

## GEOGRAPHICAL REVIEW

### 2007 IN BRIEF

- > The US delivered strong financial performance in 2007 despite a continually challenging market environment. Our brands demonstrated growth and outpaced our competition in nearly all market segments in which we compete.
- > AstraZeneca maintained its market position as the second largest brand name pharmaceutical company in Canada.
- > The rest of the world delivered a strong year, driven by *Crestor*, *Symbicort*, *Seroquel* and *Arimidex* and high growth in China, Brazil and Mexico.
- > Strong brand performance in Europe continued to offset increasingly effective measures by national governments to contain drug expenditure.
- > In Asia Pacific, our growth was the second highest among the top 10 pharmaceutical companies. In China we continue to rank as the number one multinational pharmaceutical company in the prescription market (HKAPI-Q3 YTD data) and in Australia we climbed to become the second-largest pharmaceutical company.
- > In Japan, AstraZeneca was the second fastest-growing pharmaceutical company amongst the top 15 pharmaceutical companies. This was driven by *Casodex*, *Losec*, *Arimidex*, and strong full-scale launch of *Crestor*.
- > Sales in the Latin America region increased by 23%, driven by Mexico, Brazil, Venezuela, Central America and the Caribbean.

#### Statements of competitive position, growth rates and sales

As in the rest of this Annual Report and Form 20-F Information, except as otherwise stated, market information in this Geographic Review 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 2007 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 2007. 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.

### PERFORMANCE

	2007			2006			2005	2007 compared to 2006		2006 compared to 2005	
	Sales \$m	Growth underlying \$m	exchange effects \$m	Sales \$m	Growth underlying \$m	exchange effects \$m		Growth %	Growth reported %	Growth %	Growth reported %
US	13,366	917	–	12,449	1,678	–	10,771	7	7	16	16
Canada	1,145	54	60	1,031	(11)	66	976	5	11	(1)	6
<b>North America</b>	<b>14,511</b>	<b>971</b>	<b>60</b>	<b>13,480</b>	<b>1,667</b>	<b>66</b>	<b>11,747</b>	<b>7</b>	<b>8</b>	<b>14</b>	<b>15</b>
Western Europe	9,115	282	760	8,073	348	(70)	7,795	3	13	4	4
Japan	1,661	170	(12)	1,503	73	(97)	1,527	11	11	5	(2)
Other Established ROW	715	83	77	555	(3)	(17)	575	15	29	(1)	(3)
<b>Established ROW</b>	<b>11,491</b>	<b>535</b>	<b>825</b>	<b>10,131</b>	<b>418</b>	<b>(184)</b>	<b>9,897</b>	<b>5</b>	<b>13</b>	<b>4</b>	<b>2</b>
Emerging Europe	1,028	102	95	831	170	(9)	670	12	24	25	24
China	437	91	18	328	50	6	272	28	33	18	21
Emerging Asia Pacific	749	62	41	646	87	20	539	10	16	16	20
Other Emerging ROW	1,343	223	61	1,059	221	13	825	21	27	27	28
<b>Emerging ROW</b>	<b>3,557</b>	<b>478</b>	<b>215</b>	<b>2,864</b>	<b>528</b>	<b>30</b>	<b>2,306</b>	<b>17</b>	<b>24</b>	<b>23</b>	<b>24</b>
<b>Total Sales</b>	<b>29,559</b>	<b>1,984</b>	<b>1,100</b>	<b>26,475</b>	<b>2,613</b>	<b>(88)</b>	<b>23,950</b>	<b>7</b>	<b>12</b>	<b>11</b>	<b>11</b>

### NORTH AMERICA

#### US

Product performance, clinical trial data, regulatory submissions and product regulation

Notwithstanding the presence of full generic competition to *Toprol-XL* and the growth in generic omeprazole, sales in the US rose by 7% from \$12,449 million in 2006 to \$13,366 million in 2007. The combined sales of *Nexium*, *Seroquel*, *Crestor* and *Arimidex* were \$8,364 million in 2007, which represented almost 63% of our total US sales. *Symbicort* was launched in the year, with sales of \$50 million. AstraZeneca is currently the fifth largest pharmaceutical company in the US, with our sales representing a 5% share of US prescription pharmaceutical sales. Sales for Aptium Oncology and Astra Tech rose by 7% and 46% to \$402 million and \$60 million, respectively.

*Nexium* continues to lead the branded proton pump inhibitor (PPI) market for new prescriptions, total prescriptions and total capsules dispensed. Generic omeprazole posted strong growth rates in 2007, capturing most of the market growth and causing price and share erosion across the entire branded PPI market. In the face of generic pressure, *Nexium* continued to fare better than its branded competitors. In the second half of 2007, *Nexium* achieved a significant formulary placement with the Department of Defense and enters 2008 with stronger payer coverage than in 2007. In August 2007, the US Food and Drug Administration (FDA) issued an "Early Communication" regarding the results of two small studies. However, in its final assessment, the FDA concluded that *Nexium*

is not likely to be associated with an increased risk of heart problems and recommended that healthcare providers continue to prescribe and patients continue to use omeprazole or esomeprazole in the manner described in the labelling for the two products.

In 2007, *Seroquel* further strengthened its leading position as the number one prescribed atypical anti-psychotic on the market, with sales of \$2,863 million (up 15%, +15% reported). *Seroquel* posted total prescription growth of 10% with an increase of 1.5 million prescriptions, nearly twice the rate of market growth for antipsychotics. The robust clinical development programme for *Seroquel* continues to deliver positive results leading to further differentiation in the market and an enhanced product profile. In May 2007, the FDA granted marketing approval for a sustained-release formulation, *Seroquel XR*, for the treatment of schizophrenia and this product was successfully introduced to the market in August. In November 2007, the FDA approved *Seroquel XR* for the maintenance treatment in schizophrenic patients already benefiting from *Seroquel XR* treatment. In addition to these critical approvals, a supplemental new drug application (sNDA) was submitted to the FDA in July 2007 seeking approval for use of *Seroquel* as adjunct to mood stabilisers for the maintenance of effect in patients with bipolar disorder and two sNDAs were submitted in December 2007 seeking approval for *Seroquel XR* in bipolar depression and *Seroquel XR* in bipolar mania. Submissions are planned for the first half of 2008 supporting indications for *Seroquel XR* in both major depressive disorder and general anxiety disorder.