

Simon Stevens of NHS
England outlines key
priorities
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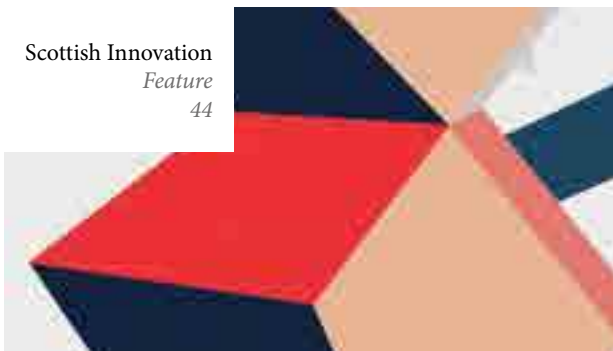
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Preface

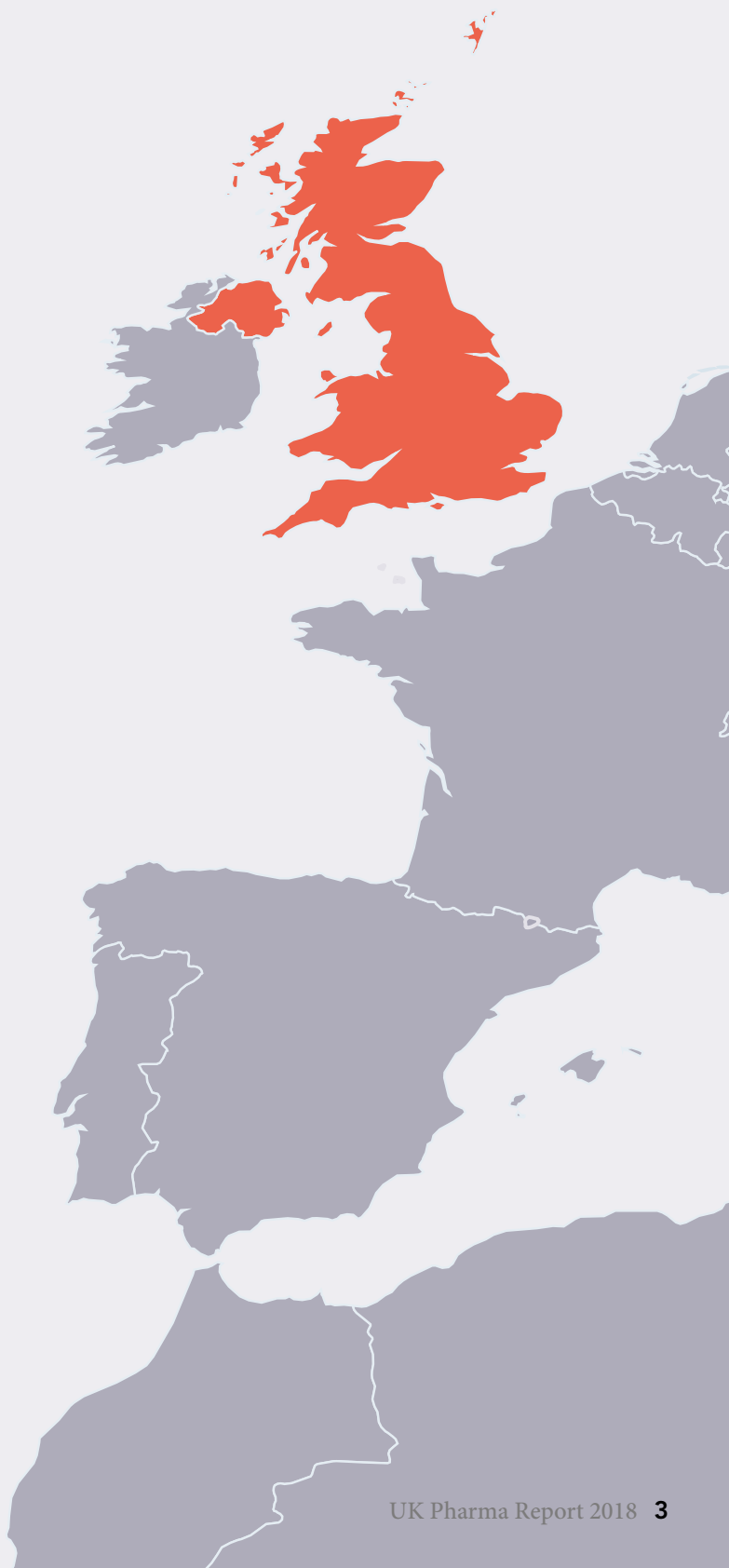
The UK, despite myriad uncertainties around its decision to leave the European Union, still stands as one of the world's premier life science investment destinations. With heavyweight medical science infrastructure and a well-earned reputation for elite-level innovation, the key industry stakeholders featured in this report explore how the nation is attempting to re-position itself post-Brexit; noting both the challenges and the opportunities of a unique situation.

Some of the main topics covered in this UK Pharma Report 2018 include the implications of the government's ambitious 'Life Sciences Industrial Strategy' and subsequent 'Sector Deal' with industry, the multinationals committed to continuous investment in British R&D, as well as the inimitable UK National Health Service (NHS) and how it interplays with the country's innovation ecosystem.

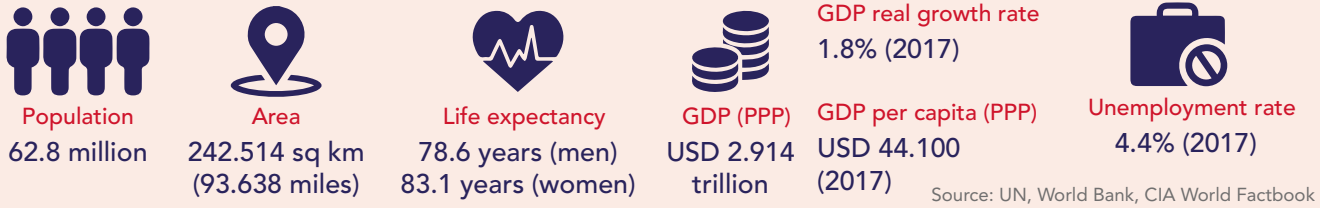
Other key issues examined within are the prominent role played by British medical research charities, the 'catapult' organizations set up to propel innovation forward in cell and gene therapy among other niches, the continuing attractiveness of the UK as a manufacturing base, as well as a regional focus on what the country has to offer both inside and outside of the 'Golden Triangle' of Oxford, Cambridge and London.

Naturally, the picture is not completely rosy, and the UK faces a number of challenges, notably from the Brexit fallout, but also in terms of a slow innovation uptake from an underfunded and strained NHS and severe pricing pressures, especially in areas such as rare diseases, restricting British patients' ability to access potentially lifesaving treatments.

However, through the comments of government representatives, seasoned industry commentators, multinational country managers, homegrown entrepreneurs and research scientists, a picture emerges of a country in flux but set to retain its place at the top table of international science and innovation.

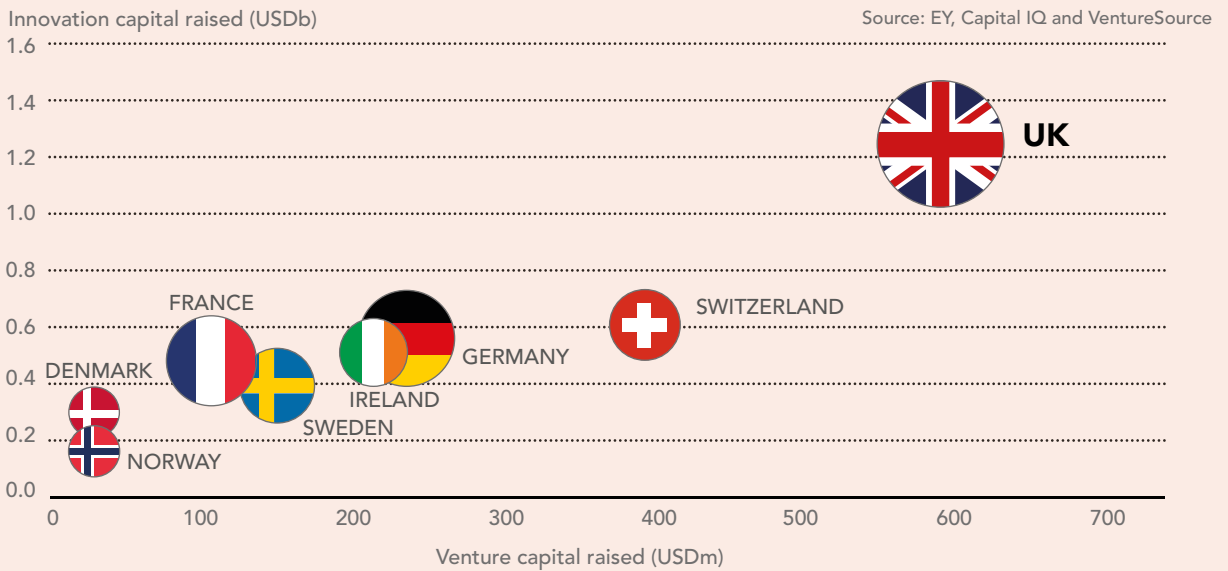


UK MACROECONOMIC SNAPSHOT



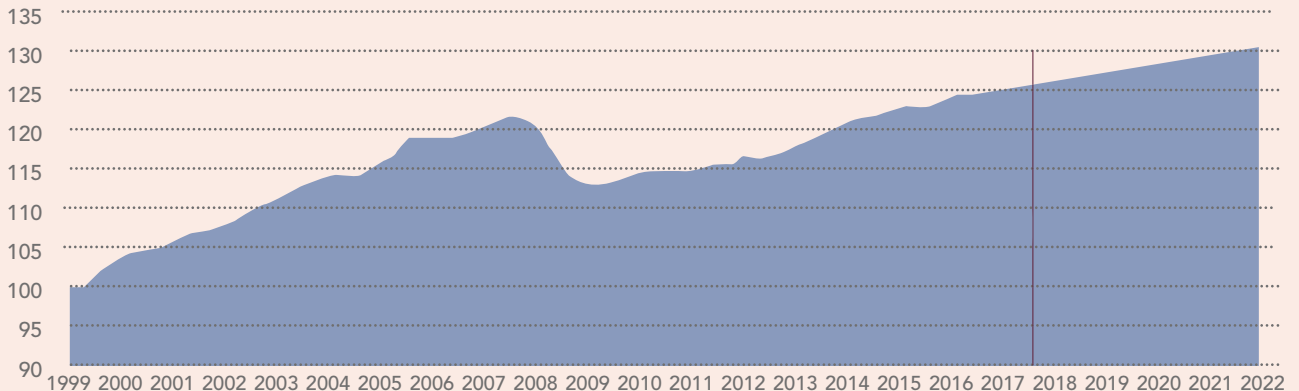
INNOVATION CAPITAL RAISED BY LEADING EUROPEAN COUNTRIES, 2016

SIZE OF BUBBLES SHOWS NUMBER OF FINANCINGS PER COUNTRY



UK GDP PER CAPITA (1999-2022)

Q1 1999 = 100

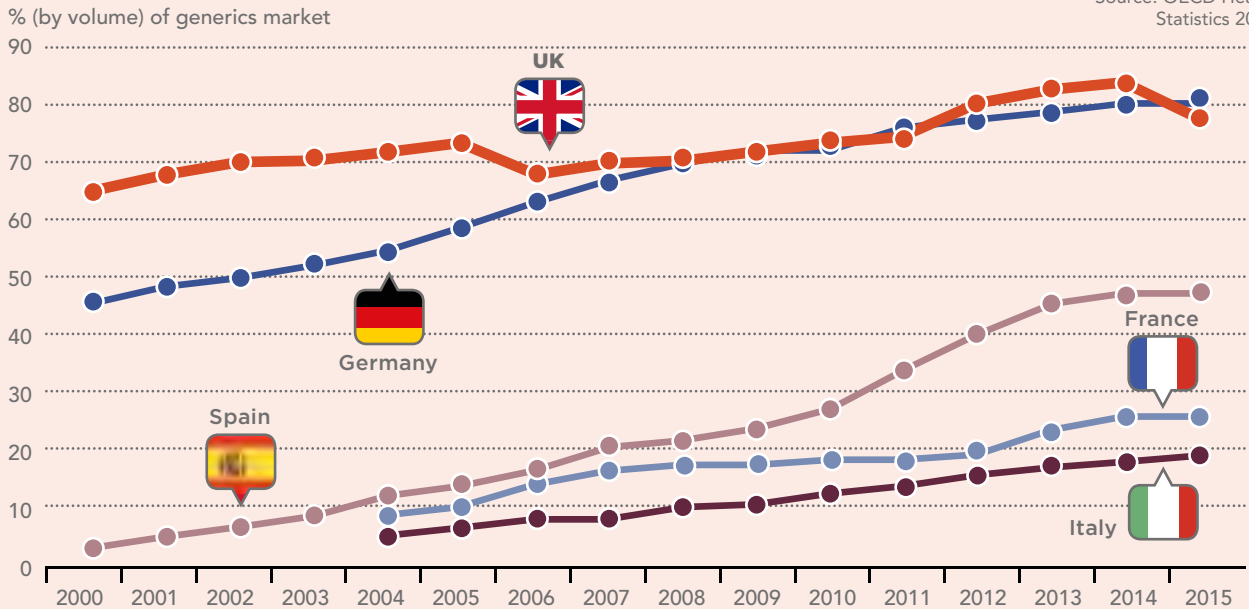


Source: Fraser of Allander Institute; Scottish Government Quarterly GDP Statistics & SFC 2017 Forecast Report

GENERICS PENETRATION: A EUROPEAN COMPARISON

The share of the generics market in the United Kingdom is among the highest in Europe

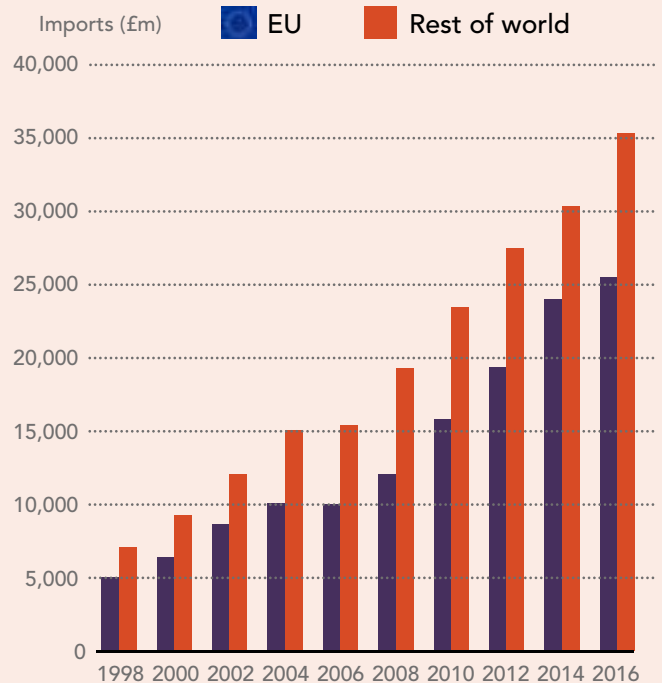
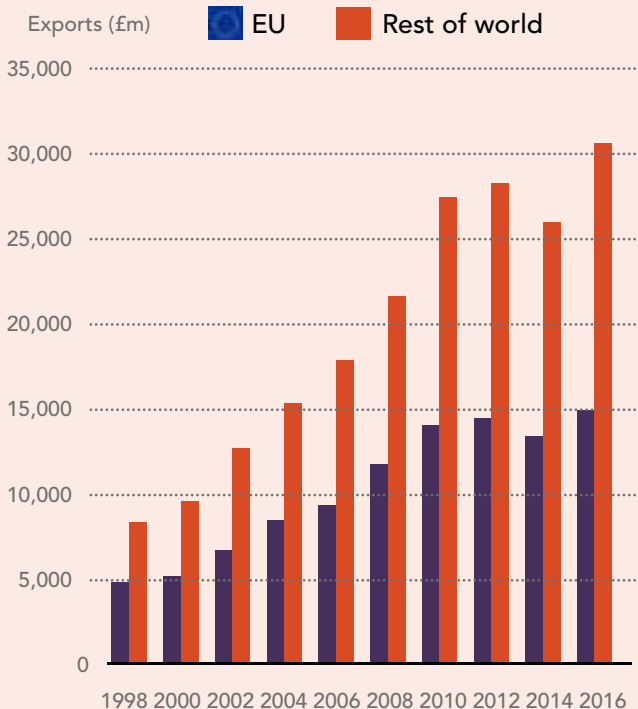
Source: OECD Health Statistics 2017



Note: Data for Germany, Spain and the United Kingdom are for reimbursed pharmaceutical market. Data for France and Italy are for total pharmaceutical market.

UK LIFE SCIENCE EXPORT VALUES

UK LIFE SCIENCES IMPORT VALUES

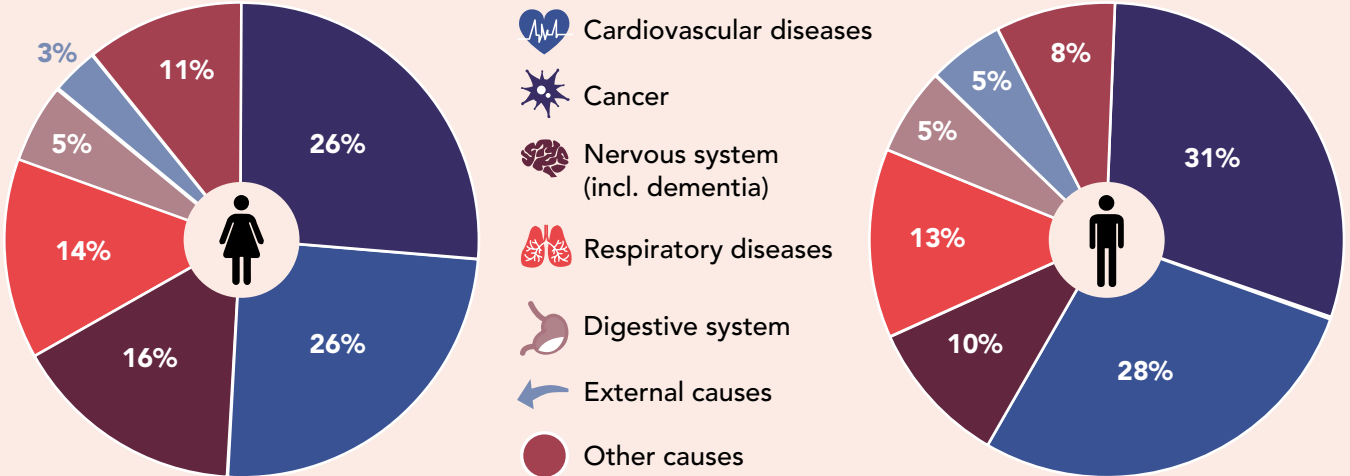


Source: UK Government Life Sciences Sector Report; ONS Balance of Payments data

Source: UK Government Life Sciences Sector Report; ONS Balance of Payments data

UK EPIDEMIOLOGICAL PROFILE

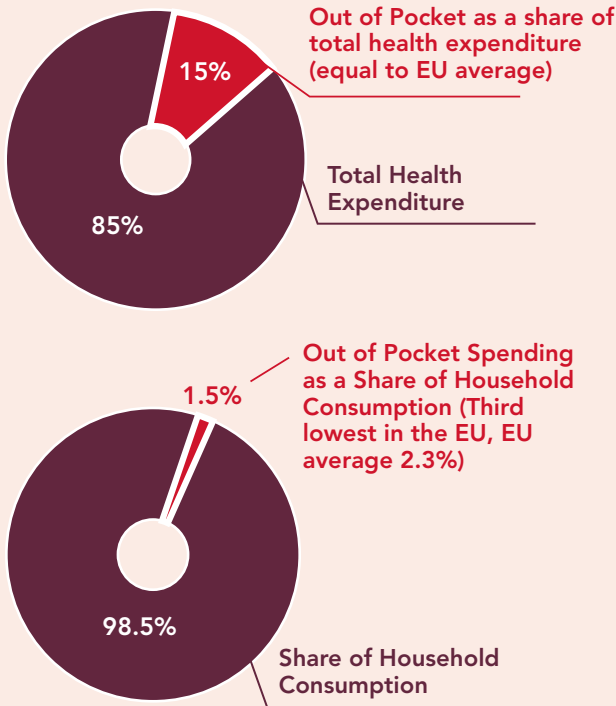
More men die of cancer and respiratory disease deaths are the highest in the EU



Note: The data are presented by broad ICD chapter. Dementia was added to the nervous system diseases' chapter to include it with Alzheimer's disease (the main form of dementia)

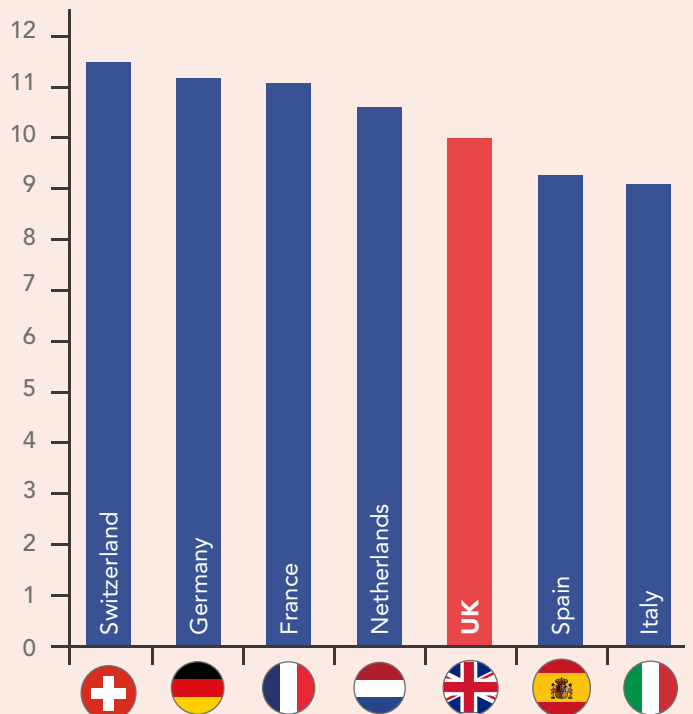
Source: OECD, European Observatory on Health Systems & Policies (2017)

OUT OF POCKET PAYMENTS



Source: OECD, European Observatory on Health Systems & Policies (2017)

HEALTHCARE EXPENDITURE AS A % OF GDP IN SELECTED EUROPEAN COUNTRIES



Source: Eurostat