

## Dear Shareholder

On behalf of the Board of AstraZeneca PLC (the Company), I am pleased to confirm that the Annual Report and Form 20-F Information 2016 (the Annual Report) has now been published, as well as the Notice of Annual General Meeting 2017 and Shareholders' Circular (the Notice of AGM).

### What you should have received

If you have previously requested paper copies of these documents, you will find paper copies enclosed.

If you have previously elected to receive these documents via the AstraZeneca website, you can now access the Annual Report at [www.astrazeneca.com/annualreport2016](http://www.astrazeneca.com/annualreport2016) and the Notice of AGM at [www.astrazeneca.com/noticeofmeeting2017](http://www.astrazeneca.com/noticeofmeeting2017).

Everyone who receives a hard copy of this document will also find enclosed a proxy card.

An 'at a glance' summary of the Company's performance during 2016 is included on pages 2 and 3 of this document. Useful information for shareholders is set out on page 4.

### Communicating with you

I would urge shareholders who receive communications from the Company in hard copy to consider opting to receive all future information from the Company in electronic format. There are clear environmental benefits and cost savings arising from reduced paper usage, printing and distribution if you do so.

You can elect to receive shareholder communications in electronic format by registering your details at [www.shareview.co.uk](http://www.shareview.co.uk) and electing for e-communications. Whenever shareholder communications are published, we will send you an email with a link to the information on the AstraZeneca website. Please note that dividend notifications will continue to be sent to all shareholders by post.

Yours faithfully



**Leif Johansson**  
Chairman  
16 March 2017

### Important information

This document contains certain statements extracted from the Annual Report and Form 20-F Information 2016 (Annual Report) for AstraZeneca PLC that are neither reported financial results nor other historical information. These statements are forward-looking statements, including within the meaning of the United States Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those disclosed in our forward-looking statements. For a description of factors that could affect future results, reference should be made to the full 'Cautionary statement' on page 243 of the Annual Report and to the section entitled 'Risk' on pages 214 to 225. This information is provided solely for the convenience of current and future members of the Company and is not intended to satisfy any statutory and/or regulatory requirements in the UK or elsewhere. Accordingly, it should only be read in conjunction with the Annual Report. The Company, its subsidiaries, Directors and officers shall not be liable for the consequence of any action taken solely in reliance on the information contained in this document.

# AstraZeneca at a glance

A global biopharmaceutical business delivering medicines to patients through innovative science and excellence in development and commercialisation.

Our strategic priorities reflect how we are working to achieve our Purpose of pushing the boundaries of science to deliver life-changing medicines:



1 Achieve scientific leadership



2 Return to growth



3 Be a great place to work

## A science-led, innovation strategy

Distinctive R&D capabilities: small molecule and biologic medicine, including immunotherapies and protein engineering, as well as devices, biomarkers and translational science

12 new molecular entities (NMEs) in Phase III/pivotal Phase II or under regulatory review

12

2016		12
2015		15
2014		13
2013		11

## Broad R&D platform in three main therapy areas

### Oncology

- > Our ambition is to eliminate cancer as a cause of death through scientific discovery and collaborations. We seek to achieve this by means of our combination-focused pipeline that exploits the power of four scientific platforms





### Cardiovascular & Metabolic Disease

- > We push the boundaries of science to create life-changing medicines for patients that reduce morbidity, mortality and organ damage by addressing multiple risk factors

### Respiratory

- > We aim to transform the treatment of respiratory disease with our growing portfolio of inhaled and biologic medicines along with scientific research targeting disease modification

## Portfolio of specialty and primary care products

Oncology 	Cardiovascular & Metabolic Disease 	Respiratory 	Other Disease Areas 
<p><b>\$3,383m</b> Product Sales</p> <p>2015: \$2,825m 2014: \$3,027m</p>	<p><b>\$8,116m</b> Product Sales</p> <p>2015: \$9,489m 2014: \$9,802m</p>	<p><b>\$4,753m</b> Product Sales</p> <p>2015: \$4,987m 2014: \$5,063m</p>	<p><b>\$5,067m</b> Product Sales</p> <p>2015: \$6,340m 2014: \$8,203m</p>
<ul style="list-style-type: none"> <li>&gt; Oncology sales represented 16% of Total Product Sales</li> <li>&gt; <i>Lynparza</i> (sales of \$218 million) available in 31 countries by end 2016</li> <li>&gt; <i>Iressa</i> sales of \$513 million, down 6% (5% at CER), as we prioritised <i>Tagrisso</i></li> </ul>	<ul style="list-style-type: none"> <li>&gt; CVMD sales represented 38% of Total Product Sales</li> <li>&gt; Sales of <i>Onglyza</i> in the US declined 10% to \$376 million, as we prioritised <i>Farxiga</i></li> <li>&gt; In the US, <i>Crestor</i> sales declined 57% to \$1,223 million, reflecting entry of generic <i>Crestor</i></li> </ul>	<ul style="list-style-type: none"> <li>&gt; Respiratory sales represented 22% of Total Product Sales</li> <li>&gt; <i>Pulmicort</i> sales of \$1,061 million, up 5% (8% at CER)</li> <li>&gt; <i>Bevespi Aerosphere</i> inhalation aerosol launched in the US in January 2017</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Other sales represented 24% of Total Product Sales</li> <li>&gt; <i>Nexium</i> sales of \$2,032 million, down 19% (18% at CER) and <i>Seroquel XR</i> sales of \$735 million, down 28% (27% at CER) following loss of exclusivity</li> </ul>

## Global commercial presence, with strength in Emerging Markets

US	Europe	Established Rest of World	Emerging Markets
<b>\$7,365m</b>	<b>\$5,064m</b>	<b>\$3,096m</b>	<b>\$5,794m</b>
<b>Product Sales</b>	<b>Product Sales</b>	<b>Product Sales</b>	<b>Product Sales</b>
2015: \$9,474m 2014: \$10,120m	2015: \$5,323m 2014: \$6,638m	2015: \$3,022m 2014: \$3,510m	2015: \$5,822m 2014: \$5,827m

### Commercial Highlights: Growth Platforms grew by 4% (5% at CER) in 2016

- > Emerging Markets: Stable (growth of 6% at CER), supported by China, up 4% (10% at CER) to \$2,636 million
- > Diabetes: Growth of 9% (11% at CER), as *Farxiga/Forxiga* became our largest-selling Diabetes medicine
- > Japan: Sales up 8% (decline of 3% at CER), reflecting exchange rate impact and a biennial price reduction
- > *Brilinta/Brilique* sales grew by 36% (39% at CER)
- > Respiratory: A decline of 5% (3% at CER), reflecting US pricing pressure for *Symbicort*
- > New Oncology: Strong sales with *Tagrisso* delivering sales of \$423 million in its first full year

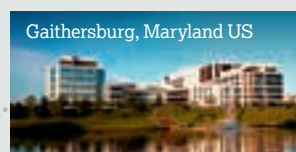
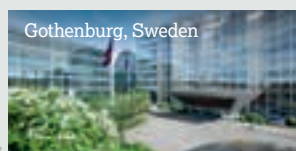
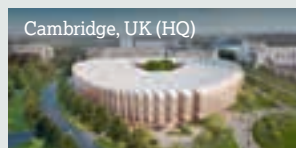
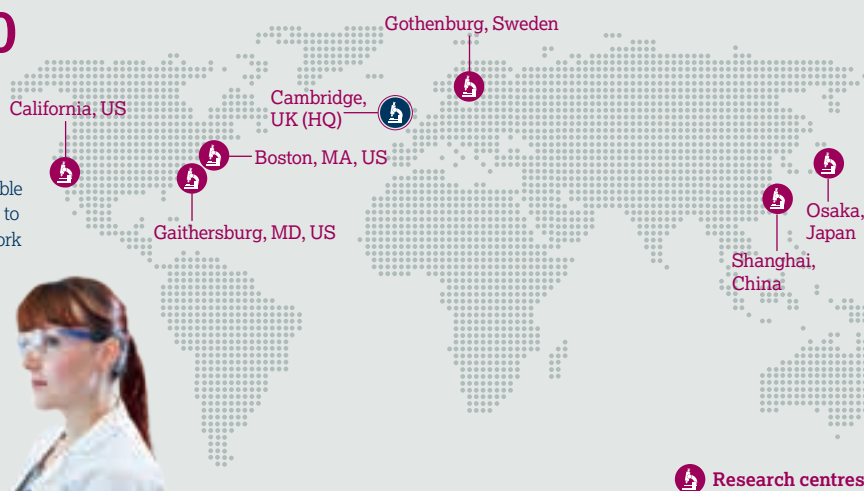
## Our talented employees are committed to achieving our Purpose in a sustainable way and our Values foster a strong AstraZeneca culture

**59,700**

Employees

**92%**

of employees feel able to bring our Values to life in their daily work



**Our capital-allocation priorities strike a balance between the interests of the business, our financial creditors and shareholders, and support our progressive dividend policy**

### Distributions to shareholders \$m

	2016	2015	2014
Dividends	<b>3,561</b>	3,486	3,521
Proceeds from issue of shares	<b>(47)</b>	(43)	(279)
Total	<b>3,514</b>	3,443	3,242

### Dividend per Ordinary Share \$

	2016	2015	2014
Dividend per Ordinary Share	<b>2.80</b>	2.80	2.80

### Dividend per Ordinary Share for 2016

	\$	Pence	SEK	Payment date
First interim dividend	0.90	68.7	7.81	12 September 2016
Second interim dividend	1.90	150.2	16.57	20 March 2017
Total	2.80	218.9	24.38	

# Dividends and other important information for shareholders

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## Dividend payment and dates

The record date for the second interim dividend for 2016, payable on 20 March 2017, is 17 February 2017. Shares listed in London and Stockholm traded ex-dividend from 16 February 2017. American Depositary Shares listed in New York traded ex-dividend from 15 February 2017. The record date for the first interim dividend for 2017, payable on 11 September 2017, is 11 August 2017. Future dividends will normally be paid as follows:

First interim: Announced in July/August and paid in September. Second interim: Announced in January/February and paid in March.

## Shareview

The Company's shareholders with internet access may visit the website, [www.shareview.co.uk](http://www.shareview.co.uk), and register their details to create a portfolio. Shareview is a free and secure online service from the Company's registrars, Equiniti, which gives access to shareholdings, including balance movements, indicative share prices and information about recent dividends.

## ShareGift

The Company welcomes and values all of its shareholders, no matter how many or how few shares they own. However, shareholders who have only a small number of shares whose value makes it uneconomic to sell them, either now or at some stage in the future, may wish to consider donating them to charity through ShareGift, an independent charity share donation scheme. One feature of the scheme is that there is no gain or loss for UK capital gains tax purposes on gifts of shares through ShareGift, and it may now also be possible to obtain UK income tax relief on the donation. Further information about ShareGift can be found on its website, [www.sharegift.org](http://www.sharegift.org), or by contacting ShareGift on 020 7930 3737 or at 17 Carlton House Terrace, London SW1Y 5AH. ShareGift is administered by The Orr Mackintosh Foundation, registered charity number 1052686. More information about the UK tax position on gifts of shares to ShareGift can be obtained from HM Revenue & Customs on their website, [www.hmrc.gov.uk](http://www.hmrc.gov.uk).

## The Unclaimed Assets Register

The Company supplies unclaimed dividend data to the Unclaimed Assets Register (UAR), which provides investors who have lost track of shareholdings with an opportunity to search the UAR's database of unclaimed financial assets on payment of a small fixed fee. The UAR donates part of the search fee to charity. The UAR can be contacted on 0870 241 1713 or at PO Box 9501, Nottingham NG80 1WD.

## Results

Unaudited trading results of AstraZeneca in respect of the first three months of 2017 will be published on 27 April 2017 and results in respect of the first six months of 2017 will be published on 27 July 2017.

## Our website

This letter is also available on our website, [www.astrazeneca.com/shareholderletter2016](http://www.astrazeneca.com/shareholderletter2016).

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### Registered office

AstraZeneca PLC  
1 Francis Crick Avenue  
Cambridge Biomedical Campus  
Cambridge  
CB2 0AA  
UK  
Tel: +44 (0)20 3749 5000

### Investor relations

UK: as above

US:

Investor Relations  
AstraZeneca Pharmaceuticals LP  
One MedImmune Way  
Gaithersburg MD 20878  
US  
Tel: +1 (301) 398 0000

### Registrar

Equiniti  
Aspect House  
Spencer Road  
Lancing  
West Sussex BN99 6DA  
UK  
Tel: (freephone in the UK)  
0800 389 1580  
Tel: (outside the UK)  
+44 (0)121 415 7033

### Swedish Central Securities Depository

Euroclear Sweden AB  
PO Box 191  
SE-101 23 Stockholm  
Sweden  
Tel: +46 (0)8 402 9000

### US Depository

Citibank Shareholder Services  
PO Box 43077  
Providence  
RI 02940-3077  
US  
Tel: (toll free in the US)  
+1 888 697 8018  
Tel: (outside the US)  
+1 781 575 4555  
[citibank@shareholders-online.com](mailto:citibank@shareholders-online.com)