



**8 DECEMBER, 2005**

## **GLAXOSMITHKLINE ACQUIRES INFLUENZA VACCINE MANUFACTURER ID BIOMEDICAL CORPORATION**

Mississauga, Canada – GlaxoSmithKline plc (NYSE:GSK) today announced the completion of the acquisition of ID Biomedical. This follows all regulatory clearances of the transaction and adoption of the acquisition agreement by ID Biomedical's shareholders (which occurred on the 16<sup>th</sup> of November). ID Biomedical is now a wholly-owned subsidiary of GSK.

As part of the regulatory approval process, GSK provided Investment Canada with assurances on a number of undertakings reflecting its continuing commitment to address the public health need for increased supply of influenza vaccines. These undertakings include commitments to bring financial stability to ID Biomedical's operations, to make the capital expenditures necessary to expand and upgrade ID Biomedical's existing capacity, and to maintain the research and development facilities in Laval, Quebec. These commitments assisted the Minister of Industry in determining that the investment is of net benefit to Canada.

"This is a major step toward fulfilling our mission of becoming a leading global influenza vaccine manufacturer," said Jean-Pierre Garnier, Chief Executive Officer of GSK. ID Biomedical provides GSK with a significant increase in flu vaccine manufacturing capacity, which will improve GSK's ability to address both seasonal and pandemic influenza threats. The combined seasonal flu vaccine production capacity of the newly acquired Canadian facilities and of GSK's Dresden plant, Germany, is expected to reach around 150 million doses per year before the end of this decade. "We are actively working with governments and health authorities around the globe to support their plans for pandemic flu readiness and we are committed to bring the capabilities of our flu vaccine production facilities to the global preparation effort," continued Garnier.

"GSK will continue to build on both organizations' excellent relationships with Canadian public health authorities, and will honor ID Biomedical's commitments to the Canadian Government regarding supply of influenza vaccines," said Paul Lucas, President and CEO, GlaxoSmithKline Inc, Canada. "This acquisition will allow GSK to offer an even wider range of innovative vaccines to improve the quality of human life for Canadians and people around the world."

GSK looks forward to building upon ID Biomedical's existing contractual obligations with the Government of Canada to assure a state of readiness in the case of an influenza pandemic and to provide influenza vaccine to the Canadian government in such an event. In addition, GSK will honour ID Biomedical's agreement to supply approximately 75 percent of the Canadian government's influenza vaccine purchases.

The acquisition of ID Biomedical reinforces GSK's commitment to the North American vaccine market. This transaction follows recent strategic initiatives to expand its vaccine research and production network in North America, including the acquisition of Corixa Corporation and the purchase of the Marietta, PA vaccine site.

"GSK continues to move forward with this acquisition to support the delivery of GSK's broad pipeline of novel vaccines in North America," said Jean Stéphenne, President of GSK Biologicals, the vaccine division of GSK.

GSK is dedicated to the improvement of existing flu vaccines and to the development of new influenza vaccination approaches. This includes the use of its expertise in novel vaccine adjuvant technology to develop an improved flu vaccine for the elderly and to produce more effective pandemic flu vaccines. In addition to providing GSK with increased production capacity for next generation influenza vaccines, ID Biomedical brings an intranasal flu vaccine candidate that could help GSK to address the public health need for new delivery systems.

### **GlaxoSmithKline: A World leader in Vaccines**

GSK is one of the world's leading vaccine manufacturers. Belgium is the centre of all GSK's activities in the field of vaccine research, development and production. GSK employs more than 1,100 research scientists devoted to discovering new vaccines and developing more cost-effective and convenient combination products to prevent infections that cause serious medical problems worldwide.

In 2004, GSK distributed more than 1.5 billion doses of vaccines to 168 countries in both the developed and developing world, an average of 45 doses per second.

In the next five years, GSK expects to launch five major new vaccines: an HPV vaccine targeting cervical cancer, a vaccine against rotavirus (already approved in 23 countries), a vaccine to prevent pneumococcal disease, an improved flu vaccine for the elderly, and a meningitis combination vaccine for infants in the US.

GlaxoSmithKline is one of the world's leading research-based pharmaceutical and health care companies. GlaxoSmithKline is committed to improving the quality of human life by enabling people to do more, feel better and live longer. For company information visit [www.gsk.com](http://www.gsk.com).

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**GSK cautionary statement regarding forward-looking statements**

Under the safe harbor provisions of the US Private Securities Litigation Reform Act of 1995, the company cautions investors that any forward-looking statements or projections made by the company, including those made in this Announcement, are subject to risks and uncertainties that may cause actual results to differ materially from those projected. Factors that may affect the Group's operations are described under 'Risk Factors' in the Operating and Financial Review and Prospects in the company's Annual Report on Form 20-F for 2004.