



G L O B A L M A R K E T S

SUMMARY OF INVESTMENT ANALYSIS

Name of the company: GlaxoSmithKline plc (ADR)

Ticker (Exchange)/Price of share: GSK (NYSE)/ 30.58 USD

Sector: Healthcare

Industry: Drugs manufacture

Description:

GlaxoSmithKline plc (GSK is a global healthcare group, which is engaged in the creation and discovery, development, manufacture and marketing of pharmaceutical products, including vaccines, medicines and health-related consumer products. GSK's principal pharmaceutical products include medicines in the therapeutic areas, such as respiratory, central nervous system, anti-virals, anti-bacterials, metabolic, vaccines, cardiovascular and urogenital, oncology and emesis. The Company operates in two segments: Pharmaceuticals (prescription pharmaceuticals and vaccines) and Consumer Healthcare. The Company has operations in some 114 countries and products sold in over 150 countries.

Commentary:

- GlaxoSmithKline manufacture the vaccine Relenza, which is one of the most effective against swine flu, this fact was announced from the World Health Organization. Glaxo has supplied 100,000 packs of Relenza and 170,000 additional doses of its seasonal influenza vaccine to the Mexican authorities at their request, the British drug maker said. The company said it is continuing to discuss with the Mexican authorities whether further support is needed. Glaxo said it is assessing how to increase production of Relenza.
- Sales of these drugs skyrocketed in late 2005, when health officials' world-wide worried that a strain of bird flu that had emerged in Asia could result in a global epidemic.
- For 1Q 2009 sales of the vaccine Relenza are 222 million pounds, there are significant contracts by the England and Japan government. Total sales of vaccines have increased by 18 % to 625 million pounds; in Europe, this growth is 23%, and 46% in the rest of the world, only in U.S. they have decreased by 21%.
- Operating income of the company (from European market) for the first quarter of 2009 have increased from 831 million to 1057 million pounds., Compared with the same period of 2008, which is growth by 27%. For emerging markets, that percentage is 39.9% (from 163 to 228 million pounds).
- Pharmaceutical products' sales outside U.S. have increased by 7 % to 3.3 billion pounds: 7% increase in Europe to 1.8 billion pounds, 12 percent in Asia to 639 million pounds and 18% in emerging markets to 664 million pounds.
- The progressive dividend policy of the company continues also in the first quarter of 2009. The company decided to pay dividends amounting to 14 pence per share, for the same period previous year it was 13 pence, this is 7.7 % increase.

Graph:





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Basic fundamental data:

Market Capitalization:	77.34 bln. USD	P/E (price/earnings):	12.12
Beta:	0.65	P/S (price/sales):	2.23
EPS:	26.3 p	P/B (price/book value):	6.86
ROA:	11.94%	ROE:	56.73%
EBITDA	1,913 mln. pound	Net Profit margin:	17.27%

Main competitors and related companies:

Roche Holding Ltd. (ADR)
Novartis AG (ADR)
Pfizer Inc.
Merck & Co., Inc.
AstraZeneca plc (ADR)
Johnson & Johnson

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Sources: www.bloomberg.com, www.reuters.com, www.nyse.com, www.yahoo.com; www.biqcharts.com, www.wsj.com, www.gsk.com

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