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IMPORTANT INFORMATION FOR READERS OF THIS REPORT

Cautionary statement regarding forward-looking statements

The purpose of this Annual Report and Form 20-F Information is to provide information to the members of the Company. In order, among other things, to utilise the 'safe harbour' provisions of the US Private Securities Litigation Reform Act 1995 and the UK Companies Act 2006, we are providing the following cautionary statement: This Annual Report and Form 20-F Information 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 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 the preparation of this Annual Report and Form 20-F Information and the Company 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, those factors identified in the Principal Risks and Uncertainties section on pages 74 to 82 of this document. Nothing in this Annual Report and Form 20-F Information should be construed as a profit forecast.

Inclusion of reported, constant exchange rate and core financial measures

Throughout the Directors' Report and in the Financial Highlights section on page 2 and 3 the following measures are referred to:

> Reported performance. Reported performance takes into account all the factors (including those which we cannot influence, principally currency exchange rates) that have affected the results of our business as reflected in our Group Financial Statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union and as issued by the International Accounting Standards Board.

> Core financial measures. This is a non-GAAP measure because unlike reported performance it cannot be derived directly from the information in the Group's Financial Statements. This measure is adjusted to exclude certain significant items, such as charges

and provisions related to restructuring and synergy programmes, amortisation and the impairment of the significant intangibles arising from corporate acquisitions and those related to our current and future exit arrangements with Merck in the US, and other specified items. A reconciliation between reported performance and core performance is provided on page 34.

> Constant exchange rate (CER) growth rates. This is also a non-GAAP measure. This measure removes the effects of currency movements (by retranslating the current year's performance at previous years' exchange rates and adjusting for other exchange effects, including hedging). A reconciliation of reported results adjusted for the impact of currency movements is provided on page 33.

Throughout this Annual Report and Form 20-F Information, growth rates are expressed at CER unless otherwise stated.

Statements of competitive position, growth rates and sales

In this Annual Report and Form 20-F Information, except as otherwise stated, market information regarding the position of our business or products relative to its or their competition is based upon published statistical sales data for the 12 months ended 30 September 2008 obtained from IMS Health, a leading supplier of statistical data to the pharmaceutical industry. For the US, dispensed new or total prescription data are taken from the IMS Health National Prescription Audit for the 12 months ended 31 December 2008. Except as otherwise stated, these market share and industry data from IMS Health have been derived by comparing our sales revenue to competitors' and total market sales revenues for that period. Except as otherwise stated, growth rates and sales are given at constant exchange rates. For the purposes of this Annual Report and Form 20-F Information, unless otherwise stated references to the world pharmaceutical market or similar phrases are to 52 countries contained in IMS Health MIDAS Quantum database, which amounted to approximately 95% (in value) of the countries audited by IMS.

AstraZeneca websites

Information on or accessible through our websites, including astrazeneca.com, astrazenecaclinicaltrials.com, medimmune.com and cambridgeantibody.com, does not form part of this document.

External/third party websites

Information on or accessible through any third party or external website does not form part of this document.

ASTRAZENECA IS ONE OF THE WORLD'S LEADING PHARMACEUTICAL COMPANIES WITH A BROAD RANGE OF MEDICINES DESIGNED TO FIGHT DISEASE IN IMPORTANT AREAS OF HEALTHCARE. BACKED BY STRONG SCIENCE AND WIDE-RANGING COMMERCIAL SKILLS,

WE ARE COMMITTED TO THE SUSTAINABLE DEVELOPMENT OF OUR BUSINESS AND THE DELIVERY OF A FLOW OF NEW MEDICINES THAT BRING BENEFIT FOR PATIENTS AND CREATE ENDURING VALUE FOR OUR SHAREHOLDERS AND SOCIETY.

FINANCIAL HIGHLIGHTS

SALES $M

		GROWTH
08	31,601	+3%
07	29,559	+7%
06	26,475	+11%

OPERATING PROFIT $M

		GROWTH
Core 08	10,958	+9%
Reported 08	9,144	+4%
Reported 07	8,094	-4%
Reported 06	8,216	+28%

CORE EARNINGS PER ORDINARY SHARE $

		GROWTH
08	5.10	+8%
07	4.38	+10%
06	3.92	+33%

DISTRIBUTIONS TO SHAREHOLDERS: DIVIDENDS AND SHARE RE-PURCHASES $M

● DIVIDENDS ○ SHARE RE-PURCHASES

08	2,739	610
07	2,641	4,170
06	2,220	4,147

DIVIDEND FOR 2008

	$	Pence	SEK	Payment date
First interim dividend	0.55	27.8	3.34	15 September 2008
Second interim dividend	1.50	104.8	12.02	16 March 2009
Total	2.05	132.6	15.36	

PRODUCT PERFORMANCE SUMMARY $M

NEXIUM -2%

08	5,200
07	5,216
06	5,182

SEROQUEL +9%

08	4,452
07	4,027
06	3,416

CRESTOR +26%

08	3,597
07	2,796
06	2,028

PULMICORT +0%

08	1,495
07	1,454
06	1,292

ATACAND +10%

08	1,471
07	1,287
06	1,110

CASODEX -12%

08	1,258
07	1,335
06	1,206

LOSEC/PRILOSEC -14%

08	1,055
07	1,143
06	1,371

MERREM +13%

08	897
07	773
06	604

SELOKEN/TOPROL-XL -46%

08	807
07	1,438
06	1,795

REPORTED BASIC EARNINGS PER ORDINARY SHARE $

		GROWTH
08	4.20	+2%
07	3.74	-5%
06	3.86	+34%

NET CASH FLOW FROM OPERATING ACTIVITIES $M

08	8,742
07	7,510
06	7,693

SYMBICORT +22%

08	2,004
07	1,575
06	1,184

ARIMIDEX +4%

08	1,857
07	1,730
06	1,508

SYNAGIS[1] n/m

08	1,230
07	618

ZOLADEX -3%

08	1,138
07	1,104
06	1,008

FLUMIST[1] n/m

08	104
07	53

[1] Acquired in June 2007.

2008 IN BRIEF

> Sales up 3% to $31,601 million.

> *Crestor* sales up 26% to $3,597 million; *Symbicort* up 22% to $2,004 million; *Seroquel* up 9% to $4,452 million; and *Arimidex* up 4% to $1,857 million. *Nexium* sales down 2% to $5,200 million.

> Our product portfolio now includes 11 medicines with annual sales of more than $1 billion each.

> Sales in Emerging Markets reached $4,273 million for the full year, up 16%.

> Investment in R&D in line with 2007 at $5.2 billion.

> Core operating profit up 9% to $10,958 million.

> Core operating margin improved to 34.7% of sales on operational efficiencies in all functional areas.

> Core EPS for the full year increased by 8% to $5.10.

> Reported EPS for the full year increased by 2%, reflecting higher intangible asset impairments and a full year of MedImmune amortisation compared with 2007.

> Dividend up 10% to $2.05 for the full year.

> Cash distributions to shareholders totalled $3,349 million (dividends $2,739 million; share re-purchases $610 million).

> Net debt reduced by $1.9 billion on strong cash performance and investment discipline.

> Eight significant regulatory life-cycle management submissions; two product submissions. Phase III pipeline volume remains constant. Phase II pipeline increased by over 50%. Nominated 32 FGLPs and exceeded our target for progressing these into man.

> New initiatives extend the scope of restructuring programme to sustain long-term competitiveness.

> 35 significant business development transactions including extensions of existing agreements.

> Summary Judgment Motion granted to AstraZeneca in the patent infringement actions commenced against two generic drug manufacturers in the US following abbreviated new drug applications relating to *Seroquel*.

> Settlement of US *Nexium* patent litigation with enforceability of disputed *Nexium* patents conceded. Other patent litigation continuing in the US against generic manufacturers following abbreviated new drug applications relating to *Nexium*.

> New Code of Conduct launched in over 40 languages and all employees trained.

Growth rates expressed above are CER growth rates.

DOCKET ALARM

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts

Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research

With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips

Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS
Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS
Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS
Sync your system to PACER to automate legal marketing.