

## DIRECTORS' REPORT

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### INTRODUCTION

In this section, we have applied the best practice principles of an operating and financial review and discuss the main trends and factors underlying the development, performance and position of AstraZeneca in 2007.

We provide an overview of our goals and strategy for creating enduring value for shareholders, patients and other stakeholders and explain how our progress towards achieving our objectives is measured. We also describe the significant progress made towards realising our biologics and vaccines strategy with the acquisition of MedImmune, Inc., as well as the resources that we bring to bear and how they are aligned to the achievement of our strategic objectives.

To that end, we summarise the opportunities and challenges of the environment in which we operate, including the world market for pharmaceuticals, biologics and vaccines; the competitive and regulatory environment; and the principal risks and uncertainties we face, as well as the importance of intellectual property rights.

We provide information about the ways in which our medicines are differentiated and effective, as well as details about our research and development, sales and marketing, and supply and manufacturing activities worldwide, including our 2007 performance in these areas.

We also highlight the importance of leadership, effective decision-making and risk management, and include a summary

of our business organisation and the various responsibilities and processes in place for ensuring the integrity of financial information, internal controls and risk management.

In the therapy area and geographical and financial reviews, we report on our financial performance during 2007 at a global level, in different geographical areas and at a product level. We also report in detail on the progress of our pipeline and developments in relation to our marketed products (such as new indications, regulatory filings and clinical trial data).

We also provide information throughout the business review about our approach to managing the challenges and opportunities associated with our corporate responsibility to ensure that, alongside our commitment to competitiveness and top-tier performance, we continue to be led by our core values to achieve sustainable success.

Further information about our commitment to high ethical standards and our performance is available on our website, [astrazeneca.com/responsibility](http://astrazeneca.com/responsibility).

The Shareholder Information, Risk and Corporate Information sections starting on pages 186, 193 and 200 respectively, are incorporated into this report.

The glossary (on page 202) provides a useful guide to terms, as well as acronyms and abbreviations, used in this report.

### ASTRAZENECA IN BRIEF

- > We discover, develop, manufacture and market prescription pharmaceuticals, biologics and vaccines for important areas of healthcare: Cardiovascular, Gastrointestinal, Neuroscience, Oncology, Respiratory and Inflammation, and Infection.
- > Broad product range, including many world leaders and a number of key products: *Arimidex*, *Crestor*, *Nexium*, *Seroquel* and *Symbicort*.
- > Active in over 100 countries with growing presence in important emerging markets; corporate office in London, UK; major R&D sites in Sweden, the UK and the US.
- > With the acquisition of MedImmune, we have a world-class biologics and vaccines capability.
- > Over 67,000 employees (55% in Europe, 30% in the Americas and 15% in Asia, Africa and Australasia).
- > Around 13,000 people in our R&D organisation and 17 principal R&D centres in eight countries.
- > 29 manufacturing sites in 20 countries.
- > Alongside our commitment to high performance and competitiveness, we continue to be led by our core values to deliver sustainable success.