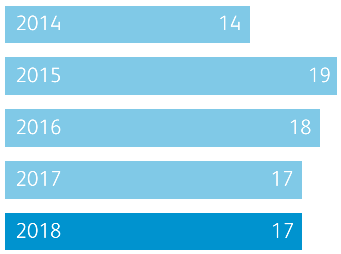
Our Performance

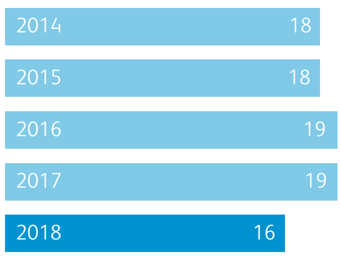
Key Performance Indicators

Access to Medicines

Global programs and commercial transactions to increase access to medicines in emerging markets[1,2]



Top 21 global burdens of disease addressed by products and pipeline[3]



Overview[3]

- We currently have 285 active programs for launched medicines in markets
- This covers 53 countries
- Of these, 16 programs cover multiple therapies while the rest are product specific
- In total, these cover 104 different products in our portfolio

1. Program/commercial transaction defined as a Pfizer investment or dedicated contract of over $250,000 with a national government or procurement agency, multilateral organization, non-governmental organization, private institution or aid agency. Represents multi-country initiatives only and does not include numerous local initiatives to address access.
2. Pfizer Foundation programs represent aggregate investment in program areas with several NGO partners.
3. As defined by the World Health Organization. Burdens of illness not addressed include unintentional injuries, transport injuries, malaria & neglected tropical diseases, self-harm, and interpersonal violence.
4. The number of patient access programs with pricing tailored to different patient segments (for at least one product), allowing access for more patients.

Top Ten Medicines and Vaccines by Revenues in 2017 Footnotes

1. Total Revenue (PIH+PEH)
2. Alliance Revenue & Direct Sales
3. Outside US and Canada

Top Ten Medicines and Vaccines by Revenues in 2018

1 $5,802 million
Prevnar 13 / Prevenar 13 (Pneumococcal 13-valent Conjugate Vaccine [Diphtheria CRM197 Protein])

2 $4,969 million[1]
Lyrica® (pregabalin)

3 $4,188 million
Ibrance® (palbociclib)

4 $3,434 million[2]
Eliquis® (apixaban)

5 $2,122 million[3]
Enbrel (Etanercept)

6 $2,062 million
Lipitor® (atorvastatin)

7 $1,774 million
Xeljanz® (tofacitinib)

8 $1,085 million
Chantix® (varenicline)

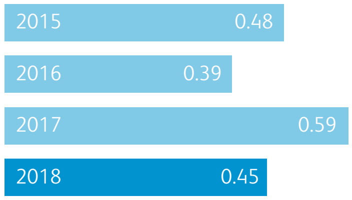
9 $1,049 million
Sutent® (sunitinib malate)

10 $1,024 million
Norvasc® (amlodipine besylate)

Colleagues[1]

Injuries Per 100 Colleagues

Total injury rate in 2018 was ***24%*** *lower than in 2017*



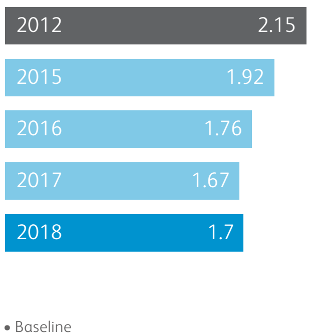
Progress on Our 2020 Environmental Sustainability Goals[4]

Greenhouse Gas Emissions

Total scope 1 and 2 GHG emissions
In million metric tons CO_2EQ

GHG emissions in 2018 were ***1.8%*** *higher than in 2017*

2020 Goals vs Baseline:
Decrease by 20%

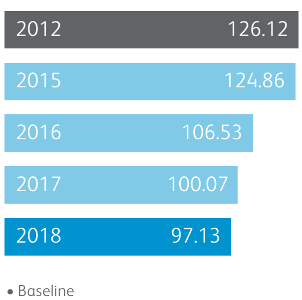


Waste Disposed

Total hazardous and non-hazardous waste in thousand metric tons

Total waste disposed in 2018 was ***3%*** *lower than in 2017*

2020 Goals vs Baseline:
Decrease by 15%

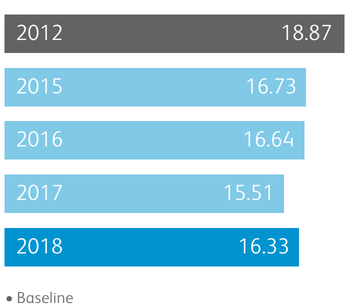


Water Withdrawal

Excluding non-contact cooling water in million cubic meters

Total water withdrawal (excluding non-contact cooling water) in 2018 was ***5%*** *higher than in 2017*

2020 Goals vs Baseline:
Decrease by 5%



Supply Chain Environmental Sustainability Goal[3]

	2020 goal	2018	2017	2016
Key suppliers supporting Pfizer's supplier code of conduct	**100%**	88%	83%	79%
Key suppliers aligning with Pharmaceutical Supply Chain Initiative (PSCI) principles	**100%**	90%	66%	35%
Key suppliers managing their environmental impacts	**100%**	85%	84%	76%
Key suppliers with reduction goals for GHG, waste disposal and water withdrawal	**90%**	53%	53%	51%

1. Sadly we had one road traffic related fatality in 2018. Refer to the 2017 Annual Review for explanation of the injury rate increase noted in 2017. Factors leading to this increase were not repeated in 2018. The primary cause of injuries and illnesses recorded in 2018 related to slips, trips and falls, and ergonomics.
2. Applies to facilities within Pfizer's operational control as compared with a 2012 baseline. Data are baseline adjusted, reported absolute, using reporting boundaries per the ↗WRI GHG Protocol. The 2012–2017 GHG data was independently verified to the limited assurance level. The verification of the 2018 GHG data will be completed in 2019. In both 2017 and 2018 we met our 2020 goals for greenhouse gas (GHG) emissions, waste reductions, and water conservation. While we expect some fluctuations in our environmental sustainability performance due to business changes in 2019 and 2020, we are confident that we are in a position to develop new goals in 2019 that align with the strategic objectives of Pfizer's three business units. Through 2020 and beyond we will continue to focus on emission and resource reduction projects. Expanded environmental reporting will be posted on ↗www.pfizer.com later in 2019.
3. Key suppliers currently include 126 major contributors to our external environmental footprint, strategic collaborators with Worldwide Research and Development, and those suppliers we anticipate having continued involvement with. Key suppliers represent only a portion of Pfizer's overall supply chains for goods and services and we continue to look for opportunities to broaden our influence on our supply base.

Our Performance

Financial Performance

Three-year summary as of and for the years ended December 31[a]

Millions (Except Per Common Share Data)	2018	2017	2016	18/17	17/16
Revenues	**$53,647**	$52,546	$52,824	**2**	(1)
Cost of Sales	**11,248**	11,228	12,322	**–**	(9)
Selling, informational and administrative expenses	**14,455**	14,804	14,844	**(2)**	–
Research and development expenses	**8,006**	7,683	7,892	**4**	(3)
Restructuring charges and certain acquisition-related costs	**1,044**	351	1,565	*****	(78)
Other (income)/deductions – net	**2,116**	1,416	3,794	**49**	(63)
Income from continuing operations	**11,179**	21,353	7,229	**(48)**	*
Discontinued operations – net of tax	**10**	2	17	*****	(87)
Net income attributable to Pfizer Inc.[b]	**11,153**	21,308	7,215	**(48)**	*
Diluted earnings per common share attributable to Pfizer Inc. common shareholders[b]	**1.87**	3.52	1.17	**(47)**	*
Weighted-average shares – diluted	**5,977**	6,058	6,159	**(1)**	(2)
Number of common shares outstanding	**5,717**	5,979	6,069	**(4)**	(1)
Total assets	**159,422**	171,797	171,615	**(7)**	–
Total long-term obligations[c]	**63,807**	69,714	80,660	**(8)**	(14)
Total Pfizer Inc. shareholders' equity	**63,407**	71,308	59,544	**(11)**	20
Shareholders' equity per common share	**11.09**	11.93	9.81	**(7)**	22
Net cash provided by operating activities	**15,827**	16,802	16,192	**(6)**	4
Property, plant and equipment additions	**2,042**	1,956	1,823	**4**	7
Purchases of common stock	**12,198**	5,000	5,000	*****	–
Cash dividends paid	**7,978**	7,659	7,317	**4**	5

Detailed information on our financial and operational performance can be found in the 2018 Financial Report, which is filed as Exhibit 13 to our 2018 Annual Report on Form 10-K.

See notes on page 49.

* Indicates calculation not meaningful or result is equal to or greater than 100%.

Our Performance

Performance and Financial Guidance[1]

Revenues (in billions)

2018 Actual	2018 Guidance[2]	2019 Guidance[3]
$53.6	$53.0 – $53.7	$52.0 – $54.0

Adjusted cost of sales[4] as a % of revenues

2018 Actual	2018 Guidance[2]	2019 Guidance[3]
20.7%	20.8% to 21.3%	20.8% to 21.8%

Adjusted SI&A expenses[4] (in billions)

2018 Actual	2018 Guidance[2]	2019 Guidance[3]
$14.2	$14.0 to $14.5	$13.5 to $14.5

Adjusted R&D expenses[4] (in billions)

2018 Actual	2018 Guidance[2]	2019 Guidance[3]
$8.0	$7.7 to $8.1	$7.8 to $8.3

Adjusted other (income)/deductions[4]

2018 Actual	2018 Guidance[2]	2019 Guidance[3]
$1.3 billion of income	Approx. $1.3 billion of income	Approx. $100 million of income

Effective tax rate on adjusted income[4]

2018 Actual	2018 Guidance[2]	2019 Guidance[3]
15.5%	Approx. 16.0%	Approx. 16.0%

Adjusted diluted EPS[4]

2018 Actual	2018 Guidance[2]	2019 Guidance[3]
$3.00	$2.98 to $3.02	$2.82 to $2.92

Footnotes to Financial Performance

(a) 2017 reflects the February 3, 2017 sale of Hospira Infusion Systems net assets to ICU Medical, Inc. 2017 and 2018 reflect the acquisition of the development and commercialization rights to AstraZeneca's small molecule anti-infectives business, primarily outside the U.S. on December 22, 2016. 2016, 2017 and 2018 reflect the acquisition of Medivation, Inc. on September 28, 2016 and the acquisition of Anacor Pharmaceuticals, Inc. on June 24, 2016. For additional information, see Notes to Consolidated Financial Statements—Note 2. Acquisitions, Divestitures, Assets and Liabilities Held for Sale, Licensing Arrangements, Research and Development and Collaborative Arrangements, Equity-Method Investments and Privately Held Investment in our 2018 Financial Report, which is filed as Exhibit 13 to our 2018 Annual Report on Form 10-K.

(b) 2018 and 2017 reflect the impact of the Tax Cuts and Jobs Act or TCJA on the Provision/(benefit) for taxes on income. For additional information, see Notes to Consolidated Financial Statements—Note 5A. Tax Matters: Taxes on Income from Continuing Operations in our 2018 Financial Report, which is filed as Exhibit 13 to our 2018 Annual Report on Form 10-K.

(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 (Outlook: Stable) and AA by S&P (Outlook: Stable). 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.

Footnotes to Performance and Financial Guidance

(1) Please refer to Pfizer's 2018 Annual Report on Form 10-K, including the sections captioned Risk Factors and Forward- Looking Information and Factors That May Affect Future Results, for a description of the substantial risks and uncertainties related to the forward-looking statements, including our 2019 Financial Guidance, included in this Annual Review.

(2) Our 2018 financial guidance reflected the following:

– Pfizer does not provide guidance for GAAP Reported financial measures (other than revenues) or a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable GAAP Reported financial measures on a forward-looking basis because it is unable to predict with reasonable certainty the ultimate outcome of pending litigation, unusual gains and losses, acquisition-related expenses and potential future asset impairments without unreasonable effort. These items are uncertain, depend on various factors, and could have a material impact on GAAP Reported results for the guidance period.

– Did not assume the completion of any business development transactions not completed as of September 30, 2018, including any one-time upfront payments associated with such transactions.

– Guidance for Adjusted other (income)/deductions(4) did not attempt to forecast unrealized net gains or losses on equity securities. Pfizer is unable to predict with reasonable certainty unrealized gains or losses on equity securities in a given period. Net unrealized gains and losses on equity securities were recorded in Adjusted other (income)/deductions during each quarter of 2018, reflecting the adoption of a new accounting standard in the first quarter of 2018. Prior to the adoption of the new standard, net unrealized gains and losses on virtually all equity securities with readily determinable fair values were reported in Accumulated other comprehensive income. Beginning in the first quarter of 2019, gains and losses on equity securities will be excluded from Adjusted(4) results.

– Exchange rates assumed were a blend of the actual exchange rates in effect through third-quarter 2018 and mid- October 2018 exchange rates for the remainder of the year.

– Reflects the previously anticipated negative revenue impact of $1.8 billion due to recent and expected generic and biosimilar competition for certain products that have recently lost patent protection. Assumed no generic competition for Lyrica in the U.S. until June 2019, which was contingent at the time on a six-month patent-term extension for pediatric exclusivity, which was granted by the FDA in November 2018.

– Reflected a full year contribution from Consumer Healthcare.

– Reflected the previously anticipated favorable impact of approximately $350 million on Revenues and approximately $0.02 on Adjusted Diluted EPS(4) as a result of favorable changes in foreign exchange rates relative to the U.S. dollar compared to foreign exchange rates from 2017.

– Adjusted Diluted EPS(4) guidance assumed diluted weighted-average shares outstanding of approximately 6.0 billion shares, which reflected previously anticipated share repurchases totaling approximately $12 billion in 2018.

(3) The 2019 financial guidance (1) is as of January 29, 2019; (2) is not being updated or reaffirmed in connection with this Annual Review; and (3) reflects the following:

– Pfizer does not provide guidance for GAAP Reported financial measures (other than revenues) or a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable GAAP Reported financial measures on a forward-looking basis because it is unable to predict with reasonable certainty the ultimate outcome of pending litigation, unusual gains and losses, acquisition-related expenses, net gains or losses on equity securities and potential future asset impairments without unreasonable effort. These items are uncertain, depend on various factors, and could have a material impact on GAAP Reported results for the guidance period.

– Does not assume the completion of any business development transactions not completed as of December 31, 2018, including any one-time upfront payments associated with such transactions.

– Reflects a full year of revenue and expense contributions from Consumer Healthcare.

– Financial guidance for Adjusted other (income)/deductions and Adjusted diluted EPS excludes the impact of gains and losses on investments in equity securities.

– Reflects an anticipated negative revenue impact of $2.6 billion due to recent and expected generic and biosimilar competition for certain products that have recently lost or are anticipated to soon lose patent protection.

– Exchange rates assumed are as of mid-January 2019. Reflects the anticipated unfavorable impact of approximately $0.9 billion on Revenues and approximately $0.06 on Adjusted Diluted EPS as a result of changes in foreign exchange rates relative to the U.S. dollar compared to foreign exchange rates from 2018.

– Adjusted Diluted EPS guidance assumes diluted weighted-average shares outstanding of approximately 5.7 billion shares, which reflects share repurchases totaling $12.2 billion in 2018 and the weighted-average impact of an anticipated approximately $9 billion of share repurchases in 2019. Dilution related to share-based employee compensation programs is currently expected to offset the reduction in shares associated with these share repurchases by approximately half.

(4) Adjusted income and its components and Adjusted diluted EPS are defined as reported U.S. generally accepted accounting principles (U.S. GAAP) net income(5) and its components and reported diluted EPS(5) excluding purchase accounting adjustments, acquisition-related costs, discontinued operations and certain significant items (some of which may recur, such as restructuring or legal charges, but which management does not believe are reflective of ongoing core operations). Adjusted cost of sales, Adjusted selling, informational and administrative (SI&A) expenses, Adjusted research and development (R&D) expenses and Adjusted other (income)/deductions are income statement line items prepared on the same basis as, and therefore components of, the overall Adjusted income measure. As described in the Financial Review–Non-GAAP Financial Measure (Adjusted Income) section of our 2018 Financial Report, which was filed as Exhibit 13 to our Annual Report on Form 10-K for the year ended December 31, 2018, management uses Adjusted income, among other factors, to set performance goals and to measure the performance of the overall company. Because Adjusted income is an important internal measurement for Pfizer, management believes that investors' understanding of our performance is enhanced by disclosing this performance measure. Pfizer reports Adjusted income, certain components of Adjusted income, and Adjusted diluted EPS in order to portray the results of the company's major operations–the discovery, development, manufacture, marketing and sale of prescription medicines, vaccines and consumer healthcare (over-the-counter) products–prior to considering certain income statement elements. Reconciliations of certain U.S. GAAP Reported to Non-GAAP Adjusted information for 2018 are provided in the Financial Review–Non-GAAP Financial Measure (Adjusted Income) section of our 2018 Financial Report, which was filed as Exhibit 13 to our Annual Report on Form 10-K for the year ended December 31, 2018. 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. Non-GAAP Adjusted income and its components and Non-GAAP Adjusted diluted EPS are Non-GAAP financial measures that have no standardized meaning prescribed by U.S. GAAP and, therefore, are limited in their usefulness to investors. Because of their non-standardized definitions, Non-GAAP Adjusted income and its components (unlike U.S.GAAP net income and its components) and Non-GAAP Adjusted diluted EPS (unlike U.S. GAAP diluted EPS) may not be comparable to the calculation of similar measures of other companies. Non- GAAP Adjusted income and its components and Non-GAAP Adjusted diluted EPS are presented solely to permit investors to more fully understand how management assesses performance.

(5) Reported net income 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.