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Pfizer Provides Transparency On Drug Prices In The U.S. 90 Percent Of Company's Prices Will Remain Unchanged

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Pfizer's pricing is guided by the value our products bring to patients and an understanding of the environment in which we operate. This allows us to continue to discover new medicines and deliver them to patients as quickly as possible.

In the spirit of providing greater transparency for patients, today the company is sharing its plans to maintain the current list prices for about 90 percent of its medicines, and effective January 15, 2019, to increase the list price of 10 percent of its entire drug portfolio – 41 medicines only. The increase in list price to this subset of the company's portfolio will be 5 percent. The only exceptions are three products that have a 3% increase and one product that is increasing 9% due to the completion of two extensive development programs that have led to the recent FDA approvals of two new medical uses that meet unmet patient needs.

These list price increases are expected to be offset by higher rebates and discounts paid to Insurance Companies and Pharmacy Benefit Managers and the net effect on revenue growth in the U.S. in 2019 is expected to be zero. Given the higher rebates and discounts, we expect that the healthcare system will share those benefits with patients so they do not experience higher costs for their medicines. In 2018 the net impact of price increases on revenue growth is projected to be a negative 1 percent in the U.S compared with 2017.

"We believe the best means to address affordability of medicines is to reduce the growing out-of-pocket costs that consumers are facing due to high deductibles and co-insurance, and ensure that patients receive the benefit of rebates at the pharmacy counter," stated Ian Read, Pfizer's current chairman and chief executive officer.

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