ALEXION®

February 4, 2021

Fourth Quarter & Full Year 2020 Earnings

Monika living with gMG

FORWARD LOOKING STATEMENTS

This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. You can generally identify forward-looking statements by the use of forward-looking terminology such as "anticipate," "believe," "continue," "could," "estimate," "expect," "explore," "evaluate," "intend," "may," "might," "plan," "potential," "predict," "project," "seek," "should," or "will," or the negative thereof or other variations thereon or comparable terminology. These forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond Alexion's control. Statements in this communication regarding Alexion, AstraZeneca and the combined company that are forward-looking, including anticipated benefits of the proposed transaction, that the transaction advances the shared mission of following the science and using innovative approaches to develop life-changing medicines for patients, the transaction strengthens AstraZeneca's presence in immunology, the impact of the proposed transaction on Alexion's and AstraZeneca's businesses, that AstraZeneca will create a rare disease business unit, that the combined organization will be well positioned to accelerate innovation and deliver enhanced value for shareholders, patients and rare disease communities, the anticipated timing of initiation, enrollment, reporting results of clinical trials, the timing of filing for regulatory approvals and receipt of approvals, the estimated patient populations of the indications we treat and are pursuing and the revenue potential of Alexion's products and pipeline are based on management's estimates, assumptions and projections, and are subject to significant uncertainties and other factors, many of which are beyond Alexion's control. These factors include, among other things, market factors, completion of the audit of Alexion's fiscal year 2020 financial results, competitive product development and approvals, pricing controls and pressures (including changes in rules and practices of managed care groups and institutional and governmental purchasers), economic conditions such as interest rate and currency exchange rate fluctuations, judicial decisions, claims and concerns that may arise regarding the safety and efficacy of in-line products and product candidates, changes to wholesaler inventory levels, variability in data provided by third parties, changes in, and interpretation of, governmental regulations and legislation affecting domestic or foreign operations, including tax obligations, changes to business or tax planning strategies, difficulties and delays in product development, manufacturing or sales including any potential future recalls, patent positions and the ultimate outcome of any litigation matter. Additional information concerning these risks, uncertainties and assumptions can be found in Alexion's filings with the SEC, including the risk factors discussed in Alexion's most recent Annual Report on Form 10-K, as updated by its Quarterly Reports on Form 10-Q, and in Alexion's future filings with the SEC. Important risk factors could cause actual future results and other future events to differ materially from those currently estimated by management, including, but not limited to, the risks that: a condition to the closing the proposed acquisition may not be satisfied; a regulatory approval that may be required for the proposed acquisition is delayed, is not obtained or is obtained subject to conditions that are not anticipated; management's time and attention is diverted on transaction related issues; disruption from the transaction makes it more difficult to maintain business, contractual and operational relationships; the credit ratings of the combined company declines following the proposed acquisition; legal proceedings are instituted against Alexion, AstraZeneca or the combined company; Alexion is unable to retain key personnel; and the announcement or the consummation of the proposed acquisition has a negative effect on the market price of the capital stock of Alexion or on Alexion's operating results. No assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do occur, what impact they will have on the results of operations, financial condition or cash flows of Alexion. Should any risks and uncertainties develop into actual events, these developments could have a material adverse effect on the proposed transaction and/or Alexion. You are cautioned not to rely on Alexion's forward-looking statements. These forward-looking statements are and will be based upon management's then-current views and assumptions regarding future events and operating performance, and are applicable only as of the dates of such statements. Alexion assumes no duty to update or revise forward-looking statements, whether as a result of new information, future events or otherwise, as of any future date.

In addition to financial information prepared in accordance with GAAP, this communication also contains non-GAAP financial measures that Alexion believes, when considered together with the GAAP information, provide investors and management with supplemental information relating to performance, trends and prospects that promote a more complete understanding of our operating results and financial position during different periods. Alexion also uses these non-GAAP financial measures to establish budgets, set operational goals and to evaluate the performance of the business. The non-GAAP results, determined in accordance with our internal policies, exclude the impact of the following GAAP items (see reconciliation tables below for additional information): share-based compensation expense, fair value adjustment of inventory acquired, amortization of purchased intangible assets, changes in fair value of contingent consideration, restructuring and related expenses, upfront payments related to licenses and other strategic agreements, acquired in-process research and development, impairment of purchased intangible assets, gains and losses related to strategic equity investments, litigation charges, gain or loss on sale of a business or asset, gain or loss related to modification of purchase options, contingent milestone payments associated with acquisitions of legal entities accounted for as asset acquisitions, acquisition-related costs and certain adjustments to income tax expense. These non-GAAP financial measures are not intended to be considered in isolation or as a substitute for, or superior to, the financial measures prepared and presented in accordance with GAAP, and should be reviewed in conjunction with the relevant GAAP financial measures. Please refer to the attached Reconciliation of GAAP to non-GAAP Financial Results for explanations of the amounts adjusted to arrive at non-GAAP financial performance for twelve month periods ended December 31, 2020 and 2019.

IMPORTANT ADDITIONAL INFORMATION

In connection with the proposed transaction, AstraZeneca PLC ("AstraZeneca") intends to file a registration statement on Form F-4 with the SEC, which will include a document that serves as a prospectus of AstraZeneca and a proxy statement of Alexion Pharmaceuticals, Inc. ("Alexion") (the "proxy statement/prospectus"), Alexion intends to file a proxy statement with the SEC (the "proxy statement") and each party will file other documents regarding the proposed transaction with the SEC. Investors and security holders of Alexion are urged to carefully read the entire registration statement, proxy statement/prospectus and other relevant documents filed with the SEC when they become available, because they will contain important information. A definitive proxy statement/prospectus will be sent to Alexion's shareholders. Investors and security holders will be able to obtain the registration statement and the proxy statement/prospectus or the proxy statement free of charge from the SEC's website or from AstraZeneca or Alexion as described in the paragraphs below.

Copies of the documents filed with the SEC by Alexion will be available free of charge on Alexion's website at http://www.alexion.com or by contacting Alexion's Investor Relations department by email at InvestorRelations@alexion.com. Copies of the documents filed with the SEC by AstraZeneca will be available free of charge on AstraZeneca's website at http://www.astrazeneca.com/investor-relations.html or by contacting AstraZeneca's Investor Relations department by email at global-mediateam@astrazeneca.com.

Participants in the Solicitation

Alexion, AstraZeneca, their respective directors and certain of their executive officers and other employees may be deemed to be participants in the solicitation of proxies from Alexion's stockholders in connection with the proposed transaction. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of Alexion stockholders in connection with the proposed mergers, including a description of their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement/prospectus when it is filed with the SEC. Information about Alexion's directors and executive officers is available in Alexion's proxy statement for its 2020 annual meeting of stockholders, which was filed with the SEC on March 26, 2020, Alexion's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, which was filed with the SEC on February 4, 2020, and other documents subsequently filed by Alexion with the SEC. Information about AstraZeneca's directors and executive officers is available in AstraZeneca's Form 20-F filed with the SEC on March 3, 2020, and other documents subsequently filed by AstraZeneca with the SEC.

No Offer or Solicitation

This communication is not intended to and shall not constitute an offer to buy or sell or the solicitation of an offer to buy or sell any securities, or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made, except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.

OUR NEXT CHAPTER

AstraZeneca & ALEXION

- Advances shared mission of ***following the science*** and using innovative approaches to develop ***life-changing medicines for patients***
- Strengthens AstraZeneca's presence in immunology by adding Alexion's ***strong pipeline*** and ***unique complement technology platforms***
- Combined company to have ***broad global coverage*** *from* ***primary to highly specialty care***
- AstraZeneca plans to create ***rare disease business unit***
- Combined organization will be well positioned to ***accelerate innovation and deliver enhanced value*** for our shareholders, patients and rare disease communities we serve

COMMITTED TO OUR MISSION


Sumaira living with NMOSD


Albie living with LAL-D


Jesse living with gMG


Bunny living with PNH


Aira living with HPP


Justice living with aHUS

Our Mission:

Transform the lives of people affected by rare diseases and devastating conditions by continuously innovating and creating meaningful value in all we do

EXCEPTIONAL FINISH TO 2020

Continued Financial Strength

$6,070M
Total Revenue

22%
YoY Revenue Growth

$2.72
GAAP[1] EPS

$12.51
Non-GAAP[1] EPS

LEAD IN COMPLEMENT

- Establish ULTOMIRIS as standard of care
- Continue to innovate for patients
- Develop and launch next generation C5

✓ >70% PNH patients converted to ULTOMIRIS in U.S., DE, JP

✓ ULTOMIRIS 100mg/mL approval (U.S. & EU)

EXPAND IN COMPLEMENT

- Expand presence in Neurology
- Focus new ULTOMIRIS expansion on direct to Ph3 and rapid proof of concept studies

✓ 4x U.S. Neuro ambition set[2]: >700 new patients (2,588 total SOLIRIS patients) as of year-end 2020

✓ gMG Ph3 ULTOMIRIS fully enrolled

✓ NMOSD Ph3 ULTOMIRIS enrollment >80%[3]

✓ ALS Ph3 ULTOMIRIS initiated; >50% enrolled[3]

✓ HSCT-TMA Ph3 ULTOMIRIS initiated

DIVERSIFY Into New Growth Areas

- Expand rare disease focus with novel assets
- Grow acute care presence with ANDEXXA

✓ Ph3 ALXN1840 fully enrolled; on track for topline data 1H 2021

✓ AL Amyloidosis Ph3 CAEL-101 trials initiated

✓ PTLA acquisition closed

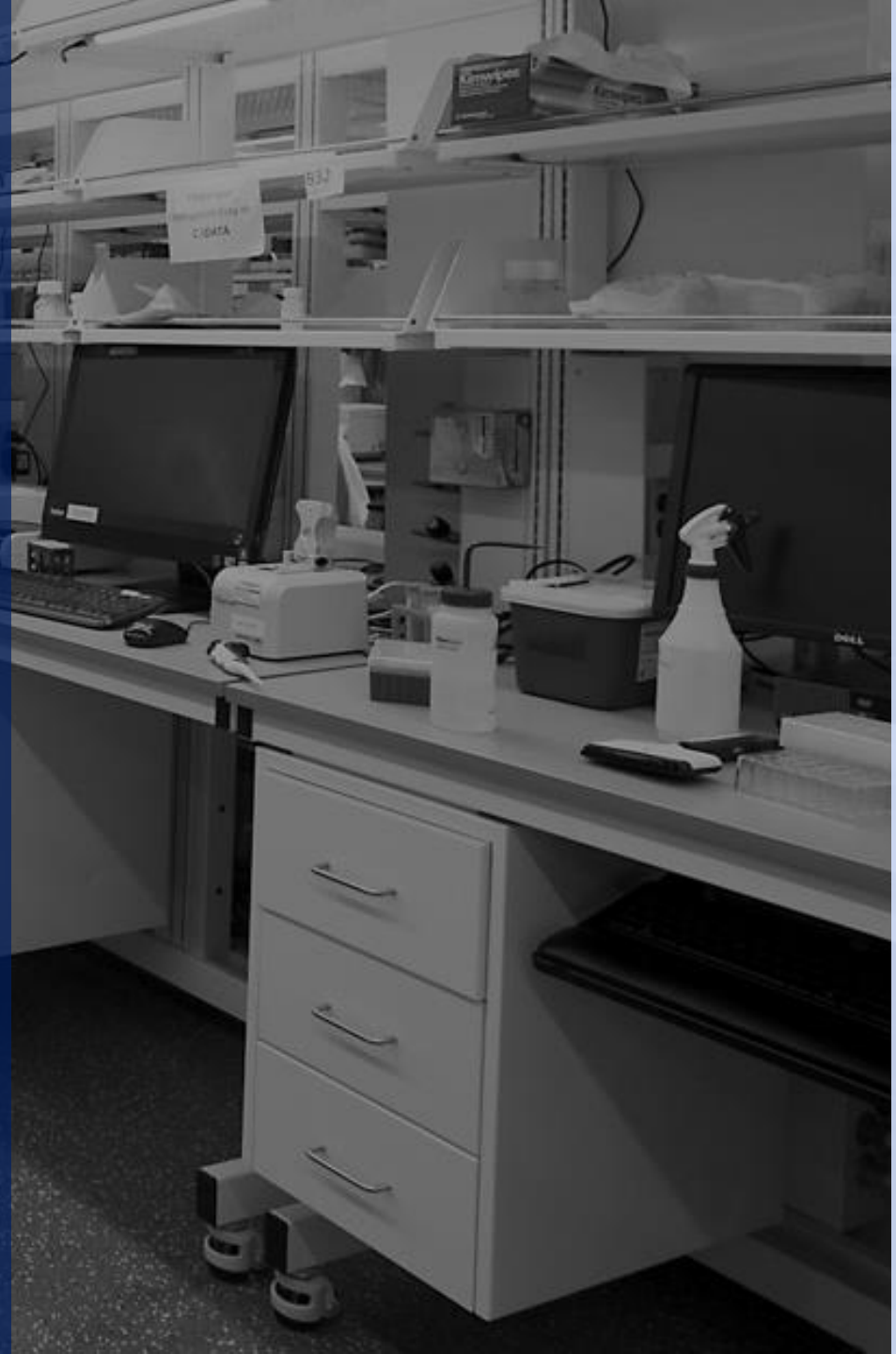
✓ PNH w/ EVH PH3 ALXN2040 initiated

Commercial Execution and Robust Pipeline Progress in 2020

[1] A reconciliation of GAAP to non-GAAP financial results is provided in the appendix and is available at www.alexion.com.

[2] Ambition for 4x U.S. treated Neuro patients (~7,500 patients) by year-end 2025 set with 12/31/19 baseline of 1,885 patients; [3] As of year-end 2020

Financial Update

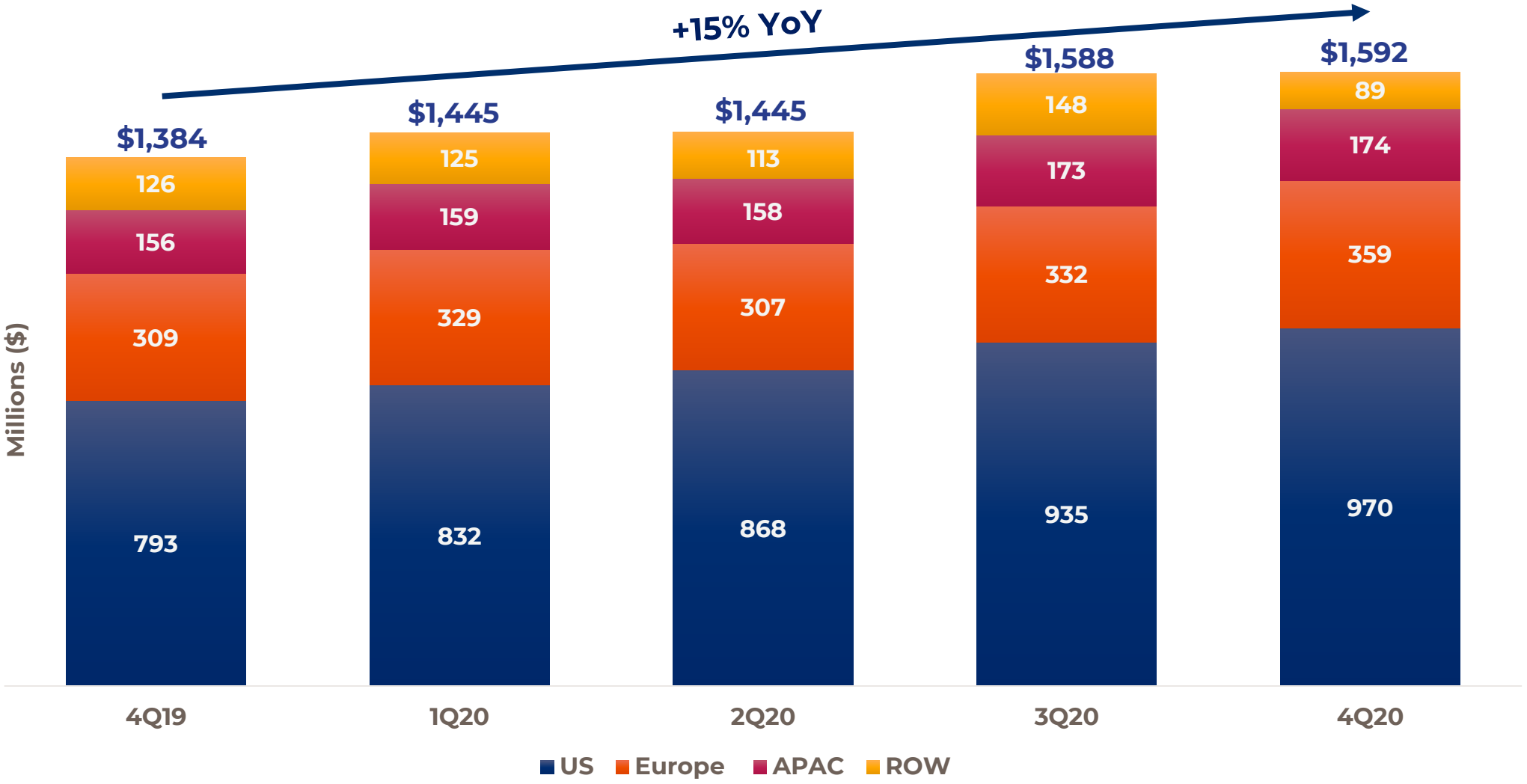


FOURTH QUARTER 2020 KEY PERFORMANCE METRICS

Total Revenues	**$1.592B**	↑	**+15% vs 4Q19**	▪ C5 (SOLIRIS + ULTOMIRIS) sales grew 13% YoY driven by growth in Neurology & continued strength in the PNH and atypical HUS businesses ▪ Metabolic sales grew 7% YoY driven by increase in volume ▪ ANDEXXA sales contributed $40M in 4Q20[2]
GAAP[1] Operating Margin	**39%**	—	**+/- 0 bps vs 4Q19**	▪ GAAP operating margin in line with previous year
Non-GAAP[1] Operating Margin	**50%**	↓	**-84 bps vs 4Q19**	▪ Non-GAAP operating margin strength continued in 4Q20; decrease driven by anticipated Portola dilution
GAAP[1] EPS	**$2.42**	↓	**-40% vs 4Q19**	▪ GAAP EPS primarily driven by topline strength; 4Q19 included significant one-time tax benefits
Non-GAAP[1] EPS	**$2.96**	↑	**+9% vs 4Q19**	▪ Non-GAAP EPS primarily driven by topline strength and reduction in share count YoY, partially offset by OPEX increases and higher effective tax rate

[1]A reconciliation of GAAP to non-GAAP financial results is provided in the appendix and is available at www.alexion.com.
[2]ANDEXXA refers to both ANDEXXA and ONDEXXYA revenues in the U.S. and EU
Provided February 4, 2021, as part of a posted presentation and is qualified by such, contains forward-looking statements, actual results may vary materially.

NET PRODUCT SALES BY GEOGRAPHY [1]



[1] Net Product Revenues only, excluding other revenues

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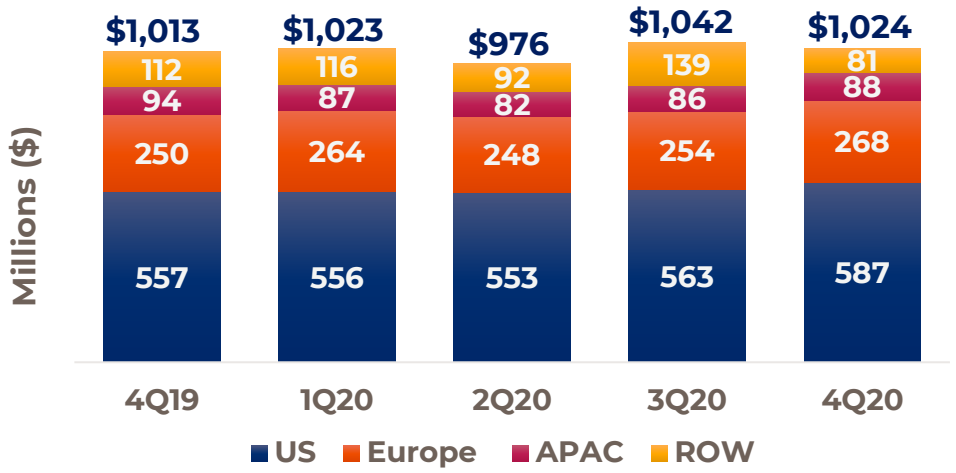
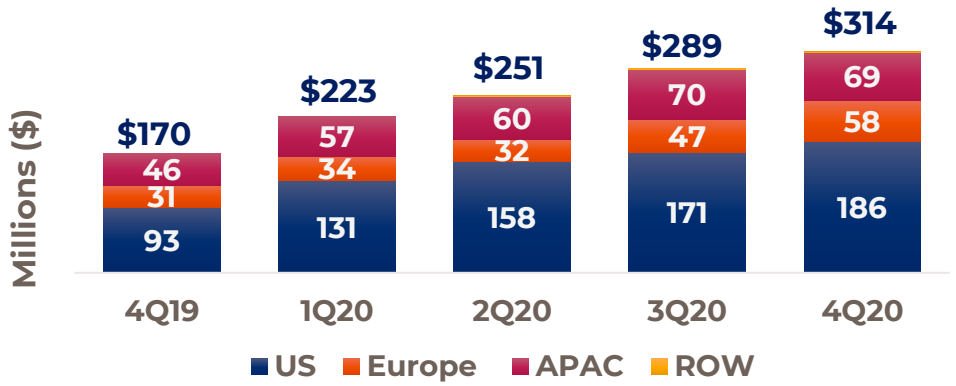
SOLIRIS® AND ULTOMIRIS® NET PRODUCT SALES

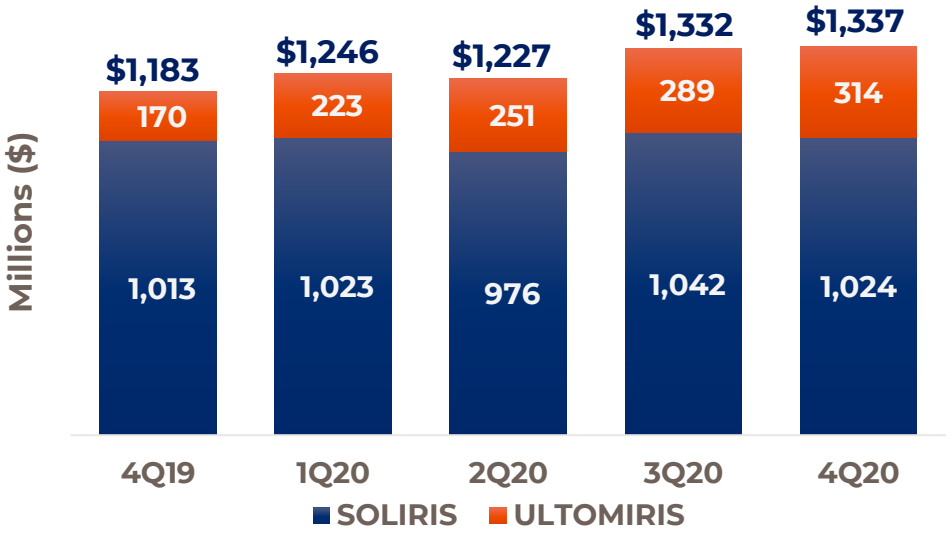
SOLIRIS Net Product Sales



ULTOMIRIS Net Product Sales



Total C5 Franchise Net Product Sales

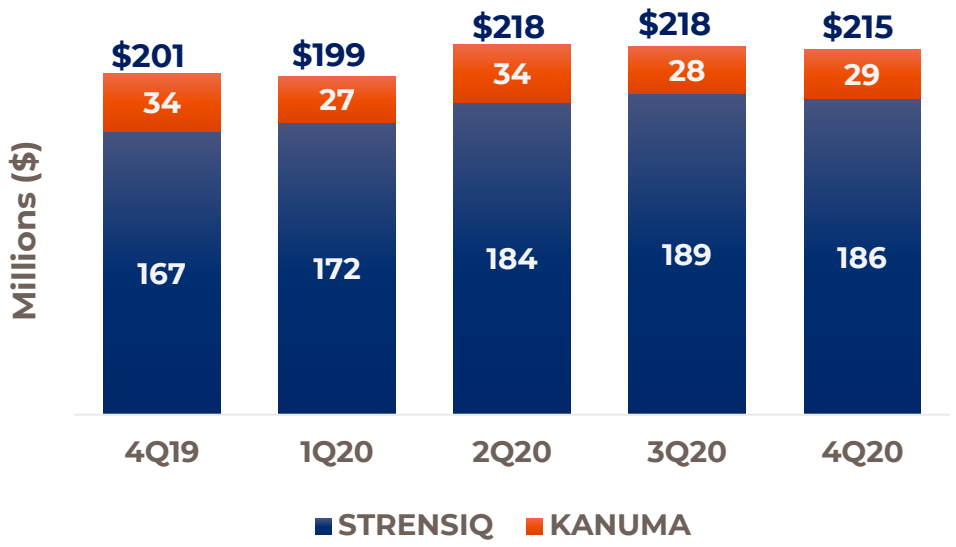


SOLIRIS: YoY revenue growth driven by Neurology, offset by ULTOMIRIS conversion in PNH and atypical HUS; QoQ and YoY revenue impacted by timing of ROW tender market orders

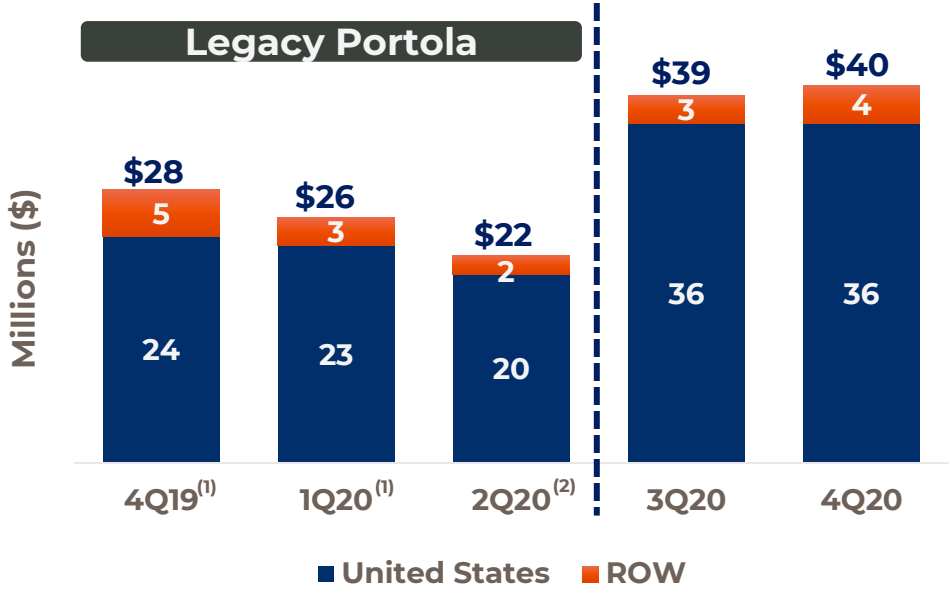
ULTOMIRIS: Continued strength driven by conversion from SOLIRIS in PNH and atypical HUS in top three markets (U.S., DE, JP)

METABOLIC & ANDEXXA NET PRODUCT SALES

Metabolic Net Product Sales



ANDEXXA Net Product Sales



Metabolics:

- +7% YoY revenue growth; driven by volume

ANDEXXA:

- Performance in the quarter driven by hospital demand, tempered by continued COVID impact

(1) Net product revenues as previously reported by Portola
(2) Net product revenues recognized by Portola in 2Q20 have not been adjusted for consistency with Alexion accounting policies and are not included in Alexion's 2Q 2020 quarterly results. Alexion has relied upon the amounts as publicly reported by Portola for all periods prior to the acquisition and, with respect to the second quarter of 2020 upon information that was made available to Alexion in the accounting records of Portola.

4Q 2020 FINANCIAL PERFORMANCE – YoY COMPARISON

$ Millions, Except EPS	4Q '20 GAAP [1]	4Q '20 Non-GAAP [1]	4Q '19 GAAP [1]	4Q '19 Non-GAAP [1]	Δ Non-GAAP [1]
Total Revenue	$1,592	$1,592	$1,384	$1,384	+15%
SOLIRIS® Revenue	$1,024	$1,024	$1,013	$1,013	+1%
ULTOMIRIS® Revenue	$314	$314	$170	$170	+84%
STRENSIQ® Revenue	$186	$186	$167	$167	+11%
KANUMA® Revenue	$29	$29	$34	$34	-14%
ANDEXXA® Revenue	$40	$40	-	-	-
COGS *% of Total Revenue*	$152 10%	$138 9%	$114 8%	$111 8%	+67 bps
R&D *% of Total Revenue*	$295 19%	$270 17%	$270 20%	$227 16%	+57 bps
SG&A *% of Total Revenue*	$444 28%	$385 24%	$381 28%	$340 25%	-40 bps
Operating Income	$622	$799	$541	$707	+13%
Operating Margin	39%	50%	39%	51%	-84 bps
Effective Tax Rate	9%	14%	(48)%	12%	+200 bps
Earnings (Loss) Per Share	$2.42	$2.96	$4.00	$2.71	+9%

$ Millions	FY 2020	FY 2019	Δ
Free Cash Flows [2]	$2,896	$1,930	+50%

[1] A reconciliation of GAAP to non-GAAP financial results is provided in the appendix and is available at www.alexion.com.
[2] Free Cash Flow (FCF) defined as cash flow from operations less purchases of property, plant and equipment
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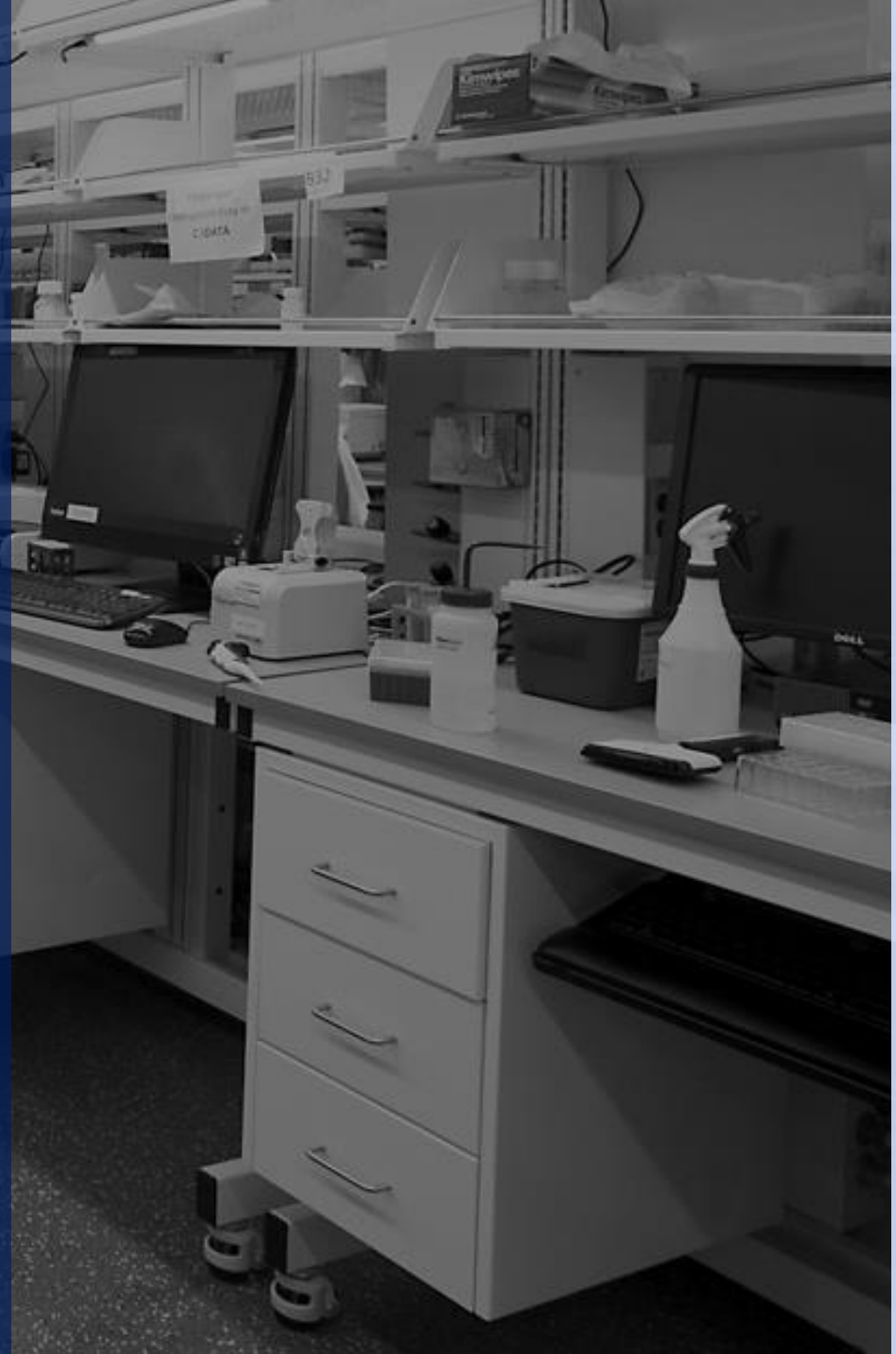
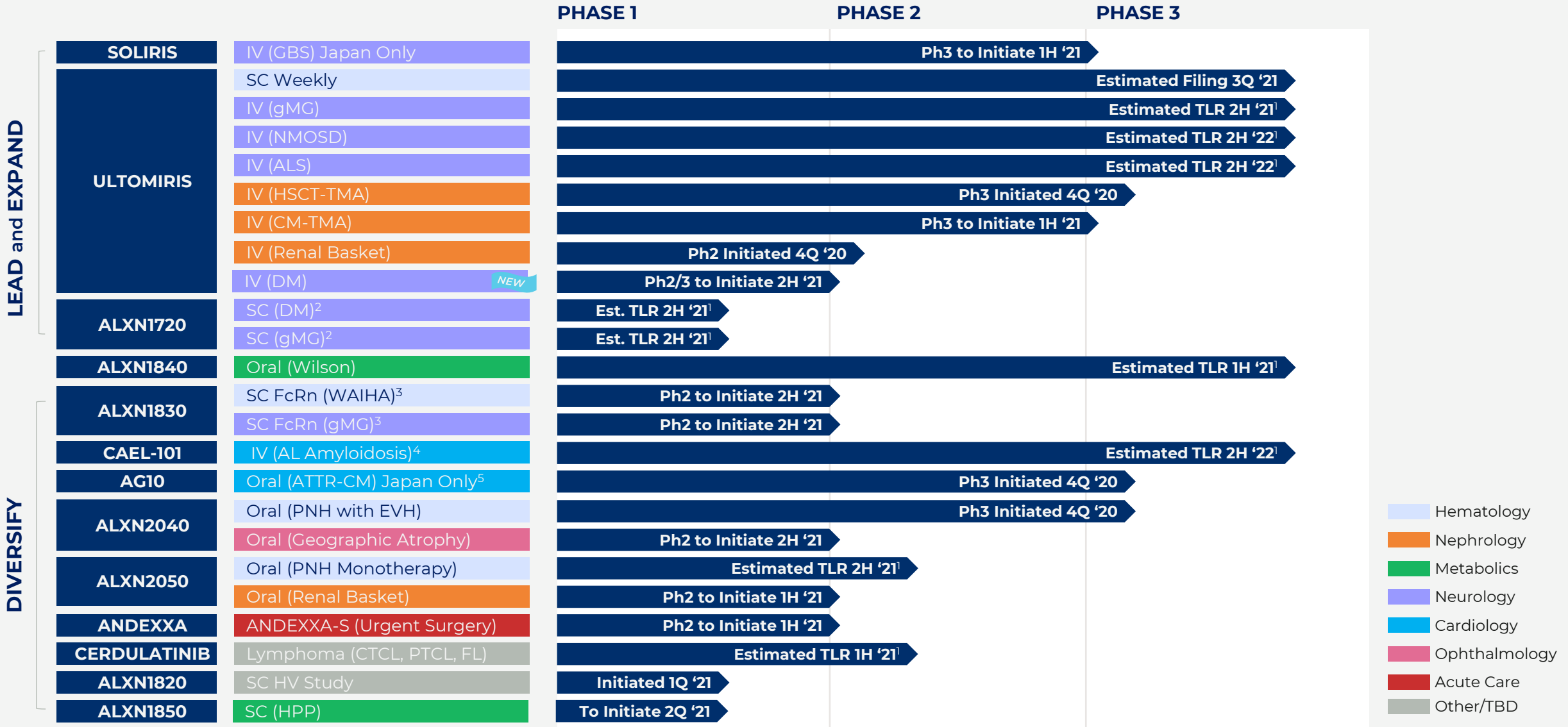
R&D Update



VALUE-CREATING PIPELINE CONTINUES TO EXPAND

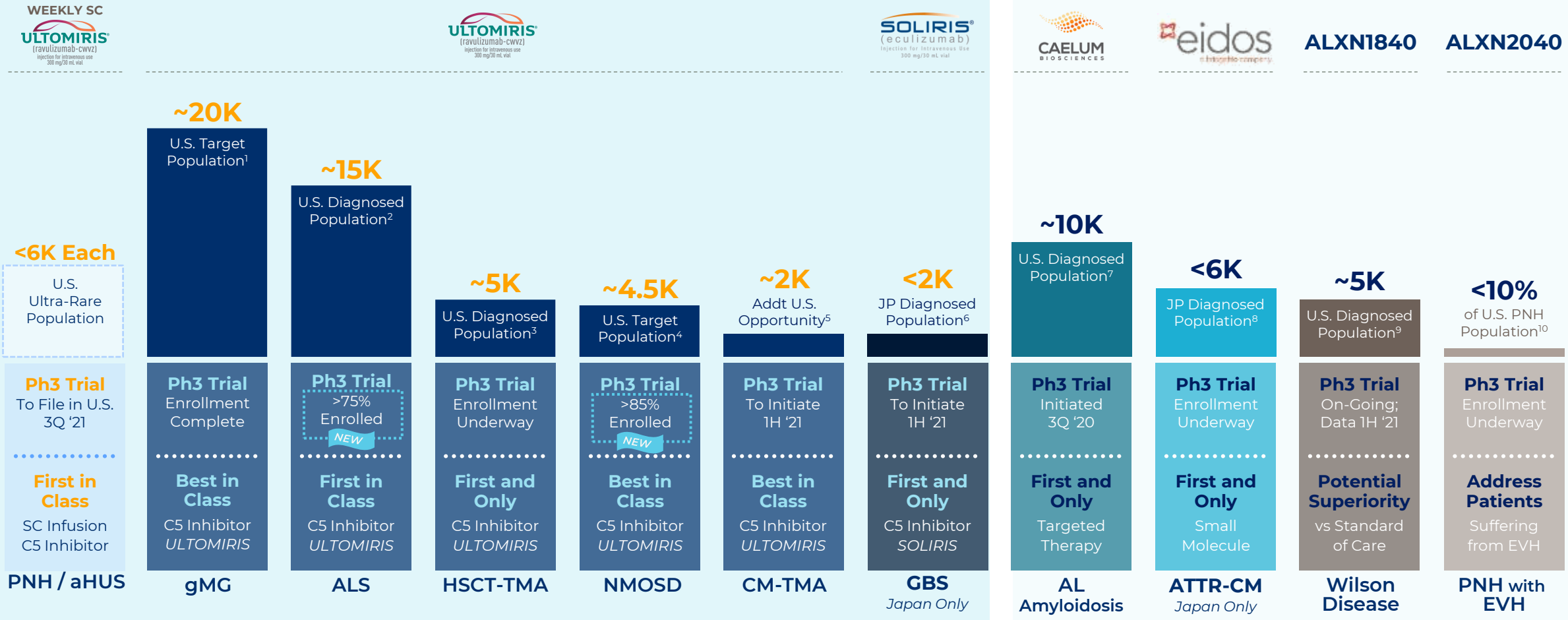


[1]TLR: Topline readout; [2]1720 currently in HV Ph1 with topline readout estimated 2H '21 and subsequent DM and gMG trials to begin after that; [3]1830 Ph1 HV program to reinitiate for SC formulation with WAIHA and gMG Ph2 programs to follow in 2021; [4]Structured as option to acquire Caelum; [5]Exclusive license to develop & commercialize in Japan

ON TRACK TO 10 LAUNCHES BY 2023

LEAD AND *EXPAND* IN COMPLEMENT

DIVERSIFY INTO NEW GROWTH AREAS



1. Commercial estimate 2. Prevalence of ALS-United States, 2015 MMWR Morb Mortal Wkly Rep. 2018 Nov 23; 67(46): 1285-1289 3. Jodele S, Davies SM, Lane A, et al. Diagnostic and risk criteria for HSCT-associated thrombotic microangiopathy: a study in children and young adults. Blood. 2014;124(4):645–653. 4. Aligned with our Phase 3 PREVENT criteria 5.Alexion estimated market opportunity incremental to existing aHUS market 6. Saito T, Arimura K, No M. Result report of the National Epidemiology Survey secondary questionnaire survey on Guillain-Barré syndrome, Ministry of Health, Labour and Welfare specific disease, Immunologic neurological disease investigation sub-group Year 2000 Research Report, 2000;83-84. 7. Quock, T. P., et al. Epidemiology of AL amyloidosis: a real-world study using U.S. claims data. *Blood Adv.* 2018; 2(10):1046-1053 8. Eidos Therapeutics 9. Poujois, A., et al. Characteristics and prevalence of Wilson's disease: A 2013 observational population-based study in France. Clin Res Hepatol Gastroenterol. 2018 Feb;42(1):57-6 10. Risitano AM, et al. *Blood.*2009;113(17):4094-4100

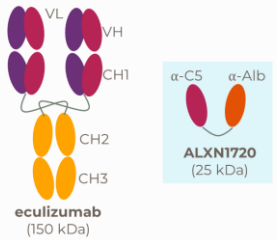
KEY PIPELINE DEVELOPMENTS & UPCOMING MILESTONES

Key Pipeline Updates

ALXN1720: Third Generation C5 Inhibitor

Long-Acting, Small Volume Subcutaneous Dosing

Potential for auto-injector or pre-filled syringe



- Ph1 Healthy Volunteers study paused second time due to COVID-19
  - Due to reinitiate in 2Q adding new dose cohorts
  - ***Pushes topline data from 1H to 2H '21***
- Obtained positive FDA alignment to move direct to Ph3 in gMG
  - ***Study to initiate 2022 assuming positive Ph 1 data***
- Pursuing Ph2/3 study with ULTOMIRIS in dermatomyositis (DM) to secure faster PoC of C5 inhibition in DM and potentially earlier market entry[2]
  - Plan to initiate Ph3 with ALXN1720 in broader population pending positive Ph1 data and positive PoC with ULTOMIRIS
  - ***ULTOMIRIS Ph2/3 study to initiate 2H '21***

Robust Pipeline Driving 2021 Catalysts

LEAD **AND** ***EXPAND***
IN COMPLEMENT

DIVERSIFY
IN NEW GROWTH AREAS

1H 2021

ULTOMIRIS TLR[1]
Ph3 gMG 2H

ULTOMIRIS SC
Filing PNH / aHUS 3Q

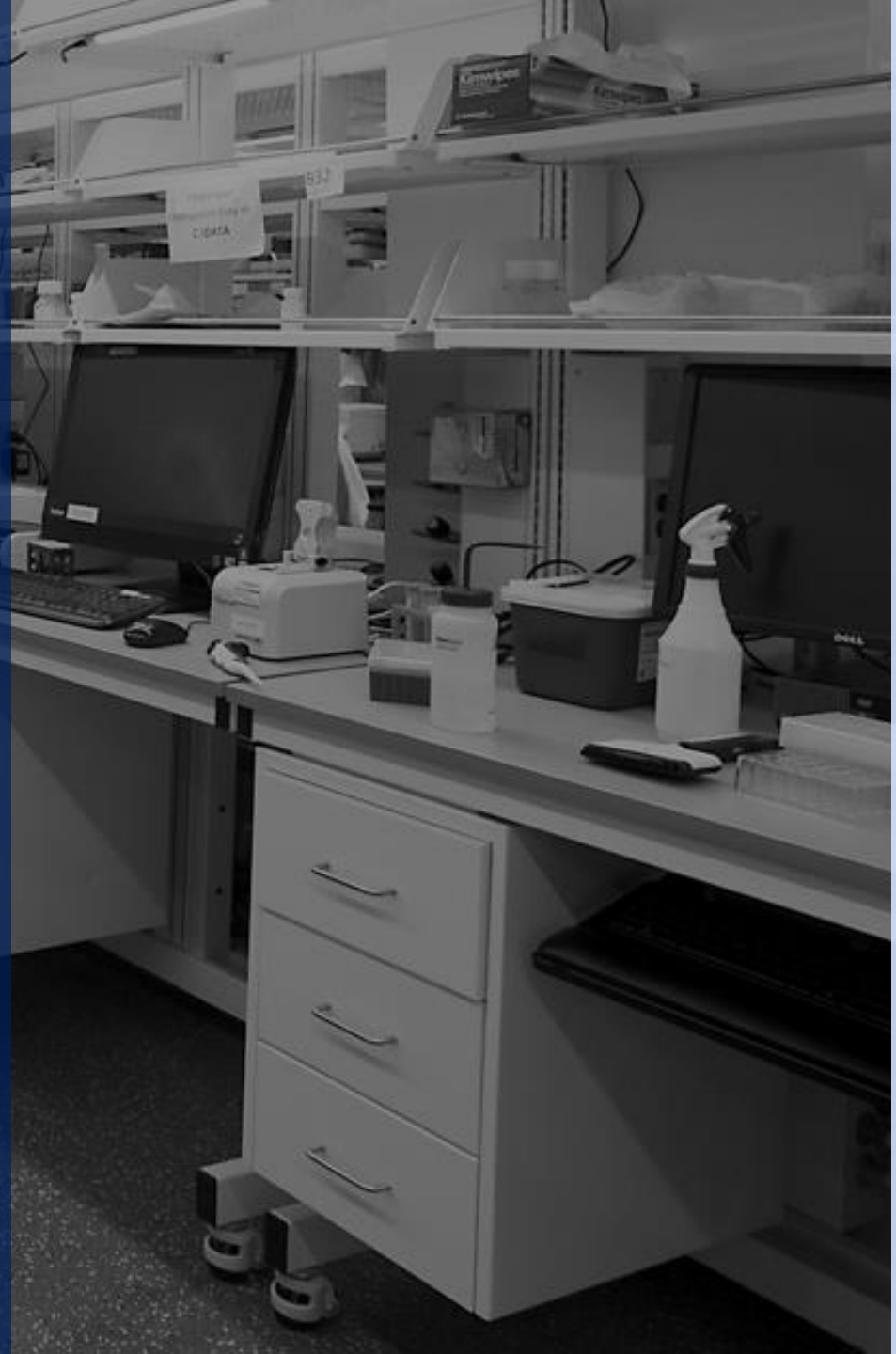
ALXN1720 TLR[1]
Ph1 SAD / MAD 2H

ALXN1840 TLR[1]
Ph3 Wilson Disease 1H

ALXN2050 TLR[1]
Ph2 PNH 2H

[1]TLR: Topline readout; [2]Ph2/3 study with ULTOMIRIS in DM provides optionality to secure faster PoC with C5 inhibition. Could decide to terminate trial after completion of Ph 2 portion and carry forward with ALXN1720 alone.

Commercial Update



SUSTAINABLE C5 FRANCHISE WITH SOLIRIS & ULTOMIRIS

Second Generation C5 Inhibitor

ULTOMIRIS® (ravulizumab-cwvz) injection for intravenous use 300 mg/30 mL vial

3Q 2020

PNH 70% Conversion In Top Three Markets Achieved

~2/3 of Global Revenues

On Track for aHUS 70% Conversion In Top Three Markets Within Two Years

Oct 2019
U.S. aHUS ULTOMIRIS Approval

Sep 2020
JP aHUS ULTOMIRIS Approval

Jun 2020
EU aHUS ULTOMIRIS Approval

3Q 2021
Once Weekly SC Formulation U.S. Filing

Rapid, Patient Friendly Device with Potential to be First SC Option for Both PNH & aHUS

2H 2022
Est. gMG ULTOMIRIS Approval[2]

1H 2023
Est. NMOSD ULTOMIRIS Approval[2]

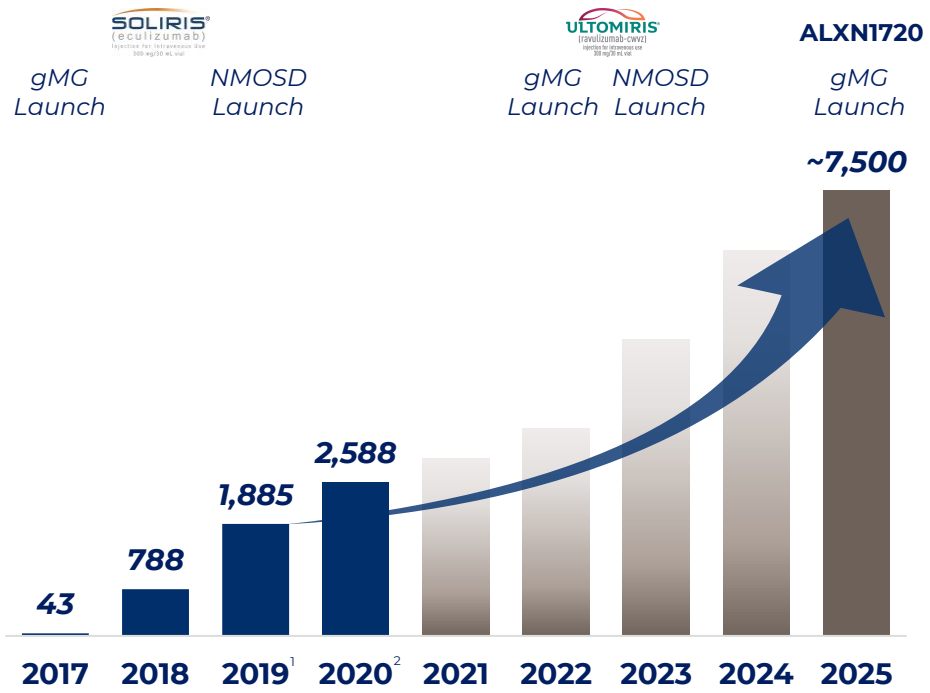
Exploring SC optionality in Neurology as clinical data would likely be required

Ambition for best-in-class ULTOMIRIS conversion across all indications

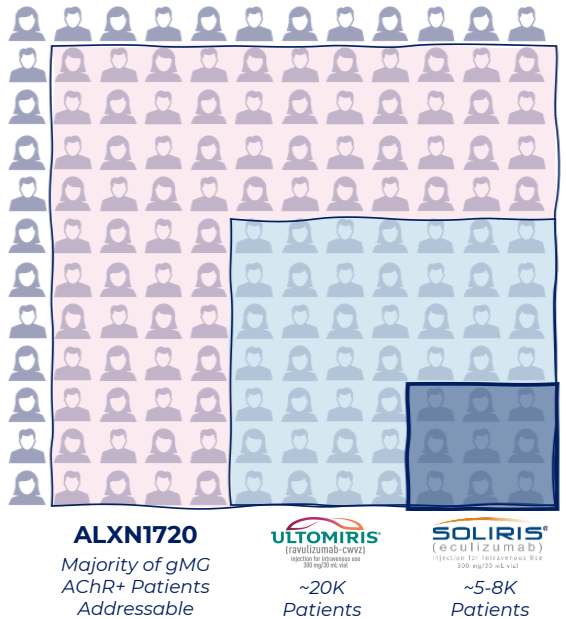
[1]aHUS ambition of 70% of total patients on ULTOMIRIS within 2 years of launch; [2]Pending regulatory approval following completion of Phase 3 studies

AMBITION TO TREAT 4X U.S. NEUROLOGY PATIENTS

U.S. Neurology Patients (gMG & NMOSD)



Addressing Incremental Share of gMG Population With ULTOMIRIS Key to Achieving Ambition



60-80K Total U.S. gMG Patients

Estimated ULTOMIRIS launch in gMG 2H 2022

[1]Ambition Baseline - 12/31/19 1,885 patients (4x growth ambition includes only gMG and NMOSD indications for SOLIRIS & ULTOMIRIS); [2]gMG and NMOSD patients on SOLIRIS as of 12/31/20

Executing Against Re-Powered Launch Strategy

- Strong results since acquisition closure with ***acceleration of U.S. hospital demand***
- Optimizing new and existing top tier accounts
  - Driving ***ACCESS*** through formularies and bleeding protocols
  - Raising ***AWARENESS*** with clinical and economic champions
  - Generating ***DEMAND*** in network and referral centers

Other Key Growth Drivers

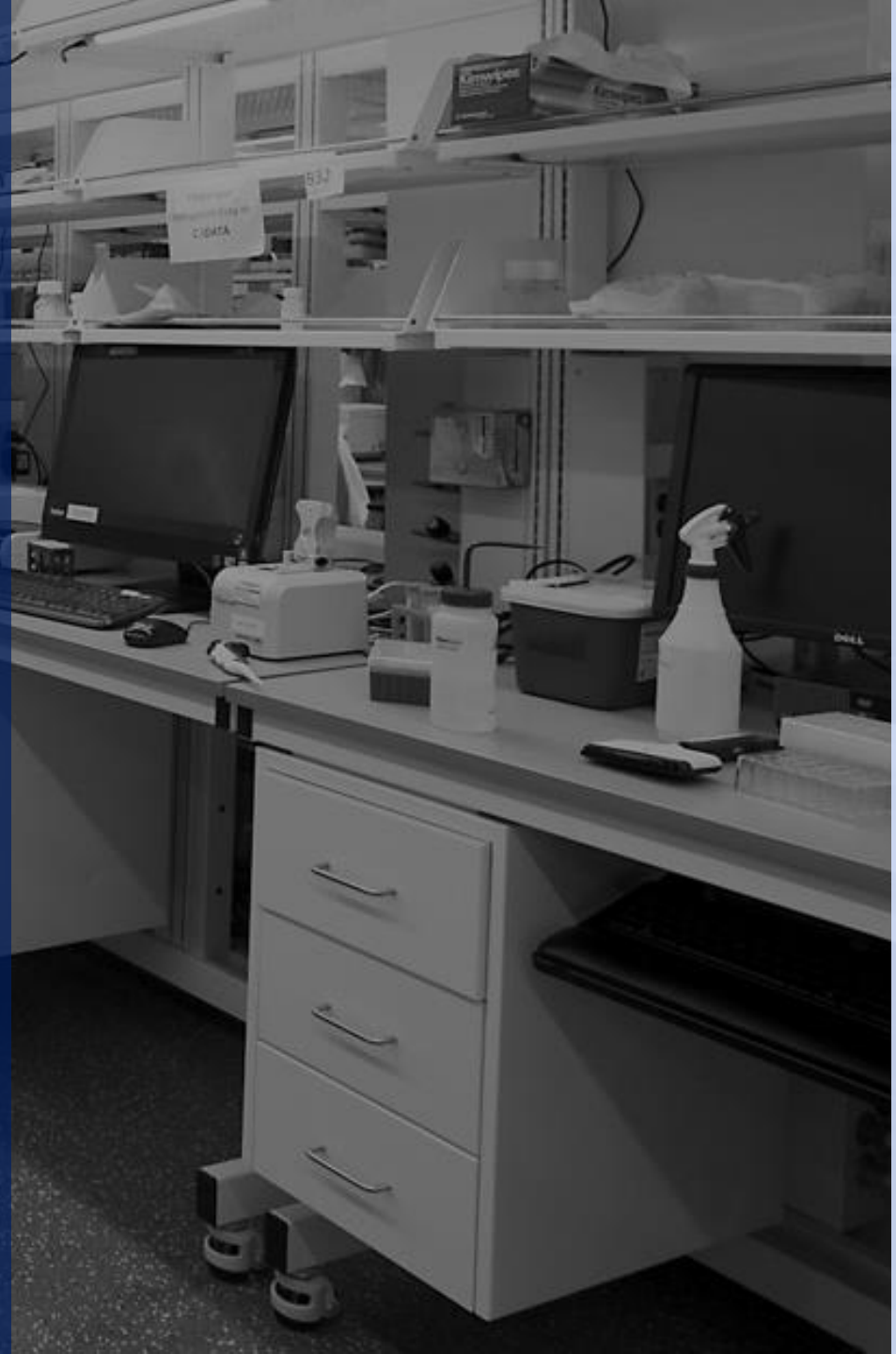
Geographic Expansion

- Progressing EU payer and access negotiations: planning additional launches in Europe in 2021 outside of Germany and UK
- On track to file in Japan 1H ‘21

Label Expansion

- Filed sBLA to expand U.S. label to include enoxaparin and edoxaban in 4Q ’20
- Plan to initiate Ph2 Urgent Surgery trial 1H ‘21

Looking Ahead



MOMENTUM CONTINUES IN 2021

LEAD IN COMPLEMENT

- Establish ULTOMIRIS as standard of care
- Continue to innovate for patients
- Develop and launch next generation C5

2020

- ✓ >70% PNH patients converted to ULTOMIRIS in U.S., DE, JP
- ✓ ULTOMIRIS 100mg/mL approval (U.S. & EU)

2021

- ☐ >70% aHUS ULTOMIRIS converted in U.S. (2H)
- ☐ ULTOMIRIS once-weekly SC filing (3Q)
- ☐ ALXN1720 Ph1 top line data (2H)

EXPAND IN COMPLEMENT

- Expand presence in Neurology
- Focus new ULTOMIRIS expansion on direct to Ph3 and rapid proof of concept studies

- ✓ 4x U.S. Neuro ambition set[1]: >700 new patients (2,588 total SOLIRIS patients) as of year-end 2020
- ✓ gMG Ph3 ULTOMIRIS fully enrolled
- ✓ NMOSD Ph3 ULTOMIRIS enrollment >80%[2]
- ✓ ALS Ph3 ULTOMIRIS initiated; >50% enrolled[2]
- ✓ HSCT-TMA Ph3 ULTOMIRIS initiated

- ☐ gMG Ph3 ULTOMIRIS top line data (2H)
- ☐ gMG ULTOMIRIS filing (2H)
- ☐ NMOSD & ALS Ph3 ULTOMIRIS full enrollment (2H)
- ☐ ULTOMIRIS Nephrology[3] enrollment progress (FY)

DIVERSIFY Into New Growth Areas

- Expand rare disease focus with novel assets
- Grow acute care presence with ANDEXXA

- ✓ Ph3 ALXN1840 fully enrolled; on track for topline data 1H 2021
- ✓ AL Amyloidosis Ph3 CAEL-101 trials initiated
- ✓ PTLA acquisition closed
- ✓ PNH w/ EVH PH3 ALXN2040 initiated

- ☐ Ph3 ALXN1840 top line data (1H)
- ☐ ALXN1840 filing in Wilson Disease (2H)
- ☐ Ph2 ALXN2040 Geographic Atrophy initiation (2H)
- ☐ ANDEXXA growth (FY)

PROPOSED ASTRAZENECA ACQUISITION OF ALEXION EXPECTED TO CLOSE IN 3Q 2021

[1]Ambition for 4x U.S. treated Neuro patients by year-end 2025 set with 12/31/19 baseline of 1,885 patients and 2,588 net patients on SOLIRIS as of year-end 2020; [2]As of year-end 2020; [3]Refers to ULTOMIRIS HSCT-TMA and CM-TMA Ph3 and Renal Basket Ph2 Trials

Appendix

OUR VALUE CREATION STRATEGY

LEAD AND *EXPAND* IN COMPLEMENT

LEAD

- Establish ULTOMIRIS as the new standard of care
  - PNH
  - aHUS
  - Neurology in 2022/2023
- Develop and launch next-generation innovative C5 formulations

EXPAND

- Expand presence in Neurology
- Focus new ULTOMIRIS expansion opportunities on direct-to-Phase 3, rapid Proof of Concept

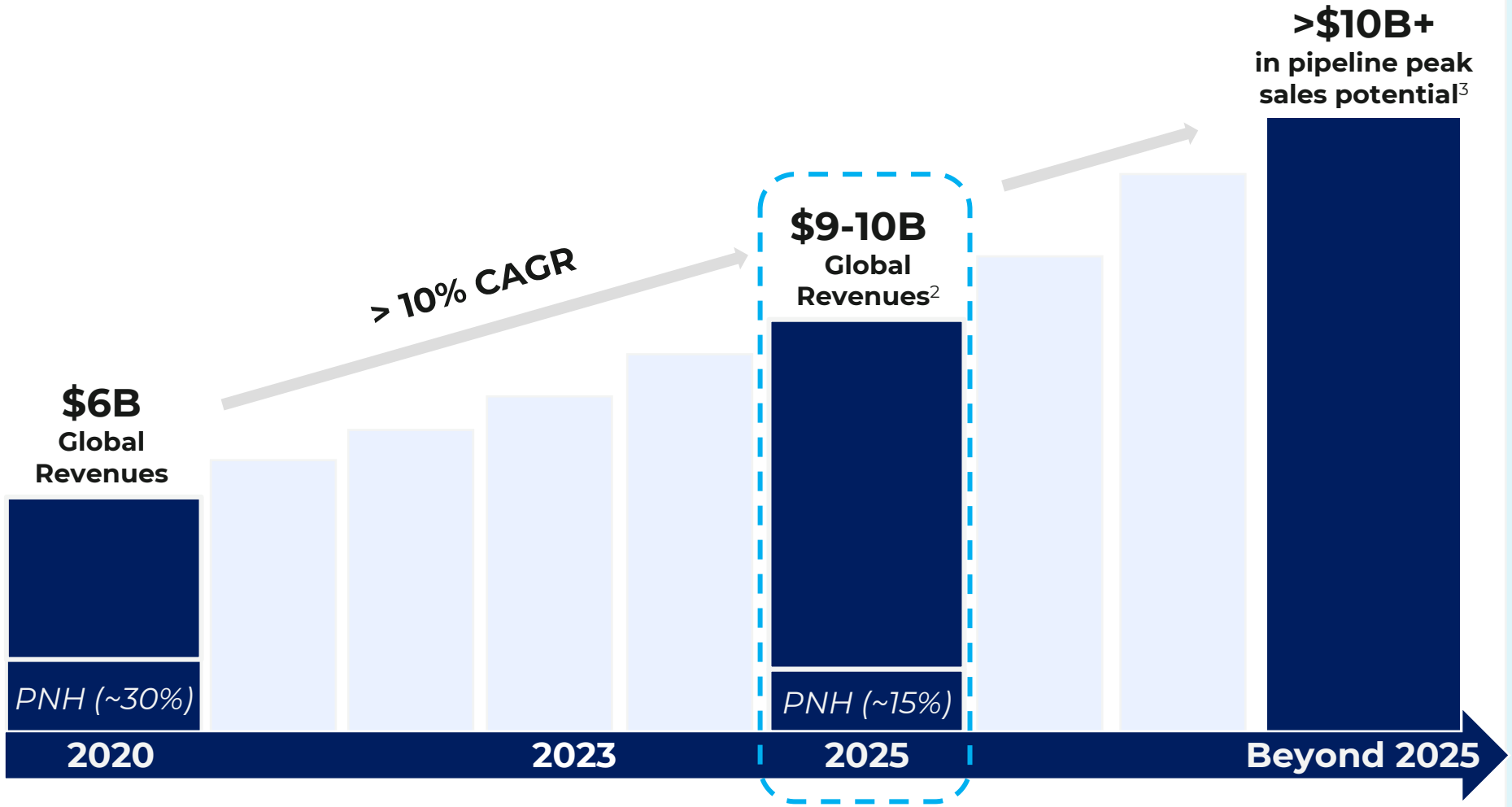
DIVERSIFY INTO NEW GROWTH AREAS

DIVERSIFY

- Execute novel asset development to expand rare disease focus
- Grow acute care presence with ANDEXXA

Secure and grow our base business ***Drive new growth opportunities outside C5***

STANDALONE ALXN TARGETING $9-10B IN GLOBAL REVENUES IN 2025



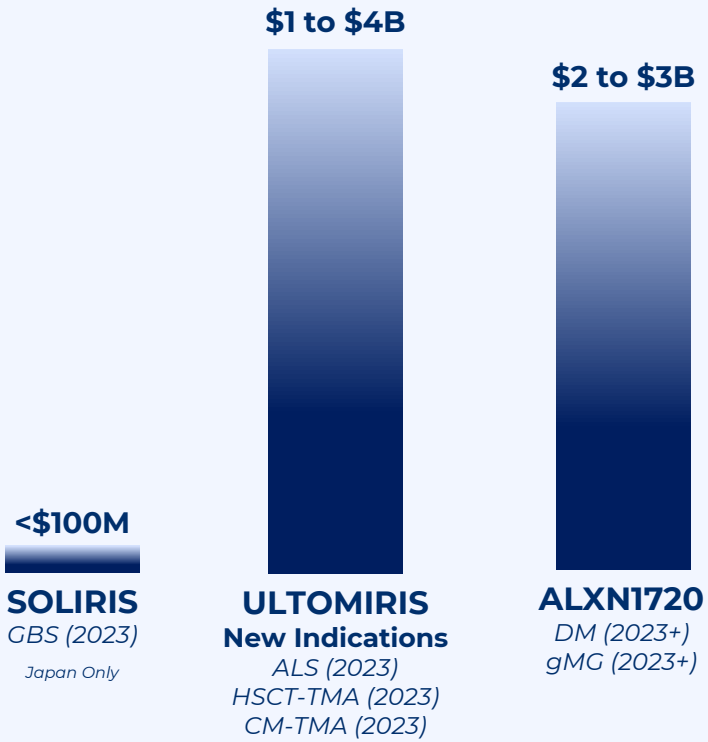
Key Building Blocks To Achieving 2025 Revenue Ambition

1. **Expand Neurology U.S. Patient Volume 4x** *(to ~7,500 U.S. Patients)*[1]
2. **Grow ANDEXXA Utilization**
3. **Sustainable PNH and Growing aHUS & Metabolic Businesses**
4. **Initial Revenue Contribution From 10 Launches By 2023**

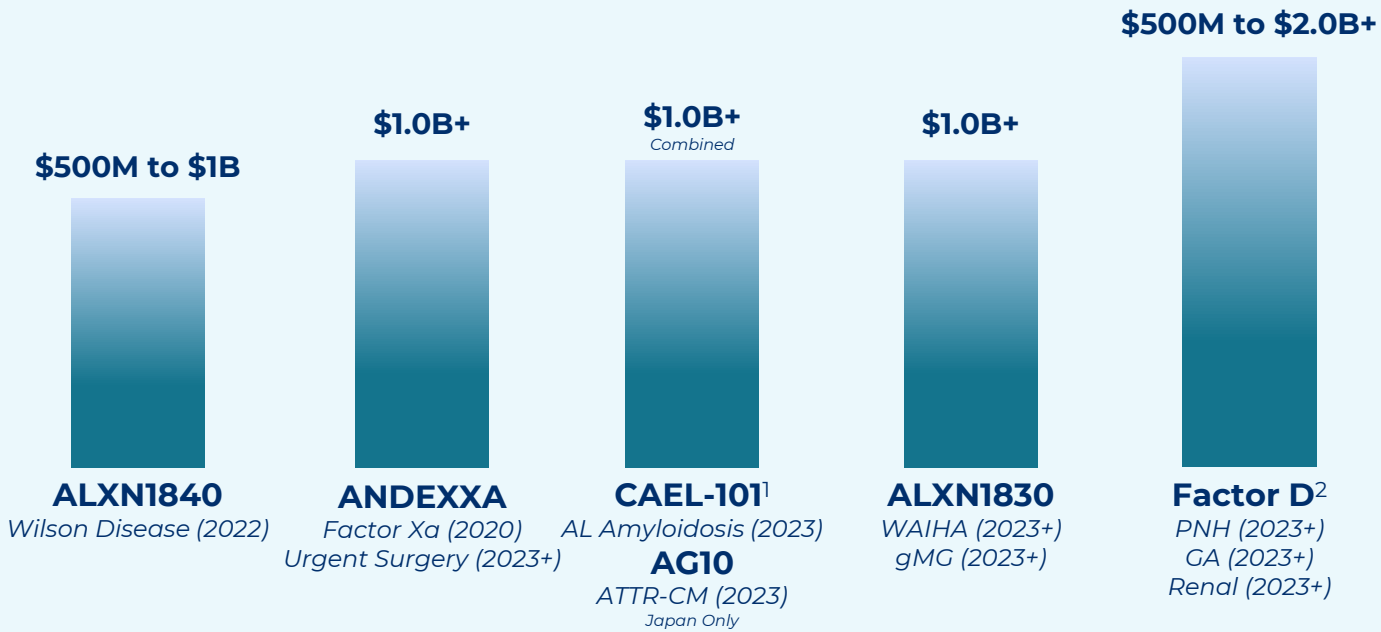
[1]Ambition Baseline - 12/31/19 1,885 patients; [2]2025 $9-10B target is at constant currencies (9/30/20 levels); [3]Illustrative, non risk-adjusted revenues, peak sales year varies by program

DEVELOPMENT-STAGE PIPELINE WITH >$10B+ IN POTENTIAL PEAK SALES

LEAD and *EXPAND* in complement



DIVERSIFY into new growth areas *(sourced through BD)*



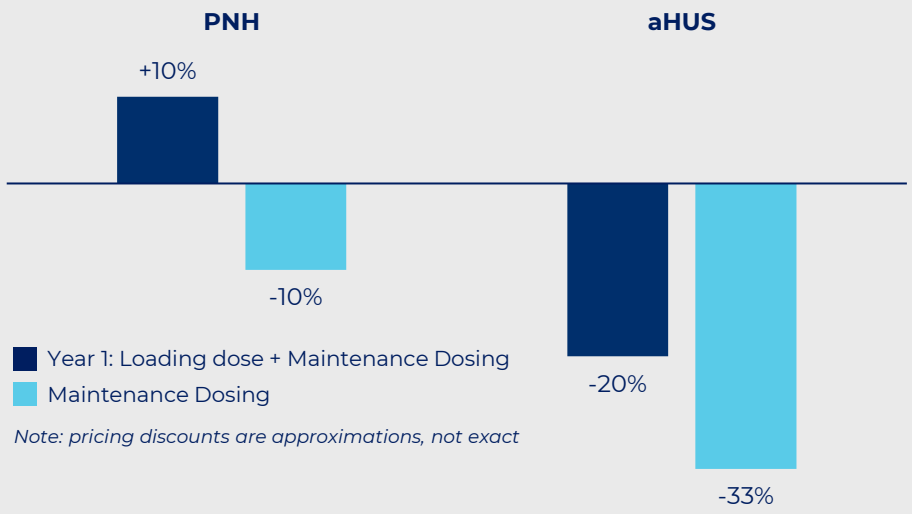
7 Blockbuster Franchises

Illustrative only; timing shown represents launch year; based on non-adjusted peak revenue estimates for incremental market opportunity; [1]Structured as an option to acquire Caelum; [2]Factor D represents both ALXN2040 and ALXN2050

ULTOMIRIS CONVERSION DYNAMIC: TWO KEY CONSIDERATIONS

Conversion Loading Dose Dynamic

ULTOMIRIS vs. SOLIRIS U.S. Annual Cost Per Patient



- SOLIRIS indication-specific dosing: aHUS, gMG, NMOSD labeled dose higher than PNH
  - *Drives indication-specific pricing differences when comparing SOLIRIS vs. ULTOMIRIS pricing*
- ULTOMIRIS weight-based dosing

Quarter-on-quarter (QoQ) Variability

Infusion Timing Drives QoQ Variability

Patient Sample 1: Loading dose + 2 Maintenance Infusions

Patient Sample 2: Loading dose + 1 Maintenance Infusion

- ULTOMIRIS every 8 week infusion schedule drives variability in quarterly patient treatment costs
- Expect quarterly variability to be negligible on year-over-year (YoY) revenue comparisons

CSR AND ESG AT ALEXION

CSR-S·T·A·R

SUPPORTING OUR MISSION TO TRANSFORM THE LIVES OF PEOPLE AFFECTED BY RARE AND DEVASTATING DISEASE WHILE CREATING VALUE FOR ALL OUR STAKEHOLDERS.

SERVE
COMMUNITIES AND SUSTAIN OUR PLANET

We invest in our communities and shared planet in support of those who depend on us today and for generations that follow.

TRANSFORM
PATIENT LIVES

We urgently seek to understand patient journeys, find answers, and collaborate to deliver access to therapies that change lives.

ADVANCE
OUR PEOPLE AND OUR COMPANY

We aspire to become the most rewarding company to work for, embracing belonging, and governing and managing our business to return value to our stakeholders.

REDEFINE
WHAT IT MEANS TO LIVE WITH A RARE DISEASE

We pioneered complement biology, spurring new treatments for devastating disorders. We work to advance healthcare through innovative diagnostics and proactive transparency.

ETHICS & COMPLIANCE: OUR FOUNDATION

We build trust when we make the right choices and act with integrity. Our unwavering commitment to ethics, quality and compliance improves our ability to serve patients and enhances our reputation and competitive advantage.

CSR IS AN ACRONYM FOR CORPORATE SOCIAL RESPONSIBILITY

"At Alexion, we work to change lives for the better – ours, people living with rare diseases and the communities we serve – and our commitment to being a responsible corporate citizen helps make it possible."

CEO LUDWIG HANTSON

Recognition *(Alexion's Inaugural CSR Report Published in 2020)*

Corporate ESG Performance
Prime
RATED BY ISS ESG

1st Decile Rank (Pharmaceuticals & Biotech)

S&P Global Ratings

Double Digit Growth

SUSTAINALYTICS
a Morningstar company
ESG INDUSTRY TOP RATED
2020 2021

#1 ESG Risk Rating (Biotech)

AMERICA'S MOST RESPONSIBLE COMPANIES 2021
Newsweek
statista

Ranked 161 out of 400 (Top 40%)

COMMITTED TO CONTINUING ELEVATION OF CSR REPORTING IN 2021

Download Alexion's Inaugural 2019 CSR Report at csr.alexion.com

DIVERSITY, INCLUSION, AND BELONGING (DI&B)

Diversity is a *fact*. Inclusion is an *act*. Belonging is a *pact*.

Ignite an inclusive environment where people belong because of their uniqueness and unleash their individuality and diversity to spur innovative breakthroughs for patients.

Alexion Resource Groups (ARGs)

A unique structure to drive intersectionality and foster allyship and inclusion [2]

- **Women in Leadership (WIL) and WIL Allies**
- **Black Professionals Network (BPN)**
- **Be You LGBTQ+**

53% of Alexion's total workforce are female

64% of Alexion's management team are female[1]

MassBio Massachusetts Biotechnology Council

Our Commitment: The MassBio CEO Pledge for a More Equitable and Inclusive Life Sciences Industry

Alexion's DI&B Differentiators

- ✓ **Chief Diversity Officer**, member of the management team, reports into the CEO
- ✓ **DI&B Advisory Board co-chaired** by 2 management team members
- ✓ **200+ global employees** directly involved in DI&B governance and network
- ✓ **"DI&B Innovation Pods"** drive topics e.g., talent, supplier diversity, clinical trial
- ✓ **Global DI&B Flex Day** paid time off to celebrate and meet diverse needs

OUR STRATEGY

BUILD A DIVERSE AND INCLUSIVE **ORGANIZATION** OF THE FUTURE

ADVANCE OUR **CULTURE** OF DIVERSITY, INCLUSION & BELONGING

ENSURE A COMPELLING DI&B CORPORATE BRAND **REPUTATION**

(1) One of only 3 S&P 500 Companies with majority women at the executive level
(2) Four additional ARGs to launch Q12021

ALEXION'S CURRENT INDICATIONS

	Indication	Description	Links
PNH	Paroxysmal Nocturnal Hemoglobinuria	Chronic, debilitating, and potentially life-threatening ultra-rare blood disorder, with an average age of onset in the early 30s	more info
aHUS	atypical Hemolytic Uremic Syndrome	Ultra-rare, genetic, chronic, potentially life-threatening disease. Chronic uncontrolled complement activation results in thrombotic microangiopathy (TMA)	more info
gMG	Generalized Myasthenia Gravis	Debilitating, chronic, and progressive autoimmune neuromuscular disease.	more info
NMOSD	Neuromyelitis Optica Spectrum Disorder	Rare, devastating, complement-mediated disorder of the central nervous system characterized by relapses where each individual attack results in cumulative disability including blindness and paralysis, and sometimes premature death (primarily affects women)	more info
HPP	Hypophosphatemia	Inherited, progressive, ultra-rare metabolic disease in which patients experience devastating effects on multiple systems of the body, and face debilitating or life-threatening complications	more info
LAL-D	Liposomal Acid Lipase Deficiency	Genetic, chronic, and progressive ultra-rare metabolic disease in which infants, children, and adults experience continuous, uncontrolled accumulation of cholesteryl esters (CEs) and triglycerides (TGs) that may lead to multi-organ damage and premature death	more info
ANDEXXA	Coagulation factor Xa reversal (recombinant)	Reversal agent for life-threatening bleeds induced by factor Xa inhibitors	more info

ALEXION PIPELINE INDICATIONS - I

	Indication	Description	Links
WD	Wilson Disease	Rare, chronic, genetic, and potentially life-threatening liver disorder of impaired copper transport. The disorder is characterized by build-up of intra-cellular hepatic copper. Untreated, Wilson disease leads to various combinations and severity of hepatic, neurologic, and psychiatric symptoms, and can be fatal.	
ALA	AL (Light-chain) Amyloidosis	A protein misfolding disorder in which B-cells produce incomplete λ and κ light chain antibodies which clump in certain organs / tissues (including heart, lungs, kidneys, nervous system, and liver, eventually causing organ damage and death.	more info
PNH-EVH	Paroxysmal Nocturnal Hemoglobinuria with Extravascular Hemolysis	Chronic, debilitating, and potentially life-threatening ultra-rare blood disorder, with an average age of onset in the early 30s. EVH occurs when C3 opsonization of red blood cells causes macrophages to destroy those cells in tissue.	
DM	Dermatomyositis	Progressive autoimmune condition that causes skin changes and muscle weakness. Symptoms can include a red skin rash around the eyelids, red bumps around the joints, and muscle weakness in the arms and legs. Dermatomyositis is most common in adults between ages 40 and 60, or in children between ages 5 and 15.	more info
HSCT-TMA	Hematopoetic Stem Cell Transplant Thrombotic Micro-Angiopathy	Thrombotic microangiopathy (TMA) is a disorder that may occur following hematopoietic stem cell transplant (HSCT), often presenting in the setting of multiple triggers, including endothelial insult, immune dysregulation, and uncontrolled complement activation. The TMA has a significant impact to multiple organs, typically resulting in severe organ dysfunction and long-term morbidity. Mortality in patients with HSCT-TMA is approximately 60% with severe TMA approaching 90%.	

ALEXION PIPELINE INDICATIONS - II

	Indication	Description	Links
CM-TMA	Complement-Mediated Thrombotic Micro-Angiopathy	Caused by abnormalities of regulation of the alternative pathway of complement activation. The indication describes a group of severe and chronic ultra-rare diseases that can cause progressive injury to vital organs— via damage to the walls of blood vessels and blood clots—potentially leading to organ failure and premature death. CM-TMA affects both adults and children and represents the population of patients with aHUS with or without triggers.	
COVID-19	Severe Acute Respiratory Distress Syndrome in COVID-19 patients	Patients with severe illness include those who are hospitalized with severe pneumonia or acute respiratory distress syndrome. Evidence suggests that acute lung injury associated with COVID-19 may be mediated in part by complement pathway whereby elevated C5 ultimately leads to severe pneumonia, blood clots and multi-organ dysfunction in many advanced COVID patients.	
WAIHA	Warm Auto-Immune Hemolytic Anemia	Rare autoimmune disorder caused by pathogenic Immunoglobulin G (IgG) antibodies that react with and cause the premature destruction of red blood cells at normal body temperature. The disease is often characterized by profound, and potentially life-threatening anemia and other acute complications.	
ATTR-CM	Transthyretin Amyloidosis (ATTR) with Cardiomyopathy (ATTR-CM)	A progressive, fatal disease caused by the accumulation of misfolded tetrameric transthyretin (TTR) amyloid in the heart. Caused by the destabilization of TTR due to inherited mutations or aging, symptoms usually manifest later in life (age 50+), with median survival of three to five years from diagnosis.	

ALEXION PIPELINE INDICATIONS - III

	Indication	Description	Links
LN	Lupus Nephritis	An inflammatory renal disease that is a severe complication of systemic lupus erythematosus (SLE), in which deposits of immune complexes (e.g., IgG and complement) accumulate in the kidney and lead to injury. Approximately 30% SLE patients develop LN, and up to 30% of patients are refractory to treatment and progress to end stage renal disease requiring dialysis/transplant within 15 years . There are no FDA approved therapies for LN.	
PMN	Primary Membranous Nephropathy	Rare autoimmune disease characterized by autoantibodies to the podocyte membrane antigens PLA2R (~85%) and THSD7A (~5%) that causes nephrotic syndrome and chronic kidney disease. Approximately 30% of patients will progress to end stage renal disease within 10 years of diagnosis.	
IgAN	IgA Nephropathy (IgAN)	A heterogenous disease in terms of clinical manifestations and progression and is the most common cause of primary glomerulonephritis. In IgAN, locally deposited immune complexes lead to activation of the complement cascade & downstream endothelial organ damage. The Lectin and Alternative Pathways are believed to be the main driver of disease progression, which includes end stage renal disease and need for dialysis or transplant.	
C3G	Complement 3 Glomerulopathy	Ultra-rare, heterogenous renal disease characterized by uncontrolled continued activation of fluid and/or solid phase alternative pathway causing C3 deposition and inflammation, leading to kidney damage .	
ALS	Amyotrophic lateral sclerosis	A rare neurological disorder of progressive deterioration of nerve cells (motor neurons) in the brain and the spinal cord that control muscles throughout the body. Loss of motor neurons and muscle strength leads to loss of independence, paralysis and death, typically due to respiratory insufficiency.	

ALEXION PHARMACEUTICALS, INC.
TABLE 1: CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share amounts)
(unaudited)

	Three months ended December 31,		Twelve months ended December 31,	
	2020	2019	2020	2019
Net product sales	$ 1,591.7	$ 1,384.2	$ 6,069.1	$ 4,990.0
Other revenue	0.1	0.1	0.8	1.1
Total revenues	1,591.8	1,384.3	6,069.9	4,991.1
Costs and expenses:				
Cost of sales (exclusive of amortization of purchased intangible assets)	152.2	114.3	553.5	394.5
Research and development	295.0	269.6	1,002.9	886.0
Selling, general and administrative	444.4	381.0	1,399.9	1,261.1
Acquired in-process research and development	—	—	—	(4.1)
Amortization of purchased intangible assets	53.2	73.9	253.7	309.6
Change in fair value of contingent consideration	16.2	4.4	61.2	11.6
Acquisition-related costs	11.9	—	117.6	—
Restructuring expenses	(3.2)	0.1	10.3	12.0
Impairment of intangible assets	—	—	2,053.3	—
Gain on sale of asset	—	—	(14.8)	—
Total costs and expenses	969.7	843.3	5,437.6	2,870.7
Operating income	622.1	541.0	632.3	2,120.4
Other income and expense:				
Investment income, net	(3.1)	49.7	44.7	100.3
Interest expense	(27.7)	(21.7)	(104.7)	(77.8)
Other income and (expense)	(0.7)	33.0	(3.3)	35.9
Income before income taxes	590.6	602.0	569.0	2,178.8
Income tax expense (benefit)	54.8	(287.0)	(34.4)	(225.5)
Net income	$ 535.8	$ 889.0	$ 603.4	$ 2,404.3
Earnings per common share				
Basic	$ 2.45	$ 4.02	$ 2.74	$ 10.77
Diluted	$ 2.42	$ 4.00	$ 2.72	$ 10.70
Shares used in computing earnings per common share				
Basic	218.9	221.3	220.1	223.2
Diluted	221.3	222.5	222.0	224.8

ALEXION PHARMACEUTICALS, INC.
TABLE 2: RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL RESULTS
(in millions, except per share amounts)
(unaudited)

	Three months ended December 31,		Twelve months ended December 31,	
	2020	2019	2020	2019
GAAP net income	$ 535.8	$ 889.0	$ 603.4	$ 2,404.3
Before tax adjustments:				
Cost of sales:				
Share-based compensation	3.1	3.5	12.4	14.2
Fair value adjustment in inventory acquired [1]	11.1	—	22.9	—
Research and development expense:				
Share-based compensation	21.0	15.8	68.6	61.7
Upfront payments related to licenses and other strategic agreements [2]	—	27.1	—	103.4
Fair value adjustment in inventory acquired [1]	4.2	—	4.9	—
Selling, general and administrative expense:				
Share-based compensation	59.8	41.0	179.7	161.1
Litigation charges [3]	—	—	21.6	0.1
Acquired in-process research and development	—	—	—	(4.1)
Amortization of purchased intangible assets	53.2	73.9	253.7	309.6
Change in fair value of contingent consideration [4]	16.2	4.4	61.2	11.6
Acquisition-related costs [5]	11.9	—	117.6	—
Restructuring expenses [6]	(3.2)	0.1	10.3	12.0
Impairment of intangible assets [7]	—	—	2,053.3	—
Gain on sale of asset [8]	—	—	(14.8)	—
Investment income (expense):				
(Gains) and losses related to strategic equity investments [9]	7.6	(39.0)	(26.6)	(59.7)
Other income and (expense):				
Gain related to modification of purchase option [10]	—	(32.0)	—	(32.0)
Adjustments to income tax expense [11]	$ (56.2)	$ (372.8)	$ (547.2)	$ (584.9)
Non-GAAP net income	$ 664.5	$ 611.0	$ 2,821.0	$ 2,397.3
GAAP earnings per common share - diluted	$ 2.42	$ 4.00	$ 2.72	$ 10.70
Non-GAAP earnings per common share - diluted	$ 2.96	$ 2.71	$ 12.51	$ 10.53
Shares used in computing diluted earnings per common share (GAAP)	221.3	222.5	222.0	224.8
Shares used in computing diluted earnings per common share (non-GAAP)	224.4	225.6	225.5	227.6

(1) During the three months ended December 31, 2020, we recorded $11.1 million and $4.2 million within cost of sales and research and development expense, respectively, related to the amortization of the excess fair value of ANDEXXA inventory over the estimated historical cost basis of the inventory, recognized in connection with the acquisition of Portola Pharmaceuticals, Inc. During the twelve months ended December 31, 2020 we recorded $22.9 million and $4.9 million within cost of sales and research and development expense, respectively.

(2) During the three months ended December 31, 2019, we recorded expense of $27.1 million in connection with upfront payments on strategic agreements that we entered into with Stealth BioTherapeutics Corp. (Stealth) and Immune Pharmaceuticals (Immune Pharma). During the twelve months ended December 31, 2019, we recorded expense of $103.4 million in connection with upfront payments on strategic agreements that we entered into with Stealth, Immune Pharma, Eidos Therapeutics, Inc., Affibody AB, and Zealand Pharma A/S.

(3) During the twelve months ended December 31, 2020, we recorded $21.6 million in litigation charges in connection with legal proceedings.

(4) Changes in the fair value of contingent consideration expense for the three and twelve months ended December 31, 2020 reflect changes in the expected timing and probability of achieving contingent milestone payments and the interest component of contingent consideration related to changes in discount rates and the passage of time. Changes in fair value of contingent consideration expense for the three and twelve months ended December 31, 2019 reflect changes in the expected timing of achieving contingent milestone payments and the interest component of contingent consideration related to the passage of time.

(5) For the three and twelve months ended December 31, 2020, we recorded $11.9 million and $117.6 million, respectively, of acquisition-related costs primarily in connection with the Achillion Pharmaceuticals, Inc. and Portola Pharmaceuticals, Inc. acquisitions. Acquisition-related costs primarily consist of transaction costs, costs associated with the accelerated vesting of equity awards previously granted to employees and employee separation costs.

(6) During the three and twelve months ended December 31, 2020, we recorded a benefit of $3.2 million and expense of $10.3 million, respectively, of restructuring expenses relating to restructuring activities initiated during the third quarter 2020 primarily within our commercial organization.

(7) In the second quarter 2020, we recognized impairment charges of $2,053.3 million, primarily related to our KANUMA intangible asset.

(8) In July 2020, we sold certain intellectual property rights and assets to Inozyme Pharma in exchange for $14.8 million of Inozyme common stock. As a result, we recognized a gain on the sale during the twelve months ended December 31, 2020.

(9) (Gains) and losses related to strategic equity investments include unrealized gains and losses in investment income to adjust our strategic equity investments to fair value. In addition, during the three and twelve months ended December 31, 2020 we recognized an impairment charge of $49.0 million on our option to acquire the remaining equity of Caelum Biosciences (Caelum). In connection with entering into the Merger Agreement with AstraZeneca in December 2020, we determined that the fair value of our option decreased as a result of a change to the expected option exercise date.

(10) In December 2019, we amended the terms our of our agreement with Caelum with respect to the option to acquire the remaining equity in Caelum. In conjunction with this amendment, we recognized a gain of $32.0 million in other income and (expense), which reflects an increase in the fair value of the option, less incremental upfront funding and the change in the fair value of contingent payments which we also modified as a part of amendment.

(11) Alexion's non-GAAP income tax expense for the three and twelve months ended December 31, 2020 and 2019 excludes the tax effect of pre-tax adjustments to GAAP profit. Non-GAAP income tax expense for the three and twelve months ended December 31, 2019 excludes a one-time tax benefit of $382.2 million related to the intra-entity asset transfer of intellectual property within our captive foreign partnership. Non-GAAP income tax expense for the twelve months ended December 31, 2019 also excludes certain one-time tax benefits of $95.7 million and $30.3 million associated with a tax election made with respect to intellectual property of Wilson and a release of an existing valuation allowance, respectively.

ALEXION PHARMACEUTICALS, INC.
TABLE 3: NET PRODUCT SALES BY GEOGRAPHY
(in millions)
(unaudited)

	Three months ended December 31,		Twelve months ended December 31,	
	2020	2019	2020	2019
SOLIRIS				
United States	$ 587.4	$ 557.2	$ 2,259.7	$ 2,014.0
Europe	267.6	249.6	1,033.3	1,049.8
Asia Pacific	87.5	94.3	343.0	423.5
Rest of World	81.0	112.0	428.2	459.1
Total SOLIRIS	$ 1,023.5	$ 1,013.1	$ 4,064.2	$ 3,946.4
ULTOMIRIS				
United States	$ 185.7	$ 92.9	$ 646.0	$ 236.8
Europe	58.0	31.1	170.4	52.2
Asia Pacific	69.0	46.2	255.3	49.9
Rest of World	0.8	—	5.0	—
Total ULTOMIRIS	$ 313.5	$ 170.2	$ 1,076.7	$ 338.9
STRENSIQ				
United States	$ 144.8	$ 128.0	$ 562.9	$ 451.7
Europe	19.2	21.0	80.8	77.0
Asia Pacific	16.3	14.4	61.0	50.4
Rest of World	5.6	3.4	27.1	13.4
Total STRENSIQ	$ 185.9	$ 166.8	$ 731.8	$ 592.5
ANDEXXA				
United States	$ 35.5	$ —	$ 71.7	$ —
Europe	4.1	—	6.8	—
Asia Pacific	—	—	—	—
Rest of World	—	—	—	—
Total ANDEXXA	$ 39.6	$ —	$ 78.5	$ —
KANUMA				
United States	$ 16.1	$ 14.9	$ 63.7	$ 60.0
Europe	10.2	7.7	35.6	27.1
Asia Pacific	1.4	1.2	4.3	4.6
Rest of World	1.5	10.3	14.3	20.5
Total KANUMA	$ 29.2	$ 34.1	$ 117.9	$ 112.2
Net Product Sales				
United States	$ 969.5	$ 793.0	$ 3,604.0	$ 2,762.5
Europe	359.1	309.4	1,326.9	1,206.1
Asia Pacific	174.2	156.1	663.6	528.4
Rest of World	88.9	125.7	474.6	493.0
Total Net Product Sales	$ 1,591.7	$ 1,384.2	$ 6,069.1	$ 4,990.0

ALEXION PHARMACEUTICALS, INC.
TABLE 4: CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions)
(unaudited)

	December 31, 2020	December 31, 2019
Cash and cash equivalents	$ 2,964.5	$ 2,685.5
Marketable securities	34.9	64.0
Trade accounts receivable, net	1,409.3	1,243.2
Inventories	775.7	627.6
Prepaid expenses and other current assets	648.6	456.1
Property, plant and equipment, net	1,238.8	1,163.3
Intangible assets, net	3,002.4	3,344.3
Goodwill	5,100.1	5,037.4
Right of use operating assets	223.1	204.0
Deferred tax assets	2,199.4	2,290.2
Other assets	506.2	429.0
Total assets	$ 18,103.0	$ 17,544.6
Accounts payable and accrued expenses	$ 1,203.3	$ 966.7
Current portion of long-term debt	142.4	126.7
Current portion of contingent consideration	114.9	—
Other current liabilities	164.1	100.9
Long-term debt, less current portion	2,419.6	2,375.0
Deferred tax liabilities	1,632.2	2,081.4
Contingent consideration	299.4	192.4
Noncurrent operating lease liabilities	177.1	164.1
Other liabilities	298.8	265.6
Total liabilities	6,451.8	6,272.8
Total stockholders' equity	11,651.2	11,271.8
Total liabilities and stockholders' equity	$ 18,103.0	$ 17,544.6

ALEXION PHARMACEUTICALS, INC.
TABLE 5: CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(in millions)
(unaudited)

	Year Ended December 31, 2020	2019
Cash flows from operating activities:		
Net income	$ 603.4	$ 2,404.3
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	329.4	376.8
Impairment of intangible assets	2,053.3	—
Change in fair value of contingent consideration	61.2	11.6
Payments of contingent consideration	—	(100.0)
Share-based compensation expense	281.1	237.0
Non-cash expense for acquired IPR&D	—	—
Deferred tax (benefit) expense	(283.4)	(455.4)
Unrealized foreign currency (gain) loss	(5.2)	(2.1)
Unrealized loss (gain) on forward contracts	6.4	(16.5)
Unrealized loss (gain) on strategic equity investments	3.0	(26.9)
Gain on sale of strategic equity investments	—	(32.8)
Gain on sale of asset	(14.8)	—
Gain on modification of purchase option	—	(32.0)
Gain on derecognition of Portola strategic equity investment	(29.7)	—
Inventory obsolescence charge	27.5	3.3
Other	4.5	(2.7)
Changes in operating assets and liabilities, excluding the effect of acquisitions:		
Accounts receivable	(139.4)	(319.2)
Inventories	95.0	(160.2)
Prepaid expenses, right of use operating assets and other assets	(111.9)	(31.0)
Accounts payable, accrued expenses, lease liabilities and other liabilities	122.5	230.7
Net cash provided by operating activities	3,002.9	2,084.9
Cash flows from investing activities:		
Purchases of available-for-sale debt securities	(19.4)	(80.2)
Proceeds from maturity or sale of available-for-sale debt securities	184.2	222.2
Purchases of mutual funds related to nonqualified deferred compensation plan	(19.7)	(17.6)
Proceeds from sale of mutual funds related to nonqualified deferred compensation plan	12.1	14.7
Purchases of property, plant and equipment	(106.7)	(154.7)
Purchases of strategic equity investments and options	(38.1)	(73.3)
Proceeds from sale of strategic equity investments	—	114.7
Payments for acquisitions of businesses, net of cash and restricted cash acquired	(2,111.9)	—
Purchases of intangible assets	—	(16.0)
Other	—	(0.1)
Net cash (used in) provided by investing activities	(2,099.5)	9.7
Cash flows from financing activities:		
Proceeds from revolving credit facility	—	—
Payments on revolving credit facility	—	(250.0)
Payments on term loan	(130.6)	(98.0)
Repurchase of common stock	(510.8)	(416.0)
Net proceeds from issuance of stock under share-based compensation arrangements	58.7	29.9
Other	(29.2)	(5.0)
Net cash used in financing activities	(611.9)	(739.1)
Effect of exchange rate changes on cash and cash equivalents and restricted cash	19.5	0.8
Net change in cash and cash equivalents and restricted cash	311.0	1,356.3
Cash and cash equivalents and restricted cash at beginning of period	$ 2,723.6	$ 1,367.3
Cash and cash equivalents and restricted cash at end of period	$ 3,034.6	$ 2,723.6

	FREE CASH FLOW	
	2020	2019
Net cash provided by operating activities	3,002.9	2,084.9
Purchases of property, plant, and equipment	(106.7)	(154.7)
Free cash flow	2,896.2	1,930.2