Year-To-Date and Q3 2015 Results

5 November 2015
Forward-looking statements

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Agenda

- **Overview**: Pascal Soriot
- **Products**: Luke Miels
- **Finance**: Marc Dunoyer
- **Pipeline**: Sean Bohen
- **Closing**: Pascal Soriot
Highlights

• **Total Revenue** $18.3bn, stable
  – Growth platforms: +10%, now 57% of total\(^1\)
  – Resilient top line underpins increased R&D

• **Core EPS** $3.32, +2% and +8% in Q3
  – 2015 Core SG&A cost reduction on track

• **Continuous strong newsflow**
  – Pipeline progress continued with one approval and several regulatory submissions
  – Importance of new medicines recognised through Priority Reviews and FDA Fast Track designations

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1. As a percentage of Total Revenue
   Total Revenue and Core EPS at actual exchange rates. Growth rates at Constant Exchange Rates (CER)
# Strong Q3 pipeline newsflow

## Regulatory decisions
- **Brilinta** - post-MI\(^1\) (US): Approved
- **saxa/dapa** - type-2 diabetes (US) Complete Response Letter: Delayed

## Regulatory submission acceptances
- **PT003** - COPD\(^2\) (US)
- **Brilinta** - ACS\(^3\)/post-MI (JP)
- **AZD9291** - lung cancer (JP)

## Other key developments
- **AZD9291**: Priority Reviews (US, JP); Accelerated Assessment (EU)
- FDA Fast Track designations:
  - anifrolumab - lupus, tremelimumab - mesothelioma, durvalumab - H&N ca.

## On track to deliver 7-8 potential regulatory submissions for new medicines in 2015-2016

<table>
<thead>
<tr>
<th>Medicine</th>
<th>Disease/Condition</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAZ AVI (CEPH/BLI)</td>
<td>serious infections</td>
<td></td>
</tr>
<tr>
<td>cediranib (VEGFR)</td>
<td>ovarian cancer (EU)</td>
<td>✔</td>
</tr>
<tr>
<td>selumetinib (MEK)</td>
<td>uveal melanoma</td>
<td>ü</td>
</tr>
<tr>
<td>AZD9291 (EGFR)</td>
<td>NSCLC 2L T790M</td>
<td>✔</td>
</tr>
<tr>
<td>brodalumab (IL17R)</td>
<td>psoriasis</td>
<td></td>
</tr>
<tr>
<td>PT003 (LAMA/LABA)</td>
<td>COPD</td>
<td>✔</td>
</tr>
<tr>
<td>tremelimumab (CTLA-4)</td>
<td>mesothelioma</td>
<td></td>
</tr>
<tr>
<td>durvalumab (PD-L1)</td>
<td>NSCLC 3L</td>
<td></td>
</tr>
<tr>
<td>roxadustat (HIF-PHI)</td>
<td>anaemia (CN)</td>
<td></td>
</tr>
<tr>
<td>benralizumab (IL-5R)</td>
<td>severe asthma</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) MI = Myocardial Infarction; \(^2\) COPD = Chronic Obstructive Pulmonary Disease; \(^3\) ACS = Acute Coronary Syndrome
Growth Platforms continue to deliver
Leveraging stable revenues down the P&L

<table>
<thead>
<tr>
<th></th>
<th>YTD 2015</th>
<th>% change</th>
<th>Q3 2015</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>18,309</td>
<td>-</td>
<td>5,945</td>
<td>(2)</td>
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<tr>
<td>Core EPS</td>
<td>$3.32</td>
<td>+2</td>
<td>$1.03</td>
<td>+8</td>
</tr>
</tbody>
</table>

YTD Growth Platforms +10%; 57% of Total Revenue

Total Revenue and Core EPS at actual exchange rates. Growth rates at CER
Luke Miels
EVP, Global Product & Portfolio Strategy, Global Medical Affairs and Corporate Affairs
# Growth Platforms: Progress across all areas

<table>
<thead>
<tr>
<th>Product</th>
<th>YTD 2015 $m</th>
<th>% change</th>
<th>Q3 2015 $m</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth Platforms</td>
<td>10,354</td>
<td>+10</td>
<td>3,455</td>
<td>+8</td>
</tr>
<tr>
<td>Respiratory</td>
<td>3,698</td>
<td>+8</td>
<td>1,230</td>
<td>+7</td>
</tr>
<tr>
<td><em>Brilinta/Brilique</em></td>
<td>445</td>
<td>+44</td>
<td>170</td>
<td>+48</td>
</tr>
<tr>
<td>Diabetes</td>
<td>1,638</td>
<td>+26</td>
<td>577</td>
<td>+17</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>4,394</td>
<td>+12</td>
<td>1,427</td>
<td>+10</td>
</tr>
<tr>
<td>Japan</td>
<td>1,479</td>
<td>+3</td>
<td>502</td>
<td>+6</td>
</tr>
</tbody>
</table>

Product Sales at actual exchange rates. Growth rates at CER.
Respiratory: Strength in Emerging Markets

Growth supported by new products

- **US +10%**
  - *Symbicort* Product Sales (1)% due to access support and price; volume positive
  - *Tudorza* and *Dairesp*; good uptake

- **EU (5)%**
  - *Symbicort* lower due to analogue competition
  - *Eklira* and *Dairesp*; good uptake
  - *Duaklir*’s encouraging launch continues

- **Emerging Markets +32%**
  - Strong overall growth; China +43%
  - *Pulmicort* strength in EM +40%; China +47%

*Product Sales at actual exchange rates. Growth rates at CER*
Brilinta/Brilique: Growth in all markets

Growth uptick in many markets

US oral anti-platelet class market share new-to-brand prescriptions

First approval based on PEGASUS trial

US
- September approval of expanded label for use beyond one year (PEGASUS trial)

EU
- September updated treatment guidelines; growth reflects higher penetration

Emerging Markets
- Particular strength; China largest national market
Diabetes: Global franchise growth continues

**Q3 growth continued at high level**

**Strong growth in all markets**

**US** +15%
- Continued strong Bydureon, Farxiga growth; Onglyza reduced by competition

**EU** +41%
- Persistent Onglyza increase; strong Forxiga

**Emerging Markets** +73%
- Orals (Forxiga, Onglyza) continue strong recent growth; continued launches for Farxiga

Product Sales at actual exchange rates. Growth rates at CER
Emerging Markets: Continued high growth

- Presence in main therapy areas and strong underlying trends support continued growth
- **Respiratory** +32%; driven by *Pulmicort* (~53% of total) and *Symbicort* (~35% of total)
- **Brilinta** +93%; China biggest market
- **Diabetes** +73%; driven by *Onglyza* and *Forxiga*
- **Oncology** +19%; driven by *Zoladex* and *Faslodex*

**Long-term target:** Mid-to-high single-digit growth
Japan: Continued solid growth

### Product Sales

<table>
<thead>
<tr>
<th>Product</th>
<th>YTD 2015 $m</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Symbicort</td>
<td>+3%</td>
<td></td>
</tr>
<tr>
<td>Nexium</td>
<td>+16%</td>
<td></td>
</tr>
<tr>
<td>Crestor</td>
<td>+6%</td>
<td></td>
</tr>
</tbody>
</table>

### Leading dynamic patient share

<table>
<thead>
<tr>
<th></th>
<th>Symbicort</th>
<th>Nexium</th>
<th>Crestor</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>38%</td>
<td>28%</td>
<td>32%</td>
</tr>
<tr>
<td>2013</td>
<td>29%</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td>2014</td>
<td>29%</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td>Q1 2015</td>
<td>28%</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td>Q3 2015</td>
<td>28%</td>
<td>22%</td>
<td>21%</td>
</tr>
</tbody>
</table>

### Company rank

<table>
<thead>
<tr>
<th>Year</th>
<th>Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>Pfizer</td>
</tr>
<tr>
<td>2013</td>
<td>Pfizer</td>
</tr>
<tr>
<td>2014</td>
<td>Pfizer</td>
</tr>
<tr>
<td>Q1 2015</td>
<td>Pfizer</td>
</tr>
<tr>
<td>Q3 2015</td>
<td>AZ</td>
</tr>
</tbody>
</table>

Long-term target: Low single-digit growth

Product Sales at actual exchange rates. Growth rates at CER

Source: IMS; dynamic share August (including new, repeat and switch) vs. closest competitor

Source: IMS; ex wholesaler

Source: IMS; ex wholesaler
Launch medicines: Progressing according to plan

**Lynparza**
BRCA-mutated advanced ovarian cancer

- US cumulative new patient starts

**Iressa US**
1st-line EGFR-mutated metastatic NSCLC

- Launch July 2015
- Emphasises AstraZeneca’s commitment to patients with lung cancer

**Movantik/Moventig**
Opioid-induced constipation in adults with chronic non-cancer pain

- Products Sales $14m
  - Q3: $10m (US ~90%)
- US launch Spring 2015; Daiichi Sankyo co-promotion
- 2015 launches include: Nordic countries, UK, Ireland, Germany, Canada
Marc Dunoyer
Chief Financial Officer
YTD 2015: Financials in-line

- Total Revenue $18.3bn, stable
  - Growth Platforms +10%, now 57% of total\(^1\)

- Core Gross Margin over 83%, up 1.0% points

- Operating costs
  - Core SG&A: Fully on track to reduce costs year-on-year
  - Core R&D costs: Continued investment, including Immuno-Oncology combo study starts

- Core EPS $3.32, +2% and +8% in Q3

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Full-year guidance upgraded (CER)  
Total Revenue in line with last year  
Core EPS to increase by mid-high single-digit

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\(^1\) As a percentage of Total Revenue  
Total Revenue and Core EPS at actual exchange rates. Growth rates at CER
## Profit & Loss

<table>
<thead>
<tr>
<th></th>
<th>YTD 2015 ($m)</th>
<th>Change (%)</th>
<th>% Total Revenue</th>
<th>Q3 2015 ($m)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenue</strong></td>
<td>18,309</td>
<td>-</td>
<td>5,945</td>
<td>5,945</td>
<td>(2)</td>
</tr>
<tr>
<td>Product Sales</td>
<td>17,434</td>
<td>(2)</td>
<td>95</td>
<td>5,850</td>
<td>(2)</td>
</tr>
<tr>
<td>Externalisation Revenue</td>
<td>875</td>
<td>+112</td>
<td>5</td>
<td>95</td>
<td>+50</td>
</tr>
<tr>
<td>Core Cost of Sales</td>
<td>(2,910)</td>
<td>(8)</td>
<td>16</td>
<td>(992)</td>
<td>(8)</td>
</tr>
<tr>
<td>Core Gross Profit</td>
<td>15,399</td>
<td>+2</td>
<td>83(^1)</td>
<td>4,953</td>
<td>-</td>
</tr>
<tr>
<td>Core R&amp;D</td>
<td>(4,036)</td>
<td>+22</td>
<td>22</td>
<td>(1,400)</td>
<td>+18</td>
</tr>
<tr>
<td>Core SG&amp;A</td>
<td>(6,804)</td>
<td>+2</td>
<td>37</td>
<td>(2,220)</td>
<td>(3)</td>
</tr>
<tr>
<td>Core Tax Rate</td>
<td>16(%)</td>
<td>(1)% point</td>
<td>20(%)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td><strong>Core EPS</strong></td>
<td>$3.32</td>
<td>+2</td>
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</table>

1. Gross Profit as % of Total Revenue reflects Gross Profit derived from Product Sales, divided by Product Sales Financials at actual exchange rates. Growth rates at CER.
Core SG&A: In-line to deliver year-on-year reduction

2015 Core SG&A cost reduction on track

- Commitment to reduce 2015 Core SG&A
  - Absolute value
  - and relative to Total Revenue
- A number of programmes designed to meet this target are in progress
- Full-year reduction fully on track
FY 2015 guidance
Upgraded today

Total Revenue
- New: In line with the prior year
- Old: Low single-digit percent decline

Core EPS
- New: Mid to high single-digit percent increase
- Old: Low single-digit percent increase

The Company also provides the following non-guidance information related to currency sensitivity: Based on current exchange rates, Total Revenue is expected to decline by high single-digit percent with Core EPS expected to be broadly in line with FY 2014.
Pipeline

Sean Bohen
EVP, Global Medicines Development & Chief Medical Officer
Global Medicines Development leadership team

"Translate scientific knowledge to good clinical experiments to new medicines for patients"

Science-led
Focused execution
Passion and commitment
### Q3 late-stage pipeline highlights

**Respiratory, Inflammation & Autoimmunity**
- **PT003** - COPD: Regulatory submission acceptance (US) and Phase III data presented at ERS
- **anifrolumab** - lupus: FDA Fast Track designation

**Cardiovascular & Metabolic Disease**
- **Brilinta**: Post-MI regulatory approval (US) and ACS/post-MI regulatory submission acceptance (JP)
- **saxa/dapa** - type-2 diabetes: Complete Response Letter (US). Timeline awaiting FDA interaction

**Oncology**
- **AZD9291**: Priority Review (US, JP); Accelerated Assessment (EU)
- **durvalumab**: FDA Fast Track designation (head & neck cancer)
- **tremelimumab**: FDA Fast Track designation (mesothelioma)
### Immuno-Oncology: Way to market

Data availability from key ongoing trials

<table>
<thead>
<tr>
<th>Other tumour types</th>
<th>DETERMINE</th>
<th>CONDOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head &amp; neck cancer</td>
<td>PII mesothelioma 2L (randomised)</td>
<td>PII 2L PD-L1 negative</td>
</tr>
<tr>
<td></td>
<td>HAWK (fast-to-market)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PII 2L PD-L1 positive (single arm)</td>
<td></td>
</tr>
<tr>
<td>Lung cancer</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Durva + treme</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Durvalumab monotherapy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tremelimumab monotherapy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other combinations</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ATLANTIC (fast-to-market)
PII 3L PD-L1 positive (single-arm)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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</tr>
</tbody>
</table>

ATLANTIC, HAWK are potential upsides to base-case submission timeline
### 2015-2016 key pipeline newsflow

**Regulatory approvals**

- lesinurad - gout (US)

  - H1 2016
    - AZD9291 - lung cancer
    - PT003 - COPD (US)

  - H2 2016
    - saxa/dapa - type-2 diabetes (EU)
    - cediranib - ovarian cancer (EU)
    - CAZ AVI - serious infections (EU)

**Key regulatory submissions**

- brodalumab - psoriasis (US, EU)

  - H1 2016
    - Brilinta/Brilique - stroke
    - durvalumab - lung cancer (US)
    - tremelimumab - mesothelioma

  - H2 2016
    - benralizumab - severe asthma (US, EU)
    - roxadustat - anaemia (CN)

**Key Phase III readouts**

- durvalumab - lung cancer (PII)

  - H1 2016
    - benralizumab - severe asthma
    - Brilinta/Brilique - stroke
    - Lynparza - breast cancer
    - tremelimumab - mesothelioma (PII)

  - H2 2016
    - Brilinta/Brilique - PAD\(^1\)
    - Lynparza - ovarian cancer
    - durvalumab - H&N cancer (PII)

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1. PAD = Peripheral Arterial Disease

Late-stage pipeline conference call: 2 December 2015
Summary

Pascal Soriot
Chief Executive Officer
Summary

- Total Revenue $18.3bn, stable
- Core EPS $3.32, +2% and +8% in Q3
- Continuous strong newsflow
- Upgraded FY 2015 guidance
- On track to deliver on medium and long-term goals
Q&A
Pascal Soriot, Chief Executive Officer (Moderator)
Marc Dunoyer, Chief Financial Officer
Luke Miels, EVP, Global Product & Portfolio Strategy, Global Medical Affairs and Corporate Affairs
Sean Bohen, EVP, Global Medicines Development & Chief Medical Officer
and other key members of the AstraZeneca team

Please press *1 on your phone if you wish to ask a question

5 November 2015