Progressing our new priorities: Innovation, Performance, Trust

Emma Walmsley, CEO

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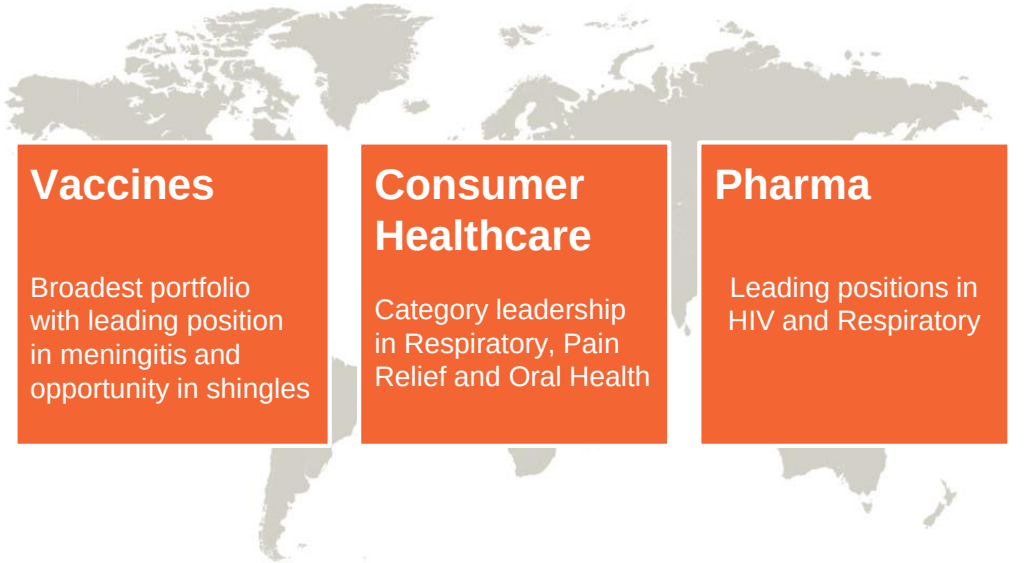
A number of adjusted measures are used to report the performance of our business. These measures are defined in our Q3 2017 earnings release and Annual Report on Form 20-F for 2016.

All expectations and targets regarding future performance should be read together with "Assumptions related to 2017 guidance and 2016-2020 outlook" on page 34 of our Q3 earnings release.

Balanced business to deliver sustainable growth and returns to shareholders



Vaccines

Broadest portfolio with leading position in meningitis and opportunity in shingles

Consumer Healthcare

Category leadership in Respiratory, Pain Relief and Oral Health

Pharma

Leading positions in HIV and Respiratory

Common goal to improve health, from prevention to treatment

Therapeutic and category leadership

Global opportunities

Strategic and operational synergies

Balanced set of cash flows and returns

On track with operating performance;
growth in all 3 businesses and improvement in group operating margin 9m through Q3 2017

Key objectives 2017-2020

- Prioritise Pharma and R&D focus
  - Maximise value from new product launches
  - Make the right choices to develop early-stage pipeline
- Drive newly scaled Consumer and Vaccines
- Improve cash generation
- Rigorous capital allocation
- More performance based culture

Group sales 5-year CAGR to 2020 low to mid single digit

Pharma | **Vaccines** | **Consumer Healthcare**

Adjusted EPS 5-year CAGR to 2020 mid to high single digit

*All 2020 outlook statements are at constant, 2015 exchange rates. The CAGRs are 5 years to 2020, using 2015 pro-forma as the base year.

3 priorities for all 3 businesses

Innovation

Performance

Trust

Building a winning team

Significant appointments in senior roles

3 new executive team members

Dr Hal Barron
Chief Scientific Officer and President, R&D

Luke Miels
President, Global Pharmaceuticals

Karenann Terrell
Chief Digital & Technology Officer

~40%
of Executive Team -1 (top 125) roles transitioned

Focus on top talent for
~370 critical roles

New hires from including:
Calico, Novartis, Pfizer, Walmart, AstraZeneca, Teva, Google, Unilever

Innovation

Shingrix: a new standard of prevention for shingles

ACIP preferential recommendation
~100m US adults should receive Shingrix[1]

Eligible for revaccination
~20m

Age 50-59
~42m

Age 60+ not yet vaccinated
~40m

Building a blockbuster

Strong clinical profile

- >90% efficacy across identified age groups[2,3]
- Sustained efficacy[3]

Building access and awareness in US

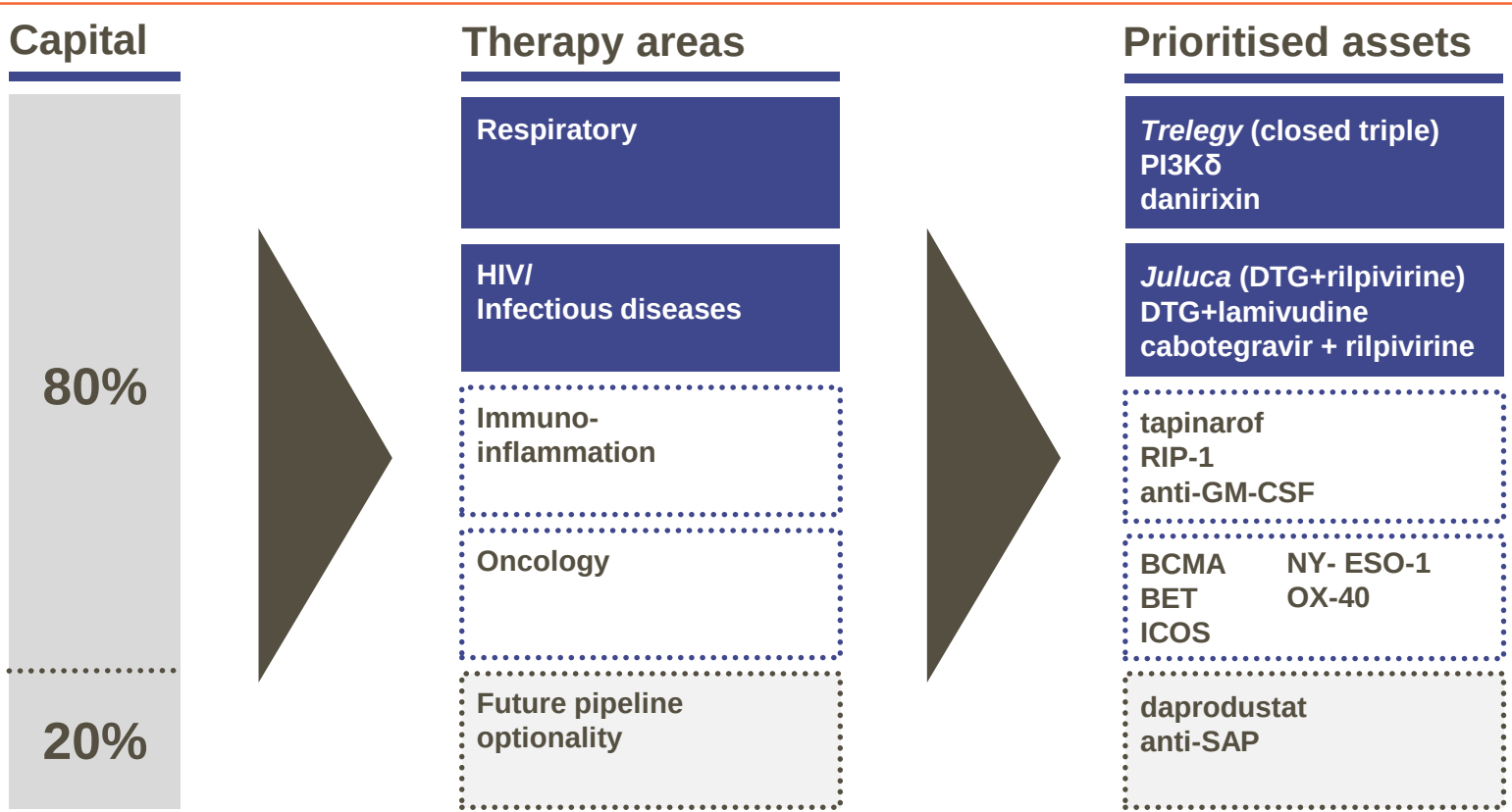
- Reimbursement discussions underway
- Building physician & pharmacy awareness
- Coming soon: Create awareness in adults > 50

1. Dooling K. Considerations for the use of herpes zoster vaccine. Presented at the Advisory Committee on Immunization Practices, US Centers for Disease Control and Prevention. October 25, 2017
2. Does not include immunocompromised population
3. Lal H et al. Efficacy of an Adjuvanted Herpes Zoster Subunit Vaccine in Older Adults. N Engl J Med. 2015;372:2087-96; Cunningham et al. Efficacy of the herpes zoster subunit vaccine in adults 70 years of age or older. N Engl J Med. 2016;375:1019-32.

Innovation

Prioritising to strengthen the pipeline in Pharma

Development capital focus on 2 core and 2 potential therapy areas

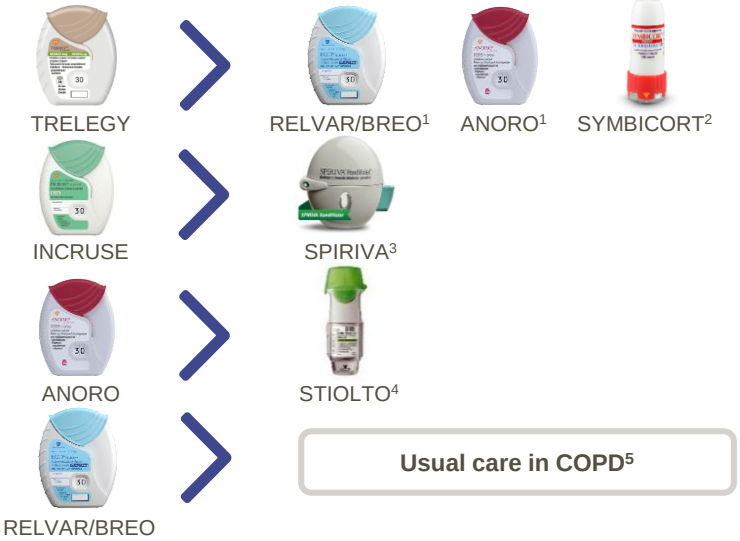


Innovation

Accelerating delivery in Respiratory

Ellipta: driving continued leadership in a large and growing market

Consistently demonstrated superiority in COPD



Unprecedented exacerbation effect with TRELEGY in COPD

IMPACT data submitted for publication
sNDA filed November 2017

1. IMPACT: TRELEGY demonstrated a 15% reduction in moderate/severe exacerbations vs BREO and 25% vs ANORO
2. FULFIL: TRELEGY demonstrated a benefit over SYMBICORT on lung function/SGRQ
3. 201316: INCRUSE demonstrated a benefit on lung function over SPIRIVA
4. 204990: ANORO demonstrated a benefit on lung function over STIOLTO
5. SALFORD LUNG STUDY: BREO demonstrated a benefit on moderate/severe exacerbations vs. usual care
6. Annual rate of on-treatment moderate and severe exacerbations (IMPACT)
7. Annual rate of on-treatment exacerbations at week 24 (FULFIL)

Innovation

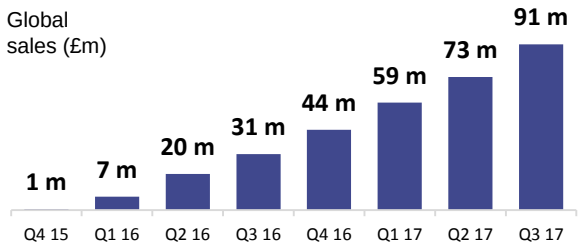
Accelerating delivery in Respiratory

Nucala: A practice changing product with significant growth opportunity

Strong uptake

- NUCALA US sales growth rate faster than XOLAIR in second year post launch (year 2 vs year 1)

Global sales since launch



Global sales in £m at actual exchange rates

Highly competitive profile

- Consistent exacerbation reduction in SEA population[1]:
  - EOS > 150 cells/µl: 53 - 58% reduction in exacerbations
  - EOS > 300 cells/µl: 61 - 64% reduction in exacerbations
- OCS reduction 50%, sustained up to 1.5 years[2]

Opportunity to grow

- Effective in other eosinophilic diseases:
  - US approval of use in EGPA approved December 2017
  - US regulatory submission for use in COPD filed November 2017

EOS: eosinophil; OCS: oral corticosteroid; SEA: severe eosinophilic asthma; EGPA: eosinophilic granulomatosis with polyangiitis

1. MENSA and MUSCA studies
2. SIRIUS and COSMOS studies

Innovation

HIV: growth and innovation

Leading core agent and a new treatment paradigm with 2 drug regimens

Leading core agent in HIV treatment

- Dolutegravir is #1 core agent globally
- 500,000 patients worldwide taking a dolutegravir based regimen
- Unmatched trial results; superiority in 5 studies and data in broad populations

vs. efavirenz	vs. raltegravir	vs. darunavir	vs. atazanavir	vs. lopinavir
Superior (naive)	**Superior** (experienced)	**Superior** (naive)	**Superior** (women/naive)	**Superior** (experienced)
SINGLE	SAILING	FLAMINGO	ARIA	DAWNING

SINGLE, FLAMINGO, SAILING, ARIA and DAWNING were non-inferiority studies with a pre-specified analysis for superiority. Table shows primary endpoint outcomes.

2DRs: a new era of HIV treatment

- Future growth driven by innovative oral and long-acting 2 drug regimen (2DR) pipeline
- 66% of patients want to take less medicine*
- Juluca approved by FDA November 2017 and already included in DHHS/EACS guidelines for suppressed switch
- Strong commercial execution building on success of Tivicay and Triumeq
- DTG/3TC GEMINI data and regulatory submission expected in 2018
- Phase III long acting CAB+RPV data expected by end of 2018

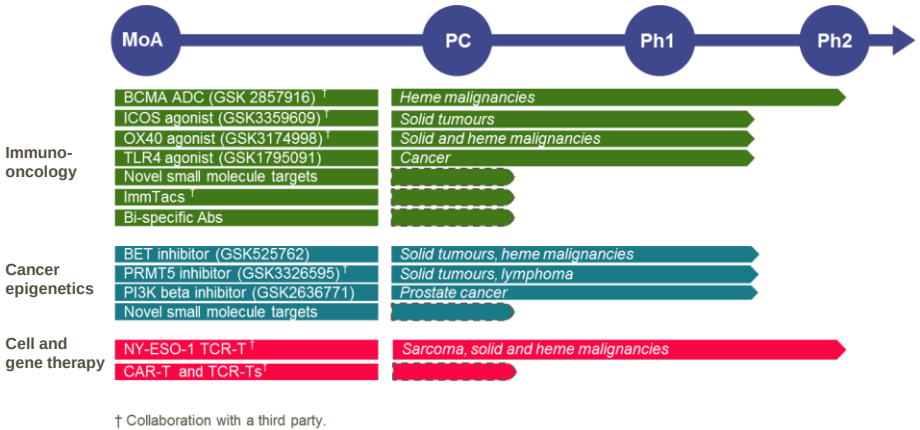
*Patient Pathways survey presented at IAS 2017
DHHS: Department of Health and Human Services; EACS: European AIDS Clinical Society

Innovation

Innovative and emerging Oncology pipeline

GSK'916 (BCMA) our leading asset in Multiple Myeloma

- Multiple programmes across several platforms
  - Immuno-Oncology
  - Cancer epigenetics
  - Cell & gene therapy
- 8 medicines in the clinic



† Collaboration with a third party.

- First in class anti-BCMA ADC with multiple modes of action
- Transformational data presented at ASH 2017
  - ORR 60%; N = 35; manageable safety profile
- Breakthrough designation from FDA and PRIME from EMA
- Clinical programme both in monotherapy and combinations planned
  - Expect filing and launch in 2020
- Multiple Myeloma: ~$12bn market, expected to grow +16% CAGR to $29bn by 2022*

* EvaluatePharma MM report (accessed 31 July 2017)

Progress on our priorities

Innovation

- Executing on three major new launches
- Advancing our pipeline
- Improved pipeline governance

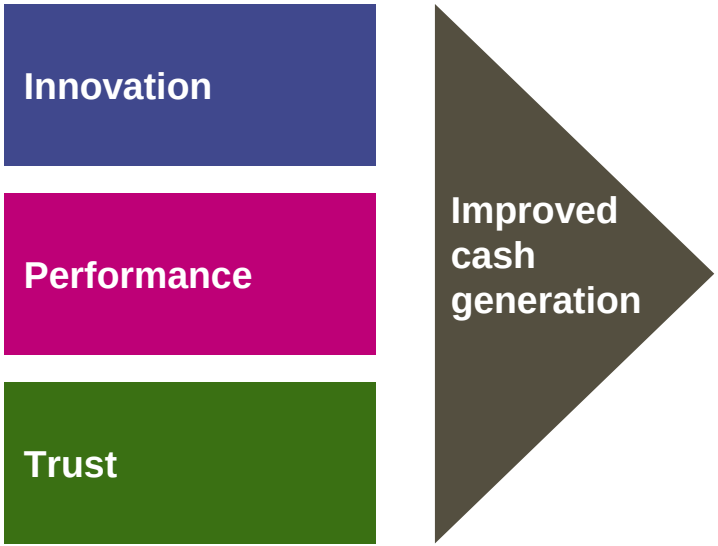
Performance

- Re-allocation of resources to key priorities
- Fuelled by cost, cash and capital discipline
- Building the right teams

Trust

- Strengthen quality of medical engagement
- Focused global health
- Improved employee engagement

Capital allocation framework



Key priorities for capital

Invest in the business	1. Pharma pipeline including BD 2. Consumer put 3. Vaccines capacity
Shareholder returns	- 80p per share expected for 2018 - Focus on rebuilding free cash flow cover over time - Target 1.25x to 1.5x FCF cover before returning to dividend growth
Other BD/ M&A	- Strict discipline on returns

Confident in outlook

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