Condensed Consolidated Statement of Comprehensive Income

For the **year** ended 31 December	2011 $m	2010 $m
Revenue	33,591	33,269
Cost of sales	(6,026)	(6,389)
Gross profit	27,565	26,880
Distribution costs	(346)	(335)
Research and development[1]	(5,523)	(5,318)
Selling, general and administrative costs[2]	(11,161)	(10,445)
Profit on disposal of subsidiary	1,483	-
Other operating income and expense	777	712
Operating profit	12,795	11,494
Finance income	552	516
Finance expense	(980)	(1,033)
Profit before tax	12,367	10,977
Taxation	(2,351)	(2,896)
Profit for the period	10,016	8,081
Other comprehensive income:		
Foreign exchange arising on consolidation	(60)	26
Foreign exchange differences on borrowings forming net investment hedges	24	101
Amortisation of loss on cash flow hedge	2	1
Net available for sale gains taken to equity	31	4
Actuarial loss for the period	(741)	(46)
Income tax relating to components of other comprehensive income	198	(61)
Other comprehensive income for the period, net of tax	(546)	25
Total comprehensive income for the period	9,470	8,106
Profit attributable to:		
Owners of the parent	9,983	8,053
Non-controlling interests	33	28
	10,016	8,081
Total comprehensive income attributable to:		
Owners of the parent	9,428	8,058
Non-controlling interests	42	48
	9,470	8,106
Basic earnings per $0.25 Ordinary Share	$7.33	$5.60
Diluted earnings per $0.25 Ordinary Share	$7.30	$5.57
Weighted average number of Ordinary Shares in issue (millions)	1,361	1,438
Diluted weighted average number of Ordinary Shares in issue (millions)	1,367	1,446

[1] In 2011, research and development includes a total of $553 million of intangible asset impairments relating to olaparib, TC-5214 and other projects in development. In 2010, research and development includes a $445 million impairment of intangible assets related specifically to motavizumab.

[2] In 2010, selling, general and administrative costs includes a provision of $592 million with respect to *Seroquel* legal matters and gains of $791 million arising from changes made to benefits under certain of the Group's post-retirement benefit plans, chiefly the Group's UK pension plan.

Condensed Consolidated Statement of Comprehensive Income

For the **quarter** ended 31 December	2011 $m	2010 $m
Revenue	8,656	8,617
Cost of sales	(1,612)	(1,759)
Gross profit	7,044	6,858
Distribution costs	(85)	(87)
Research and development[1]	(1,867)	(1,930)
Selling, general and administrative costs[2]	(3,141)	(2,522)
Other operating income and expense	216	92
Operating profit	2,167	2,411
Finance income	126	140
Finance expense	(241)	(268)
Profit before tax	2,052	2,283
Taxation	(559)	(651)
Profit for the period	1,493	1,632
Other comprehensive income:		
Foreign exchange arising on consolidation	(81)	13
Foreign exchange differences on borrowings forming net investment hedges	49	38
Amortisation of loss on cash flow hedge	-	-
Net available for sale gains taken to equity	36	4
Actuarial (loss)/gain for the period	(688)	338
Income tax relating to components of other comprehensive income	194	(145)
Other comprehensive income for the period, net of tax	(490)	248
Total comprehensive income for the period	1,003	1,880
Profit attributable to:		
Owners of the parent	1,486	1,621
Non-controlling interests	7	11
	1,493	1,632
Total comprehensive income attributable to:		
Owners of the parent	999	1,865
Non-controlling interests	4	15
	1,003	1,880
Basic earnings per $0.25 Ordinary Share	$1.16	$1.15
Diluted earnings per $0.25 Ordinary Share	$1.16	$1.14
Weighted average number of Ordinary Shares in issue (millions)	1,312	1,418
Diluted weighted average number of Ordinary Shares in issue (millions)	1,317	1,426

[1] In 2011, research and development includes a total of $471 million of intangible asset impairments relating to olaparib, TC-5214 and other projects in development. In 2010, research and development includes a $445 million impairment of intangible assets related specifically to motavizumab.

[2] In 2010, selling, general and administrative costs includes gains of $791 million arising from changes made to benefits under certain of the Group's post-retirement benefit plans, chiefly the Group's UK pension plan.

Condensed Consolidated Statement of Financial Position

	At 31 Dec 2011 $m	At 31 Dec 2010 $m
ASSETS		
Non-current assets		
Property, plant and equipment	6,425	6,957
Goodwill	9,862	9,871
Intangible assets	10,980	12,158
Derivative financial instruments	342	324
Other investments	201	211
Deferred tax assets	1,514	1,475
	29,324	30,996
Current assets		
Inventories	1,852	1,682
Trade and other receivables	8,754	7,847
Other investments	4,248	1,482
Derivative financial instruments	25	9
Income tax receivable	1,056	3,043
Cash and cash equivalents	7,571	11,068
	23,506	25,131
Total assets	52,830	56,127
LIABILITIES		
Current liabilities		
Interest-bearing loans and borrowings	(1,990)	(125)
Trade and other payables	(8,975)	(8,661)
Derivative financial instruments	(9)	(8)
Provisions	(1,388)	(1,095)
Income tax payable	(3,390)	(6,898)
	(15,752)	(16,787)
Non-current liabilities		
Interest-bearing loans and borrowings	(7,338)	(9,097)
Deferred tax liabilities	(2,735)	(3,145)
Retirement benefit obligations	(2,674)	(2,472)
Provisions	(474)	(843)
Other payables	(385)	(373)
	(13,606)	(15,930)
Total liabilities	(29,358)	(32,717)
Net assets	23,472	23,410
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Share capital	323	352
Share premium account	3,078	2,672
Other reserves	1,951	1,917
Retained earnings	17,894	18,272
	23,246	23,213
Non-controlling interests	226	197
Total equity	23,472	23,410

Condensed Consolidated Statement of Cash Flows

For the **year** ended 31 December	2011 $m	Restated 2010 $m
Cash flows from operating activities		
Profit before taxation	12,367	10,977
Finance income and expense	428	517
Depreciation, amortisation and impairment	2,550	2,741
(Increase)/decrease in working capital and short-term provisions	(897)	82
Profit on sale of subsidiary	(1,483)	-
Other non-cash movements	(597)	(463)
Cash generated from operations	12,368	13,854
Interest paid	(548)	(641)
Tax paid	(3,999)	(2,533)
Net cash inflow from operating activities	7,821	10,680
Cash flows from investing activities		
Movement in short-term investments and fixed deposits[1]	(2,743)	(125)
Purchase of property, plant and equipment	(839)	(791)
Disposal of property, plant and equipment	102	83
Purchase of intangible assets	(458)	(1,390)
Disposal of intangible assets	-	210
Purchase of non-current asset investments	(11)	(34)
Disposal of non-current asset investments	-	5
Acquisitions of business operations	-	(348)
Net cash received on disposal of subsidiary	1,772	-
Interest received	171	174
Payments made by subsidiaries to non-controlling interests	(16)	(10)
Net cash outflow from investing activities	(2,022)	(2,226)
Net cash inflow before financing activities	5,799	8,454
Cash flows from financing activities		
Proceeds from issue of share capital	409	494
Repurchase of shares for cancellation	(6,015)	(2,604)
Repayment of loans	-	(1,741)
Dividends paid	(3,764)	(3,361)
Hedge contracts relating to dividend payments[1]	3	(114)
Movement in short-term borrowings	46	(8)
Net cash outflow from financing activities	(9,321)	(7,334)
Net (decrease)/increase in cash and cash equivalents in the period	(3,522)	1,120
Cash and cash equivalents at the beginning of the period	10,981	9,828
Exchange rate effects	(25)	33
Cash and cash equivalents at the end of the period	7,434	10,981
Cash and cash equivalents consists of:		
Cash and cash equivalents	7,571	11,068
Overdrafts	(137)	(87)
	7,434	10,981

[1] 2010 restated to reclassify $114m cash paid in hedge contracts relating to dividend payments to cash flows from financing activities.

Condensed Consolidated Statement of Changes in Equity

	Share capital $m	Share premium account $m	Other reserves* $m	Retained earnings $m	Total $m	Non-controlling interests $m	Total equity $m
At 1 January 2010	363	2,180	1,919	16,198	20,660	161	20,821
Profit for the period	-	-	-	8,053	8,053	28	8,081
Other comprehensive income	-	-	-	5	5	20	25
Transfer to other reserve	-	-	(15)	15	-	-	-
Transactions with owners:							
Dividends	-	-	-	(3,494)	(3,494)	-	(3,494)
Issue of Ordinary Shares	2	492	-	-	494	-	494
Repurchase of Ordinary Shares	(13)	-	13	(2,604)	(2,604)	-	(2,604)
Share-based payments	-	-	-	99	99	-	99
Transfer from non-controlling interests to payables	-	-	-	-	-	(11)	(11)
Dividend paid to non-controlling interest	-	-	-	-	-	(1)	(1)
Net movement	(11)	492	(2)	2,074	2,553	36	2,589
At 31 December 2010	**352**	**2,672**	**1,917**	**18,272**	**23,213**	**197**	**23,410**

	Share capital $m	Share premium account $m	Other reserves* $m	Retained earnings $m	Total $m	Non-controlling interests $m	Total equity $m
At 1 January 2011	352	2,672	1,917	18,272	23,213	197	23,410
Profit for the period	-	-	-	9,983	9,983	33	10,016
Other comprehensive income	-	-	-	(555)	(555)	9	(546)
Transfer to other reserve	-	-	2	(2)	-	-	-
Transactions with owners:							
Dividends	-	-	-	(3,752)	(3,752)	-	(3,752)
Issue of Ordinary Shares	3	406	-	-	409	-	409
Repurchase of Ordinary Shares	(32)	-	32	(6,015)	(6,015)	-	(6,015)
Share-based payments	-	-	-	(37)	(37)	-	(37)
Transfer from non-controlling interests to payables	-	-	-	-	-	(9)	(9)
Dividend paid to non-controlling interests	-	-	-	-	-	(4)	(4)
Net movement	(29)	406	34	(378)	33	29	62
At 31 December 2011	**323**	**3,078**	**1,951**	**17,894**	**23,246**	**226**	**23,472**

* Other reserves includes the capital redemption reserve and the merger reserve.

1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The preliminary announcement for the year ended 31 December 2011 has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and as issued by the International Accounting Standards Board. There have been no significant changes in accounting policies from those set out in AstraZeneca PLC's Annual Report and Form 20-F Information 2010.

The information contained in Note 5 updates the disclosures concerning legal proceedings and contingent liabilities in the Group's Annual Report and Form 20-F Information 2010 and the Third Quarter and Nine Months Results 2011.

The Group has considerable financial resources available. The Group's revenues are largely derived from sales of products which are covered by patents and for which, historically at least, demand has been relatively unaffected by changes in the general economy. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully despite the current uncertain economic outlook and as such, the preliminary announcement has been prepared on a Going Concern basis.

The financial information included in the preliminary announcement does not constitute statutory accounts of the Group for the years ended 31 December 2011 and 2010 but is derived from those accounts. Statutory accounts for 2010 have been delivered to the registrar of companies and those for 2011 will be delivered in due course. The auditors have reported on those accounts; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

2 NET FUNDS

The table below provides an analysis of net funds and a reconciliation of net cash flow to the movement in net funds.

	At 1 Jan 2011 $m	Cash flow $m	Non-cash mvmts $m	Exchange mvmts $m	At 31 Dec 2011 $m
Loans due after one year	(9,097)	-	1,736	23	(7,338)
Current instalments of loan	-	-	(1,769)	-	(1,769)
Total loans	(9,097)	-	(33)	23	(9,107)
Other investments - current	1,482	2,743	29	(6)	4,248
Net derivative financial instruments	325	(3)	36	-	358
Cash and cash equivalents	11,068	(3,473)	-	(24)	7,571
Overdrafts	(87)	(49)	-	(1)	(137)
Short-term borrowings	(38)	(46)	-	-	(84)
	12,750	(828)	65	(31)	11,956
Net funds	3,653	(828)	32	(8)	2,849

Non-cash movements in the period include fair value adjustments under IAS 39.

3 RESTRUCTURING COSTS

Profit before tax for the year ended 31 December 2011 is stated after charging restructuring costs of $1,161 million ($1,202 million in 2010). These have been charged to profit as follows:

	4th Quarter 2011 $m	4th Quarter 2010 $m	Full Year 2011 $m	Full Year 2010 $m
Cost of sales	36	34	54	144
Research and development	175	191	468	654
Selling, general and administrative costs	448	200	639	404
Total	**659**	**425**	**1,161**	**1,202**

4 DISPOSAL OF ASTRA TECH

In August 2011, the Group announced the sale of the Astra Tech business to Dentsply International for approximately $1.8 billion in cash. At 31 December 2011, the Group has reported a profit on disposal of $1,483 million and a total cash inflow of $1,772 million as a result of this transaction.

	$m
Consideration	1,795
Net assets	(279)
Fees and other disposal costs	(59)
Exchange recycled on disposal	26
Profit on disposal	**1,483**

	$m
Consideration	1,795
Cash held in Astra Tech on disposal	(23)
Cash inflow on disposal	**1,772**

5 LEGAL PROCEEDINGS AND CONTINGENT LIABILITIES

AstraZeneca is involved in various legal proceedings considered typical to its business, including litigation and investigations relating to product liability, commercial disputes, infringement of intellectual property rights, the validity of certain patents, anti-trust law and sales and marketing practices. The matters discussed below constitute the more significant developments since publication of the disclosures concerning legal proceedings in the Company's Annual Report and Form 20-F Information 2010 and the Interim Management Statement 2011 as part of the Company's Half-Yearly Financial Report for the six-month period to 30 June 2011 and the Third Quarter and Nine Month results 2011 (together "2011 Disclosures"). Unless noted otherwise below or in the 2011 Disclosures, no provisions have been established in respect of the claims discussed below.

As discussed in the Company's Annual Report and Form 20-F Information 2010, for the majority of claims in which AstraZeneca is involved it is not possible to make a reasonable estimate of the expected financial effect, if any, that will result from ultimate resolution of the proceedings. In these cases, AstraZeneca discloses information with respect only to the nature and facts of the cases but no provision is made.

In cases that have been settled or adjudicated, or where quantifiable fines and penalties have been assessed and which are not subject to appeal, or where a loss is probable and we are able to make a reasonable estimate of the loss, we record the loss absorbed or make a provision for our best estimate of the expected loss.

The position could change over time and the estimates that we have made and upon which we have relied in calculating these provisions are inherently imprecise. There can, therefore, be no assurance that any losses that result from the outcome of any legal proceedings will not exceed the amount of the provisions that have been booked in the accounts. The major factors causing this uncertainty are described more fully in the Annual Report and Form 20-F Information 2010 and herein.

AstraZeneca has full confidence in, and will vigorously defend and enforce, its intellectual property.

Matters disclosed in respect of the fourth quarter of 2011 and January 2012

Crestor (rosuvastatin calcium)
Patent litigation – US
Teva Pharmaceutical Industries LTD. (Teva LTD) Infringement suit in the Eastern District of Pennsylvania
In December 2011, the US Court of Appeals for the Federal Circuit affirmed the decision by the US District Court for the Eastern District of Pennsylvania granting AstraZeneca's motion for summary judgment and invalidating Teva LTD's formulation patent.

Regulatory Related Matters – US
In November 2011, AstraZeneca filed a Citizen Petition with the FDA for *Crestor* asking the FDA to withhold approval of any generic rosuvastatin drug product which omits from its labelling the diabetes-related warning and adverse reaction information which AstraZeneca was required to include in *Crestor's* labelling when the FDA approved *Crestor's* primary prevention of cardiovascular disease indication. The FDA is required to issue a decision on this petition by 12 May 2012.

Regulatory litigation – Brazil
The court denied AstraZeneca's request for data exclusivity for *Crestor*. AstraZeneca requested an interlocutory appeal of the decision, which was denied. AstraZeneca filed a motion for reconsideration in September 2011, which was denied in November 2011.

Patent litigation – Australia
Apotex Pty Ltd. (Apotex) challenged the validity of AstraZeneca's Australian patent no. 769897 regarding the use of starting dosages of 5mg and 10mg dose of rosuvastatin (dosage patent) in May 2011. In November 2011, AstraZeneca was informed that Apotex was intending to start commercialising its generic rosuvastatin product. AstraZeneca sought a preliminary injunction based on the dosage patent, a formulation patent and the patent claiming the use of *Crestor* for heterozygous familial hypercholesterolemia (HeFH). In December 2011, the Court granted the preliminary injunction until further order. Apotex's motion to vacate the injunction was heard on 31 January 2012. A decision is pending.

In January 2012, AstraZeneca instituted proceedings against Watson Pharm Pty Ltd. (Watson) and Actavis Australia Pty Ltd. (Actavis) asserting infringement of the dosage patent, formulation patent and HeFH patent for *Crestor*. AstraZeneca has applied for interlocutory relief against both Watson and Actavis, pending resolution of the infringement actions. Sandoz has agreed to an undertaking to refrain from launching a product pending decisions on the Apotex, Watson and Actavis injunctions.

Patent litigation – Mexico
In November 2011, AstraZeneca filed a lawsuit against the Mexican Health Authority, contesting the Sandoz rosuvastatin health registration claiming that it is in violation of the linkage regulation. As part of the lawsuit, AstraZeneca also requested a preliminary injunction to stay the Sandoz health registration. The preliminary injunction was first granted and then lifted by the court in December 2011. AstraZeneca has appealed the decision to lift the preliminary injunction. Sandoz' product is on the market.

Patent litigation - Canada
In Canada, in January 2012, the Federal Court of Canada held a hearing in the patent proceeding involving Pharmascience Inc. The parties await the Court's decision. In 2011, AstraZeneca reached settlements with, Mylan Pharmaceuticals Inc., (Mylan) and Ranbaxy Pharmaceuticals Canada Inc. resolving the litigation regarding AstraZeneca's *Crestor* substance patent, and, as part of the agreements, those companies may enter the Canadian market on 2 April 2012, or earlier, in certain circumstances.

Iressa (gefitinib)
Product liability – Japan
AstraZeneca and the Japanese Ministry of Health, Labour and Welfare (MHLW) appealed the decision of the Tokyo District Court ordering AstraZeneca and the MHLW to pay approximately $192,000, plus interest. In November 2011, the Tokyo High Court reversed the Tokyo District Court decision and ruled that neither AstraZeneca, nor the MHLW, had any liability for any of the claims. The plaintiffs have appealed the Tokyo High Court decision to the Japanese Supreme Court.

Losec/Prilosec (omeprazole)
European Commission omeprazole case
AstraZeneca is awaiting a ruling on the cross-appeals from the General Court of the European Union's judgment regarding the European Commission's 2005 decision fining AstraZeneca €60 million (reduced to €52.5 million by the General Court) for abuse of a dominant position regarding omeprazole. An oral hearing took place on 12 January 2012.

Nexium (esomeprazole magnesium)
Patent litigation – US
In January 2012, AstraZeneca entered into a settlement agreement with Lupin Ltd. (Lupin) to settle AstraZeneca's previously disclosed patent infringement suit against Lupin in the US District Court for the District of New Jersey in respect of Lupin's ANDA for esomeprazole magnesium delayed-release capsules. As part of the settlement agreement, AstraZeneca has granted Lupin a licence to enter the US market with its generic esomeprazole magnesium product on 27 May 2014, subject to regulatory approval, or earlier in certain circumstances.

In January 2012, AstraZeneca commenced a patent infringement action against Torrent Pharmaceuticals Ltd. (Torrent) in the US District Court for the District of New Jersey based on Torrent's December 2011 Paragraph IV notice letter stating that it had submitted an ANDA for approval to market esomeprazole magnesium capsules. Torrent alleges non-infringement and/or invalidity of 11 patents listed in the Orange Book in reference to *Nexium*.

In January 2012, AstraZeneca received a Paragraph IV Certification notice letter from Mylan Laboratories Limited (Mylan) stating that it had submitted an ANDA for approval to market esomeprazole magnesium capsules. Mylan alleges non-infringement and/or invalidity of three patents listed in the Orange Book in reference to *Nexium*. AstraZeneca is evaluating Mylan's notice.

Patent litigation – EU: 10-year countries
In July 2010, Consilient Health Limited (Consilient) was granted marketing approval in the UK for a generic esomeprazole product manufactured by Krka, d.d., Novo Mesto (Krka). AstraZeneca initiated infringement proceedings against Consilient and Krka in September 2010. In December 2011, the parties agreed to settle these cases.

In October 2011, the Court stayed the infringement case against Krka in Sweden pending the outcome of the proceedings at the European Patent Office (EPO) regarding EP 1020461 (the '461 patent). In January 2011, AstraZeneca was served with a lawsuit filed by ratiopharm GmbH and ratiopharm AB (both ratiopharm) claiming that the *Nexium* esomeprazole magnesium patent (the '461 patent) is invalid in Sweden. In November 2011, the Court stayed the invalidity case initiated by ratiopharm pending the outcome of the proceedings at the EPO regarding the '461 patent.

Patent litigation – Finland
In July 2008, AstraZeneca initiated a declaratory action against Sandoz AS and Sandoz A/S and in September 2008 Hexal AG, Sandoz Oy Ab and Sandoz A/S initiated an invalidity case regarding the esomeprazole enantiomer patent. On 22 December 2011, the Helsinki District Court found the patent invalid and also dismissed AstraZeneca's claims in the declaratory action. AstraZeneca has the opportunity to appeal.

Patent litigation – Turkey
In July 2011, AstraZeneca initiated patent infringement proceedings against Logus Ilac, Integri Ilac, Vem Ilac, Biofarma Ilac and Sandoz Ilac San. ve Tic. AS based on esomeprazole related patents. In September 2011, the Court dismissed the case against Integri Ilac. In October 2011, the Court dismissed the case against Biofarma Ilac and Logus Ilac due to the fact that these companies had transferred their applications for marketing authorisations to third parties.

Government investigations/proceedings
The Dutch National Competition Authority (NMa) investigation into alleged practices regarding *Nexium* and alleged breaches of both Dutch and EU competition laws is ongoing. On 23 December 2011, the investigation team issued a report alleging foreclosure of generic versions of certain Proton Pump Inhibitors. The file has now been passed to the Legal Department of the NMa.

Seroquel (quetiapine fumarate)
Product liability
With regard to *Seroquel* product liability litigation in the US, which primarily relates to diabetes and/or other related injuries, as of 31 January 2012, AstraZeneca was aware of approximately 25 claims that have not been settled in principle. As of 31 January 2012, pursuant to court-ordered mediation, AstraZeneca has reached agreements in principle on monetary terms, subject to various subsequent conditions, approvals and agreement on non-monetary terms, with the attorneys representing 28,575 claimants. The mediation process is ongoing with regard to other currently unsettled claims.

With regard to insurance coverage for the substantial legal defence costs and settlements that have been incurred in connection with *Seroquel*–related product liability claims, disputes continue with insurers about the availability of coverage under insurance policies. These policies have aggregate coverage limits of $300 million. In September 2011, AstraZeneca Insurance Company Limited commenced formal legal proceedings in the High Court, in London, against two of these insurers for recovery of money which AstraZeneca believes is due under two of these policies. No insurance receivable can be recognised under applicable accounting standards at this time.

State Attorney General Matters
Various states have sued AstraZeneca generally alleging that AstraZeneca made false and/or misleading statements in marketing and promoting *Seroquel*. AstraZeneca reached settlement agreements in principle with the Attorneys General of Arkansas in November 2011 and Alaska in December 2011 and provisions have been taken.

Patent litigation – Portugal
In the cases against Generis Farmacêutica, S.A., KRKA - Farmacêutica, Sociedade Unipessoal, Lda., Mer Medicamentos, Lda. and Wynn Industrial Pharma, S.A. preliminary injunctions were granted by the Court of Appeal in November 2011.

In October 2011, the Court of Appeal granted preliminary injunctions against Cinfa Portugal, Lda. and Bluescience Lda., S.A. and ordered suspension of their retail price until 27 March 2012.

Seroquel XR (quetiapine fumarate)
Patent Litigation – Canada
In November 2011, Sandoz Canada Inc. (Sandoz) filed a Statement of Claim against AstraZeneca in respect of the Canadian patent no. 2,251,944 (the '944 patent). Sandoz seeks a declaration that its generic copies of *Seroquel XR* do not infringe the '944 patent.

Patent Litigation – the Netherlands
In January 2012, the District Court in the Hague heard the revocation action filed by Sandoz BV, Hexal AG, Accord Healthcare Ltd and Accord Healthcare BV against AstraZeneca AB. A decision is expected in March 2012.

Synagis (palivizumab)
In September 2011, AstraZeneca's biologics unit, MedImmune, filed an action against Abbott International, LLC (Abbott) in the Circuit Court for Montgomery County, Maryland. Abbott moved to dismiss the action and MedImmune filed its opposition. A hearing on the motions has been set for 9 February 2012.

In September 2011, Abbott filed a parallel action in the Illinois State Court. MedImmune filed a motion to dismiss the action and Abbott filed a motion seeking to deposit the 'disputed funds' in escrow. Both MedImmune's motion to dismiss and Abbott's motion for escrow were heard on 19 January 2012. A ruling on those motions is expected by mid-February.

Symbicort (budesonide/formoterol)
Patent litigation – US
In December 2011, Accuhale LLC (Accuhale) filed a patent infringement action against AstraZeneca in the US District Court for the Eastern District of Texas. Accuhale alleges sales of *Symbicort* infringe its US Patent No. 5,718,355.

Vimovo (fixed-dose combination of naproxen and esomeprazole)
Patent litigation – US
In October 2011, AstraZeneca and Pozen Inc. sued Anchen Pharmaceuticals, Inc. (Anchen) in the US District Court for the District of New Jersey for patent infringement based on Anchen's September 2011 Paragraph IV notice letter to AstraZeneca stating that Anchen had submitted an ANDA for approval to market generic versions of *Vimovo* tablets before expiration of patents listed in the Orange Book referencing *Vimovo*.

Other Commercial Litigation
*Toprol XL (*metoprolol succinate)
AstraZeneca is defending anti-trust claims regarding the listing and enforcement of patents protecting *Toprol XL*, brought by both direct purchasers and end-payers. In December 2011, AstraZeneca paid $15 million to settle the claims of those plaintiffs who have opted-out of the putative class of direct purchasers and took a corresponding provision. AstraZeneca continues to defend against the remaining claims alleged by end-payers.

Other Government Investigations
Serbia
In August 2011, AstraZeneca UK Limited's Representative Office in Belgrade, Serbia was served with a criminal indictment alleging that local employees of AstraZeneca, and several other pharmaceutical companies who are also named defendants in the indictment, made allegedly improper payments to physicians at the Institute of Oncology and Radiology of Serbia. AstraZeneca filed a number of preliminary procedural objections asking the Serbian criminal court to dismiss the indictment against the Representative Office and those objections were granted in November 2011. The Serbian prosecutor then amended and re-served the indictment, and in December 2011 AstraZeneca asked the Court again to dismiss the indictment.

Advance PCS
In November 2006, AstraZeneca was notified of an inquiry by the US Attorney's Office for the Eastern District of Pennsylvania regarding whether a payment made by AstraZeneca to Advance PCS was taken into account when calculating best price. In December 2011, the matter was resolved in principle with Centers for Medicare and Medicaid Services and the Department of Justice.

Korea – KFTC Investigation
In September 2011, the Korean Fair Trade Commission (KFTC) announced administrative fines against AstraZeneca and five other pharmaceutical companies as a result of the third and final wave of its investigation into alleged unfair trade practices related to interactions between the local pharmaceutical industry and Korean healthcare providers. AstraZeneca was fined KRW 1,512 million (approximately US$ 1.24 million), but was not referred to the public prosecutor for criminal proceedings. The KFTC's final investigation report was provided to AstraZeneca in November and alleges that AstraZeneca Korea induced prescriptions through improper marketing to physicians in 2006 and 2007, but recognises that such alleged unfair conduct stopped in 2007 after AstraZeneca voluntarily implemented an improved and effective compliance programme across its business in Korea.

6 FULL YEAR TERRITORIAL REVENUE ANALYSIS

	Full Year 2011 $m	Full Year 2010 $m	% Growth Actual	% Growth Constant Currency
US	13,426	13,727	(2)	(2)
Western Europe[1]	8,501	9,168	(7)	(11)
Canada	1,604	1,510	6	1
Japan	3,064	2,617	17	6
Other Established ROW	1,233	1,049	18	4
Established ROW[2]	5,901	5,176	14	4
Emerging Europe	1,244	1,165	7	7
China	1,261	1,047	20	15
Emerging Asia Pacific	968	890	9	5
Other Emerging ROW	2,290	2,096	9	12
Emerging ROW[3]	5,763	5,198	11	10
Total Revenue	33,591	33,269	1	(2)

[1] Western Europe comprises France, Germany, Italy, Sweden, UK and others.
[2] Established ROW comprises Australia, Canada, Japan and New Zealand.
[3] Emerging ROW comprises Brazil, China, India, Mexico, Russia, Turkey and all other ROW countries.

7 FOURTH QUARTER TERRITORIAL REVENUE ANALYSIS

	4th Quarter 2011 $m	4th Quarter 2010 $m	% Growth Actual	% Growth Constant Currency
US	3,643	3,454	5	5
Western Europe[1]	2,005	2,347	(15)	(15)
Canada	363	408	(11)	(11)
Japan	926	763	21	12
Other Established ROW	311	304	2	-
Established ROW[2]	1,600	1,475	8	3
Emerging Europe	318	306	4	11
China	314	267	18	12
Emerging Asia Pacific	236	239	(1)	-
Other Emerging ROW	540	529	2	13
Emerging ROW[3]	1,408	1,341	5	10
Total Revenue	8,656	8,617	-	-

[1] Western Europe comprises France, Germany, Italy, Sweden, UK and others.
[2] Established ROW comprises Australia, Canada, Japan and New Zealand.
[3] Emerging ROW comprises Brazil, China, India, Mexico, Russia, Turkey and all other ROW countries.

8 FULL YEAR PRODUCT REVENUE ANALYSIS

	World			US		Western Europe			Established ROW			Emerging ROW		
	Full Year 2011 $m	Actual Growth %	Constant Currency Growth %	Full Year 2011 $m	Actual Growth %	Full Year 2011 $m	Actual Growth %	Constant Currency Growth %	Full Year 2011 $m	Actual Growth %	Constant Currency Growth %	Full Year 2011 $m	Actual Growth %	Constant Currency Growth %
Gastrointestinal:														
Nexium	4,429	(11)	(12)	2,397	(11)	762	(37)	(39)	540	19	10	730	18	20
Losec/Prilosec	946	(4)	(11)	38	(21)	242	(4)	(10)	447	2	(7)	219	(12)	(15)
Others	161	21	19	101	33	46	2	(2)	7	17	17	7	17	-
Total Gastrointestinal	**5,536**	**(9)**	**(11)**	**2,536**	**(10)**	**1,050**	**(30)**	**(33)**	**994**	**11**	**2**	**956**	**9**	**10**
Cardiovascular:														
Crestor	6,622	16	13	3,074	16	1,225	10	5	1,662	25	15	661	9	8
Atacand	1,450	(2)	(6)	182	(16)	731	(1)	(6)	213	(5)	(13)	324	6	7
Seloken/Toprol-XL	986	(19)	(20)	404	(41)	85	(7)	(12)	38	(3)	(13)	459	17	15
Plendil	256	-	(4)	8	(47)	23	(15)	(19)	14	-	(7)	211	6	2
Tenormin	270	(2)	(8)	11	(15)	59	(3)	(8)	125	(2)	(10)	75	-	(1)
Zestril	144	(8)	(11)	10	-	71	(12)	(16)	14	(18)	(24)	49	-	(2)
Onglyza™	211	206	206	156	189	34	240	240	7	250	250	14	367	367
Brilinta/Brilique	21	n/m	n/m	11	n/m	9	n/m	n/m	-	-	-	1	n/m	n/m
Others	252	(4)	(7)	-	(100)	119	5	-	25	(4)	(15)	108	-	-
Total Cardiovascular	**10,212**	**9**	**5**	**3,856**	**6**	**2,356**	**6**	**1**	**2,098**	**18**	**9**	**1,902**	**9**	**8**
Respiratory:														
Symbicort	3,148	15	11	846	17	1,434	5	-	418	46	35	450	21	19
Pulmicort	892	2	-	279	(9)	189	(12)	(16)	126	11	2	298	25	23
Rhinocort	212	(7)	(9)	74	(20)	37	(5)	(10)	20	25	13	81	3	-
Others	216	(15)	(19)	8	(80)	109	(8)	(13)	23	5	-	76	4	1
Total Respiratory	**4,468**	**9**	**6**	**1,207**	**4**	**1,769**	**2**	**(3)**	**587**	**34**	**24**	**905**	**19**	**17**
Oncology:														
Arimidex	756	(50)	(53)	42	(91)	260	(55)	(56)	308	7	(2)	146	(3)	(6)
Zoladex	1,179	6	3	39	(15)	262	(5)	(9)	494	10	-	384	12	18
Casodex	550	(5)	(12)	(6)	(138)	80	(29)	(33)	364	5	(5)	112	9	7
Iressa	554	41	32	2	(50)	127	159	147	204	12	2	221	40	34
Others	666	49	46	276	71	206	53	46	70	15	5	114	28	26
Total Oncology	**3,705**	**(8)**	**(12)**	**353**	**(51)**	**935**	**(19)**	**(22)**	**1,440**	**8**	**(1)**	**977**	**16**	**16**
Neuroscience:														
Seroquel IR	4,338	5	3	3,344	8	546	(3)	(8)	228	2	(8)	220	(15)	(17)
Seroquel XR	1,490	29	27	779	22	490	36	30	89	46	34	132	40	41
Local Anaesthetics	602	-	(6)	10	(66)	242	(9)	(13)	205	10	-	145	16	13
Zomig	413	(4)	(7)	158	(10)	174	1	(4)	68	(1)	(9)	13	18	9
Diprivan	294	(9)	(13)	12	(73)	42	(16)	(20)	83	9	1	157	4	(1)
Vimovo	34	n/m	n/m	21	n/m	6	n/m	n/m	6	n/m	n/m	1	n/m	n/m
Others	33	(21)	(24)	1	-	17	(37)	(41)	3	-	-	12	9	9
Total Neuroscience	**7,204**	**7**	**5**	**4,325**	**8**	**1,517**	**6**	**1**	**682**	**10**	**1**	**680**	**5**	**2**
Infection & Other:														
Synagis	975	(6)	(6)	570	(12)	404	3	3	-	-	-	1	-	-
Merrem	583	(29)	(30)	41	(68)	179	(45)	(48)	53	(7)	(14)	310	2	-
FluMist	161	(7)	(7)	160	(8)	-	-	-	-	-	-	1	-	-
Others	137	(8)	(8)	77	(28)	10	n/m	n/m	20	-	(25)	30	55	90
Total Infection & Other	**1,856**	**(15)**	**(15)**	**848**	**(19)**	**593**	**(18)**	**(19)**	**73**	**(5)**	**(17)**	**342**	**5**	**6**
Aptium Oncology	224	2	2	224	2	-	-	-	-	-	-	-	-	-
Astra Tech	386	(28)	(32)	77	(24)	281	(28)	(33)	27	(29)	(39)	1	(67)	(67)
Total	**33,591**	**1**	**(2)**	**13,426**	**(2)**	**8,501**	**(7)**	**(11)**	**5,901**	**14**	**4**	**5,763**	**11**	**10**

9 FOURTH QUARTER PRODUCT REVENUE ANALYSIS

	World			US		Western Europe			Established ROW			Emerging ROW		
	4th Quarter 2011 $m	Actual Growth %	Constant Currency Growth %	4th Quarter 2011 $m	Actual Growth %	4th Quarter 2011 $m	Actual Growth %	Constant Currency Growth %	4th Quarter 2011 $m	Actual Growth %	Constant Currency Growth %	4th Quarter 2011 $m	Actual Growth %	Constant Currency Growth %
Gastrointestinal:														
Nexium	1,067	(13)	(13)	614	(8)	145	(50)	(50)	132	7	5	176	15	24
Losec/Prilosec	248	2	(2)	8	(11)	57	4	2	132	6	(2)	51	(6)	(6)
Others	49	88	88	34	209	11	(8)	(8)	1	-	-	3	50	50
Total Gastrointestinal	**1,364**	**(9)**	**(9)**	**656**	**(4)**	**213**	**(40)**	**(41)**	**265**	**6**	**2**	**230**	**10**	**16**
Cardiovascular:														
Crestor	1,771	12	11	843	12	305	6	5	465	19	15	158	2	8
Atacand	346	(8)	(6)	43	(14)	183	(4)	(4)	40	(33)	(35)	80	7	16
Seloken/Toprol-XL	236	(7)	(5)	89	(25)	22	(8)	(8)	10	-	(10)	115	14	19
Plendil	60	(5)	(8)	1	(67)	5	(17)	(17)	4	-	-	50	-	(4)
Tenormin	68	(3)	(4)	2	(33)	14	(7)	(7)	34	(3)	(9)	18	6	12
Zestril	35	(13)	(13)	2	-	17	(15)	(15)	2	(50)	(50)	14	-	-
Onglyza™	71	122	122	53	121	10	100	100	3	200	200	5	150	150
Brilinta/Brilique	5	n/m	n/m	-	-	5	n/m	n/m	-	-	-	-	-	-
Others	62	(7)	(6)	-	-	28	4	4	7	(13)	(25)	27	(16)	(9)
Total Cardiovascular	**2,654**	**7**	**7**	**1,033**	**9**	**589**	**2**	**2**	**565**	**10**	**6**	**467**	**5**	**10**
Respiratory:														
Symbicort	839	13	13	242	26	359	1	1	123	31	26	115	14	19
Pulmicort	223	(4)	(4)	61	(10)	46	(19)	(19)	40	11	6	76	6	8
Rhinocort	50	(4)	(2)	16	(16)	8	(11)	(11)	5	-	-	21	11	16
Others	54	(10)	(8)	2	(50)	26	(13)	(13)	4	-	-	22	-	5
Total Respiratory	**1,166**	**7**	**7**	**321**	**13**	**439**	**(2)**	**(3)**	**172**	**24**	**19**	**234**	**9**	**14**
Oncology:														
Arimidex	166	(40)	(42)	5	(77)	45	(68)	(68)	84	5	(1)	32	(11)	(11)
Zoladex	298	(1)	(1)	8	(33)	63	(6)	(6)	137	8	1	90	(6)	3
Casodex	142	(4)	(9)	(5)	(350)	17	(35)	(35)	102	7	(1)	28	12	12
Iressa	149	30	25	-	(100)	34	70	70	60	11	2	55	38	38
Others	184	32	32	76	31	55	41	41	23	21	16	30	30	30
Total Oncology	**939**	**(4)**	**(6)**	**84**	**(12)**	**214**	**(27)**	**(27)**	**406**	**8**	**1**	**235**	**7**	**11**
Neuroscience:														
Seroquel IR	1,148	12	12	910	18	128	(9)	(9)	63	31	21	47	(29)	(24)
Seroquel XR	398	26	27	214	31	127	19	19	23	21	16	34	26	37
Local Anaesthetics	148	(9)	(10)	-	(100)	57	(20)	(20)	54	-	(6)	37	16	19
Zomig	101	(8)	(9)	41	(11)	43	-	-	16	(16)	(21)	1	(50)	(50)
Diprivan	67	(17)	(19)	-	(100)	9	(18)	(18)	20	(13)	(17)	38	(5)	(5)
Vimovo	14	n/m	n/m	7	n/m	4	n/m	n/m	3	n/m	n/m	-	-	-
Others	7	(46)	(46)	-	-	3	(57)	(57)	-	-	-	4	(40)	(40)
Total Neuroscience	**1,883**	**10**	**10**	**1,172**	**18**	**371**	**(2)**	**(2)**	**179**	**9**	**2**	**161**	**(6)**	**(2)**
Infection & Other:														
Synagis	411	4	4	261	(5)	150	24	24	-	-	-	-	-	-
Merrem	114	(38)	(35)	8	(60)	28	(58)	(58)	7	(56)	(56)	71	(11)	(5)
FluMist	34	(33)	(33)	34	(34)	-	-	-	-	-	-	-	-	-
Others	36	44	44	19	(9)	1	n/m	n/m	6	(40)	(40)	10	n/m	n/m
Total Infection & Other	**595**	**(9)**	**(9)**	**322**	**(13)**	**179**	**(3)**	**(4)**	**13**	**(50)**	**(50)**	**81**	**4**	**13**
Aptium Oncology	55	2	2	55	2	-	-	-	-	-	-	-	-	-
Astra Tech	-	(100)	(100)	-	(100)	-	(100)	(100)	-	(100)	(100)	-	(100)	(100)
Total	**8,656**	**-**	**-**	**3,643**	**5**	**2,005**	**(15)**	**(15)**	**1,600**	**8**	**3**	**1,408**	**5**	**10**

Convenience Translation of Key Financial Information

For the **quarter** ended 31 December	2011 $m	2010 $m	2011 £m	2010 £m	2011 SEKm	2010 SEKm
Revenue	8,656	8,617	5,605	5,580	59,770	59,500
Reported						
Operating profit	2,167	2,411	1,403	1,561	14,963	16,648
Profit before tax	2,052	2,283	1,329	1,478	14,169	15,764
Earnings per share	$1.16	$1.15	£0.75	£0.74	SEK8.01	SEK7.94
Core						
Operating profit	2,990	2,865	1,936	1,855	20,646	19,783
Profit before tax	2,875	2,737	1,862	1,772	19,852	18,899
Earnings per share	$1.61	$1.39	£1.04	£0.90	SEK11.12	SEK9.60

For the **year** ended 31 December	2011 $m	2010 $m	2011 £m	2010 £m	2011 SEKm	2010 SEKm
Revenue	33,591	33,269	21,751	21,542	231,946	229,722
Reported						
Operating profit	12,795	11,494	8,285	7,443	88,349	79,366
Profit before tax	12,367	10,977	8,008	7,108	85,394	75,796
Earnings per share	$7.33	$5.60	£4.75	£3.63	SEK50.61	SEK38.67
Core						
Operating profit	13,167	13,603	8,526	8,808	90,918	93,929
Profit before tax	12,739	13,086	8,249	8,473	87,963	90,359
Earnings per share	$7.28	$6.71	£4.71	£4.34	SEK50.27	SEK46.33
Dividend per Ordinary Share	$2.80	$2.55	£1.76	£1.62	SEK18.54	SEK17.11
Net cash inflow from operating activities	7,821	10,680	5,064	6,916	54,004	73,745
(Decrease)/increase in cash & cash equivalents	(3,522)	1,120	(2,281)	725	(24,319)	7,734
Capital and Reserves Attributable to Equity Holders	23,246	23,213	15,052	15,031	160,514	160,286

All Sterling (£) and Swedish krona (SEK) equivalents are shown for convenience and have been calculated using the current period end rates of $1= £0.64752 and $1= SEK6.905 respectively. Dividend per Ordinary Share is shown as the actual amount payable using the rates at the date of declaration of the dividend.

Shareholder Information

ANNOUNCEMENTS AND MEETINGS

Announcement of first quarter 2012 results	26 April 2012
Annual General Meeting	26 April 2012
Announcement of second quarter and half year 2012 results	26 July 2012
Announcement of third quarter and nine months 2012 results	25 October 2012

DIVIDENDS

The record date for the first interim dividend payable on 12 September 2011 was 5 August 2011. Shares traded ex-dividend from 3 August 2011.

The record date for the second interim dividend for 2011, payable on 19 March 2012 will be 17 February 2012. Shares will trade ex-dividend from 15 February 2012.

Future dividends will normally be paid as follows:

First interim	Announced in July and paid in September
Second interim	Announced in January and paid in March

TRADEMARKS

Trademarks of the AstraZeneca group of companies appear throughout this document in italics. AstraZeneca, the AstraZeneca logotype and the AstraZeneca symbol are all trademarks of the AstraZeneca group of companies. Trademarks of companies other than AstraZeneca appear with a ® or ™ sign and include: ONGLYZA™, KOMBOGLYZE™ and KOMBIGLYZE XR™, trademarks of Bristol-Myers Squibb Company.

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CAUTIONARY STATEMENT REGARDING 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: The preliminary announcement contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group. 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 the preliminary announcement 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 patents, marketing exclusivity or trademarks; the risk of substantial adverse litigation/government investigation claims and insufficient insurance coverage; exchange rate fluctuations; the risk that R&D will not yield new products that achieve commercial success; the risk that strategic alliances and acquisitions 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 failure by third parties to supply materials or services; the risk of failure to manage a crisis; the risk of delay to new product launches; the difficulties of obtaining and maintaining regulatory approvals for products; the risk of failure to observe ongoing regulatory oversight; the risk that new products do not perform as we expect; the risk of environmental liabilities; the risks associated with conducting business in emerging markets; the risk of reputational damage; the risk of product counterfeiting; the risk that regulatory approval processes for biosimilars could have an adverse effect on future commercial prospects; and the impact of increasing implementation and enforcement of more stringent anti-bribery and anti-corruption legislation.