Pfizer Forms Global Alliance with Merck KGaA, Darmstadt, Germany to Accelerate Presence in Immuno-Oncology

November 17, 2014
Our discussions during this conference call will include forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements. The factors that could cause actual results to differ are discussed in Pfizer’s 2013 Annual Report on Form 10-K and in our subsequent reports on Form 10-Q and Form 8-K, and in Pfizer’s Press Release issued on November 17, 2014.

Also, the discussions during this conference call may include certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (GAAP). Reconciliations of those non-U.S. GAAP financial measures to the most directly comparable U.S. GAAP financial measures can be found in Pfizer’s Current Report on Form 8-K dated October 28, 2014 and Pfizer’s Quarterly Report on Form 10-Q for the fiscal quarter ended September 28, 2014.

These reports are available on our website at www.pfizer.com in the "Investors—SEC Filings" section.
Pfizer and Merck KGaA, Darmstadt, Germany: A Great Match

Focused on improving the lives of patients with cancer

Together, one team committed to driving rapid and broad development and commercialization of our anti-PD-L1 and anti-PD-1 antibodies as a key priority

• Strong global commitment to Oncology development and commercialization
• Investing heavily in immuno-oncology R&D

• Strong legacy and commitment to oncology with cetuximab ex-US
• Major player in immuno-oncology with their anti-PD-L1
## Key Deal Terms

### Co-Development and Co-Commercialization of Anti-PD-L1/Anti-PD-1
- Upfront payment of $850 million to Merck KGaA, Darmstadt, Germany
- Merck KGaA, Darmstadt, Germany is eligible to receive regulatory and commercial milestone payments up to approximately $2 billion
- Pfizer and Merck KGaA, Darmstadt, Germany will jointly fund all development and commercialization costs
- Collaboration revenues from any PD-L1 or PD-1 products will be shared equally

### Xalkori Co-Promotion
- Merck KGaA, Darmstadt, Germany and Pfizer will co-promote Xalkori in the United States and several other key markets

### Governance
- Collaboration team and governance structure will operate with joint decision-making
Collaboration Positions both Companies into Potential Wave 1 of Immunotherapy Launches

Wave 1
- Single Agent PD-L1/PD-1
- Potential single agent entry in key indications as part of Wave 1

Wave 2
- IO Combinations
- Provides backbone for Wave 2: combinations with Pfizer’s extensive oncology portfolio

2014-2015 Near-Term Long-term

Initiating up to 20 clinical development programs, including up to 6 pivotal registration studies
Current clinical program of Anti-PD-L1

- Large Phase I, open-label trial to investigate the safety, pharmacokinetics and clinical activity in patients with solid tumors
- Expansion to selected indications
- Overall enrollment target of 590 patients
- Current recruitment status varies by indication
- Interim efficacy data for NSCLC (n=90) and ovarian cancer (n=23) shared at the Merck KGaA, Darmstadt, Germany Capital Market Day
- Phase II in Merkel cell carcinoma with ORR as primary endpoint. Enrolled first patient in Q3 2014

**Phase I**
- Signal finder studies
  - Anti-PD-L1 studies (10mg/kg IV 2q week)
  - Expansion cohorts
    - Ovarian Cancer
    - Colorectal Cancer
    - Melanoma
    - Prostate Cancer

**Phase II**
- NSCLC 2nd line
- Gastric Cancer
- Breast Cancer
- Merkel Cell Carcinoma

*enrollment target

Interim data presented Sept. 18, 2014 by Merck KGaA, Darmstadt, Germany
Phase I efficacy result: Response rates in NSCLC

With minimum follow-up time of 3 months, the ORR is similar to other anti-PD-1/PD-L1 agents.

<table>
<thead>
<tr>
<th>Best Overall Response by RECIST 1.1 unconfirmed</th>
<th>NSCLC Intent-to-treat, n = 90 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete Response (CR)</td>
<td>1 (1.1%)</td>
</tr>
<tr>
<td>Partial Response (PR)</td>
<td>11 (12.2%)</td>
</tr>
<tr>
<td>Stable Disease (SD)</td>
<td>30 (33.3%)</td>
</tr>
<tr>
<td>Progressive Disease (PD)</td>
<td>35 (38.9%)</td>
</tr>
<tr>
<td>Non-evaluable (NE)</td>
<td>13 (14.4%)</td>
</tr>
</tbody>
</table>

Objective response rate* (ORR) [95% CI**] 13.3% [7.1%, 22.1%]

Data presented at Merck KGaA, Darmstadt, Germany Capital Markets Day, September 18, 2014, and based on an interim analysis

*Response rate per RECIST v1.1 is based on all treated patients. ORR includes both confirmed and unconfirmed responses (CR and PR); **Confidence interval
Phase I results in ovarian cancer: Tumor shrinkage and duration of response

Best Overall Response by RECIST 1.1

<table>
<thead>
<tr>
<th>Response Category</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete Response (CR)</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Partial Response (PR)</td>
<td>4</td>
<td>17.4%</td>
</tr>
<tr>
<td>Stable Disease (SD)</td>
<td>11</td>
<td>47.8%</td>
</tr>
<tr>
<td>Progressive Disease (PD)</td>
<td>7</td>
<td>30.4%</td>
</tr>
<tr>
<td>Non-evaluable (NE)</td>
<td>1</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

Objective Response Rate** (ORR) [95% CI***]

- 17.4% [5.0%, 38.8%]

Data presented at Merck KGaA, Darmstadt, Germany Capital Markets Day, September 18, 2014, and based on an interim analysis.

*Based on evaluable patients; **Response rate per RECIST v1.1 is based on all treated patients. ORR includes both confirmed and unconfirmed responses (CR and PR); ***Confidence interval
### Phase I safety results: Adverse Events

<table>
<thead>
<tr>
<th></th>
<th>Pooled expansion cohorts (n = 290) n (%)</th>
<th>NSCLC (n = 127) n (%)</th>
<th>Ovarian cancer (n = 23) n (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AEs</td>
<td>262 (90.3)</td>
<td>114 (89.8)</td>
<td>23 (100.0)</td>
</tr>
<tr>
<td>Related AEs</td>
<td>198 (68.3)</td>
<td>87 (68.5)</td>
<td>18 (78.3)</td>
</tr>
<tr>
<td>AEs, Grade ≥3</td>
<td>124 (42.8)</td>
<td>55 (43.3)</td>
<td>9 (39.1)</td>
</tr>
<tr>
<td>Related AEs, Grade ≥3</td>
<td>38 (13.1)</td>
<td>17 (13.4)</td>
<td>2 (8.7)</td>
</tr>
</tbody>
</table>

- Current safety information based on an analysis of 290 subjects (expansion part of study -001)
- Cut-off date: July 16, 2014
- Minimum follow-up time: 4 weeks

Data presented at Merck KGaA, Darmstadt Germany Capital Markets Day, September 18, 2014, and is based on an interim analysis
Pfizer’s Existing Immuno-oncology Portfolio is Complemented by Merck KGaA’s, Darmstadt, Germany Anti-PD-L1

Various mechanisms that harness the immune system to attack cancer

- Recognition of cancer cells by T cells
  - Cellectis CAR-T

- Killing of cancer cells
  - Reduce Immune Suppression
    - Anti-PD-L1
    - Anti-PD-1
  - Promote Immune Response
    - 4-1BB
    - OX-40
    + additional assets

- De-bulk tumor and release cancer antigens
  - Antibody-drug conjugates (ADCs)

- Cancer antigen presentation
  - Cancer vaccines

Collaboration Will Leverage Pfizer’s Broad Oncology Pipeline

Pfizer and Merck KGaA, Darmstadt, Germany

Anti-PD-L1

Pfizer Oncology Pipeline

Potential combination opportunities within Pfizer’s oncology pipeline include:
• Small molecules
• Antibodies and ADCs
• Vaccines

Pipeline provides opportunities for potential novel combinations