

FINAL TRANSCRIPT

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CORPORATE PARTICIPANTS

Ian Read

Pfizer - Group President, Worldwide Biopharmaceuticals Business

Olivier Brandicourt

Pfizer - President and General Manager, Primary Care

Geno Germano

Pfizer - President and General Manager, Specialty Care and Vaccines

PRESENTATION

Unidentified Participant

Well, good morning, and welcome to the Pfizer breakfast. We're pleased to have with us four members of Pfizer top management, Ian Read, Group President Worldwide Biopharmaceutical Business, Olivier Brandicourt, President and General Manager of Primary Care, Geno Germano, President and General Manager Specialty Care and Vaccines, and Charles Triano, Senior Vice President of Investor Relations.

We think that Pfizer's top management deserves tremendous credit for setting a clearer vision of its future several years ago, and just a few years later, well on its way towards assembling the pieces to execute on that strategy. And key members of management set to deliver that strategy are represented here today. So, with that, I'll turn it over to Ian.

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

Thank you very much. Good morning. Pleasure to be here. Can you hear me? This mike -- I've got a struggle between the mike and the screen that hides me. Let me see what I can do here.

I need to, first of all, ask you to look at the forward-looking statement. I don't intend to read it, but just take a moment to look at that before I continue.

What I thought we'd do today is I'll present about three to four slides reasonably quickly, and then have Olivier do the same and Geno, and then open it up to Q&A, which I think is probably more interesting for all of us.

This comes from our fourth quarter results. I'd like to draw your attention to the legacy Pfizer operational growth percentages - 1% in primary care. There, you can really see the dynamics between a growing international market with Japan and Europe and Lyrica growing very strongly and Chantix beginning to grow in some of the key European markets. This is a sluggish US market. So, internationally, Lipitor, in fact, was flat in the fourth quarter and slightly up operationally for the full year while it continues to decline in the US.

Specialty care was very difficult across most of the brands with no particular one to single out, but all of them sort of high single digit performance. Established products at 1% was -- we talked about established products stabilizing and then growing. This was somewhat of an aberration in the quarter. We don't expect to see it to be growing quarter-by-quarter in '10 as our objective is start growth '11 and '12. Yet, we've had a good quarter with the antibiotics market in the US, launch of some of the sterile injectables we've licensed and some of the oral solids.

Emerging markets continuing good performance in the BRIC countries, sort of executing on what is a traditional pharmaceutical market, reps in the streets, contacts with physicians, brand loyalty, a sort of traditional execution, which we're following through on. And oncology was affected by Camptosar LOE, but still a good performance for Sutent.



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That's a quick run through of the performance fourth quarter. If you look at the key things we're focused on to create value for our shareholders, one is this continued business model innovation. And now, I'd just like to really draw attention to the macro things, which is a focused and sizeable redimension of resources in Europe and the United States as we pull back a lot of representatives, as we look to be more efficient on a business unit, regional business unit basis where we've got five regional presidents in the US who look at their micro markets. They have a lot of autonomy on what reps they use, how they use them, traditional reps, account representatives, flexing of their spend.

We've introduced in the US a closed loop marketing, which we'll begin to get traction with this year. It's finally been rolled out to primary care. All other BUs have it. I expect that to begin to impact the business in the second half.

We continue to focus on a development pipeline that includes vertical products in phase III, something like about 133 products overall. One of the changes in the business unit structure is to bring a lot of focus from the business unit heads on this. You saw that in the third quarter of last year where we eliminated some phase III projects, which is a first for Pfizer anyway to take out phase III projects that the business units looked at said they just will not differentiate, we're not prepared to do the spend on those. And really, this is part of the, I think the benefit of the focused management of the BUs.

We continue to invest in our core inline franchise and we do it carefully. We invest behind Lipitor where we believe there's a payback. We invest on Chantix, which has a long patent period, and we believe we can return to growth. We're investing in Lyrica and we're investing in Toviaz and we're investing across the range of our products.

And we continue to look at emerging markets to sell these products. There's a major growth opportunity. It is part of the overall evolution of our sales targets in '12 as we expect to get substantial growth out of emerging markets and established products.

So, that's basically encapsulating very, very briefly where we're going on that. Just some backup information on that - if you look at emerging markets, while it only represents -- the yellow part of that bar, it only represents 11% of the global market, but it's growing at 27%. Now, will it grow in a linear, regular year-on-year form? Probably not. Emerging markets are still volatile. Yet, in the aggregate, we believe they will continue to grow substantially above Western Europe and the United States.

And you can see the commitment we've made and the projected trends of our increase in China in sales force going from 2.8 to 4.7 over the period, and in the sort of BRIC plus Mexico and Turkey markets, from 8.4 to 11. And one example of the volatility of these markets is that Turkey late last year took a price decrease in the market of around about 25 to 28% policy price reduction. So, we expect these ups and downs in emerging markets. But, overall, the trend is positive and highly favorable.

I think we've gone through and you're aware of the story of established products. It's stabilized now, can grow later. To do that, we need to broaden our portfolio. And this BU both services its own geographic area as well as emerging markets as we do with Aurobindo and Claris and we add a larger footprint of products that we can bring to the marketplace, highly leveraging our infrastructure that we have now, given it has been full capacity, full force in marketing in emerging markets and in these markets. And so, we see it as an area of continued focus to establish a very strong footprint and continue to grow in these areas.

Oncology - we're committed to oncology. We see this will be the largest segment in 2014 with \$100 billion in revenue. We have built a world class team in Garry Nicholson and Mace Rothenberg and others we've brought in. It has authority over the portfolio we first consumed, so it is certainly empowered, focused, looking at both genotype and looking at personalizing oncology to defend the pricing flexibility that we need to maintain in oncology. It has a rich pipeline. We displayed some of the phase III pipeline and below that. And clearly, Sutent is the core. Yet, we need to and will add additional products as we go through into '12.

With that, I'd like to hand it over to Olivier Brandicourt.



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Olivier Brandicourt - Pfizer - President and General Manager, Primary Care

Thank you, Ian. Good morning, everyone. I'm pleased to be here and to share with you some of our commitment to our primary care, which is basically to become the world's local partner and to partner with primary care systems, which are developing across the world and to deliver with them relevant health outcomes and as efficiently as possible.

So, as you know, primary care is the largest business at Pfizer, and we are ranking number one in that segment. And in order to retain our strength, our strategy is actually two-fold - to give the portfolio high differentiated assets in medicine, and we need to do that because primary care today is about 80% generic, 20% branded, right? The value 80% is actually in the brand side, but you really need very differentiated assets in order to win that one.

And so, we have also distinguished distinctive customer capabilities. As you know, primary care business at Pfizer is a little bit of a journey. And Ian has referred to what we did last year, which was to put regionally based business units across the nation in the US where our regional presidents are fully empowered and fully in control of their P&L. We think that differentiates Pfizer quite significantly from our competitors.

And also, the size of our sales force in primary care now in the US is actually sized to the post-LOE Lipitor LOE (inaudible). In 2010, what we want to do is to deepen our customer competency through insight. We have new customer insights across the processes and also technology support. And we'll mention two of the closed loop marketing which we are rolling out across the different units as well as pursue business development opportunities.

So, Pfizer remains committed to primary care because it's definitely a very substantial market opportunity in terms of our volume, but also access to key customers. There is definitely cost pressure in the system. Governments and payers are turning to primary care to efficiently manage patient care. And we are specifically investing in the high cost, high risk comorbid populations managed by primary care.

Two examples of that - in Germany today, it's required by law to actually supply a disease management program for patients with diabetes or asthma or COPD. And it goes from there to China, for instance, where the government is actually putting a lot of money and investment in stepping up their primary care system because they're going to face very, very quickly a huge wave of patients with chronic diseases.

They will also increasingly look at primary care to manage traditional and secondary care diseases and conditions. We have some early movers in France, for instance - Alzheimer's care eventually put into primary care settings. So, the opportunity for Pfizer is to leverage our customer teams to deliver on local market need, but also to deliver on the power of global scale offered by Pfizer.

We want to use our customer insights, a driven, integrated platform, clinical and commercial development together to get to the very highly differentiated medicine I was referencing before. We also want to be a growth engine for patient solutions and to share that across business units. And of course, ultimately, this improves patient lives and drives Pfizer business.

So, you know our portfolio quite well. Our revenue drivers continue to be Lipitor, Lyrica and Chantix. We had strong first quarter '09 performance with Caduet in the US, but also X-US. And I'd like to touch briefly on our geo strategy to managing today's portfolio.

We are focusing on efficient delivery on our cornerstone brands. And if you take Lipitor, for instance, our management of Lipitor is very carefully monitored for return on investment and calibrated accordingly. So, while we are not increasing our investment behind the brand, our strategy to define the brand where appropriate in light of the competitive market targets high risk patients where definitely the value of the brand -- value proposition is strongest, and also plan this player for post-LOE has been actually paying off. Our plan also is to maximize our remaining 20 months of exclusivity while preparing for the generic opportunity.



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We are also investing in our key growth brands, and specifically Lyrica. Lyrica remains a living branded agent for neuropathic pain worldwide. We continue to see progress in the fibromyalgia indication in the US. We have released a new symptom patient [DPC]. Physician -- we are doing a lot of physician education around the fibromyalgia diagnosis, and we have also released a completely new type I for messaging the physician which we are calling (inaudible), which is related to the mechanism of action.

And it looks like physicians -- the customers are responding because we saw a 13% increase in TRX during the last quarter of '09 in that specific indication. And as you know, the brand is doing well internationally.

Very quickly, Chantix - Chantix had a tough year, as you know. But, we've seen progress during the first quarter close in the US and Europe and Japan. And our continuous deals in Europe is mainly related to the reimbursement and political policy in the UK, Ireland, Sweden and other few countries -- Japan also eventually approving access to Chantix, and our performance there is certainly improving.

The last one I'd like to talk about very briefly is Toviaz. We know we didn't launch strong Toviaz. But now, we have a very, very clear strategy. Our patients are new patient starts or failure for patients under Detrol or other competitive products. We know we now have head-to-head comparison data versus Detrol, which very much demonstrate the superiority of Toviaz. And that will improve our dialog with payer and physician.

So, I'd like to have a very quick look at our near term pipeline. I can't address the Dimebon question directly. As you know, we are very disappointed in the results of the CONNECTION Study. We are still evaluating the data with our partner Medivation to determine next steps. Overall, we are continuing our investment in that very specific area. As you may know, we have several early stage compounds in development in AD.

Apixaban has been, I think, covered by management from BMS recently, so I'll move directly to Aprela. Aprela is (inaudible) bazedoxifene in this space and conjugated estrogen and is the first tissue selected estrogen complex. And we think that provides post-menopausal women with a potential new option for the treatment of moderate to severe vasomotor symptoms and also the prevention of osteoporosis. So, we see that as an increment opportunity and Pfizer expects to submit an FDA -- an MDA for Aprela in the second half of 2010.

Pristiq - we see meaningful opportunities there from Pristiq with the VMS indication, potential non-hormonal option for women. And finally, Tanezumab - as you know, osteoarthritis is a heavily genericized market. It is treated on an as needed basis, right, and its current treatments are not viewed as appropriate for long term use. So, Tanezumab is a highly novel compound. It is positioned for the refractory treatment of -- refractory patient, and it will be a foundational treatment.

The development program, as you can see on this slide, is quite robust - about 10 studies, 7,000 patients across mixed indications. We are running two superiority studies against Naproxen, and further, we are going to be describing our customer insight, which starts after proof of concept to help us to identify that we needed some product data versus opioids, and we are collecting this data. And we hope that our first phase III results will be reported. We expect to present those results before ATR in October 2010.

Thank you very much. And I'll now--.

Geno Germano - Pfizer - President and General Manager, Specialty Care and Vaccines

--Thank you, Olivier, and good morning, everyone. It's a pleasure to have an opportunity to speak with you briefly about the specialty care business unit.

And the combination of Pfizer and Wyeth created the leading specialty care business in the industry. If you look at the bottom of the chart, you can see that our revenues were in excess of \$16 billion in 2009. That compares pretty favorably to other players



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in this category. The one caveat I will make is we don't include oncology in the specialty care category for this comparison. So, it would be a slightly different picture if we included oncology. But, clearly, Pfizer specialty care would be a leader in this area regardless of how you cut the data.

At the top of the slide, you can see that we participate in 12 different disease areas or therapeutic categories, and importantly, have inline as well as pipeline assets in just about every one of these therapeutic areas. So, we can take advantage of the value that we've already created and the infrastructure and expertise that's been developed in each area to bring forth new compounds and new assets along the way.

I'll also point out that specialty care is interesting in that it's not one business model. There's at least three different business models reflect here. There's a fairly highly specialized, low provider group, businesses like the pulmonary vascular hypertension area, hemophilia, transplantation where you have a very highly specialized group of providers and a very specific business model.

And then, there's the institutional business reflected by the infectious disease portfolio, which is again a separate and distinct business model that's in place. And then, finally, you can see there's an array of products in areas where the provider base is much more extensive - for example, in rheumatology, in ophthalmology and in psychiatry. So, we'd like to think that we're developing skills and capabilities across these different business models, and that plays -- that puts us in a good position to bring in multiple different types of new specialty care products and to leverage the capabilities across the different types of business that we're in.

You can see the combination of Pfizer and Wyeth had a particular impact on several areas in infectious disease. Both legacy companies had a strong position in infectious disease and inflammation with the Enbrel business and the JAK inhibitor program at Pfizer. It's a nice combination from the two companies, and then, in the neuroscience area, where we have a foundation in neuroscience, and bringing forward a specialty Alzheimer's disease product. So, these are three areas where the combination changed the complexion of actually both companies.

I'm going to talk about some of the newer products in just a minute, so I'll proceed.

Importantly, we have strong positions in multiple categories, and just a couple to point out here - in inflammation, Enbrel is the largest specialty medicine now in the marketplace. And again, with our experience and breadth of presence in this market, we're well positioned to bring JAK forward. And beyond the JAK inhibitor, again, by bringing these two companies together, the three or four other exciting inflammation compounds in phase I and phase II with multiple mechanisms of action, and we think we can be the leader in inflammation over the long term.

In the vaccines area, we have Prevnar, the world's biggest selling vaccine. And we're going to be expanding that portfolio significantly with the advancement of the Prevnar 13 Adult program, the Mening B program, group A strep, a number of other innovative vaccines to follow on behind Prevnar.

Infectious disease - we're the number two company in infectious disease. And in ophthalmology, we have the leading product in the ophthalmology category.

So, just to highlight very briefly a few of the more exciting late stage development programs, I've kind of categorized these as internal development and partnered development. Partnering has become much more common these days and something that I think we're pretty good at and capable of doing more of.

From an internal development standpoint, our most exciting program is the 13 Valent program, Prevnar 13 Valent for adult. As you know, we just got the approval recently for 13 Valent infant in the US. We have the infant approval in Europe and about 45 countries around the world. So, as we're in the process of introducing the infant program, we're putting a lot of our internal



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attention on developing the opportunity for the adult program, which is a completely incremental new business opportunity for us.

It's a huge population. In Europe and the US alone, there are over a quarter of a billion people over the age of 50. I consider every one of them a potential patient and a potential recipient of the 13 Valent adult vaccine. There is significant unmet need. The disease burden is well established. The cost to society and the healthcare system of managing disease in this patient population is extensive. And so, there's a very strong value proposition for the payer in this area. And with the conjugant vaccine, we have the opportunity to offer something that has not been available in the past, and that's a sustained response to the vaccine. And we think that'll be an important contribution to care for these patients.

In the second category, Tasocitinib - that's our new generic name for the JAK program. So, we'll have to get used to this new name. I can say it now pretty routinely -- for inflammation. This is obviously a novel mechanism of action that we'll add to the growing armamentarium of medicines in the inflammation area. Again, there's a remaining significant unmet medical need across a variety of different indications. Our most advanced program is RA, and we are advancing now in psoriasis. We have -- we're looking at studies in transplantation and irritable bowel disease, as well. With this compound, we now have the opportunity to potentially offer biologic-like efficacy through oral delivery, which will be, we believe, be well received.

In the partnered development area, Bapineuzumab I commented on a moment ago. This is the monoclonal antibody for Alzheimer's disease. And you would have seen data presented in the last few weeks on the results of the IMAGING Trial, which clearly demonstrated that the drug has the ability to remove amyloid plaque and soluble amyloid. So, there's proof of mechanism established. We don't have proof of efficacy yet. The ongoing phase III trials will establish the efficacy. But, it's good to see that the drug is doing what it's intended to do in removing the amyloid plaque.

We hope to have a first disease modifying product in the market, which can slow the progression of disease in mild to moderate Alzheimer's disease. And we think it has the potential to reduce the rate of decline in cognitive and functional status. And that's where disease modification comes into play. This is now a partnership with Jansen, formerly with Elan.

And then, Xiaflex is a nice product that we've partnered with in Europe, just recently received approval in the US. Auxilium is the owner of the product and will be launching the product in the US. We have European rights. And recently, the MEA has accepted the file for Dupuytren's contracture in Europe, so that program is progressing nicely.

So, with that brief introduction, I'd like to turn the table over to Chuck--.

QUESTIONS AND ANSWERS

Unidentified Participant

--All right. Thanks, Geno. We can have some questions now. And just, if we could, if you could wait for the microphone for the benefit of those on the webcast so they can hear the question, as well.

Steve?

Unidentified Audience Member

Thank you. A several part question - first, we had a diabetes panel yesterday and a doctor from the Joslin Clinic said that he felt one of the most exciting areas in diabetes research was the use of anti-inflammatories. And he said six companies are very active in the area with very large trials underway. So, with Pfizer's extensive anti-inflammatory portfolio, do you have any trials of these



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drugs in the treatment of diabetes? I'm specifically thinking about Enbrel, because should you come up with an additional indication, you'd get five years of additional economics, which would be huge for Pfizer.

And then, lastly, have you had any discussions at all with Amgen about extending their participation in the Enbrel program, maybe by virtual of co-promoting one of your current products, the JAK 3 or Tanezumab or something along those lines?

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

Geno, do you want to -- or Olivier, you want to answer the question of the use of inflammation type therapies in diabetes?

Olivier Brandicourt - Pfizer - President and General Manager, Primary Care

I can say that we have no problem related to the use of anti-inflammatory in the diabetes space. As you know, we are active on the [AZLT2] aspects, but nothing what you have described.

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

Yes. And, Geno, perhaps, I don't know if you want to make a comment on what you see with the risk benefit with the diabetes with the product on the market and using Enbrel there and any comments--?

Geno Germano - Pfizer - President and General Manager, Specialty Care and Vaccines

--Yes. I mean, I know that there have actually -- there are some data with Enbrel in diabetes and decisions were made not to pursue that any further. There are a host of other inflammatory mediators or modulators in the pipeline, and I don't -- I'm not aware of any plans to pursue any of them at this time. But, clearly, as the science evolves and we learn more about what the potential is, we can always consider doing that.

These immune modulators have a significant effect on other processes that may or may not make them ideal for routine use in diabetes. So, we have to find the right compound with the right risk benefit profile to pursue.

With regard to Amgen and the potential to extend the agreement, I think it's fair to say that we've considered almost every potential option for extending the agreement through development of new indications and probably considered everything that I've heard of so far for extending the co-promote. And we continue to look for ways to extend the value of that partnership. But, we don't have anything to describe at this point.

Unidentified Audience Member

Have you quantified or thought about the potential impact on Lipitor should Crestor's patent fall mid-year? And how would you react if such an event did transpire?

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

Well, it's speculative if it were to fall or not. I think that, clearly, you have the forces of the market will be further genericized. On the other hand, we would be presumably in a situation if it happened to be the only branded agent out there which has gone to promotion. So, you'd probably believe, given where we are in the life cycle of Lipitor, that it has -- doesn't have a material impact either way over the rest of the life cycle of Lipitor.



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Unidentified Audience Member

Thank you. Olivier, would you give further detail on how you have completed the right sizing of your established product sales force, please? And then, what would be left on the integration with Wyeth?

Olivier Brandicourt - Pfizer - President and General Manager, Primary Care

Yes, we went through the integration with Wyeth, so -- and we needed additional reps. We were promoting nine assets in the US, and we have sized before Wyeth our sales force, we think, adequately using two guys, say two different representatives, splitting the portfolio, and therefore, reducing, as you know, quite significantly the number of representatives we have in position compared to what we had before our transformation in 2008.

So, when Wyeth's integrated, they bought a couple of assets to primary care. They brought primary and family as well as Pristiq, as you know. And we therefore integrated about 500 representatives from Wyeth plus the necessary management to do that, around 50 district managers. And they have been fully integrated and we are following their integration very regularly. And that's where we are.

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

I'd just like to add a couple of comments to that. I think what Olivier did was pretty groundbreaking and also thank the corporation of Genentech and Wyeth. We had the integration in the primary care space done within the first week post-close. The reps were trained -- our reps were trained and the new assignments were implemented within a couple of weeks. So, this is the fastest I've ever seen it done in my career that we integrated two sales forces at that speed.

We're using a certain number of contract reps for flexibility. As you said, we wanted to give as much certainty as we could to the field force that we were sized for the post-Lipitor year to take away the overhang and the anxiety in the field force, which we did by effectively reducing down the permanency of force and back filling with our contract sales forces.

I think when we look at what we did, we were decisive and we cut to where we believe was the point of marginal return. As we look at certain areas, especially California and perhaps Florida, which are more traditional markets, in some pockets, we may want to add back a small amount of resources. But, this is very dynamic. We look at the response curve of products and to details on an ongoing almost six monthly cycle and we now have the ability to fine tune those resources to ensure that we are -- we'll have sufficient reps to deliver the mechanisms we need on the products we have in the bag.

Unidentified Audience Member

Bapineuzumab - question on that one. You suspended enrollment in the phase III announced model of lung cancer. And I was wondering if you'd gained any additional insights as to why it didn't work in that trial and does it say anything about the class in your opinion?

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

We continue to study those results to try and understand -- we had a robust phase IIB response in patients in the United States, which then, when it went globally, we didn't get a repeatable result. So, we are trying to look and understand exactly what are the key indicators for the right population for that product, and we intend to continue to look at that. We have an ongoing breast trial, too, with [Bapi]. So, I think we need to step back and look at what is the right population, do we have markets that would allow the right stratification for the use in lung cancer (inaudible), and we'll be doing that over the upcoming months.



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Unidentified Audience Member

Thanks. A couple of R&D questions quickly - on Bapineuzumab, can you give us -- what you're thinking of timing of releasing the data with the carrier, non-carrier group? Do you think it makes sense to wait and kind of release both sets together since it's my understanding that the non-carrier group is a little bit behind the carrier group, but yet, a higher probability of success?

On the Apixaban, I know you didn't want to comment on it, but can you update us at all on both the QD formulation and what the barriers would be to getting a QD formulation on the market? And then, finally, just also with Bristol's comments last week, there's a lot of excitement around their CTLA4. I mean, they're about as giddy as I've seen a pharmaceutical company prior to releasing data over how positive that data's going to be. So, what's the status of your CTLA4. And if there's -- it's going to be positive, do you think that can be -- you guys can bring back the CTLA4?

Geno Germano - Pfizer - President and General Manager, Specialty Care and Vaccines

Yes, just on the Bapineuzumab, the expectation is that we'll release the data when we have all of the complete data set. So, we're not going to put it out piecemeal. Once we have the results from both of the trials, we'll put a release out. We're not expecting a release this year.

Olivier Brandicourt - Pfizer - President and General Manager, Primary Care

I'm not sure what was said by BMS about QD. I'm not aware of the development of a QD formulation. As you put it, we think -- we've seen the BID administration of Apixaban is actually a potential advantage. And you have less peak to trough differences, which allow to have an (inaudible) which is actually sustained and maybe to the benefit of Apixaban, so.

Unidentified Audience Member

(Inaudible question - microphone inaccessible.)

Olivier Brandicourt - Pfizer - President and General Manager, Primary Care

Sorry?

Unidentified Audience Member

I mean, on the QD versus BID that -- versus Rivaroxaban, I agree. There's a peak to trough ratio if you use Rivaroxaban. But, Merck is going to show their Betrixaban data on Monday, which will likely clearly show that QD.

Olivier Brandicourt - Pfizer - President and General Manager, Primary Care

Yes.

Unidentified Audience Member

So, what -- I think they're still talking in terms of a reformulation. Is that not something Pfizer knows about or is that--?



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Olivier Brandicourt - Pfizer - President and General Manager, Primary Care

--No. I mean, using the QD dosage is -- has been discussed extensively, as you can imagine. I was just reacting to what you were saying, the development of a QD specific formulation, which I'm not sure I'm aware of.

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

Well, we're aware that the joint development committee is looking at it. But, we're committed to developing the BID formulation to get to market, and then we'll look at happens, if indeed we need a QD formulation and where is it in our priority to spend.

On the last one, on the oncology CTLA4, you -- we -- when we looked at our oncology portfolio and look at the risk benefits, there's one example of the benefit of the focus of the BUs and the opportunity, so we decided to partner that product. I think we made a press release on this. We have met with a company in Europe, which they will take forward the development of it. And then, we have rights to commercialize if they're successful.

We're waiting to see the data on [DNS']. It's the same class. We didn't see a robust response, as you know, in our original trials. We saw a response on a subset of patients which was dramatic, but not on the overall population. And we've been able to find a genetic marker or way of understanding why the response isn't consistent.

Unidentified Audience Member

Two questions - first, on Apixaban, both Bristol last week and Pfizer today has alluded to the fact that there's a path forward in the US with the DVT claim. Is that path forward approval on one positive study, or can you amplify on what that path forward is since actually you only have one positive study in DVT for (inaudible)?

And secondly, with healthcare reform unfortunately coming back, can you quantify for us what is the most detrimental proprietor - donut hole filling, deeper discounts or the excise tax? And the best you can quantify each of those would be very helpful. Thank you.

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

Do you want to start with the last one? Well, I think all three are onerous, right? I mean, they're part of the healthcare reform. Probably the excise tax, I believe the way it's structured, it's not tax deductible. Apart from that, I don't have any precise (inaudible) give you a exact comparison. I don't think any of them are orders of magnitude different or sort of cause us to say one is far more impactful than others.

Olivier Brandicourt - Pfizer - President and General Manager, Primary Care

On the question, I will not add anything versus what was actually shared by BMS. Of course, we hope we can have a path forward in the US with the indication and with the prevention indication. But, for now, we are finding outside the US, as you know, EMEA and going in the first half of 2010, but that's the only thing I can say.

Geno Germano - Pfizer - President and General Manager, Specialty Care and Vaccines

Just a comment on the donut hole - we actually think that, while it's costly, that for some products like the Enbrel, for example, it may actually provide a benefit for patient retention. So, it's kind of a mixed bag with regard to the impact overall.



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Unidentified Audience Member

(Inaudible question - microphone inaccessible.) I believe, clearly, it's part of sort of diving if you look out several years from now. Management has made that clear on various conference calls. And the most -- if I'm not mistaken, I guess the most recent deal was the deal with Protalix. And obviously, there's speculation recently about (inaudible). I mean, could you talk a little bit about what the -- you said there -- what is -- if there is a sort of cohesive sort of strategy in place for business development, what that is? And as operating heads, if you could speak to sort of the priorities that you have, because one may just say, well, look, we just want to acquire for the revenues without any sort of sense of priority. So, maybe you can just speak to that.

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

Why don't I just try and put an umbrella on it, and then you guys can -- so, we -- it's a very structured and thoughtful process we look at in business development. The gaps we have in our portfolio under development, and we're trying to direct license opportunities to fill those gaps. And in the marketplace, what we're looking at for -- is business development in that small to moderate that will allow us to further leverage our existing capability.

So, if you look at emerging markets for established products, it's -- we have this sort of second to none or probably one of three infrastructures in emerging markets. And we want to fully participate in that with a weighted footprint in our own products. So, we're obviously looking at partnerships to build out that portfolio both in niche sterile injectable products or Protalix or broader products where we can be a large player in both the patented and off-patented space in emerging markets. And that means also Japan.

So, it's structured in that way. It's structured that the BU heads look at -- [German Shale] in emerging markets or David or Olivier or Geno will look at which opportunities they need in their pipeline or their commercial capabilities and they will come forward to a business development committee that looks at those opportunities, ranks them, takes a One Pfizer look at them and tries to prioritize across that so we have an efficient use of capital, even, per se, assign an amount of capital to each business unit. So, we hold that at the corporate level, and then also business units to come forward with projects that can tap into that available capital.

Do you guys want to add anything on what you're looking at?

Olivier Brandicourt - Pfizer - President and General Manager, Primary Care

No. It's pretty clear what you described.

Geno Germano - Pfizer - President and General Manager, Specialty Care and Vaccines

Yes, maybe I'll just reiterate the point I made a little bit earlier that I think within specialty care -- first of all, I agree with Ian. I think that this is one of the benefits of the business units because we're all incentivized to try to find opportunities that are attractive and provide an attractive return for the company. And then, we almost have to compete for getting the resources. So, you have a much more efficient, much more in depth evaluation of opportunities because you have four or five different business units looking at the opportunities out there.

For specialty care, the way I look at it is, clearly, where we have an infrastructure and we have expertise, to try to supplement those areas makes a lot of sense. But, the highest premium for me is on value differentiation. So, if it's a specialty care product that has a clear value proposition, then we're probably interested in it.

And because we have experience across those different business models that I described before, we think we can incorporate almost anything into the business unit. And the key driver is the value differentiation.

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Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

(Inaudible) is an example of that. And so, it's not a insight. We've done a large business development deal, which is why it's now really more targeted at what's relevant to filling capabilities both in inline portfolio and in phase -- early, early or late, late stage products for the BUs.

Unidentified Audience Member

If you look at the different areas then and the areas that you think you would want to leverage and you would (inaudible), is there a possibility in a couple of year's time that you might actually shut down some of the areas, like you wouldn't be able to be in the top five in the world or that you wouldn't be able to generate the return on investment that you think you would want to achieve there? Are there any areas--?

Geno Germano - Pfizer - President and General Manager, Specialty Care and Vaccines

--In my area? Are you speaking to me or just the whole group? I mean, we -- just this past year, one area that kind of comes to mind is the HIV area where we have a -- we had a position in HIV. We found that we had some attractive candidates in development. We didn't have a big presence in the marketplace. And we decided to do a venture with Glaxo, with GSK, because the combination of the two companies, since it is joint venture, added value to our company and added value to GSK.

So, we're constantly looking for ways to optimize the opportunities that we have across the portfolio. Sometimes, that means trying to bring more in. Sometimes, that means partnering. And sometimes, it's gonna mean that we divest.

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

So, we look at that from a both BU and a corporate level. So, my point of view is -- whoops, sorry, I can't see you over the screen. But, we're always reviewing the mix inside the portfolio, both inside the BU and across the BU. So, I think we had the mix that we set post the Wyeth acquisition. We have recently gone through our portfolio and picked sort of areas that we want to focus on from a therapeutic point of view, and we will regularly review that. So, if the science changes or the competitive set changes, we're not stuck in an investment area that we're going to continue to throw money at and we don't get a good return. We would move our money into more product areas.

Olivier Brandicourt - Pfizer - President and General Manager, Primary Care

Yes, and similarly to the business development piece, we do have also a committee, which is at Ian's level, which actually called for this tradeoff between BU and between assets in development. And within each BU, we have very constant dialog with the people who are in charge of providing proof of concept to the BU. And through that dialog, eventually, you can come to the conclusion that some of the discovery programs have to be shut down.

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

And in theory, the cases we're trying to manage, which we all know, I mean, risk and reward. So, we want a mix of businesses that play in different market segments that react differently under different economic conditions. And I think we had that with both our primary care and our specialty and oncology and our established.. The established is sort of negatively correlated with the core patent business. So, we had the consumer business that was additional. So, if you look across the portfolio, we're trying to ensure that we get a -- that sweet spot of return with the lowest risk for that.



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Unidentified Participant

We have time for one more.

Unidentified Audience Member

In your prepared remarks, you focused on Pristiq for BMS. Now, my recollection is that we were awaiting results of a cardiovascular and hepatic safety trial that was to report out in the first half of this year. Are you in essence saying you have the data and the drug is clean of cardiovascular and hepatic risk?

Olivier Brandicourt - Pfizer - President and General Manager, Primary Care

No, I'm not saying that. I'm saying that we will provide the data during the second half of 2010 to get an indication.

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

I think we would try and market that as an area of opportunity for -- if the data comes through, it's a major opportunity in the pipeline.

Unidentified Participant

Great. Thank you for your time, everybody.

Ian Read - Pfizer - Group President, Worldwide Biopharmaceuticals Business

Thank you very much.

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