



## PERFORMANCE

## FINANCIAL PERFORMANCE

## THREE-YEAR SUMMARY

AS OF AND FOR THE YEAR ENDED DECEMBER 31<sup>(a)</sup>

% CHANGE

Millions (Except Per Common Share Data)	2014	2013	2012	14/13	13/12
Revenues <sup>(a)</sup>	\$ 49,605	51,584	54,657	(4)	(6)
Research and development expenses <sup>(a)</sup>	\$ 8,393	6,678	7,482	26	(11)
Restructuring charges and certain acquisition-related costs <sup>(a)</sup>	\$ 250	1,182	1,810	(79)	(35)
Income from continuing operations <sup>(a)</sup>	\$ 9,119	11,410	9,021	(20)	26
Discontinued operations — net of tax <sup>(b)</sup>	\$ 48	10,662	5,577	(100)	91
Net income attributable to Pfizer Inc. <sup>(a)</sup>	\$ 9,135	22,003	14,570	(58)	51
Diluted earnings per common share attributable to Pfizer Inc. shareholders	\$ 1.42	3.19	1.94	(55)	64
Weighted-average shares — diluted	\$ 6,424	6,895	7,508	(7)	(8)
Number of common shares outstanding	\$ 6,291	6,399	7,276	(2)	(12)
Total assets	\$ 169,274	172,101	185,798	(2)	(7)
Total Long-term obligations <sup>(a),(c)</sup>	\$ 76,021	72,115	74,934	5	(4)
Total Pfizer Inc. shareholders' equity	\$ 71,301	76,307	81,260	(7)	(6)
Shareholders' equity per common share	\$ 11.33	11.93	11.17	(5)	7
Net cash provided by operating activities	\$ 16,883	17,684	16,746	(5)	6
Property, plant and equipment additions	\$ 1,199	1,206	1,327	(1)	(9)
Purchases of common stock	\$ 5,000	16,290	8,228	(69)	98
Cash dividends paid	\$ 6,609	6,580	6,534	—	1

(a) All amounts reflect the June 24, 2013 disposition of Zoetis and its presentation as a discontinued operation in all periods prior to 2014 presented.

(b) Includes (i) the Animal Health (Zoetis) business through June 24, 2013, the date of disposal and (ii) the Nutrition business through November 30, 2012, the date of disposal.

(c) Defined as *Long-term debt, Pension benefit obligations, net, Postretirement benefit obligations, net, Noncurrent deferred tax liabilities, Other taxes payable and Other noncurrent liabilities*. Our short-term borrowings are rated P-1 by Moody's Investors Service (Moody's) and A-1+ by Standard & Poor's (S&P). Our long-term debt is rated A1 by Moody's and AA by S&P. Moody's and S&P are major corporate debt-rating organizations. A security rating is not a recommendation to buy, sell or hold securities and the rating is subject to revision or withdrawal at any time by the rating organization. Each rating should be evaluated independently of any other rating.

Detailed information on our financial and operational performance can be found in the 2014 Financial Report.



PERFORMANCE

# KEY PERFORMANCE INDICATORS

## ACCESS TO MEDICINES

14

NUMBER OF GLOBAL PROGRAMS AND COMMERCIAL TRANSACTIONS TO INCREASE ACCESS TO MEDICINES IN EMERGING MARKETS<sup>1</sup>

18

NUMBER OF TOP 20 GLOBAL BURDENS OF DISEASE ADDRESSED BY PRODUCTS AND PIPELINE<sup>2</sup>

68

NUMBER OF EMERGING MARKETS IN WHICH PFIZER HAS IMPLEMENTED INTRA-COUNTRY TIERED PRICING<sup>3</sup>

## COLLEAGUES

0.52

INJURIES PER 100 COLLEAGUES

TOTAL INJURY RATE  
TOTAL INJURY RATE IN 2014 WAS 1% LOWER THAN IN 2013.

## ENVIRONMENTAL SUSTAINABILITY PERFORMANCE<sup>4</sup>

1.6

MILLION METRIC TONS CO<sub>2</sub>eq  
GREENHOUSE GAS EMISSIONS  
TOTAL SCOPE 1 AND 2 GHG EMISSIONS IN 2014 WERE 5% LOWER THAN IN 2013

14

MILLION CUBIC METERS  
WATER WITHDRAWAL  
TOTAL WATER WITHDRAWAL EXCLUDING NON-CONTACT COOLING WATER IN 2014 WAS 9% LOWER THAN IN 2013.

106

THOUSAND METRIC TONS  
WASTE DISPOSED  
TOTAL HAZARDOUS AND NON-HAZARDOUS WASTE DISPOSED IN 2014 WAS UNCHANGED FROM 2013.

(1) Program/commercial transaction defined as a Pfizer investment or dedicated contract of over \$250,000 with a national government or procurement agency, MLO, NGO, private institution or aid agency. Represents multi-country initiatives only and does not include numerous local initiatives to address access.

(2) As defined by the World Health Organization. Burdens of illness not addressed include road traffic accidents, prematurity and low birth weight, and self-inflicted injuries.

(3) Represents minimum number of emerging markets with pricing tailored to different patient segments (for at least one product), allowing access for more patients.

(4) Indicators for water and waste performance have been aligned to our environmental sustainability public goals. Data are baseline adjusted, reported absolute, using reporting boundaries per the WRI GHG Protocol. The 2013 GHG data was independently verified to the "limited assurance" level. The overall recycling rate of our waste generated in 2014 was 30%, and the quantity of hazardous waste generated increased 1% and non-hazardous waste decreased 14% from 2013. Expanded environmental reporting will be posted on [www.pfizer.com](http://www.pfizer.com) later this year.



PERFORMANCE

## PERFORMANCE AND FINANCIAL GUIDANCE<sup>1</sup>

### REVENUES (IN BILLIONS)

2014 GUIDANCE-ADJUSTED REVENUES<sup>2,3</sup>

**\$48.7 – \$49.7**

2015 GUIDANCE-REPORTED REVENUES<sup>4</sup>

**\$44.5 – \$46.5**

2014 ACTUAL

**\$49.4**

### ADJUSTED COST OF SALES<sup>2</sup> AS A % OF REVENUES

2014 GUIDANCE-ADJUSTED COST OF SALES AS A % OF  
ADJUSTED REVENUES<sup>3</sup>

**18.5% – 19.0%**

2015 GUIDANCE-ADJUSTED COST OF SALES AS A % OF  
REPORTED REVENUES<sup>4</sup>

**18.5% – 19.5%**

2014 ACTUAL

**18.5%**

### ADJUSTED SI&A EXPENSES<sup>2</sup> (IN BILLIONS)

2014 GUIDANCE<sup>3</sup>

**\$13.5 – \$14.0**

2015 GUIDANCE<sup>4</sup>

**\$12.8 – \$13.8**

2014 ACTUAL

**\$13.7**

### ADJUSTED R&D EXPENSES<sup>2</sup> (IN BILLIONS)

2014 GUIDANCE<sup>3</sup>

**\$6.9 – \$7.2**

2015 GUIDANCE<sup>4</sup>

**\$6.9 – \$7.4**

2014 ACTUAL

**\$7.2**

### ADJUSTED OTHER (INCOME)/DEDUCTIONS<sup>2</sup> (IN MILLIONS)

2014 GUIDANCE<sup>3</sup>

**APPROX. (\$400) OF INCOME**

2015 GUIDANCE<sup>4</sup>

**APPROX. (\$500) OF INCOME**

2014 ACTUAL

**(\$567)**

OF INCOME

### EFFECTIVE TAX RATE ON ADJUSTED INCOME<sup>2</sup>

2014 GUIDANCE<sup>3</sup>

**APPROX. 27.0%**

2015 GUIDANCE<sup>4</sup>

**APPROX. 25.0%**

2014 ACTUAL

**26.5%**



## PERFORMANCE

REPORTED DILUTED EPS<sup>5</sup>ADJUSTED DILUTED EPS<sup>2</sup>

(1) Please refer to Pfizer's 2014 Annual Report on Form 10-K, including the sections captioned "Risk Factors" and "Forward-Looking Information That May Affect Future Results," for a description of the substantial risks and uncertainties related to the forward-looking statements, including our 2015 Financial Guidance, included in this Annual Review.

(2) "Adjusted Income" and its components and "Adjusted Diluted Earnings Per Share (EPS)" are defined as reported U.S. generally accepted accounting principles (U.S. GAAP) net income<sup>(9)</sup> and its components and reported diluted EPS<sup>(5)</sup> excluding purchase accounting adjustments, acquisition-related costs, discontinued operations and certain significant items. Adjusted Revenues, Adjusted Cost of Sales, Adjusted Selling, Informational and Administrative (SI&A), Adjusted Research and Development (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 the "Adjusted Income" section in the Management's Discussion and Analysis of Financial Condition and Results of Operations section of our Annual Report on Form 10-K for the year ended December 31, 2014, management uses adjusted income, among other factors, to set performance goals and to measure the performance of the overall company. Reconciliations of certain U.S. GAAP reported to Non-GAAP adjusted information for 2014, as well as reconciliations for full-year 2015 guidance for adjusted income and adjusted diluted EPS to full-year 2015 guidance for reported net income<sup>(9)</sup> and reported diluted EPS<sup>(5)</sup>, are provided in the Management's Discussion and Analysis of Financial Condition and Results of Operations section of our Annual Report on Form 10-K for the year ended December 31, 2014. 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. Despite the importance of these measures to management in goal setting and performance measurement, adjusted income and its components and adjusted diluted EPS are Non-GAAP financial measures that have no standardized meaning prescribed by U.S. GAAP and, therefore, have limits in their usefulness to investors. Because of the non-standardized definitions, adjusted income and its components and adjusted diluted EPS (unlike U.S. GAAP net income and its components and diluted EPS) may not be comparable to the calculation of similar measures of other companies. Adjusted income and its components and adjusted diluted EPS are presented solely to permit investors to more fully understand how management assesses performance.

(3) At exchange rates that reflected a blend of the actual exchange rates in effect through September 28, 2014 and the mid-October 2014 exchange rates for the remainder of the year. Our 2014 guidance did not assume the completion of any business development transactions not completed as of September 28, 2014, including any one-time upfront payments associated with such transactions, and excluded the potential effects of the resolution of litigation-related matters not substantially resolved as of September 28, 2014. Revenues and cost of sales from the transitional manufacturing and supply agreements with Zoetis were excluded from the applicable Adjusted components of the financial guidance. Reported and Adjusted Diluted EPS<sup>(2)</sup> guidance assumed diluted weighted-average shares outstanding of ~6.4 billion shares. Guidance for the effective tax rate on adjusted income<sup>(2)</sup> did not assume renewal of the U.S. research and development tax credit. Reported Diluted EPS<sup>(5)</sup> guidance was updated from \$1.50 - \$1.59 to \$1.40 - \$1.49 to reflect the upfront payment to Merck KGaA for the collaboration announced on November 17, 2014.

(4) The 2015 financial guidance reflects the following:

- Our guidance for reported revenues<sup>(9)</sup> reflects the anticipated negative impact of \$3.5 billion due to recent and expected product losses of exclusivity, as well as \$2.8 billion as a result of recent adverse changes in essentially all foreign exchange rates relative to the U.S. dollar compared to foreign exchange rates from 2014, partially offset by anticipated revenue growth from certain other products.
- Guidance for adjusted R&D expenses<sup>(2)</sup> reflects the \$295 million upfront payment made to OPKO Health, Inc. (OPKO) in February 2015.
- Our reported<sup>(9)</sup> and adjusted diluted EPS<sup>(2)</sup> guidance reflects: (i) a \$0.17 unfavorable impact as a result of adverse changes in foreign exchange rates from 2014; (ii) a \$0.03 reduction for the upfront payment associated with the transaction with OPKO; (iii) planned share repurchases totaling approximately \$6 billion in 2015, including \$1 billion of our shares repurchased through February 27, 2015 and our \$5 billion accelerated share repurchase program announced on February 9, 2015; and (iv) assumed diluted weighted-average shares outstanding of approximately 6.2 billion shares, which is inclusive of these share repurchase transactions.
- Does not assume the completion of any business-development transactions not completed as of December 31, 2014, including any one-time upfront payments associated with such transactions, except for the \$295 million upfront payment made to OPKO in February 2015. Our 2015 financial guidance does not reflect any impact from our proposed acquisition of Hospira, Inc. We expect that transaction to close during the second half of 2015.
- Excludes the potential effects of the resolution of litigation-related matters.
- Exchange rates assumed are as of mid-January 2015. Excludes the impact of a potential devaluation of the Venezuelan bolivar or any other currency.
- Guidance for the effective tax rate on adjusted income<sup>(2)</sup> does not assume renewal of the U.S. research and development (R&D) tax credit. The renewal of the U.S. R&D tax credit is not anticipated to have a material impact on the effective tax rate on adjusted income.

(5) "Reported Net Income" in accordance with U.S. GAAP is defined as net income attributable to Pfizer Inc. in accordance with U.S. GAAP and "Reported Diluted EPS" is defined as reported diluted EPS attributable to Pfizer Inc. common shareholders in accordance with U.S. GAAP.