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Pfizer and Shanghai Pharmaceutical Sign Memorandum of Understanding for Potential Strategic Partnership

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SHANGHAI, China and NEW YORK--(BUSINESS WIRE)--Shanghai Pharmaceutical Co. Ltd. (SHSE: 601607) and Pfizer Inc. (NYSE: PFE) today announced the signing of a memorandum of understanding (MOU) for the companies to jointly pursue potential business opportunities in China. The potential partnership is intended to leverage both companies' strengths, matching Pfizer's global capabilities in developing innovative medicines with Shanghai Pharmaceutical's capabilities and reach in the China market. The companies are currently exploring a potential cooperation for the registration, commercialization and distribution in China of an innovative Pfizer product. In addition, the companies plan to explore future cooperation opportunities, including further distribution and commercialization, research and development activities, manufacturing and equity investment opportunities. The companies also expect to strengthen their existing cooperation for the promotion of Pfizer's Prevenar (7-valent) a pneumococcal conjugate vaccine, approved for use in China for active immunization of infants and toddlers for the prevention of invasive diseases caused by the bacterium Streptococcus pneumonia. Details of the companies' various areas of potential cooperation under the strategic partnership will be set forth in future definitive agreements.

"Our intent to explore a range of business opportunities with Shanghai Pharmaceutical is an example of our commitment to expand our presence in China in collaboration with the local industry," said David Simmons, President and General Manager, Emerging Markets and Established Products of Pfizer Inc. "Shanghai Pharmaceutical has been one of Pfizer's major partners in China for years and is currently our largest distribution customer in the market." "From our first partnership discussion with Pfizer, we were impressed not only with their capabilities, but also their thoughtfulness toward the Chinese market," stated Lu Mingfang, Chairman of Shanghai Pharmaceutical. "The Chinese pharmaceutical market is very dynamic and we believe a company must be forward thinking to succeed in China. Shanghai Pharmaceutical is built off of a vision for what the Chinese healthcare market will become, not what it has been. We respect Pfizer's global experiences and resources and believe they are an ideal partner for us in the continuous evolution of our business model and implementation of an international strategy".

About Shanghai Pharmaceuticals

As a national pharmaceutical group headquartered in Shanghai, Shanghai Pharmaceutical is the only integrated pharmaceutical company in the PRC that has leading positions in both pharmaceutical product and distribution markets. Shanghai Pharmaceutical primarily operates in the following three business segments in the PRC: pharmaceutical business, which engages in the research and development, manufacture and sales of a broad range of pharmaceutical and healthcare products; pharmaceutical distribution and supply chain solutions, which provides distribution, warehousing, logistics and other valueadded pharmaceutical supply chain solutions and related services to pharmaceutical manufacturers and dispensers, such as hospitals, distributors and pharmacies; and pharmaceutical retail, which operates and franchises a network of retail pharmacies across nine provinces,

municipalities and autonomous regions. In China, Shanghai Pharmaceutical has established strategic collaborations in several areas with multiple multinational pharmaceutical companies. In addition, Shanghai Pharmaceutical is an active supporter of the healthcare policy established by the Chinese government to provide high-quality and affordable medicines to the population.

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.

PFIZER DISCLOSURE NOTICE: The information contained in this release is as of April 20, 2011. Pfizer 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 a potential strategic partnership between Pfizer and Shanghai Pharmaceutical, including, among other things, the anticipated benefits thereof, including the potential registration, commercialization and distribution in China of an innovative Pfizer product. Such information involves substantial risks and uncertainties including, among other things, whether and when Pfizer and Shanghai Pharmaceutical will enter into definitive agreements to jointly pursue business opportunities in China; and, with regard to the registration, commercialization and distribution of an innovative Pfizer product, the uncertainties inherent in research and development, whether and when a drug application will be submitted in China for the product, and whether and when regulatory authorities in China will approve any such drug application as well as their decisions regarding labeling and other matters that could affect its availability or commercial potential.

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, 2010 and in its reports on Form 10-Q and Form 8-K.

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