



Strategic Transaction with Almirall in Respiratory Disease

Accelerating AstraZeneca Respiratory Leadership



July 30, 2014



Long-term value generation and strong strategic fit

1 Stronger inhaled portfolio in asthma and COPD

- Greater device choice for patients (DPI and pMDI)¹
- Short-term: adds DPI twice daily LAMA & LABA/LAMA options to Symbicort/ Pearl
- Medium-term: offers once daily treatment options with novel MABA and LABA bronchodilators, and triple therapy alternatives for severe patients
- Long-term: access to novel mechanisms in respiratory

2 Highly regarded Almirall team strengthens AstraZeneca

3 Compelling financial structure and impact

- Contingent deal structure de-risks business combination and enhances returns
- Adds revenue immediately, core earnings neutral in 2015 and accretive from 2016
- Accelerates and strengthens our return to growth and long-term revenue targets

¹ Dry Powder Inhaler and pressurized Metered-Dose Inhaler



Summary Transaction Overview

Assets and Rights Acquired

Acridinium franchise: Eklira® (LAMA) and LAS40464 (LAMA/LABA)

- Development and commercial rights in un-partnered territories
- Assume Almirall rights in partnered territories

Clinical assets and discovery collaboration

- Global development and commercial rights on MABA platform (LAS190792 (PhI), LAS191351 (PC), LAS194871 (PC)) and abediterol (LABA, PhII)
- Option to in-license pre-clinical assets
- “Pooling of assets” approach

Almirall Sofotec and Genuair®

- Company acquisition. Full rights to all assets and technologies

Employees

- Transfer of significant number of employees, including Almirall Sofotec employees (subject to local consultation and legislation)

Financial terms

Initial consideration: \$875m upon transaction completion

Contingent consideration: \$1.22bn in development, launch and sales-related milestones; also includes sales-related payments

Accounting treatment: business combination



Progressing AstraZeneca leadership in Respiratory

Revenue and access to in-market portfolio

Eklira[®] Genuair[®]

- Growing, marketed product (€107m/\$147m LTM sales)
- BiD LAMA in preferred DPI
- Complements Symbicort as “open triple” therapy
- Strong partner royalties (Bretaris[®], Tudorza[™])
- Sales & marketing FTEs

Anticipate 2015 launch of dual bronchodilators

- CHMP opinion late Q3 2014
- Competitive time to market
- First BiD to market, in preferred DPI

Strengthen AstraZeneca pipeline

QD MABA

- New class of bronchodilators
- Potential for triple efficacy with just 2 molecules (MABA + AI)
- Platform for higher order combinations

Abediterol (LABA)

- QD LABA with competitive profile
- Alternative for future QD combinations

Pre-clinical assets and R&D resources

- Option to in-license pre-clinical assets
- Late stage R&D FTEs

Strengthen AstraZeneca device offering and know-how

Device

- Current and future DPI platform additive to AstraZeneca RCI¹ platform
- Next generation of alternative devices

People & Capabilities

- Sofotec employees to be transferred to AstraZeneca
- Highly regarded team with a track-record of technical and regulatory expertise
- Formulation & Intelligent device capability

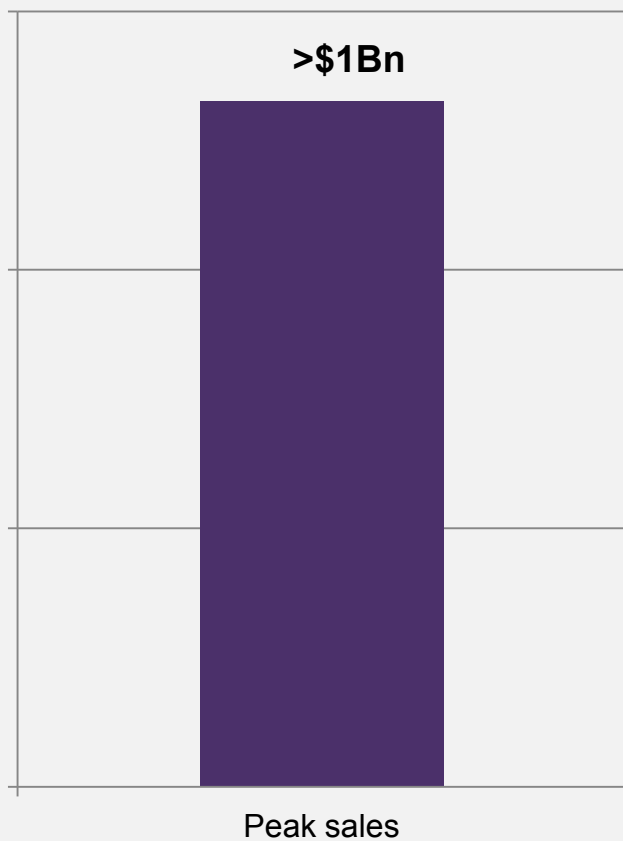
¹ Radial Channel Inhaler



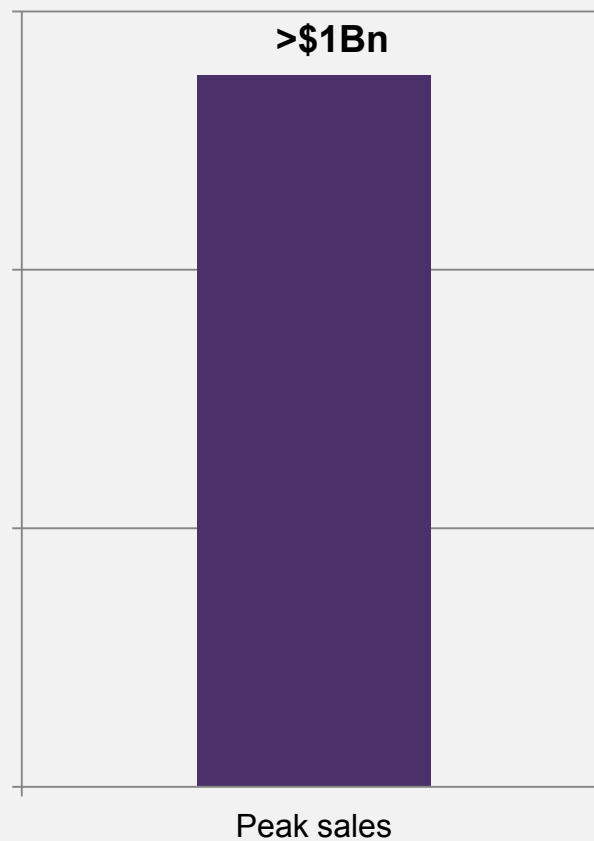
Significant long-term commercial potential

\$2bn+ peak sales potential (non-risk adjusted)

COPD Bronchodilators¹



Triple therapy²



¹ Includes forecast global sales from partners on Acclidinium monotherapy, combination LABA/LAMA therapy and MABA monotherapy in COPD

² Includes forecast global sales from Acclidinium MABA/novel AI triple therapy in COPD and asthma



Accelerating our Respiratory Leadership



Better positioned to capture the triple therapy opportunity

Almirall MABA programme: profile and rationale

- Series of **3 MABA assets**
- Lead asset currently in P1
- Potential for **QD/BD** dosing
- Potential for **triple therapy efficacy with just 2 molecules** (MABA + AI)
- **Options as mono & combination QD/BD treatments**

Triple Therapy: commercial potential

- Increasingly regarded as the “holy grail” of COPD therapy
- Potential for **c.30%** of COPD patients within 5 years of market availability¹
- **\$7bn+** class revenue potential by 2025²

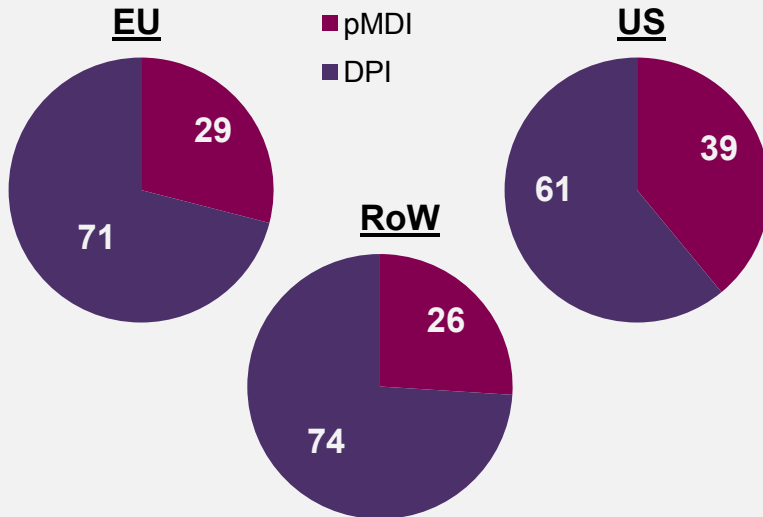


Improved DPI device offering and capabilities

Competitive positioning: device choice and effective use are key

- > 57% of physicians believe device is important
- DPI's dominate the maintenance market
- Technological edge in DPI a key competitive success factor

pMDI and DPI Maintenance market ¹



Strong device strategy fit

- **Improves choice** for patient & physician of dry powder and active / pressurized metered dose inhalers

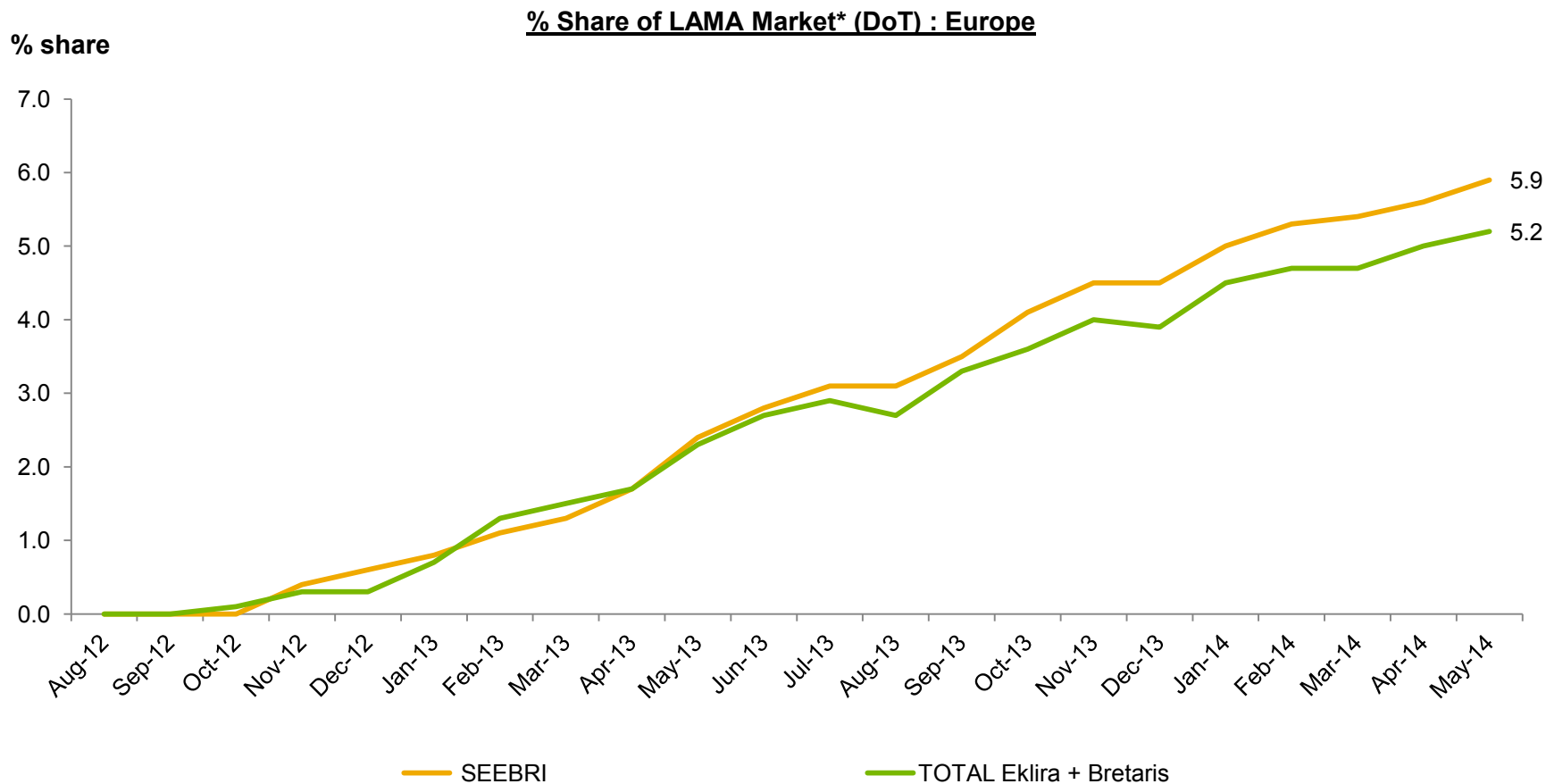
Device technology	AstraZeneca	Almirall
Active (pMDI)	<i>Current</i> Pearl pMDI ✓	
	<i>Next gen.</i> BAI ³ (in devpt) ✓	
Passive (DPI)	<i>Current</i> Turbuhaler ✓	Genuair[®] ✓
	<i>Next gen.</i> RCI ⁴ (in devpt) ✓	

- **Access to leading DPI platform:**
 - Genuair[®] **ranked #1 DPI device on market**²
 - Extend future development options



Strong performance from launch in Europe

5.2% LAMA market share



* tiotropium, glycopyrronium, aclidinium

