

ASTRAZENECA PLC

Interim Financial Statements

30 June 2008

Registered number 2723534

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COMPANIES HOUSE

PROFIT AND LOSS ACCOUNT
for the period/year ended

	Notes	30 June 2008 \$m	31 December 2007 \$m
Turnover		-	-
Operating costs		(5)	(11)
Operating loss		(5)	(11)
Income from shares in subsidiary undertakings	2	1,293	9,411
Other income		-	1
Profit on ordinary activities before interest		1,288	9,401
Net interest	3	14	17
Profit on ordinary activities before taxation		1,302	9,418
Taxation		-	(11)
Net profit for the period/year		1,302	9,407

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the period/year ended	30 June 2008 \$m	31 December 2007 \$m
Net profit for the period/year	1,302	9,407
Cash flow hedge in anticipation of debt issue	1	(21)
Total recognised gains for the period/year	1,303	9,386

BALANCE SHEET

	Notes	30 June 2008 \$m	Restated 31 December 2007 \$m
Fixed assets			
Fixed asset investments	5	30,127	31,128
Current assets			
External debtors - other		1	1
Debtors – amounts owed by subsidiaries	6	7,094	6,984
		7,095	6,985
Total assets		37,222	38,113
Creditors due within one year			
Short-term borrowings	7	(3,758)	(4,123)
Other creditors		(273)	(206)
Amounts owed to subsidiaries		(10)	(24)
		(4,041)	(4,353)
Net current assets		3,054	2,632
Total assets less current liabilities		33,181	33,760
Creditors due after more than one year			
Loans	8	(10,930)	(10,765)
Net assets		22,251	22,995
Capital and reserves			
Called-up share capital	9	363	364
Share premium account	10	1,923	1,888
Capital redemption reserve	10	92	91
Other reserves - share-based payments	10	866	773
Other reserves	10	1,841	1,841
Profit and loss account	10	17,166	18,038
Shareholders' funds - equity interests	11	22,251	22,995

The interim financial statements on pages 1 to 7 were approved by the Board of Directors on 30 July 2008 and were signed on its behalf by



David R Brennan
Director



Simon Lowth
Director

NOTES RELATING TO THE FINANCIAL STATEMENTS

1 Basis of presentation of financial information

These AstraZeneca PLC non-statutory financial statements are presented in accordance with the accounting policies set out in the AstraZeneca Annual Report and Form 20-F Information 2007

During the period, the Company has adopted the requirements of UITF 44 'Group and Treasury Share Transactions' as the Company awards share options to employees of its subsidiaries. The effect of adoption has been to increase the investments in subsidiaries and to recognise an other reserve in respect of share-based payments. For the year ended 31 December 2007 this has had the effect of increasing shareholders' funds and investments by \$773m

These financial statements do not constitute statutory accounts of the Company within the meaning of Section 240 of the Companies Act 1985. Statutory accounts for the year ended 31 December 2007 have been filed with the Registrar of Companies. The auditors' report on those accounts was unqualified and did not contain any statement under Section 237 of the Companies Act 1985

2 Income from shares in subsidiary undertakings

	30 June 2008	31 December 2007
Dividends received from subsidiary undertakings	1,293	9,411

3 Net interest

	30 June 2008 \$m	31 December 2007 \$m
Interest payable and similar charges		
Payable to subsidiary undertakings	(10)	(20)
External interest payable	(382)	(489)
Net exchange and hedge losses	-	(8)
	(392)	(517)
Interest receivable and similar income		
Receivable from subsidiary undertakings	392	534
Net exchange and hedge gains	14	-
	406	534
Net interest	14	17

NOTES RELATING TO THE FINANCIAL STATEMENTS (continued)

4 Dividends to shareholders

	30 June 2008 per share	31 Dec 2007 per share	30 June 2008 \$m	31 Dec 2007 \$m
2 nd interim/final	\$1 35	\$1 23	1,967	1,885
1 st interim	-	\$0 52	-	773
	\$1 35	\$1 75	1,967	2,658

A first interim dividend of \$0 55 and \$799m in total, to be paid on 15 September 2008, has been proposed

5 Fixed asset investments

	Shares \$m	Loans \$m	Total \$m
Cost			
At beginning of year	15,286	15,069	30,355
Prior year adjustment on adoption of UITF 44 (see Note 1)	773	-	773
Restated at beginning of year	16,059	15,069	31,128
Additions	14,793	-	14,793
Disposals	(14,700)	-	(14,700)
Exchange (Euro and GBP bonds)	-	161	161
Amortisation	-	4	4
Repayment of loan	-	(1,259)	(1,259)
At end of period	16,152	13,975	30,127

On 11 March 2008, the Company sold its wholly owned subsidiary, AstraZeneca UK Limited, to its wholly owned subsidiary, AstraZeneca Intermediate Holdings Limited, in consideration for the issue of further shares in AstraZeneca Intermediate Holdings Limited. There has been no overall net change in ownership of AstraZeneca UK Limited and consequently the Company will hold the investment at its pre-transfer carrying amount of \$14,700m

6 Debtors – amounts owed by subsidiaries

	30 June 2008 \$m	31 December 2007 \$m
AstraZeneca Treasury Limited	6,981	6,873
AstraZeneca UK Limited	113	111
	7,094	6,984

The balance owed by AstraZeneca Treasury Limited at 30 June 2008 includes \$3,779m (31 December 2007 \$4,138m) on-lent proceeds from commercial paper issues

NOTES RELATING TO THE FINANCIAL STATEMENTS (continued)

7 Short-term borrowings

	30 June 2008 \$m	31 December 2007 \$m
External debt – commercial paper issues	3,746	4,112
Unclaimed dividends	12	11
	3,758	4,123

8 Creditors due after more than one year

	Repayment dates	30 June 2008 \$m	31 December 2007 \$m
Loans – owed to subsidiaries (unsecured)			
US dollars			
7 2% loan	2023	282	283
Loans – external (unsecured)			
US dollars			
Floating rate note	2009	649	649
5 4% bond	2012	1,742	1,741
5 4% bond	2014	748	747
5 9% bond	2017	1,742	1,741
6 45% bond	2037	2,715	2,715
Euros			
4 625% bond	2010	1,181	1,099
5 125% bond	2015	1,179	1,099
Pounds sterling			
5 75% bond	2031	692	691
		10,930	10,765

With the exception of the floating rate note, all loans are at fixed interest rates

9 Called-up share capital

	Authorised	Allotted, called-up and fully paid	
	30 June 2008 \$m	30 June 2008 \$m	31 Dec 2007 \$m
Ordinary Shares (\$0 25 each)	363	363	364
Unissued Ordinary Shares (\$0 25 each)	237	-	-
Redeemable Preference Shares (£50,000)	-	-	-
	600	363	364

NOTES RELATING TO THE FINANCIAL STATEMENTS (continued)

9 Called-up share capital (continued)

The movements in share capital during the period can be summarised as follows

	No. shares (millions)	\$m
At 1 January 2008	1,457	364
Issues of shares	1	-
Re-purchase of shares	(5)	(1)
At 30 June 2008	1,453	363

10 Reserves

	Share premium account	Capital redemption reserve	Other reserves - share- based payments	Other reserves	Profit and loss account	Total 30 June 2008	Total 31 Dec 2007
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
At beginning of year	1,888	91	-	1,841	18,038	21,858	19,063
Prior year adjustment - UITF 44	-	-	773	-	-	773	624
Restated opening reserves	1,888	91	773	1,841	18,038	22,631	19,687
Profit for the period/year	-	-	-	-	1,302	1,302	9,407
Dividends	-	-	-	-	(1,967)	(1,967)	(2,658)
Cash flow hedge in anticipation of debt issue	-	-	-	-	1	1	(21)
Share-based payment	-	-	93	-	-	93	149
Share re-purchases	-	1	-	-	(208)	(207)	(4,150)
Share premiums	35	-	-	-	-	35	217
At end of period	1,923	92	866	1,841	17,166	21,888	22,631
Distributable reserves at end of period	-	-	-	1,841	14,365	16,206	15,819

A 30 June 2008, \$2,801m (31 December 2007 \$4,060m) of the profit and loss account reserve was not available for distribution. The majority of this non-distributable amount relates to profit arising on the sale of Astra AB to a subsidiary in 1999, which becomes distributable as the underlying receivable is settled in cash. During the period \$1,259m of the profit was released by repayment. Included in other reserves is a special reserve of \$157m, arising on the redenomination of share capital in 1999.

During the period, the Company adopted the provisions of UITF 44 'Group and Treasury Share Transactions' (see Note 1) with the effect of introducing an other reserve in respect of share-based payments as a prior year adjustment.

NOTES RELATING TO THE FINANCIAL STATEMENTS (continued)

11 Reconciliation of movements in shareholders' funds

	30 June 2008 \$m	31 December 2007 \$m
Opening shareholders' funds as previously stated	22,222	19,446
Prior year adjustment on adoption of UITF 44	773	624
Restated opening shareholders' funds	22,995	20,070
Profit for the period/year	1,302	9,407
Dividends	(1,967)	(2,658)
Cash flow hedge in respect of anticipated debt issue	1	(21)
	(664)	6,728
Issues of AstraZeneca PLC Ordinary Shares	35	218
Re-purchase of AstraZeneca PLC Ordinary Shares	(208)	(4,170)
Share-based payment	93	149
Net increase/(reduction) in shareholders' funds	(744)	2,925
Shareholders' funds at end of period/year	22,251	22,995

12 Commitments and contingent liabilities

Exanta (ximelagatran)

Four putative and essentially similar securities class actions were filed in the US against AstraZeneca PLC, Håkan Mogren (who currently serves as a Director of AstraZeneca PLC), Sir Tom McKillop, Jonathan Symonds and Percy Barnevik (who are former Directors of AstraZeneca PLC) between January and March 2005. The defendants deny the allegations made in the lawsuit and will vigorously defend the action. The defendants filed a motion in 2006 to dismiss the action, and the court heard oral argument on defendants' motion on 15 April 2008.

In an opinion dated June 3, 2008, the United States District Court for the Southern District of New York dismissed the case in its entirety by granting the motions to dismiss of AstraZeneca PLC and the individual defendants. Plaintiffs are currently appealing this decision to the US Court of Appeals for the Second Circuit, except for the ruling regarding the individual defendants. AstraZeneca PLC will continue to vigorously defend itself in this matter.