

GlaxoSmithKline profits up on lower tax

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British drugmaker GlaxoSmithKline on Wednesday said its second quarter net profit rose 13.3 percent from a year earlier to £1.25 billion (\$1.94 billion, 1.59 billion euros).

GSK's earnings got a lift from lower tax payments, offsetting a 4.0-percent drop in revenues to £6.46 billion in the three months to June.

Sales slid 8.0 percent in Europe and by 6.0 percent in the United States, reflecting a "challenging macro-economic environment, genericisation (of drugs) and discontinuation of certain products," Britain's biggest pharmaceuticals firm said.

"Our performance this quarter reflects the challenging macro-economic environment in which we are operating and the continued transition of our product portfolio," GSK chief executive Andrew Witty said in a results statement.

"Ultimately, the ability of companies in our sector to succeed in this environment and in the future will be determined by how successful they are in accessing growth markets and delivering valuable new product flow on a sustainable basis."

GSK's current quarter has meanwhile started with a bang, clinching the takeover of US research partner Human Genome Sciences Inc. after increasing its bid to \$3.0 billion (2.4 billion euros).

At the same time, the company was hit by fines totalling \$3.0 billion by

US authorities over charges it marketed drugs for unauthorised uses, held back safety data and cheated the government's Medicaid program.

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