



PFIZER REPORTS SECOND-QUARTER 2014 RESULTS

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Second-Quarter 2014 Reported Revenues(1) of \$12.8 Billion Second-Quarter 2014 Adjusted Diluted EPS(2) of \$0.58, Reported Diluted EPS(1) of \$0.45 Repurchased \$2.9 Billion of Common Stock to Date in 2014 Reaffirmed 2014 Adjusted Diluted EPS(2) Guidance; Updated Certain Other 2014 Financial Guidance Components Expects to Complete U.S. Regulatory Submission for Palbociclib in Advanced Breast Cancer in August 2014

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Pfizer Inc. (NYSE:PFE) reported financial results for second-quarter 2014. At the beginning of fiscal year 2014, the company began managing its commercial operations through a new global commercial structure consisting of three operating segments: the Global Innovative Pharmaceutical segment (GIP)(3); the Global Vaccines, Oncology and Consumer Healthcare segment (VOC)(3); and the Global Established Pharmaceutical segment (GEP)(3). Financial results for each of these segments are presented in the Operating Segment Information section. As a result of the full disposition of Zoetis Inc. (Zoetis) on June 24, 2013, the financial results of the Animal Health business are reported as a discontinued operation in the consolidated statements of income for the second-quarter and first six months of 2013. Results are summarized below.

OVERALL RESULTS

(\$ in millions, except per share amounts)

Second-Quarter			Six Months		2014	2013	Change	
2014	2013	Change	Reported Revenues(1)		\$	12,773	\$ 12,973	
(2 %)	\$	24,126	\$	25,383	(5 %)	Adjusted Income(2)		3,769
	4,003	(6 %)		7,434	7,743	(4 %)	Adjusted Diluted EPS(2)	
	0.58	0.56	4 %		1.15	1.08	6 %	Reported Net
Income(1)		2,912		14,095	(79 %)		5,241	16,845 (69 %)
%)	Reported Diluted EPS(1)			0.45	1.98	(77 %)		0.81
	2.34	(65 %)						

REVENUES

(\$ in millions) Favorable/(Unfavorable)

Second-Quarter			Six Months		2014	2013	% Change		
2014	2013	% Change			Total	Oper.	Total		
Oper.	GEP(3)		\$	6,513	\$	6,921	(6 %)	(5 %)	\$
12,503	\$	13,782	(9 %)	(7 %)	GIP(3)		3,547		3,726
(5 %)	(5 %)		6,623	7,032	(6 %)	(5 %)	Global		
Vaccines(3)		1,097	970	13 %	14 %		2,022	1,893	
7 %	9 %	Consumer Healthcare(3)			912	800	14 %	15	
%		1,673	1,611	4 %	6 %	Global Oncology(3)		570	
	493	16 %	16 %		1,058	949	11 %	12 %	
Other(4)		134	63	*	*	247	116	*	*
Total	\$	12,773	\$	12,973	(2 %)	(1 %)	\$	24,126	\$
25,383	(5 %)	(3 %)							

* Calculation not meaningful.

SELECTED TOTAL COMPANY ADJUSTED COSTS AND EXPENSES(2)

(\$ in millions) (Favorable)/Unfavorable

Second-Quarter		Six Months		2014	2013	% Change	
2014	2013	% Change		Total	Oper.		
Total	Oper.	Cost of Sales(2)		\$ 2,320	\$ 2,194	6 %	6 %
\$ 4,306	\$ 4,423	(3 %)	—	Percent of Revenues(2)			18.3
%	16.9 %						
N/A							
N/A	17.9 %	17.4 %	N/A	N/A	SI&A Expenses(2)		3,486
3,550	(2 %)	(1 %)		6,506	6,728	(3 %)	(2 %)
R&D Expenses(2)		1,714	1,521	13 %	13 %		3,326
3,139	6 %	6 %	Total	\$ 7,520	\$ 7,265	4 %	4 %
\$ 14,138	\$ 14,290	(1 %)	—				
		Effective Tax Rate(2)		27.9 %	27.9 %		
26.5 %	27.4 %						

2014 FINANCIAL GUIDANCE(5)

Certain financial guidance components have been updated to reflect performance in the first six months of the year as well as the following factors:

Adjusted Revenues(2): The expected negative impact from anticipated multi-source generic competition for Celebrex in the U.S. beginning in December 2014. In addition to the approximate one month of multi-source generic competition, Celebrex revenues also are expected to be negatively impacted in fourth-quarter 2014 by associated wholesaler and retailer destocking. **Adjusted SI&A Expenses(2):** The expected reduction in promotional spending for Celebrex in second-half 2014 attributable to the aforementioned anticipated multi-source generic competition in the U.S. beginning in December 2014. **Adjusted R&D Expenses(2):** The impact from the planned \$80 million upfront payment to Cellectis SA (Cellectis) associated with the recently announced global strategic collaboration as well as higher expected expenses related to the planned acceleration of certain late-stage clinical programs, including palbociclib and bococizumab, among other programs. **Adjusted Other (Income)/Deductions(2):** The favorable impacts of lower expected net interest expense over the remainder of 2014 as well as gains realized in the first six months of 2014 on sales of product rights and of investments in equity securities, among various other factors. **Reported Diluted EPS(1):** The negative impact from charges related to certain legal matters, primarily related to Neurontin, incurred in first-quarter 2014.

Adjusted Revenues(2)	\$48.7 to \$50.7 billion	(previously \$49.2 to \$51.2 billion)
Adjusted Cost of Sales(2) as a Percentage of Adjusted Revenues(2)	19.0% to 20.0%	
Adjusted SI&A Expenses(2)	\$13.3 to \$14.3 billion	(previously \$13.5 to \$14.5 billion)
Adjusted R&D Expenses(2)	\$6.7 to \$7.2 billion	(previously \$6.4 to \$6.9 billion)
Adjusted Other (Income)/Deductions(2)	Approximately (\$200 million) of income	(previously approx. \$100 million of deductions)
Effective Tax Rate on Adjusted		

Income(2)	Approximately 27.0%	Reported Diluted EPS(1)	\$1.47 to \$1.62
	(previously \$1.57 to \$1.72)	Adjusted Diluted EPS(2)	\$2.20 to \$2.30

EXECUTIVE COMMENTARY

Ian Read, Chairman and Chief Executive Officer, stated, "I am pleased with our operating performance to date. Our recently launched products continued to gain traction during the quarter while our mid- and late-stage pipeline continued to progress with a regulatory submission in the U.S. completed for our meningitis B vaccine candidate and our palbociclib regulatory submission in the U.S. underway. We also look forward to the recently announced meeting in August of the U.S. Centers for Disease Control and Prevention's (CDC) Advisory Committee on Immunization Practices (ACIP) to evaluate and make a recommendation regarding usage of our Prevnar 13 vaccine in the adult population. In addition, we also announced targeted business development transactions within our Global Oncology(3) and GEP(3) businesses."

"I continue to see Pfizer as well positioned to effectively execute on our strategy to further strengthen each of our businesses on a global basis and deliver value to all of our stakeholders," Mr. Read concluded.

Frank D'Amelio, Chief Financial Officer, stated, "Overall, I am pleased with our second-quarter 2014 financial results despite the continued negative impact from product losses of exclusivity and the termination of certain co-promotion collaborations. We updated our 2014 adjusted revenue(2) guidance to reflect the anticipated negative impact associated with expected multi-source generic competition for Celebrex in the U.S. beginning in December 2014. Importantly, we reaffirmed our adjusted diluted EPS(2) guidance, absorbing an approximate \$0.05 per share anticipated negative impact from this loss of exclusivity and an approximate \$0.01 per share negative impact from the planned upfront payment to Collectis, which reflects our financial flexibility and confidence in the business going forward. Given our strong operating cash flow, we continue to expect to repurchase approximately \$5 billion of our shares this year, with \$2.9 billion repurchased through July 28. These 2014 repurchases and planned repurchases are expected to reduce total shares outstanding by approximately 100 million shares by the end of the year after factoring in actual and projected dilution related to employee compensation programs."

QUARTERLY FINANCIAL HIGHLIGHTS (Second-Quarter 2014 vs. Second-Quarter 2013)

Reported revenues(1) decreased \$200 million, or 2%, which reflects an operational decline of \$113 million, or 1%, and the unfavorable impact of foreign exchange of \$87 million, or 1%. The operational decrease was primarily due to the expiration of the co-promotion term of the collaboration agreement for Enbrel in the U.S. and Canada, the ongoing termination of the Spiriva collaboration in certain countries as well as the loss of exclusivity and subsequent multi-source generic competition for Detrol LA in the U.S. and other product losses of exclusivity in certain markets. Revenues in developed markets were favorably impacted by the operational growth of certain key products including: Lyrica, Nexium 24HR in the U.S. as a result of its recent launch, Prevnar, Eliquis, Xeljanz, Celebrex, Xalkori and Inlyta. Additionally, revenues in emerging markets increased 11% operationally, including strong operational growth from Prevenar as well as from Lipitor, primarily in China. Second-quarter 2014 reported revenues(1) included \$71 million from the transitional manufacturing and supply agreements with Zoetis. GEP(3) revenues decreased 5% operationally, primarily due to the loss of exclusivity and subsequent launch of multi-source generic competition for Detrol LA in the U.S. in January 2014, Viagra in most major European markets in June 2013 as well as Aricept in Canada in December 2013. Additionally, the co-promotion collaboration for Spiriva has terminated in most countries, including the U.S. in April 2014, or has entered its final year in other major markets, which, per the terms of the collaboration agreement, has resulted in a decline in Pfizer's share of Spiriva revenues. These declines were partially offset by the strong operational performance of Celebrex worldwide, Lyrica in Europe as well as Lipitor, primarily in China. GIP(3) revenues declined 5% operationally, primarily due to the expiration of the co-promotion term of the collaboration agreement for Enbrel in the U.S. and Canada on October 31, 2013; for a 36-month period thereafter, Pfizer is entitled to royalty payments that have been and are expected to continue to be significantly less than the share of Enbrel profits prior to the expiration of the co-promotion term, and those royalty payments are and will be included in Other (income)/deductions-net rather than in Revenues. GIP(3) revenues were also negatively impacted by certain product losses of exclusivity, primarily for Lyrica in Canada in February 2013. These declines were partially offset by strong operational growth from Lyrica, primarily in the U.S. and Japan, as well as the performance of recently launched products, including Eliquis globally and Xeljanz primarily in the U.S. VOC(3) revenues increased 15% operationally, reflecting the following:

- Global Vaccines(3) revenues grew 14% operationally. Prevnar 13 revenue in the U.S. increased 12%, driven by government purchasing patterns and increased demand. International sales of the Prevenar family were up 15% on an operational basis, primarily reflecting increased shipments associated with the Global Alliance for Vaccines and Immunization (GAVI) as well as the timing of government purchases in various emerging markets compared with the year-ago quarter.

- Consumer Healthcare(3) revenues increased 15% operationally, primarily due to the launch of Nexium 24HR in the U.S. in late-May 2014.

- Global Oncology(3) revenues increased 16% operationally, primarily driven by the continued strong uptake of Xalkori and Inlyta globally. Xalkori revenues were positively impacted by a greater accumulation of patients on therapy as a result of an increase in the testing rate for the anaplastic lymphoma kinase (ALK) gene abnormality, which has led to more patients being treated, as well as an extended duration of therapy. Inlyta revenues were favorably impacted by continued increases in renal cell carcinoma market share. This growth was partially offset by the timing of purchases for Sutent in China.

Adjusted cost of sales, adjusted SI&A expenses and adjusted R&D expenses(2) in the aggregate increased 4% operationally. Overall, they increased \$255 million, or 4%, primarily reflecting:

- higher adjusted cost of sales(2), primarily reflecting an unfavorable change in product mix;

- lower adjusted SI&A expense(2) as a result of benefits from cost-reduction and productivity initiatives partially offset by investments to support several recent product launches; and

- higher adjusted R&D expense(2), primarily due to recently initiated Phase 3 programs for bococizumab, ertugliflozin and certain other new drug candidates as well as for

studies of Xeljanz and certain other products in potential new indications.

The effective tax rate on adjusted income⁽²⁾ was 27.9%, consistent with the prior-year quarter, primarily reflecting the favorable impact of the resolution in second-quarter 2014 of certain tax positions, pertaining to prior years with various foreign tax authorities, offset by an unfavorable change in the jurisdictional mix of earnings. The diluted weighted-average shares outstanding declined by 673 million shares, due to the company's ongoing share repurchase program and the impact of the Zoetis exchange offer, which was completed on June 24, 2013. In addition to the aforementioned factors, second-quarter 2014 reported earnings were primarily impacted by the following:

Unfavorable impacts:

- the non-recurrence in second-quarter 2014 of income from discontinued operations in the year-ago quarter attributable to the company's Animal Health business, including the gain associated with the full disposition of Zoetis; and

- the non-recurrence in second-quarter 2014 of income in the year-ago quarter from a litigation settlement with Teva Pharmaceuticals Industries Ltd. and Sun Pharmaceutical Industries Ltd. for patent-infringement damages resulting from their "at-risk" launches of generic Protonix in the U.S.

Favorable impacts:

- lower acquisition-related costs, purchase accounting adjustments and asset impairment charges compared to the prior-year quarter; and

- a lower effective tax rate, primarily due to the favorable impact of the resolution in second-quarter 2014 of certain tax positions, pertaining to prior years with various foreign tax authorities, a favorable change in the jurisdictional mix of earnings as well as the non-recurrence of the unfavorable tax liability attributable to the income associated with the aforementioned patent litigation settlement.

RECENT NOTABLE DEVELOPMENTS

Product Developments

Prevnar 13/Prevenar 13

- Pfizer discussed with the CDC's ACIP at their scheduled June meeting the results of the Community-Acquired Pneumonia Immunization Trial in Adults (CAPiTA) as well as other considerations regarding a potential expanded recommendation for Prevnar 13 use in adults. Pfizer looks forward to continued dialogue with the ACIP as well as its decision on a potential expanded recommendation at a meeting scheduled for August 13, 2014.

- Pfizer announced that Prevenar 13 was approved in Japan for adults 65 years of age and older for the prevention of pneumococcal disease caused by 13 *S. pneumoniae* serotypes covered by the vaccine.

Xeljanz (tofacitinib) -- Pfizer announced positive top-line results from two pivotal Phase 3 clinical trials of tofacitinib in adults with moderate-to-severe chronic plaque psoriasis. Pfizer intends to submit a supplemental New Drug Application (sNDA) to the U.S. Food and Drug Administration (FDA) seeking approval of tofacitinib 5 mg and 10 mg twice-daily for the treatment of adults with moderate-to-severe chronic plaque psoriasis by early 2015. Eliquis -- The European Commission approved Eliquis for the treatment of deep vein thrombosis (DVT) and pulmonary embolism (PE), and the prevention of recurrent DVT and PE in adults. BeneFIX -- Pfizer announced positive top-line results of a Phase 3 study comparing a prophylaxis regimen of BeneFIX Coagulation Factor IX (Recombinant) 100 IU/kg once-weekly to on-demand treatment in people with moderately severe to severe hemophilia B. The top-line results of the study showed that the primary study endpoint was met and hemophilia B patients taking once-weekly BeneFIX (100 IU/kg) showed a statistically significant reduction in the annualized bleeding rate relative to on-demand treatment with BeneFIX. Adverse events observed in the study, for both the prophylaxis and on-demand periods, were consistent with the known adverse event profile of BeneFIX. Complete results from this study will be submitted for presentation at upcoming medical congresses and submitted for publication in a peer-reviewed journal. Embeda -- Pfizer recently received notification from the FDA that the July 2014 Prescription Drug User Fee Act date was extended by three months to October 2014 with respect to an sNDA for Embeda (morphine sulfate and naltrexone hydrochloride) extended-release capsules. Pfizer submitted the sNDA in September 2013 seeking to

update the Embeda label to include data from abuse-deterrent studies. Celebrex -- In March 2014, the U.S. District Court for the Eastern District of Virginia granted summary judgment invalidating Pfizer's reissue patent (U.S. Patent No. RE44,048), covering methods of treating osteoarthritis and other approved conditions with celecoxib, the active ingredient in Celebrex. Pfizer has appealed this decision. Several generic drug companies previously filed abbreviated new drug applications with the FDA seeking approval to market their generic forms of celecoxib in the U.S. beginning on May 30, 2014, when Pfizer's basic Celebrex compound patent (including the six-month pediatric exclusivity period) expired. This was 18 months prior to the December 2, 2015 expiration of the reissue patent (including the six-month pediatric exclusivity period). Since the court's decision, Pfizer has entered into settlement agreements with Teva Pharmaceuticals USA, Inc., Watson Laboratories, Inc. (a subsidiary of Actavis plc), and Mylan Pharmaceuticals, Inc. granting them licenses to launch generic versions of celecoxib in the U.S. beginning in December 2014, or earlier under certain circumstances. Under certain conditions, the licenses may be royalty-bearing through the remaining term of the reissue patent. The FDA approved the first generic versions of celecoxib in May 2014. Nexium 24HR -- Pfizer introduced Nexium 24HR (esomeprazole, 20 mg) for over-the-counter use in the U.S. for the treatment of frequent heartburn in adults 18 years of age and older. In 2012, Pfizer acquired exclusive global rights from AstraZeneca to market non-prescription Nexium.

Pipeline Developments

Palbociclib (PD-0332991) -- In June 2014, Pfizer initiated its rolling submission of a New Drug Application (NDA) to the FDA seeking approval for palbociclib, combined with letrozole, as a first-line systemic treatment for post-menopausal women with estrogen receptor positive (ER+), human epidermal growth factor receptor 2 negative (HER2-) locally advanced or metastatic breast cancer. The submission is based on the final results of PALOMA-1, a randomized, Phase 2 clinical trial comparing the combination of palbociclib plus letrozole versus letrozole alone in this population of patients. Pfizer expects to complete its submission in August 2014. rLP2086 (Meningococcal Serogroup B Bivalent Recombinant Lipoprotein Vaccine)

- In June 2014, Pfizer announced that it submitted a Biologics License Application (BLA) to the FDA for rLP2086, the company's vaccine candidate for the prevention of invasive meningococcal disease caused by *Neisseria meningitidis* serogroup B in 10 to 25 year olds. The FDA has a 60-day filing review period from the date of the BLA submission to determine whether the BLA is complete and acceptable for filing. Pfizer will communicate the FDA's decision once available.

- Pfizer announced results from two Phase 2 studies of rLP2086. In both studies, rLP2086 was observed to generate bactericidal responses, a measurement of functional immune response, against diverse meningococcal serogroup B test strains following either two or three doses. Also, in the study evaluating co-administration of rLP2086 and a diphtheria, tetanus, pertussis and inactivated polio vaccine (dTaP-IPV), no impact was observed on the immune response to the dTaP-IPV vaccine. The most common local reaction observed in both studies was mild-to-moderate injection site pain; headache and fatigue were the most common systemic events in both studies. The data were presented at the 32nd Annual Meeting of the European Society for Paediatric Infectious Diseases (ESPID 2014).

Corporate Developments

Pfizer announced on May 26, 2014 that it did not intend to make an offer for AstraZeneca. The announcement was made in accordance with Rule 2.8 of the U.K. City Code on Takeovers and Mergers (the "Code"). As a result of this announcement, Pfizer, together with any party acting in concert with Pfizer, is bound by the restrictions contained in Rule 2.8 of the Code. Pfizer and Cellectis announced that they have entered into a global strategic collaboration to develop Chimeric Antigen Receptor T-cell (CAR-T) immunotherapies in the field of oncology directed at select cellular surface antigen targets. Cellectis will receive an upfront payment of \$80 million, as well as funding for research and development costs associated with Pfizer-selected targets and the four

Collectis-selected targets within the collaboration. Collectis is eligible to receive development, regulatory and commercial milestone payments of up to \$185 million per Pfizer product. Collectis is also eligible to receive tiered royalties on net sales of any products that are commercialized by Pfizer. Additionally, Pfizer entered into an agreement to acquire approximately 10% of the Collectis capital through the purchase of newly issued shares at 9.25 Euro per share, subject to approval by Collectis' shareholders. In the event the sale of equity is not approved by the Collectis shareholders, Pfizer has the option to terminate the collaboration agreement. Pfizer and InnoPharma, Inc. (InnoPharma), a privately held pharmaceutical development company, announced that they have entered into an agreement under which Pfizer will acquire InnoPharma. Under the terms of the agreement, Pfizer will acquire InnoPharma for an upfront cash payment of \$225 million and up to \$135 million of contingent milestone payments. InnoPharma's current portfolio includes 10 generic products approved by the FDA. InnoPharma also has a pipeline of 19 products filed with the FDA and more than 30 injectable and ophthalmic products under development. The closing of the transaction is subject to U.S. regulatory approval and is expected to occur during third-quarter 2014.

Please find Pfizer's press release and associated financial tables, including reconciliations of certain GAAP reported to non-GAAP adjusted information, at the following hyperlink:http://www.pfizer.com/system/files/Q2_2014_PFE_Earnings_Press_Release_gpjte7kboxg

(Note: If clicking on the above link does not open up a new web page, you may need to cut and paste the above URL into your browser's address bar.)

For additional details, see the associated financial schedules and product revenue tables attached to the press release located at the hyperlink referred to above and the attached disclosure notice.

(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 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 Earnings Per Share (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. Adjusted Revenues, 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. As described under Adjusted Income in the Management's Discussion and Analysis of Financial Condition and Results of Operations section of Pfizer's Quarterly Report on Form 10-Q for the fiscal quarter ended March 30, 2014, management uses adjusted income, among other factors, to set performance goals and to measure the performance of the overall company. We believe that investors' understanding of our performance is enhanced by disclosing this measure. See the accompanying reconciliations of certain GAAP reported to non-GAAP adjusted information for the second quarter and first six months of 2014 and 2013, as well as reconciliations of full-year 2014 guidance for adjusted income and adjusted diluted EPS to full-year 2014 guidance for reported net income(1) and reported diluted EPS(1). 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 its components and diluted EPS.

(3)

For a description of the revenues in each business, see the "Our Strategy--Commercial Operations" sub-section in the Overview of Our Performance, Operating Environment, Strategy and Outlook section of Pfizer's Quarterly Report on Form 10-Q for the fiscal quarter ended March 30, 2014.

(4) Other includes revenues generated from Pfizer CentreSource, our contract manufacturing and bulk pharmaceutical chemical sales organization, and also includes, in 2014, the revenues related to our transitional manufacturing and supply agreements with Zoetis. (5)

The 2014 financial guidance reflects the following:

Does not assume the completion of any business development transactions not completed as of June 29, 2014, including any one-time upfront payments associated with such transactions, except for the planned \$80 million upfront payment to Collectis. Excludes the potential effects of the resolution of litigation-related matters not substantially resolved as of June 29, 2014. Exchange rates assumed are a blend of the actual exchange rates in effect through June 29, 2014 and the mid-July 2014 exchange rates for the remainder of the year. Assumes diluted weighted-average shares outstanding of approximately 6.4 billion shares. Revenues and cost of sales from the transitional manufacturing and supply agreements with Zoetis have been excluded from the applicable Adjusted components of the financial guidance. Reconciliation of the 2014

Adjusted Income(2) and Adjusted Diluted EPS(2) guidance to the 2014 Reported Net Income Attributable to Pfizer Inc. and Reported Diluted EPS Attributable to Pfizer Inc. common shareholders guidance:

(\$ in billions, except per share amounts)		Income/(Expense)		Net
Income	Diluted EPS	Adjusted income/diluted EPS(2) guidance		\$14.1 -
\$14.8	\$2.20 - \$2.30	Purchase accounting impacts of transactions completed		
as of June 29, 2014	(2.8)	(0.43)	Restructuring and implementation costs	
(1.1) - (1.4)	(0.17) - (0.22)	Certain other items incurred through June 29,		
2014	(0.6)	(0.09)	Discontinued operations	0.1 0.01
Reported net income attributable to Pfizer Inc./diluted EPS(1) guidance				\$9.4 - \$10.4
				\$1.47 - \$1.62

DISCLOSURE NOTICE: The information contained in this earnings release and the attachments is as of July 29, 2014. We assume no obligation to update forward-looking statements contained in this earnings release and the attachments as a result of new information or future events or developments.

This earnings release and the attachments contain forward-looking statements about our 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, among other things, that involve substantial risks and uncertainties. You can identify these statements by the fact that they use future dates or use words such as "will," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "target," "forecast," "goal," "objective," "aim" and other words and terms of similar meaning. Among the factors that could cause actual results to differ materially from past results and future plans and projected future results are the following:

the outcome of research and development activities, including, without limitation, the ability to meet anticipated clinical trial commencement and completion dates, regulatory submission and approval dates, and launch dates for product candidates, as well as the possibility of unfavorable clinical trial results, including unfavorable new clinical data and additional analyses of existing clinical data; decisions by regulatory authorities regarding whether and when to approve our drug applications, which will depend on the

assessment by such regulatory authorities of the benefit-risk profile suggested by the totality of the efficacy and safety information submitted; and decisions by regulatory authorities regarding labeling, ingredients and other matters that could affect the availability or commercial potential of our products; the speed with which regulatory authorizations, pricing approvals and product launches may be achieved; the outcome of post-approval clinical trials, which could result in the loss of marketing approval for a product or changes in the labeling for, and/or increased or new concerns about the safety or efficacy of, a product that could affect its availability or commercial potential; the success of external business-development activities, including the ability to satisfy the conditions to closing of announced transactions in the anticipated timeframe or at all; competitive developments, including the impact on our competitive position of new product entrants, in-line branded products, generic products, private label products and product candidates that treat diseases and conditions similar to those treated by our in-line drugs and drug candidates; the implementation by the FDA of an abbreviated legal pathway to approve biosimilar products, which could subject our biologic products to competition from biosimilar products in the U.S., with attendant competitive pressures, after the expiration of any applicable exclusivity period and patent rights; the ability to meet generic and branded competition after the loss of patent protection for our products or competitor products; the ability to successfully market both new and existing products domestically and internationally; difficulties or delays in manufacturing; trade buying patterns; the impact of existing and future legislation and regulatory provisions on product exclusivity; trends toward managed care and healthcare cost containment; the impact of the U.S. Budget Control Act of 2011 (the Budget Control Act) and the deficit-reduction actions to be taken pursuant to the Budget Control Act in order to achieve the deficit-reduction targets provided for therein, and the impact of any broader deficit-reduction efforts; the impact of U.S. healthcare legislation enacted in 2010—the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act—and of any modification or repeal of any of the provisions thereof; U.S. federal or state legislation or regulatory action affecting, among other things: pharmaceutical product pricing, reimbursement or access, including under Medicaid, Medicare and other publicly funded or subsidized health programs; the importation of prescription drugs from outside the U.S. at prices that are regulated by governments of various foreign countries; direct-to-consumer advertising and interactions with healthcare professionals; and the use of comparative effectiveness methodologies that could be implemented in a manner that focuses primarily on the cost differences and minimizes the therapeutic differences among pharmaceutical products and restricts access to innovative medicines; as well as pricing pressures as a result of highly competitive insurance markets; legislation or regulatory action in markets outside the U.S. affecting

pharmaceutical product pricing, reimbursement or access, including, in particular, continued government-mandated price reductions for certain biopharmaceutical products in certain European and emerging market countries and Japan and government-imposed access restrictions in certain countries; the exposure of our operations outside the U.S. to possible capital and exchange controls, expropriation and other restrictive government actions, changes in intellectual property legal protections and remedies, as well as political unrest and unstable governments and legal systems; contingencies related to actual or alleged environmental contamination; claims and concerns that may arise regarding the safety or efficacy of in-line products and product candidates; any significant breakdown, infiltration, or interruption of our information technology systems and infrastructure; legal defense costs, insurance expenses, settlement costs, the risk of an adverse decision or settlement and the adequacy of reserves related to product liability, patent protection, government investigations, consumer, commercial, securities, antitrust, environmental and tax issues, ongoing efforts to explore various means for resolving asbestos litigation, and other legal proceedings; our ability to protect our patents and other intellectual property, both domestically and internationally; interest rate and foreign currency exchange rate fluctuations, including the impact of possible currency devaluations in countries experiencing high inflation rates; governmental laws and regulations affecting domestic and foreign operations, including, without limitation, tax obligations and changes affecting the tax treatment by the U.S. of income earned outside of the U.S. that may result from pending and possible future proposals; any significant issues involving our largest wholesaler customers, which account for a substantial portion of our revenues; the possible impact of the increased presence of counterfeit medicines in the pharmaceutical supply chain on our revenues and on patient confidence in the integrity of our medicines; any significant issues that may arise related to the outsourcing of certain operational and staff functions to third parties, including with regard to quality, timeliness and compliance with applicable legal requirements and industry standards; changes in U.S. generally accepted accounting principles; uncertainties related to general economic, political, business, industry, regulatory and market conditions including, without limitation, uncertainties related to the impact on us, our customers, suppliers and lenders and counterparties to our foreign-exchange and interest-rate agreements of challenging global economic conditions and recent and possible future changes in global financial markets; and the related risk that our allowance for doubtful accounts may not be adequate; any changes in business, political and economic conditions due to actual or threatened terrorist activity in the U.S. and other parts of the world, and related U.S. military action overseas; growth in costs and expenses; changes in our product, segment and geographic mix; and the impact of acquisitions, divestitures, restructurings, internal reorganizations, product recalls and

withdrawals and other unusual items, including our ability to realize the projected benefits of our cost-reduction and productivity initiatives, including those related to our research and development organization, and of the internal separation of our commercial operations into three new global businesses.

A further list and description of risks, uncertainties and other matters can be found in our Annual Report on Form 10-K for the fiscal year ended December 31, 2013 and in our subsequent reports on Form 10-Q, in each case including in the sections thereof captioned “Forward-Looking Information and Factors That May Affect Future Results” and “Item 1A. Risk Factors”, and in our subsequent reports on Form 8-K.

The operating segment information provided in this earnings release and the attachments does not purport to represent the revenues, costs and income from continuing operations before provision for taxes on income that each of our operating segments would have reported had each segment operated as a standalone company during the periods presented.

This earnings release may include discussion of certain clinical studies relating to various in-line products and/or product candidates. These studies typically are part of a larger body of clinical data relating to such products or product candidates, and the discussion herein should be considered in the context of the larger body of data.

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