

CEO LETTER
PERFORMANCE

Financial Performance

Three-Year Summary

as of and for the year ended December 31

MILLIONS (Except Per Common Share Data)	2012	2011 ^(a)	2010	% Change	
				12/11	11/10
Revenues	\$ 58,986	\$ 65,259	\$ 65,165	(10)	-
Research and development expenses	\$ 7,870	\$ 9,074	\$ 9,483	(13)	(4)
Restructuring charges and certain acquisition-related costs	\$ 1,880	\$ 2,930	\$ 3,145	(36)	(7)
Income from continuing operations	\$ 9,518	\$ 8,395	\$ 8,318	13	1
Discontinued operations—net of tax ^(b)	\$ 5,080	\$ 1,654	\$ (30)	207	*
Net income attributable to Pfizer Inc.	\$ 14,570	\$ 10,009	\$ 8,257	46	21
Diluted earnings per common share attributable to Pfizer Inc. shareholders	\$ 1.94	\$ 1.27	\$ 1.02	53	25
Weighted-average shares—diluted	7,508	7,870	8,074	(5)	(3)
Number of common shares outstanding	7,276	7,575	8,012	(4)	(5)
Working capital	\$ 32,796	\$ 31,908	\$ 35,764	3	(11)
Goodwill & other identifiable intangible assets, net	\$ 90,685	\$ 95,753	\$ 98,335	(5)	(3)
Total assets	\$ 185,798	\$ 188,002	\$ 195,014	(1)	(4)
Total debt ^(c)	\$ 37,460	\$ 38,942	\$ 44,007	(4)	(12)
Total Pfizer Inc. shareholders' equity	\$ 81,260	\$ 82,190	\$ 87,813	(1)	(6)
Shareholders' equity per common share	\$ 11.17	\$ 10.85	\$ 10.96	3	(1)
Net cash provided by operating activities	\$ 17,054	\$ 20,240	\$ 11,454	(16)	77
Property, plant and equipment additions	\$ 1,327	\$ 1,660	\$ 1,513	(20)	10
Purchases of common stock	\$ 8,228	\$ 9,000	\$ 1,000	(9)	*
Cash dividends paid	\$ 6,534	\$ 6,234	\$ 6,088	5	2

(a) For 2011, includes King Pharmaceuticals Inc. commencing on the acquisition date of January 31, 2011.

(b) The sale of our Nutrition business closed on November 30, 2012. 2012, 2011 and 2010 reflect the Nutrition business, which was acquired in 2009, as a discontinued operation. All financial information before 2012 reflects Capsugel (the sale of which closed on August 1, 2011), as a discontinued operation.

(c) Our short-term borrowings are rated P-1 by Moody's Investors Service (Moody's) and A1+ by Standard & Poor's (S&P). Our long-term debt is rated A1 by Moody's and AA by S&P. Moody's and S&P are major corporate debt-rating organizations.

*Calculation not meaningful.

Detailed information on our financial and operational performance can be found in the 2012 Financial Report.

Key Performance Indicators

ACCESS TO MEDICINES

11

Number of global programs and commercial transactions to increase access to medicines in emerging markets¹

17

Number of top 20 global burdens of disease addressed by products and pipeline²

56

Number of emerging markets in which Pfizer has implemented intra-country tiered pricing³

EMPLOYEES

0.59 INJURIES PER 100 EMPLOYEES

TOTAL INJURY RATE⁴

Pfizer's injury rate has been reduced by 52 % since 2007. The rate was unchanged from 2011.

ENVIRONMENT⁵

2.4 MILLION METRIC TONS CO₂ e⁶

GREENHOUSE GAS EMISSIONS

Total GHG emissions in 2012 were 4.8 % lower than in 2011.

50.7 MILLION CUBIC METERS

WATER WITHDRAWAL

Total water withdrawal in 2012 was essentially unchanged, increasing by less than 1 % from 2011.

186 THOUSAND METRIC TONS⁷

WASTE GENERATED

Total waste generated in 2012 was 4.7 % lower than in 2011.

1. Program/commercial transaction defined as a Pfizer investment or dedicated contract of over \$250,000 with a national government or procurement agency, MLO, NGO, private institution or aid agency. Represents multi-country initiatives only and does not include numerous local initiatives to address access.

2. As defined by the World Health Organization. Burdens of illness not addressed include road traffic accidents, prematurity and low birth weight, and self-inflicted injuries.

3. Represents minimum number of emerging markets with pricing tailored to different patient segments (for at least one product), allowing access for more patients.

4. Represents >90 % of Pfizer employees and directly-supervised contractors.

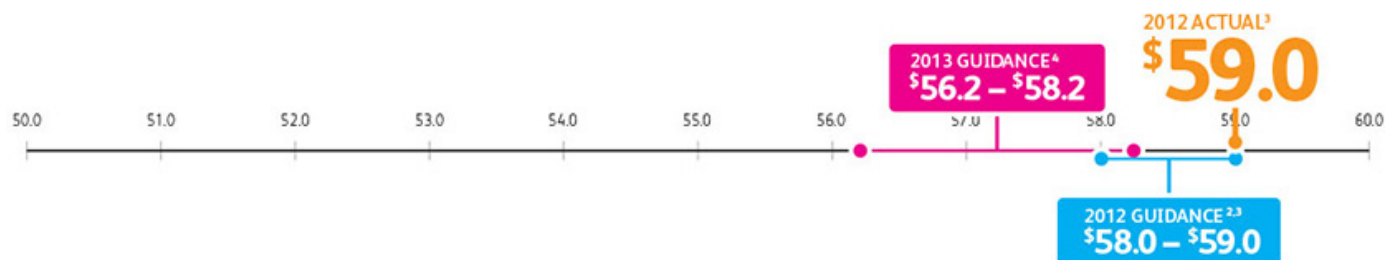
5. Data are baseline adjusted, reported absolute, using reporting boundaries per the [WRI GHG Protocol](#). Includes Zoetis sites (formerly Pfizer Animal Health). Excludes divested Pfizer Nutrition sites. The 2011 U.S. and Puerto Rico GHG data (60 % of the footprint) was independently verified to the "Reasonable Assurance" level. Expanded environmental reporting will be posted on www.pfizer.com later this year.

6. Carbon footprint includes total direct (including fleet and aviation) and indirect emissions. Does not include Scope 3 emissions.

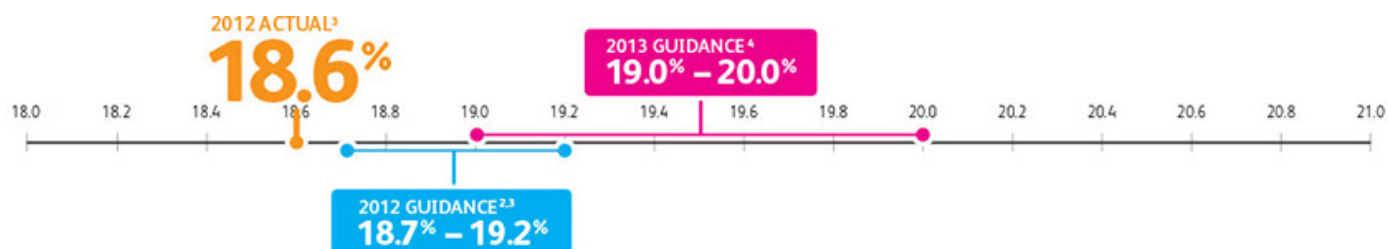
7. Pfizer is revising its approach to reporting spent process solvents for reclaim on-site (to be re-used in manufacturing) where they are not regulated as waste by local law. They are not now reported as waste. Based on corrected data, the overall recycling rate was 32 %, and the quantity of hazardous and non-hazardous waste decreased 5 % and 3 % respectively from 2011.

Performance and Guidance¹

REPORTED REVENUES (in Billions)



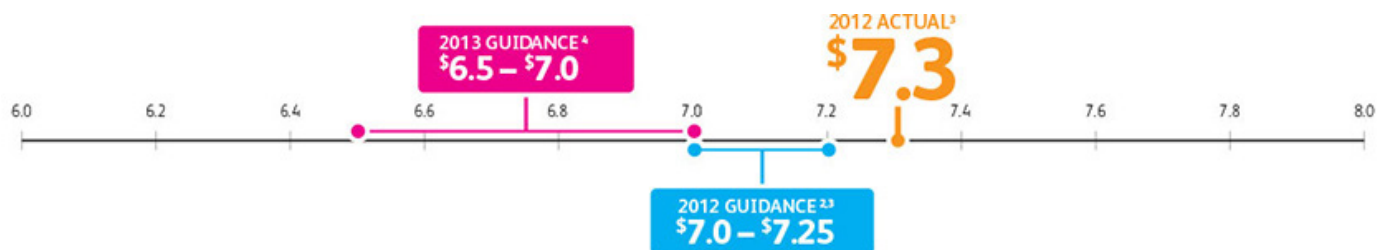
ADJUSTED COST OF SALES⁵ AS % OF REVENUES



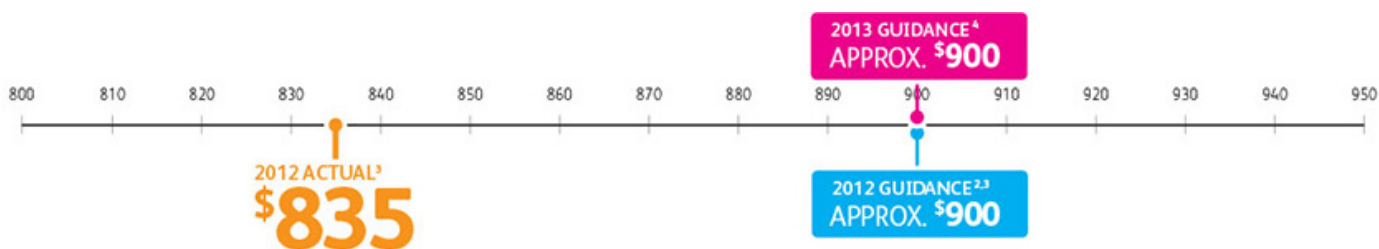
ADJUSTED SI&A EXPENSES⁵ (in Billions)



ADJUSTED R&D EXPENSES⁵ (in Billions)



ADJUSTED OTHER (INCOME)/DEDUCTIONS⁵ (in Millions)



EFFECTIVE TAX RATE ON ADJUSTED INCOME⁵



REPORTED DILUTED EPS⁶



ADJUSTED DILUTED EPS⁵



OPERATING CASH FLOW (in Billions)



1. Please refer to Pfizer's 2012 Annual Report on Form 10-K for a description of the substantial risks and uncertainties related to the forward-looking statements included in this Annual Review.

2. At exchange rates that reflected a blend of the actual exchange rates in effect during the first nine months of 2012 and the mid-October 2012 exchange rates for the remainder of the year. Our 2012 guidance did not assume the completion of any business development transactions not completed as of September 30, 2012, including any one-time upfront payments associated with such transactions. It also excluded the potential effects of the resolution of litigation-related matters not substantially resolved as of September 30, 2012, except for charges for such matters that were recorded during the first nine months of 2012.

3. Revenues and expenses related to the Nutrition business as a discontinued operation were included for the full year in the guidance and through November 30, 2012 in actual results. The gain on the sale of the Nutrition business was not reflected in the Reported Diluted EPS guidance but is included in actual results for Reported Diluted EPS.

4. Our 2013 financial guidance is as of January 2013 and does not assume the completion of any business development transactions not completed as of December 31, 2012, including any one-time upfront payments associated with such transactions, and excluded the potential effects of the resolution of litigation-related matters not substantially resolved as of December 31, 2012. The exchange rates assumed in connection with the 2013 financial guidance are as of mid-January 2013.

5. "Adjusted Income" and its components and "Adjusted Diluted Earnings Per Share (EPS)" are defined as U.S. generally accepted accounting principles (U.S. GAAP) reported net income⁶ and its components and reported diluted EPS⁶ excluding purchase accounting adjustments, acquisition-related costs, discontinued operations and certain significant items. Adjusted Cost of Sales, Adjusted Selling, Informational and Administrative (SI&A), 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 in our Annual Report on Form 10-K for the year ended December 31, 2012, management uses adjusted income, among other factors, to set performance goals and to measure the performance of the overall company. Reconciliations of certain U.S. GAAP reported to Non-GAAP adjusted information for 2012 as well as reconciliations for full-year 2013 guidance for adjusted income and adjusted diluted EPS to full-year 2013 guidance for reported net income⁶ and reported diluted EPS⁶ are provided in our Form 10-K for the year ended December 31, 2012. 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 diluted EPS. Despite the importance of these measures to management in goal setting and performance measurement, adjusted income and its components and adjusted diluted EPS are Non-GAAP financial measures that have no standardized meaning prescribed by U.S. GAAP and, therefore, have limits in their usefulness to investors. Because of the non-standardized definitions, adjusted income and its components and adjusted diluted EPS (unlike U.S. GAAP net income and its components and diluted EPS) may not be comparable to the calculation of similar measures of other companies. Adjusted income and its components and adjusted diluted EPS are presented solely to permit investors to more fully understand how management assesses performance.

6. "Reported Net Income" is defined as net income attributable to Pfizer Inc. and "Reported Diluted EPS" is defined as net income attributable to Pfizer Inc. common shareholders.