

PFIZER INC. AND SUBSIDIARY COMPANIES
RECASTED RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION
SUPPLEMENTAL INFORMATION

Beginning in the first quarter of 2022, Pfizer will be changing the treatment of certain items for purposes of its non-GAAP reporting. As communicated in our April 20, 2022 Current Report on Form 8-K, we will begin including the following expenses in our non-GAAP Adjusted income: (a) all acquired in-process research and development costs incurred in connection with upfront and milestone payments on collaboration and in-license agreements, including premiums on equity securities, and (b) asset acquisitions of acquired in-process research and development. Prior to this change, certain of these items were excluded from our non-GAAP adjusted results. In addition, as communicated in our fourth quarter 2021 Earnings Release, we will begin excluding all amortization of intangibles from Adjusted income compared to excluding only amortization of intangibles related to large mergers or acquisitions under the prior methodology.

The attached recasted unaudited GAAP to non-GAAP reconciliations for each quarter and the full-year of 2021, and the full-year of 2020, reflect how these changes impacted our previously reported non-GAAP results in each respective reporting period. For additional details, including introductory narrative explanations and complete footnotes covering all non-GAAP adjustments, please refer to the original non-GAAP reconciliations included in each respective Form 10-Q or Form 10-K filing.

As discussed in the *Non-GAAP Financial Measure: Adjusted Income* section of Management's Discussion and Analysis of Financial Condition and Results of Operations in Pfizer's 2021 Annual Report on Form 10-K, non-GAAP Adjusted income is an alternative measure of performance used by Pfizer Inc. management to evaluate our overall performance as a supplement to our GAAP Reported performance measures. We use Adjusted income, certain components of Adjusted income and Adjusted diluted EPS to present the results of our major operations—the discovery, development, manufacture, marketing, sale and distribution of biopharmaceutical products worldwide—prior to considering certain income statement elements. The Adjusted income and its components and Adjusted diluted EPS measures are not, and should not be viewed as, substitutes for U.S. GAAP net income and diluted EPS, have no standardized meaning prescribed by U.S. GAAP and may not be comparable to the calculation of similar measures of other companies. See the *Non-GAAP Financial Measure: Adjusted Income* section of Management's Discussion and Analysis of Financial Condition and Results of Operations in Pfizer's 2021 Annual Report on Form 10-K for additional information.

PFIZER INC. AND SUBSIDIARY COMPANIES
RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION
CERTAIN LINE ITEMS - (UNAUDITED)
(millions of dollars, except per common share data)

Fourth-Quarter 2021								
	Cost of sales	Selling, informational and administrative expenses	Research and development expenses	Amortization of intangible assets	Other (income)/deductions—net	Net income attributable to Pfizer Inc. common shareholders	Earnings per common share attributable to Pfizer Inc. common shareholders—diluted	
<i>Data presented will not (in all cases) aggregate to totals.</i>								
GAAP reported	\$ 9,736	\$ 4,104	\$ 5,915	\$ 957	\$ (835)	\$ 3,393		0.59
Purchase accounting adjustments	7	(1)	1	(790)	(83)	866		
Acquisition-related items	-	-	-	-	-	49		
Discontinued operations	-	-	-	-	-	232		
Certain significant items:								
Restructuring charges/(credits) and implementation costs and additional depreciation—asset restructuring	(26)	(140)	(0)	-	-	252		
Certain asset impairments	-	-	-	-	(86)	86		
Upfront and milestone payments on collaborative and licensing arrangements	-	-	(350)	-	-	350		
(Gains)/losses on equity securities	-	-	-	-	(259)	259		
Actuarial valuation and other pension and postretirement plan (gains)/losses	-	-	-	-	669	(669)		
Asset acquisitions of IPR&D	-	-	(2,053)	-	-	2,053		
Other	(7)	(22)	(9)	-	(134)	172		
Income tax provision - Non-GAAP items						(804)		
Non-GAAP adjusted (as previously reported)	9,710	3,941	3,503	167	(728)	6,239		1.08
Acquired in-process research and development ⁽¹⁾ :								
Upfront and milestone payments on collaborative and licensing arrangements			350			(350)		
Asset acquisitions of IPR&D			2,053			(2,053)		
Amortization of intangible assets ⁽²⁾	(0)	(10)	(1)	(167)	(1)	178		
Income tax provision on adjustments						530		
Non-GAAP adjusted (recasted)	<u>\$ 9,710</u>	<u>\$ 3,932</u>	<u>\$ 5,905</u>	<u>\$ (0)</u>	<u>\$ (728)</u>	<u>\$ 4,543</u>		<u>0.79</u>

Full-Year Ended December 31, 2021								
	Cost of sales	Selling, informational and administrative expenses	Research and development expenses	Amortization of intangible assets	Other (income)/deductions—net	Net income attributable to Pfizer Inc. common shareholders	Earnings per common share attributable to Pfizer Inc. common shareholders—diluted	
GAAP reported	\$ 30,821	\$ 12,703	\$ 13,829	\$ 3,700	\$ (4,878)	\$ 21,979		3.85
Purchase accounting adjustments	25	(3)	6	(3,088)	(114)	3,175		
Acquisition-related items	-	-	-	-	-	52		
Discontinued operations	-	-	-	-	-	585		
Certain significant items:								
Restructuring charges/(credits) and implementation costs and additional depreciation—asset restructuring	(108)	(450)	(1)	-	-	1,309		
Certain asset impairments	-	-	-	-	(86)	86		
Upfront and milestone payments on collaborative and licensing arrangements	-	-	(1,056)	-	-	1,056		
(Gains)/losses on equity securities	-	-	-	-	1,338	(1,338)		
Actuarial valuation and other pension and postretirement plan (gains)/losses	-	-	-	-	1,601	(1,601)		
Asset acquisitions of IPR&D	-	-	(2,240)	-	-	2,240		
Other	(52)	(141)	(15)	-	(334)	542		
Income tax provision - Non-GAAP items						(2,848)		
Non-GAAP adjusted (as previously reported)	30,685	12,110	10,523	613	(2,473)	25,236		4.42
Acquired in-process research and development ⁽¹⁾ :								
Upfront and milestone payments on collaborative and licensing arrangements			1,056			(1,056)		
Asset acquisitions of IPR&D			2,240			(2,240)		
Amortization of intangible assets ⁽²⁾	(0)	(38)	(5)	(613)	(2)	658		
Income tax provision on adjustments						598		
Non-GAAP adjusted (recasted)	<u>\$ 30,685</u>	<u>\$ 12,071</u>	<u>\$ 13,813</u>	<u>\$ -</u>	<u>\$ (2,475)</u>	<u>\$ 23,196</u>		<u>4.06</u>

⁽¹⁾ Beginning in Q1 2022 we will include in our Non-GAAP financial measures expenses for (a) all acquired in-process research and development costs incurred in connection with upfront and milestone payments on collaboration and in-license agreements, including premiums on equity securities and (b) asset acquisitions of acquired in-process research and development. This adjustment includes these expenses in prior comparative periods to conform to this new presentation.

⁽²⁾ As communicated in our Q4 2021 Earnings Release, beginning in Q1 2022 we will change our policy for intangible amortization expense and will begin excluding all amortization of intangibles from Adjusted income compared to excluding only amortization of intangibles related to large mergers or acquisitions under the prior methodology. This adjustment removes all remaining intangible amortization expense in prior comparative periods to conform to this new presentation.

PFIZER INC. AND SUBSIDIARY COMPANIES
RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION
CERTAIN LINE ITEMS - (UNAUDITED)
(millions of dollars, except per common share data)

Third-Quarter 2021*								
	Cost of sales	Selling, informational and administrative expenses	Research and development expenses	Amortization of intangible assets	Other (income)/deductions—net	Net income attributable to Pfizer Inc. common shareholders	Earnings per common share attributable to Pfizer Inc. common shareholders—diluted	
<i>Data presented will not (in all cases) aggregate to totals.</i>								
GAAP reported	\$ 9,932	\$ 2,899	\$ 3,443	\$ 968	\$ (1,696)	\$ 8,146	\$ 1.42	
Purchase accounting adjustments	6	(1)	1	(799)	(47)	839		
Acquisition-related items	-	-	-	-	-	1		
Discontinued operations	-	-	-	-	-	17		
Certain significant items:								
Restructuring charges/(credits) and implementation costs and additional depreciation—asset restructuring	(28)	(150)	(0)	-	-	823		
Certain asset impairments	-	-	-	-	-	-		
Upfront and milestone payments on collaborative and licensing arrangements	-	-	(706)	-	-	706		
(Gains)/losses on equity securities	-	-	-	-	400	(400)		
Actuarial valuation and other pension and postretirement plan (gains)/losses	-	-	-	-	899	(899)		
Asset acquisitions of IPR&D	-	-	-	-	-	-		
Other	(11)	(20)	(2)	-	(126)	159		
Income tax provision - Non-GAAP items						(1,715)		
Non-GAAP adjusted	9,899	2,728	2,737	169	(569)	7,676	1.34	
Acquired in-process research and development ⁽¹⁾ :								
Upfront and milestone payments on collaborative and licensing arrangements			706			(706)		
Asset acquisitions of IPR&D			-			-		
Amortization of intangible assets ⁽²⁾	(0)	(9)	(1)	(169)	(1)	180		
Income tax provision on adjustments						129		
Non-GAAP adjusted (recasted)	<u>\$ 9,899</u>	<u>\$ 2,719</u>	<u>\$ 3,441</u>	<u>\$ -</u>	<u>\$ (570)</u>	<u>\$ 7,279</u>	<u>\$ 1.27</u>	
Nine Months Ended October 3, 2021*								
	Cost of sales	Selling, informational and administrative expenses	Research and development expenses	Amortization of intangible assets	Other (income)/deductions—net	Net income attributable to Pfizer Inc. common shareholders	Earnings per common share attributable to Pfizer Inc. common shareholders—diluted	
GAAP reported	\$ 21,085	\$ 8,599	\$ 7,914	\$ 2,743	\$ (4,043)	\$ 18,586	\$ 3.27	
Purchase accounting adjustments	17	(2)	4	(2,297)	(31)	2,309		
Acquisition-related items	-	-	-	-	-	3		
Discontinued operations	-	-	-	-	-	353		
Certain significant items:								
Restructuring charges/(credits) and implementation costs and additional depreciation—asset restructuring	(82)	(310)	(1)	-	-	1,057		
Certain asset impairments	-	-	-	-	-	-		
Upfront and milestone payments on collaborative and licensing arrangements	-	-	(706)	-	-	706		
(Gains)/losses on equity securities	-	-	-	-	1,597	(1,597)		
Actuarial valuation and other pension and postretirement plan (gains)/losses	-	-	-	-	932	(932)		
Asset acquisitions of IPR&D	-	-	(186)	-	-	186		
Other	(45)	(119)	(6)	-	(200)	370		
Income tax provision - Non-GAAP items						(2,044)		
Non-GAAP adjusted	20,975	8,168	7,020	446	(1,745)	18,997	3.34	
Acquired in-process research and development ⁽¹⁾ :								
Upfront and milestone payments on collaborative and licensing arrangements			706			(706)		
Asset acquisitions of IPR&D			186			(186)		
Amortization of intangible assets ⁽²⁾	(0)	(29)	(4)	(446)	(2)	480		
Income tax provision on adjustments						68		
Non-GAAP adjusted (recasted)	<u>\$ 20,975</u>	<u>\$ 8,140</u>	<u>\$ 7,908</u>	<u>\$ -</u>	<u>\$ (1,747)</u>	<u>\$ 18,653</u>	<u>\$ 3.28</u>	

* Amounts have been restated to remove the financial statement impact of Meridian's operations, and include them, in total, as discontinued operations.

⁽¹⁾ Beginning in Q1 2022 we will include in our Non-GAAP financial measures expenses for (a) all acquired in-process research and development costs incurred in connection with upfront and milestone payments on collaboration and in-license agreements, including premiums on equity securities and (b) asset acquisitions of acquired in-process research and development. This adjustment includes these expenses in prior comparative periods to conform to this new presentation.

⁽²⁾ As communicated in our Q4 2021 Earnings Release, beginning in Q1 2022 we will change our policy for intangible amortization expense and will begin excluding all amortization of intangibles from Adjusted income compared to excluding only amortization of intangibles related to large mergers or acquisitions under the prior methodology. This adjustment removes all remaining intangible amortization expense in prior comparative periods to conform to this new presentation.

PFIZER INC. AND SUBSIDIARY COMPANIES
RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION
CERTAIN LINE ITEMS - (UNAUDITED)
(millions of dollars, except per common share data)

Second-Quarter 2021*							
	Cost of sales	Selling, informational and administrative expenses	Research and development expenses	Amortization of intangible assets	Other (income)/deductions—net	Net income attributable to Pfizer Inc. common shareholders	Earnings per common share attributable to Pfizer Inc. common shareholders—diluted
<i>Data presented will not (in all cases) aggregate to totals.</i>							
GAAP reported	\$ 6,996	\$ 2,923	\$ 2,458	\$ 917	\$ (1,343)	\$ 5,563	0.98
Purchase accounting adjustments	6	(1)	1	(749)	(37)	779	
Acquisition-related items	-	-	-	-	-	3	
Discontinued operations	-	-	-	-	-	346	
Certain significant items:							
Restructuring charges/(credits) and implementation costs and additional depreciation—asset restructuring	(37)	(96)	(0)	-	-	129	
Certain asset impairments	-	-	-	-	-	-	
Upfront and milestone payments on collaborative and licensing arrangements	-	-	-	-	-	-	
(Gains)/losses on equity securities	-	-	-	-	798	(798)	
Actuarial valuation and other pension and postretirement plan (gains)/losses	-	-	-	-	(6)	6	
Asset acquisitions of IPR&D	-	-	(186)	-	-	186	
Other	(16)	(39)	(2)	-	13	44	
Income tax provision - Non-GAAP items						(193)	
Non-GAAP adjusted	6,949	2,787	2,271	169	(575)	6,066	1.07
Acquired in-process research and development ⁽¹⁾ :							
Upfront and milestone payments on collaborative and licensing arrangements			-			-	
Asset acquisitions of IPR&D			186			(186)	
Amortization of intangible assets ⁽²⁾	(0)	(10)	(1)	(169)	(0)	180	
Income tax provision on adjustments						(37)	
Non-GAAP adjusted (recasted)	\$ 6,949	\$ 2,778	\$ 2,456	\$ (0)	\$ (576)	\$ 6,023	1.06

Six Months Ended July 4, 2021*							
	Cost of sales	Selling, informational and administrative expenses	Research and development expenses	Amortization of intangible assets	Other (income)/deductions—net	Net income attributable to Pfizer Inc. common shareholders	Earnings per common share attributable to Pfizer Inc. common shareholders—diluted
GAAP reported	\$ 11,153	\$ 5,700	\$ 4,471	\$ 1,776	\$ (2,347)	\$ 10,440	1.84
Purchase accounting adjustments	11	(1)	3	(1,498)	16	1,470	
Acquisition-related items	-	-	-	-	-	2	
Discontinued operations	-	-	-	-	-	337	
Certain significant items:							
Restructuring charges/(credits) and implementation costs and additional depreciation—asset restructuring	(55)	(160)	(0)	-	-	234	
Certain asset impairments	-	-	-	-	-	-	
Upfront and milestone payments on collaborative and licensing arrangements	-	-	-	-	-	-	
(Gains)/losses on equity securities	-	-	-	-	1,197	(1,197)	
Actuarial valuation and other pension and postretirement plan (gains)/losses	-	-	-	-	33	(33)	
Asset acquisitions of IPR&D	-	-	(186)	-	-	186	
Other	(34)	(99)	(4)	-	(74)	211	
Income tax provision - Non-GAAP items						(329)	
Non-GAAP adjusted	11,076	5,440	4,283	277	(1,176)	11,321	2.00
Acquired in-process research and development ⁽¹⁾ :							
Upfront and milestone payments on collaborative and licensing arrangements			-			-	
Asset acquisitions of IPR&D			186			(186)	
Amortization of intangible assets ⁽²⁾	(0)	(19)	(2)	(277)	(1)	300	
Income tax provision on adjustments						(61)	
Non-GAAP adjusted (recasted)	\$ 11,076	\$ 5,421	\$ 4,467	\$ 0	\$ (1,177)	\$ 11,375	2.01

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⁽²⁾ As communicated in our Q4 2021 Earnings Release, beginning in Q1 2022 we will change our policy for intangible amortization expense and will begin excluding all amortization of intangibles from Adjusted income compared to excluding only amortization of intangibles related to large mergers or acquisitions under the prior methodology. This adjustment removes all remaining intangible amortization expense in prior comparative periods to conform to this new presentation.

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RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION
CERTAIN LINE ITEMS - (UNAUDITED)
(millions of dollars, except per common share data)

First-Quarter 2021*							
<i>Data presented will not (in all cases) aggregate to totals.</i>	Cost of sales	Selling, informational and administrative expenses	Research and development expenses	Amortization of intangible assets	Other (income)/deductions—net	Net income attributable to Pfizer Inc. common shareholders	Earnings per common share attributable to Pfizer Inc. common shareholders—diluted
GAAP reported	\$ 4,157	\$ 2,777	\$ 2,013	\$ 858	\$ (1,004)	\$ 4,877	0.86
Purchase accounting adjustments	5	(1)	1	(750)	53	691	
Acquisition-related items	-	-	-	-	-	(2)	
Discontinued operations	-	-	-	-	-	(9)	
Certain significant items:							
Restructuring charges/(credits) and implementation costs and additional depreciation—asset restructuring	(17)	(64)	(0)	-	-	105	
Certain asset impairments	-	-	-	-	-	-	
Upfront and milestone payments on collaborative and licensing arrangements	-	-	-	-	-	-	
(Gains)/losses on equity securities	-	-	-	-	399	(399)	
Actuarial valuation and other pension and postretirement plan (gains)/losses	-	-	-	-	39	(39)	
Asset acquisitions of IPR&D	-	-	-	-	-	-	
Other	(18)	(59)	(2)	-	(87)	167	
Income tax provision - Non-GAAP items						(136)	
Non-GAAP adjusted	4,127	2,653	2,012	109	(601)	5,255	0.93
Acquired in-process research and development ⁽¹⁾ :							
Upfront and milestone payments on collaborative and licensing arrangements			-			-	
Asset acquisitions of IPR&D			-			-	
Amortization of intangible assets ⁽²⁾	(0)	(10)	(1)	(109)	(1)	120	
Income tax provision on adjustments						(23)	
Non-GAAP adjusted (recasted)	\$ 4,127	\$ 2,643	\$ 2,011	\$ 0	\$ (601)	\$ 5,351	0.95

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CERTAIN LINE ITEMS - (UNAUDITED)
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Full-Year Ended December 31, 2020							
	Cost of sales	Selling, informational and administrative expenses	Research and development expenses	Amortization of intangible assets	Other (income)/ deductions—net	Net income attributable to Pfizer Inc. common shareholders	Earnings per common share attributable to Pfizer Inc. common shareholders—diluted
<i>Data presented will not (in all cases) aggregate to totals.</i>							
GAAP reported	\$ 8,484	\$ 11,597	\$ 9,393	\$ 3,348	\$ 1,219	\$ 9,159	1.63
Purchase accounting adjustments	18	(2)	5	(3,064)	(75)	3,117	
Acquisition-related items	(0)	0	-	-	-	44	
Discontinued operations	-	-	-	-	-	(2,879)	
Certain significant items:							
Restructuring charges/(credits) and implementation costs and additional depreciation—asset restructuring	(61)	(197)	2	-	-	791	
Certain asset impairments	-	-	-	-	(1,691)	1,691	
Upfront and milestone payments on collaborative and licensing arrangements	-	-	(454)	-	-	454	
(Gains)/losses on equity securities	-	-	-	-	557	(557)	
Actuarial valuation and other pension and postretirement plan (gains)/losses	-	-	-	-	(1,092)	1,092	
Asset acquisitions of IPR&D	-	-	(50)	-	-	50	
Other	(56)	(292)	(24)	-	(697)	1,063	
Income tax provision - Non-GAAP items						(1,299)	
Non-GAAP adjusted (as previously reported)	8,386	11,106	8,872	284	(1,779)	12,727	2.26
Acquired in-process research and development ⁽¹⁾ :							
Upfront and milestone payments on collaborative and licensing arrangements			454			(454)	
Asset acquisitions of IPR&D			50			(50)	
Amortization of intangible assets ⁽²⁾	(0)	(38)	(6)	(284)	(3)	331	
Income tax provision on adjustments						48	
Non-GAAP adjusted (recasted)	<u>\$ 8,386</u>	<u>\$ 11,068</u>	<u>\$ 9,370</u>	<u>\$ (0)</u>	<u>\$ (1,781)</u>	<u>\$ 12,601</u>	<u>2.24</u>

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