

GSK fined \$490m in Chinese bribery scandal

19 September 2014 | News | By BioSpectrum Bureau

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Singapore: Concluding the long drawn probe into British drug maker GlaxoSmithKline's operations in China, the country has fined the company with \$490 million. The Changsha court in China court found the company guilty of bribery and has further announced a three-year prison sentence for GSK's former head of Chinese operations, Mr Mark Reilly.

The country had been probing allegations of bribery and corruption in the company's Chinese operations. This is a record penalty charged ever in China as it found GSK to be guilty of paying bribes to doctors and hospitals in order to have their products promoted.

Along with Mr Reilly, other GSK executives too have been given suspended jail sentences.

The cases that is being dubbed as the biggest corruption scandal to hit a foreign firm in years opened in July last year. Now, as the investigation finally came to a close, GSK has said that it had "published a statement of apology to the Chinese government and its people".

In a media statement, the <u>company's chief executive</u>, <u>Sir Andrew Witty</u> said, "Reaching a conclusion in the investigation of our Chinese business is important, but this has been a deeply disappointing matter for GSK."

"We have and will continue to learn from this. GSK has been in China for close to a hundred years and we remain fully committed to the country and its people. We will also continue to invest directly in the country to support the government's healthcare reform agenda and long-term plans for economic growth."