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ASTRAZENECA'S COMMERCIAL STRENGTH AND EXCELLENT PIPELINE TO DRIVE GROWTH AND ENSURE SUCCESS IN COMING YEARS

AstraZeneca today presents a business update to a meeting of analysts in London.

Business performance over the past year has been robust and will deliver the expected year-end targets. Investment made in sales and marketing has paid dividends with the successful launches of Nexium and Symbicort. Established products such as beta-blockers and respiratory treatments continue to grow strongly with combined year on year sales of \$2.7 billion, growing at 15 per cent per annum. Key growth products Arimidex, Atacand, Casodex, Seroquel and Zomig have now reached annualised sales of more than \$2 billion (MAT Q3). These performances demonstrate AstraZeneca's commercial strength in major pharmaceutical markets, and provide a powerful commercial platform to deliver the value of its promising portfolio of new medicines including Crestor, Iressa and Exanta.

Commercial Strength

- **Product portfolio** addresses 60 per cent of the pharmaceutical market – a segment forecast to be worth \$292 billion in 2005
- **Nexium** launched in 38 countries (over 16 per cent weekly new prescription market share in the US)
- **Symbicort** launched in 23 countries (23 per cent market share in units in France after nine weeks)
- **Sales force** in the US ranked third in industry; sales force in the top eight countries in Europe increased by more than 800 permanent representatives
- Leading positions in **sales in Europe**: Gastrointestinal (1), Oncology (1), Respiratory (2), Cardiovascular (3)
- In **Japan**, AstraZeneca, with 15 per cent sales growth this year, is the second fastest growing company and is expected to maintain double-digit growth

Pipeline Progress

- AstraZeneca's statin, **Crestor**, on track for launch 2H 2002 with highly competitive profile and impressive reduction in LDL-cholesterol
- **Iressa** - monotherapy indication for non small-cell lung cancer - NDA and JNDA on track for submission by year-end 2001, EU filing Q2 2002; combination filing Q2 2002 (EU/US)

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- **Exanta**, the oral anticoagulant - major indications on track - filing for first indication in prevention of venous thromboembolism (VTE) expected Q3 2002 (EU)/ Q2 2003 (US); stroke prevention filing expected Q2 2003 (EU/US)
- **Faslodex** for second line treatment of breast cancer - launch planned for 1H 2002
- **Casodex** - approval for early prostate cancer in nine countries; sNDA on track for submission by year-end 2001
- **Pulmicort** - product launch planned for Q1 2002 in Japan
- **Arimidex** - adjuvant breast cancer filing Q1 2002 (EU/US)
- **Symbicort** - chronic obstructive pulmonary disease (COPD) filing Q1 2002 (EU)
- Line extensions and new indications underpin growth of all products
- **R&D pipeline** updated

Tom McKillop, Chief Executive Officer, said: "Investment in building our commercial strength over the last two to three years has made a significant contribution to the outstanding success of this year's launches of Nexium and Symbicort and to the continued good progress of growth products Arimidex, Atacand, Casodex, Seroquel and Zomig.

"I am confident our excellent product portfolio and commercial strength will drive growth and ensure the success of AstraZeneca in the coming years."

To access the full presentations given today at AstraZeneca's Business Day or to view a live web cast, please visit:
www.astrazeneca.com/Investors/Annual_Business_Review.htm

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Annual Business Review Highlights:

Portfolio Update – Managing the Portfolio to Create Value

John Patterson, Executive Vice President, Product, Strategy and Licensing, reported the strength of AstraZeneca's current and future product portfolio, designed to meet the needs of its customer base, which covers primary care physicians and hospital and office-based specialists, including oncologists. AstraZeneca's impressive portfolio of marketed and pipeline products addresses 60 per cent of the total pharmaceutical market, a segment forecast to be worth \$292 billion in 2005, and has the potential to ensure the growth and success of the company in the coming years.

The Primary Care Portfolio

The successful global introduction of Nexium for the treatment of acid-related disorders will enable AstraZeneca to maintain its leading position in the important and growing GI market. Supported by an active life cycle management programme, Nexium will provide a long-term source of growth in this key area. The ongoing development programme for Nexium will target a new parenteral formulation and new indications for NSAID and COX2-induced upper GI disorders and dyspepsia. The company is also investigating innovative therapeutic areas for Nexium including extra-esophageal reflux disease (EERD), also known as "acid asthma." To further differentiate Nexium in the marketplace, additional comparative trials against its competitors are planned.

The respiratory franchise, worth \$1.5 billion, is currently growing at a rate of 15 per cent per annum, driven by growth products, Symbicort, Rhinocort Aqua and Pulmicort Respules. Symbicort, a flexible, adjustable, asthma control medication, delivered in a single inhaler, is now successfully winning market share in Europe from its main competitor, GlaxoSmithKline's salmeterol/fluticasone combination product. Symbicort is the first and only asthma medication that allows a patient to quickly gain and maintain control of a variable disease with the same single inhaler. Indications for chronic obstructive pulmonary disease (COPD) and single therapy, along with a pMDI delivery device that will also be marketed in the US (filing in 2004), will support Symbicort growth and will add value to the franchise.

AstraZeneca also has key pipeline products in several key cardiovascular (CV) markets, which are forecast to show significant future growth. The lipid market is worth \$16.8 billion and is forecast to grow well over \$20 billion by 2005, fuelled by positive results from studies demonstrating the value of lipid-lowering drugs in reducing cardiovascular events. AstraZeneca's planned launch of Crestor, its highly effective cholesterol-lowering statin, in the second half of 2002 will be supported by

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comparative clinical data which demonstrate unsurpassed reductions in LDL-C. Exanta, which is currently in phase III development, will be the first oral anticoagulant for 50 years to enter the market, currently worth \$2.8 billion and forecast to grow at 19 percent per annum. The current standard oral therapy, warfarin, is widely prescribed but difficult to use, creating megabrand potential for a new, oral, patient-friendly therapy. The first major primary care indication will be for prevention of stroke in patients with atrial fibrillation, with regulatory submissions in the US and EU planned for Q2 2003. In addition, AZ 242, a novel PPAR agonist currently in phase II development, will compete in the oral antidiabetic market, worth \$6.4 billion and forecast to grow to \$15 billion by 2008. These exciting new opportunities will complement an existing CV franchise which includes Atacand, a hypertension medication which will grow with the reporting of studies in areas such as heart failure, elderly hypertension and diabetic retinopathy, and the world's leading beta-blocker, Seloken/Toprol-XL, currently growing in the US at a rate of over 30 percent in total prescriptions and sales.

Specialist and Hospital Care Portfolio

The specialist and hospital franchise continues to feature established products such as Diprivan, Merrem and a number of local anaesthetics, as well as top growth products Zomig, for migraine, and Seroquel, the oral anti-psychotic medication. Exanta will also be a key product in the hospital setting with its first planned indication being in the prevention of venous thromboembolism (VTE) in patients undergoing orthopaedic surgery. Later indications for VTE treatment and secondary prevention post Acute Coronary Syndrome (ACS) are on track for filings in 2003 and 2004.

Seroquel has differentiated itself from its competitors largely because of its safety profile and excellent tolerability among patients. Sales for Seroquel were \$424 million in 2000, and increased by 83 per cent in the nine months ending in September 2001. New formulations – sustained release and granules – in addition to plans for a new indication in the common but under-treated bi-polar disease, will fuel continued growth of Seroquel.

Oncology

Within the cancer market, there are four stages of disease at which products are targeted: risk reduction, early stage, locally advanced and advanced disease. At AstraZeneca, 30 years' oncology experience has resulted in the development of medications that are effective in treating each stage of this devastating disease. One such example is Nolvadex, the gold standard of breast cancer treatment. To continue this tradition, AstraZeneca has developed new products with the promise of improved efficacy and tolerability to treat a variety of cancers across all stages.

Arimidex, the world's leading aromatase inhibitor, has shown improvements over tamoxifen in advanced breast cancer and is currently being studied in the adjuvant

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setting – a \$2 billion opportunity. Comparative data with tamoxifen, to be presented at the San Antonio Breast Cancer Conference on 10 December 2001, is eagerly awaited.

Casodex, the leading anti-androgen for the treatment of prostate cancer, continues to grow at an impressive rate of 22 percent. Strong growth will continue with Casodex's new indication for the treatment of early prostate cancer, based on a study showing a 42 per cent risk reduction in progression of the disease, when added to standard therapy. The early prostate cancer indication has now been approved in nine countries, and an sNDA will be filed in the US this month. As Prostate-Specific Antigen (PSA) testing becomes more widespread, the market for treatment of early prostate cancer will increase.

New pipeline products include Iressa, Faslodex, and a number of promising novel cancer compounds. Iressa, a drug which inhibits the effect of epidermal growth factor (EGF) on the development of tumours, has shown exciting results in non-small cell lung cancer, a frequently-occurring cancer associated with smoking. The launch programme will begin in 2002. In the interim, AstraZeneca has developed an expanded access programme that has already allowed more than 5,000 patients to be treated with Iressa, prior to approval. As development progresses, Iressa is being studied as monotherapy and in combination with other cancer agents, as well as in a number of other tumour types in which EGF may play a role, including gastric, prostate, breast and colorectal cancers. Faslodex, a second line treatment for advanced breast cancer, is given as a monthly injection, which aids in compliance and removes the daily reminder of the disease. Product launch in the US is scheduled in the first half of 2002.

John Patterson commented, "At AstraZeneca, we have an excellent commercial portfolio that continues to be optimised by life cycle management, supported by a strong flow of differentiated, commercially attractive, new medicines, focused on areas of unmet medical need. This battery of marketed and pipeline products will give our sales and marketing organisation the right 'ammunition' to grow the best portfolio into the best pharmaceutical business."

Succeeding in the European and Japanese Markets – Building a Strong Platform for Growth

Bruno Angelici, Executive Vice President for the International Sales and Marketing Organization, reported that AstraZeneca is achieving robust performances in Europe and Japan, and is growing faster than the pharmaceutical market as a whole.

In the European markets, Nexium has been launched in 14 countries, and market share is increasing steadily on a monthly basis. Nexium is even performing well where it faces generic competition. In Germany, Nexium continues to recapture

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prescriptions from patients previously treated with generic omeprazole, and boasts a market share of 11.9 per cent.

Symbicort has been launched in 15 countries in Europe, the first of which was Sweden, where it has captured 40 per cent of market just 16 months after launch. In total, Symbicort has captured more than nine per cent of the fixed combination asthma market in 13 of these launch countries. Its rapid uptake in countries like France (23 per cent market share in units after nine weeks) and Italy (13.1 per cent after five weeks) is due to its differentiation from GlaxoSmithKline's salmeterol/fluticasone combination product. Other growth products in Europe include Atacand (+62 per cent), Casodex (+41 per cent), Arimidex (+23 per cent), Seroquel (+230 per cent) and Zomig (+37 per cent).

In Japan, AstraZeneca is the second fastest growing company behind Pfizer. The success here is being driven by the company's strong oncology market position, where it is competing with Taiho for the number one position, and the strong growth of Losec (Omepral). Omepral has benefited from a new indication for long-term treatment, granted by the Ministry of Health to all PPIs.

Opportunities for Growth

In Europe, AstraZeneca holds leading positions in sales in GI, oncology, respiratory and CV therapy areas. Recent investments in the sales and marketing organization have increased the sales force in the top eight countries in Europe by more than 800 permanent representatives, and increased AstraZeneca's share of voice in total details by five percent, out of the top 10 corporations.

Markets that demonstrate significant potential for the company include the fixed combination asthma market in Europe and the lung cancer and statin markets in Europe and Japan. Combined with the strength of the PPI market in Japan, AstraZeneca should maintain double-digit rate growth in this country.

In the top seven markets in Europe, the fixed combination asthma market will more than double in five years, from nearly \$500 million to more than \$1 billion. With the market growing at an annual rate of 23 per cent and Symbicort's highly differentiated product profile, the company is well positioned to win a significant share of this market within the next few years. Iressa, with a profile that combines efficacy and improved tolerability, is ideally suited to both the European and Japanese markets. Finally, the statin market, worth \$2.5 billion in the top seven European markets, and worth \$2.8 billion in Japan, are set for strong growth, presenting tremendous opportunities for Crestor.

The GI franchise is strong and will remain strong. Although Losec will lose market exclusivity, this will not happen simultaneously in all markets, but instead, will be spread over many years. In fact, in countries where Nexium has not yet been launched, Losec continues to show excellent growth: France (22 per cent), Italy (55

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per cent) and Japan (66 per cent). Nexium is performing well across the world, with sales growth benefiting from a continuous flow of publications demonstrating its clinical superiority over all other PPIs. Nexium will also be launched in France, Italy, Belgium, Greece and Spain within the next year.

Bruno Angelici commented, "We believe AstraZeneca can achieve continuous and robust growth over the next five years. This optimism is partly based on the initial success of Nexium and Symbicort in Europe and our ongoing success in Japan. However, we also have a rich pipeline waiting to be launched in markets where we have built up significant marketing and sales muscle. With this combination of competitive resources and assets, we feel confident we can drive the business forward for many years to come."

US Business Update—The Best Portfolio in the Best Hands

David Brennan, President and CEO of AstraZeneca in the US, and Executive Vice President, North America, reported confidence in the ability of the US business to deliver successful new product launches with Crestor and Iressa, and underscored its commercial versatility to support a variety of product launches in the future, while continuing to drive growth of key marketed products in several therapeutic areas.

Within the US market, AstraZeneca is ranked fourth in sales, with audited sales growth of 14 per cent. AstraZeneca's sales force is now the third largest in the industry, and has generated an increase of 37 per cent in details and increased the company's share of voice to 5.4 per cent (fourth place in the industry). These investments, along with the careful restructuring of the sales force, to allow for key overlaps among customer groups, have contributed to the success of the US business, which includes:

- Nexium launch – Nexium is the fastest growing product in the PPI market (over 16 per cent weekly new prescription market share). The Direct-to-Consumer (DTC) campaign is a documented success with more than an estimated 900,000 consumer-initiated doctor discussions
- Toprol-XL – has grown more than 30 per cent in new prescription market share this year, and will continue to gain market share with the congestive heart failure indication
- Seroquel - has now garnered a healthy 17 per cent share of new prescriptions, Seroquel is the strongest growing product in its class
- Pulmicort Respules – in this smaller paediatric asthma market, Pulmicort Respules has overtaken its competitors in new prescription market share

Building on the successes of the past year, the US is now well positioned to bring Crestor and Iressa to market. David Brennan commented, "We have seen marketing success with our commercial engine with products of all sizes and maturity. After this year's impressive achievement, we are poised and ready to

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extend our accomplishments and to achieve even greater things in the future. Any company in this industry would be thrilled to have a portfolio as promising as ours. But in the right hands, the promise and the potential of these products are assured. These products are in the right hands at AstraZeneca."

TRADE MARKS

The following brand names are trade marks of the AstraZeneca group of companies:

Accolate Arimidex Atacand Atacand HCT Atacand Plus Bricanyl Casodex
Crestor Diprivan Exanta Faslodex Imdur Iressa Losec Marcaine Merrem
Naropin Nexium Nolvadex Omepral Oxis Plendil Prilosec Pulmicort Pulmicort
Respules Rhinocort Rhinocort Aqua Seloken Seroquel Symbicort Tenormin
Toprol-XL Xylocaine Zestril Zoladex Zomig Zomig Rapimelt Zomig ZMT

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

In order to utilise the 'Safe Harbor' provisions of the United States Private Securities Litigation Reform Act of 1995, AstraZeneca is providing the following cautionary statement. This news release contains forward-looking statements with respect to the financial condition, results of operations and businesses of AstraZeneca. By their nature, forward-looking statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from that expressed or implied by these forward-looking statements. These factors include, among other things, exchange rate fluctuations, the risk that research and development will not yield new products that achieve commercial success, the impact of competition, price controls and price reductions, the risk of loss or expiration of patents or trade marks, difficulties of obtaining and maintaining governmental approvals for products, the risk of substantial product liability claims, exposure to environmental liability and the risks related to the difficulty of completing the integration of Astra's and Zeneca's large and complex businesses on a timely basis and realising synergies.