Third Quarter 2016

Earnings Teleconference

November 1, 2016

Introduction

Chuck Triano
Senior Vice President,
Investor Relations

Third Quarter 2016 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, the benefits expected from our acquisitions of Hospira, Anacor and Medivation, and our pending acquisition of AstraZeneca's small molecule anti-infectives business, 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, 2015 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 U.S. Securities and Exchange Commission 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 November 1, 2016. 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

Third Quarter 2016 Earnings

CEO Perspectives

- Q3 2016 was Pfizer's eighth consecutive quarter of operational revenue growth
  - Innovative Health's key brands continue to deliver strong growth
    - Ibrance, Eliquis, Xeljanz, Lyrica and Chantix
  - We remain confident that the Essential Health business has the potential to transition to modest growth
    - Driven by sterile injectables, anti-infectives, biosimilars and emerging markets offsetting peri-LOE and legacy established products in developed markets
  - We have strengthened both of our businesses through nearly $40B in acquisitions over the past year
- Pipeline Update (see next slide)
- Our businesses have the independence and resources to effectively compete while benefiting from the operational strength and financial flexibility of the larger company

Positioning our Businesses for Long-term Success through Competitive Portfolios, Pipelines Invested in Key Areas of Growth, and Financial Strength

Pipeline Update

- Oncology
  - Ibrance (60 programs; 24 non-breast)
  - Xtandi (FDA approved TERRAIN data; now working to generate data in earlier PC)
  - Immuno-oncology (10 compounds in the clinic; 30 programs ongoing)
- Inflammation & Immunology
  - Crisaborole (PDUFA in January 2017)
  - Xeljanz (potential for expansion beyond RA)
- Cardiovascular/Metabolic
  - Ertugliflozin (planned US submission by YE)
- Rare Disease
  - Gene therapy (Bamboo acquisition & SPARK partnership)
- Vaccines
  - *C. difficile* (phase 2 readout before YE)
- Biosimilars
  - Inflectra (begin shipments in late November)

- Summary of upcoming milestones in 2016
  - Potential EU decision for Ibrance
  - Avelumab US filing in Merkel cell carcinoma
  - Ertugliflozin US submissions as mono-therapy and as a fixed dose combination with both sitagliptin and metformin
  - *C. difficile* vaccine proof of concept
- Summary of upcoming milestones in 2017
  - Potential US decision for avelumab in Merkel cell carcinoma
  - Potential lorlatinib submission (NSCLC)
  - Potential EU decision for Xeljanz in RA
  - Potential US filings in 1H17 for Xeljanz label extension (UC and PsA)
  - Potential crisaborole decision in the US
- Additionally, we expect up to 12 pivotal study readouts between now and the end of 2017

Financial Review

Frank D'Amelio
Executive Vice President &
Chief Financial Officer

Third Quarter 2016 Earnings

Income Statement Highlights

($ Millions, Except Per Share Amounts and Percentages)

	Third Quarter		
	2016	2015	Change
Revenues	$13,045	$12,087	8%
Reported Net Income[(1)]	1,320	2,130	(38%)
Reported Diluted EPS[(1)]	0.21	0.34	(37%)
Adjusted Income[(2)]	3,726	3,728	—
Adjusted Diluted EPS[(2)]	0.61	0.60	2%

Q3 2016 Reported Results Unfavorably Impacted Primarily by the Pending Sale of Hospira Infusion Systems, Higher Operating Expenses, Product LOEs and Foreign Exchange Impacts, Including the Venezuelan Bolivar; Favorably Impacted Primarily by the Inclusion of the Legacy Hospira Business, Revenue Growth from Certain New and In-line Products, Lower Asset Impairment Charges and Lower Acquisition-Related Costs

(1) 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 U.S. GAAP net income[(1)] and its components and reported diluted EPS[(1)] excluding purchase accounting adjustments, acquisition-related costs, discontinued operations and certain significant items (some of which may recur, such as restructuring or legal charges, but which management does not believe are reflective of our ongoing core operations). Adjusted cost of sales, Adjusted selling, informational and administrative (SI&A) expenses, Adjusted research and development (R&D) expenses and Adjusted other (income)/deductions are income statement line items prepared on the same basis as, and therefore components of, the overall Adjusted income measure.

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

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

	Third Quarter			
	2016	2015	FX Impact	
Revenues	**$13,045**	**$12,087**	**($224)**	**(2%)**
Adjusted Cost of Sales[1]	2,957	2,108	(189)	(9%)
Adjusted SI&A Expenses[1]	3,531	3,276	69	2%
Adjusted R&D Expenses[1]	1,873	1,725	5	—
Total Adjusted Costs & Expenses[2]	**$8,361**	**$7,109**	**($115)**	**(2%)**

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

(1) See slide 8 for definition.
(2) Totals may not add due to rounding.

2016 Financial Guidance[1][2]

Revenues	$52.0 to $53.0 billion *(previously $51.0 to $53.0 billion)*
Adjusted Cost of Sales[3] as a % of Revenues	21.5% to 22.0% *(previously 21.0% to 22.0%)*
Adjusted SI&A Expenses[3]	$14.2 to $14.7 billion *(previously $13.7 to $14.7 billion)*
Adjusted R&D Expenses[3]	$7.8 to $8.1 billion *(previously $7.4 to $7.8 billion)*
Adjusted Other (Income) / Deductions[3]	Approximately ($600 million) of income *(previously approx. ($500 million) of income)*
Effective Tax Rate on Adjusted Income[3]	Approximately 24.0%
Adjusted Diluted EPS[3]	$2.38 to $2.43 *(previously $2.38 to $2.48)*

Narrowed Certain 2016 Financial Guidance Ranges and Incorporated the Impact of the Decision to Discontinue Global Development of Bococizumab

[1] Exchange rates assumed are a blend of the actual exchange rates in effect through third-quarter 2016 and mid-October 2016 exchange rates for the remainder of the year. [2] Pfizer does not provide guidance for GAAP Reported financial measures (other than Revenues) or a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable GAAP Reported financial measures on a forward-looking basis because it is unable to predict with reasonable certainty the ultimate outcome of pending litigation, unusual gains and losses, acquisition-related expenses and potential future asset impairments without unreasonable effort. These items are uncertain, depend on various factors, and could have a material impact on GAAP Reported results for the guidance period. Does not assume the completion of any business development transactions not completed as of October 2, 2016, including any one-time upfront payments associated with such transactions. Guidance for Revenues reflects the anticipated negative impact of $1.8 billion due to recent and expected generic competition for certain products that have recently lost or are anticipated to soon lose patent protection. Guidance for 2016 revenues also reflects the anticipated negative impact of $1.4 billion as a result of unfavorable changes in foreign exchange rates relative to the U.S. dollar compared to foreign exchange rates from 2015, including $0.8 billion due to the estimated significant negative currency impact related to Venezuela. The anticipated negative impact on adjusted diluted EPS[3] resulting from unfavorable changes in foreign exchange rates compared to foreign exchange rates from 2015 is approximately $0.20, including $0.08 due to the estimated significant negative currency impact related to Venezuela. Adjusted Diluted EPS[3] guidance assumes diluted weighted-average shares outstanding of ~6.2 billion shares. [3] See slide 8 for definition.

Key Takeaways

- Achieved another strong quarter of Pfizer operational revenue growth, primarily driven by:
  - The incremental contribution from a full quarter of the legacy Hospira business, as well as the continuing solid performance of Ibrance, Eliquis, Xeljanz, Lyrica & Chantix
- Narrowed ranges for certain components of 2016 financial guidance and incorporated the impact of the decision to discontinue the global development of bococizumab
- Completed the acquisition of Medivation
- Accomplished several product and pipeline milestones since our previous quarterly update
  - The CHMP adopted a positive opinion recommending that Ibrance be granted marketing authorization in the EU for the treatment of women with HR+, HER2- locally advanced or metastatic breast cancer
  - Announced with our partner, Astellas, that the FDA approved a sNDA to update the labeling for Xtandi to include new clinical data versus bicalutamide from the TERRAIN study in patients with mCRPC
  - Announced with our partner, Merck KGaA, that the EMA has validated for review a filing for avelumab, for the proposed indication of metastatic Merkel cell carcinoma, a rare and aggressive skin cancer
  - Announced with our partner, Merck, that a Phase 3 study of ertugliflozin, an investigational SGLT-2 inhibitor to treat type 2 diabetes, met its primary endpoint
- Returned approximately $10.5 billion to shareholders through the first three quarters of 2016 through dividends and share repurchases

Remain Committed to Delivering Attractive Shareholder Returns Through the End of 2016 and Beyond

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Q&A Session

November 1, 2016

Appendix

Segment Financial Highlights

November 1, 2016

Pfizer Innovative Health Selected Financial Highlights

($ Millions, Except Percentages)

	Third Quarter			
	2016	2015	% Change	
			Total	Oper.
Revenues	$7,332	$6,752	9%	10%
Cost of sales	1,039	876	19%	9%
SI&A expenses	1,647	1,524	8%	10%
R&D expenses	671	558	20%	20%
IBT[(1)]	4,187	4,018	4%	8%
	As a % of Revenues		Percentage Point Change	
Cost of sales	14.2%	13.0%	1.2 ppts	(0.1) ppts
SI&A expenses	22.5%	22.6%	(0.1) ppts	— ppts
R&D expenses	9.1%	8.3%	0.9 ppts	0.8 ppts
IBT[(1)]	57.1%	59.5%	(2.4) ppts	(1.1) ppts

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

- Q3 2016 revenues increased 10% operationally to $7,332M vs. Q3 2015
  - Driven by Ibrance in the U.S., Eliquis globally, as well as Xeljanz, Lyrica and Chantix/Champix, all primarily in the U.S., partially offset by the loss of Rebif alliance revenue in the U.S.
- Cost of sales increased 9% operationally; Cost of sales as a % of revenues decreased 0.1 percentage points (ppts) operationally
  - Operational increase in cost of sales was driven by an increase in royalty expense and increased sales volume
- SI&A expenses increased 10% operationally
  - Driven by additional investment across key products, including Eliquis, Xeljanz and Prevnar 13
- R&D expenses increased 20% operationally
  - Driven by increased costs associated with our oncology programs, primarily our avelumab alliance with Merck KGaA

Pfizer Essential Health Selected Financial Highlights

($ Millions, Except Percentages)

	Third Quarter			
	2016	2015	% Change	
			Total	Oper.
Revenues	$5,712	$5,335	7%	10%
Cost of sales	1,546	1,159	33%	28%
SI&A expenses	813	799	2%	6%
R&D expenses	292	241	21%	21%
IBT(1)	3,128	3,181	(2%)	4%
	As a % of Revenues		Percentage Point Change	
Cost of sales	27.1%	21.7%	5.3 ppts	3.5 ppts
SI&A expenses	14.2%	15.0%	(0.7) ppts	(0.5) ppts
R&D expenses	5.1%	4.5%	0.6 ppts	0.5 ppts
IBT(1)	54.8%	59.6%	(4.9) ppts	(3.2) ppts

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

- Q3 2016 revenues increased 10% operationally to $5,712M vs. Q3 2015
  - Driven by the inclusion of legacy Hospira operations (HSP)
  - Excluding HSP, revenues declined 5% operationally
- Cost of sales increased 28% operationally; Cost of sales as a % of revenues increased 3.5 percentage points (ppts) operationally
  - Operational increase in cost of sales as a % of revenues primarily due to the inclusion of HSP and the impact of product losses of exclusivity, resulting in an unfavorable change in product mix
  - Excluding HSP, cost of sales increased 1% operationally
- SI&A expenses increased 6% operationally
  - Higher expenses primarily due to the inclusion of HSP, partially offset by lower advertising, promotional and field force expenses
  - Excluding HSP, SI&A declined 5% operationally
- R&D expenses increased 21% operationally
  - Due to investments in legacy HSP biosimilar and sterile injectable development programs
  - Excluding HSP, R&D expenses increased 1% operationally