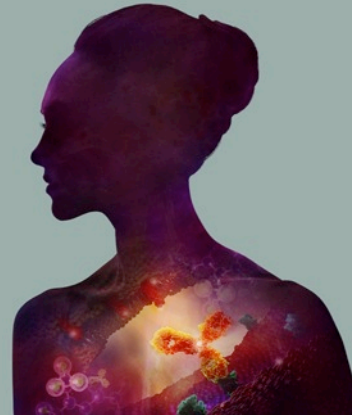


# AstraZeneca Q1 2015 Results



# 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, or the risk of failure to obtain and enforce patent protection; 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 delays in the manufacturing, distribution and sale of any of our products; the impact of any failure by third parties to supply materials or services; the risk of failure 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 adhere to applicable laws, rules and regulations; 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 illegal trade in our products; the risk of failure to successfully implement planned cost reduction measures through productivity initiatives and restructuring programmes; the risk that regulatory approval processes for biosimilars could have an adverse effect on future commercial prospects; the impact of failing to attract and retain key personnel and to successfully engage with our employees; the impact of increasing implementation and enforcement of more stringent anti-bribery and anti-corruption legislation; and the risk of failure of information technology and cybercrime.



# Agenda

**Pascal Soriot**  
Overview



**Luke Miels**  
Growth platforms



**Marc Dunoyer**  
Finance



**Briggs Morrison**  
Pipeline



**Pascal Soriot**  
Closing



# Q1 2015: Key achievements

- **Continued strong pipeline newsflow**
  - 13 NMEs in Phase III or Registration
  - Strategic collaboration with Celgene to develop MEDI4736 in haematology
- **Total Revenue \$6.1bn, +1%**
  - Growth platforms \$3.4bn, +13%
  - Launches of *Lynparza* and *Movantik/Moventig* proceeding well
  - Externalisation efforts making progress and creating additional value
- **On track to deliver on goals and achieve guidance for the year**



# Q1 2015: Strategic progress continues

## Returning to growth

- Growth platforms +13%, 56% of Total Revenue
- *Movantik/Moventig* launch

## Achieving scientific leadership

- **lesinurad**: Submission acceptance (US)
- **PT003**: Positive top-line results from Phase III
- **Brilinta/Brilique**: Positive PEGASUS Phase III; regulatory submissions (US, EU)
- **selumetinib**: Orphan-Drug designation (US)
- **tremelimumab**: Orphan-Drug designation (US)
- **MEDI4736**: Fast-Track designation (US)
- **MEDI8897**: Fast-Track designation (US)

## On track to deliver 7-8 potential NME submissions in 2015-2016

<b>CAZ AVI (CEPH/BLI)</b> serious infections	
<b>cediranib (VEGFR)</b> ovarian cancer (EU)	<b>savolitinib (AZD6094, MET)</b> papillary renal cell carcinoma
<b>selumetinib (MEK)</b> uveal melanoma	<b>tremelimumab (CTLA-4)</b> mesothelioma
<b>AZD9291 (EGFR)</b> 2L NSCLC	<b>MEDI4736 (PD-L1)</b> 3L NSCLC
<b>brodalumab* (IL-17R)</b> psoriasis	<b>roxadustat (HIF-PHI)</b> CKD / ESRD (China)
<b>PT003 (LAMA/LABA)</b> COPD	<b>benralizumab (IL-5R)</b> severe asthma
<b>2015</b>	<b>2016</b>

Growth rates at constant exchange rates (CER) \*Amgen responsible for filing



# Q1 2015: Growth platforms deliver

	Q1 2015 \$m	Growth %
<b>Total Revenue</b>	<b>6,057</b>	<b>1</b>
<b>Growth Platforms</b>	<b>3,404</b>	<b>13</b>
<i>Brilinta/Brilique</i>	131	45
Diabetes	488	47
Respiratory	1,243	7
Emerging Markets	1,533	18
Japan	455	(2)
<b>Core EPS</b>	<b>\$1.08</b>	<b>(3)</b>

Total Revenue and Product Sales at actual exchange rates. Growth rates at constant exchange rates (CER)



# Externalisation accelerates; immuno-oncology strengthens

## Daiichi Sankyo *Movantik* externalisation

- US co-commercialisation agreement
- Leveraging Daiichi Sankyo's existing therapy area presence and joint primary and speciality expertise



## Celgene strategic collaboration

- Leveraging Celgene's unique strategic position in haematology
- Development and commercialisation of MEDI4736 in blood cancers
- Initial focus on lymphoma and multiple myeloma



# Growth platforms







## Luke Miels

EVP Global Portfolio & Product Strategy and Corporate Affairs





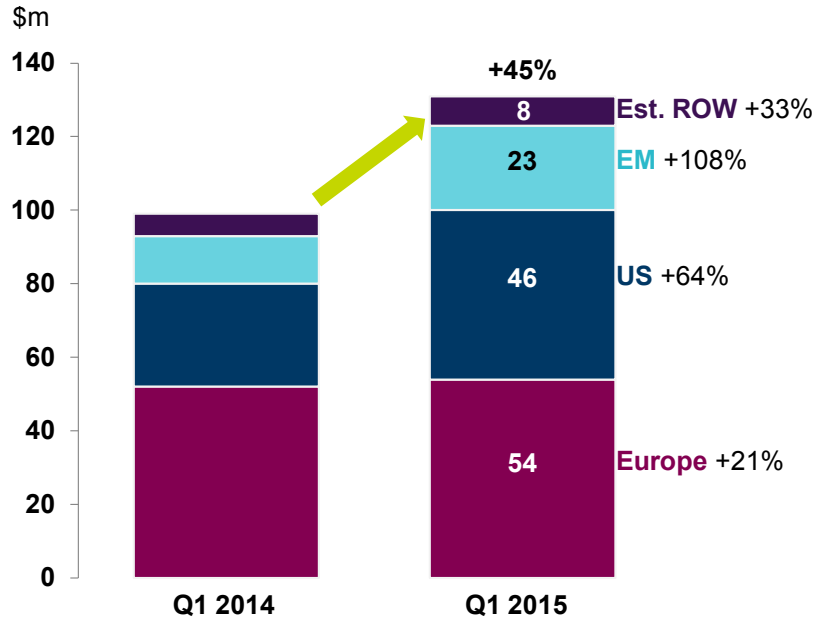
# Q1 2015: Growth platforms show substantial progress

	Q1 2015 (\$m)	Growth (%)
 <b>Brilinta/Brilique</b>	131	45
 <b>Diabetes</b>	488	47
 <b>Respiratory</b>	1,243	7
 <b>Emerging Markets</b>	1,533	18
 <b>Japan</b>	455	(2)*
 <b>Oncology: Lynparza Product Sales \$9m</b>		

Product Sales at actual exchange rates. Growth rates at constant exchange rates (CER). \*Including impact from mandated price cuts



# Brilinta/Brilique: Continued progress



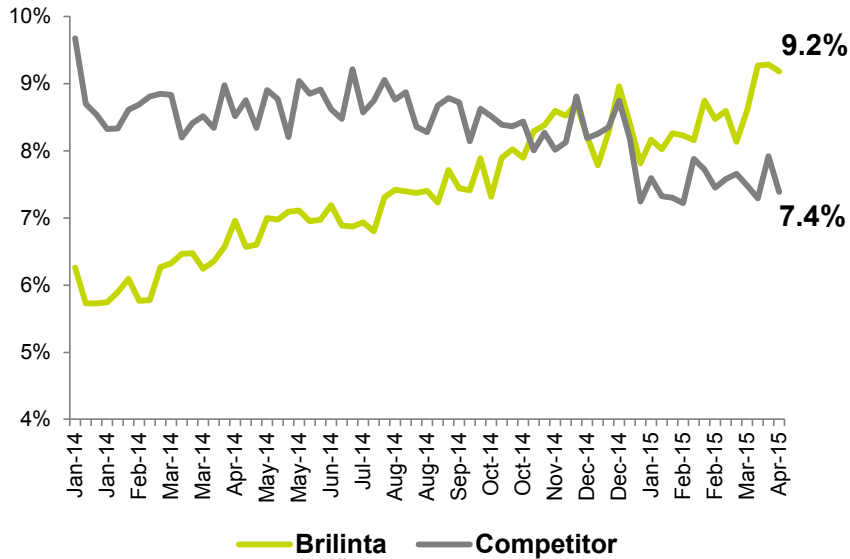
- Positive PEGASUS results presented at ACC: Significant 15% reduction in major CV events in patients with history of heart attack
- PEGASUS regulatory submissions (US, EU)
- Continued growth; Emerging Markets doubling Product Sales

Product Sales at actual exchange rates. Growth rates at constant exchange rates (CER)

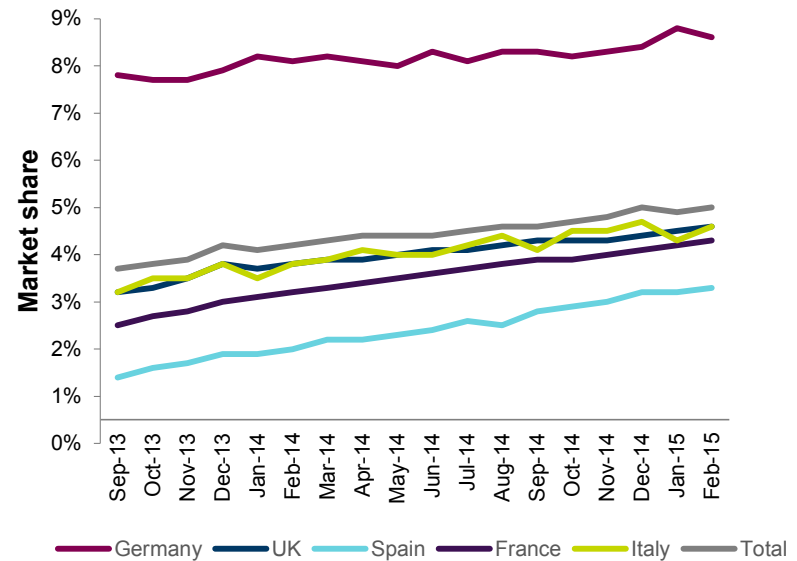


# Brilinta/Brilique: Encouraging increase globally

## US oral anti-platelet class market share (new-to-brand prescriptions NBRx)



## EU market share days on therapy/volume

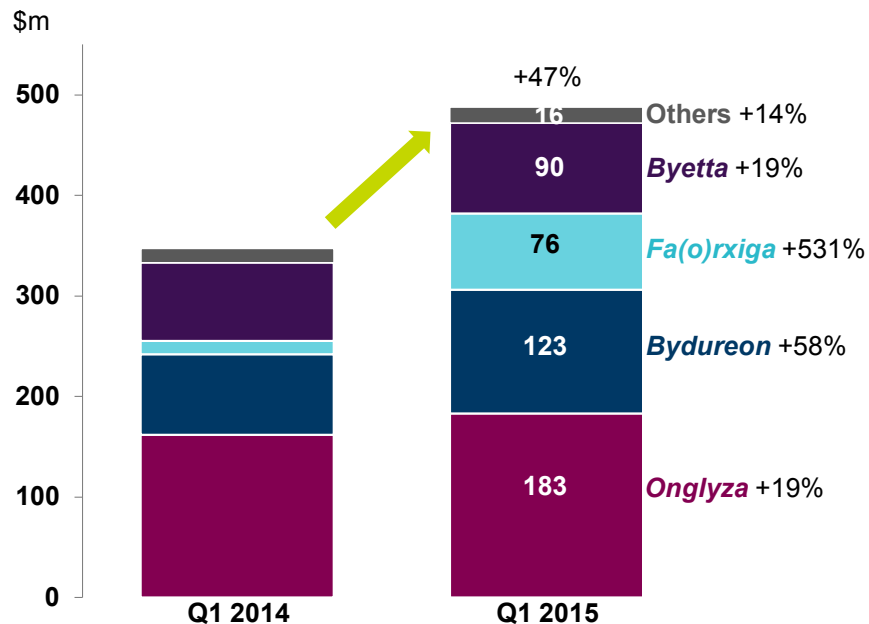


Source: IMS Health NPA Market Dynamics (Retail Only)

Source: IMS MIDAS, February 2015



# Diabetes: *Fa(o)rxiga* launch ongoing; promising *Bydureon* Pen uptake



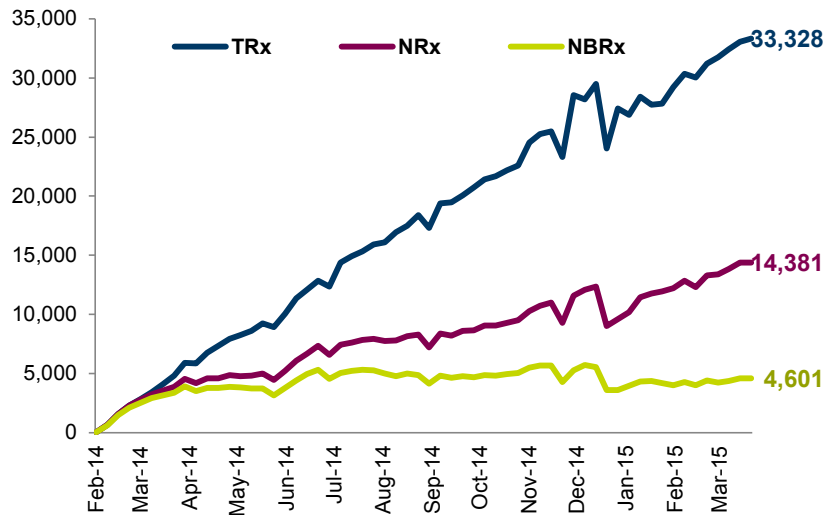
- Continued strong *Fa(o)rxiga* performance in all markets
- *Onglyza* US demand lower. Growth in all other significant markets
- *Bydureon* US fuelled by strong performance of Pen device. Pen launched in EU in the quarter

Product Sales at actual exchange rates. Growth rates at constant exchange rates (CER)

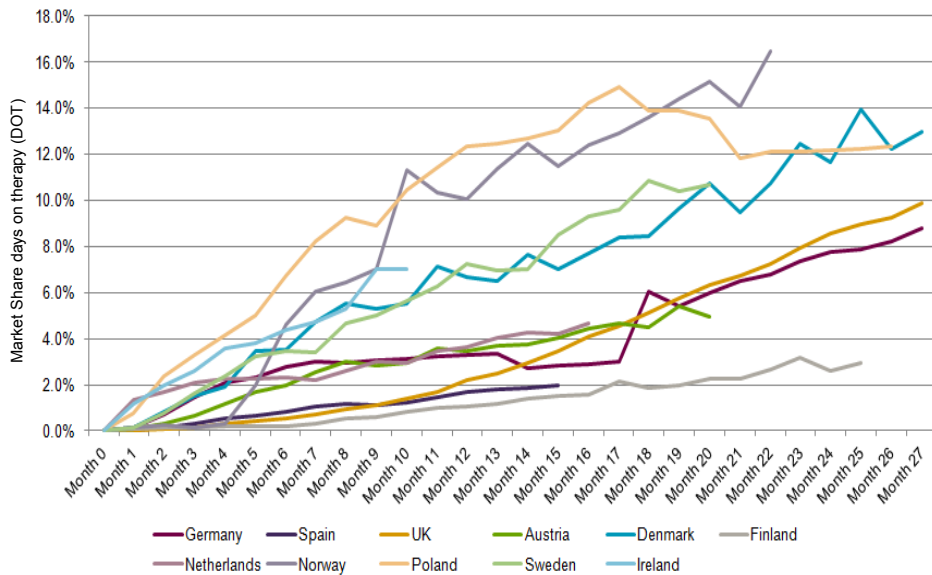


# Fa(o)rxiga: ROW markets now make up ~1/2 of total Product Sales with Europe leading

US volume  
(weekly prescriptions)



European launch uptake amongst innovative oral anti-diabetic medicines (SGLT-2 + DPP4)



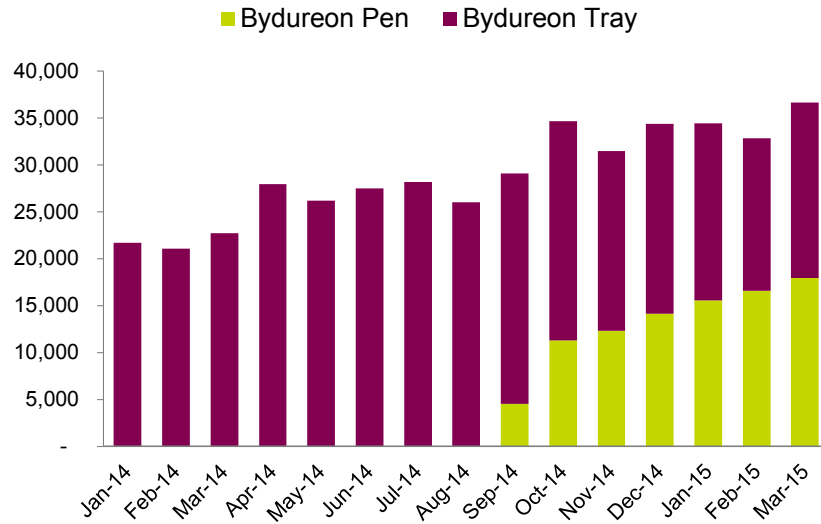
Source: TRx and NRX-NPA+7 (Retail, Mail & LTC), NBRx- IMS APLD (Retail and Mail) and IMS Health NPA, weekly through March 27, 2015

Source: IMS MIDAS. Note: Month 1 = month of 1<sup>st</sup> external sales data for product (does not reflect commercial launch timing). Irish data based on pack sales not DoT: this measure is roughly comparable but not exact in DoT calculation



# Bydureon: Strong US uptake of new Pen; EU launch

## US *Bydureon* family (new monthly prescriptions NRx)



## New launches

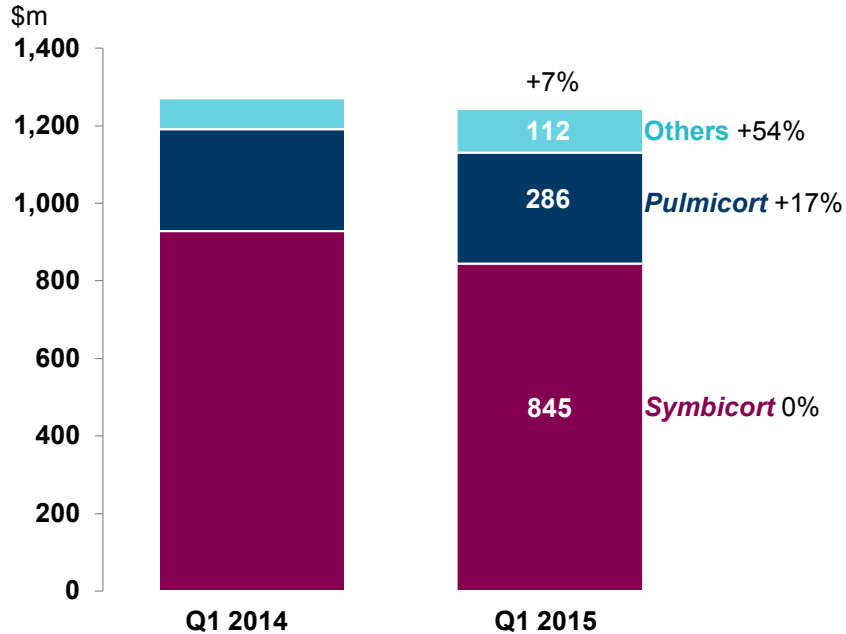
- Q1: Launched in the UK, Ireland, Germany, Sweden, Finland
- Upcoming launches: Japan, Spain, Denmark, Norway, Romania, Bulgaria, Netherlands, Austria, France
- Additional countries to follow



Source: TRx and NRX-NPA+ (Retail, Mail & LTC), NBRx- IMS APLD (Retail & Mail Combined)



# Respiratory: Franchise growing 7%; *Symbicort* stable



## *Symbicort*

- US: Q1 relatively stable despite formulary change; market share now returned to slight growth
- EU: Marginal volume increase offset by price impact from analogues
- Emerging Markets: +40%; China +67%
- 2015: Expect continued competitive pressure in EU & US; strong growth in Emerging Markets, including China

## *Pulmicort*

- Strong Emerging Markets demand +33%

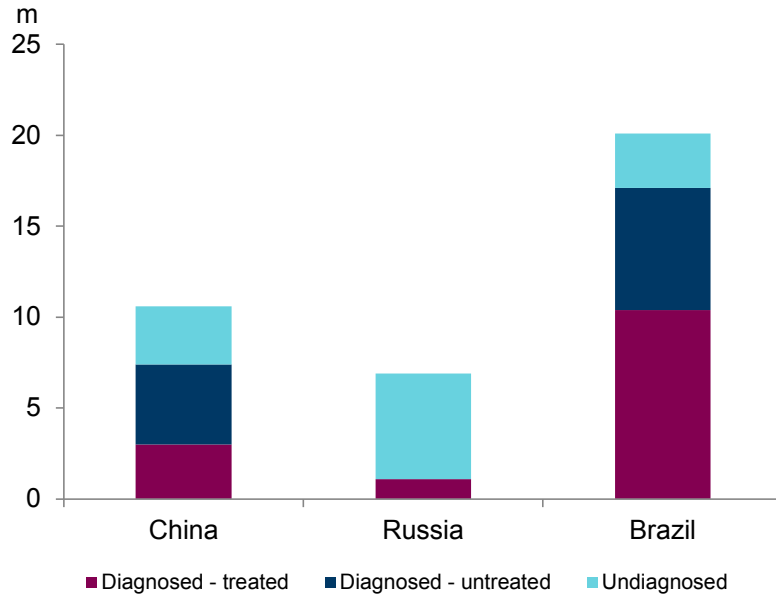
Product Sales at actual exchange rates. Growth rates at constant exchange rates (CER)



# Respiratory: Emerging Markets opportunities

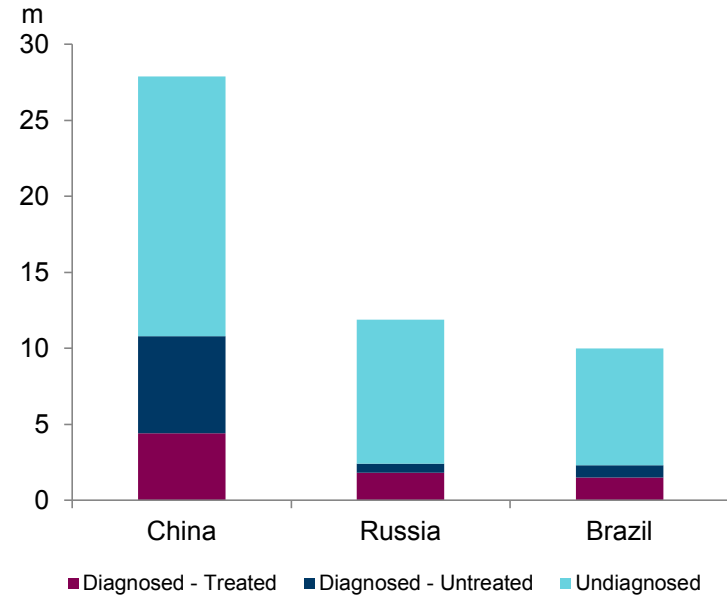
## Asthma

~250,000 new cases each year



## COPD

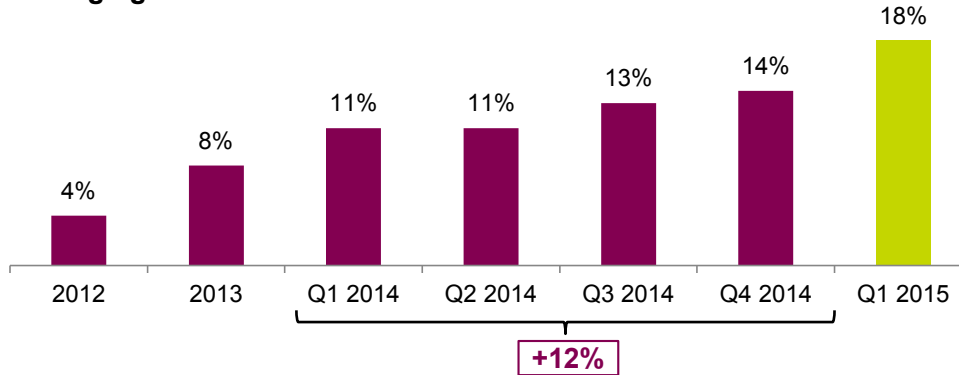
~2.5m new cases each year





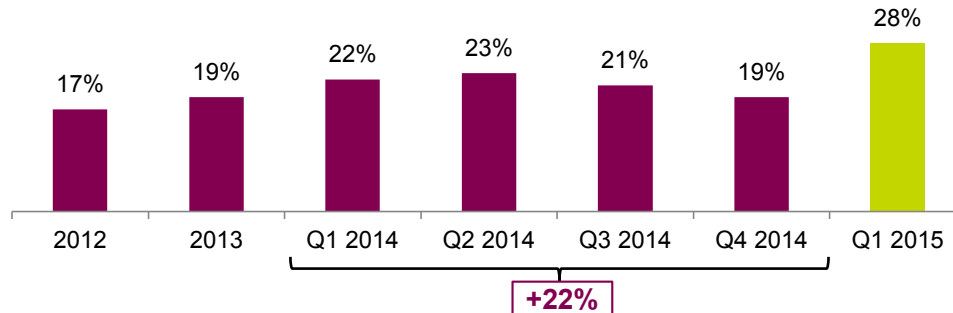
# Emerging Markets: Continued strong growth

## Emerging Markets



- Broad-based growth
  - Respiratory +35%
  - Diabetes +115%
  - Oncology +16%

## China



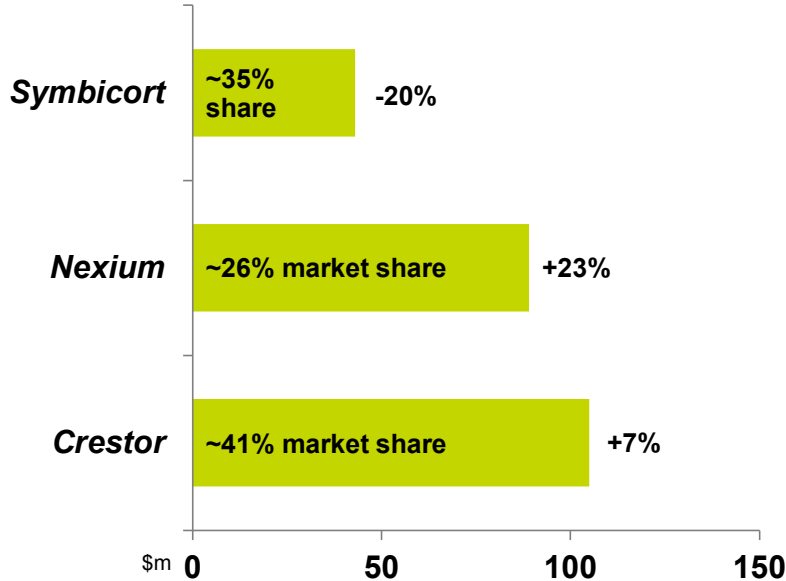
- China estimated underlying demand growth about 18%

Growth rates at constant exchange rates (CER)

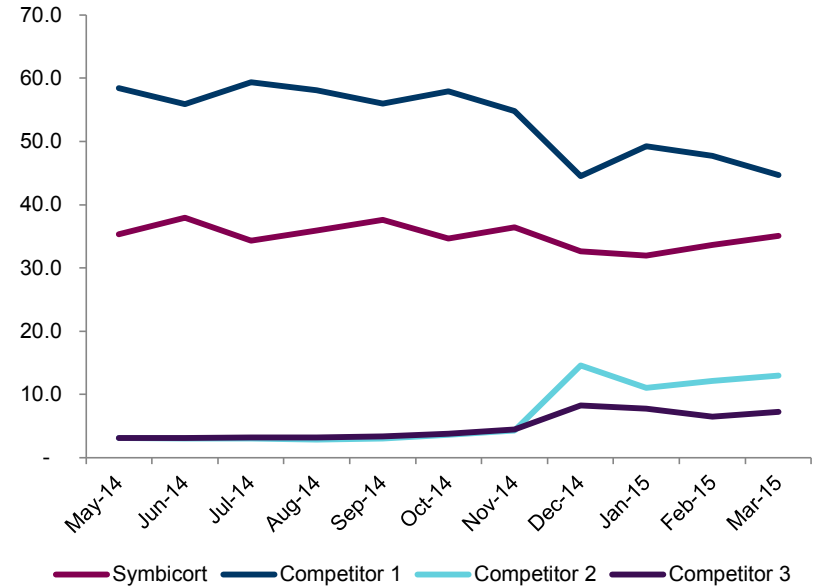


# Japan: Continued positive demand for growth brands

## Key growth brands



## Symbicort monthly volume market share (%)



Product Sales at actual exchange rates. Growth rates at constant exchange rates (CER). Source IMS Health

Source: IMS JPM Mar 2015



# Launch products

## **Movantik/Moventig**

Opioid-induced constipation

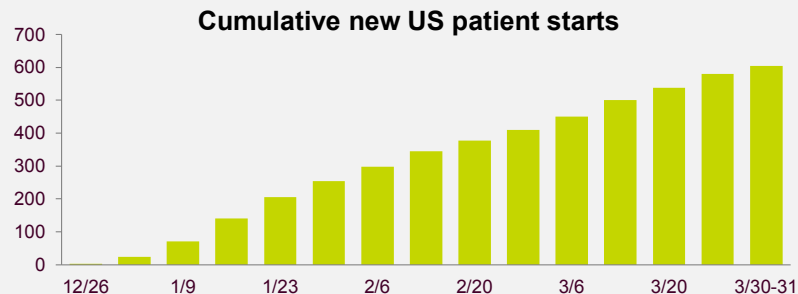
- US launch March 2015
  - Co-commercialisation with Daiichi Sankyo
- Ongoing launches in Nordic countries
- Further European launches in 2015



## **Lynparza**

BRCA-mutated advanced ovarian cancer

- Q1 2015 Product Sales \$9m (~90% US)



- Additional launches in France, Denmark and Sweden



# Finance

**Marc Dunoyer**

Executive Director, Chief Financial Officer



# Q1 2015: Finance headlines

- ✓ Performance fully supports reiterated guidance
- ✓ Externalisation important part of business model
- ✓ Continued investment in R&D underpinning the accelerating pipeline
- ✓ Core SG&A: Increased area of focus



# Q1 2015: Profit & Loss

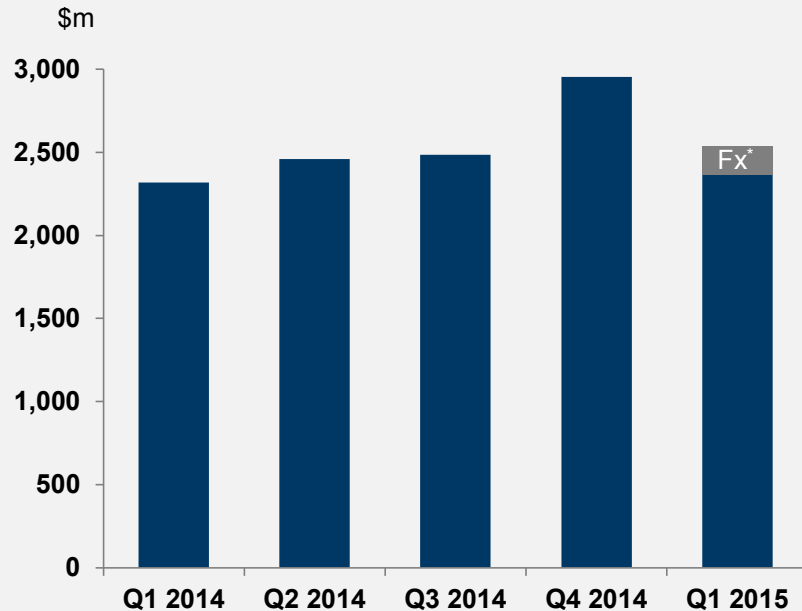
	Q1 2015 \$m	Q1 2014 \$m	Growth %	% Total Revenue
Total Revenue	6,057	6,460	1	
Product Sales	5,748	6,416	(3)	
Externalisation Revenue	309	44	n/m	
Core Cost of Sales	(953)	(1,193)	(8)	16
Distribution	(77)	(72)	19	1
Core R&D	(1,280)	(1,098)	24	21
Core SG&A	(2,368)	(2,317)	10	39
Core Tax Rate	19%	19%	–	–
Core EPS	\$1.08	\$1.17	(3)	

Financials at actual exchange rates. Growth rates at constant exchange rates (CER)



# Core SG&A: Increased area of focus

## Investment peaked Q4 2014



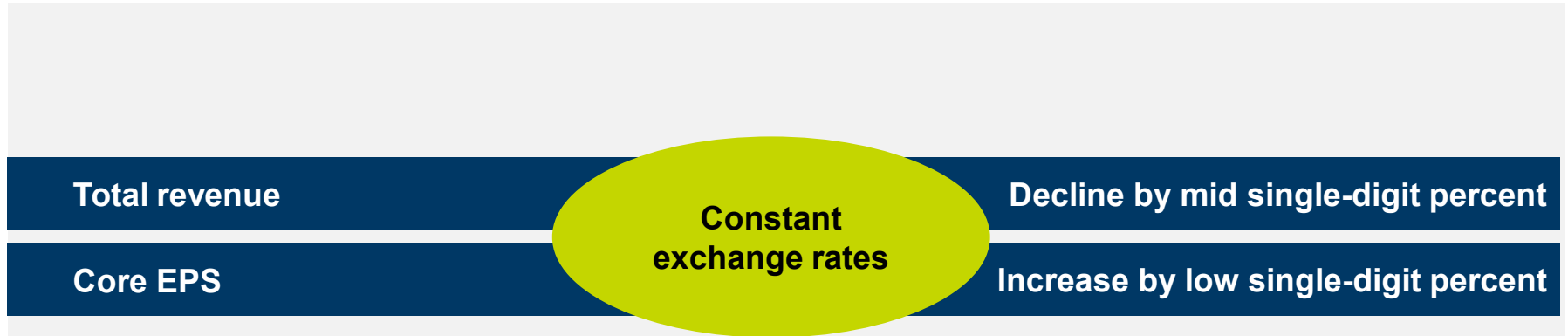
## Productivity programmes to accelerate

- Sales & marketing effectiveness
- Savings across procurement, support functions & IT
- Further footprint optimisation

Core SG&A at actual exchange rates. \* Impact of applying Q1 2014 exchange rates to Q1 2015



# 2015 full-year guidance reiterated

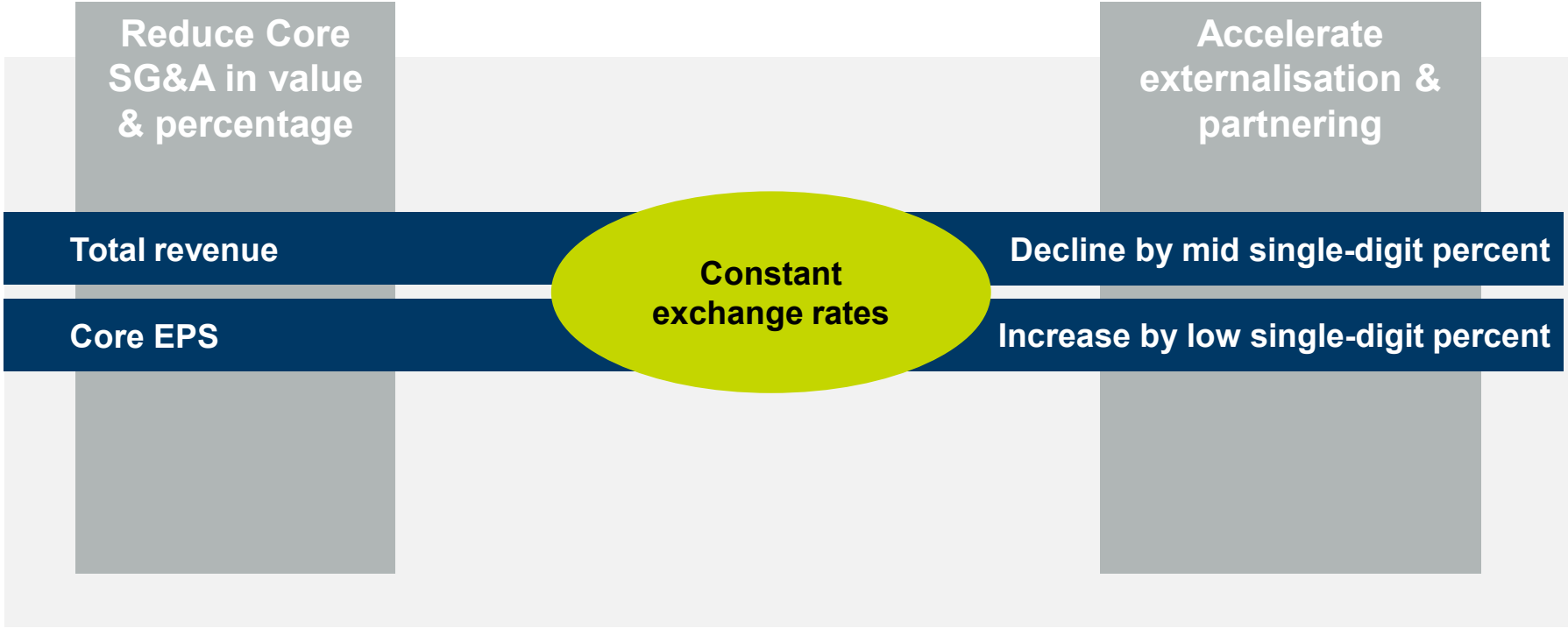


The Company also provides the following non-guidance information related to currency sensitivity: Based on current exchange rates, total revenue is expected to decline by low double-digit percent with Core EPS expected to be broadly in line with 2014.





# 2015 outlook



# Externalisation accelerating

## Daiichi Sankyo *Movantik* externalisation

- Upfront externalisation payment \$200m
- Subsequent sales-related Externalisation Revenue up to \$625m
- Manufacturing and booking of sales
- Commission payment to Daiichi Sankyo



## Celgene strategic collaboration

- Upfront externalisation payment \$450m in relation to MEDI4736
- Celgene to cover development costs in 2015 and 2016; 75% thereafter
- Manufacturing and booking of sales by AstraZeneca
- Royalty payment to Celgene



# Pipeline

## Briggs Morrison

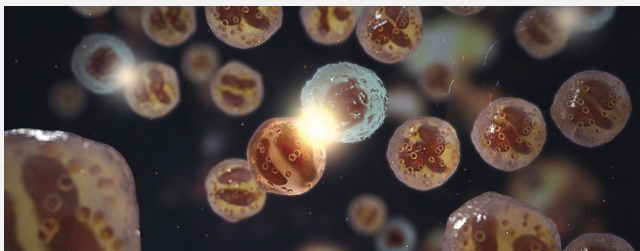
EVP Global Medicines Development & Chief Medical Officer



# Q1 2015: Pipeline updates

## Late-stage clinical update

- **Brilinta/Brilique** positive Phase III PEGASUS study in prior myocardial infarction
- **PT003** positive top-line Phase III PINNACLE 1 and PINNACLE 2 in COPD with first-in-market LAMA/LABA pMDI\*



## Regulatory update

- **lesinurad** submission acceptance (US)
- **Brilinta/Brilique** regulatory submission Phase III PEGASUS (US, EU)
- **Onglyza** acceptable CV risk profile confirmed by FDA advisory committee
- **selumetinib** Orphan-Drug designation for uveal melanoma (US)
- **tremelimumab** Orphan-Drug designation for mesothelioma (US)
- **MEDI4736** Fast-Track designation for PD-L1 positive 3L NSCLC (US)
- **MEDI8897** Fast-Track designation for RSV (US)

\* pMDI: Pressurised Metered Dose Inhaler



# Recent Oncology meeting updates

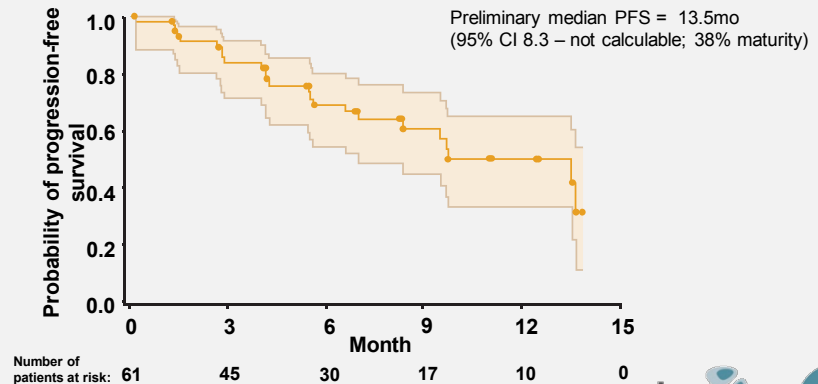
## American Assoc. for Cancer Research 18-22 April

- **62 abstracts** including data on OX40, CD73, PI3K, AKT, mTOR, EGFR, SERD & PARP
- ER+ breast cancer: AZD9496 (SERD) monotherapy & AZD2014 (mTORC1/2) + *Faslodex* combo
- New EGFR resistance mutations with activity for AZD9291 + savolitinib combo

**AACR** American Association  
for Cancer Research

## European Lung Cancer Conference 15-18 April

- Updated PFS for AZD9291 (NSCLC; AURA study) of 13.5 months in T790M, 80mg cohort, independent review



**elcc**  
EUROPEAN LUNG CANCER  
CONFERENCE



# Oncology: Key milestones through 2015

## American Society of Clinical Oncology (ASCO) 29 May – 2 June

- **MEDI4736**
  - Phase I/II update (NSCLC and SCCHN)
  - Triplet combo with MEK/BRAF (melanoma)

- **MEDI4736 + tremelimumab**  
Phase Ib (NSCLC)

Investor science event  
Monday 1 June 8:30pm CDT

## Data highlights

### AZD9291

- Phase II (2L NSCLC EGFRm/T790M) ✓

### selumetinib

- Phase III SUMIT (metastatic uveal melanoma)
- Phase II (paediatric neurofibromatosis-1 [NF-1])

### MEDI4736

- Phase II ATLANTIC (3L NSCLC PD-L1+)

### tremelimumab

- Phase II (mesothelioma)

### AZD2014

- Phase II (ER+ breast doublet ✓ & squamous lung)

### AZD1775 (Wee1)

- Phase II (platinum-sensitive ovarian)

### savolitinib

- Phase II (papillary renal cell carcinoma)



# Late-stage pipeline: Key news flow through 2015

	Compound	Indication	Potential milestone	
RIA	brodalumab <sup>1</sup>	psoriasis	Regulatory submission	
	PT003 (LAMA/LABA)	COPD	Phase III results Regulatory submission	✓
	anifrolumab	lupus/SLE	Phase II presentation	
	lesinurad	gout	Regulatory submission	✓
CVMD	<i>Brilinta/Brilique</i>	prior MI (PEGASUS)	Phase III results and regulatory submission	✓
	saxa/dapa FDC	type 2 diabetes	Regulatory submission (US)	✓
Oncology	<i>Lynparza</i>	PSR BRCAm ovarian cancer	Approval Phase III topline results (SOLO-2)	✓
	AZD9291	2 <sup>nd</sup> line NSCLC	Regulatory submission	
	MEDI4736	3 <sup>rd</sup> line NSCLC	Phase II/potential registration topline results	
	MEDI4736 + tremelimumab	NSCLC	Phase I presentation (ASCO)	
	cediranib	ovarian cancer	Further analysis (ICON6); EU regulatory submission	
	selumetinib	uveal melanoma	Phase III results & regulatory submission	New <sup>2</sup>
	tremelimumab	mesothelioma	Phase II results	New <sup>2</sup>
Infection, Neuroscience & Gastrointestinal	<i>Movantik/Moventig</i>	opioid-induced constipation	EU approval, US de-scheduling, US launch	✓
	CAZ AVI	serious bacterial infections	Regulatory submission (EU)	New <sup>2</sup>

<sup>1</sup> Partner Amgen to manage regulatory submission <sup>2</sup> New disclosure since Investor Day November 2014

# Closing

**Pascal Soriot**

Executive Director, Chief Executive Officer





# Q1 2015: Key achievements

- **Continued strong pipeline newsflow**
  - 13 NMEs in Phase III or Registration
  - Strategic collaboration with Celgene to develop MEDI4736 in haematology
- **Total Revenue \$6.1bn, +1%**
  - Growth platforms \$3.4bn, +13%
  - Launches of *Lynparza* and *Movantik/Moventig* proceeding well
  - Externalisation efforts making progress and creating additional value
- **On track to deliver on goals and achieve guidance for the year**



# Q&A

**Pascal Soriot, Executive Director, Chief Executive Officer (Moderator)**

**Marc Dunoyer, Executive Director, Chief Financial Officer**

**Briggs Morrison, EVP Global Medicines Development & Chief Medical Officer**

**Luke Miels, EVP Global Portfolio & Product Strategy and Corporate Affairs**

Please press \*1 on your phone if you wish to ask a question

