AstraZeneca
What science can do

FY 2018 results

Presentation, conference call and webcast for investors and analysts

14 February 2019

Forward-looking statements

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On the podium

Pascal Soriot
Executive Director and
Chief Executive Officer

Dave Fredrickson
Executive Vice President,
Oncology

Ruud Dobber
Executive Vice President,
BioPharmaceuticals

Marc Dunoyer
Executive Director and
Chief Financial Officer

José Baselga
Executive Vice President,
R&D Oncology (Q&A)

Mene Pangalos
Executive Vice President,
R&D BioPharmaceuticals

Agenda

Overview

Oncology

New CVRM, Respiratory, Emerging markets

Financials

Pipeline update and news flow

Closing and Q&A

What we set out to do….

Strategic priorities from 2013

1

Achieve scientific leadership

2

Return to growth

3

Be a great place to work

AstraZeneca returned to sustainable growth in sales

Pipeline-driven transformation has delivered on the promises

Business and financials

Product sales increased by 8% in Q4 and by 4% in the year

- Strong performance of new medicines[1] (+81%) and $2.8bn incremental sales vs. 2017
- Oncology (+49%), New CVRM[2] (+12%) and Respiratory (+3%)
- Emerging markets (+13%) and China (+25%)

Total revenue declined by 2% and **core operating costs** increased by 4%, in line with sales. **Core EPS** $3.46, in line with guidance

2019 operating leverage and mid-teens percentage increase in core operating profit

Guidance of high single-digit percentage sales increase and core EPS of $3.50-3.70

Pipeline continues to progress well; recent **organisational refinements** will improve speed and efficiency; the business **sustainability** agenda progressed further; majority of **employee engagement** scores ahead of Pharma peers

1. *Tagrisso*, *Imfinzi*, *Lynparza*, *Calquence*, *Lumoxiti*, *Farxiga*, *Brilinta*, *Lokelma*, *Fasenra and Bevespi.* Absolute growth at constant exchange rates (CER) and compared to FY 2017.
2. New Cardiovascular, Renal and Metabolism incorporating Diabetes, *Brilinta* and *Lokelma*.

Absolute values at actual exchange rates; changes at CER and for FY 2018, unless otherwise stated. Guidance at CER.

Q4 2018 late-stage pipeline news

Continued progress across medicines

Pipeline news

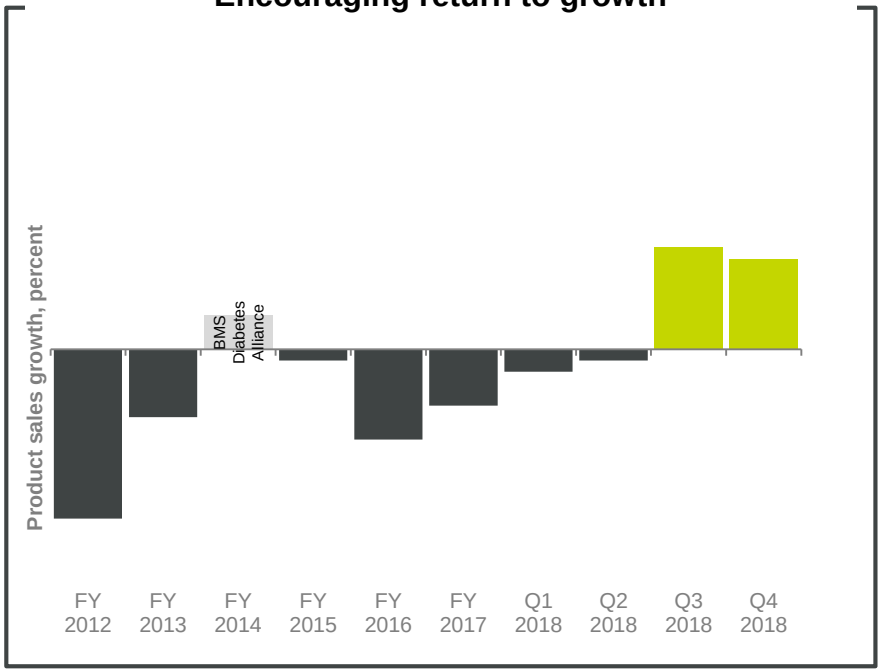
Oncology	• *Tagrisso*	EGFRm[1] NSCLC[2] 1L	Priority review (CN)
	• *Imfinzi*	unresectable, Stage III NSCLC	Regulatory submission (CN)
			Regulatory submission acceptance (OS[3] data) (US)
	• *Imfinzi* +/- treme	NSCLC 1L (MYSTIC)	Did not meet OS primary endpoints
		HNSCC[4] 2L	Did not meet OS primary endpoints
	• *Lynparza*	ovarian cancer 1L maintenance (SOLO-1)	Approval (US)
			Priority review (CN)
		ovarian cancer 3L	Met response rate primary endpoint
New CVRM, Respiratory, Other	• *Forxiga*	type-1 diabetes	CHMP[5] positive opinion (EU)
			Regulatory submission acceptance (US)
	• roxadustat	anaemia in dialysis patients	Approval (CN)
		anaemia of CKD[6]	Met primary efficacy endpoints
	• *Bevespi*	COPD[7]	Approval (EU)
	• *Fasenra*	severe eosinophilic asthma; self administration	Regulatory submission acceptance (US, EU)
		eosinophilic granulomatosis with polyangiitis	Orphan Drug Designation (US)
		hypereosinophilic syndrome	Orphan Drug Designation (US)
	• PT010	COPD	Priority review (CN)
	• MEDI8897	lower respiratory tract infection	Breakthrough Therapy Designation (US)
			PRIME designation (EU)
	• *Linzess*	inflammatory bowel syndrome	Approval (CN)

1. Epidermal growth factor receptor mutation. 2. Non-small cell lung cancer 3. Overall survival 4. Head and neck squamous cell carcinoma 5. Committee for Medicinal Products for Human Use of the European Medicines Agency (EMA)
6. Chronic kidney disease 7. Chronic obstructive pulmonary disease. Status since the last results announcement on 8 November 2018.

Sales: inflection point reached

Strong sales growth set to continue

Encouraging return to growth



Key medicines driving growth in 2019

Tagrisso
ongoing launches in EGFRm NSCLC 1L

Imfinzi
ongoing launches in unresect., StageIII NSCLC

Lynparza
ongoing launches of tablet in ovarian, breast cancer

Farxiga
continued global growth and the DECLARE trial

Brilinta
continued strong global growth

Fasenra
ongoing launches in severe, eosinophilic asthma

2019 guidance: high single-digit sales growth

Changes (product sales growth) at CER.

Guidance at CER.

Sales: new medicines drove return to growth

FY 2018: $2.8bn in incremental sales; growth of 81%

Q4 2018:

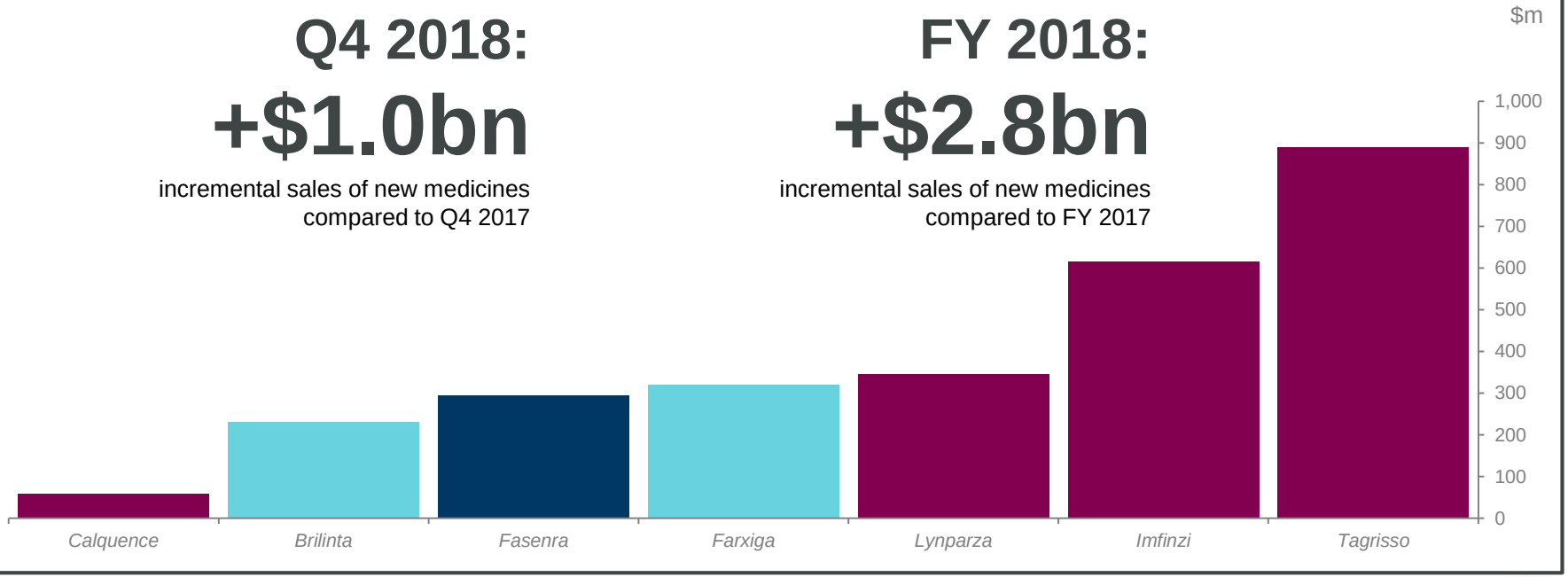
+$1.0bn

incremental sales of new medicines compared to Q4 2017

FY 2018:

+$2.8bn

incremental sales of new medicines compared to FY 2017



Oncology New CVRM **Respiratory**

Absolute values at CER.

Sales: growth across all main therapy areas

Oncology, New CVRM, China all performed strongly

	Q4 2018 $m	% change	% product sales	FY 2018 $m	% change	% product sales
Product sales	**5,768**	**8**	**100**	**21,049**	**4**	**100**
Oncology	1,767	61	31	6,028	49	29
New CVRM	1,103	11	19	4,004	12	19
Respiratory	1,362	5	24	4,911	3	23
Other	1,536	(21)	27	6,106	(23)	29
Emerging markets	1,766	16	31	6,891	13	33
- China	*948*	*22*	*16*	*3,795*	*25*	*18*

Product sales values at actual exchange rates; changes at CER.

2019: strong growth in underlying business

- **Top-line growth driven by new medicines**
- **Productivity programmes support cost management**
- **Core operating profit to increase by a mid-teens percentage**

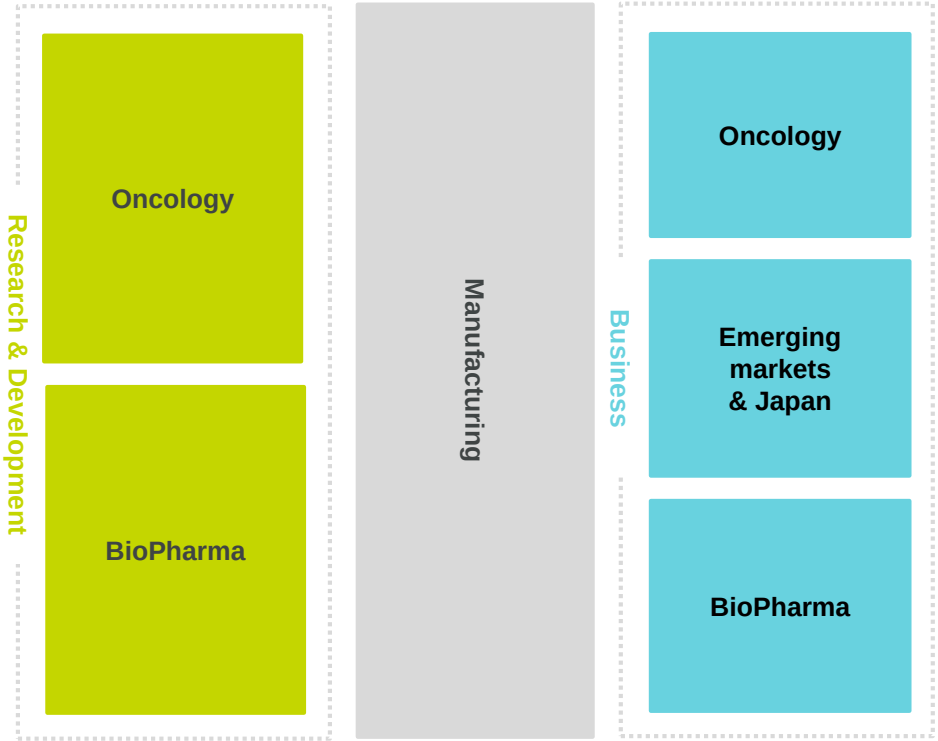
Indications at CER; this slide does not constitute formal guidance.

New, simplified organisation

Increase focus on main therapy areas

Agile decision-making and resource allocation

Collaboration between R&D and business



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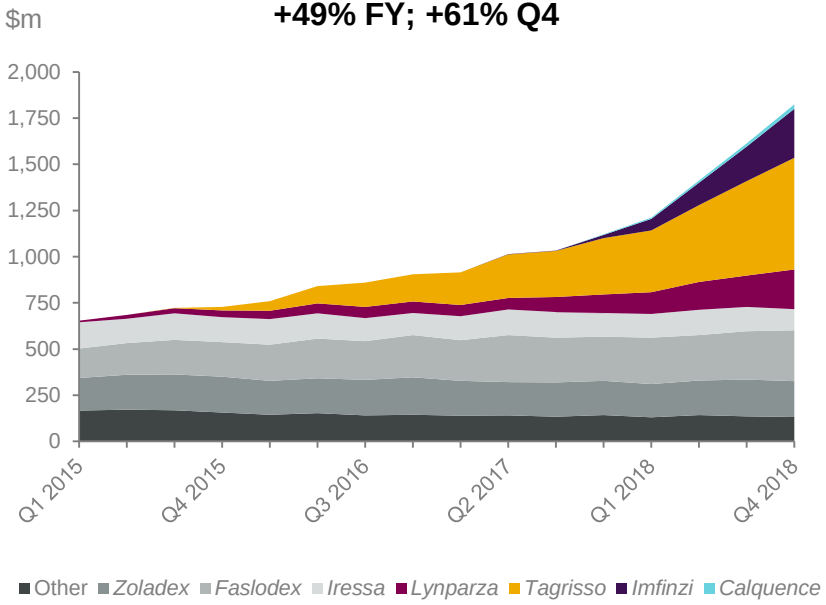
Oncology

Establishing new standards of care

Total Oncology sales
+49% FY; +61% Q4



New medicines *Lynparza*, *Tagrisso*, *Imfinzi* and *Calquence* added $1.9bn

- ***Tagrisso*** quickly moving ahead to become the no. 1 AstraZeneca medicine in 2019
- ***Imfinzi*** strong US uptake; ex-US opportunity underway
- ***Lynparza***, the leading PARP inhibitor in ovarian and breast cancers; ovarian 1st line combo, pancreatic and prostate data in 2019
- ***Calquence*** first ex-US approvals in MCL[1]; CLL[2] Phase III data in H2 2019. ***Faslodex*** became $1bn blockbuster

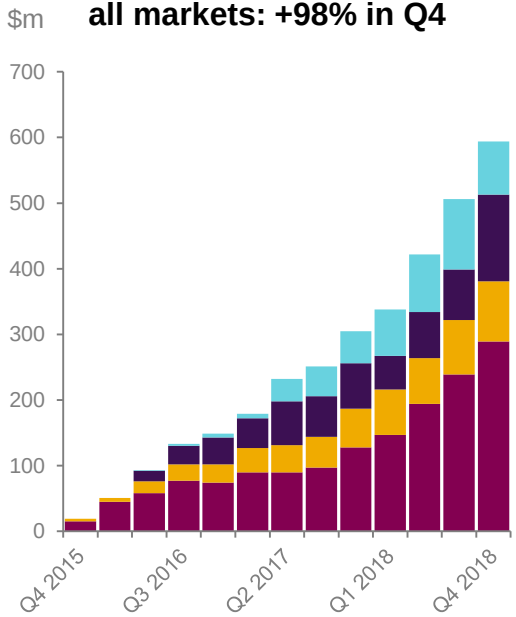
Absolute values and changes at CER and for FY 2018, unless otherwise stated.

1. Mantle cell lymphoma.
2. Chronic lymphocytic leukaemia.

Lung cancer: *Tagrisso*

1st-line standard of care in US, JP; EU + RoW launches underway

Strong performance in all markets: +98% in Q4



US **Europe** **Established RoW** **Emerging markets**

Absolute values at actual exchange rates; changes at CER and for FY 2018, unless otherwise stated.

Worldwide approvals: >80 countries (2nd-line use) and ~60 countries (1st-line use)

- **US +115%**
  Most-prescribed medicine in 1st-line setting; new standard of care

  Encouraging 60%+ of new-patient starts
- **Europe +61%**
  Majority of sales in 2nd line

  1st-line launches in several countries; more to come in 2019, 2020
- **Established RoW +43%**
  Japan (+43%); strong 1st-line uptake and already standard of care with 50%+ of new patients
- **Emerging markets $347m**
  Strong 2nd-line momentum offset by inventory-price adjustment before China NRDL[1] listing

  China 1st-line regulatory decision now expected in H1 2019

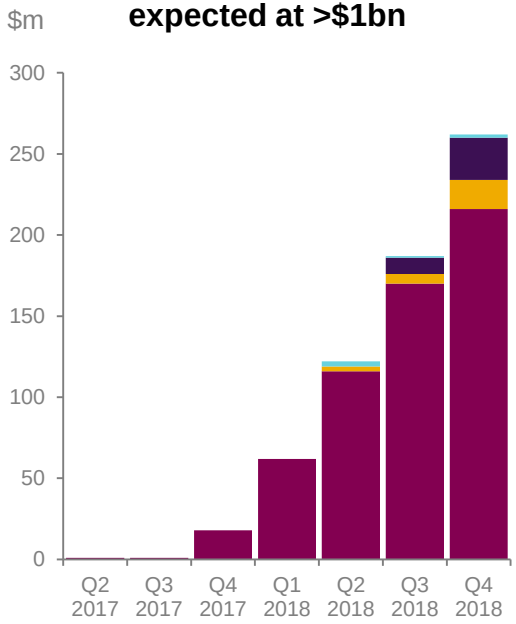
1. National Reimbursement Drug List.

Lung cancer: *Imfinzi*

Strong uptake; US peak sales now expected to be >$1bn

IMFINZI™ durvalumab Injection for Intravenous Use 50 mg/mL

US peak sales now expected at >$1bn



US Europe Established RoW Emerging markets

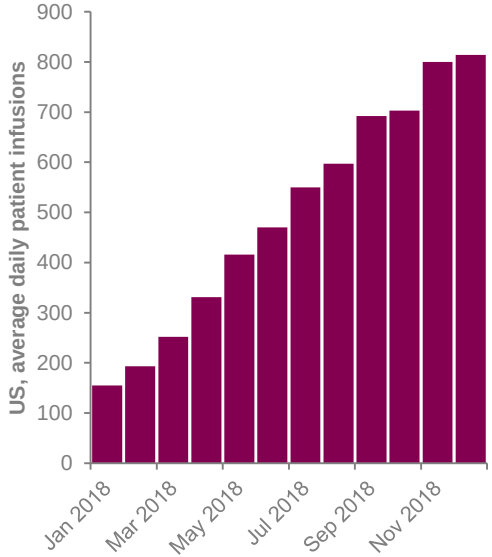
Absolute values at actual exchange rates.

PACIFIC (unresectable, Stage III NSCLC) becoming new SoC[1]

- **~40 global approvals obtained**
- **Sales $633m; $262m in Q4**
  Lung cancer >95% of sales
- **US $564m; $216m in Q4**
  More patients being treated post CRT[2], and increasingly with IO
- **Non-US $69m; $46m in Q4**
  Europe launch in Germany, France, UK (private)
  Rapid uptake in Japan ($35m; $26m in Q4

1. Standard of care.
2. Chemoradiotherapy; a combination of chemotherapy and radiotherapy.

US patient infusions continue to increase

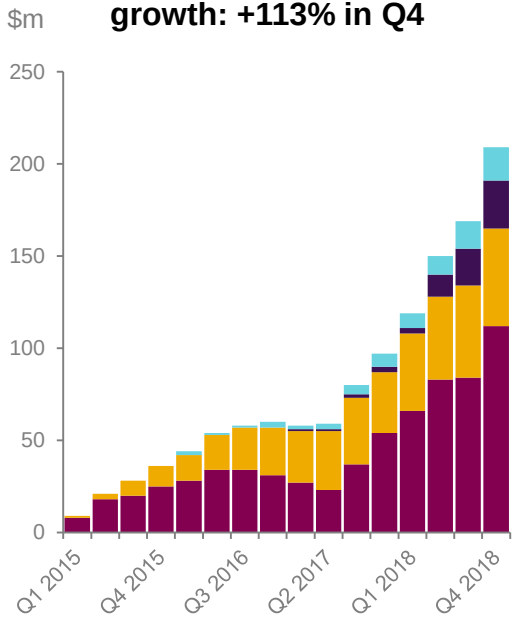


Source: proprietary market research.

Lynparza

Leading PARP inhibitor treating more patients

Six quarters of strong growth: +113% in Q4



US **Europe** **Established RoW** **Emerging markets**

Absolute values at actual exchange rates; changes at CER and for FY 2018, unless otherwise stated.

Leading PARP inhibitor approved in >60 countries across indications in ovarian and breast cancer

- **US +145%**
  Broad label in 2nd-line ovarian cancer maintenance, launch in breast and approval in 1st-line *BRCA*m[1] ovarian cancer maintenance
- **Europe +41%**
  Broad label in 2nd-line ovarian cancer maintenance, where reimbursed; high testing rates and *BRCA*m label adoption elsewhere

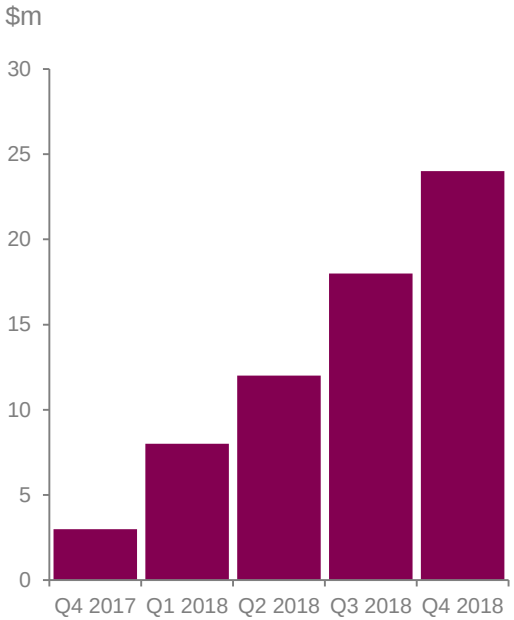
  Breast cancer regulatory decision H1 2019
- **Established RoW $61m**
  Successful ovarian and breast cancer launches in Japan ($48m; $23m in Q4)
- **Emerging markets $51m**
  Early, encouraging ovarian cancer launch in China

1. Breast cancer susceptibility genes 1/2 mutation.

Haematology: *Calquence* and *Lumoxiti*

Building momentum in US; global MCL expansion underway

Calquence highlights



CALQUENCE (acalabrutinib) 100 mg capsules

- **Sales $62m, US only**
- **Continued good uptake**
  ~40% BTK[1] inhibitor new-patient share in approved indication
  ~3/4 of use in BTK-naïve patients
- **Expanding patient benefit**
  First ex-US approvals: UAE[2],Brazil
- **Lifecycle plans underway in larger indications**
  CLL Phase III data in H2 2019; new venetoclax combo Phase III

Lumoxiti

LUMOXITI moxetumomab pasudotox-tdfk for injection

- First sales recorded in Q4 2018
- 3rd-line hairy cell leukaemia (HCL); small indication with ~1,000 new US patients per year and ~500 patients in labelled indication
- Collaboration and out-licensing to Innate Pharma

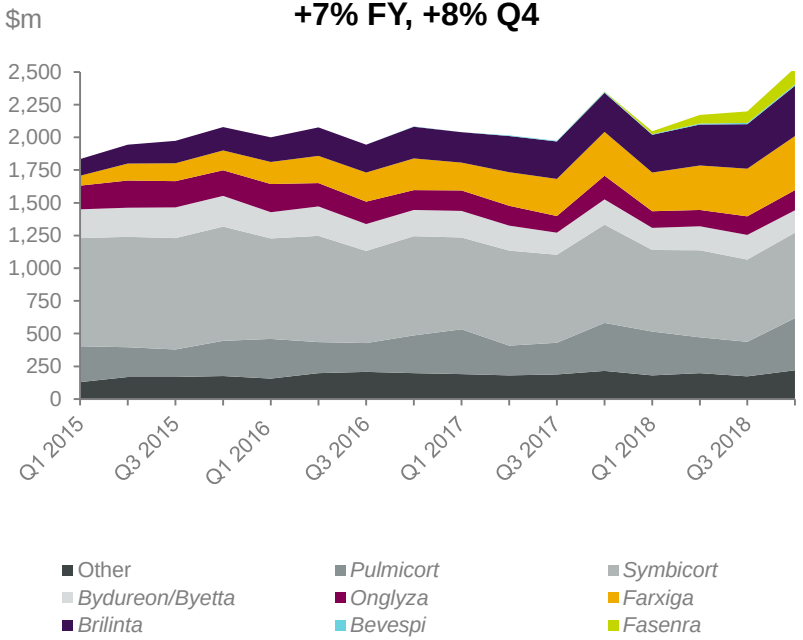
Absolute values at actual exchange rates.

1. Bruton's tyrosine kinase.
2. United Arab Emirates.

New CVRM and Respiratory

Strong businesses with several blockbusters, now and in the future

Combined sales:
+7% FY, +8% Q4



Strong franchises and encouraging launches

- ***Farxiga***: leading SGLT2 inhibitor with differentiated CV[1] outcomes data, global growth and more data next year
- ***Brilinta***: strong clinical benefit across CV disease, with more data in 2019 and 2020
- ***Fasenra***: strong launch in US, Japan and Germany; global roll-out underway
- ***Symbicort*/*Pulmicort***: combined a robust, global inhaled respiratory business
- ***Lokelma***: launches now underway in Europe; US to follow mid-2019

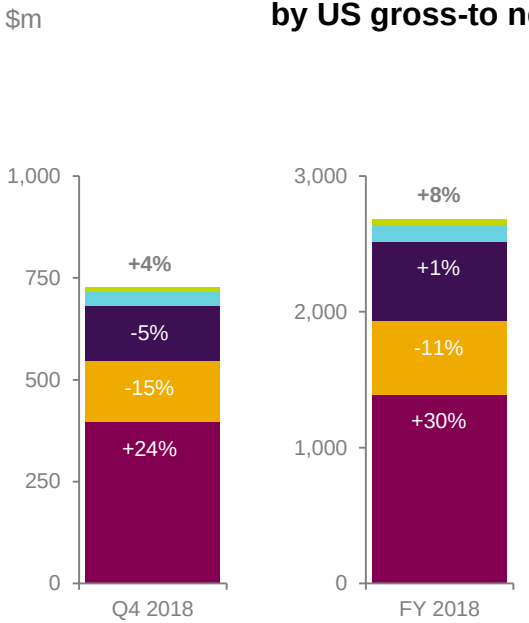
Absolute values and changes at CER and for FY 2018, unless otherwise stated.

1. Cardiovascular.

New CVRM

Blockbusters *Farxiga* and *Brilinta* sustained strong performances

Good Diabetes growth, with Q4 reduced by US gross-to net adjustments in 2017



***Farxiga* +30%**

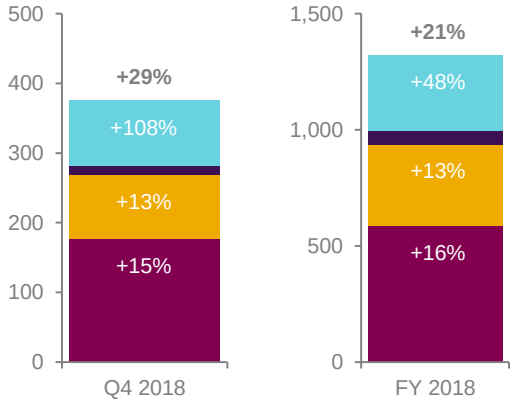
- US (+21%); market and SGLT2 class growth compounded by some market share gain
- Ex-US (58% of total) SGLT2 class and overall volume growth continued, e.g. Europe (+24%), Emerging markets(+52%)

***Bydureon* +1%, but -5% in Q4**

- Year-end production constraints of new *BCise* device

Farxiga *Onglyza* *Bydureon* *Byetta* Other

Continued growth in *Brilinta* sales



- ***Brilinta* +21%**: growth across all major regions; Q4 benefit of Chinese NRDL inclusion in 2017

US Europe Established RoW Emerging markets

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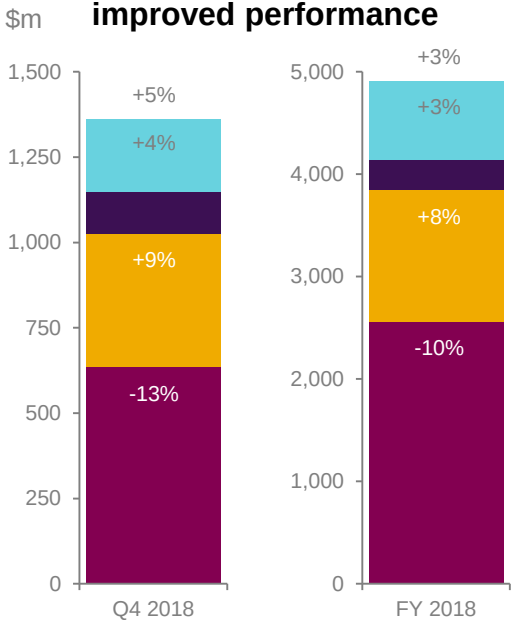
Respiratory

Fasenra and *Pulmicort* sales offsetting the *Symbicort* performance

Respiratory delivered improved performance



***Symbicort*, leading ICS+LABA medicine globally by volume**

US -6%
- *Symbicort* (-22%); volume,market-share gain offset by price; now the leading ICS/LABA[2] in the US

Europe -4%
- Competitive *Symbicort* market

Established RoW +4%
- Japan (+17%) from *Fasenra*

Emerging markets +18%
- China (+24%); 2nd-largest national respiratory market

***Fasenra* sales now annualising at $0.5bn**

US $218m, with $89m in Q4
- Leading novel biologic medicine in new prescriptions[2]

Europe $32m, with $15m in Q4
- Germany majority of sales
- Early launch in rest of Europe

Japan $45m, with $19m in Q4
- Market leadership by value

Symbicort ***Pulmicort*** ***Fasenra*** Other

Absolute values at actual exchange rates; changes at CER and for FY 2018, unless otherwise stated.

1. Inhaled corticosteroid/long-acting β adrenoceptor agonists.

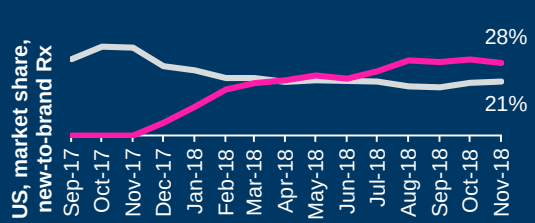
2. IQVIA.

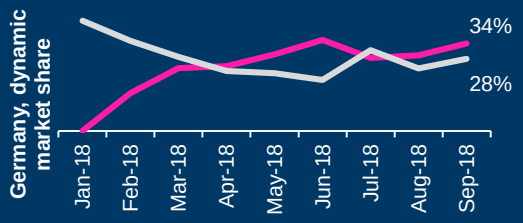
Fasenra: strong launch success on all metrics

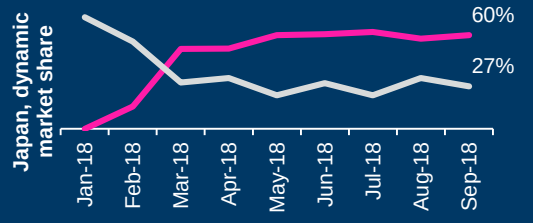
Focus on expanding benefit in a large, growing market

Fasenra (benralizumab) Subcutaneous injection 30 mg

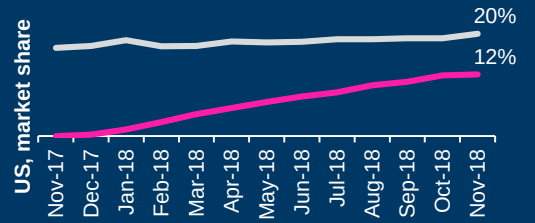
New-patients market share

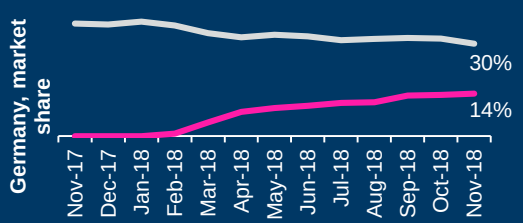


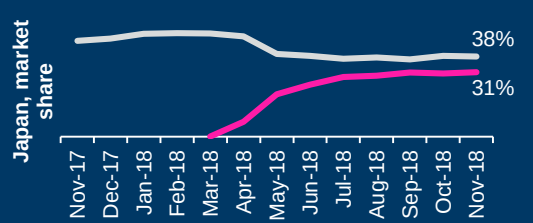




Total market share







Fasenra **Main IL-5 mAb competitor**

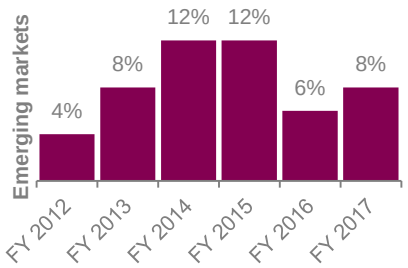
Source: IQVIA. Dynamic market share defined as new patients and patients switching medicine.

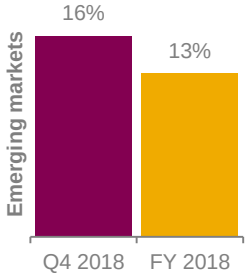
Emerging markets

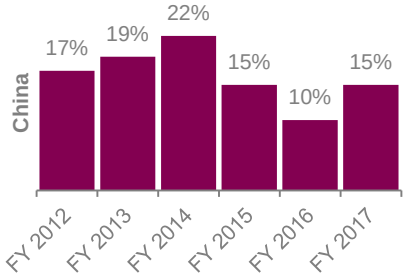
China consistently outperforming

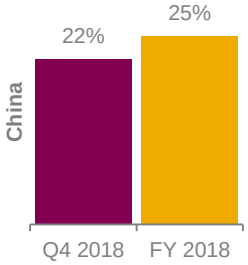
2018 year-end webcast on China and Emerging markets

China continued very strongly (+25%)
Ex-China growth (+1%) impacted by divestments









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

- **Ex-China growth +1%**
  Growth ex-China improved significantly in Q4 (+10%), but still reduced by a low single-digit percentage by divestments

Focus on main therapy areas paying off

- **Oncology +37%**: *Tagrisso* ($347m) now second-biggest Oncology medicine. *Zoladex*, *Faslodex*, *Lynparza* and *Iressa* providing most incremental sales
- **New CVRM +44%**: *Brilinta* (+48%); *Forxiga* (+52%)
- **Respiratory +18%**: *Pulmicort* (+17%, $995m); *Symbicort* (+14%, $495m)

Absolute values at actual exchange rates; changes at CER and for FY 2018, unless otherwise stated.

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Reported profit and loss

	FY 2018 $m	% change	% total revenue	Q4 2018 $m	% change	% total revenue
Product sales	**21,049**	**4**	**95**	**5,768**	**8**	**90**
Externalisation revenue	1,041	(55)	5	649	126	10
Total revenue	22,090	(2)	100	6,417	14	100
Gross margin	76.6%	(3) pp[1]	-	71.6%	(6) pp	-
Operating expenses[2]	16,294	(1)	74	4,705	3	73
- R&D expenses	5,932	3	27	2,012	33	31
- SG&A expenses	10,031	(3)	45	2,600	(12)	41
Other operating inc. & exp.	2,527	38	11	1,002	19	16
Operating profit	3,387	(7)	15	1,077	54	17
Tax rate	(3)%	-	-	(38)%	-	-
EPS	**$1.70**	**(29)**		**$0.82**	**(22)**	

1. Percentage points. 2. Includes distribution expenses.
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

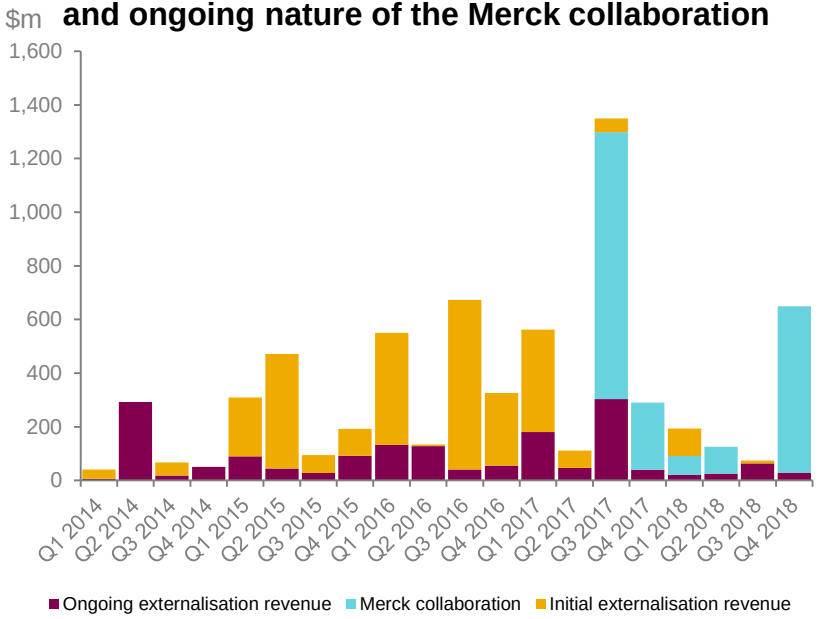
	FY 2018 $m	% change	% total revenue	Q4 2018 $m	% change	% total revenue
Product sales	**21,049**	**4**	**95**	**5,768**	**8**	**90**
Externalisation revenue	1,041	(55)	5	649	126	10
Total revenue	22,090	(2)	100	6,417	14	100
Gross margin	79.5%	(2) pp	-	78.6%	(1) pp	-
Operating expenses[1]	14,248	4	64	3,995	11	62
- R&D expenses	5,266	(3)	24	1,466	3	23
- SG&A expenses	8,651	9	39	2,436	15	38
Other operating inc. & exp.	2,147	10	10	1,004	18	16
Operating profit	5,672	(17)	26	2,192	23	34
Tax rate	11%	-	-	0%	-	-
EPS	**$3.46**	**(19)**		**$1.58**	**22**	

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

Q4 underpinned by Merck collaboration

Significant Q4 revenue highlights the importance and ongoing nature of the Merck collaboration



Highlights from externalisation revenue

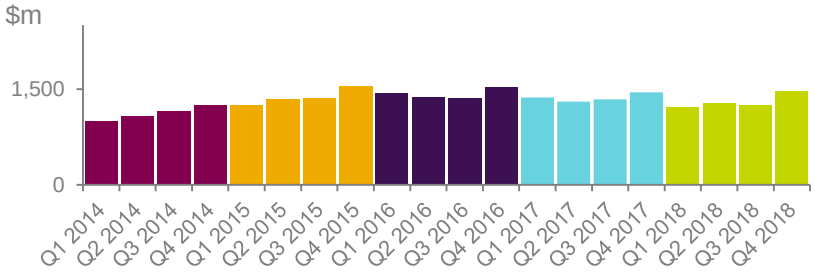
- Significant Q4 externalisation revenue from Merck collaboration
  - $400m option payment
  - $150m sales milestone
  - $70m approval milestone; received earlier than anticipated (Q4 2018 vs. H1 2019)
- Merck collaboration a steady, ongoing revenue source:
  - Regular milestones; approval (~1/3) and sales-related (~2/3); mono and combo therapy
  - Remaining $100m option payment possible in 2019

Absolute values at actual exchange rates.

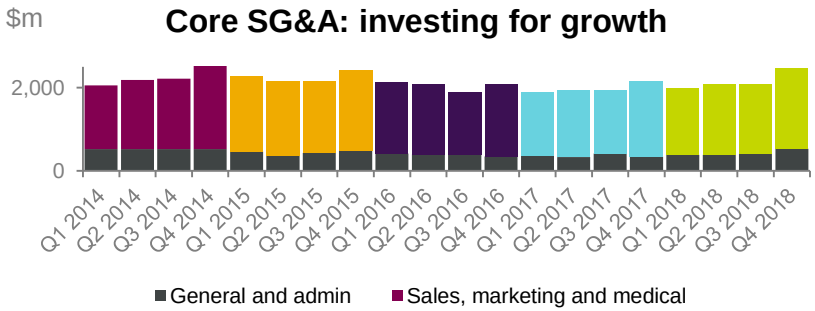
Total core operating expenses increased by 4%

Growth in line with sales; operating leverage from 2019

Core R&D: benefitting from productivity initiatives



Core SG&A: investing for growth



Operating expenses remain in focus, with leverage from 2019

- **Core R&D expenses**
  - FY 2018: declined by 3%. Continued high activity level and new trials offset by productivity improvements, improved resource utilisation and simplification
- **Core SG&A expenses**
  - FY 2018: increased by 9%. Investment in launches and growth, including in China and Emerging markets

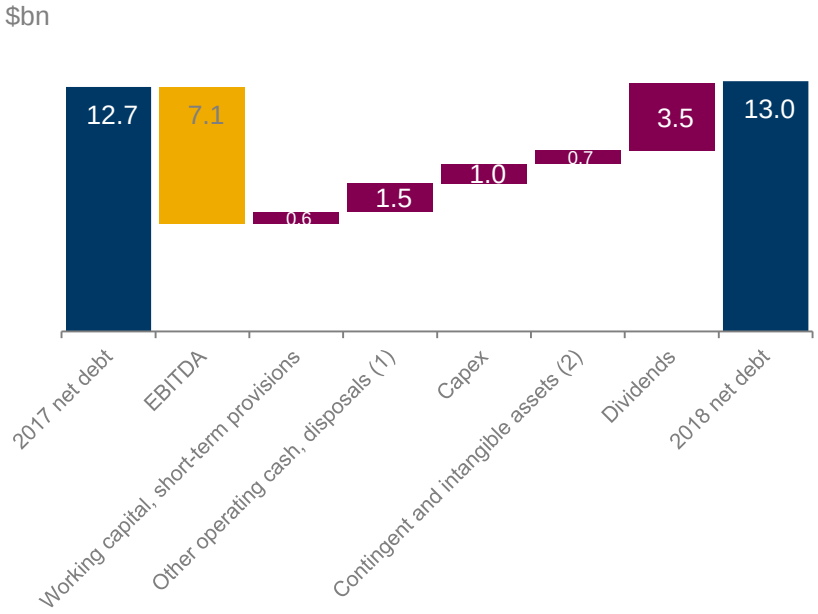
2019 indication: core operating expenses expected to increase by a low single-digit percentage

Absolute values and changes at CER.

Cash flow

Net debt stable in the year

Development in net debt position



Other key cash flow observations

- **Net cash flow from operations reduced**
  - Provisions related to legal settlements
  - Launch support for new medicines
- **Net cash inflow before financing activities increased**
  - $2.3bn improvement vs. FY 2017, reflecting:
    - Additional disposals of intangible assets
    - $1.5bn payment re Acerta Pharma in FY 2017

Net debt: $13.0bn
Reported EBITDA: $7.1bn

1. Comprises cash flow from operating activities excluding EBITDA and movement in working capital, plus disposal of intangible assets.
2. Comprises payment of contingent consideration from business combinations and purchase of intangible assets.

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
- Completing variations to licences and packaging-material changes
- Duplicating critical testing processes, both in the UK and the EU
- Outreach to EU and member-state governments, calling on EU to accept UK testing standards

Securing product supply chain

- Additional stock moved to EU distribution centres
- Additional finished-pack stock build - six weeks in the UK, four weeks in the EU
- Working to ensure suppliers are prepared
- Use of alternative transport routes

2019 guidance confirms the growth outlook

Product sales

A high single-digit percentage increase

Core EPS

$3.50 to $3.70

Guidance at CER.

Financial priorities

Agenda

Overview

Oncology

New CVRM, Respiratory, Emerging markets

Financials

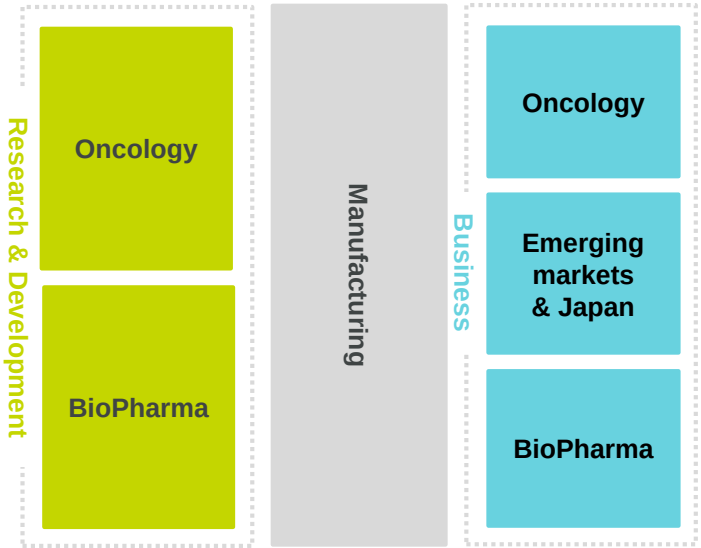
Pipeline update and news flow

Closing and Q&A

Pipeline update and news flow

Continued progress with focus on oncology and biopharmaceuticals

New R&D organisation across two areas, Oncology and BioPharma



Welcome to Dr. José Baselga R&D Oncology

Available for Q&A today

2018 year-end pipeline update

Significant news flow supports sustainable growth

Lynparza breast cancer approval (US)	***Fasenra*** severe asthma approval (EU)	***Lynparza*** ovarian cancer 2L approval (EU)	***Imfinzi*** unr. SIII NSCLC approval (US)	***Lynparza*** breast cancer approval (JP)	***Imfinzi*** unr. SIII NSCLC approval (JP)	***Lynparza*** ovarian cancer 2L approval (CN)	***Tagrisso*** EGFRm NSCLC approval (JP)	***Lumoxiti*** HCL 3L approval (US)	***Lynparza*** ovarian cancer 1L approval (US)

Lynparza ovarian cancer 2L approval (JP)	***Fasenra*** severe asthma approval (JP)	***Tagrisso*** EGFRm NSCLC approval (US)	***Lokelma*** hyperkalaemia approval (EU)	***Tagrisso*** EGFRm NSCLC approval (EU)	***Lokelma*** hyperkalaemia approval (US)	***Bevespi*** COPD pos. opinion (EU)	***Imfinzi*** unr. SIII NSCLC approval (EU)	***Bydureon BCise*** type-2 diabetes approval (EU)	***Bevespi*** COPD approval (EU)	**roxadustat** anaemia-dialysis approval (CN)

Approvals

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

Data, designations, regulatory submissions and/or acceptances

PT010 COPD Phase III pos.	***Forxiga*** type-1 diabetes regulatory submission (JP)	***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)	***Fasenra*** EGPA[2] orphan designation (US)	***Farxiga*** type-1 diabetes reg. submission (US)	***Imfinzi*** unr. SIII NSCLC regulatory submission (CN)

***Imfinzi* + treme** NSCLC 3L Phase III neg.	**lanabecestat** Alzheimer's disease Phase III neg.	***Fasenra*** COPD Phase III neg.	***Lynparza*** ovarian cancer 1L Phase III pos.	**selumetinib** thyroid cancer Phase III neg.	***Farxiga*** CVOT[1] Phase III pos.	**anifrolumab** lupus Phase III neg.	***Imfinzi* +/- treme** NSCLCL 1L Phase III neg.	***Lynparza*** ovarian cancer 3L Phase III pos.	**roxadustat** anaemia of CKD Phase III pos.

selumetinib NF1 orphan designation (US)	***Imfinzi*** unr. SIII NSCLC (OS) Phase III pos.	***Lynparza*** breast cancer regulatory submission (EU)	***Lynparza*** pancreatic cancer orphan designation (US)	**tezepelumab** severe asthma breakthrough designation (US)	***Tagrisso*** EGFRm NSCLC regulatory submission (CN)	***Bevespi*** COPD reg. submission (JP, CN)	**PT010** COPD reg. submission (JP, CN)	***Imfinzi* +/- treme** head & neck cancer 2L Phase III neg.

Favourable news Unfavourable news

1. Cardiovascular outcomes trial.
2. Eosinophilic granulomatosis with polyangiitis.

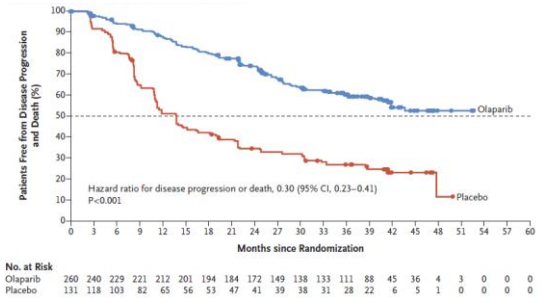
Oncology

Successful quarter; important progress across all key medicines

Regulatory milestones

- ***Tagrisso*** - EGFRm NSCLC 1L: priority review (CN)
- ***Imfinzi*** - unresectable, Stage III NSCLC: submission (CN), acceptance (OS data) (US)
- ***Imfinzi*** +/- **treme** - NSCLC 1L (MYSTIC), HNSCC 2L (EAGLE) did not meet OS primary endpoints
- ***Lynparza*** - ovarian cancer 1L maintenance (SOLO-1) approval (US), priority review (CN); 3L (SOLO-3) met response rate primary endpoint
- ***Calquence*** - MCL 2L first approvals outside US (UAE, Brazil)

Lynparza SOLO-1 in 1st-line maintenance ovarian cancer



	Events	Median PFS[1]
Lynparza	**102 (39.2)**	**Not reached**
Placebo	96 (73.3)	13.8 months

PFS HR[2] = 0.30
95% CI (0.23,0.41); p<0.0001

1. Progression-free survival.
2. Hazard ratio.

Source: European Society of Clinical Oncology meeting, 2018.

Calquence data highlights at the ASH 2018 meeting

- **MCL Phase II ACE-LY-004**

- **81%** ORR[3]; **43%** CR[4] + **38%** PR[5]
- median follow-up 26 months; 40% of patients on treatment at the time of analysis

- **CLL Phase I/II ACE-CL-001**

- **97%** ORR; **5%** CR + **92%** PR
- **98%** 36-month DOR[6] rate
- **97%** 36-month PFS rate
- median time 42 months; 89% of patients on treatment at the time of analysis

Two Phase III trials to report in H2 2019

3. Overall response rate 4. Complete response. 5. Partial response
6. Duration of response.

Source: American Society of Hematology meeting, 2018.

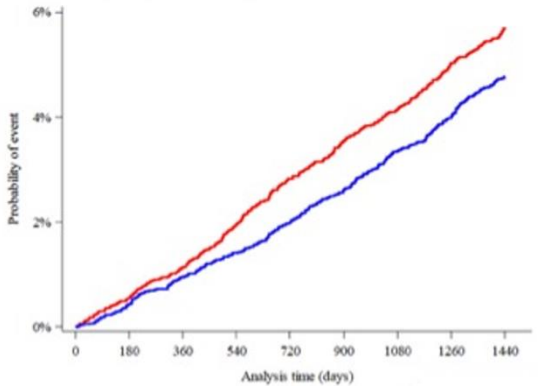
New CVRM and Respiratory

Leading position in cardiovascular and respiratory diseases

Significant potential for *Farxiga* to benefit many more patients

DECLARE trial

Statistically-significant reduction in CVD[1]/hHF[2] vs. placebo
4.9% vs. 5.8%
HR 0.83 (0.73-0.95)
P (superiority) 0.005



- ***Forxiga*** - add-on indications (metformin / insulin for type-2 diabetes): approval (CN)
- ***Forxiga*** - type-1 diabetes: CHMP positive opinion (EU); regulatory submission acceptance (US)
- Phase III data in CKD and heart failure anticipated in 2020

***Farxiga* lifecycle programme well on track and advancing**

Other major milestones

- **roxadustat** - anaemia of CKD: two Phase III trials met primary efficacy endpoints (pooled safety data in H1 2019); approval (CN, in dialysis patients)
- ***Fasenra*** - severe eosinophilic asthma; self administration: regulatory submission acceptance (US, EU). Eosinophilic granulomatosis with polyangiitis and hypereosinophilic syndrome: Orphan Drug Designation (US)
- **PT010** - COPD: priority review (CN)

1. Cardiovascular death.
2. Hospitalisation for heart failure.

Source: American Heart Association meeting, 2018.

Late-stage pipeline events in the 2019, 2020 timeframe

Busy news flow continues; underpinning consistent sales growth

	H1 2019	H2 2019	2020
Regulatory decision	***Tagrisso*** - EGFRm NSCLC 1L (CN) ***Lynparza*** - breast cancer (EU) ***Forxiga*** - type-1 diabetes (EU, JP) ***Duaklir*** - COPD (US)	***Imfinzi*** - unresectable, Stage III NSCLC (CN) ***Lynparza*** - ovarian cancer 1L(SOLO-1)(EU, JP, CN) ***Farxiga*** - type-1 diabetes (US) ***Symbicort*** - mild asthma (EU) ***Bevespi*** - COPD (JP, CN) ***Fasenra*** - self administration (US, EU) **PT010** - COPD (JP, CN)	-
Regulatory submission and/or acceptance	***Imfinzi*** +/- **treme** - head & neck cancer 1L ***Farxiga*** - type-2 diabetes CVOT **roxadustat** - anaemia (US)	***Imfinzi*** + **treme** - NSCLC 1L (NEPTUNE) ***Imfinzi*** +/- **treme** - NSCLC 1L (POSEIDON) - small-cell lung cancer - bladder cancer 1L ***Lynparza*** - pancreatic cancer ***Calquence*** - CLL **selumetinib** - NF1 ***Brilinta*** - CAD/type-2 diabetes CVOT ***Lokelma*** - hyperkalaemia (JP) ***Symbicort*** - mild asthma (CN) **PT010** - COPD (US, EU)	***Lynparza*** - ovarian cancer 1L (PAOLA-1) - prostate cancer 2L, castration-resistant ***Brilinta*** - stroke ***Farxiga*** - heart failure CVOT ***Lokelma*** - hyperkalaemia (CN) ***Fasenra*** - nasal polyps
Key Phase III data readouts	***Imfinzi*** +/- **treme** - head & neck cancer 1L ***Lynparza*** - pancreatic cancer ***Brilinta*** - CAD[1]/type-2 diabetes CVOT **roxadustat** - anaemia of CKD; pooled safety	***Tagrisso*** - EGFRm NSCLCL 1L (final OS) ***Imfinzi*** + **treme** - NSCLC 1L (NEPTUNE) ***Imfinzi*** +/- **treme** - NSCLC 1L (POSEIDON) - small-cell lung cancer - bladder cancer 1L ***Lynparza*** - ovarian cancer 1L (PAOLA-1) - prostate cancer 2L, castration-resistant ***Calquence*** - CLL **PT010** - COPD (ETHOS)	***Imfinzi*** - neo-adjuvant NSCLC ***Brilinta*** - stroke ***Farxiga*** - heart failure CVOT - CKD ***Epanova*** - hypertriglyceridaemia CVOT **roxadustat** - anaemia of MDS[2] ***Fasenra*** - nasal polyps **tezepelumab** - severe asthma

1. Coronary artery disease.
2. Myelodysplastic syndrome.

Status as of 14 February 2019.

‘What’s next’?

Rich mid-stage pipeline; selected new molecular entities underway

Oncology

capivasertib (AKT[1] inhibitor)
breast, prostate cancers
Phase III start in H1 2019

adavosertib (WEE1[2] inhibitor)
solid tumours
Phase II start in H1 2019

AZD6738 (ATR[3] inhibitor)
solid tumours
Phase II start in H1 2019

AZD9833 (SERD[4], oral)
breast cancer
Phase I ongoing

monalizumab(NKG2a[5] mAb[6])
head & neck, colorectal
Phase II ongoing

oleclumab (CD73[7] mAb)
lung, pancreatic cancers
Phase I/II ongoing

AZD4635 (A2AR[8] inhibitor)
solid tumours
Phase I ongoing

danvatirsen(STAT3[9] inhibitor)
bladder, head & neck, lung
Phase I/II ongoing

New CVRM

cotadutide(GLP-1[10]/glucagon co-agonist) - NASH[11]
Phase IIb start in H2 2019

AZD5718 (FLAP[12] inhibitor)
coronary artery disease
Phase IIa; IIb start in H2 2019

AZD4831 (MPO[13] inhibitor)
heart failure (HFpEF[14])
Phase IIa ongoing

AZD8601 (VEGF-A mRNA[15])
heart failure
Phase IIa ongoing

Respiratory

PT027 (SABA/ICS[16])
asthma
Phase III start in H1 2019

AZD1402 (IL-4R[17] antagonist)
asthma
Phase I; II start in H2 2019

MEDI3506 (IL-33[18] mAb)
COPD
Phase I ongoing

AZD0449 (inhaled JAK[19] inhibitor) - asthma
Phase I ongoing

AZD8154 (inhaled PI3Kgδ[20] inhibitor) - asthma
Phase I ongoing

1. Protein kinase B 2. Tyrosine kinase WEE1 3. Ataxia telangiectasia and rad3-related kinase 4. Selective estrogen receptor degrader 5. Inhibitory cell surface receptor covalently bound to CD94 6. Monoclonal antibody 7. 5'-nucleotidase 8. G protein-coupled receptor 9. Signal transducer and activator of transcription 3 10. Glucagon-like peptide-1 11. Nonalcoholic steatohepatitis 12. 5-Lipoxygenase-activating protein 13. Myeloperoxidase 14. Heart failure with preserved ejection fraction 15. Vascular endothelial growth factor A messenger RNA 16. Short-acting β-agonist/inhaled corticosteroid 17. Interleukin-4 receptor 18. Interleukin-33 19. Janus kinase 20. Phosphoinositide 3-kinase gamma/delta.

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AstraZeneca returned to sustainable growth in sales

Pipeline-driven transformation has delivered on the promises

Product sales increased by 8% in Q4 and by 4% in the year

- Strong performance of new medicines[1] (+81%) and $2.8bn incremental sales vs. 2017
- Oncology (+49%), New CVRM[2] (+12%) and Respiratory (+3%)
- Emerging markets (+13%) and China (+25%)

Total revenue declined by 2% and **core operating costs** increased by 4%, in line with sales. **Core EPS** $3.46, in line with guidance

2019 operating leverage and mid-teens percentage increase in core operating profit

Guidance of high single-digit percentage sales increase and core EPS of $3.50-3.70

Pipeline continues to progress well; recent **organisational refinements** will improve speed and efficiency; the business **sustainability** agenda progressed further; majority of **employee engagement** scores ahead of Pharma peers

Absolute values, changes and guidance all at CER.


Q&A

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Absolute values, changes and guidance all at CER.

Use of AstraZeneca conference call, webcast and presentation slides

AstraZeneca
What science can do

FY 2018 results

Presentation, conference call and webcast for investors and analysts

14 February 2019