Pfizer Reports Second-Quarter 2009 Results; Increases Full-Year 2009 Adjusted Diluted EPS(1) Guidance

Tuesday, July 21, 2009 - 05:30pm

Second-Quarter 2009 Revenues of $11.0 Billion Second-Quarter 2009 Reported Diluted EPS(2) of $0.34, Adjusted Diluted EPS(1) of $0.48 Continues to Execute on Financial and Strategic Commitments While Achieving Significant Milestones in Connection with the Pending Wyeth Acquisition Increases 2009 Guidance for Adjusted Diluted EPS(1) to a Range of $1.90 to $2.00 from $1.85 to $1.95

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

($ in millions, except per share amounts)	Second-Quarter			Year-to-Date		
	2009	2008	Change	2009	2008	Change
Reported Revenues	$ 10,984	$ 12,129	(9 %)	$ 21,851	$ 23,977	(9 %)
Reported Net Income(2)	2,261	2,776	(19 %)	4,990	5,560	(10 %)
Reported Diluted EPS(2)	0.34	0.41	(17 %)	0.74	0.82	(10 %)
Adjusted Income(1)	3,249	3,698	(12 %)	6,916	7,797	(11 %)
Adjusted Diluted EPS(1)	0.48	0.55	(13 %)	1.03	1.15	(10 %)

See end of text prior to tables for notes.

Pfizer Inc. (NYSE: PFE) today reported financial results for second-quarter 2009. Revenues were $11.0 billion, a decrease of 9% compared with the year-ago quarter and flat on a constant currency basis. Foreign exchange unfavorably impacted revenues by approximately $1.1 billion or 9%. For second-quarter 2009, U.S. revenues were $4.5 billion, a decrease of 5% compared with the year-ago quarter. International revenues were $6.5 billion, a decrease of 12% compared with the prior-year quarter, and reflected operational growth of 2%, which was more than offset by the unfavorable impact of foreign exchange of 14%. U.S. revenues represented 41% of the total compared with 39% in the year-ago quarter, while international revenues represented 59% of the total compared with 61% in the year-ago quarter.

For first-half 2009, revenues were $21.9 billion, a decrease of 9% compared with the same period in 2008 and a decrease of 2% on a constant currency basis. Foreign exchange unfavorably impacted revenues by approximately $1.7 billion or 7%. U.S. revenues were $9.5 billion, a decrease of 7% compared with first-half 2008. International revenues were $12.4 billion, a decrease of 10% compared with the same period last year, and reflected operational growth of 2%, which was more than offset by the unfavorable impact of foreign exchange of 12%. U.S. revenues represented 43% of the total and international revenues represented 57% of the total, comparable with first-half 2008. In addition to foreign exchange, other factors that negatively impacted first-half 2009 revenues in comparison with first-half 2008 included the loss of U.S. exclusivity for Zyrtec in January 2008 and Camptosar in February 2008, the loss of exclusivity in Japan for Norvasc in July 2008, as well as the revenue declines for Lipitor, as a result of continued intense competition, and for Chantix/Champix, mainly due to label changes.

Business Revenues

Effective January 1, 2009, Pfizer expanded its operating model within the Pharmaceutical business to include five customer-focused units, in addition to its Animal Health business. During second-quarter 2009, all Pharmaceutical units and Animal Health generated revenue growth on a constant currency basis with the exception of the Established Products unit, which manages a portfolio of products that have generally lost patent protection or marketing exclusivity and that have an expected decline in revenues at this stage in their lifecycle.

Second-Quarter ($ in millions) 2009 2008 Change

Foreign

Exchange

Operational Primary Care(3) $ 5,135 $ 5,487 (6 %) (7 %) 1 % Specialty Care(4) 1,416 1,485 (5 %) (7 %) 2 % Oncology(5) 352 384 (8 %) (12 %) 4 % Established Products(6) 1,634 2,038 (20 %) (7 %) (13 %)

Emerging Markets(7)	1,526	1,659	(8 %)	(17 %)	9 %
Total Pharmaceutical	10,063	11,053	(9 %)	(9 %)	--
Animal Health(8)	648	715	(9 %)	(11 %)	2 %
Other(9)	273	361	(24 %)	(5 %)	(19 %)
Total	$ 10,984	$ 12,129	(9 %)	(9 %)	--

See end of text prior to tables for notes.

Primary Care revenues for second-quarter 2009 were $5.1 billion, a 6% decline compared with $5.5 billion in the year-ago quarter. Operational growth of 1%, primarily driven by the strong international performance of Lyrica, was more than offset by the unfavorable impact of foreign exchange.

Specialty Care revenues for second-quarter 2009 were $1.4 billion, a 5% decrease compared with $1.5 billion in the same period last year. Operational growth of 2%, largely driven by the solid U.S performance of certain products, including Revatio and Geodon, was more than offset by the unfavorable impact of foreign exchange.

Oncology revenues for second-quarter 2009 were $352 million, an 8% decrease compared with $384 million in the prior-year quarter. Operational growth of 4%, due primarily to the strong performance in international markets of Sutent and Aromasin, was more than offset by the unfavorable impact of foreign exchange.

Established Products revenues for second-quarter 2009 were $1.6 billion, a 20% decline compared with $2.0 billion in the year-ago quarter, comprised of a 13% operational decline and a 7% foreign exchange decline. Since the products in this unit generally have lost patent protection or marketing exclusivity, revenues have declined. This unit was created in 2008 with the goal of recapturing value for these products in developed market geographies by progressively slowing the erosion of, and ultimately stabilizing, revenue and profit from established products. Supporting initiatives within the unit include programs designed to expand patient and payor access to this portfolio, to develop product enhancements, to expand the portfolio and to increase promotional efforts for targeted products.

Emerging Markets revenues for second-quarter 2009 were $1.5 billion, an 8% decrease compared with $1.7 billion in second-quarter 2008. These revenues include the revenue from both established products and patent-protected products sold in emerging markets.

Operational growth of 9%, largely attributable to double-digit growth in high-priority countries, notably China and Turkey, was more than offset by the unfavorable impact of foreign exchange.

Animal Health revenues for second-quarter 2009 were $648 million, a 9% decline compared with $715 million in the year-ago quarter. Operational growth of 2%, primarily driven by the solid performance in emerging markets and for certain new products worldwide, was more than offset by the negative impact of foreign exchange.

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

For second-quarter 2009, Pfizer posted reported net income(2) of $2.3 billion, a decline of 19% compared with $2.8 billion in the prior-year quarter, and reported diluted EPS(2) of $0.34, a decline of 17% compared with $0.41 in the prior-year quarter. For first-half 2009, Pfizer posted reported net income(2) of $5.0 billion, a decline of 10% compared with $5.6 billion in first-half 2008, and reported diluted EPS(2) of $0.74, a decline of 10% compared with $0.82 in the prior-year period. Results were unfavorably impacted by foreign exchange and an increase in the effective tax rate as well as costs incurred in connection with the pending Wyeth acquisition. These factors were partially offset by savings from cost-reduction initiatives, lower costs associated with those initiatives and lower in-process research and development charges in 2009. The increase in the effective tax rate on reported results to approximately 26% in second-quarter 2009 from approximately 1% in second-quarter 2008, and to approximately 27% in first-half 2009 from approximately 12% in first-half 2008, was primarily due to the increased tax cost associated with certain business decisions executed to finance the pending Wyeth acquisition as well as favorable income tax adjustments in 2008.

Adjusted Income(1) and Adjusted Diluted EPS(1)

Second-quarter 2009 adjusted income(1) was $3.2 billion, a decrease of 12% compared with $3.7 billion in the year-ago quarter, and adjusted diluted EPS(1) was $0.48, a decrease of 13% compared with $0.55 in the year-ago quarter. First-half 2009 adjusted income(1) was $6.9 billion, a decrease of 11% compared with $7.8 billion in first-half 2008, and adjusted diluted EPS(1) was $1.03, a decrease of 10% compared with $1.15 in the year-ago period. Both adjusted income(1) and adjusted diluted EPS(1) were negatively impacted by foreign exchange and an increase in the effective tax rate on adjusted income(1) to approximately 28% in second-quarter 2009 from approximately 20% in second-quarter 2008, and to approximately 29% in first-half 2009 from approximately 21% in first-half 2008, primarily due to the increased tax cost associated with certain business decisions executed to finance the pending Wyeth acquisition as well as a favorable income tax adjustment in 2008. These factors were partially offset by savings from cost-reduction initiatives.

In second-quarter 2009, adjusted cost of sales(1) as a percentage of revenues was 15.4% compared with 16.9% in second-quarter 2008. This improvement reflects the benefits from cost-reduction initiatives and foreign exchange. Excluding the impact of foreign exchange, adjusted cost of sales(1) as a percentage of revenues was 16.2% in second-quarter 2009.

Adjusted selling, informational and administrative (SI&A) expenses(1) were $3.3 billion in second-quarter 2009, a decrease of 12% compared with $3.7 billion in the prior-year quarter. The decrease was due to the favorable impact of cost-reduction initiatives, as well as foreign exchange which reduced second-quarter 2009 adjusted SI&A expenses(1) by $253 million compared with the year-ago quarter.

Adjusted research and development (R&D) expenses(1) were $1.7 billion in second-quarter 2009, a decrease of 11% compared with $1.9 billion in the prior-year period. The decrease was due to the favorable impact of cost-reduction initiatives, as well as foreign exchange which reduced second-quarter 2009 adjusted R&D expenses(1) by $68 million compared with the year-ago quarter.

Overall, operational improvements resulting from cost-reduction initiatives decreased adjusted total costs(10) by approximately $410 million or 5% in second-quarter 2009 compared with the prior-year period, and foreign exchange decreased adjusted total costs(10) by $585 million or 8%. The operational improvements were driven partially by the reduction in workforce to approximately 76,500 at the end of second-quarter 2009, a decline of 3,750 compared with the end of the first-quarter 2009, and a decline of 10,100 since the beginning of 2008, as well as manufacturing and research and development site exits. Throughout the remainder of 2009, a portion of the operational cost reductions achieved in first-half 2009 is expected to be reinvested to further execute strategies, primarily in emerging markets and established products, and to support the late-stage development portfolio.

Executive Commentary

“Our results this quarter demonstrate our ability to continue to deliver solid operational performance despite a challenging and dynamic economic and operating environment. On a constant currency basis, all of our Pharmaceutical units and Animal Health generated revenue growth during the quarter, with the exception of the Established Products unit, which manages a portfolio of products that have an expected decline in revenues at this stage of their lifecycle,” stated Jeff Kindler, Chairman and Chief Executive Officer.

Kindler continued, “Additionally, significant progress was made in connection with our pending Wyeth acquisition by achieving several key milestones, including approval of the acquisition by the European Commission, which included our commitment to divest certain animal health assets in the EU; the submission of regulatory filings in other important international markets; the approval of the acquisition by Wyeth shareholders; and further development of our post-closing integration plans. At the same time, we remain focused on meeting our commitments - generating revenues consistent with our expectations and continuing to streamline our cost structure.”

Frank D’Amelio, Chief Financial Officer, stated, “We remain committed to delivering on our 2009 financial goals and today, are increasing our guidance for adjusted diluted EPS(1) to a range of $1.90 to $2.00 from a range of $1.85 to $1.95 as well as narrowing our revenue guidance to a range of $45.0 to $46.0 billion from a range of $44.0 to $46.0 billion. We are also improving our guidance on many of our expense line items. Additionally, we’ve made substantial progress on our cost-reduction initiative with an operational decrease of approximately $740 million in adjusted total costs(10) realized during first-half 2009, a portion of which we expect will fund increased activity in support of business opportunities, primarily in emerging markets and established products, and in support of our late-stage development portfolio, among other things, during second-half 2009. In connection with the pending Wyeth acquisition, we replaced our bridge loan facility with permanent financing and are making substantial progress in planning for a successful and rapid integration of Wyeth following the closing.”

Financial Guidance

For full-year 2009, Pfizer’s financial guidance, at current exchange rates(11) has been updated and is summarized below. Guidance for adjusted diluted EPS(1) has been increased to a range of $1.90 to $2.00 from $1.85 to $1.95 and guidance for reported revenues has been narrowed to a range of $45.0 to $46.0 billion from a range of $44.0 to $46.0 billion. Guidance for reported diluted EPS(2) has increased to a range of $1.30 to

$1.45 from a range of $1.20 to $1.35, primarily due to lower than anticipated costs to be incurred in 2009 in connection with our cost-reduction initiatives. In addition, guidance for other line items, adjusted SI&A expenses(1), adjusted R&D expenses(1) and adjusted other (income)/deductions(1), has been either narrowed or improved as detailed below. We continue to expect to achieve net savings compared to 2008 adjusted total costs(10) of $2 billion by the end of 2011 at 2008 foreign exchange rates.

2009 Guidance(12) Reported Revenues $45.0 to $46.0 billion

(previously $44.0 to $46.0 billion)

Adjusted Cost of Sales(1) as a Percentage of Revenues   14.5% to 15.5% Adjusted SI&A Expenses(1) $13.4 to $13.8 billion
(previously $13.5 to $14.0 billion)

Adjusted R&D Expenses(1) $7.0 to $7.4 billion
(previously $7.1 to $7.5 billion)

Adjusted Other (Income)/Deductions(1)   ($600 to $700 million)
(previously ($500 to $700 million))

Effective Tax Rate on Adjusted Income(1)
Approximately 30%

Reported Diluted EPS(2) $1.30 to $1.45
(previously $1.20 to $1.35)

Adjusted Diluted EPS(1) $1.90 to $2.00
(previously $1.85 to $1.95)

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 SI&A expenses, Adjusted 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-Q for the fiscal quarter ended March 29, 2009, 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 second-quarter 2009 and 2008 and first-half 2009 and 2008 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 2009 adjusted income and adjusted diluted EPS guidance to full-year 2009 reported net income(2) and reported diluted EPS(2) guidance, 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. 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. generally accepted accounting principles. "Reported Diluted EPS" is defined as reported diluted EPS attributable to Pfizer Inc. common shareholders in accordance with U.S. generally accepted accounting principles.

(3) The Primary Care business unit includes revenues from human pharmaceutical products primarily prescribed by primary-care physicians, and may include, but is not limited to, products in the following therapeutic and disease areas: Alzheimer's disease, anxiety, cardiovascular (excluding pulmonary arterial hypertension), diabetes, pain, genitourinary, obesity, osteoporosis and respiratory. Examples of products in this business unit include, but are not limited to, Lipitor, Lyrica, Celebrex and Viagra. All revenues for such products are allocated to the Primary Care business unit, except those generated in emerging markets(7), and those that are managed by the Established Products(6) business unit. (4) The Specialty Care business unit includes revenues from human pharmaceutical products primarily prescribed by physicians who are specialists, and may include, but is not limited to, products in the following therapeutic and disease areas: antibacterials, antifungals, antivirals, bone, inflammation, gastrointestinal, growth hormones, multiple sclerosis, ophthalmology, pulmonary arterial hypertension and psychosis. Examples of products in this business unit include, but are not limited to, Xalatan, Zyvox, Geodon and Genotropin. All revenues for such products are allocated to

the Specialty Care business unit, except those generated in emerging markets(7), and those that are managed by the Established Products(6) business unit.   (5)

The Oncology business unit includes revenues from human oncology and oncology-related products. Examples of products in this business unit include, but are not limited to, Sutent and Aromasin. All revenues for such products are allocated to the Oncology business unit, except those generated in emerging markets(7), and those that are managed by the Established Products(6) business unit.

(6)   The Established Products business unit generally includes revenues from human pharmaceutical products that have lost patent protection or marketing exclusivity in certain countries and/or regions. In certain situations, products may be transferred to this unit before 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 business unit include, but are not limited to, Norvasc, Relpax, Medrol and Arthrotec.   (7)   The Emerging Markets business unit includes revenues from all human pharmaceutical products sold in emerging markets, including, but not limited to, Asia (excluding Japan), Latin America, Middle East, Africa, Central and Eastern Europe, Russia and Turkey.   (8)   The Animal Health business includes revenues from products to treat livestock and companion animals.   (9)   Includes Consumer Healthcare business-transition activity, Capsugel and Pfizer Centersource.   (10)   Represents the total of Adjusted Cost of Sales(1), Adjusted SI&A expenses(1) and Adjusted R&D expenses(1). (11)   Current exchange rates approximate rates at the time of the second-quarter 2009 earnings press release (July 2009).   (12)
Does not assume the completion of any business-development transactions not completed as of June 28, 2009, and excludes the potential effects of litigation-related matters not substantially resolved as of June 28, 2009, as we do not forecast those matters. However, reported diluted EPS(2) full-year 2009 financial guidance does reflect certain costs incurred and expected to be incurred in connection with the pending Wyeth acquisition. These costs include, but are not limited to, transaction costs, pre-integration costs and financing costs.

PFIZER INC. AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED) (millions, except per common

share data) Second
Quarter

% Incr. /

(Decr.)

Six Months
% Incr. /

(Decr.)

2009 2008 2009 2008 Revenues $ 10,984 $ 12,129 (9) $ 21,851 $
23,977 (9) Costs and expenses: Cost of sales (a) 1,756
2,289 (23) 3,164 4,275 (26) Selling, informational and administrative
expenses (a) 3,350 3,863 (13) 6,226 7,355 (15) Research and
development expenses (a) 1,695 1,966 (14) 3,400 3,757 (9)
Amortization of intangible assets 583 663 (12) 1,161 1,442 (19)
Acquisition-related in-process research and development charges 20 156 (87)
20 554 (96) Restructuring charges and acquisition-related costs 459 569
(19) 1,013 747 36 Other (income)/deductions--net 72 (167)
*

15 (500) *
Income from continuing operations before provision for taxes on income

3,049 2,790 9 6,852 6,347 8 Provision for taxes on income 786
25 * 1,860 788 136 Income from continuing operations 2,263 2,765
(18) 4,992 5,559 (10) Discontinued operations--net of tax 3 17 (85)
4 13 (71) Net income before allocation to noncontrolling interests 2,266
2,782 (19) 4,996 5,572 (10) Less: Net income attributable to noncontrolling
interests 5 6 (28) 6 12 (51)
Net income attributable to Pfizer Inc.

$ 2,261 $ 2,776 (19) $ 4,990 $ 5,560 (10) Earnings per share - basic:

Income from continuing operations attributable to Pfizer Inc. common shareholders

$ 0.34 $ 0.41 (17) $ 0.74 $ 0.82 (10) Discontinued operations--net of tax
- - -- - 0.01 (100)

Net income attributable to Pfizer Inc. common shareholders

$ 0.34 $ 0.41 (17) $ 0.74 $ 0.83 (11) Earnings per share - diluted:

Income from continuing operations attributable to Pfizer Inc. common shareholders

$ 0.34 $ 0.41 (17) $ 0.74 $ 0.82 (10) Discontinued operations--net of tax
- - -- - - --
Net income attributable to Pfizer Inc. common shareholders

$ 0.34 $ 0.41 (17) $ 0.74 $ 0.82 (10) Weighted-average shares used to calculate earnings per common share: Basic 6,728 6,732 6,726 6,736 Diluted 6,752 6,748 6,752 6,754

(a)

Exclusive of amortization of intangible assets, except as discussed in footnote 6 below.
* Calculation not meaningful.
Certain amounts and percentages may reflect rounding adjustments.

1.

The above financial statements present the three-month and six-month periods ended June 28, 2009 and June 29, 2008. Subsidiaries operating outside the United States are included for the three-month and six-month periods ended May 24, 2009 and May 25, 2008.

2.

The financial results for the three-month and six-month periods ended June 28, 2009 are not necessarily indicative of the results which could ultimately be achieved for the current year.

3.

On January 1, 2009, we adopted Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards (SFAS) No. 160, *Noncontrolling Interests in Consolidated Financial Statements*. SFAS 160 provides guidance for the accounting, reporting and disclosure of noncontrolling interests, previously referred to as minority interests. The adoption of SFAS 160 resulted in reclassifications of prior-period amounts to conform to the second-quarter and six-month 2009 presentations, primarily related to the presentation of noncontrolling interests.

4.

Included in *Restructuring charges and acquisition-related costs* for the three-month and six-month periods ended June 28, 2009 are $184 million and $553 million, respectively, of transaction costs, such as banking, legal, accounting and other costs, directly related to our pending acquisition of Wyeth.

5.

In the second quarter of 2009, we recorded $20 million of *Acquisition-related in-process research and development charges* (IPR&D) due to the resolution of a contingency associated with our 2008 acquisition of CovX. In the second quarter of 2008, we expensed $156 million of IPR&D, primarily related to our acquisitions of Serenex, Inc. and Encysive Pharmaceuticals, Inc. In the first quarter 2008 we expensed $398 million of IPR&D, primarily related to our acquisitions of CovX and Coley Pharmaceutical Group, Inc. As a result of adopting SFAS No. 141R, *Business Combinations*, beginning January 1, 2009, IPR&D related to acquisitions after adoption will be recorded on our consolidated balance sheet as indefinite-lived intangible assets. We made no acquisitions in the first or second quarters of 2009.

6.

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.

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)
(millions of dollars, except per common share data)
Quarter Ended June 28, 2009 Purchase
Acquisition- Certain Accounting Related Discontinued
Significant Reported Adjustments Costs(2) Operations Items(3)
Adjusted Revenues $ 10,984 $ - $ - $ - $ (18) $ 10,966 Costs and
expenses: Cost of sales (a) 1,756 - - - (70)
1,686 Selling, informational and administrative expenses (a) 3,350 3 -
- (89) 3,264 Research and development expenses (a) 1,695 (7) - -
(32) 1,656 Amortization of intangible assets 583 (556) - - -
27 Acquisition-related in-process R&D charges 20 (20) - - - -
Restructuring charges and acquisition-related costs 459 - (285) - (174)
- Other (income)/deductions--net 72 (1) - - (263) (192)

Income from continuing operations before provision for taxes on income

3,049 581 285 - 610 4,525 Provision for taxes on income 786
165 100 - 220 1,271 Income from continuing operations 2,263
416 185 - 390 3,254 Discontinued operations--net of tax 3 - -
(3) - - Net income before allocation to noncontrolling interests 2,266 416
185 (3) 390 3,254 Less: Net income attributable to noncontrolling interests
5 - - - - 5
Net income attributable to Pfizer Inc.

$ 2,261 $ 416 $ 185 $ (3) $ 390 $ 3,249 Earnings per common share -
diluted:
Income from continuing operations attributable to Pfizer Inc. common shareholders

$ 0.34 $ 0.06 $ 0.02 $ - $ 0.06 $ 0.48 Discontinued operations--net of tax
- - - - - -
Net income attibutable to Pfizer Inc. common shareholders

$ 0.34 $ 0.06 $ 0.02 $ - $ 0.06 $ 0.48
Six Months Ended June 28, 2009 Purchase
Acquisition- Certain Accounting Related Discontinued
Significant Reported Adjustments Costs(2) Operations Items(3)
Adjusted Revenues $ 21,851 $ - $ - $ - $ (40) $ 21,811 Costs and
expenses: Cost of sales (a) 3,164 - - - (164
) 3,000 Selling, informational and administrative expenses (a) 6,226 6 -

- (135) 6,097 Research and development expenses (a) 3,400 (14) -
- (65) 3,321 Amortization of intangible assets 1,161 (1,096) - -
- 65 Acquisition-related in-process R&D charges 20 (20) - - - -
Restructuring charges and acquisition-related costs 1,013 - (682) - (331
) - Other (income)/deductions--net 15 (3) - - (428) (416)

Income from continuing operations before provision for taxes on income

6,852 1,127 682 - 1,083 9,744 Provision for taxes on income
1,860 357 245 360 2,822 Income from continuing operations
4,992 770 437 - 723 6,922 Discontinued operations--net of tax 4
- - (4) - - Net income before allocation to noncontrolling interests
4,996 770 437 (4) 723 6,922 Less: Net income attributable to noncontrolling interests 6 - - - - 6
Net income attributable to Pfizer Inc.

$ 4,990 $ 770 $ 437 $ (4) $ 723 $ 6,916 Earnings per common share - diluted:
Income from continuing operations attributable to Pfizer Inc. common shareholders

$ 0.74 $ 0.11 $ 0.07 $ - $ 0.11 $ 1.03 Discontinued operations--net of tax
- - - - - -
Net income attibutable to Pfizer Inc. common shareholders

$ 0.74 $ 0.11 $ 0.07 $ - $ 0.11 $ 1.03 (a)
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)
(millions of dollars, except per common share data)
Quarter Ended June 29, 2008 Purchase Acquisition-
Certain Accounting Related Discontinued Significant Reported
Adjustments Costs(2) Operations Items(3) Adjusted Revenues $ 12,129 $

- $ - $ - $ (54) $ 12,075 Costs and expenses: Cost of sales (a) 2,289 - - - (253) 2,036 Selling, informational and administrative expenses (a) 3,863 3 - - (170) 3,696 Research and development expenses (a) 1,966 (7) - - (90) 1,869 Amortization of intangible assets 663 (628) - - - 35 Acquisition-related in-process R&D charges 156 (156) - - - - Restructuring charges and acquisition-related costs 569 - (7) - (562) - Other (income)/deductions--net (167) - - - (23) (190)

Income from continuing operations before provision for taxes on income

2,790 788 7 - 1,044 4,629 Provision for taxes on income 25 184 2 - 714 925 Income from continuing operations 2,765 604 5 - 330 3,704 Discontinued operations--net of tax 17 - - (17) - - Net income before allocation to noncontrolling interests 2,782 604 5 (17) 330 3,704 Less: Net income attributable to noncontrolling interests 6 - - - - 6

Net income attributable to Pfizer Inc.

$ 2,776 $ 604 $ 5 $ (17) $ 330 $ 3,698 Earnings per common share - diluted:

Income from continuing operations attributable to Pfizer Inc. common shareholders

$ 0.41 $ 0.09 $ - $ - $ 0.05 $ 0.55 Discontinued operations--net of tax - - - - - -

Net income attibutable to Pfizer Inc. common shareholders

$ 0.41 $ 0.09 $ - $ - $ 0.05 $ 0.55

Six Months Ended June 29, 2008 Purchase Acquisition- Certain Accounting Related Discontinued Significant Reported Adjustments Costs(2) Operations Items(3) Adjusted Revenues $ 23,977 $ - $ - $ - $ (106) $ 23,871 Costs and expenses: Cost of sales (a) 4,275 - - - (439) 3,836 Selling, informational and administrative expenses (a) 7,355 6 - - (256) 7,105 Research and development expenses (a) 3,757 (14) - - (236) 3,507 Amortization of intangible assets 1,442 (1,380) - - - 62 Acquisition-related in-process R&D charges 554 (554) - - - - Restructuring charges and acquisition-related costs 747 - (8) - (739) - Other (income)/deductions--net (500) (2) - - (21) (523)

Income from continuing operations before provision for taxes on income

6,347 1,944 8 - 1,585 9,884 Provision for taxes on income 788 406 2 879 2,075 Income from continuing operations 5,559 1,538 6 - 706 7,809 Discontinued operations--net of tax 13 - - (13) - - Net income before allocation to noncontrolling interests 5,572 1,538 6 (13) 706 7,809 Less: Net income attributable to noncontrolling interests 12 - - - - 12
Net income attributable to Pfizer Inc.

$ 5,560 $ 1,538 $ 6 $ (13) $ 706 $ 7,797 Earnings per common share - diluted:
Income from continuing operations attributable to Pfizer Inc. common shareholders

$ 0.82 $ 0.23 $ - $ - $ 0.10 $ 1.15 Discontinued operations--net of tax - - - - - -
Net income attibutable to Pfizer Inc. common shareholders

$ 0.82 $ 0.23 $ - $ - $ 0.10 $ 1.15 (a) 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: Second Quarter Six Months (millions of dollars) 2009 2008 2009 2008
Transaction costs $ 184 $ - $ 553 $ - Pre-Integration costs and other

101 7 129 8
Total acquisition-related costs -- pre-tax (a)

285 7 682 8 Income taxes(b) (100) (2) (245) (2)
Total acquisition-related costs -- net of tax

$ 185 $ 5 $ 437 $ 6 (a) Included in *Restructuring charges and acquisition-related costs*. Transaction costs include costs directly related to our pending acquisition of Wyeth. Included in these costs are bridge term loan credit agreement fees related to the bridge financing arranged with financial institutions in March 2009 to partially fund our pending acquisition of Wyeth. The bridge commitment was terminated in June 2009 as a result of our issuance of $24 billion in senior unsecured notes during the first six months of 2009 and all associated bridge commitment fees have been expensed. Pre-Integration costs represent external, incremental costs directly related to our pending acquisition of Wyeth. (b) Included in *Provision for taxes on income*. 3) Certain significant items includes the following:
Second Quarter Six Months (millions of dollars) 2009 2008 2009 2008 Restructuring charges - Cost-reduction initiatives(a) $ 174 $ 562 $ 331 $ 739 Implementation costs - Cost-reduction initiatives(b) 156 405 330 762 Certain legal matters(c) (2) - 130 - Net interest expense - Pending Wyeth acquisition(d) 206 - 229 - Other 76 77 63 84

Total certain significant items -- pre-tax

610 1,044 1,083 1,585 Income taxes(e) (220) (714) (360) (879)
Total certain significant items -- net of tax

$ 390 $ 330 $ 723 $ 706 (a) Included in *Restructuring charges and acquisition-related costs.* (b) Included in *Cost of sales* ($45 million), *Selling, informational and administrative expenses* ($85 million), *Research and development expenses* ($32 million), and *Other (income)/deductions - net* ($6 million income) for the three months ended June 28, 2009. Included in *Cost of sales* ($121 million), *Selling, informational and administrative expenses* ($131 million), *Research and development expenses* ($73 million), and *Other (income)/deductions - net* ($5 million) for the six months ended June 28, 2009. Included in *Cost of sales* ($210 million), *Selling, informational and administrative expenses* ($100 million), *Research and* *development expenses* ($94 million), and *Other (income)/deductions - net* ($1 million) for the three months ended June 29, 2008. Included in *Cost of sales* ($348 million), *Selling, informational and administrative expenses* ($175 million), *Research and development expenses* ($240 million), and *Other (income)/deductions - net* ($1 million income) for the six months ended June 29, 2008. (c) Included in *Other (income)/deductions - net*. (d)

Included in *Other (income)/deductions - net*. Includes interest expense on the senior unsecured notes issued in connection with our pending acquisition of Wyeth less interest income earned on the proceeds of those notes.

(e)
Included in *Provision for taxes on income* and includes approximately $426 million in the second quarter of 2008 related to the sale of one of our biopharmaceutical companies (Esperion Therapeutics Inc.).

PFIZER INC.

SEGMENT/PRODUCT REVENUES SECOND QUARTER 2009 (UNAUDITED) (millions of dollars) WORLDWIDE U.S. INTERNATIONAL % % % 2009 2008 Change 2009 2008 Change 2009 2008 Change TOTAL REVENUES 10,984 12,129 (9) 4,524 4,756 (5) 6,460 7,373 (12)
PHARMACEUTICAL + 10,063 11,053 (9) 4,190 4,372 (4) 5,873 6,681 (12) - CARDIOVASCULAR AND METABOLIC DISEASES 3,902 4,467 (13) 1,614 1,785 (10) 2,288 2,682 (15) LIPITOR 2,685 2,976 (10) 1,314 1,396 (6) 1,371 1,580 (13) NORVASC 518 627 (17) 16 41 (63) 502 586 (14) CHANTIX / CHAMPIX 192 207 (7) 116 109 7 76 98 (22) CADUET 128 146 (12) 99 116 (15) 29 30 (1) CARDURA 114 132 (14) 2 1 33 112 131 (14) REVATIO 94 73 30 59 45 29 35 28 31 **- CENTRAL NERVOUS SYSTEM DISORDERS 1,388 1,484 (6) 629 669 (6) 759 815 (7)** LYRICA 629 614 2 324 336 (4) 305 278 9 GEODON / ZELDOX 231 232 - 192 184 5 39 48 (20) ZOLOFT 125 151 (18) 22 42 (48) 103 109 (6) ARICEPT** 108 121 (11) - - - 108 121 (11)

NEURONTIN 82 104 (21) 16 20 (20) 66 84 (22) RELPAX 75 80 (7) 46 48 (5) 29 32 (9) XANAX / XANAX XR 74 90 (19) 11 16 (31) 63 74 (16)

- ARTHRITIS AND PAIN

623 756 (18) 425 449 (5) 198 307 (36) CELEBREX 548 589 (7) 390 415 (6) 158 174 (10) **- INFECTIOUS AND RESPIRATORY DISEASES 841 1,000 (16) 255 297 (14) 586 703 (17)** ZYVOX 257 292 (12) 138 170 (19) 119 122 (3) VFEND 180 187 (4) 54 55 (2) 126 132 (4) ZITHROMAX / ZMAX 100 109 (8) 4 1 * 96 108 (10) DIFLUCAN 74 98 (24) 2 1 40 72 97 (25) **- UROLOGY 714 765 (7) 401 384 4 313 381 (18)** VIAGRA 423 463 (9) 207 199 4 216 264 (18)

DETROL / DETROL LA

273 290 (6) 192 183 4 81 107 (23) **- ONCOLOGY 558 650 (14) 123 108 14 435 542 (20)** SUTENT 223 211 5 56 60 (6) 167 151 9 AROMASIN 114 117 (2) 39 32 20 75 85 (11) CAMPTOSAR 85 137 (38) - 5 (99) 85 132 (35) **- OPHTHALMOLOGY 404 444 (9) 118 118 - 286 326 (12)** XALATAN / XALACOM 395 436 (9) 118 118 - 277 318 (13) **- ENDOCRINE DISORDERS 263 305 (14) 57 67 (15) 206 238 (13)** GENOTROPIN 207 238 (13) 50 61 (18) 157 177 (11) **- ALL OTHER 772 619 25 216 179 21 556 440 26** ZYRTEC / ZYRTEC D - 8 (100) - 8 (100) - - - **- ALLIANCE REVENUE (Aricept, Exforge, Macugen, Mirapex,**

Olmetec, Rebif and Spiriva)

598 563 6 352 316 11 246 247 - ANIMAL HEALTH 648 715 (9) 261 269 (3) 387 446 (13) OTHER * 273 361 (24) 73 115 (37) 200 246 (19) + - Revenues are presented by therapeutic area. * - Calculation not meaningful. ** - Represents direct sales under license agreement with Eisai Co., Ltd. *** - Includes Consumer Healthcare business transition activity, Capsugel and Pfizer Centersource. Certain amounts and percentages may reflect rounding adjustments.**

PFIZER INC.

SEGMENT/PRODUCT REVENUES SIX MONTHS 2009 (UNAUDITED) (millions of dollars) WORLDWIDE U.S. INTERNATIONAL % % % 2009 2008 Change 2009 2008 Change 2009 2008 Change TOTAL REVENUES 21,851 23,977 (9) 9,493 10,260 (7) 12,358 13,717 (10)
PHARMACEUTICAL + 20,165 21,957 (8) 8,899 9,506 (6) 11,266 12,451 (10) - CARDIOVASCULAR AND METABOLIC DISEASES 7,781 8,961 (13) 3,394 3,921 (13) 4,387 5,040 (13) LIPITOR 5,406 6,113 (12) 2,766 3,144 (12) 2,640 2,969 (11) NORVASC 999 1,140 (12) 35 35 (1) 964 1,105 (13) CHANTIX / CHAMPIX 369 484 (24) 228 302 (25) 141 182 (22) CADUET 262 293 (11) 203 236 (14) 59 57 4 CARDURA 221 253 (13) 3 3 (9) 218 250 (13) REVATIO 208 146 42 141 96 46 67 50 35 **- CENTRAL NERVOUS SYSTEM DISORDERS 2,810 2,870 (2) 1,375 1,351 2 1,435 1,519 (6)** LYRICA 1,312 1,196 10 742 686 8 570 510 12 GEODON / ZELDOX 461 473 (3) 387 384 1 74 89 (18) ZOLOFT 240 273 (12) 43 68 (37) 197 205 (4) ARICEPT** 203 225 (10) - - - 203 225 (10) NEURONTIN 160 193 (17) 35 33 6 125 160 (22) RELPAX 153 157 (2) 97 97 - 56 60 (6) XANAX / XANAX XR 149 176 (16) 28 32 (14) 121 144 (16)

- ARTHRITIS AND PAIN

1,262 1,511 (16) 881 953 (8) 381 558 (32) CELEBREX 1,112 1,200 (7) 809 879 (8) 303 321 (6) **- INFECTIOUS AND RESPIRATORY DISEASES 1,709 1,931 (11) 553 596 (7) 1,156 1,335 (13)** ZYVOX 540 551 (2) 313 334 (6) 227 217 4 VFEND 359 358 - 116 108 8 243 250 (3) ZITHROMAX / ZMAX 214 229 (7) 8 6 37 206 223 (8) DIFLUCAN 151 187 (19) 4 4 8 147 183 (20) **- UROLOGY 1,481 1,549 (4) 883 830 6 598 719 (17)** VIAGRA 877 923 (5) 465 421 11 412 502 (18)

DETROL / DETROL LA

562 603 (7) 403 405 (1) 159 198 (19) **- ONCOLOGY 1,082 1,287 (16) 242 305 (21) 840 982 (14)** SUTENT 425 401 6 123 126 (2) 302 275 9 AROMASIN 224 221 1 81 69 17 143 152 (6) CAMPTOSAR 194 329 (41) - 88 (100) 194 241 (19) **- OPHTHALMOLOGY 817 857 (5) 271 252 8 546 605 (10)** XALATAN / XALACOM 802 841 (5) 271 252

7 531 589 (10) **- ENDOCRINE DISORDERS 512 563 (9) 117 129 (9) 395 434 (9)** GENOTROPIN 404 444 (9) 104 116 (10) 300 328 (8) **- ALL OTHER 1,531 1,377 11 472 561 (16) 1,059 816 30** ZYRTEC / ZYRTEC D - 125 (100) - 125 (100) - - - **- ALLIANCE REVENUE (Aricept, Exforge, Macugen, Mirapex,**

Olmetec, Rebif and Spiriva)

1,180 1,051 12 711 608 17 469 443 6 ANIMAL HEALTH 1,185 1,334 (11) 455 509 (11) 730 825 (12) OTHER * 501 686 (27) 139 245 (43) 362 441 (18) + - Revenues are presented by therapeutic area. ** - Represents direct sales under license agreement with Eisai Co., Ltd. *** - Includes Consumer Healthcare business transition activity, Capsugel and Pfizer Centersource. Certain amounts and percentages may reflect rounding adjustments.**

PFIZER INC.

SUPPLEMENTAL INFORMATION

1. Impact of Foreign Exchange on Revenues

The strengthening of the U.S. dollar relative to other currencies, primarily the euro, UK pound, Canadian dollar and Australian dollar unfavorably impacted our revenues by approximately $1.1 billion, or 9%, in second-quarter 2009, compared to the same period in 2008, and by approximately $1.7 billion, or 7%, in the first six months of 2009, compared to the same period in 2008.

2. Change in Cost of Sales

Reported cost of sales decreased 23% and 26% in the second quarter and first six months of 2009, respectively, compared to the same periods in 2008. The decreases primarily reflect the favorable impact of foreign exchange, the savings impact of our cost-reduction initiatives and lower related implementation costs.

Reported cost of sales included implementation charges related to our cost-reduction initiatives of $45 million for the second quarter of 2009, $121 million for the first six months of 2009, $210 million for the second quarter of 2008, and $348 million for the first six months of 2008.

Reported cost of sales as a percentage of revenues decreased 2.9 percentage points to 16.0% in second-quarter 2009, reflecting the favorable impact of our cost-reduction initiatives, the impact of foreign exchange, as well as lower implementation costs associated with our cost-reduction initiatives, compared to second-quarter 2008.

3. Change in Selling, Informational & Administrative (SI&A) Expenses, Research & Development (R&D) Expenses and In-Process R&D Charges (IPR&D)

Reported SI&A expenses decreased 13% and 15% in the second quarter and first six months of 2009, respectively, compared to the same periods in 2008. The decreases reflect the favorable impact of foreign exchange, savings associated with our cost-reduction initiatives and lower related implementation costs. In addition, the first six months of 2009 included certain insurance recoveries related to legal defense costs.

Reported SI&A expenses included implementation charges related to our cost-reduction initiatives of $85 million for second-quarter 2009, $131 million for the first six months of 2009, $100 million for second-quarter 2008, and $175 million for the first six months of 2008.

Reported R&D expenses, excluding IPR&D, decreased 14% and 9% in the second quarter and first six months of 2009, respectively, compared to the same periods in 2008. The decreases are primarily due to the favorable impact of foreign exchange, the realization of savings associated with our cost-reduction initiatives and lower related implementation costs. The six-month 2009 decrease was partially offset by a $150 million milestone payment to Bristol-Myers Squibb in first-quarter 2009 in connection with the collaboration on apixaban.

Reported R&D expenses included implementation charges related to our cost-reduction initiatives of $32 million for second-quarter 2009, $73 million for the first six months of 2009, $94 million for second-quarter 2008, and $240 million for the first six months of 2008.

IPR&D charges in second-quarter 2009 of $20 million relate to the resolution of a contingency associated with our 2008 acquisition of CovX. IPR&D charges in second-quarter 2008 of $156 million primarily related to the acquisitions of Serenex, Inc. and Encysive Pharmaceuticals, Inc., and in the first-quarter 2008, $398 million primarily related to the acquisitions of CovX and Coley Pharmaceutical Group, Inc. As a result of adopting Financial Accounting Standards Board Statement of Financial Accounting Standards No. 141R, *Business Combinations,* beginning January 1, 2009, IPR&D related to acquisitions after adoption will be recorded on our consolidated balance sheet as indefinite-lived intangible assets. We made no acquisitions in the first half of 2009.

4. Other Income and Other Deductions

($ in millions)	Second Quarter 2009	Second Quarter 2008	Six Months 2009	Six Months 2008
Interest Income	$ (204)	$ (269)	$ (449)	$ (613)
Interest Expense	270	170	400	311
Net Interest (Income)/Expense(a)	66	(99)	(49)	(302)
Royalty-Related Income	(50)	(72)	(107)	(135)
Legal Matters, Net	(19)	(2)	77	(2)
Other, Net	75	6	94	(61)
Other (Income)/Deductions-Net	$ 72	$ (167)		

$

15
$

(500) (a) Net interest expense was $66 million in second-quarter 2009 compared to net interest income of $99 million in the same period in 2008. The change is due primarily to net interest expense recorded in second-quarter 2009 associated with our issuance of $13.5 billion of senior unsecured notes on March 24, 2009 and $10.5 billion of senior unsecured notes June 3, 2009, primarily related to the pending acquisition of Wyeth. In addition, lower interest rates, partially offset by higher cash balances, contributed to the increased net interest expense compared to the year-ago quarter.

5. Effective Tax Rate

The effective tax rate on reported *Income from continuing operations before provision for taxes on income* for second-quarter 2009 was 25.8% compared to 0.9% in the second quarter of 2008, and in the first six months of 2009 was 27.1% compared to 12.4% in the first six months of 2008. The higher tax rates for the second quarter and first six months of 2009 are primarily due to the increased tax costs associated with certain business decisions executed to finance the pending Wyeth acquisition, partially offset by the change in geographic mix of expenses incurred to execute our cost-reduction initiatives, as well as the decrease in IPR&D charges, which generally are not deductible for tax purposes. The lower tax rates in the second quarter and first six months of 2008 reflect tax benefits of $305 million related to favorable tax settlements for multiple tax years and $426 million related to the sale of one of our biopharmaceutical companies, which were both recorded in the second quarter of 2008.

The effective tax rate on adjusted income(1) was 28.1% in second quarter 2009, 29.0% in the first six months of 2009, 20.0% in second-quarter 2008, and 21.0% in the first six months of 2008. The higher tax rates on adjusted income(1) in 2009 are primarily due to the increased tax costs associated with certain business decisions executed to finance the pending Wyeth acquisition. The lower tax rates in the second quarter and first six months of 2008 reflect $305 million in tax benefits related to the resolution of tax issues noted above.

6. Reconciliation of 2009 Adjusted Income(1) and Adjusted Diluted EPS(1) Guidance to 2009 Reported Net Income Attributable to Pfizer Inc. and Reported

Diluted EPS Attributable to Pfizer Inc. Common Shareholders Guidance

Full-Year 2009 Guidance ($ billions, except per-share amounts)	Net Income(a)	Diluted EPS(a)
Income/(Expense)		
Adjusted Income/Diluted EPS(1) Guidance	~$12.8 - $13.5	~$1.90 - $2.00
Purchase Accounting Impacts of Business Development Transactions Completed as of 12/31/08	(1.5)	(0.23)
Costs Related to Cost-Reduction Initiatives	(0.9 - 1.2)	(0.14 - 0.17)
Wyeth Acquisition-Related Costs	(1.1 - 1.2)	(0.16 - 0.18)
Certain Legal Matters	(.1)	(0.01)
Other, Net	(.1)	(0.01)
Reported Net Income Attributable to Pfizer Inc./Diluted EPS Guidance	~$8.7 - $9.8	~$1.30 - $1.45

(a) Guidance in the table above does not assume the completion of any business-development transactions not completed as of June 28, 2009, and excludes the potential effects of litigation-related matters not substantially resolved as of June 28, 2009, as we do not forecast those matters. However, full-year 2009 financial guidance for reported net income attributable to Pfizer Inc. and reported diluted EPS attributable to Pfizer Inc. common shareholders do reflect certain costs incurred and expected to be incurred in connection with the pending Wyeth acquisition, including, but not limited to, transaction costs, pre-integration costs and financing costs.

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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-Q for the fiscal quarter ended March 29, 2009, 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 July 22, 2009. The Company assumes no obligation to update any 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 financial results and estimates, business plans and prospects, in-line products and product candidates that involve 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 in connection with any discussion of future operating or financial performance or business plans and prospects. Among the factors that could cause actual results to differ materially are the following: the success of research and development activities; decisions by regulatory authorities regarding whether and when to approve our drug applications as well as their decisions regarding labeling 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 with respect to competitor drugs and drug candidates that treat diseases and conditions similar to those treated by our in-line drugs and drug candidates; the ability to successfully market both new and existing products domestically and internationally; difficulties or delays in manufacturing; trade buying patterns; the ability to meet generic and branded competition after the loss of patent protection for our products and competitor products; the impact of existing and future legislation and regulatory provisions on product exclusivity; trends toward managed care and healthcare cost containment; U.S. legislation or regulatory action, including legislation or regulatory action that may result from pending and possible future healthcare reform proposals, 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; the impact of the Medicare Prescription Drug, Improvement and Modernization Act of 2003; 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, governmental investigations, 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 tax obligations and changes affecting the taxation by the U.S. of income earned outside the U.S. 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 the global recession 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 Wyeth's ability to satisfy the conditions to closing our merger agreement; and the impact of acquisitions, divestitures, restructurings, product withdrawals and other unusual items, including our ability to realize the projected benefits of our pending acquisition of Wyeth and of our cost-reduction initiatives. 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, 2008 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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