

Pfizer Enters Into Agreement to Acquire 40 Percent Stake in Teuto in Brazil

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Transaction will expand portfolio of generic medicines in Brazil Partnership will increase Pfizer's ability to deliver high-quality medicines to more patients in Brazil Builds on Pfizer's commitment to seize growth opportunities in key emerging markets

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NEW YORK--([BUSINESS WIRE](#))--Pfizer Inc. (NYSE: PFE) announced today that it is entering into a partnership with Laboratório Teuto Brasileiro S.A., a leading company in the Brazilian generics industry, to develop and commercialize generic medicines. Pfizer will acquire a 40 percent stake in Teuto and the companies will also enter into a series of commercial agreements. The partnership will enhance Pfizer's position in Brazil, a key emerging market, by providing access to Teuto's broad portfolio of approximately 250 products in more than 400 presentations. Through this partnership, Pfizer will have access to significant distribution networks in rural and suburban areas in Brazil and the opportunity to register and commercialize Teuto's products in various markets outside Brazil. In addition, Pfizer will have two representatives on Teuto's board of directors.

Under the terms of the agreement, Pfizer will make an upfront payment of R\$400 million (approximately US\$240 million) and Teuto will be eligible to receive a performance-based milestone payment. Pfizer has an option to acquire the remaining 60 percent of Teuto's shares beginning in 2014. Teuto's shareholders have an option to sell their 60 percent stake to Pfizer beginning in 2015.

Pfizer will have the opportunity to register and commercialize Teuto products in Brazil and various markets outside of the country under its own brands, including branded and unbranded generic medicines, covering a broad range of therapeutic areas, such as pain and inflammation, cardiovascular, anti-infectives, central nervous system and respiratory, among others. Teuto will gain access to select Pfizer products for distribution across its extensive distribution network and have the right to commercialize them under Teuto's own brand in Brazil.

In 2008, the global generics marketplace represented US\$750 billion and is anticipated to grow up to US\$920 billion by 2013, with the bulk of this growth generated in emerging markets. Today, branded and unbranded generics account for approximately 60 percent of the value of the Brazilian retail pharmaceutical market fueled by the increased purchasing power of growing middle and lower-middle income patients.

"We believe this partnership will enable both companies to effectively build upon one another's core capabilities and areas of expertise to help address the needs of more patients than ever before," said Jean-Michel Halfon, president of Pfizer's Emerging Markets Business Unit. "This agreement demonstrates Pfizer's commitment to pursue focused investments in key emerging markets to accelerate our growth and increase patient access to high-quality medicines."

"Teuto's partnership with Pfizer is very complementary to our business goals. It will expand our product portfolio and address the needs of the changing customer base," said Marcelo Henriques, chief executive officer of Teuto Laboratories.

The stake in Teuto demonstrates Pfizer's commitment to continue its expansion in emerging markets through customer-focused efforts by increasing access and affordability, partnering with other companies that offer diverse areas of expertise and leveraging the company's capabilities to build upon local markets.

The transaction is subject to customary closing conditions and is expected to close by the end of fourth-quarter 2010.

Pfizer's financial advisor for the transaction was Goldman Sachs Group, Inc. while Skadden, Arps, Slate, Meagher & Flom LLP and Pinheiro Neto Advogados were its legal advisors. Banco BTG Pactual SA served as Teuto's financial advisor, while Machado, Meyer, Sendacz & Opice and Cleary Gottlieb served as legal advisors.

Pfizer Inc.: Working together for a healthier world™

At Pfizer, we apply science and our global resources to improve health and well-being at every stage of life. We strive to set the standard for quality, safety and value in the discovery, development and manufacturing of medicines for people and animals. Our diversified global health care portfolio includes human and animal biologic and small molecule medicines and vaccines, as well as nutritional products and many of the world's best-known consumer products. Every day, Pfizer colleagues work across developed and emerging markets to advance wellness, prevention, treatments and cures that challenge the most feared diseases of our time. Consistent with our responsibility as the world's leading biopharmaceutical company, we also collaborate with health care providers, governments and local communities to support and expand access to reliable, affordable health care around the world. For more than 150 years, Pfizer has worked to make a difference for all who rely on us. To learn more about our commitments, please visit us at www.pfizer.com.

About Pfizer Emerging Markets

Pfizer's Emerging Markets Business Unit was established in 2009 to meet the diverse medical needs of patients in emerging markets around the world in an innovative, socially responsible and commercially viable manner. The unit is focused on three strategic priorities: investing in core brands, expansion in the generic market space and leveraging Pfizer's global capabilities to strengthen local markets. Pfizer Emerging Markets spans more than 70 countries, across 20 time zones with over 19,000 colleagues and the potential to reach approximately 5 billion people. The business unit has identified six priority markets – China, India, Brazil, Russia, Turkey and Mexico.

DISCLOSURE NOTICE: The information contained in this release is as of October 20, 2010. The Company assumes no obligation to update forward-looking statements contained in this release as a result of new information or future events or developments.

This release contains forward-looking information about an agreement by Pfizer to acquire a 40% stake in Teuto Laboratories (Teuto), commercial agreements to be entered into between Pfizer and Teuto, and the potential benefits of the proposed transaction. Such information involves substantial risks and uncertainties including, among other things, the satisfaction of conditions to closing the agreements; Pfizer's ability to successfully commercialize the products covered by the agreements; decisions by regulatory authorities regarding whether and when to approve any drug applications that may be filed for such products as well as their decisions regarding labeling and other matters that could affect the availability or commercial potential of such products; and competitive developments.

A further list and description of risks and uncertainties can be found in Pfizer's Annual Report on Form 10-K for the fiscal year ended December 31, 2009 and in its reports on Form 10-Q and Form 8-K.

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