

AstraZeneca

Pascal Soriot, Executive Director, Chief Executive Officer
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12 January 2016



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; the risk of substantial adverse litigation/government investigation claims and insufficient insurance coverage; effects of patent litigation in respect of IP rights; exchange rate fluctuations; the risk that R&D will not yield new products that achieve commercial success; the risk that strategic alliances and acquisitions, including licensing and collaborations, will be unsuccessful; the impact of competition, price controls and price reductions; taxation risks; the risk of substantial product liability claims; 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 of delay to new product launches; the difficulties of obtaining and maintaining regulatory approvals for products; 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 risk that new products do not perform as we expect; failure to achieve strategic priorities or to meet targets or expectations; 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 risk of misuse of social media platforms and new technology; the risks associated with developing our business in emerging markets; the risk of illegal trade in our products; the risks from pressures resulting from generic competition; the risk of failure to successfully implement planned cost reduction measures through productivity initiatives and restructuring programmes; economic, regulatory and political pressures to limit or reduce the cost of our products; the risk that regulatory approval processes for biosimilars could have an adverse effect on future commercial prospects; the impact of failing to attract and retain key personnel and to successfully engage with our employees; the impact of increasing implementation and enforcement of more stringent anti-bribery and anti-corruption legislation; and the risk of failure of information technology and cybercrime. Nothing in this presentation / webcast should be construed as a profit forecast.



Key messages

- ✓ Strategy implementation on track - started second phase of the Journey
- ✓ Late-stage pipeline progressing ahead of plans
 - Science-driven, collaborative culture driving increased R&D productivity
 - Steady newsflow expected in 2016
- ✓ Accelerating return to growth and ambition to become a >\$45bn company by 2023¹
- ✓ Building a sustainable, durable and more profitable business
 - Highest TSR (January 2013 to today) of large-cap FTSE 100

1. Target is at constant exchange rates (2013)



On track to deliver long-term goals



1. Target is at constant exchange rates (2013)



3 strategic priorities launched in 2013

1

**Achieve
scientific
leadership**

2

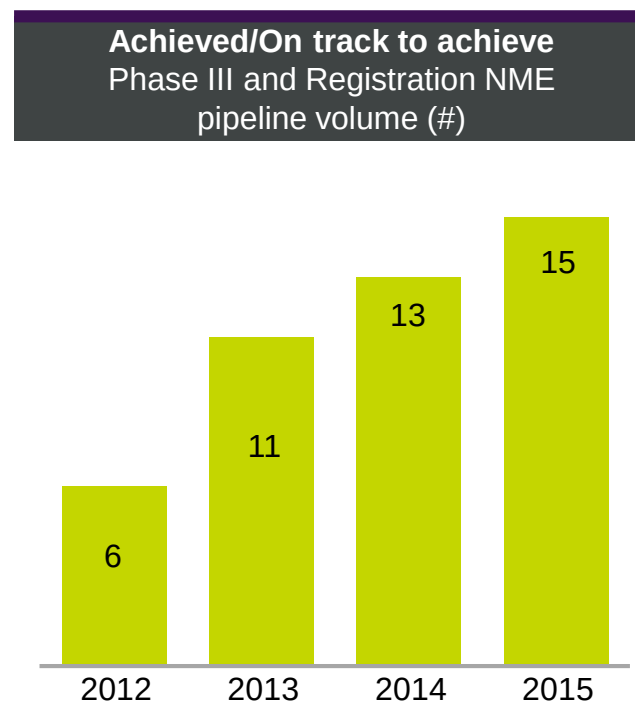
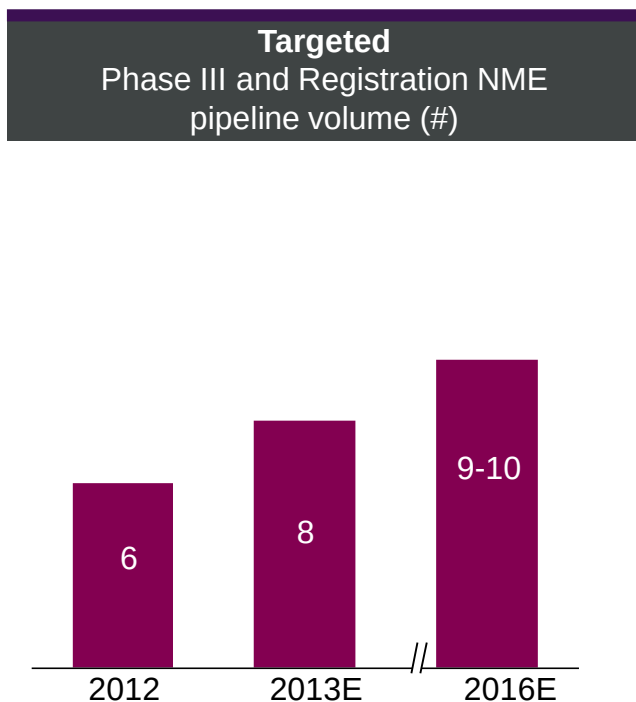
**Return
to growth**

3

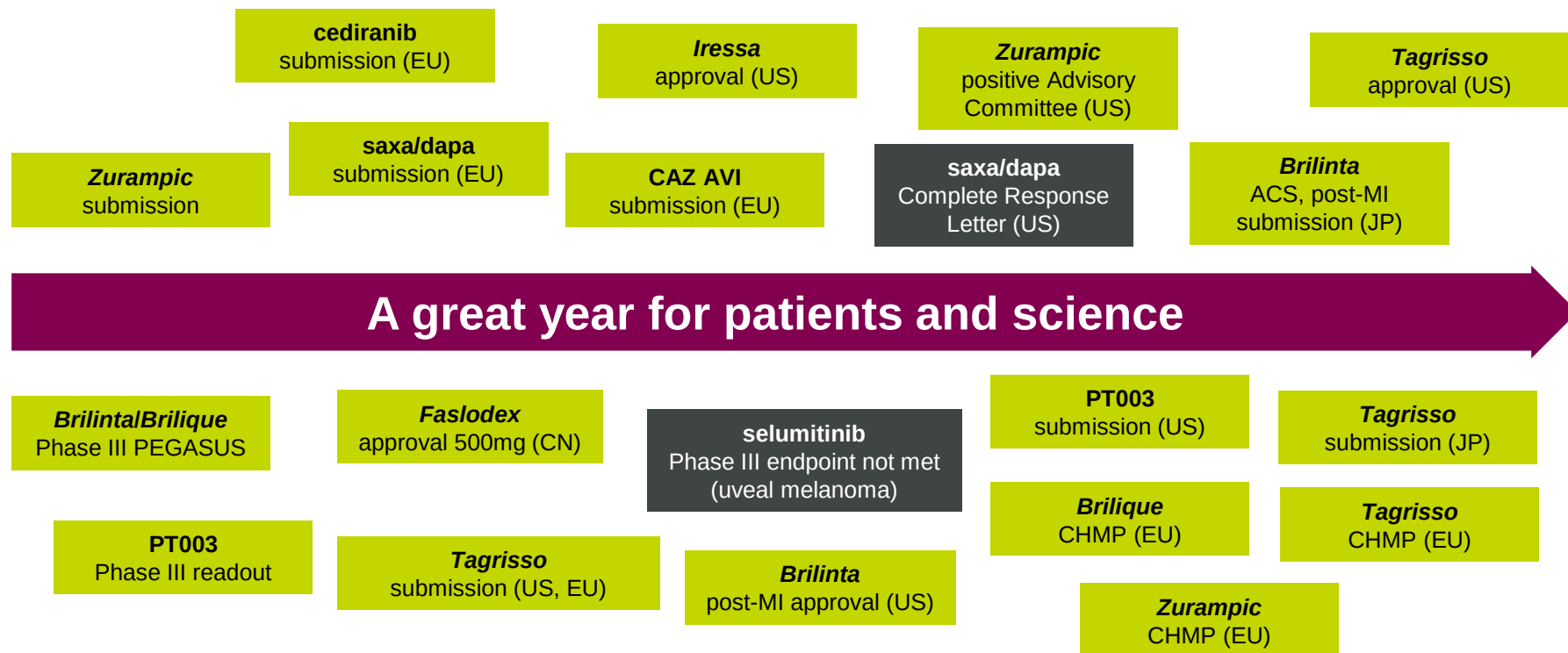
**Be a great
place to work**



Late-stage pipeline volume well ahead of plan



2015: Delivering the late-stage pipeline



Key late-stage new medicines and lifecycle programmes

Respiratory, Inflammation & Autoimmunity		Cardiovascular & Metabolic Disease		Oncology		Other
Phase III	Under review	Phase III	Under review	Phase III	Under review	Under review
PT010 LAMA/LABA/ICS COPD	PT003 LAMA/LABA COPD	roxadustat HIF-PH Anaemia CKD/ESRD	ZS-9 Potassium binder Hyperkalaemia	selumetinib MEK 2L KRASm NSCLC	cediranib VEGF PSR ovarian cancer	CAZ AVI Cephalosporin/BLI Serious infections
anifrolumab IFNAR Lupus (SLE)	Zurampic URAT-1 Gout			durvalumab PD-L1 3L PD-L1 pos. NSCLC	Tagrisso (EU, JP) EGFR T790M 2L T790Mm NSCLC	
benralizumab IL-5R Severe asthma, COPD		Additional uses		moxetumomab CD22 HCL	Additional uses	
brodalumab IL-17R Psoriasis		BrilintalBrilique P2Y ₁₂ Stroke		tremelimumab CTLA-4 Mesothelioma	Lynparza PARP Various indications	
tralokinumab IL-13 Severe asthma		BrilintalBrilique P2Y ₁₂ Peripheral Arterial Disease		acalabrutinib¹ BTKi Blood cancer	Tagrisso EGFR T790M Various indications	

1. Pending completion of Acerta Pharma investment



Tagrisso exemplifies progress being made



- First treatment approved for patients with a very specific form of NSCLC
- **Fastest development journey in the company's history: 32 months from first-in-man to approval**
- **Fastest shipment time: 6 hours from approval**
- Reinforces ambition in Oncology to deliver six new medicines to patients by 2020



Several products in the pipeline have large potential

Tagrisso

Lung cancer

durva + treme

Multiple cancers

Lynparza

Ovarian, other cancers

acalabrutinib¹

Blood cancers

ZS-9

Hyperkalaemia

roxadustat

Anaemia

benralizumab

Severe asthma, COPD

PT010

COPD, asthma

anifrolumab

Lupus (SLE)

1. Pending completion of Acerta Pharma investment



Biotech units: Driving the 'next wave' of innovation

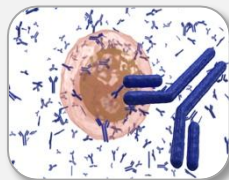
Phase I

30 New Molecular Entities

Small molecule	Large molecule
AZD5363 T1R2/3 agonist	MEC0000 CD40L-T1/2 p55
AZD7786 CRP1, COPD	MEC00020 STP21, SLE
AZD8889 MBA, asthma/COPD	MEC00036 IL-13, asthma
AZD9877 MCR, CND	MEC00032 GLP-1/glucagon, diabetes/obesity
AZD2199 or AZD2091 BLOOM EGFR, NSCLC brain mets	MEC00013 LCAT, AGS
AZD53328 steroid receptor, prostate	MEC00011 Neurotrophin, trauma/bleeding
AZD6738 ATR, solid tumours	MEC00028 NCR40, solid tumours
AZD8198 FOP, solid tumours	MEC00039 GLP-1, solid tumours
AZD8835 FOP, solid tumours	MEC00080 TGF- β , solid tumours
AZD9108 STAT3, breast & solid	MEC00078 ANG-2, solid tumours
AZD9496 ERK1/2, ER, breast	MEC00068 CD40, solid tumours
ATM, ATR BL, CLL, DR	MEC00037 CD40, solid tumours
AZD9109 TNF α , suicidal deletion	MEC00047 CD73, solid tumours
	MEC00014 amyloid- β , Alzheimer's
	MEC00062 Pachy, pseudotumors
	MEC00000 pandemic influenza virus vaccine
	MEC00062 influenza A treatment

“Next-wave” delivery

Around **30** projects currently in Phase I will deliver “next wave” of molecules to late stage



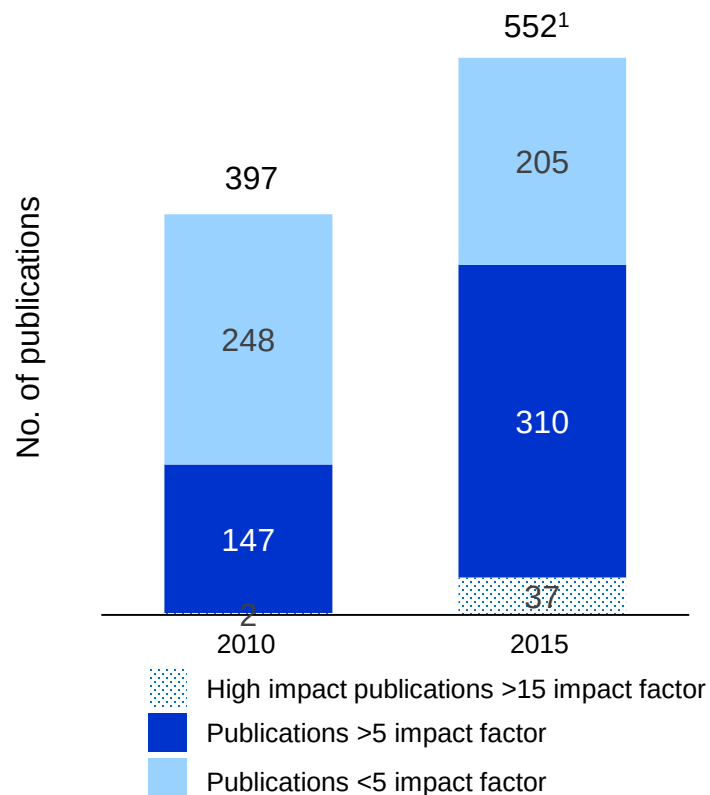
Long-term sustainability

Advancing potentially **transformative platforms** such as oligonucleotides, novel proteins, cancer vaccines and stem cells

Leveraging protein engineering capabilities for novel approaches



Scientific leadership and innovation power

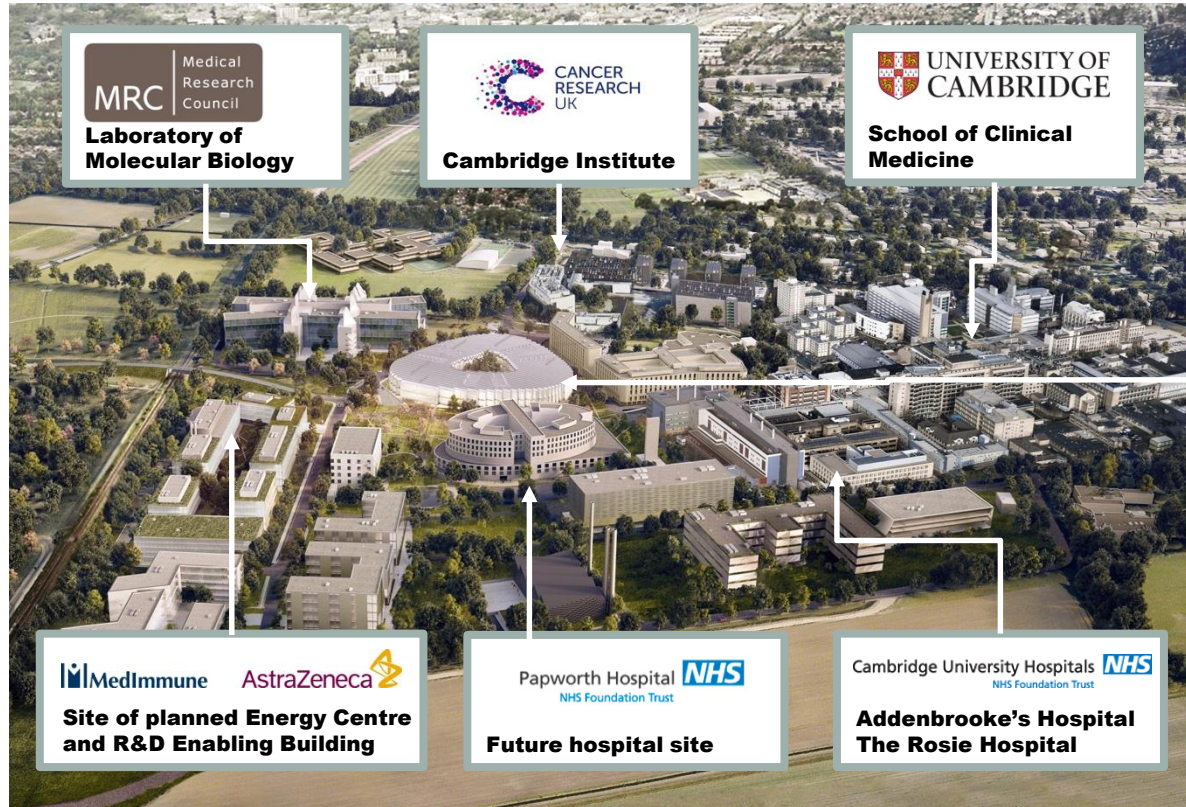


¹ Includes accepted publications



Cambridge UK research centre catalyst for innovation

Scientific collaboration is a key driver behind the move



Planned R&D Centre and Corporate HQ building



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**Achieve
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**Return
to growth**

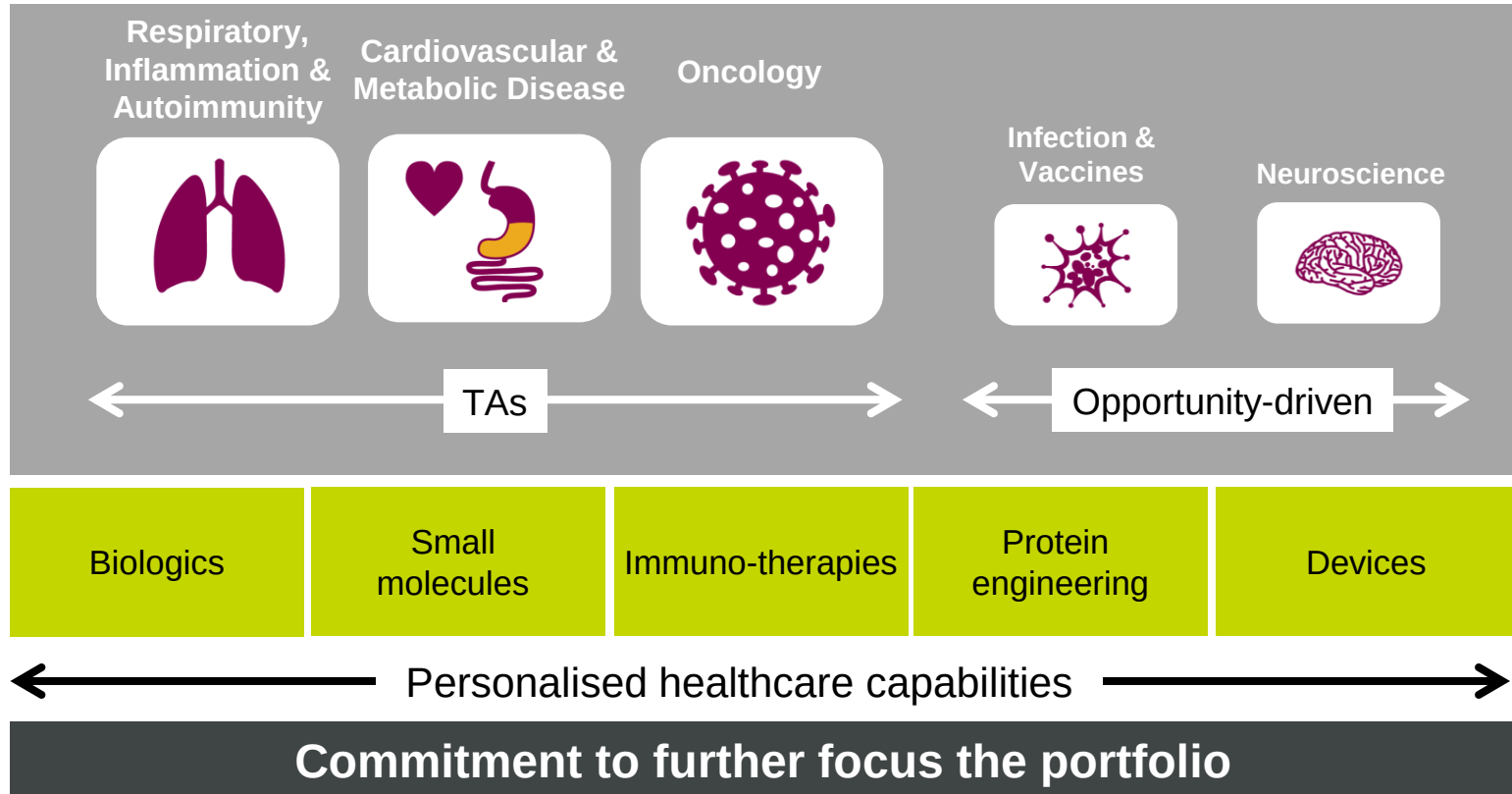
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**Be a great
place to work**



Achieve Scientific Leadership

R&D in three therapy areas (TAs) and across key platforms



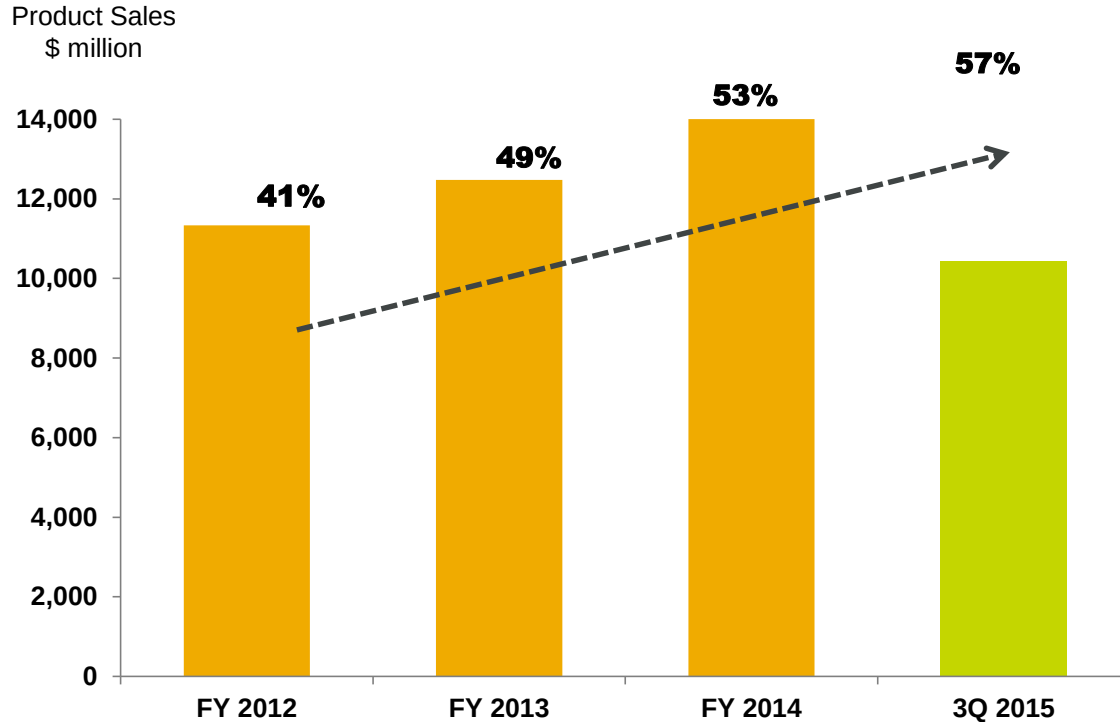
Growth Platforms: Progress across all areas

		YTD 2015 \$m	% change	Q3 2015 \$m	% change
	Growth Platforms	10,354	+10	3,455	+8
	Respiratory	3,698	+8	1,230	+7
	Brilinta/Brilique	445	+44	170	+48
	Diabetes	1,638	+26	577	+17
	Emerging Markets	4,394	+12	1,427	+10
	Japan	1,479	+3	502	+6

Product Sales at actual exchange rates. Growth rates at CER



Growth Platforms: Delivering revenue goals



- ✓ Respiratory
- ✓ *Brilinta/Brilique*
- ✓ Diabetes
- ✓ Emerging Markets
- ✓ Japan

Product Sales at actual exchange rates. Growth rates at CER



Building a durable presence in Emerging Markets: 3rd fastest-growing pharma MNC; ~\$5.8bn in 2014



Note: FY sales 2014
MNC = Multi-National Corporation



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Be a Great Place to Work



Gothenburg, Sweden

Strategic R&D Centre

Cambridge, UK

NEW Global R&D Centre & Corporate Headquarter



Gaithersburg, USA

**Strategic R&D Centre
Specialty Products Group**



High Engagement

Employee engagement in line with best-performing companies



Awards for overall work environment



The market is recognising progress...

Market now agrees with Investor Day in 2013

March 2013

December 2015

We believe we can do better than consensus

Return
to growth 2

	2018 Consensus estimate
Growth Platforms & Other	20.4
Pipeline	1.1
Total revenue	21.5

Values \$bn. AZ Consensus Post Q4 2013. Japan value projected from previous proportion of Established ROW

Source: AZ Investor Day 2013

Buy
Hold
Sell

11%

46%

43%

Source: Bloomberg (recommendations)

	2018 Consensus estimate	Change
Growth Platforms & Other	21.4	+5%
Pipeline	3.7	+236%
Total revenue	25.1	+17%

Source: PostQ3 Consensus 2015

Buy
Hold
Sell

54%

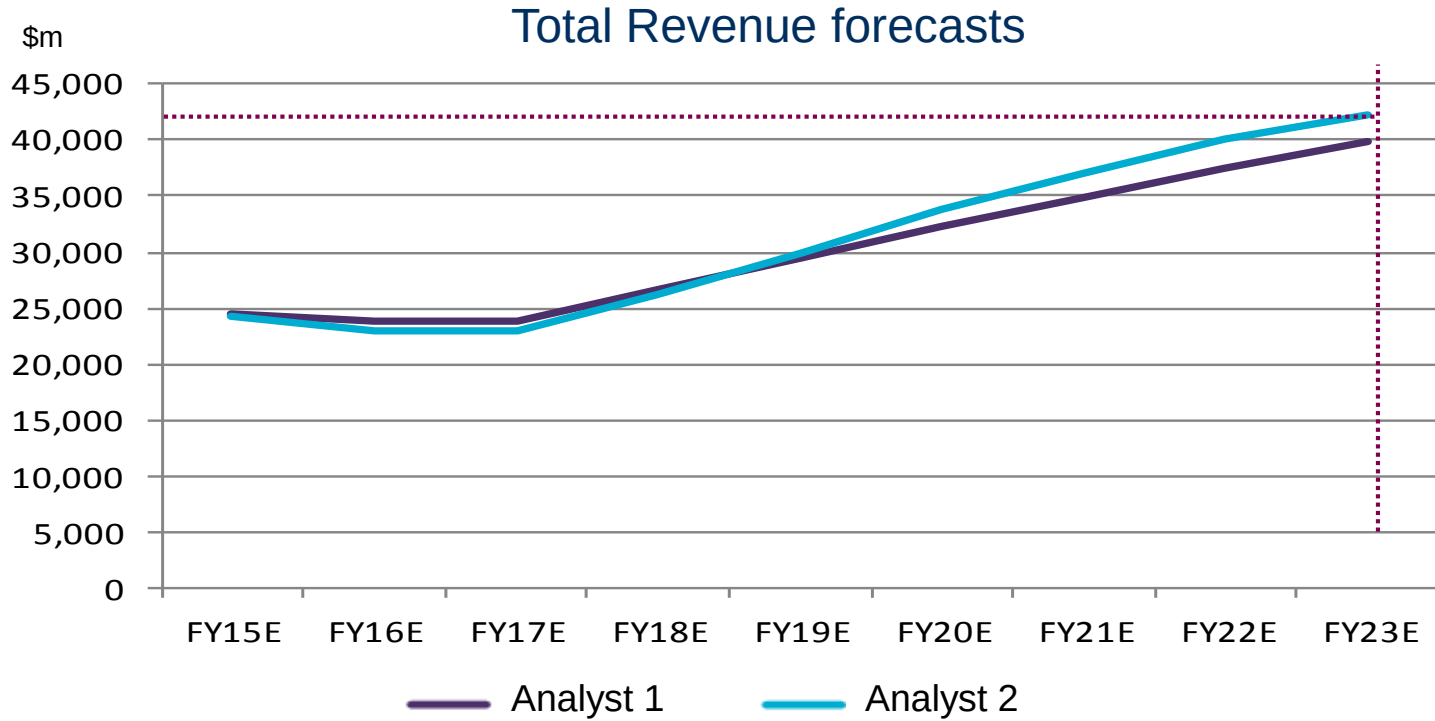
29%

17%



...and some fully agree with the long-term targets

2023 Total Revenue target of >\$45bn (CER 2013¹)

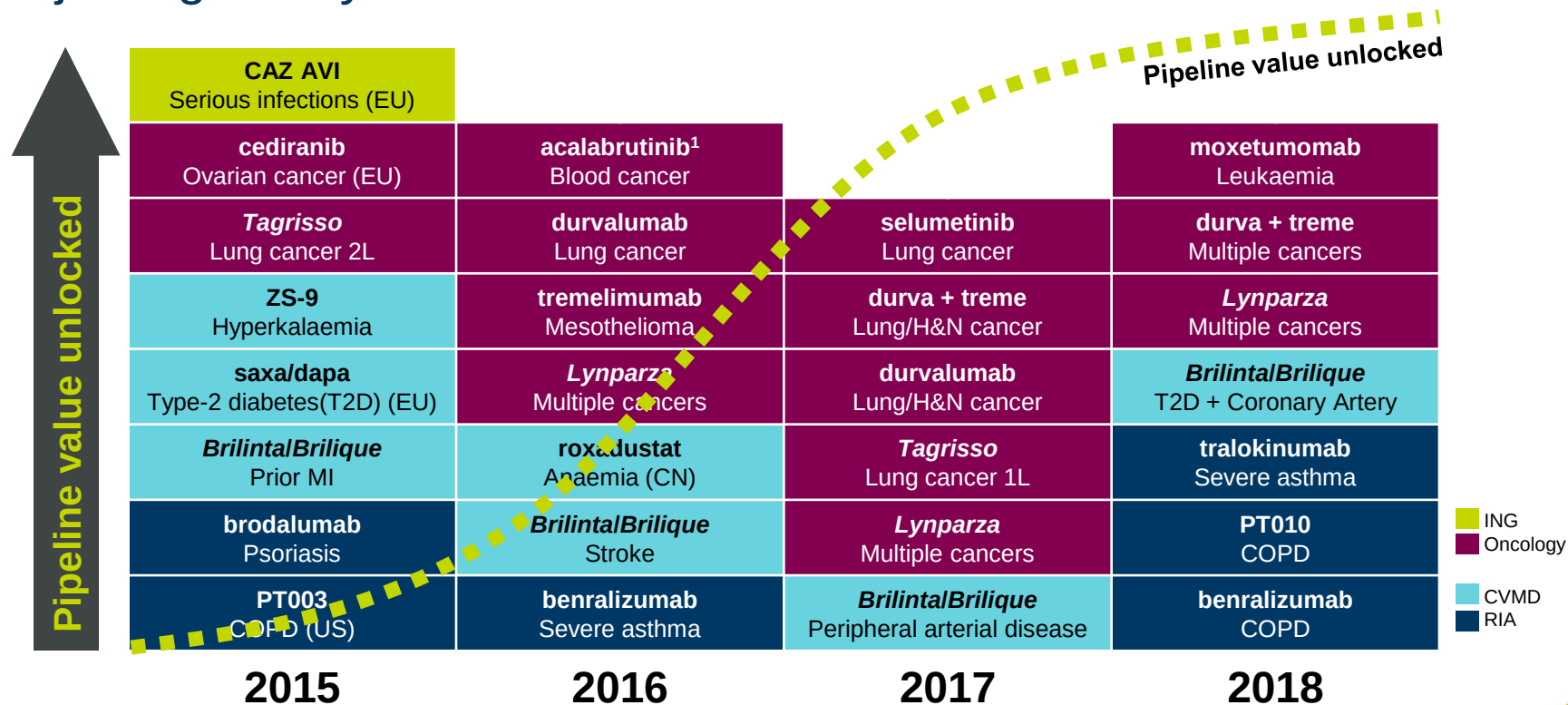


¹ The >\$45bn 2023 revenue target is at 2013 constant exchange rates which is equivalent to ~\$40bn at today's exchange rates



Unlocking significant pipeline value in the mid term

Major regulatory submissions of new medicines & new uses



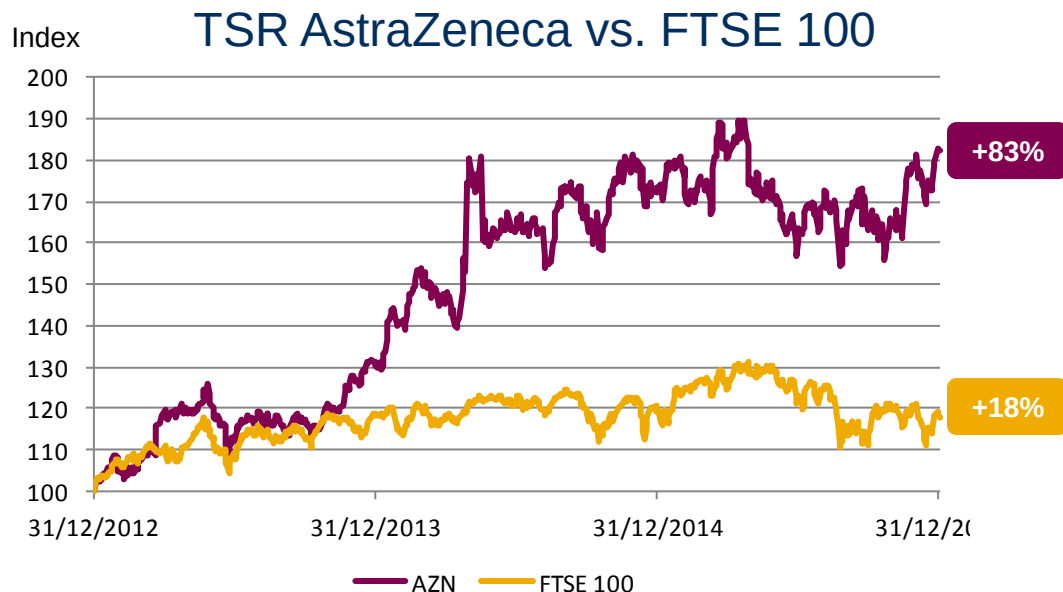
1. Pending completion of Acerta Pharma investment



Total Shareholder Return (TSR) since 1 January 2013

AstraZeneca has outperformed the largest FTSE 100 companies¹

Rank	Company	TSR
1	AstraZeneca PLC	83%
2	Vodafone Group PLC	63%
3	British American Tobacco PLC	37%
4	Unilever PLC	37%
5	GlaxoSmithKline PLC	20%
6	Diageo PLC	13%
7	BG Group PLC	2%
8	Barclays PLC	-3%
9	BP PLC	-2%
10	HSBC Holdings PLC	-4%
11	Royal Dutch Shell PLC A	-15%
12	Royal Dutch Shell PLC B	-16%
13	Rio Tinto PLC	-36%
14	BHP Billiton PLC	-56%
15	Standard Chartered PLC	-57%
FTSE100		18%



¹ TSR between 1 Jan 2013 and 31 Dec 2015. Source: Datastream

Ranking includes the 15 companies with the highest weightings of the FTSE 100 index as per 1 January 2013. Source: Bloomberg



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Key newsflow through 2016

Regulatory approvals

H1 2016

- **PT003** - COPD (US)
- **ZS-9** - hyperkalaemia (US)
- **Tagrisso** - lung cancer (EU, JP)

H2 2016

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

Key regulatory submissions

- **brodalumab** - psoriasis (US, EU)
- **ZS-9** - hyperkalaemia (EU)

H1 2016

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

H2 2016

- **benralizumab** - severe asthma (US, EU)
- **roxadustat** - anaemia (CN)
- **acalabrutinib**¹ - blood cancer (US)

Key data readouts

H1 2016

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

H2 2016

- **Brilinta/Brilique** - PAD
- **Lynparza** - ovarian, gastric cancers
- **durvalumab** - H&N cancer (PII)
- **selumitinib** - lung cancer
- **acalabrutinib**¹ - blood cancer (PII)

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