

F. 02981

**Financial statements for the year
ended December 31, 2004
Glaxo Wellcome Investments B.V.
Zeist**



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1 Financial statements

1.1 Balance sheet as at December 31, 2004 (after proposed profit appropriation)

		December 31, 2004		December 31, 2003	
	Notes	£ '000	£ '000	£ '000	£ '000
<i>Fixed assets</i>					
Financial fixed assets					
Participation in group companies	1.4.1	1,455,391		1,455,391	
			1,455,391		1,455,391
Current assets					
Income tax		1		0	
			1		0
			1,455,392		1,455,391
Shareholder's equity					
Called-up and fully paid share capital	1.4.2	13		13	
Share premium	1.4.2	1,449,113		1,449,113	
Other reserves	1.4.2	6,262		6,265	
			1,455,388		1,455,391
Current liabilities					
Accruals and deferred income		4		0	
			4		0
			1,455,392		1,455,391

1.2 Income statement for the period ended December 31, 2004

		2004		2003	
	Notes	£ '000	£ '000	£ '000	£ '000
Interest income	1.4.3	0		488	
General and administrative Expenses	1.4.4	(4)		(32)	
Operating (loss)/profit			(4)		456
Financial income/(expense)					
Dividends received from Participations	1.4.5	0		43,391	
Net financial income			0		43,391
(Loss)/Profit on ordinary activities before taxation			(4)		43,847
Taxation on ordinary activities			1		(133)
Net (loss)/profit on ordinary activities after taxation			(3)		43,714

1.3 General notes

1.3.1 *General*

Glaxo Wellcome Investments B.V. (the Company) was incorporated on September 3, 1999 in Zeist, The Netherlands and is a wholly owned subsidiary of Glaxo Wellcome International B.V. The company is located at Huis ter Heideweg 62, Zeist. The ultimate shareholder is GlaxoSmithKline plc, Brentford, Middlesex, UK.

1.3.2 *Activities of the company*

The principal activity of the Company is to act as an intermediate holding company of the GlaxoSmithKline Group. The Company moved its operations to Brentford, England on April 16, 2002.

1.3.3 *Consolidation*

In accordance with Article 408 Book 2 Title 9 of the Dutch Civil Code, consolidated financial statements have not been prepared as the financial statements of the Company and its subsidiaries are included in the consolidated financial statements of GlaxoSmithKline plc, the ultimate parent company incorporated in England and Wales. The consolidated financial statements will be filed together with the financial statements of the Company with the Trade Register in Utrecht and with Companies House in the United Kingdom.

In connection with the decision to abstain from preparation of subconsolidated financial statements, Glaxo Wellcome Investments B.V. has also made use of Article 389, Book 2 of the Netherlands Civil Code, which allows Glaxo Wellcome Investments B.V. to account for its investments in subsidiaries at cost or, in the case of permanent decline in value, at the lower value. As of the balance sheet date the investments are valued at cost.

1.3.4 *Accounting policies*

The financial statements are prepared in accordance with accounting principles generally accepted in the Netherlands. Following the relocation of the company's activities to the United Kingdom on April 16, 2002 the company will maintain its accounts in Sterling rather than Euro.

1.3.5 *Assets and liabilities*

Unless otherwise stated, assets and liabilities are stated at nominal value. The principles of valuation are based on the historical cost & cost price convention.

1.3.6 *Comparison with previous year*

The principles of valuation and determination of results remain unchanged compared to the prior year.

1.3.7 *Foreign currency translation*

Assets and liabilities as at the year-end and transactions during the year denominated in foreign currencies are translated into Sterling at rates ruling at the year-end and the date of the transaction, respectively. Exchange differences resulting from settlement and translation are charged or credited to the profit and loss account.

1.3.8 *Financial fixed assets*

Investments in subsidiaries are stated at cost; dividends received from subsidiaries are recognised as income when received, net of non-recoverable dividend withholding tax. Provisions are taken into account for permanent diminution in value.

1.3.9 *Determination of result*

Profit is determined as the difference between income generated and the costs and other charges for the year. Income from transactions is recognised in the year in which it is realised.

Exchange rate differences arising upon the settlement of monetary items are recognised in the profit and loss account in the period that they arise.

Interest income is recognised on a time-weighted basis, making allowance for the effective interest rate applicable to the asset item in question.

Costs are recognised at the historical cost convention and are allocated to the reporting year to which they relate.

General and administrative expenses include the expenses of the accounting department and exchange gain on translation of current assets.

Dividends received from subsidiaries are recognised as income when received, net of non-recoverable dividend withholding tax.

Income taxes are accounted for on the basis of income reported taking into account non-taxable or non-deductible components.

Cash at banks consists of cash at banks and deposits with a maturity of less than twelve months.

1.4 Notes to the financial statements for the year ended December 31, 2004

1.4.1 *Financial fixed assets*

Movements during the year are as follows:

	Participation in group companies
	£ '000
January 1, 2004	1,455,391
Additions	0
Disposal	0
December 31, 2004	1,455,391

Participation in group companies

	Country	Share- holding December 31, 2004	At cost
		%	£ '000
Setfirst Ltd, Brentford, England	United Kingdom	49.9	1,455,391
Total book value as at December 31, 2004			1,455,391

1.4.2 *Shareholder's equity*

The authorised share capital of the Company comprises 910 common shares of EUR 100 each, of which 185 common shares of EUR 100 each have been issued and are fully paid. According to the articles of association the shares are denominated in NLG. With application of the facility of article 2:178c.1 of the Netherlands Civil Code to round off the EUR equivalent to two decimals after the decimal point, the nominal value of each share amounts to EUR 100.

All shares issued are registered in the name of Glaxo Wellcome International B.V., a company incorporated in The Netherlands.

	Called-up and fully paid share capital	Share premium	Other reserves	Total
	£ '000	£ '000	£ '000	£ '000
January 1, 2003	12	1,449,113	8,214	1,457,339
Exchange movements *	1	0	(1)	0
Dividends paid	0	0	(45,662)	(45,662)
Result appropriation (Note 2.2)	0	0	43,714	43,714
December 31, 2003	13	1,449,113	6,265	1,455,391

*Share Capital of EUR 18,500 has been translated into sterling at the 31 December 2003 spot rate of 1.42 giving rise to the exchange gain which has been charged directly to other reserves.

	Called-up and fully paid share capital	Share premium	Other reserves	Total
	£ '000	£ '000	£ '000	£ '000
January 1, 2004	13	1,449,113	6,265	1,455,391
Exchange movements	0	0	0	0
Dividends paid	0	0	0	0
Result appropriation proposed(Note 2.2)	0	0	(3)	(3)
December 31, 2004	13	1,449,113	6,262	1,455,388

The proposed addition of the results to other reserves has already been recognised.

1.4.3 *Interest Income*

	2004	2003
	£ '000	£ '000
Third party interest income	0	34
Interest on inter-company loan with GlaxoSmithKline Finance plc	0	454
	0	488

1.4.4 *General and administrative expenses*

	2004	2003
	£ '000	£ '000
Professional services *	4	32
	4	32

* The company bears an appropriate charge for management services provided to it by other group companies.

1.4.5 *Dividends received from participations*

Dividends received in 2004 were as follows:

	2004	2003
	£ '000	£ '000
GlaxoSmithKline International (Luxembourg) SA	0	43,391
	0	43,391

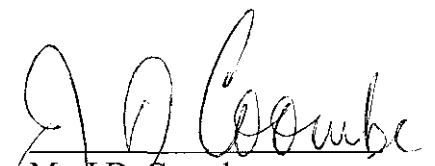
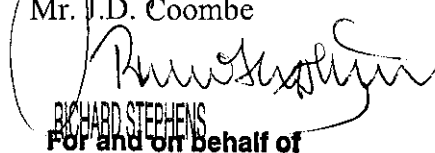
1.4.6 *Employees*

The Company had no employees during the year. Office services are provided by a group company, GlaxoSmithKline Services Unlimited.

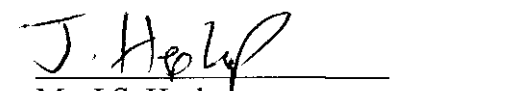
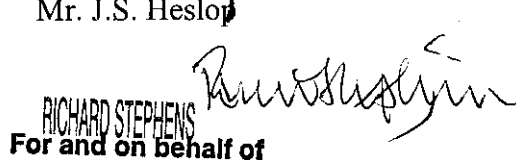
1.4.7 **Guarantees**

The Company did not issue guarantees on behalf of third parties.

London, March 24, 2005,


Mr. J.D. Coombe

RICHARD STEPHENS
For and on behalf of

Glaxo Group Limited


Mr. J.S. Heslop

RICHARD STEPHENS
For and on behalf of

Edinburgh Pharmaceuticals Industries Limited

2 Other information

2.1 Auditors' report

No auditors' report is required under Article 396 of the Dutch Civil Code.

2.2 Appropriation of net profit

In accordance with the Company's Deed of Incorporation the result for the year ended December 31, 2004 is at the free disposal of the General Shareholders Meeting.

The proposed addition of £3,000 loss to other reserves has already been recognised.

	£ '000
Net loss after taxation	(3)
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Addition to other reserves (note 1.4.2)	(3)
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