td>
</tr>
<tr>
<td>selumetinib</td>
<td></td>
<td>thyroid cancer</td>
<td>Met primary OS endpoint</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Did not meet primary endpoint</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cardiovascular, Renal and Metabolism</th>
<th>Forxiga</th>
<th>type-1 diabetes</th>
<th>Regulatory submission (JP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>combo w/Onglyza and metformin</td>
<td></td>
<td>type-2 diabetes</td>
<td>Regulatory submission acceptance (EU)</td>
</tr>
<tr>
<td>Bydureon</td>
<td></td>
<td>type-2 diabetes CVOT(^2)</td>
<td>Regulatory submission acceptance (US)</td>
</tr>
<tr>
<td>Bydureon BCise</td>
<td></td>
<td>type-2 diabetes; new device hyperkalaemia</td>
<td>Positive CHMP opinion (EU)</td>
</tr>
<tr>
<td>Lokelma</td>
<td></td>
<td></td>
<td>Approval (US)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Respiratory</th>
<th>Fasenra</th>
<th>COPD(^3)</th>
<th>Did not meet primary endpoints</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Other</th>
<th>lanabecestat</th>
<th>Alzheimer’s disease</th>
<th>Termination of Phase III programme</th>
</tr>
</thead>
</table>

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2. Cardiovascular outcomes trial.
3. Chronic obstructive pulmonary disease.

Status since the last results announcement on 18 May 2018.
2018: return to sales growth on track

The sales momentum continued to improve

Return to sales growth expected in H2 2018 as impact from Crestor EU/JP and divestments eases

Medicines impacting 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, uncontrolled asthma

Change (Product Sales growth) and FY 2018 guidance at CER.
Product Sales: new medicines continued forward

>$1bn in additional sales and growth of 69% in H1 2018

Total additional sales from new medicines compared to H1 2017
Product Sales: Oncology and China performed strongly
Global performance impacted by Crestor EU/JP and divestments

<table>
<thead>
<tr>
<th>Product Sales</th>
<th>Q2 2018 $m</th>
<th>% change</th>
<th>% Product Sales</th>
<th>H1 2018 $m</th>
<th>% change</th>
<th>% Product Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oncology</td>
<td>1,434</td>
<td>40</td>
<td>29</td>
<td>2,664</td>
<td>37</td>
<td>27</td>
</tr>
<tr>
<td>New CVRM</td>
<td>974</td>
<td>9</td>
<td>19</td>
<td>1,874</td>
<td>9</td>
<td>19</td>
</tr>
<tr>
<td>Respiratory</td>
<td>1,226</td>
<td>7</td>
<td>24</td>
<td>2,407</td>
<td>-</td>
<td>24</td>
</tr>
<tr>
<td>Other</td>
<td>1,396</td>
<td>(32)</td>
<td>28</td>
<td>3,070</td>
<td>(25)</td>
<td>31</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>1,659</td>
<td>12</td>
<td>33</td>
<td>3,424</td>
<td>10</td>
<td>34</td>
</tr>
<tr>
<td>-of which China</td>
<td>868</td>
<td>26</td>
<td>17</td>
<td>1,893</td>
<td>24</td>
<td>19</td>
</tr>
</tbody>
</table>

Product Sales values at actual exchange rates; changes at CER and for H1 2018, unless otherwise stated.
Pancreatic beta cells at different stages of regeneration: AstraZeneca is investing in research that could stimulate the regeneration of beta cells in the pancreas with the aim of stopping the progression of, or reversing, the course of diabetes.
Oncology
New medicines continued to drive strong performance

- **Oncology** +37%; now 27% of total Product Sales
- New medicines contributed $0.7bn in additional sales vs. H1 2017
  - **Lynparza**: accelerated growth globally; promising launch in Japan
  - **Tagrisso**: sustained very high growth; increasing use in 2nd line; encouraging start in the 1st-line setting
  - **Imfinzi**: quarterly sales ~doubled in lung cancer
  - **Calquence**: launch progressed solidly with increased use in BTKi-naïve patients

Absolute values and change at CER and for H1 2018, unless otherwise stated.
Lynparza
Expanding benefits to more patients

Four quarters of strong growth: +147% in Q2

Leading PARP inhibitor approved in >50 countries

- **US +198%**
  Tablet formulation, broad label in ovarian cancer and launch in breast cancer accelerated growth

- **Europe +36%**
  Increased testing rates, duration and early adoption of tablet and broad label in ovarian cancer

- **Established RoW**
  Successful launch in Japan ($10m); breast cancer approved

Upcoming key milestones

- 1st-line ovarian cancer (BRCAm) data presentation in H2 2018; regulatory submission soon

- China first regulatory decision expected in H2 2018 in ovarian cancer

- EU breast cancer regulatory decision expected in H1 2019

Absolute values at actual exchange rates; changes at CER and for H1 2018, unless otherwise stated.
Lung cancer: *Tagrisso*

**Strong 2nd-line business; step change from 1st-line launches**

- **US +89%**
  - Continued momentum in 2nd line with a boost from 1st-line launch

- **Europe +63%**
  - Continued 2nd line momentum; early 1st-line launches

- **Japan +11%**
  - Sequential quarterly growth back following intense 2nd-line focus

- **Emerging Markets**
  - Continued strong uptake in China

**Approved in >75 countries worldwide**

- **1st-line launches will widen patient benefits**
  - Unprecedented 1st-line progression-free survival data
  - Approved in Brazil, US, EU, Russia, Australia, Canada, Egypt
  - Reimbursement underway in the EU; launched in France, Germany
  - JP regulatory decision expected in H2 2018 with subsequent launch
  - China regulatory decision expected from next year

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Absolute values at actual exchange rates; changes at CER and for H1 2018, unless otherwise stated.
Lung cancer: *Imfinzi*

Continued fast uptake in unresectable, Stage III NSCLC (PACIFIC)

- **Product Sales** ~doubled to $122m in Q2; total $184m in H1
- Lung cancer the majority of sales; very limited use in bladder cancer
- **Additional approvals obtained** Japan, Canada, Switzerland, India, Brazil
- **First non-US sales in Q2 2018**
- ~40 more countries expected to approve PACIFIC regimen in H2

**Q2 Product Sales: $122m, including first ex-US use**

**PACIFIC launch gaining global momentum**

**Increasingly more US patients are treated with *Imfinzi***

Absolute values at actual exchange rates.
Emerging franchise; initially in smaller indications

**Haematology: Calquence and moxetumomab**

- **Product Sales $20m, US only**
- **Encouraging early uptake**
  Maintained ~1/4 of new-patient starts in approved indication
- **Expanding patient benefit**
  First ex-US regulatory decision expected in H2 2018
- **Lifecycle plans underway in larger indications**
  First Phase III data in chronic lymphocytic leukaemia in H2 2019

**Calquence Product Sales highlights**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Sales (m$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2017</td>
<td>3</td>
</tr>
<tr>
<td>Q1 2018</td>
<td>10</td>
</tr>
<tr>
<td>Q2 2018</td>
<td>15</td>
</tr>
</tbody>
</table>

**Moxetumomab pasudotox under US priority review**

- First AstraZeneca/MedImmune immunotoxin
- US priority regulatory review with Q3 2018 PDUFA/action date
- Intended indication is 3rd-line hairy cell leukaemia
- Small indication with ~1,000 new US patients per year

Absolute values at actual exchange rates.
New CVRM

Brilinta and Farxiga delivered strong results

**Brilinta** +18%: Continued double-digit growth across all major regions

![Brilinta Sales and growth chart]

**Farxiga** +36%
- US (+29%); increased market share from contract gains; overall market growth slowing
- Ex-US (58% of total; increasing) Strong volume-driven growth continued, e.g. Europe (+28%), Emerging Markets (+59%)

**Bydureon** -3%, but +5% in Q2
- Strong launch of new BCise device
- Volumes starting to offset price

![Diabetes Product Sales and growth chart]

Source: IQVIA. Farxiga: includes fixed-dose combinations.
Respiratory
Improving performance; *Fasenra* and *Pulmicort* offsetting *Symbicort*

**US competitive; new medicines, Emerging Markets encouraging**

- **US -10%**
  - *Symbicort* (-21%); relatively stable volumes in continued price-competitive environment

- **Europe -2%**
  - Relatively stable *Symbicort* volume

- **Japan +7%**

- **Emerging Markets +13%**
  - *Pulmicort* supply normalised in China

**Fasenra launch performing strongly**

- **US $67m**
  - Very encouraging launch
  - Leading novel biologic (within IL-5 class)

- **Europe $8m**
  - Germany majority of sales
  - Launched in other EU markets

- **Japan $11m**
  - Very strong early uptake

*Chart legend: Symbicort  Pulmicort  Fasenra  Others*

Absolute values at actual exchange rates; changes at CER and for H1 2018, unless otherwise stated.
Respiratory: Fasenra
The leading novel respiratory biologic

$65m
Q2 2018 Product Sales
(from $21m in Q1 2018)

Launched
Fasenra now launched in the
US, Japan and the EU
(Germany, Denmark, Sweden)
with access also in Hong Kong,
Qatar and Saudi Arabia

Source: IQVIA
Emerging Markets

China continued strongly

- **Mid to high single-digit growth continued**
  - Growth ex-China reduced by divestments (7-8% impact) and general economic conditions in Russia
- **Oncology +37%**: Tagrisso ($159m) now second-biggest Oncology medicine. Hormone-receptor medicines continued growth, with Faslodex leading
- **New CVRM +32%**: Brilinta (+17%); Forxiga (+59%)
- **Respiratory +13%**: Pulmicort (+15%, $482m) normalised supply in China. Symbicort (+10%, $241m)

**Absolute values at actual exchange rates; changes at CER and for H1 2018, unless otherwise stated.**
Pancreatic beta cells at different stages of regeneration: AstraZeneca is investing in research that could stimulate the regeneration of beta cells in the pancreas with the aim of stopping the progression of, or reversing, the course of diabetes.
### Reported Profit & Loss

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>% change</th>
<th>% Total Revenue</th>
<th>Q2 2018</th>
<th>% change</th>
<th>% Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenue</strong></td>
<td>10,333</td>
<td>(5)</td>
<td>100</td>
<td>5,155</td>
<td>(1)</td>
<td>100</td>
</tr>
<tr>
<td>- Product Sales</td>
<td>10,015</td>
<td>(2)</td>
<td>97</td>
<td>5,030</td>
<td>(1)</td>
<td>98</td>
</tr>
<tr>
<td>- Externalisation Revenue</td>
<td>318</td>
<td>(54)</td>
<td>3</td>
<td>125</td>
<td>14</td>
<td>2</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>78.6%</td>
<td>(3) pp(^1)</td>
<td>-</td>
<td>79.9%</td>
<td>(2) pp</td>
<td>-</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td>7,814</td>
<td>(1)</td>
<td>76</td>
<td>3,997</td>
<td>2</td>
<td>78</td>
</tr>
<tr>
<td>- R&amp;D Expenses</td>
<td>2,641</td>
<td>(9)</td>
<td>26</td>
<td>1,362</td>
<td>(1)</td>
<td>26</td>
</tr>
<tr>
<td>- SG&amp;A Expenses</td>
<td>5,008</td>
<td>3</td>
<td>49</td>
<td>2,551</td>
<td>4</td>
<td>50</td>
</tr>
<tr>
<td><strong>Other Operating Inc. &amp; Exp.</strong></td>
<td>1,086</td>
<td>28</td>
<td>11</td>
<td>617</td>
<td>2</td>
<td>12</td>
</tr>
<tr>
<td><strong>Tax Rate</strong></td>
<td>19.2%</td>
<td>-</td>
<td>-</td>
<td>22.6%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>$0.54</td>
<td>(34)</td>
<td></td>
<td>$0.27</td>
<td>(38)</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 & Loss

<table>
<thead>
<tr>
<th></th>
<th>H1 2018 $m</th>
<th>% change</th>
<th>% Total Revenue</th>
<th>Q2 2018 $m</th>
<th>% change</th>
<th>% Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenue</strong></td>
<td>10,333</td>
<td>(5)</td>
<td>100</td>
<td>5,155</td>
<td>(1)</td>
<td>100</td>
</tr>
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<td>10,015</td>
<td>(2)</td>
<td>97</td>
<td>5,030</td>
<td>(1)</td>
<td>98</td>
</tr>
<tr>
<td>- Externalisation Revenue</td>
<td>318</td>
<td>(54)</td>
<td>3</td>
<td>125</td>
<td>14</td>
<td>2</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>80.0%</td>
<td>(3) pp</td>
<td>-</td>
<td>81.3%</td>
<td>(2) pp</td>
<td>-</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td>6,877</td>
<td>2</td>
<td>67</td>
<td>3,528</td>
<td>5</td>
<td>68</td>
</tr>
<tr>
<td>- R&amp;D Expenses</td>
<td>2,558</td>
<td>(5)</td>
<td>25</td>
<td>1,318</td>
<td>1</td>
<td>26</td>
</tr>
<tr>
<td>- SG&amp;A Expenses</td>
<td>4,154</td>
<td>7</td>
<td>40</td>
<td>2,126</td>
<td>8</td>
<td>41</td>
</tr>
<tr>
<td>Other Operating Inc. &amp; Exp.</td>
<td>704</td>
<td>(27)</td>
<td>7</td>
<td>580</td>
<td>(8)</td>
<td>11</td>
</tr>
<tr>
<td><strong>Tax Rate</strong></td>
<td>18.8%</td>
<td>-</td>
<td>-</td>
<td>19.5%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>$1.17</td>
<td>(39)</td>
<td></td>
<td>$0.69</td>
<td>(26)</td>
<td></td>
</tr>
</tbody>
</table>

1. 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.
Externalisation Revenue
Merck collaboration becoming a stable source of income

Highlights from Externalisation Revenue

- No initial Externalisation Revenue in Q2; $102m from partnering legacy medicines in H1

- Ongoing Externalisation Revenue $216m, mainly from Merck collaboration (Lynparza milestones total $170m, including first sales milestone). A reminder:
  - 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.
Total Core Operating Expenses increased by 2%

- Core R&D costs declined by 5%
  - Maintained activity level; continued benefit from productivity improvements and Merck collaboration
  - FY 2018: anticipated to be in the range of a low single-digit percentage decline to stable

- Core SG&A costs increased by 7%
  - Lower baseline in H1 2017; ongoing investment in launches and growth, including in China
  - FY 2018: expected to increase by a low to mid single-digit percentage

Absolute values and changes at CER and for H1 2018, unless otherwise stated.
FY 2018 guidance reiterated; 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
Pancreatic beta cells at different stages of regeneration: AstraZeneca is investing in research that could stimulate the regeneration of beta cells in the pancreas with the aim of stopping the progression of, or reversing, the course of diabetes.
Oncology: continued pipeline success
Next wave of medicines highlighted at ASCO

### Regulatory and other development progress

- **Approvals**
  - *Lynparza* - breast cancer (JP)
  - *Tagrisso* - lung cancer 1L (EU)
  - *Imfinzi* - unresectable, Stage III NSCLC (JP)

- **Major Phase III data readouts**
  - *Lynparza* - ovarian cancer 1L - met primary endpoint
  - *Imfinzi* - unresectable, Stage III NSCLC - met primary OS endpoint
  - *selumetinib* - thyroid cancer - did not meet primary endpoint

### American Society of Clinical Oncology (ASCO) Annual Meeting 2018

- **Lynparza**
  Study 08 randomised Phase II trial in prostate cancer

- **selumetinib**
  SPRINT Phase II trial in paediatric neurofibromatosis type 1

- **moxetumomab pasudotox**
  Study ‘1053’ Phase III trial in hairy cell leukaemia

- **capivasertib (AZD5363, AKT inhibitor)**
  PAKT Phase II trial in triple-negative breast cancer

- **Lynparza + vistusertib (AZD2014, mTORC1/2 inhibitor)**
  Trial in ovarian cancer and triple-negative breast cancer

Status since the last results announcement on 18 May 2018.
**CVRM**

**Lokelma US approval; Farxiga and MEDI0382 in focus at ADA 2018**

<table>
<thead>
<tr>
<th>Regulatory and other development progress</th>
<th>American Diabetes Association (ADA) Scientific Sessions 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Approval</td>
<td>• <strong>MEDI0382</strong></td>
</tr>
<tr>
<td>- Lokelma - hyperkalaemia (US)</td>
<td>- Phase IIa trial showed significantly-improved glycaemic</td>
</tr>
<tr>
<td></td>
<td>control and reduced body weight, compared to placebo¹</td>
</tr>
<tr>
<td>• Positive CHMP opinion</td>
<td>- Phase IIb trial underway, with data anticipated in H1 2019</td>
</tr>
<tr>
<td>- Bydureon BCise - type-2 diabetes; new device (EU)</td>
<td>• <strong>Farxiga</strong></td>
</tr>
<tr>
<td>• Regulatory submission and/or acceptances</td>
<td>- Farxiga + a DPP-4 inhibitor (Onglyza) was</td>
</tr>
<tr>
<td>- Farxiga - type-1 diabetes (JP)</td>
<td>1) non-inferior on HbA1c reduction vs. insulin glargine</td>
</tr>
<tr>
<td>- Forxiga combo w/Onglyza and metformin - type-2 diabetes (EU)</td>
<td>with or without SUs²</td>
</tr>
<tr>
<td>- Bydureon - type-2 diabetes CVOT (US)</td>
<td>2) achieved significant reduction in HbA1c vs. glimepiride</td>
</tr>
<tr>
<td></td>
<td>in patients inadequately controlled on metformin³</td>
</tr>
<tr>
<td></td>
<td>- presentation of updated CVD-REAL study real-world evidence data on cardiovascular outcomes</td>
</tr>
</tbody>
</table>

1. ADA 2018, abstract 1067-P.
2. ADA 2018, abstract 260-OR.
3. ADA 2018, abstract 261-OR.

Status since the last results announcement on 18 May 2018.
Respiratory
A biologics portfolio that follows the science

**Fasenra:**
distinctively targets and rapidly depletes eosinophils

- **Clear patient phenotype in clinical practice**
  - Blood eosinophils ≥ 300 cells/μL; frequent exacerbator ≥3 exacerbations/year; chronic oral corticoid steroids; and nasal polyposis

- **Lifecycle management**
  - Home administration and OSTRO Phase III trial initiated in nasal polyposis

**Phase III SOLANA (severe, uncontrolled asthma) data anticipated in H2 2018**

**Tezepelumab:**
potential best-in-disease
Phase II efficacy

- **Severe, uncontrolled asthma**
- **Reduced exacerbation rates 61% - 71%**
- **Improvements in lung function, asthma control and quality of life**
- **Unprecedented reductions of key type-2 biomarkers: blood eosinophils, fractional-exhaled nitric oxide and immunoglobulin E**

**Phase III programme PATHFINDER first data anticipated 2019+**

Precision medicines help drive portfolio transformation
Oncology and Respiratory speciality-care medicines are in focus

<table>
<thead>
<tr>
<th>Diagnostic status</th>
<th>Approved</th>
<th>Development</th>
<th>Exploratory</th>
</tr>
</thead>
<tbody>
<tr>
<td>EGFRm</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>(Epidermal growth factor receptor mutation)</td>
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<tr>
<td>BRCAm</td>
<td></td>
<td>HRRm</td>
<td>Other</td>
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<tr>
<td>(BReast CANcer susceptibility gene mutation)</td>
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<tr>
<td>EGFR and T790Mm¹</td>
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<tr>
<td>PD-L1</td>
<td></td>
<td>TMB</td>
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<tr>
<td>(Programmed death-ligand 1 expression level)</td>
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<tr>
<td>TMB</td>
<td></td>
<td></td>
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<tr>
<td>(Tumour mutational burden)</td>
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<td>Eosinophilia</td>
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</tbody>
</table>

**Twenty two**

diagnostic test approvals
in three major markets
(US, EU, JP)

**$1.4bn**

Precision-medicine contribution to H1 2018 sales

**27%**

Speciality-care medicine contribution to H1 2018 sales

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1. Substitution of methionine (M) for threonine (T) at amino acid position 790 mutation.
2. Iressa, Lynparza, Tagrisso and Fasenra.
3. Oncology and Fasenra.
Late-stage pipeline news flow in 2018 and 2019
Unlocking and realising the potential of new medicines

<table>
<thead>
<tr>
<th>H2 2018</th>
<th>H1 2019</th>
<th>H2 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regulatory decision</strong></td>
<td></td>
<td></td>
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<tr>
<td>Tagrisso - lung cancer 1L (JP)</td>
<td></td>
<td>Forxiga - type-1 diabetes (EU, JP)</td>
</tr>
<tr>
<td>Imfinzi - unresectable, Stage III NSCLC (EU)</td>
<td></td>
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<tr>
<td>moxetumomab pasudotox - hairy cell leukaemia 3L (US)</td>
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<tr>
<td>Bydureon autoinjector - type-2 diabetes (EU)</td>
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<tr>
<td>Bevespi - COPD (EU)</td>
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<tr>
<td><strong>Regulatory submission acceptance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lynparza - ovarian cancer 1L</td>
<td></td>
<td>Lynparza - pancreatic cancer</td>
</tr>
<tr>
<td>Imfinzi +/- treme - lung cancer 1L (MYSTIC)</td>
<td></td>
<td>Imfinzi +/- treme - lung cancer 1L (NEPTUNE)</td>
</tr>
<tr>
<td>Duaklir - COPD (US)</td>
<td></td>
<td>Imfinzi +/- treme - lung cancer 1L (POSEIDON)</td>
</tr>
<tr>
<td>Bevespi - COPD (JP)</td>
<td></td>
<td>- small-cell lung cancer</td>
</tr>
<tr>
<td>PT010 - COPD</td>
<td></td>
<td>- bladder cancer 1L</td>
</tr>
<tr>
<td><strong>Key Phase III data readouts</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Imfinzi +/- treme - lung cancer 1L (MYSTIC) (final OS)</td>
<td></td>
<td>Calquence - chronic lymphocytic leukaemia</td>
</tr>
<tr>
<td>- head &amp; neck cancer 1L</td>
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<td></td>
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<tr>
<td>- head &amp; neck cancer 2L</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farxiga - type-2 diabetes CVOT</td>
<td></td>
<td>Brilinta - CAD/type-2 diabetes CVOT</td>
</tr>
<tr>
<td>Roxadustat - anaemia</td>
<td></td>
<td></td>
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<tr>
<td>anifrolumab - lupus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lynparza - pancreatic cancer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Imfinzi + treme - lung cancer 1L (NEPTUNE)</td>
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<td>Lynparza - ovarian cancer (1L) (PAOLA-1)</td>
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1. Coronary artery disease.
Status as of 26 July 2018.
Pancreatic beta cells at different stages of regeneration: AstraZeneca is investing in research that could stimulate the regeneration of beta cells in the pancreas with the aim of stopping the progression of, or reversing, the course of diabetes.
Encouraging launches underpin 2018 return to growth

Financials on track - commercial execution - guidance reiterated

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    - Very strong launches offset by the impact of *Crestor* EU/JP and divestments
  - Total Revenue impacted by lower Initial Externalisation Revenue
  - Core Operating Expenses increased by 2%; cost management in focus

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  - CVRM blockbusters *Brilinta* and *Farxiga* continued global growth
  - Respiratory improved in Q2 and *Fasenra* consolidated rapid launch
  - China maintained rapid pace

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• **FY 2018 guidance reiterated**

Absolute values, changes and guidance all at CER.
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H1 2018 Results

Presentation, conference call and webcast for investors and analysts

26 July 2018