

Composite Analysis of the Finances for Thirteen of the World's Largest Pharmaceutical Companies from 2011-2016

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The thirteen companies are: AbbVie, Amgen, AstraZeneca, Bristol-Myer Squibb, Eli Lilly, Gilead Sciences, GlaxoSmithKline, Johnson & Johnson, Merck, Novartis, Pfizer, Roche and Sanofi. Together, these thirteen companies earned roughly 40% of the world's total pharmaceutical revenue in recent years.

Financial summaries for each company can be found here:
http://truecostofhealthcare.net/pharmaceutical_financial_index/

Here are the composite numbers for all 13 companies from 2011-2016:

Total Revenue:	\$3,241 Billion
Pharmaceutical Sales	\$2,584 Billion
Total Profit:	\$647 Billion
Total Spent on Research:	\$535 Billion
Total Spent on Marketing:	\$901 Billion
Total Spent in Taxes:	\$182 Billion
US Revenue:	\$1,415 Billion
Revenue from All Other Countries:	\$1,836 Billion

Here are the composite numbers for all 13 companies for 2016 only:

Total Revenue:	\$472 Billion
Pharmaceutical Sales	\$383 Billion
Total Profit:	\$89 Billion
Total Spent on Research:	\$84 Billion
Total Spent on Marketing:	\$123 Billion
Total Spent in Taxes:	\$24 Billion
US Revenue:	\$228 Billion
Revenue from All Other Countries:	\$244 Billion

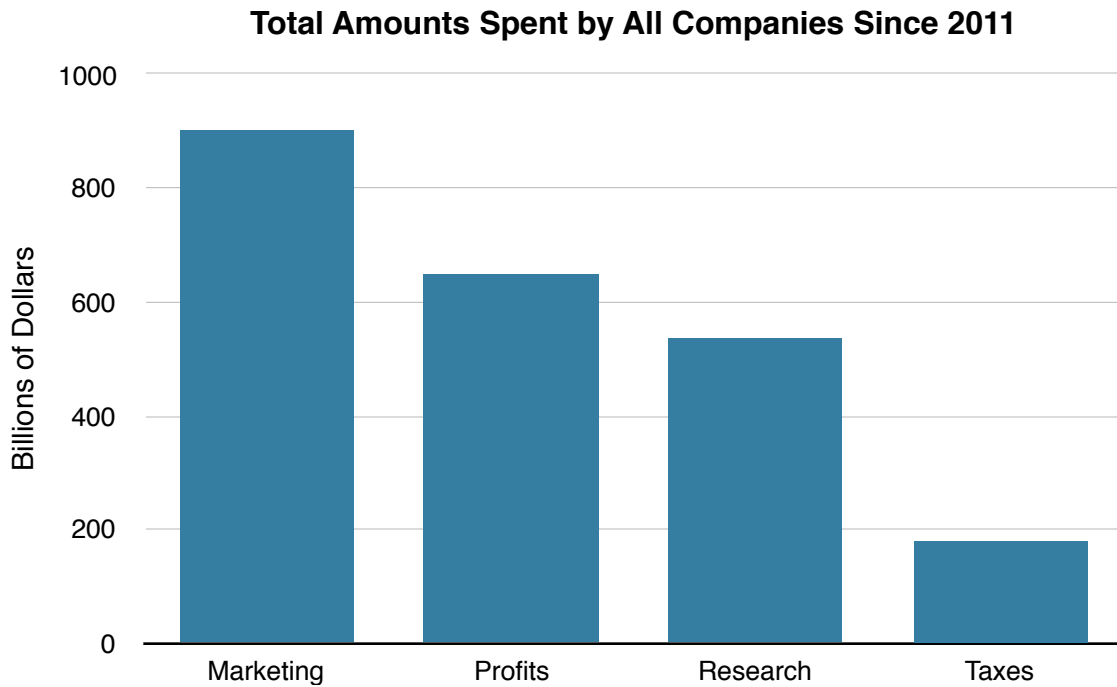


Figure 1: Total amount all 13 companies earned in profit (net income after taxes) from 2011-2016 compared to how much they spent on research, marketing and taxes.

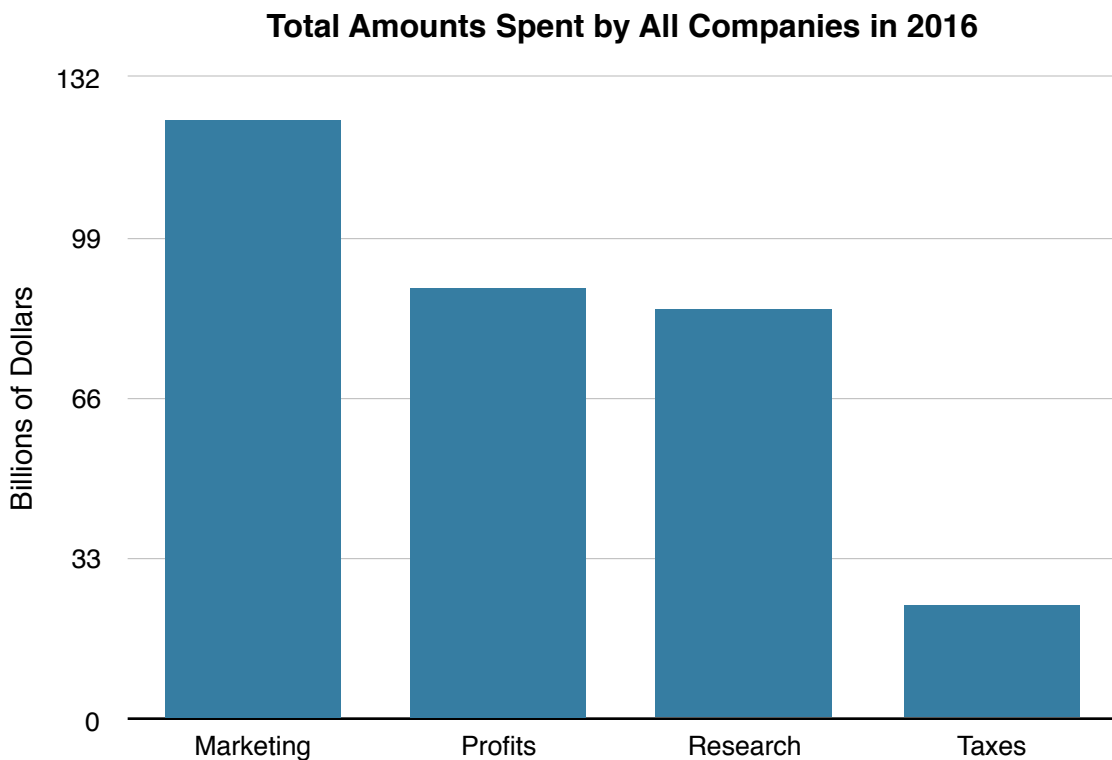
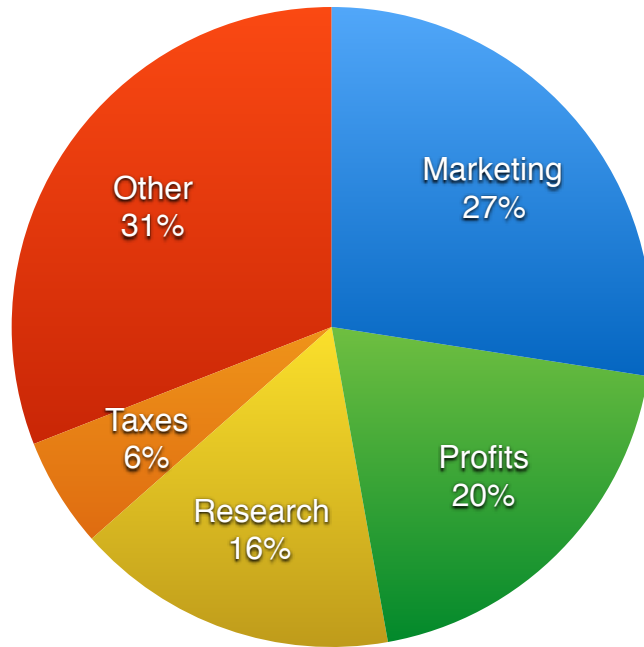


Figure 2: Total amount all 13 companies earned in profit (net income after taxes) in only 2016 compared to how much they spent on research, marketing and taxes.

Proportional Allocation of Revenue 2011-2016



Figures 3: The proportion of the total revenue for all twelve companies that was allocated toward research, marketing, taxes and profits from 2011-2016

Proportion of Revenue from US vs. All Other Countries 2011-2016

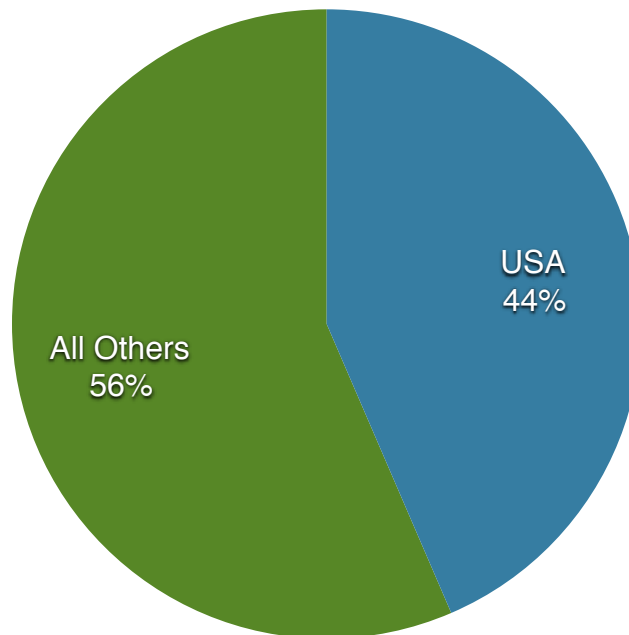


Figure 4: 44% of the combined revenue for these 13 companies since 2011 has come from sales in the US.

Proportion of Revenue from US vs. All Other Countries 2016 Only

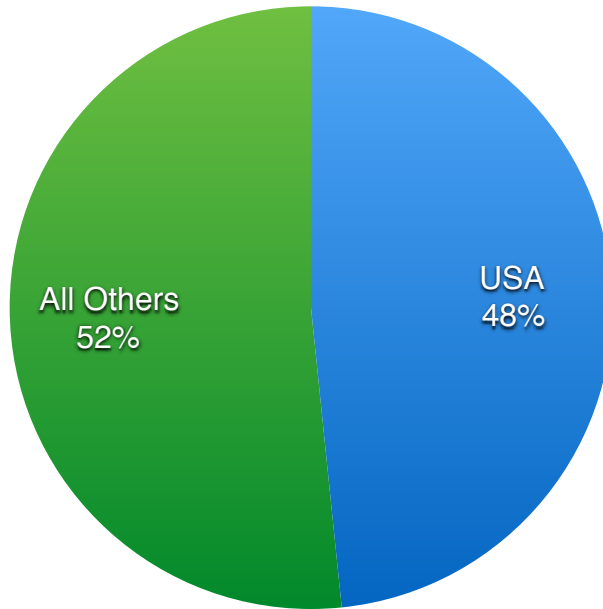


Figure 7: 48% of the combined revenue for these 13 companies in just 2016 came from sales in the US.

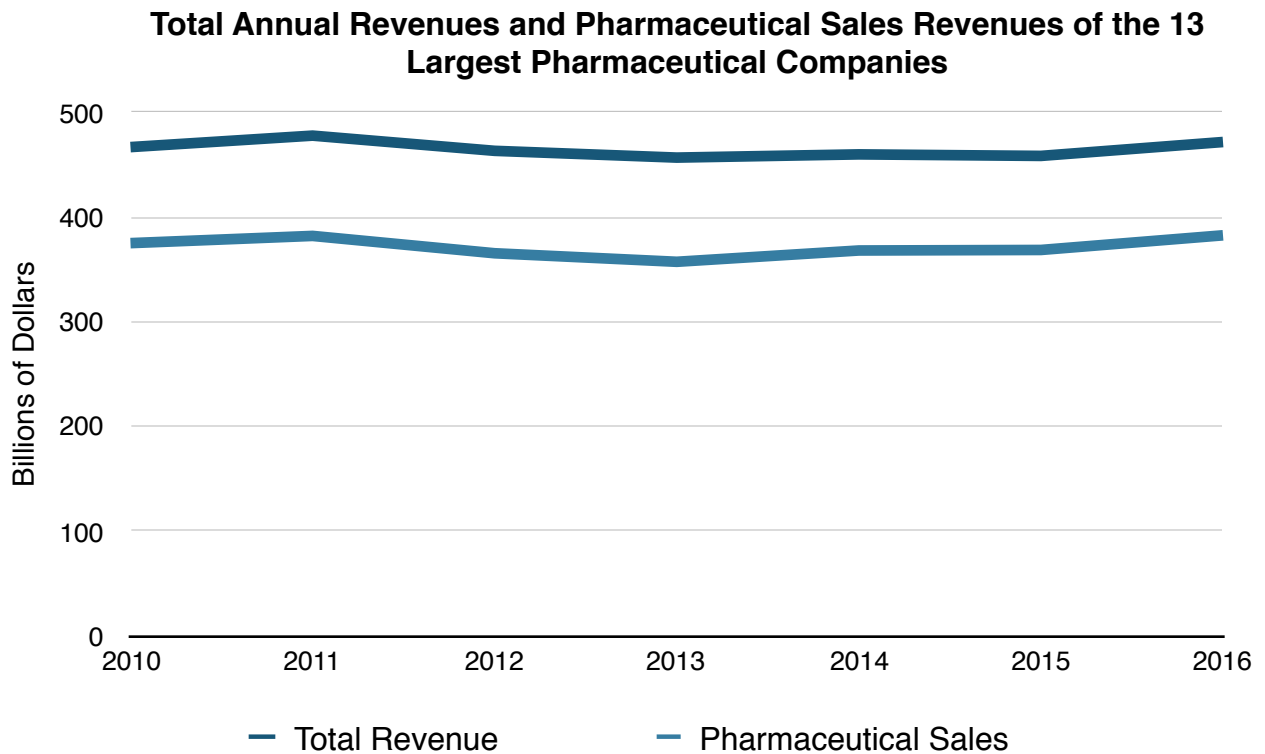


Figure 8: Total revenues and pharmaceutical sales for the major pharmaceutical companies have been surprisingly flat since about 2010.

Pharmaceutical Revenue in the U.S. and Other Countries vs. Pharmaceutical Rebates in the U.S.

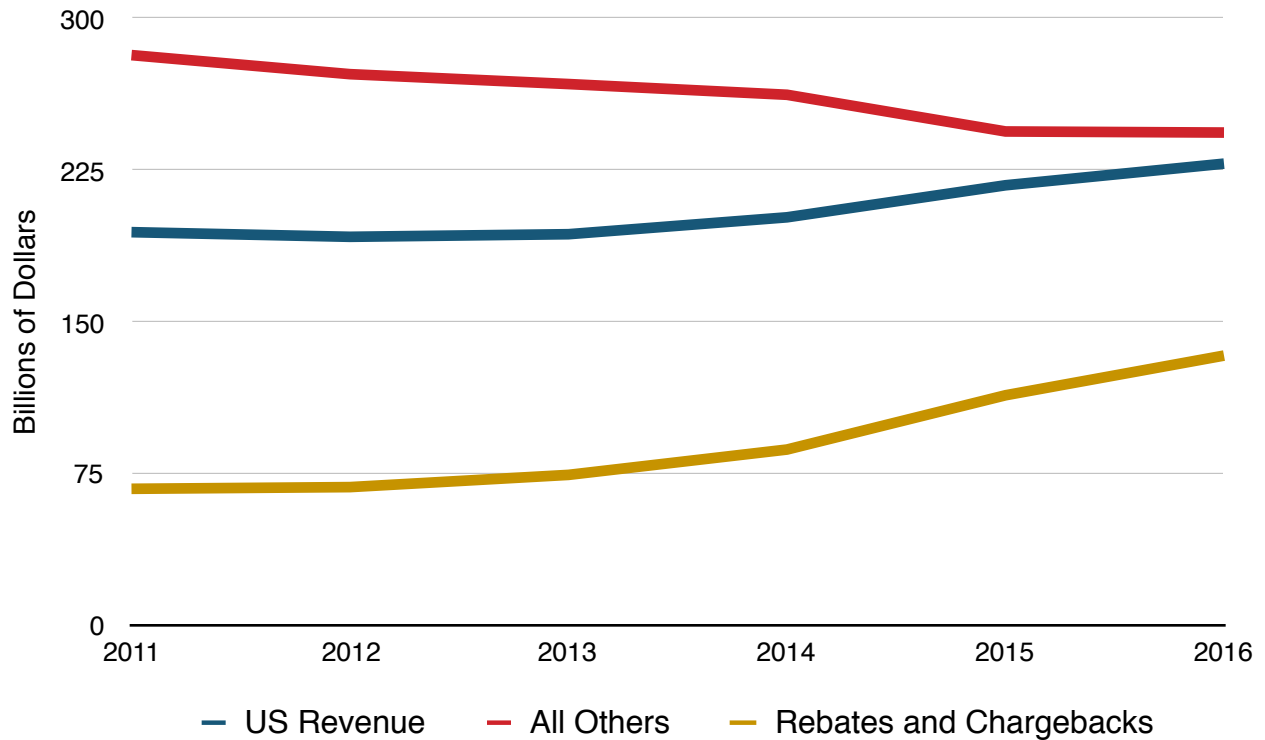


Figure 9: Though overall revenues for the major pharmaceutical companies have been flat in recent years, pharmaceutical sales in the U.S. have continued to rise. Revenue from U.S. pharmaceutical sales has been helped recently by a rapid increase in the incentives pharmaceutical companies have given to U.S. pharmacy benefit managers, wholesalers and some providers. These incentives, mostly in the form of rebates and chargebacks, have encouraged the PBMs and providers to prefer more expensive medications, when given a choice, because more expensive medications often yield higher rebates.