First Quarter 2015
Earnings Teleconference

April 28, 2015

Introduction

Chuck Triano

Senior Vice President,
Investor Relations

First Quarter 2015 Earnings

Forward-Looking Statements and Non-GAAP Financial Information

- Our discussions during this conference call will include forward-looking statements about, among other things, our anticipated future operating and financial performance, business plans and prospects, in-line products and product candidates, strategic reviews, capital allocation, business-development plans and plans relating to share repurchases and dividends that are subject to substantial risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Additional information regarding these factors can be found in Pfizer's Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and in our subsequent reports on Form 10-Q, including in the sections thereof captioned "Risk Factors" and "Forward-Looking Information and Factors That May Affect Future Results", as well as in our subsequent reports on Form 8-K, all of which are filed with the SEC and available at www.sec.gov and www.pfizer.com. The forward-looking statements in this presentation speak only as of the original date of this presentation and we undertake no obligation to update or revise any of these statements.

- Also, the discussions during this conference call will include certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (GAAP). Reconciliations of those non-U.S. GAAP financial measures to the most directly comparable U.S. GAAP financial measures can be found in Pfizer's Current Report on Form 8-K dated April 28, 2015. Any non-U.S. GAAP financial measures presented are not, and should not be viewed as, substitutes for financial measures required by U.S. GAAP, have no standardized meaning prescribed by U.S. GAAP and may not be comparable to the calculation of similar measures of other companies.

Opening Remarks

Ian Read
Chairman and Chief Executive Officer

First Quarter 2015 Earnings

CEO Perspectives

- Achieved solid revenue and EPS performance in first-quarter 2015
  - Overall revenues grew 2% operationally, despite LOE and co-promotion headwinds
  - Emerging markets revenue grew 12% operationally
- LOE impacts are anticipated to diminish after 2016 as our revenue base continues to build resulting from our investments in key growth areas, including emerging markets, and new product launches
- Believe we are in one of the most productive times for our pipeline
  - Today we published a comprehensive pipeline update, including 88 programs in clinical development with 30 programs in late stage development or registration
- Announced two business development transactions in first-quarter 2015
  - Proposed acquisition of Hospira to accelerate growth of our Established Products business
  - Acquisition of Redvax GmbH to expand our vaccines portfolio within our Innovative Products business

Our Focus for 2015 Will Be on Supporting Recent Product Launches, Accelerating and Differentiating our Pipeline, Looking for Attractive Business Development Opportunities and Deploying Capital to Generate Shareholder Value

Financial Review

Frank D’Amelio

Executive Vice President &
Chief Financial Officer

First Quarter 2015 Earnings

Income Statement Highlights

($ Millions, Except Per Share Amounts and Percentages)

	First Quarter		
	2015	2014	Change
Reported Revenues[1]	$10,864	$11,353	(4%)
Adjusted Income[2]	3,196	3,665	(13%)
Adjusted Diluted EPS[2]	0.51	0.57	(11%)
Reported Net Income[1]	2,376	2,329	2%
Reported Diluted EPS[1]	0.38	0.36	6%

Reported Results Favorably Impacted Primarily by Revenue Growth of Certain New and In-line Products, Lower Legal Charges and Fewer Shares Outstanding; Unfavorably Impacted Primarily by Certain Product LOEs and Co-Promotion Term Expirations, Higher Operating Expenses, a Higher Effective Tax Rate and the Impact of FX

(1) Reported revenues is defined as revenues in accordance with U.S. generally accepted accounting principles (GAAP). Reported net income is defined as net income attributable to Pfizer Inc. in accordance with U.S. GAAP. Reported diluted earnings per share (EPS) is defined as reported diluted EPS attributable to Pfizer Inc. common shareholders in accordance with U.S. GAAP.

(2) Adjusted Income and its components and Adjusted Diluted EPS are defined as Reported Net Income[1] and its components and Reported Diluted EPS[1], excluding Purchase Accounting Adjustments, Acquisition-Related Costs, Discontinued Operations and Certain Significant Items. Adjusted Revenues, Adjusted Cost of Sales, Adjusted SI&A expenses, Adjusted R&D expenses and Adjusted Other (Income)/Deductions are components of the overall Adjusted Income measure.

Impact of Foreign Exchange on Revenues[1] and Select Adjusted Income[1] Components

($ Millions, Except Percentages)
Favorable / (Unfavorable)

	First Quarter				
	2015	2014	FX Impact		
Reported Revenues[1]	**$10,864**	**$11,353**	**($739)**	↓	**(7%)**
Cost of Sales[1]	1,807	1,986	283	↓	14%
SI&A Expenses[1]	3,078	3,020	156	↓	5%
R&D Expenses[1]	1,877	1,612	23	↓	1%
Total[2]	**$6,762**	**$6,618**	**$462**	↓	**7%**

Foreign Exchange Had a ~$0.04 Negative Impact on Adjusted Diluted EPS[1] Compared to the Year-Ago Quarter

(1) See slide 7 for definition.
(2) Totals may not add due to rounding.

Global Innovative Pharmaceutical (GIP) Selected Financial Highlights

($ Millions, Except Percentages)

	First Quarter			
	2015	2014	% Change	
			Total	Oper.
Revenues	$3,075	$3,076	—	7%
Cost of sales	342	415	(18%)	(1%)
SI&A expenses	808	765	6%	11%
R&D expenses	623	394	58%	59%
IBT[1]	1,511	1,767	(14%)	(9%)
	As a % of Revenues		Percentage Point Change	
Cost of sales	11.1%	13.5%	(2.4) ppts	(1.0) ppt
SI&A expenses	26.3%	24.9%	1.4 ppts	1.0 ppt
R&D expenses	20.2%	12.8%	7.4 ppts	6.3 ppts
IBT[1]	49.1%	57.4%	(8.3) ppts	(8.5) ppts

(1) IBT represents income from continuing operations before provision for taxes on income.

- Q1 2015 revenues increased 7% operationally to $3,075M vs. Q1 2014
  - Driven by operational growth in Lyrica primarily in the U.S. and Japan, Eliquis globally and Xeljanz primarily in the U.S.
- Cost of sales decreased 1% operationally; Cost of sales as a % of revenues decreased 1.0 percentage point (ppt) operationally
  - Operational decrease in cost of sales as a % of revenue was driven by increased alliance revenue
- SI&A expenses increased 11% operationally
  - Reflects additional investment in recently-launched products and certain in-line products
- R&D expenses increased 59% operationally
  - Reflects incremental investment in collaborations, primarily the $295 million upfront payment to OPKO Health, Inc., partially offset by lower clinical trial expenses

Global Vaccines, Oncology and Consumer Healthcare (VOC) Selected Financial Highlights

($ Millions, Except Percentages)

	First Quarter			
	2015	2014	% Change	
			Total	Oper.
Revenues	$2,664	$2,174	23%	29%
Cost of sales	424	409	4%	23%
SI&A expenses	595	531	12%	19%
R&D expenses	193	184	5%	7%
IBT(1)	1,464	1,057	39%	41%
	As a % of Revenues		Percentage Point Change	
Cost of sales	15.9%	18.8%	(2.9) ppts	(0.9) ppts
SI&A expenses	22.3%	24.4%	(2.1 ppts)	(1.9) ppts
R&D expenses	7.2%	8.5%	(1.2) ppts	(1.5) ppts
IBT(1)	55.0%	48.6%	6.4 ppts	4.5 ppts

(1) See slide 9 for definition.

- Q1 2015 revenues increased 29% operationally to $2,664M vs. Q1 2014
  - Primarily driven by continued strong Prevnar 13 uptake among adults and favorable timing of CDC purchases for the pediatric indication, as well as the U.S. launches of Ibrance and Nexium 24HR
- Cost of sales increased 23% operationally; Cost of sales as a % of revenues decreased 0.9 percentage points (ppts) operationally
  - Decrease as a % of revenue was driven primarily by a favorable change in product mix
- SI&A expenses increased 19% operationally
  - Driven primarily by promotional expenses for Prevnar 13 adult indication and Nexium 24HR as well as launch expenses for Trumenba and Ibrance
- R&D expenses increased 7% operationally
  - Primarily reflects increased investment in Ibrance program expenses as well as costs associated with the anti-PD-L1 alliance with Merck KGaA and other oncology products, partially offset by lower Trumenba and Prevnar 13 Adult spend

Global Established Pharmaceutical (GEP) Selected Financial Highlights

($ Millions, Except Percentages)

	First Quarter			
	2015	2014	% Change	
			Total	Oper.
Revenues	$5,014	$5,990	(16%)	(10%)
Cost of sales	917	1,025	(11%)	1%
SI&A expenses	704	837	(16%)	(9%)
R&D expenses	134	138	(3%)	—
IBT[(1)]	3,256	4,049	(20%)	(14%)
	As a % of Revenues		Percentage Point Change	
Cost of sales	18.3%	17.1%	1.2 ppts	2.1 ppts
SI&A expenses	14.0%	14.0%	0.1 ppts	0.1 ppts
R&D expenses	2.7%	2.3%	0.4 ppts	0.2 ppts
IBT[(1)]	64.9%	67.6%	(2.7) ppts	(2.9) ppts

(1) See slide 9 for definition.

- Q1 2015 revenues declined 10% operationally to $5,014M vs. Q1 2014
  - LOEs, lost alliance revenues and Lipitor in developed markets negatively impacted revenues by $667 million, or 11%, operationally; All other GEP revenues grew 2% operationally, led by strong growth in emerging markets
- Cost of sales increased 1% operationally; Cost of sales as a % of revenues increased 2.1 percentage points (ppts) operationally
  - Cost of sales as a percentage of revenues increased primarily due to the impact of LOEs resulting in an unfavorable change in product mix
- SI&A expenses decreased 9% operationally
  - Reflects lower field force, advertising and promotional expenses partially offset by a higher cost for the Branded Prescription Drug Fee
- R&D expenses were flat operationally
  - Reflects increased investment in biosimilars programs offset by lower clinical trial expenses

Reconciliation of 2014 Results to Updated 2015 Financial Guidance[1][2]

	Full-Year 2014	2015 Financial Guidance at 2014 FX Rates (Excl. OPKO Transaction)	Impact of Mid-January 2015 FX Rates Compared to 2014 FX Rates	Impact of OPKO Transaction	Impact of Mid-April 2015 FX Rates vs. Mid-January 2015 FX Rates	2015 Financial Guidance
Reported Revenues[3]	$49.6 billion	$47.3 to $49.3 billion	($2.8 billion)	—	($0.5 billion)	$44.0 to $46.0 billion
Reported Diluted EPS[3]	$1.42	$1.57 to $1.72	($0.17)	($0.03)	($0.05)	$1.32 to $1.47
Adjusted Diluted EPS[3]	$2.26	$2.20 to $2.30	($0.17)	($0.03)	($0.05)	$1.95 to $2.05

Revenue and EPS Guidance Updated Solely to Reflect Negative Impact of Recent Changes in Foreign Exchange Rates

(1) Exchange rates assumed are a blend of the actual exchange rates in effect during first-quarter 2015 and the mid-April 2015 exchange rates for the remainder of the year. Excludes the impact of a potential devaluation of the Venezuelan bolivar. (2) Does not assume the completion of any business development transactions not completed as of March 29, 2015, including any one-time upfront payments associated with such transactions. 2015 financial guidance does not reflect any impact from the proposed acquisition of Hospira. Excludes the potential effects of the resolution of litigation-related matters not substantially resolved as of March 29, 2015. Guidance for Reported Revenues[3] reflects the anticipated negative impact of $3.5 billion due to recent and expected generic competition for certain products that have recently lost or are anticipated to soon lose patent protection, partially offset by anticipated revenue growth from certain other products. Reported and Adjusted Diluted EPS[3] guidance assumes diluted weighted-average shares outstanding of ~6.25 billion shares. Guidance for the effective tax rate on adjusted income[3] does not assume the renewal of the U.S. research and development tax credit. (3) See slide 7 for definition.

2015 Financial Guidance[1]

Reported Revenues[2]	$44.0 to $46.0 billion *(previously $44.5 to $46.5 billion)*
Adjusted Cost of Sales[2] as a % of Reported Revenues[2]	18.5% to 19.5%
Adjusted SI&A Expenses[2]	$12.8 to $13.8 billion
Adjusted R&D Expenses[2]	$6.9 to $7.4 billion
Adjusted Other (Income) / Deductions[2]	Approximately ($500 million) of income
Effective Tax Rate on Adjusted Income[2]	Approximately 25.0%
Reported Diluted EPS[2]	$1.32 to $1.47 *(previously $1.37 to $1.52)*
Adjusted Diluted EPS[2]	$1.95 to $2.05 *(previously $2.00 to $2.10)*

Updated Components of 2015 Financial Guidance Solely to Reflect Additional Negative Foreign Exchange Impacts, Notably the Weakening of the Euro

[1] See slide 12 for definitions, assumptions and notes relating to our 2015 financial guidance. [2] See slide 7 for definition.

Key Takeaways

- Achieved solid Q1 2015 financial performance, primarily driven by strong uptake of Prevnar 13 in adults in the U.S., Eliquis globally, and Lyrica, Nexium 24HR and Ibrance in the U.S.
- Updated 2015 financial guidance solely to reflect the negative impact of recent changes in FX rates; does not reflect any unfavorable changes to our operational outlook for the year
- Entered into a definitive merger agreement to acquire Hospira, Inc. for a total enterprise value of approximately $17 billion
- Accomplished several key R&D milestones to date in 2015
  - FDA granted accelerated approval of Ibrance with letrozole as initial endocrine-based therapy for ER+/HER2- advanced breast cancer in postmenopausal women
  - Phase 3 PALOMA-3 study of Ibrance with fulvestrant met its primary efficacy endpoint
  - FDA lifted partial clinical hold on tanezumab development program; preparing to resume Phase 3
  - EC approved an expanded indication for the use of Prevenar 13 in adults aged 18 years and older
- Continued to create shareholder value through prudent capital allocation
  - Returned $7.8 billion to shareholders through dividends and share repurchases in Q1 2015, including a $5 billion accelerated share repurchase agreement executed in February
  - Plan to return ~$13 billion to shareholders in 2015 through dividends and share repurchases

Remain Committed to Delivering Attractive Shareholder Returns in 2015 and Beyond

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Q&A Session

April 28, 2015