Pfizer Reports First-Quarter 2011 Results

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First-Quarter 2011 Revenues of $16.5 Billion, excluding $177 Million from Capsugel(3)
First-Quarter 2011 Adjusted Diluted EPS(1) of $0.60, excluding Capsugel(3); Reported Diluted EPS(2) of $0.28 Reaffirms Full-Year 2011 Financial Guidance and Full-Year 2012 Financial Targets

(BUSINESS WIRE)--Pfizer Inc. (NYSE: PFE):

($ in millions, except per share amounts)	**First-Quarter** 2011	2010	Change
Reported Revenues	$ 16,502	$ 16,576	--
Adjusted Income(1)	4,808	4,862	(1 %)
Adjusted Diluted EPS(1)	0.60	0.60	--
Reported Net Income(2)	2,222	2,026	10 %
Reported Diluted EPS(2)	0.28	0.25	12 %

See end of text prior to tables for notes.

Pfizer Inc. (NYSE: PFE) today reported financial results for first-quarter 2011. As a result of Pfizer's decision to sell the Capsugel(3) business, Capsugel(3) is presented as a discontinued operation in the consolidated statements of income for first-quarter 2011 and first-quarter 2010. Therefore, all revenues and expenses related to Capsugel(3) in both periods are presented in a single line, *Discontinued operations - net of tax*. Additionally, due to the acquisition of King Pharmaceuticals, Inc. (King), legacy King operations are reflected in first-quarter 2011 results beginning January 31, 2011 in accordance with Pfizer's domestic and international reporting periods(16), but are not reflected in first-quarter 2010 results.

First-quarter 2011 revenues were $16.5 billion, consistent with the year-ago quarter. Revenues for first-quarter 2011 compared with the year-ago quarter were favorably impacted by $97 million, or 1%, due to foreign exchange, and $224 million, or 1%, due to the addition of legacy King products. First-quarter 2011 revenues were reduced by $166

million, or 1%, due to U.S. healthcare reform.

For first-quarter 2011, U.S. revenues were $7.0 billion, a decrease of 3% compared with the year-ago quarter. International revenues were $9.5 billion, an increase of 2% compared with the prior-year quarter, which reflected 1% operational growth and a 1% favorable impact of foreign exchange. U.S. revenues represented 43% of total revenues in first-quarter 2011 compared with 44% in the year-ago quarter, while international revenues represented 57% of total revenues in first-quarter 2011 compared with 56% in the year-ago quarter.

Financial Performance

First-Quarter Revenues ($ in millions)

			Favorable/(Unfavorable)	
	2011	2010	Change	Foreign Exchange	Operational
Primary Care(4)	$ 5,441	$ 5,866	(7 %)	--	(7 %)
Specialty Care(5)	3,927	3,521	12 %	--	12 %
Established Products(6)	2,367	2,786	(15 %)	1 %	(16 %)
Emerging Markets(7)	2,178	1,972	10 %	2 %	8 %
Oncology(8)	311	361	(14 %)	(1 %)	(13 %)
Biopharmaceutical	14,224	14,506	(2 %)	--	(2 %)
Animal Health(9)	982	846	16 %	1 %	15 %
Consumer Healthcare(10)	745	663	12 %	1 %	11 %
Nutrition(11)	470	458	3 %	3 %	--
Other(12)	81	103	(21 %)	--	(21 %)
Total	$ 16,502	$ 16,576	--	1 %	(1 %)

See end of text prior to tables for notes.

Business Highlights

Primary Care(4) unit revenues in first-quarter 2011 were driven by growth from certain patent-protected products, including Lyrica, Spiriva, Pristiq and Celebrex, among others,

in key international markets, as well as the addition of legacy King products, and negatively impacted by the loss of exclusivity of Lipitor in Canada and Spain in May and July 2010, respectively, as well as the loss of exclusivity of Aricept in the U.S. in November 2010. Taken together, the loss of exclusivity for these products in those markets reduced Primary Care(4) revenues by approximately $590 million, or 10%, in comparison with first-quarter 2010. Specialty Care(5) unit revenues were positively impacted by strong growth in the Prevnar/Prevenar franchise, Enbrel and Zyvox, notably in the U.S. and Japan. Established Products(6) unit revenues were mainly impacted by the loss of exclusivity and resulting increased competition with respect to Effexor, Protonix and Zosyn/Tazocin, partially offset by the addition of legacy King products. Emerging Markets(7) unit revenues were positively impacted by growth in both innovative brands, such as Enbrel, Lyrica, Sutent and Vfend, as well as established products. Total revenues from established products in both the Established Products(6) and Emerging Markets(7) units were $3.3 billion, with $915 million generated in emerging markets. Animal Health(9) unit revenues were favorably impacted by approximately $50 million, or 6%, due to the addition of legacy King products.

Adjusted Expenses(1), Adjusted Income(1) and Adjusted Diluted EPS(1) Highlights

First-Quarter Costs and Expenses ($ in millions)

(Favorable)/Unfavorable

	2011	2010	Change	Foreign Exchange	Operational
Adjusted Cost of Sales (1)	$ 3,092	$ 2,831	9 %	2 %	7 %
As a Percent of Revenues	18.7 %	17.1 %			
N/A					
N/A					

N/

A

Adjusted SI&A Expenses(1) 4,501 4,342 4 % 1 % 3 % Adjusted R&D Expenses(1) 2,017 2,191 (8 %) -- (8 %) Adjusted Total Costs(13) $ 9,610 $ 9,364 3 % 1 % 2 %
See end of text prior to tables for notes.

Adjusted total costs(13) were $9.6 billion in first-quarter 2011, an increase of 3% compared with $9.4 billion in first-quarter 2010. Excluding the unfavorable impact of foreign exchange of $101 million, or 1%, the increase in adjusted total costs(13) was attributable primarily to a shift in product mix and business mix, the addition of the legacy King operations and the inclusion of the annual fee provided for under the 2010 U.S. healthcare reform legislation beginning this year, partially offset by savings from cost-reduction initiatives.

The effective tax rate on adjusted income(1) was approximately 28% in first-quarter 2011 compared with approximately 30% in first-quarter 2010. The decrease in the effective tax rate on adjusted income(1) was primarily due to the extension of the U.S. research and development credit that was signed into law in December 2010 as well as the change in the jurisdictional mix of earnings during first-quarter 2011.

As a result of the aforementioned factors, first-quarter 2011 adjusted income(1) was $4.8 billion, a decrease of 1% compared with $4.9 billion in the year-ago quarter, and adjusted diluted EPS(1) was $0.60, comparable with the year-ago quarter.

Reported Net Income(2) and Reported Diluted EPS(2) Highlights

In addition to the aforementioned factors, first-quarter 2011 reported earnings were favorably impacted by lower purchase accounting adjustments and acquisition-related costs associated with the Wyeth acquisition, and unfavorably impacted primarily by a charge related to hormone-replacement therapy litigation and costs incurred to improve innovation and overall productivity in the research and development function.

The effective tax rate on reported results was approximately 29% in first-quarter 2011 compared with approximately 36% in first-quarter 2010. The decrease in the effective tax rate was primarily due to the aforementioned extension of the U.S. research and development credit, the change in the jurisdictional mix of earnings and the tax impact of

the legal charge previously mentioned.

As a result of all these factors, first-quarter 2011 reported net income(2) was $2.2 billion, an increase of 10% compared with $2.0 billion in the prior-year quarter, and reported diluted EPS(2) was $0.28, an increase of 12% compared with $0.25 in the prior-year quarter.

Executive Commentary

Ian Read, President and Chief Executive Officer, stated, “I am pleased not only with our solid financial performance during the first quarter despite the loss of exclusivity of several products in the U.S. and other geographies, but also with our ability to enhance shareholder value through various initiatives, including our increased share repurchase activity so far this year. Many of our products, notably the Prevnar/Prevenar franchise and Lyrica, continued to perform well. In addition, our Emerging Markets unit delivered 8% operational growth, driven by many of our priority countries, notably China, and continued to benefit from our ongoing targeted investment.”

“With our strong base of people, platforms and in-line and pipeline compounds combined with our continuing focus on improving returns on investment, I believe we are well positioned to succeed in fixing our innovative core, which, if successful, can lead to greater value in both the near and longer-term. I am pleased to report that during this year we expect to present phase 3 clinical data for tofacitinib in rheumatoid arthritis, axitinib for renal cell carcinoma, Prevnar/Prevenar 13 for the prevention of pneumococcal disease in adults, and Eliquis for stroke prevention in patients with atrial fibrillation, as well as phase 2 clinical data for crizotinib for non-small cell lung cancer, among others. For crizotinib, we remain on-track with our rolling U.S. submission, which began in January. Additionally, we continue to anticipate filings in the U.S. and EU by the end of 2011 for certain other oncology compounds as well as for tofacitinib and Eliquis. Further, we expect to receive actions later this year on our U.S. and EU filings of Prevnar/Prevenar 13 for the prevention of pneumococcal disease in adults.”

“Lastly, we remain focused on continuing the evaluation of our business portfolio to determine the optimal mix of businesses to maximize our return. We expect to complete this evaluation during the second half of 2011,” Mr. Read concluded.

Frank D’Amelio, Chief Financial Officer, stated, “Given our performance during the first quarter as well as our continued confidence in the business, we are reaffirming our 2011 financial guidance and 2012 financial targets. Additionally, reflecting the continued confidence in our business, the strength of our balance sheet and our view that our

shares represent a good investment for our stakeholders at the current valuation, we repurchased approximately $1.4 billion, or 73.5 million shares, of our common stock during the first quarter of 2011 and a total of approximately $2.2 billion, or 110.5 million shares, through April 30, 2011. We now expect to repurchase between $5 billion and $7 billion of our common stock this year as we plan to redeploy the after-tax proceeds from the sale of Capsugel(3), once completed, into share repurchases and/or opportunistic business development transactions that are expected to meet or exceed the return on investment of share repurchases. In the first quarter of this year, we returned approximately $3.0 billion to our shareholders through dividends and share repurchases, clearly demonstrating our commitment to provide greater shareholder return."

2011 Financial Guidance(15)

For full-year 2011, Pfizer's financial guidance, at current exchange rates(14), is summarized below.

Reported Revenues $65.2 to $67.2 billion Adjusted Cost of Sales(1) as a Percentage of Revenues 19.5% to 20.5% Adjusted SI&A Expenses(1) $19.2 to $20.2 billion Adjusted R&D Expenses(1) $8.0 to $8.5 billion Adjusted Other (Income)/Deductions(1) Approximately $1.0 billion Effective Tax Rate on Adjusted Income(1) Approximately 29% Reported Diluted EPS(2) $1.09 to $1.24 Adjusted Diluted EPS(1) $2.16 to $2.26

2012 Financial Targets(15)

As previously stated, given the longer-term nature of these targets, they are subject to greater variability and less certainty as a result of potential material impacts related to foreign exchange fluctuations, macroeconomic activity including inflation, and industry-specific challenges including changes to government healthcare policy, among others.

At current exchange rates(14), Pfizer is targeting reported revenues between $62.2 and $64.7 billion, adjusted SI&A expenses(1) between $17.5 and $18.5 billion, adjusted R&D expenses(1) between $6.5 and $7.0 billion, adjusted other (income)/deductions(1) of approximately $1.0 billion in deductions, effective tax rate on adjusted income(1) of approximately 29%, adjusted operating margin(1) in a range of the high 30%s to low 40%s, adjusted diluted EPS(1) between $2.25 and $2.35, reported diluted EPS(2) between $1.58 and $1.73, and operating cash flow of at least $19.0 billion.

For additional details, please see the attached financial schedules, product revenue tables, supplemental information and disclosure notice.

(1)

"Adjusted Income" and its components and "Adjusted Diluted Earnings Per Share (EPS)" are defined as reported net income(2) and its components and reported diluted EPS(2) excluding purchase accounting adjustments, acquisition-related costs, discontinued operations and certain significant items. 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, 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 Form 10-K for the year ended December 31, 2010, 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. Reconciliations of first-quarter 2011 and 2010 adjusted income and its components and adjusted diluted EPS to reported net income(2) and its components and reported diluted EPS(2), as well as reconciliations of full-year 2011 guidance and 2012 targets for adjusted income and adjusted diluted EPS to full-year 2011 guidance and 2012 targets for reported net income(2) and reported diluted EPS(2), are provided in the materials accompanying this report. The adjusted income and its components and adjusted diluted EPS measures are not, and should not be viewed as, substitutes for U.S. generally accepted accounting principles (GAAP) net income and its components and diluted EPS.

(2) "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. (3) Capsugel provides capsule products and related services to the pharmaceutical and associated healthcare industries. On April 4, 2011, Pfizer announced that it entered into an agreement whereby an affiliate of Kohlberg Kravis Roberts & Co. L.P. will acquire Capsugel. The transaction is expected to close in third-quarter 2011, assuming the receipt of the required regulatory clearances and the satisfaction of other closing conditions. (4) The Primary Care unit includes revenues from human pharmaceutical products primarily prescribed by primary-care physicians, and may include, but are not limited to, products in the following therapeutic and disease areas: Alzheimer's disease, diabetes, cardiovascular (excluding pulmonary arterial hypertension), major depressive disorder, genitourinary, osteoporosis, pain and respiratory. Examples of products in this unit include, but are not limited to, Celebrex, Lipitor, Lyrica, Premarin, Pristiq and Viagra.

All revenues for such products are allocated to the Primary Care unit, except those generated in emerging markets(7) and those that are managed by the Established Products(6) unit. (5) The Specialty Care unit includes revenues from human pharmaceutical products primarily prescribed by physicians who are specialists, and may include, but are not limited to, products in the following therapeutic and disease areas: antibacterials, antifungals, antivirals, bone, inflammation, growth hormones, multiple sclerosis, ophthalmology, pulmonary arterial hypertension, psychosis and vaccines. Examples of products in this unit include, but are not limited to, Enbrel, Genotropin, Geodon, the Prevnar/Prevenar franchise, Xalatan and Zyvox. All revenues for such products are allocated to the Specialty Care unit, except those generated in emerging markets(7) and those that are managed by the Established Products(6) unit. (6) The Established Products unit generally includes revenues from human prescription pharmaceutical products that have lost patent protection or marketing exclusivity in certain countries and/or regions. Typically, products are transferred to this unit in the beginning of the fiscal year following losing patent protection or marketing exclusivity. In certain situations, products may be transferred to this unit at a different point than the beginning of the fiscal year following losing patent protection or marketing exclusivity in order to maximize their value. This unit also excludes revenues generated in emerging markets(7). Examples of products in this unit include, but are not limited to, Arthrotec, Effexor, Medrol, Norvasc, Protonix, Relpax and Zosyn/Tazocin. (7) The Emerging Markets unit includes revenues from all human prescription pharmaceutical products sold in emerging markets, including, but not limited to, Asia (excluding Japan and South Korea), Latin America, Middle East, Africa, Central and Eastern Europe and Turkey. (8) The Oncology unit includes revenues from human oncology and oncology-related products. Examples of products in this unit include, but are not limited to, Aromasin, Sutent and Torisel. All revenues for such products are allocated to the Oncology unit, except those generated in emerging markets(7) and those that are managed by the Established Products(6) unit.

(9) Animal Health includes worldwide revenues from products to prevent and treat disease in livestock and companion animals, including vaccines, paraciticides and anti-infectives. (10) Consumer Healthcare generally includes worldwide revenues from non-prescription medicines and vitamins and may include, but are not limited to, products in the following therapeutic categories: GI-topicals, nutritionals, pain management and respiratory. Examples of products in Consumer Healthcare include, but are not limited to, Advil, Caltrate, Centrum, ChapStick and Robitussin. (11) Nutrition generally includes revenues from a full line of infant and toddler nutritional products sold

outside of North America. Examples of products in Nutrition include, but are not limited to, the S-26 and SMA product lines as well as formula for infants with special nutritional needs. (12) Includes revenues generated primarily from Pfizer Centersource. (13) Represents the total of Adjusted Cost of Sales(1), Adjusted SI&A expenses(1) and Adjusted R&D expenses(1). (14) The current exchange rates assumed in connection with the 2011 financial guidance are a blend of the actual exchange rates in effect during first-quarter 2011 and the mid-April 2011 exchange rates for the remainder of the year. The current exchanges rates assumed in connection with the 2012 financial targets are the mid-April 2011 exchange rates. (15) Includes revenues and expenses related to the Capsugel(3) business as a discontinued operation in 2011 and 2012, but does not include any gain on the sale of Capsugel(3). Does not assume the completion of any business-development transactions not completed as of April 3, 2011. Also excludes the potential effects of the resolution of litigation-related matters not substantially resolved as of April 3, 2011. (16) Legacy King operations are reflected in first-quarter 2011 results beginning January 31, 2011. Therefore, in accordance with Pfizer’s domestic and international reporting periods, first-quarter 2011 results reflect approximately two months of King’s U.S. operations and approximately one month of King’s international operations.

PFIZER INC. AND SUBSIDIARY COMPANIES CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED) (millions, except per common share data) First Quarter
% Incr. /

(Decr.)

2011 2010 Revenues $ 16,502 $ 16,576 - Costs and expenses:
Cost of sales (a) 3,693 4,202 (12) Selling, informational and

administrative expenses (a) 4,503 4,403 2 Research and development expenses (a) 2,091 2,221 (6) Amortization of intangible assets 1,376 1,409 (2) Acquisition-related in-process research and development charges - 74 (100) Restructuring charges and certain acquisition-related costs 894 706 27 Other deductions--net 827 412 101

Income from continuing operations before provision for taxes on income

3,118 3,149 (1) Provision for taxes on income 894 1,135 (21) Income from continuing operations 2,224 2,014 10 Discontinued operations: Income from operations--net of tax 10 19 (47) Gain on sale of discontinued operations--net of tax - 2 (100) Discontinued operations--net of tax 10 21 (52) Net income before allocation to noncontrolling interests 2,234 2,035 10 Less: Net income attributable to noncontrolling interests 12 9 33 Net income attributable to Pfizer Inc. $ 2,222 $ 2,026 10 Earnings per share - basic:
Income from continuing operations attributable to Pfizer Inc. common shareholders

$ 0.28 $ 0.25 12 Discontinued operations--net of tax - - - Net income attributable to Pfizer Inc. common shareholders $ 0.28 $ 0.25 12 Earnings per share - diluted:
Income from continuing operations attributable to Pfizer Inc. common shareholders

$ 0.28 $ 0.25 12 Discontinued operations--net of tax - - - Net income attributable to Pfizer Inc. common shareholders $ 0.28 $ 0.25 12 Weighted-average shares used to calculate earnings per common share:
Basic 7,982 8,061 Diluted 8,035 8,101 (a) Exclusive of amortization of intangible assets, except as discussed in footnote 3 below. Certain amounts and percentages may reflect rounding adjustments. 1. The above financial statements present the three-month periods ended April 3, 2011 and April 4, 2010. Subsidiaries operating outside the United States are included for the three-month periods ended February 27, 2011 and February 28, 2010. Beginning in the first quarter of 2011, as a result of our decision to sell the Capsugel business, we are presenting Capsugel as a discontinued operation and have made certain reclassification adjustments to conform the 2010 amounts to the current-period presentation. On January 31, 2011, we completed our tender offer for the outstanding shares of common stock of King Pharmaceuticals, Inc. (King) and, commencing from that date, our financial statements include the assets, liabilities, operating results and cash flows of King. As a result, and in accordance with our domestic and international reporting periods, our consolidated statements of income for the quarter ended April 3, 2011 reflect

approximately two months of King's U.S. operations and approximately one month of King's international operations. 2. The financial results for the three-month period ended April 3, 2011, are not necessarily indicative of the results which could ultimately be achieved for the current year. 3.

Amortization expense related to acquired intangible assets that contribute to our ability to sell, manufacture, research, market and distribute our products is included in *Amortization of intangible assets* as these intangible assets benefit multiple business functions. Amortization expense related to acquired intangible assets that are associated with a single function is included in *Cost of sales, Selling, informational and administrative expenses* or *Research and development expenses,* as appropriate.

See Supplemental Information that accompanies these materials for additional details.

PFIZER INC. AND SUBSIDIARY COMPANIES RECONCILIATION OF REPORTED NET INCOME ATTRIBUTABLE TO PFIZER INC. AND ITS COMPONENTS AND REPORTED DILUTED EPS ATTRIBUTABLE TO PFIZER INC. COMMON SHAREHOLDERS TO ADJUSTED INCOME AND ITS COMPONENTS AND ADJUSTED DILUTED EPS (a) (UNAUDITED) (millions, except per common share data) Three Months Ended April 3, 2011 Purchase Acquisition-Related Certain Discontinued Operations Accounting Significant Items(3) Reported Adjustments Costs(2) Adjusted Revenues
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16,502
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-
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-
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-

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(2)

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16,500 Costs and expenses: Cost of sales (b) 3,693 (431) (172) - 2 3,092 Selling, informational and administrative expenses (b) 4,503 5 (7) - - 4,501 Research and development expenses (b) 2,091 - (4) - (70) 2,017 Amortization of intangible assets 1,376 (1,350) - - - 26 Acquisition-related in-process research and development charges - - - - - - Restructuring charges and certain acquisition-related costs 894 - (392) - (502) - Other (income)/deductions--net 827 (9) - - (640) 178 Income from continuing operations before provision for taxes on income 3,118 1,785 575 - 1,208 6,686 Provision for taxes on income 894 442 119 - 411 1,866 Income from continuing operations 2,224 1,343 456 - 797 4,820 Discontinued operations: Income from operations--net of tax 10 - - (10) - - Gain on sale of discontinued operations--net of tax - - - - - - Discontinued operations--net of tax 10 - - (10) - - Net income before allocation to noncontrolling interests 2,234 1,343 456 (10) 797 4,820 Less: Net income attributable to noncontrolling interests 12 - - - - 12 Net income attributable to Pfizer Inc.

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2,222

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1,343

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456
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(10)
$

797
$

4,808 Earnings per common share - diluted: Income from continuing operations attributable to Pfizer Inc. common shareholders
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0.28
$

0.17
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0.05
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-
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0.10
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0.60 Discontinued operations--net of tax - - - - - - Net income attributable to Pfizer Inc. common shareholders
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0.28
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0.17
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0.05
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-
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0.10
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0.60 (a)
Adjusted income and its components and adjusted diluted EPS are not, and should not be viewed as, substitutes for U.S. GAAP net income and its components and diluted EPS.

(b) Exclusive of amortization of intangible assets, except as discussed in note 1.
See end of tables for notes. Certain amounts may reflect rounding adjustments.

PFIZER INC. AND SUBSIDIARY COMPANIES RECONCILIATION OF REPORTED NET INCOME ATTRIBUTABLE TO PFIZER INC. AND ITS COMPONENTS AND REPORTED DILUTED EPS ATTRIBUTABLE TO PFIZER INC. COMMON SHAREHOLDERS TO ADJUSTED INCOME AND ITS COMPONENTS AND ADJUSTED DILUTED EPS (a) (UNAUDITED) (millions, except per common share data) Three Months Ended April 4, 2010 Purchase Acquisition-Related Certain Discontinued Operations Accounting Significant Items(3) Reported Adjustments Costs(2) Adjusted Revenues
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16,576
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-
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-
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-
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(7)
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16,569 Costs and expenses: Cost of sales (b) 4,202 (1,350) (13) - (8) 2,831 Selling, informational and administrative expenses (b) 4,403 (1) (60) - - 4,342 Research and development expenses (b) 2,221 (10) (20) - - 2,191

Amortization of intangible assets 1,409 (1,383) - - - 26 Acquisition-related in-process research and development charges 74 (74) - - - - Restructuring charges and certain acquisition-related costs 706 - (706) - - - Other (income)/deductions--net 412 (21) - - (182) 209 Income from continuing operations before provision for taxes on income 3,149 2,839 799 - 183 6,970 Provision for taxes on income 1,135 712 226 - 26 2,099 Income from continuing operations 2,014 2,127 573 - 157 4,871 Discontinued operations: Income from operations--net of tax 19 - - (19) - - Gain on sale of discontinued operations--net of tax 2 - - (2) - - Discontinued operations--net of tax 21 - - (21) - - Net income before allocation to noncontrolling interests 2,035 2,127 573 (21) 157 4,871 Less: Net income attributable to noncontrolling interests 9 - - - - 9 Net income attributable to Pfizer Inc.

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2,026

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573

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(21)

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157

$

4,862 Earnings per common share - diluted: Income from continuing operations attributable to Pfizer Inc. common shareholders
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0.26
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0.07
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-
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0.02
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0.60 Discontinued operations--net of tax - - - - - - Net income attributable to Pfizer Inc. common shareholders
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0.25

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0.26
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0.07
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0.02
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0.60 (a)
Adjusted income and its components and adjusted diluted EPS are not, and should not be viewed as, substitutes for U.S. GAAP net income and its components and diluted EPS.

(b) Exclusive of amortization of intangible assets, except as discussed in note 1.
See end of tables for notes. Certain amounts may reflect rounding adjustments.

PFIZER INC. AND SUBSIDIARY COMPANIES RECONCILIATION OF REPORTED NET INCOME ATTRIBUTABLE TO PFIZER INC. AND ITS COMPONENTS AND REPORTED DILUTED EPS ATTRIBUTABLE TO PFIZER INC. COMMON SHAREHOLDERS TO ADJUSTED INCOME AND ITS COMPONENTS AND ADJUSTED DILUTED EPS* (UNAUDITED) 1)
Amortization expense related to acquired intangible assets that contribute to our ability to sell, manufacture, research, market and distribute our products is included in *Amortization of intangible assets* as these intangible assets benefit multiple business functions. Amortization expense related to acquired intangible assets that are associated with a single function is included in *Cost of sales, Selling, informational and administrative expenses* or *Research and development expenses,*as appropriate.

2) Acquisition-related costs includes the following:

(millions of dollars)	First Quarter 2011	2010
Transaction costs(a)	$ 10	$ 9
Integration costs(a)	179	208
Restructuring charges(a)	203	489
Additional depreciation - asset restructuring(b)	183	93
Total acquisition-related costs -- pre-tax	575	799
Income taxes(c)	(119)	(226)
Total acquisition-related costs -- net of tax	$ 456	$ 573

(a)

Transaction costs include costs, such as banking, legal, accounting and other similar costs, associated with business combinations. Integration costs primarily represent external, incremental costs directly related to integrating acquired businesses and primarily include expenditures for consulting and systems integration. Restructuring charges include employee termination costs, asset impairments and other exit costs associated with business combinations.

(b)

Represents the impact of changes in the estimated useful lives of assets involved in restructuring actions related to acquisitions. Included in *Cost of sales*($172 million), *Selling, informational and administrative expenses*($7 million), and *Research and development expenses*($4 million) for the three months ended April 3, 2011. Included in *Cost of sales* ($13 million), *Selling, informational and administrative expenses*($60 million), and *Research and development expenses*($20 million) for the three months ended April 4, 2010.

(c) Included in *Provision for taxes on income*.

3) Certain significant items includes the following:

(millions of dollars)	First Quarter 2011	2010
Restructuring charges - Productivity Initiative(a)	$ 502	$ -
Implementation costs - Productivity Initiative(b)	70	-
Certain legal matters(c)	472	142
Certain asset impairment charges(d)	157	-
Other	7	41
Total certain significant items -- pre-tax	1,208	183
Income taxes(e)	(411)	(26)
Total certain significant items -- net of tax	$ 797	$ 157

(a) Included in *Restructuring charges and certain acquisition-related costs.* (b) Included in *Research and development expenses.* (c) Included in *Other deductions - net*. In 2011, relates to a charge for hormone-replacement therapy litigation. (d) Included in *Other deductions - net*. In 2011, relates to an IPR&D compound acquired as part of our acquisition of Wyeth. (e) Included in *Provision for taxes on*

income. *

Adjusted income and its components and adjusted diluted EPS are not, and should not be viewed as, substitutes for U.S. GAAP net income and its components and diluted EPS.

PFIZER INC.

REVENUES

FIRST QUARTER 2011 and 2010

(UNAUDITED)

(millions of dollars)

	WORLDWIDE		UNITED STATES		TOTAL INTERNATIONAL(1)	
		% Change		% Change		% Change

2011

2010

Total Oper.

2011

2010

Total

2011

2010

Total Oper. TOTAL REVENUES $16,502 $16,576 - (1%) $7,024 $7,265 (3%) $9,478 $9,311 2% 1%

REVENUES FROM

BIOPHARMACEUTICAL PRODUCTS:

$14,224 $14,506 (2%) (2%) $6,263 $6,607 (5%) $7,961 $7,899 1% - Lipitor 2,385 2,757 (13%) (14%) 1,305 1,310 - 1,080 1,447 (25%) (26%) Prevnar / Prevenar 13 996 286 248% 249% 651 208 213% 345 78 * * Enbrel (Outside the U.S. and Canada) 870 802 8% 9% - - - 870 802 8% 9% Lyrica 826 723 14% 15% 364 352 3% 462 371 25% 26% Celebrex 591 570 4% 2% 383 388 (1%) 208 182 14% 11% Viagra 470 479 (2%) (2%) 238 253 (6%) 232 226 3% 1% Xalatan / Xalacom 392 422 (7%) (8%) 136 145 (6%) 256 277 (8%) (8%) Norvasc 356 368 (3%) (7%) 9 13 (31%) 347 355 (2%) (6%) Zyvox 319 292 9% 9% 172 161 7% 147 131 12% 13% Sutent 276 259 7% 8% 69 69 - 207 190 9% 10% Premarin Family 235 256 (8%) (9%) 213 234 (9%) 22 22 - (10%) Geodon / Zeldox 232 254 (9%) (8%) 194 213 (9%) 38 41 (7%) (5%) Detrol / Detrol LA 225 261 (14%) (14%) 141 176 (20%) 84 85 (1%) (2%) Genotropin 209 206 1% 1% 46 45 2% 163 161 1% 1% Effexor 204 716 (72%) (72%) 100 592

(83%) 104 124 (16%) (17%) Chantix / Champix 199 189 5% 5% 94 106 (11%) 105 83 27% 26% Vfend 195 188 4% 4% 46 60 (23%) 149 128 16% 17% Zosyn / Tazocin 179 264 (32%) (33%) 107 178 (40%) 72 86 (16%) (17%) BeneFIX 164 154 6% 7% 71 67 6% 93 87 7% 6% Prevnar / Prevenar (7-valent) 153 520 (71%) (73%) - 181 (100%) 153 339 (55%) (58%) Caduet 142 135 5% 3% 81 86 (6%) 61 49 24% 20% Zoloft 135 120 13% 8% 15 17 (12%) 120 103 17% 11% Pristiq 129 110 17% 15% 108 100 8% 21 10 110% 87% Zithromax / Zmax 128 103 24% 21% 7 4 75% 121 99 22% 18% Revatio 123 114 8% 9% 75 69 9% 48 45 7% 8% Medrol 121 109 11% 11% 34 25 36% 87 84 4% 3% Refacto AF/Xyntha 117 90 30% 32% 26 21 24% 91 69 32% 35% Aromasin 114 128 (11%) (10%) 38 42 (10%) 76 86 (12%) (10%) Aricept** 99 107 (7%) (8%) - - - 99 107 (7%) (8%) Cardura 96 107 (10%) (12%) 2 8 (75%) 94 99 (5%) (7%) BMP2 93 98 (5%) (5%) 88 93 (5%) 5 5 - 6% Fragmin 91 90 1% 1% 14 18 (22%) 77 72 7% 8% Rapamune 89 91 (2%) (2%) 46 44 5% 43 47 (9%) (7%) Tygacil 73 84 (13%) (13%) 36 46 (22%) 37 38 (3%) (2%) Protonix 59 158 (63%) (63%) 59 158 (63%) - - - - Alliance Revenue*** 884 1,004 (12%) (13%) 553 720 (23%) 331 284 17% 14% All other biopharmaceutical products 2,255 1,892 19% 19% 742 405 83% 1,513 1,487 2% 1% All other established products 1,971 1,636 20% 20% 686 370 85% 1,285 1,266 2% - **REVENUES FROM OTHER PRODUCTS:**

ANIMAL HEALTH $982 $846 16% 15% $382 $299 28% $600 $547 10% 8% CONSUMER HEALTHCARE $745 $663 12% 11% $361 $315 15% $384 $348 10% 8% NUTRITION $470 $458 3% - - - - $470 $458 3% - CORPORATE/OTHER** $81 $103 (21%) (21%) $18 $44 (59%) $63 $59 7% 11%**

*

- Calculation not meaningful.

**

- Includes direct sales under license agreement with Eisai Co., Ltd.

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- Enbrel (in the U.S. and Canada), Aricept, Exforge, Rebif, Spiriva and Metaxalone.

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- Includes revenues generated primarily from Pfizer Centresource.

Certain amounts and percentages may reflect rounding adjustments. (1) Total International represents Developed Europe region + Developed Rest of World region + Emerging Markets region. Details for these regions are located on the following page.

PFIZER INC.

REVENUES

DETAIL OF INTERNATIONAL REVENUES BY GEOGRAPHIC REGION

FIRST QUARTER 2011 and 2010

(UNAUDITED)

(millions of dollars)

	DEVELOPED EUROPE(1)	DEVELOPED REST OF WORLD(2)	EMERGING MARKETS(3)
% Change			

% Change

% Change

2011

2010

Total Oper.

2011

2010

Total Oper.

2011

2010

Total Oper. TOTAL INTERNATIONAL REVENUES $3,884 $4,261 (9%) (5%) $2,546 $2,302 11% 2% $3,048 $2,748 11% 9%

REVENUES FROM BIOPHARMACEUTICAL

PRODUCTS - INTERNATIONAL:

$3,484 $3,841 (9%) (5%) $2,299 $2,086 10% 2% $2,178 $1,972 10% 8% Lipitor 574 695 (17%) (14%) 285 537 (47%) (51%) 221 215 3% - Prevnar / Prevenar 13 164 76 116% 125% 52 - * * 129 2 * * Enbrel (Outside the U.S. and Canada) 537 582 (8%) (4%) 140 84 67% 52% 193 136 42% 39% Lyrica 284 266 7% 11% 97 48 102% 90% 81 57 42% 39% Celebrex 41 47 (13%) (9%) 96 75 28% 20% 71 60 18% 13% Viagra 99 107

(7%) (5%) 53 48 10% 2% 80 71 13% 10% Xalatan / Xalacom 124 150 (17%) (14%) 85 82 4% (5%) 47 45 4% 2% Norvasc 45 54 (17%) (11%) 189 191 (1%) (9%) 113 110 3% - Zyvox 71 73 (3%) 1% 34 26 31% 23% 42 32 31% 28% Sutent 108 115 (6%) (2%) 38 28 36% 25% 61 47 30% 30% Premarin Family 2 3 (33%) - 9 9 - (22%) 11 10 10% 10% Geodon / Zeldox 19 24 (21%) (17%) 5 5 - 25% 14 12 17% 17% Detrol / Detrol LA 39 48 (19%) (19%) 31 22 41% 32% 14 15 (7%) (7%) Genotropin 86 94 (9%) (5%) 50 40 25% 18% 27 27 - (4%) Effexor 46 66 (30%) (27%) 34 35 (3%) (11%) 24 23 4% - Chantix / Champix 49 44 11% 16% 44 32 38% 25% 12 7 71% 71% Vfend 70 78 (10%) (5%) 36 28 29% 18% 43 22 95% 95% Zosyn / Tazocin 17 34 (50%) (47%) 4 3 33% 33% 51 49 4% 2% BeneFIX 58 63 (8%) (3%) 28 19 47% 37% 7 5 40% 40% Prevnar / Prevenar (7-valent) 11 106 (90%) (89%) 109 55 98% 83% 33 178 (81%) (82%) Caduet 4 5 (20%) (20%) 44 32 38% 28% 13 12 8% 8% Zoloft 20 24 (17%) (13%) 70 51 37% 24% 30 28 7% 7% Pristiq - - - - 14 7 100% 71% 7 3 133% 133% Zithromax / Zmax 23 25 (8%) (4%) 50 33 52% 39% 48 41 17% 15% Revatio 32 32 - 3% 10 7 43% 29% 6 6 - - Medrol 24 26 (8%) (4%) 13 11 18% 10% 50 47 6% 6% Refacto AF/Xyntha 83 62 34% 39% 8 7 14% - - - - - Aromasin 47 52 (10%) (6%) 16 13 23% 15% 13 21 (38%) (38%) Aricept** 53 61 (13%) (10%) 39 36 8% 3% 7 10 (30%) (20%) Cardura 32 40 (20%) (18%) 38 37 3% (3%) 24 22 9% 5% BMP2 5 5 - - - - - - - - - - Fragmin 41 39 5% 5% 16 12 33% 23% 20 21 (5%) - Rapamune 15 14 7% 14% 4 4 - - 24 29 (17%) (21%) Tygacil 17 21 (19%) (14%) 1 1 - - 19 16 19% 19% Protonix - - - - - - - - - - - - Alliance Revenue*** 139 136 2% 7% 173 130 33% 23% 19 18 6% 6% All other biopharmaceutical products 505 574 (12%) (8%) 384 338 14% 5% 624 575 9% 7% All other established products 391 457 (14%) (11%) 338 303 12% 3% 556 506 10% 9%

REVENUES FROM OTHER PRODUCTS -

INTERNATIONAL:

$400 $420 (5%) (2%) $247 $216 14% 7% $870 $776

12% 9%

*

- Calculation not meaningful.

**

- Includes direct sales under license agreement with Eisai Co., Ltd.

***

- Enbrel (in the U.S. and Canada), Aricept, Exforge, Rebif, Spiriva and Metaxalone.

Certain amounts and percentages may reflect rounding adjustments. (1) Developed Europe region includes the following markets: Western Europe and the Scandinavian countries. (2) Developed Rest of World region includes the following markets: Australia, Canada, Japan, New Zealand, and South Korea. (3) Emerging Markets region includes, but is not limited to, the following markets: Asia (excluding Japan and South Korea), Latin America, Middle East, Africa, Central and Eastern Europe and Turkey.

PFIZER INC.

SUPPLEMENTAL INFORMATION

1. Change in Reported Cost of Sales

Reported cost of sales decreased 12% in first-quarter 2011, compared to the same period in 2010. The decrease primarily reflects lower purchase accounting adjustments in 2011, partially offset by a 2% unfavorable impact of foreign exchange.

Reported cost of sales as a percentage of revenues decreased 2.9 percentage points to 22.4% in first-quarter 2011, compared to the same period in 2010, reflecting the aforementioned factors.

2. Change in Reported Selling, Informational & Administrative (SI&A) Expenses and Reported Research & Development (R&D) Expenses

Reported SI&A expenses increased 2% in first-quarter 2011, compared to the same period in 2010. SI&A was negatively impacted by the annual fee provided for under the 2010 U.S. healthcare reform legislation beginning this year, the addition of legacy King operating costs, charges recorded for certain litigation matters and a 1% unfavorable impact of foreign exchange.

Reported R&D expenses decreased 6% in first-quarter 2011, compared to the same period in 2010, primarily due to savings from our cost-reduction initiatives, partially offset by the addition of legacy King operations. Foreign exchange had a minimal impact on reported R&D expenses in first-quarter 2011.

3. Other (Income)/Deductions - Net

($ in millions) First-Quarter 2011 2010
Interest income(a)

$ (105) $ (112) Interest expense(a) 458 522 Net interest expense 353 410 Royalty-related income (171) (142) Net gain on asset disposals (12) (45) Certain legal matters, net(b) 501 137 Certain asset impairment charges(c) 157 -- Other, net (1) 52 Other deductions-net $ 827 $ 412 (a) Interest expense decreased in 2011 due to lower long- and short-term debt balances and the conversion of some fixed-rate liabilities to floating-rate liabilities. Interest income decreased in 2011 due to lower interest rates. (b) In 2011, primarily relates to a charge for hormone-replacement therapy litigation. (c) In 2011, relates to an IPR&D compound acquired as part of our acquisition of Wyeth.

4. Effective Tax Rate

Reported

The effective tax rate on reported *Income from continuing operations before provision for taxes on income* for first-quarter 2011 was 28.7% compared to 36.0% for the first-quarter 2010. The decrease in the effective tax rate was primarily due to:

the extension of the U.S. research and development credit which was signed into law on December 17, 2010; the change in the jurisdictional mix of earnings; and the tax impact of the charges incurred for certain legal matters.

Adjusted

The effective tax rate on adjusted income(1) decreased to 27.9% in first-quarter 2011 compared to 30.1% in first-quarter 2010, as a result of the extension of the U.S. research

and development credit and the change in the jurisdictional mix of earnings.

5. Reconciliation of 2011 Adjusted Income(1) and Adjusted Diluted EPS(1) Guidance to 2011 Reported Net Income Attributable to Pfizer Inc. and Reported Diluted EPS Attributable to Pfizer Inc. Common Shareholders Guidance (a)

Full-Year 2011 Guidance ($ in billions, except per share amounts) Net Income(b) Diluted EPS(b)
Income/(Expense)

Adjusted Income/Diluted EPS(1) Guidance ~$17.1 - $17.9 ~$2.16 - $2.26 Purchase Accounting Impacts of Transactions Completed as of 4/3/11 (4.7) (0.59) Acquisition-Related Costs (1.9 - 2.2) (0.25 - 0.28) Non-Acquisition-Related Restructuring Costs(c) (1.0 - 1.2) (0.13 - 0.15) Other Certain Significant Items (0.4) (0.05) Reported Net Income Attributable to Pfizer Inc./Diluted EPS Guidance ~$8.6 - $9.9 ~$1.09 - $1.24 (a) The current exchange rates assumed in connection with the 2011 financial guidance are a blend of the actual exchange rates in effect during first-quarter 2011 and the mid-April 2011 exchange rates for the remainder of the year. (b) Includes the revenue and expenses related to the Capsugel business as a discontinued operation, but does not include any gain on the sale of Capsugel. Does not assume the completion of any business-development transactions not completed as of April 3, 2011. Also excludes the potential effects of the resolution of litigation-related matters not substantially resolved as of April 3, 2011. (c) Amounts relate to actions in connection with our reduction in R&D spending, including our realigned R&D footprint. These amounts are included in Certain Significant Items.

6. Reconciliation of 2012 Adjusted Income(1) and Adjusted Diluted EPS(1) Targets to 2012 Reported Net Income Attributable to Pfizer Inc. and Reported Diluted EPS Attributable to Pfizer Inc. Common Shareholders Targets (a)

Full-Year 2012 Targets ($ in billions, except per share amounts) Net Income(b), (c) Diluted EPS(b), (c)
Income/(Expense)

Adjusted Income/Diluted EPS(1) Targets ~$17.2 - $17.9 ~$2.25 - $2.35 Purchase Accounting Impacts of Transactions Completed as of 4/3/11 (3.8) (0.50) Acquisition-Related Costs (0.7 - 1.0) (0.09 - 0.12) Non-Acquisition-Related Restructuring Costs(d) (0.3 - 0.4) (0.03 - 0.05) Reported Net Income Attributable to Pfizer Inc./Diluted EPS Targets ~$12.0 - $13.1 ~$1.58 - $1.73 (a) The current

exchange rates assumed in connection with the 2012 financial targets are the mid-April 2011 exchange rates. (b) Includes the revenue and expenses related to the Capsugel business as a discontinued operation, but does not include any gain on the sale of Capsugel. Does not assume the completion of any business development transactions not completed as of April 3, 2011. Also excludes the potential effects of the resolution of litigation-related matters not substantially resolved as of April 3, 2011. (c) Given the longer-term nature of these targets, they are subject to greater variability and less certainty as a result of potential material impacts related to foreign exchange fluctuations, macroeconomic activity including inflation, and industry-specific challenges including changes to government healthcare policy, among others. (d) Amounts relate to actions in connection with our reduction in R&D spending, including our realigned R&D footprint. These amounts are included in Certain Significant Items.

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(1) “Adjusted income” and “adjusted diluted earnings per share (EPS)” are defined as reported net income attributable to Pfizer Inc. and reported diluted EPS attributable to Pfizer Inc. common shareholders excluding purchase accounting adjustments, acquisition-related costs, discontinued operations and certain significant items. As described under *Adjusted Income* in the Management’s Discussion and Analysis of Financial Condition and Results of Operations section of Pfizer’s Form 10-K for the fiscal year ended December 31, 2010, 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. The adjusted income and adjusted diluted EPS measures are not, and should not be viewed as, substitutes for U.S. GAAP net income and diluted EPS.

DISCLOSURE NOTICE: The information contained in this earnings release and the attachments is as of May 3, 2011. The Company assumes no obligation to update forward-looking statements contained in this earnings release or the attachments as a result of new information or future events or developments.

This earnings release and the attachments contain forward-looking information about the Company’s future operating and financial performance, business plans and prospects, in-line products and product candidates, and share-repurchase and dividend-rate plans that involves substantial risks and uncertainties. You can identify these statements by the fact that they use words such as “will,” “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “target,” “forecast” and other words and terms of similar meaning or use future dates. Among the factors that could cause actual results to differ materially

are the following: the success of research and development activities, including, without limitation, the ability to meet anticipated clinical trial completion dates, regulatory submission and approval dates, and launch dates for product candidates; decisions by regulatory authorities regarding whether and when to approve our drug applications as well as their decisions 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 success of external business-development activities; 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 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 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, repeal or invalidation of any of the provisions thereof; U.S. 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; legislation or regulatory action in markets outside the U.S. affecting pharmaceutical product pricing, reimbursement or access; 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; significant breakdown, infiltration, or interruption of our information technology systems and infrastructure; legal defense costs, insurance expenses, settlement costs and the risk of an adverse decision or settlement related to product liability, patent protection, government investigations, consumer, commercial, securities, environmental and tax issues, ongoing efforts to explore various means for resolving asbestos litigation, and other legal proceedings; the Company's ability to protect its patents and other intellectual property both domestically and internationally;

interest rate and foreign currency exchange rate fluctuations; 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 result from the enactment in August 2010 of the Education Jobs and Medicaid Assistance Act of 2010 and that may result from pending and possible future proposals; 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 lenders, our customers, our suppliers 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; 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; our ability and the ability of Kohlberg Kravis Roberts & Co. L.P. (KKR) to satisfy the conditions to closing our sale of Capsugel to KKR; and the impact of acquisitions, divestitures, restructurings, product withdrawals and other unusual items, including (i) our ability to successfully implement our plans, announced on February 1, 2011, regarding the Company's research and development function, including the planned exit from the Company's Sandwich, U.K. site, subject to works council and union consultations; (ii) our ability to realize the projected benefits of our acquisitions of Wyeth and King Pharmaceuticals, Inc.; (iii) our ability to realize the projected benefits of our cost-reduction initiatives, including those related to the Wyeth integration and to our research and development function; and (iv) the impact of any strategic actions that we may take following the completion of our current review of our business portfolio. A further list and description of risks, uncertainties and other matters can be found in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2010 and in its reports on Forms 10-Q and 8-K.

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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