



Making Medicines Affordable

Myths and Realities

of the pharmaceutical industry

Myth

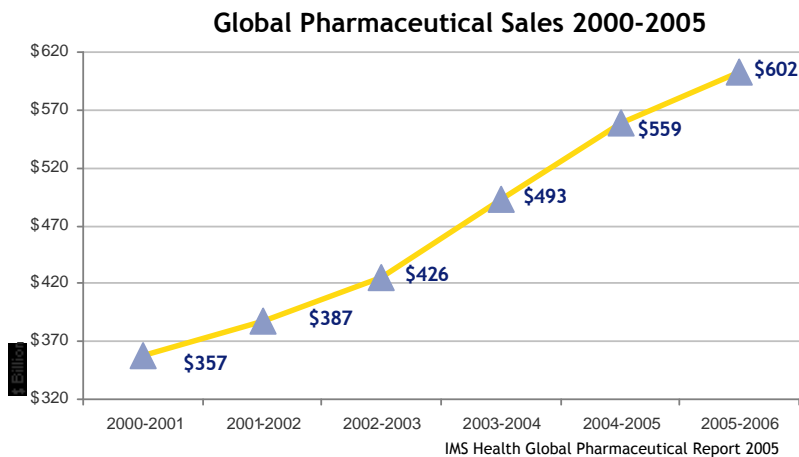
Pharmaceutical sales are suffering from cost containment policies.

& Reality

Pharmaceutical sales are *rising* in Europe and globally despite cost containment policies.

“In 2005 pharmaceutical growth worldwide was driven by increased longevity of populations, rising wealth, innovative products and new applications for existing products.”

IMS Health Reports
Global Pharmaceutical Market - 2005



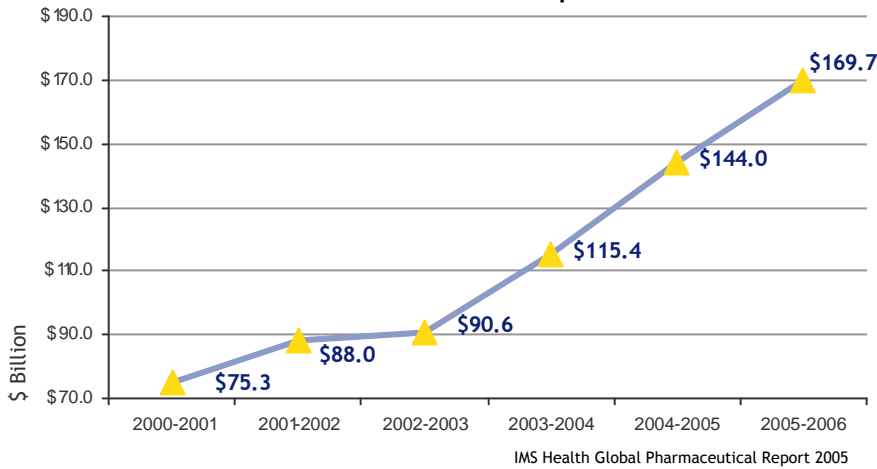
More than **68% growth** in global pharmaceutical sales between 2000 and 2005.

“GSK delivered an excellent financial performance in 2005.”

JP Garnier, CEO GSK
Annual Report 2005

- “Turnover of €21.7 billion grew by 7% in 2005.”
- “2005 was a land mark year for GSK’s vaccines business. Sales increased by 15%.”
- “Looking into 2006, the strong growth seen from key products and from our vaccines businesses is expected to continue and we anticipate an EPS growth of around 10%.”

Pharmaceutical Sales in Europe 2000-2005



More than
125% growth
in European
pharmaceutical
sales from
2000 to 2005.

“The global growth rate moderated as the market is increasingly influenced by pressures and uncertainties, including pricing, safety and regulatory issues. Nevertheless, market growth continues to reflect the unmet need for medications, as well as ongoing demographic dynamics that are strengthening underlying demand. New opportunities are emerging in markets such as China, and from sources of innovation in biotechnology, which will continue to fuel future growth.”

Murray Aitken, IMS Senior Vice President, Corporate Strategy,
Press release 2004

“Johnson & Johnson achieved record financial results in 2005 and made further progress in preparing the future growth...”

William C. Weldon, Chairman - J&J Annual Report 2005

Formed in 1993, the EGA is the official representative body of the European generic pharmaceutical industry, which is at the forefront of providing high-quality affordable medicines to millions of Europeans and stimulating competitiveness and innovation in the global pharmaceutical sector.