

Connecting...

Mission

Our global quest is to improve the quality of human life by enabling people to do more, feel better and live longer.

Our Spirit

We undertake our quest with the enthusiasm of **entrepreneurs**, excited by the constant search for **innovation**. We value **performance** achieved with **integrity**. We will attain success as a world class global leader with each and every one of our people contributing with **passion** and an unmatched **sense of urgency**.

Strategic Intent

We want to become the indisputable leader in our industry.



GlaxoSmithKline plc is an English public limited company. Its shares are listed on the London Stock Exchange and the New York Stock Exchange.

GlaxoSmithKline plc acquired Glaxo Wellcome plc and SmithKline Beecham plc on 27th December 2000 by way of a scheme of arrangement for the merger of the two companies which became effective on 27th December 2000.

This report is the Annual Report of GlaxoSmithKline plc for the year ended 31st December 2001. It comprises in a single document the Annual Report of the company in accordance with United Kingdom requirements and the Annual Report on Form 20-F to the Securities and Exchange Commission in the United States of America.

A summary report on the year, the Annual Review 2001, intended for the investor not needing the full detail of the Annual Report, is produced as a separate document. The Annual Review includes the joint statement by the Chairman and Chief Executive Officer, a summary review of operations, summary financial statements and a summary remuneration report.

The Annual Review is issued to all shareholders. The Annual Report is issued to shareholders who have elected to receive it. Both documents are available on GlaxoSmithKline's web site – visit "Corporate Home" at www.gsk.com.

GlaxoSmithKline plc

Annual Report

for the year ended 31st December 2001



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The Annual Report was approved by the Board of Directors on 12th March 2002 and published on 28th March 2002.

Financial summary

Business performance	2001	2000	Increase	
	£m	£m	CER%	£%
Sales	20,489	18,079	11	13
Trading profit	6,053	5,026	16	20
Profit before taxation	6,169	5,327	12	16
Earnings/Net income	4,391	3,697	14	19
Earnings per share	72.4p	61.0p	14	19

Total results

Profit before taxation	4,517	6,029
Earnings/Net income	3,059	4,154
Earnings per share	50.4p	68.5p

Business performance, which is the primary performance measure used by management, is presented after excluding merger items, integration and restructuring costs and the disposal of subsidiaries. Management believes that exclusion of these non-recurring items provides a better comparison of business performance for the periods presented. Accordingly, this information is provided as a supplement to that included in the consolidated statement of profit and loss on pages 68 and 69 prepared in accordance with UK GAAP. Total results include these non-recurring items.

CER% represents growth at constant exchange rates. £% represents growth at actual exchange rates.

Financial highlights

- Pharmaceutical sales up 12 per cent (excluding divested products):
 - Strong growth in all regions: USA 16 per cent; Europe seven per cent; Rest of World 10 per cent
 - Strong growth in key therapy areas: Central nervous system 16 per cent; Respiratory 24 per cent; HIV/AIDS 14 per cent
 - New products up 48 per cent to £3.7 billion representing 22 per cent of total pharmaceutical sales
 - Seretide/Advair* achieved sales of £850 million; *Advair* launch – one of the most successful ever in the US pharmaceutical industry.
- Active in-licensing programme delivered 10 new products into clinical development.
- 2001 merger and manufacturing cost savings of over £750 million achieved.
- £4 billion share buy-back programme – £2 billion share purchases completed.
- Strong business performance EPS growth – up 19 per cent (14 per cent CER).

Shareholder return

	2001	2000
Dividends per GlaxoSmithKline share	39.0p	
former Glaxo Wellcome shareholder	–	38.0p
former SmithKline Beecham shareholder	–	29.7p

2000 dividends represent dividends paid to Glaxo Wellcome and SmithKline Beecham shareholders expressed as dividends per GlaxoSmithKline share.

Cautionary statement regarding forward-looking statements

The Group's reports filed with the US Securities and Exchange Commission (the Commission), including this document and written information released, or oral statements made, to the public in the future by or on behalf of the Group may contain, forward-looking statements. Forward-looking statements give the Group's current expectations or forecasts of future events. An investor can identify these statements by the fact that they do not relate strictly to historical or current facts. They use words such as 'anticipate', 'estimate', 'expect', 'intend', 'will', 'project', 'plan', 'believe', and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. In particular, these include statements relating to future actions, prospective products or product approvals, future performance or results of current and anticipated products, sales efforts, expenses, the outcome of contingencies such as legal proceedings, and financial results. The Group undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Forward-looking statements involve inherent risks and uncertainties. The Group cautions investors that a number of important factors including those in this document could cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, but are not limited to, those discussed under 'Risk factors' on pages 56 and 57 of this Annual Report.

Joint statement by the Chairman and the Chief Executive Officer



Successful first year for GlaxoSmithKline

Our first year as a merged company was completed successfully, connecting over 100,000 employees together in what is now the world's second largest pharmaceutical company, the largest pharmaceutical company in Europe and one of the fastest growing pharmaceutical companies in the key US market.

In line with our commitment to shareholders, we are pleased to report that we delivered business performance earnings per share growth for 2001 of 19 per cent, or 14 per cent at constant exchange rates.

Our confidence in the continued performance of our company has led us to expect business performance earnings per share growth in the mid-teens in 2002 and low-teens or better in 2003. This guidance assumes that GlaxoSmithKline successfully defends its intellectual property surrounding *Augmentin* and *Paxil* in the USA.

Delivering merger benefits

When we announced the merger, we informed shareholders that we expected to create a company with significant financial strength, enhanced marketing power and improved R&D productivity. We have made great progress during 2001 in turning these expectations into reality.

GlaxoSmithKline is in strong financial shape. In 2001, business performance profit before tax was up 12 per cent at constant exchange rates to £6.2 billion while net operating cashflow was £6.5 billion, nearly £1.1 billion more than the previous year. We also achieved merger and manufacturing restructuring savings in excess of £750 million. During the year we increased our estimate of the annual savings from the merger by £200 million and we remain on track to deliver total annual merger and manufacturing restructuring savings of £1.8 billion by 2003.

This financial strength has enabled us to announce in 2001 a £4 billion share buy-back programme which at the year end was half way towards completion. The Group has the financial power to undertake this programme whilst retaining the flexibility to consider other investment opportunities that may arise.

At the same time, the enhanced marketing power made possible through our combined salesforces has given us the size, quality and flexibility to achieve a rapid uptake and acceptance of GlaxoSmithKline's products. For example, *Seretide/Advair*, our newest asthma treatment, has enjoyed remarkable success around the world. It is now our fourth largest product globally and is number one in Europe, achieving £850 million in worldwide sales in 2001. In the USA, the *Advair* launch was one of the most successful ever in the US pharmaceutical industry.

The merger has helped to position GlaxoSmithKline – with our marketing power and development expertise – as the partner of choice for companies seeking a large pharmaceutical company to maximise the value of their new products. Our active in-licensing programme during 2001 delivered ten new products into clinical development. These agreements include exciting compounds such as vardenafil for erectile dysfunction, which we expect to launch with our partner Bayer in 2002. Further innovative agreements will provide access to the pipelines of two of the largest pharmaceutical companies in Japan, Shionogi and Tanabe.

We have reorganised and rejuvenated the entire R&D organisation, taking advantage of our size while still maintaining flexibility and efficiency through smaller, entrepreneurial Centres of Excellence for Drug Discovery (CEDDs). The current R&D expenditure of £2.6 billion is one of the largest in the industry and the merger will also enable us to save and reinvest a further £250 million in R&D by 2003.

It was disappointing to lose tranilast, for the prevention of restenosis, and compound '570' for the treatment of diabetes, from the phase III pipeline in 2001.

We currently have one of the strongest early-stage pipelines in the industry with 118 projects in clinical development, including 56 new chemical entities, 21 new vaccines and 41 line extensions.

Our discovery and development programme, together with our in-licensing activities, has given GlaxoSmithKline a strong start in achieving our ambition to build one of the best pipelines in the industry by 2005.

Block Drug has been successfully integrated into our Consumer Healthcare business which achieved sales of £3.3 billion last year. This acquisition added *Sensodyne*, *Polident* and *Poligrip* to our Oral care business and a number of significant brands to our over-the-counter medicines. As a result of the acquisition, GlaxoSmithKline has become the number two company globally in oral care and further critical mass has been added in the USA, Europe and the Rest of the World.

Positioned for success

As we begin our second year as GlaxoSmithKline, the company is in excellent shape and we are well positioned to realise continued future success. Our strong portfolio is built on six core products of over \$1 billion in global sales: *Seroxat/Paxil* for depression, *Augmentin*, an antibiotic, *Flixotide/Flovent* for asthma, *Seretide/Advair* for asthma, *Imigran/Imitrex* for migraine and *Avandia* for diabetes.

New products represent 22 per cent of total pharmaceutical sales and grew at 48 per cent at constant exchange rates to over £3.7 billion in 2001. GlaxoSmithKline is the global leader in three key therapy areas, anti-infectives, respiratory and central nervous system products.

We expect several new product indications will further contribute to future growth. In 2001, we received US approval of *Seroxat/Paxil* indications for generalised anxiety disorder and post-traumatic stress disorder, *Coreg* for severe heart failure, *Augmentin ES* for ear infections in children, and *Twinrix*, the first combination hepatitis A and B vaccine. In January 2002, a US FDA Advisory Committee recommended approval of *Seretide/Advair* for the treatment of chronic obstructive pulmonary disease (COPD) associated with bronchitis.

GlaxoSmithKline is planning to make several key regulatory filings in 2002: compound '908' for HIV, *Ariflo* for COPD, ibandronate for post-menopausal osteoporosis, which will be filed with our development partner Roche, *Lamictal* for bipolar disorder and *Wellbutrin XL* for depression.

GlaxoSmithKline is involved in legal challenges in the USA and Europe regarding infringement of its patents relating to some of its major products. We will continue to defend our intellectual property rights in these and other countries.

Commitment to communities

The Group is delivering on its commitment to support communities globally. During 2001, GlaxoSmithKline continued to play an international leadership role for increasing access to HIV/AIDS treatments in developing countries. We maintained our commitment to reduce prices to governments through the United Nations AIDS Accelerating Access Initiative which we announced in May 2000. We outlined the full range of our activities to improve the quality of healthcare in developing countries in a publication called 'Facing the Challenge'. This included extending our preferential pricing to more products, countries and customers, including global funds. All our anti-retrovirals and anti-malarials are now offered at fixed, not-for-profit prices to public sector customers and non-profit organisations in the least developed countries and sub-Saharan Africa.

Additionally, because of the gravity of the HIV/AIDS problem in sub-Saharan Africa, we offer these preferential prices for anti-retrovirals to employers who provide HIV/AIDS treatment to their staff through workplace clinics.

We have also reconfirmed our commitment to a global programme to eliminate lymphatic filariasis with what will become the industry's largest donation programme. In addition to drug donation, GlaxoSmithKline provides an extensive programme of support to other partners working to prevent this disfiguring tropical disease.

The company also recognises that, even in the USA, some of the poorest citizens may not be able to afford the medicines they need. GlaxoSmithKline took a leadership position and launched the *Orange Card* programme in January 2002 to help people on low incomes who do not have public or private prescription drug coverage.

These programmes reflect our fundamental commitment to improving the quality of life for patients across the globe and connecting with the needs of those communities where our employees live and work.

In May 2002 we will publish a review of GlaxoSmithKline's commitment to society entitled 'Performance with Integrity' which will incorporate information about the most pressing social and environmental issues that are core to our business.

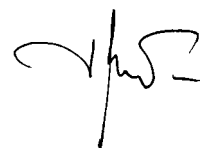
Acknowledgements

We want to thank our Board members and our employees for their support during this first year of our newly merged company. In particular, we would like to thank Sir Peter Walters and Mr John Young, who will retire as Non-Executive Directors of GlaxoSmithKline at the conclusion of the company's Annual General Meeting in May for the invaluable service they have given to the Boards of both SmithKline Beecham and GlaxoSmithKline.

On behalf of the Board and the Corporate Executive Team, we also thank our shareholders for their support of our company. We hope you are as proud of our people and their achievements as we are and that you share our enthusiasm for the tremendous future prospects of GlaxoSmithKline.



Sir Richard Sykes
Chairman



J P Garnier
Chief Executive Officer

A message from Sir Richard Sykes

You will have seen the recent announcement that I have decided to retire from the Board of Directors with effect from this year's Annual General Meeting on 20th May. At that time, Sir Christopher Hogg, currently a Non-Executive Director of GlaxoSmithKline, will become Chairman.

I feel now is the right time to depart having overseen the successful merger of GlaxoSmithKline and as I approach my 60th birthday in August. I wish to devote my time and energy to my role as Rector of Imperial College and leave GlaxoSmithKline in great shape for the future.

I would like to record my thanks to the company's employees for all their dedication and hard work and also to thank shareholders for their support over many years.

A message from J P Garnier

On behalf of the Board, I would like to pay tribute to Sir Richard, who has made a tremendous contribution to Glaxo, Glaxo Wellcome and GlaxoSmithKline. He is a strong and committed ambassador for the pharmaceutical industry and a great champion of the UK science base. I wish him well for the future. At the same time, we welcome Sir Christopher as our new Chairman and look forward to benefiting from his wide-ranging experience and knowledge.

Description of business

The Description of business discusses the activities, the resources and the operating environment of the business and identifies developments and achievements in 2001, under the following headings:

The business

- 06 History and development of the company
- 07 Products

Operating environment

- 10 Competition
- 11 Regulation

Operating activities

- 12 Marketing and distribution
- 12 Manufacture and supply
- 13 Research and development

Operating resources

- 22 Intellectual property
- 23 Information technology
- 23 GlaxoSmithKline people
- 24 Property, plant and equipment

The business and the community

- 25 Performance with integrity
- 25 Environmental responsibility
- 26 Access to medicines in the developing world
- 26 Global community partnerships and corporate donations

Discussion of the Group's management structures and corporate governance procedures is set out in Corporate governance (pages 29 to 34).

The Remuneration report gives details of the Group's policies on Directors' remuneration and the amounts earned by Directors and senior management in 2001 (pages 35 to 42).

Discussion of the Group's operating and financial performance and financial resources is given in the Operating and financial review and prospects (pages 43 to 64).

In this report: 'GlaxoSmithKline' or the 'Group' means GlaxoSmithKline plc and its subsidiary undertakings and the 'company' means GlaxoSmithKline plc; 'GlaxoSmithKline share' means an Ordinary Share of GlaxoSmithKline plc of 25p.

Throughout this report, figures quoted for market size, market share and market growth rates relate to the 12 months ended 30th September 2001 (or later where available). These are GlaxoSmithKline estimates based on the most recent data from independent external sources, valued in sterling at relevant exchange rates. Figures quoted for product market share reflect sales by GlaxoSmithKline and licensees.

Brand names appearing in italics throughout this report are trade marks of GlaxoSmithKline plc, its subsidiaries or associated companies, with the exception of *Baycol* a trade mark of Bayer AG, *Bexxar*, a trade mark of Corixa Corporation, Inc, *Coreg*, a trade mark of Roche Laboratories, Inc, *Factive*, a trade mark of LG Chemical, Ltd, *Natrecor* a trade mark of Scios Inc, *Navelbine*, a trade mark of Pierre Fabre Médicament and *Nicoderm*, a trade mark of Aventis SA, all of which are used under licence by the Group.

The business

History and development of the company

GlaxoSmithKline plc, and its subsidiary and associated undertakings, constitute a major global healthcare group engaged in the creation and discovery, development, manufacture and marketing of pharmaceutical and consumer health-related products.

GlaxoSmithKline has its corporate head office in the London area at:

980 Great West Road
Brentford
Middlesex TW8 9GS
England
Tel: 020 8047 5000

GlaxoSmithKline also has operational headquarters in Philadelphia, PA and Research Triangle Park, NC, USA, and operating companies in some 70 countries, with products sold in over 140 countries. The principal research and development (R&D) facilities are in the UK, USA, Japan, Italy and Belgium and products are currently manufactured in some 40 countries.

The major markets for the Group's products are the USA, Japan, the UK, France, Germany and Italy.

GlaxoSmithKline plc is a public limited company incorporated on 6th December 1999 under English law. On 27th December 2000 the company acquired Glaxo Wellcome plc and SmithKline Beecham plc, both English public limited companies, by way of a scheme of arrangement for the merger of the two companies. Both Glaxo Wellcome and SmithKline Beecham were major global healthcare businesses.

On 1st October 2001 Glaxo Wellcome plc changed its name to GlaxoSmithKline Services plc. Historical references to Glaxo Wellcome plc in this document have not been changed.

Business segments

GlaxoSmithKline operates principally in two industry segments:

- Pharmaceuticals (prescription pharmaceuticals and vaccines)
- Consumer Healthcare (over-the-counter medicines, oral care and nutritional healthcare).

Products – Pharmaceuticals

Therapeutic area	Trade mark	Compound	Mechanism	Indication (may vary by country)
CNS disorders	<i>Seroxat/Paxil</i>	paroxetine	selective serotonin re-uptake inhibitor	depression, panic, anxiety
	<i>Wellbutrin</i>	bupropion	noradrenaline re-uptake inhibitor	depression
	<i>Imigran/Imitrex</i>	sumatriptan	5HT ₁ agonist	migraine, cluster headache
	<i>Naramig/Amerge</i>	naratriptan	5HT ₁ agonist	migraine
	<i>Lamictal</i>	lamotrigine	sodium channel modulator	epilepsy
	<i>Requip</i>	ropinirole	dopamine D2 agonist	Parkinson's disease
Respiratory	<i>Zyban</i>	bupropion SR	noradrenaline re-uptake inhibitor	smoking addiction
	<i>Flixotide/Flovent</i>	fluticasone propionate	inhaled anti-inflammatory	asthma, bronchial conditions
	<i>Serevent</i>	salmeterol xinafoate	bronchodilator	bronchial asthma, bronchitis
	<i>Seretide/Advair</i>	salmeterol and fluticasone propionate	bronchodilator/anti-inflammatory	asthma
	<i>Flixonase/Flonase</i>	fluticasone propionate	intranasal anti-inflammatory	hayfever, perennial rhinitis
	<i>Ventolin</i>	salbutamol/albuterol	bronchodilator	bronchial asthma, bronchitis
Anti-bacterials /anti malarials	<i>Becotide/Beclovent</i>	beclomethasone dipropionate	inhaled anti-inflammatory	bronchial asthma, bronchitis
	<i>Beconase</i>	beclomethasone dipropionate	intranasal anti-inflammatory	hayfever, perennial rhinitis
	<i>Augmentin</i>	amoxicillin/ clavulanate potassium	broad spectrum oral/injectable antibiotic	common infections
	<i>Zinnat/Ceftin</i>	cefuroxime axetil	oral antibiotic	common infections
	<i>Fortum/Fortaz</i>	ceftazidime	injectable antibiotic	severe, life threatening infections
	<i>Amoxil</i>	amoxicillin	broad spectrum oral/injectable antibiotic	common infections
Anti-virals	<i>Malarone</i>	atovaquone/proguanil	electron transport system inhibitor	treatment and prophylaxis of malaria
	<i>Zinacef</i>	cefuroxime	injectable antibiotic	surgical infections
	<i>Trizivir</i>	lamivudine, zidovudine and abacavir	reverse transcriptase inhibitor	HIV/AIDS
	<i>Combivir/Biovir</i>	lamivudine and zidovudine	reverse transcriptase inhibitor	HIV/AIDS
	<i>Epivir/3TC</i>	lamivudine	reverse transcriptase inhibitor	HIV/AIDS
	<i>Retrovir/AZT</i>	zidovudine	reverse transcriptase inhibitor	HIV/AIDS
Metabolic and gastro-intestinal	<i>Ziagen</i>	abacavir	reverse transcriptase inhibitor	HIV/AIDS
	<i>Agenerase</i>	amprenavir	protease inhibitor	HIV/AIDS
	<i>Valtrex/Zelitrex</i>	valaciclovir	DNA polymerase inhibitor	shingles, genital herpes
	<i>Zovirax</i>	aciclovir	DNA polymerase inhibitor	herpes infections, shingles, chicken pox, cold sores
	<i>Zeffix/Heptavir/ Heptodin/Epivir HBV</i>	lamivudine	reverse transcriptase inhibitor	chronic hepatitis B infection
	<i>Relenza</i>	zanamivir	neuraminidase inhibitor	influenza treatment
Vaccines	<i>Avandia</i>	rosiglitazone	PPAR-gamma agonist	type 2 diabetes
	<i>Zantac</i>	ranitidine hydrochloride	anti-secretory	duodenal ulcers, stomach ulcers, reflux and dyspepsia
Oncology and emesis	<i>Havrix</i>			hepatitis A
	<i>Engerix-B</i>			hepatitis B
Cardiovascular	<i>Twinrix</i>			hepatitis A and B
	<i>Infanrix</i>			diphtheria, tetanus, acellular pertussis
Arthritis	<i>Zofran</i>	ondansetron	5HT ₃ receptor antagonist	nausea and vomiting from cancer therapy
	<i>Hycamtin</i>	topotecan	topoisomerase 1 inhibitor	ovarian cancer, small cell lung cancer
Cardiovascular	<i>Navelbine</i>	vinorelbine	cytotoxic	non-small cell lung cancer, breast cancer
	<i>Coreg</i>	carvedilol	alpha/beta blocker	congestive heart failure
Cardiovascular	<i>Lanoxin</i>	digoxin	cardiac anti-arrhythmic	congestive heart failure, cardiac arrhythmia
	<i>Flolan</i>	epoprostenol	inhibitor of blood clotting	primary pulmonary hypertension
Cardiovascular	<i>Lacipil</i>	lacidipine	calcium channel blocker	hypertension
	<i>Pritor</i>	telmisartan	angiotensin II antagonist	hypertension
Arthritis	<i>Relafen</i>	nabumetone	non steroidal anti-inflammatory	osteoarthritis and rheumatoid arthritis

Products – Pharmaceuticals (by therapeutic area)

GlaxoSmithKline's principal pharmaceutical products are presently directed to 10 major therapeutic areas. An analysis of sales by these therapeutic areas, and a description of the principal products, are set out below:

Sales by therapeutic area	2001 £m	2000 £m	1999 £m
Central nervous system	4,007	3,279	2,720
Respiratory	3,537	2,789	2,382
Anti-bacterials	2,604	2,472	2,383
Anti-virals	2,128	1,899	1,610
Metabolic and gastro-intestinal	1,480	1,232	886
Vaccines	948	842	776
Oncology and emesis	838	710	613
Cardiovascular	591	463	449
Arthritis	156	210	275
Others	916	1,086	1,096
Divested products	–	447	428
	17,205	15,429	13,618

Central nervous system (CNS) disorders

Seroxat/Paxil is a selective serotonin re-uptake inhibitor (SSRI) approved for depression, panic, obsessive compulsive disorder and social anxiety disorder. Approval was received in 2001 for post traumatic stress disorder and generalised anxiety disorder in the USA, UK and some European markets.

Wellbutrin is also an anti-depressant, available in the USA in normal or sustained release tablet formulations.

Imigran/Imitrex is a 5HT₁ receptor agonist used for the treatment of severe or frequent migraine and cluster headache, and has become the reference product in this sector. *Naramig/Amerge* is the Group's newer migraine product.

Lamictal is a treatment for epilepsy. Used alone or in combination with other products, it has achieved penetration of this mature market through successful treatment of severe cases.

Requip is a specific dopamine D2-like receptor for the treatment of Parkinson's disease.

Zyban is a novel, nicotine-free prescription medicine, available as a sustained-release tablet, for treating the problem of smoking addiction.

Respiratory

Serevent is a long-acting bronchodilator, and *Ventolin* a selective short-acting bronchodilator, both for the treatment of asthma.

Flixotide/Flovent and *Becotide/Beclovent* are inhaled steroids for the treatment of inflammation associated with bronchial asthma and chronic bronchitis.

Seretide/Advair, a combination of *Serevent* and *Flixotide*, offers a long-acting bronchodilator and an anti-inflammatory in a single inhaler.

Flixonase/Flonase and *Beconase* are intra-nasal preparations for the treatment of perennial and seasonal rhinitis.

The Group's respiratory products are now available in a wide choice of delivery systems, including the *Diskus/Accuhaler*, a dry powder multi-dose inhaler.

Anti-bacterials and anti-malarials

Augmentin is a broad-spectrum antibiotic suitable for the treatment of a wide range of common bacterial infections, and is particularly effective against respiratory tract infections. New *Augmentin ES-600* is an extra strength suspension specifically designed to treat children with recurrent or persistent middle ear infections.

Zinnat is an oral antibiotic used primarily for community-acquired infections of the lower respiratory tract. *Fortum* and *Zinacef* are used in the hospital-based injectable antibiotics market.

Malarone is an oral anti-malarial used for the treatment and prophylaxis of malaria caused by *Plasmodium falciparum*.

Anti-virals

Combivir, a combination of *Retrovir* and *Epivir*, has consolidated the position of these two reverse transcriptase inhibitors as the cornerstone of many multiple anti-HIV product regimens. Physician acceptance has clearly demonstrated the value placed on minimising the 'pill burden' faced by patients.

Ziagen is the Group's new reverse transcriptase inhibitor. The product's potency, ease of use and resistance profile will allow it to play a significant role in a variety of highly active, well tolerated, and simplified HIV treatment regimens.

Trizivir is a combination of *Combivir* and *Ziagen*, combining three anti-HIV therapies in one tablet, for twice daily administration.

Agenerase is a new protease inhibitor for the treatment of HIV, the first medicine of this class to be brought to the market by GlaxoSmithKline. *Agenerase* has a twice daily dosing regimen and no significant food or drink restrictions.

Zeffix has been approved for marketing in the USA, Europe, China and other markets for the treatment of chronic hepatitis B.

Zovirax is used for the treatment of herpes infections such as chicken pox, genital herpes, shingles and cold sores. The newer anti-herpes compound, *Valtrex*, reinforces the Group's presence in this market as a treatment for zoster and the episodic and long-term suppression of genital herpes.

Metabolic and gastro-intestinal

Avandia is a potent insulin sensitising agent which acts on the underlying pathophysiology of type 2 diabetes.

Zantac, for the treatment of peptic ulcer disease and a range of gastric acid related disorders, continues to play a major role in treatment in a number of markets, even where patent protection has been lost. *Pylorid/Tritec* is used, in combination with antibiotics, for the eradication of *helicobacter pylori*, a causative agent in ulcers.