



SCIENCE

ANNUAL REVIEW 2009

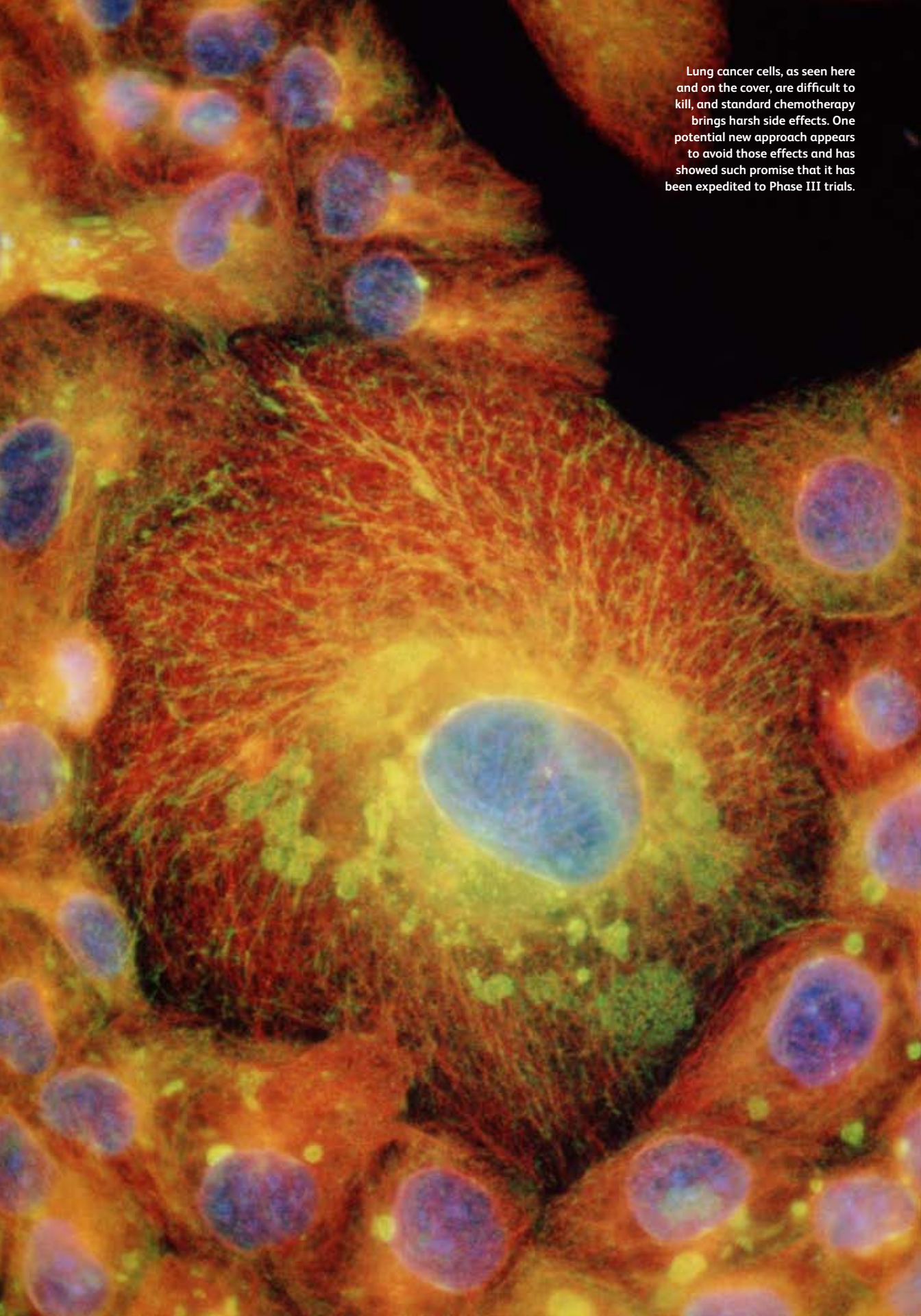




Jean Cui (center) and her La Jolla Laboratories team are pioneering new approaches to non-small cell lung cancer.

→ FIND VIDEOS OF JEAN CUI AND OTHER SCIENTISTS AT [PFIZER.COM/ANNUAL](https://www.pfizer.com/annual)

WE BRING THE BEST SCIENTIFIC
MINDS TOGETHER TO
CHALLENGE THE MOST FEARED
DISEASES OF OUR TIME...



Lung cancer cells, as seen here and on the cover, are difficult to kill, and standard chemotherapy brings harsh side effects. One potential new approach appears to avoid those effects and has showed such promise that it has been expedited to Phase III trials.

Martin Brenner and his team are working on an approach to treat diabetes by regrowing pancreatic cells.



BY CHARTING A NEW COURSE
IN BIOMEDICAL RESEARCH...

A Unique Model for Scientific Achievement

.....

It's often said that humanity will make more biomedical progress in the next 20 years than in the previous two thousand. Behind that statement is a complex question. With so much new science to pursue, how does a company like Pfizer prioritize targets, manage risk and deliver sufficient numbers of medicines to expand the business?

Pfizer took a large step toward answering that question in 2009 with the addition of Wyeth and the continued transformation of

our approach to discovering and developing new medicines and vaccines. Biomedical research at Pfizer is now organized into two collaborative, highly focused units, PharmaTherapeutics R&D and BioTherapeutics R&D. Each of these units marshals the resources to pursue and prove theories about how either small-molecule chemical compounds or large-molecule, protein-based biologics might prevent or change the course of a disease. At the point of "proof of concept," the potential new medicine or vaccine is transferred to one of Pfizer's customer-facing business groups for large-scale clinical trials, registration and commercialization.

The key words for this approach are focus and accountability. Chief Scientific Officers within our two R&D units lead discovery and early development teams precisely focused on either a therapeutic area or on a specific technology, such as Regenerative Medicine, that cuts across therapeutic lines and provides a platform for advancing scientific inquiry.

In terms of accountability, this approach distinctly clarifies who is responsible for each sequence in the multiyear, billion-dollar-plus march from scientific theory to approved, prescribed medicine or vaccine. The two research units each have the responsibility to bring forward sufficient numbers of potential medicines and vaccines to sustain Pfizer's growth. The customer-facing business units have the responsibility for moving molecules that are proven in concept through the mid-to-late stages of clinical trials to commercialization. Our new model to manage this sequence makes certain that there is strong agreement between research and commercial groups on what to put into clinical trials. This approach also helps us glean valuable lessons from each failure that may boost the chances for future success.

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Collaborative, Strongly Focused Research Units

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Pfizer's two research units, PharmaTherapeutics R&D and BioTherapeutics R&D, work in close partnership toward the vision of leadership wherever we choose to compete. We want to be first, or in the front wave, in introducing new classes of therapies. If we are entering an established therapeutic class, we want to offer a best-in-class medicine or vaccine that may change the course of a disease.

PharmaTherapeutics R&D focuses on small-molecule chemicals to generate new candidates for

clinical trials. Research teams are built around specific disease areas, including oncology, psychoses, pain and cardiovascular/metabolic/endocrine disorders. Scientists focusing on a specific disease area are located together to improve the chances for serendipitous discovery. PharmaTherapeutics R&D is also organized to leverage Pfizer's substantial investments in capabilities such as medicinal chemistry, high-throughput screening and pharmacokinetics. We also have a compound library that ranges into the billions of chemical entities, many of them already tested for safety in humans.

Our BioTherapeutics R&D organization expanded greatly with the acquisition of Wyeth. BioTherapeutics R&D includes centers devoted to vaccines research; research into inflammation, immunology, biocorrection and tissue repair; and relationships with biotechnology organizations outside Pfizer. In addition, BioTherapeutics R&D includes groups such as CovX and Rinat—highly specialized

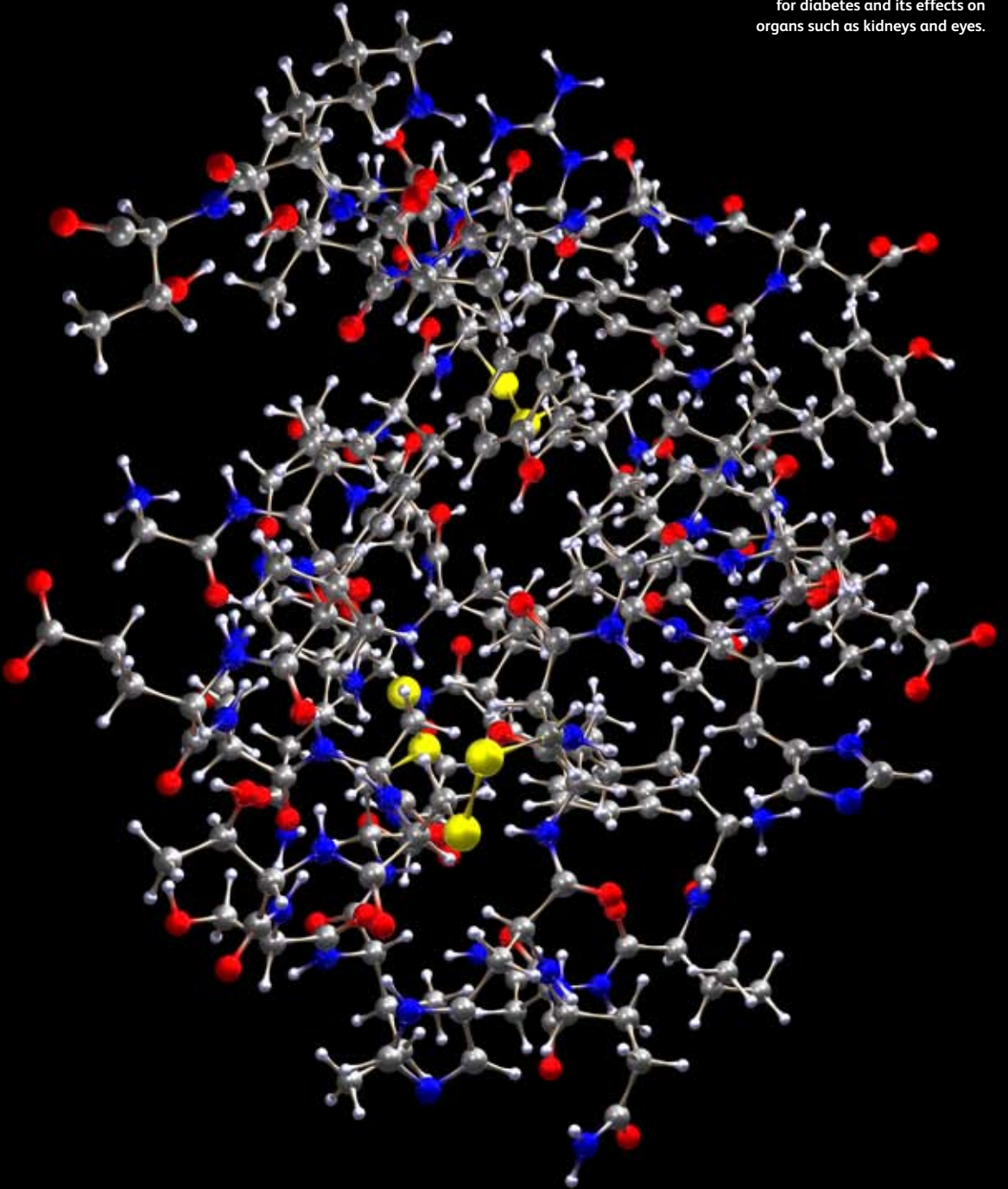
biotech companies that Pfizer has acquired and essentially left as focused units, while supporting them with the benefits of our scale and depth of scientific expertise.

In addition, BioTherapeutics R&D and PharmaTherapeutics R&D don't try to "go it alone." Both are partners with some of the world's best scientific teams in other companies, in academia and in government organizations. These partnerships include involvement in the fast-expanding scientific community in Asia, where Pfizer both executes its own research and collaborates with others.

Overall, Pfizer's lead in enabling technologies, our culture of innovating across boundaries, and our ability to back idea-rich scientists with global resources can help open the door to a new era of biomedical research achievement.

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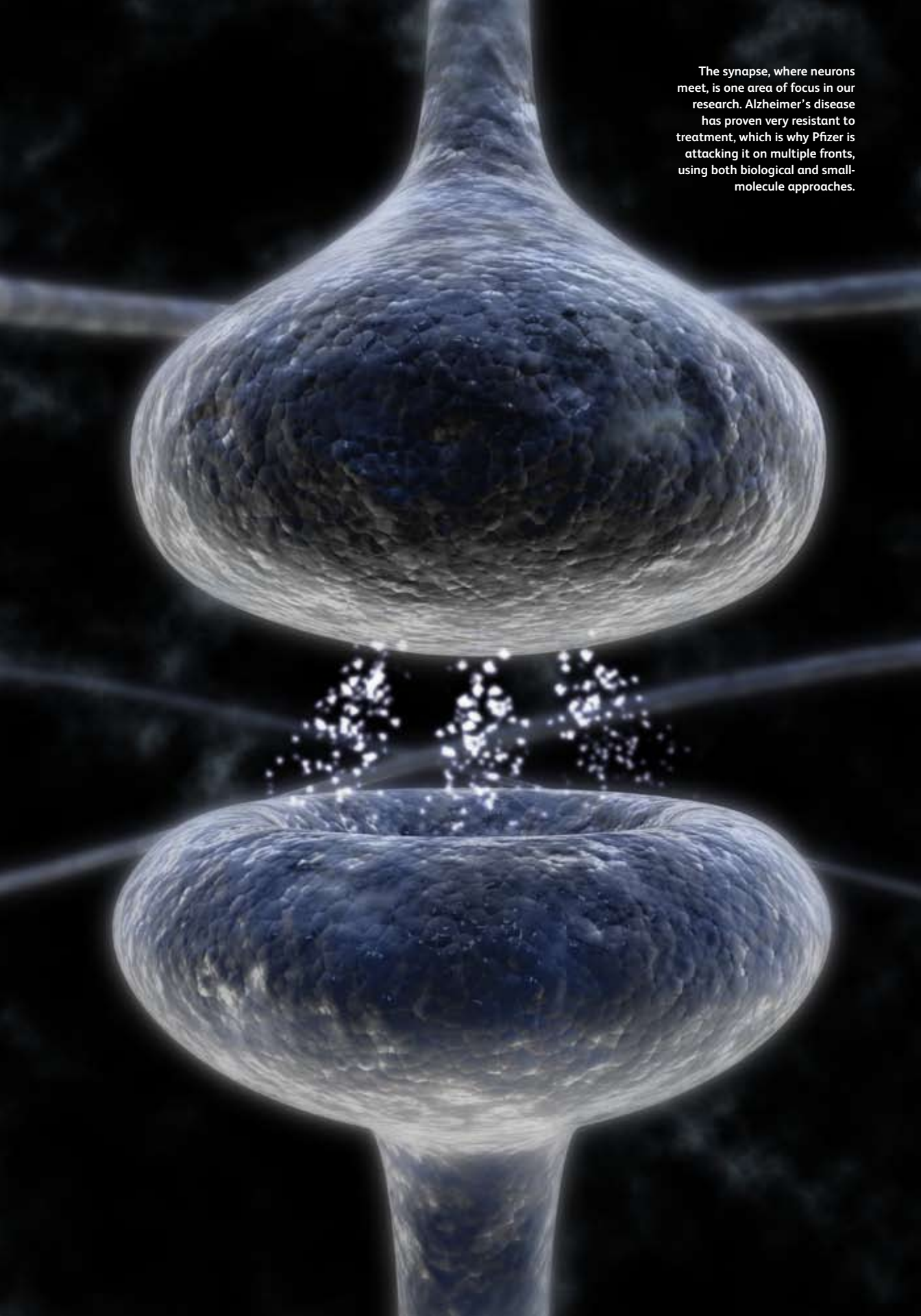
Insulin, represented in this molecular model, is one of the body's miracle hormones, instructing liver, muscle and fat cells to absorb and store glucose. Insufficient insulin production leads to diabetes. Pfizer is investing substantially in potential new treatments for diabetes and its effects on organs such as kidneys and eyes.





Kathleen Wood and her team have advanced the science on Alzheimer's disease for two decades, contributing to the foundation of knowledge about this debilitating condition.

... WE ARE ADVANCING HEALTH,
WELL-BEING AND
QUALITY OF LIFE THROUGH
TOP-FLIGHT SCIENCE.



The synapse, where neurons meet, is one area of focus in our research. Alzheimer's disease has proven very resistant to treatment, which is why Pfizer is attacking it on multiple fronts, using both biological and small-molecule approaches.

Darren Wong is applying RNA therapy to liver cancer, striving to shut down its ability to spread.



FOCUSED ON UNMET MEDICAL
NEEDS, WE WORK TIRELESSLY
TO GET MORE BREAKTHROUGHS
TO MORE PEOPLE, FASTER.

Investing to Win, for Patients and Pfizer

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Developing a new vaccine or medicine requires many kinds of scientific expertise, including deep knowledge of diseases and their targets, as well as mastery of the science and technology required to find the best approach to the disease target. Many companies in our industry are limited in their ability to assemble and manage all the expertise and knowledge required to bring a series of new therapies and vaccines to doctors. Blessed with depth and

breadth of scientific talent and considerable resources, Pfizer is able to bring together the experts, the platforms, the technologies and the partnerships to make an impact across many therapeutic areas.

However, even Pfizer, strong as it is, must have focus. Our pipeline of about 500 projects is largely focused on six “Invest to Win” areas, where we believe that we have significant new opportunities for innovation and market leadership. These are:

- Alzheimer’s disease
- Oncology
- Diabetes
- Inflammation
- Pain
- Psychoses

While our portfolio of research projects is centered on these areas, Pfizer can go where the science takes us. Our overall portfolio of investigational medicines covers many significant unmet medical needs, from neurological conditions such as autism to agents that fight increasingly treatment-resistant

bacterial, fungal and viral infections. We continue to challenge some of the most feared diseases of our time, including what have traditionally been termed “neglected diseases”—diseases like malaria that strike millions of people, largely in developing nations. We are also combating “orphan diseases”—often devastating conditions striking limited numbers of people. Our 2009 agreement with the Israeli company Protalix, for example, is focused on developing a plant-based enzyme treatment for Gaucher’s disease, an inherited condition occurring just once in every 20,000 live births. This compound is now in Phase III trials and is already being made available, with permission from regulatory authorities, to people suffering from this disease.

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Unraveling Cancer on Multiple Fronts

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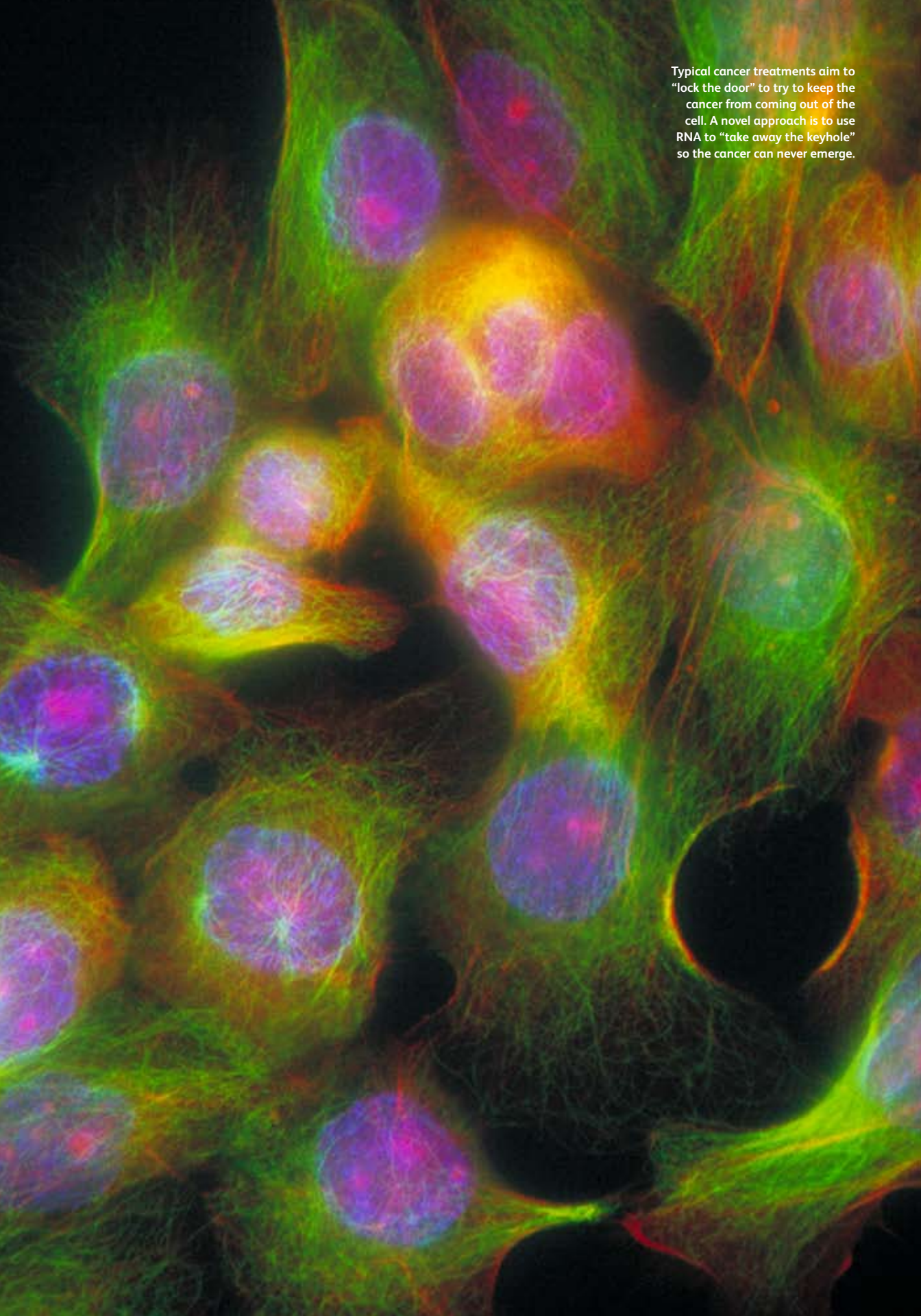
Pfizer is committed to the discovery, investigation and development of innovative treatment options to improve the outlook for cancer patients worldwide. Our oncology pipeline currently has both biologics and small molecules in development, including several first-in-class compounds. We now have hundreds of clinical trials under way in oncology, in some of the most prevalent and difficult-to-treat cancers, such as lung, prostate, colorectal, breast, liver, renal cell and various hematological cancers.

Pfizer scientists, along with their colleagues in many alliances and partnerships, are among the leaders in the global effort to develop innovative “personalized medicine” approaches for patients. One example can be seen in our proposed vaccine, now in Phase II trials, to treat the most common malignant brain tumor in adults. Toward that goal, Pfizer entered into an agreement with the German pharmaceutical company QIAGEN

to develop a companion diagnostic test kit to identify those patients who are most likely to benefit from this proposed vaccine’s mechanism of action.

Pfizer oncology research is also pushing the frontiers of bioinnovation. Our CovX research unit is currently in preclinical testing with a novel molecule, CVX-241, which aims to eliminate two factors that drive blood vessel growth in tumors. CovX’s “scaffold” technology combines short-lived therapeutic peptides with longer-lived antibodies, bringing both into a single agent. For cancer patients who must often use combination therapies—multiple infusions or injections—CVX-241 could become an important option in their treatment regimens and an addition to the overall anticancer arsenal.

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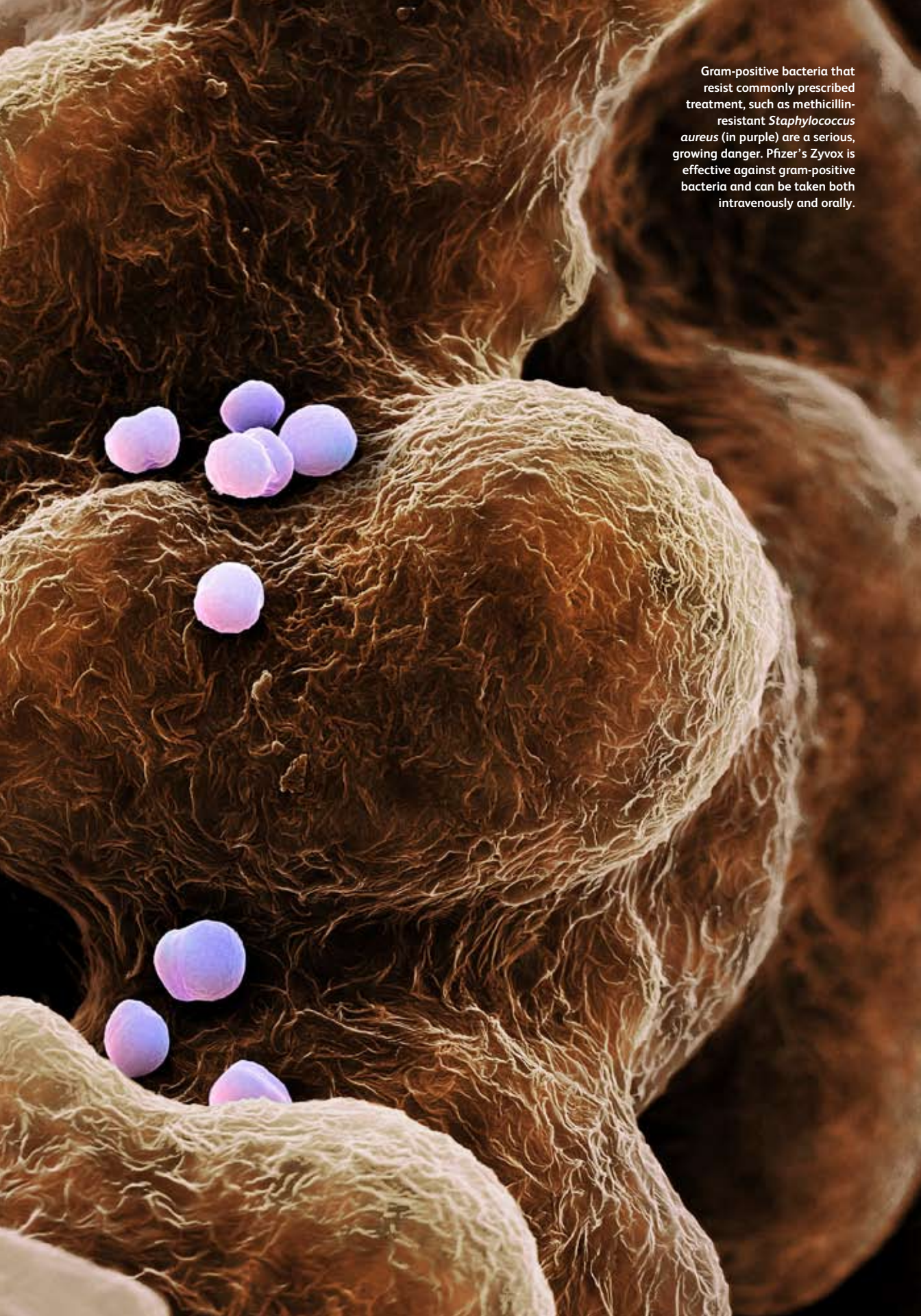


Typical cancer treatments aim to “lock the door” to try to keep the cancer from coming out of the cell. A novel approach is to use RNA to “take away the keyhole” so the cancer can never emerge.



Annaliesa Anderson (center) and her team are focused on developing a preventive vaccine for lethal staph infections.

PATIENTS AND THEIR FAMILIES
AND PHYSICIANS KNOW THE VALUE
OF OUR CONTRIBUTIONS.

A scanning electron micrograph (SEM) showing several purple, spherical bacteria (Staphylococcus aureus) clustered on a highly textured, fibrous, brownish surface. The bacteria are small and round, with a slightly irregular shape. The surface they are on is composed of dense, interwoven fibers, creating a complex, porous structure. The lighting is dramatic, highlighting the texture of the surface and the individual bacteria.

Gram-positive bacteria that resist commonly prescribed treatment, such as methicillin-resistant *Staphylococcus aureus* (in purple) are a serious, growing danger. Pfizer's Zyvox is effective against gram-positive bacteria and can be taken both intravenously and orally.



Kyri Dunussi-Joannopoulos is facing down autoimmune diseases, seeking to change the landscape for patient treatment.

WE HAVE THE APPROACH,
SCALE AND SPIRIT
TO ACCELERATE THE MARCH
OF MEDICAL ADVANCES...

Now— A Global Force in Vaccines

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The combination of Wyeth and Pfizer has resulted in an organization with broad capabilities, in preventive and therapeutic vaccines research, development and technology. The foundation of our vaccine success is the Prevnar franchise, known as Prevenar in most markets outside the U.S. Prevnar, the world's top-selling vaccine, is associated with significant public health benefits in regions where it is routinely used.

Prevnar 13, approved in more than 40 countries for use by infants and young children, provides the broadest serotype coverage of any pneumococcal conjugate vaccine available and constitutes a new platform for growth.

Our pipeline is focused on the discovery and development of first-in-class and/or best-in-class novel vaccines. Our preventive vaccine late-stage pipeline includes Prevnar 13, now in Phase III clinical trials for the prevention of pneumococcal disease in adults, and an investigational vaccine in Phase II clinical trials for the prevention of meningococcal B disease (the most common meningococcal strain in the U.S. and Europe) in adolescents. Our preventive vaccine early-research pipeline includes programs targeted to help protect against hospital-acquired infections, sexually transmitted diseases and meningococcal B disease in infants.

We are also exploring whether vaccines can do more than prevent diseases. We believe vaccines may be able to treat disease by stimulating

specific immune responses. In this field of therapeutic vaccines, we have in-licensed an approach from Celldex Therapeutics for an immunotherapy vaccine to treat glioblastoma multiforme, the most common brain cancer in adults. This vaccine, now in Phase II trials, targets a mutated form of the epidermal growth factor receptor, which is found only in cancer cells. A successful vaccine in this area could help save, extend or improve the lives of tens of thousands of patients every year. A number of additional therapeutic vaccine targets are under active investigation.

With recent advances in science and technology, we are optimistic about making important progress with our vaccine pipeline. Our world-class research facilities and abundance of scientific expertise put us among the leaders in this exciting area of research.

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Fighting a Looming Epidemic

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Alzheimer's disease is a growing global epidemic. The effects are devastating for patients, families and communities as loved ones drift away. The current annual worldwide cost of Alzheimer's disease is estimated at \$315 billion and, with aging populations, this social burden is only expected to increase.

In response, Pfizer has committed itself to a collaborative global effort, involving public and private interests, to manage the effects of Alzheimer's disease. In addition to our own substantial research program, we aim both to raise awareness and provide a unified, global voice for all those with a stake in Alzheimer's disease research, care and advocacy.

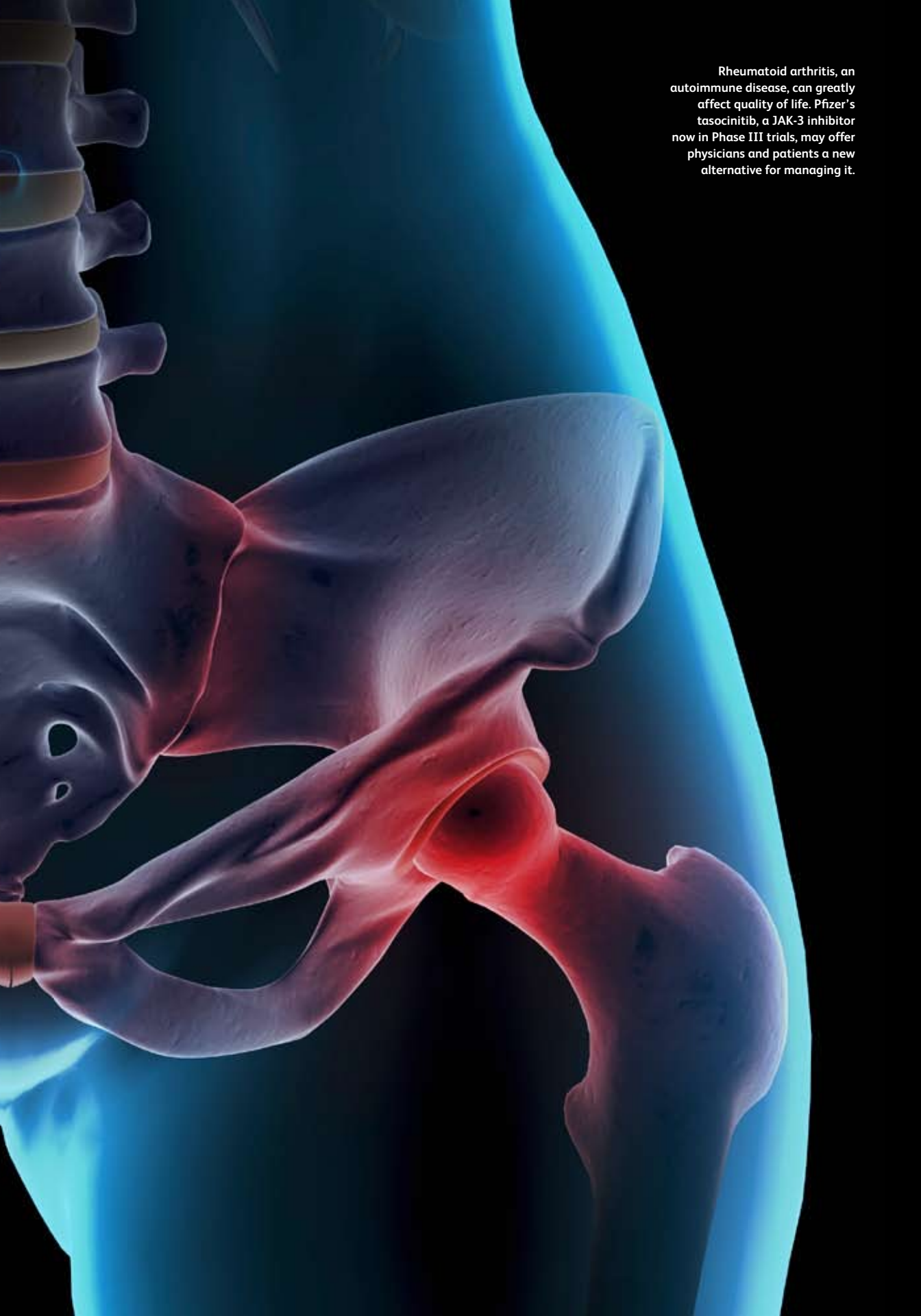
At Pfizer, we are urgently working on multiple approaches to treating Alzheimer's disease and are optimistic that new solutions may be within our reach.

One treatment in Phase III clinical trials is bapineuzumab, being developed by Pfizer and Janssen, a subsidiary of Johnson & Johnson. Bapineuzumab is a humanized

monoclonal antibody to the beta-amyloid plaques that are theorized to contribute to Alzheimer's disease. Bapineuzumab came to Pfizer as a result of the Wyeth acquisition. Pfizer's pipeline includes other compounds designed to address Alzheimer's disease, across a range of mechanisms.

In our clinical trials, safety and efficacy of new approaches are being assessed across all stages of Alzheimer's disease, both as single therapies and in combination with currently available "standard of care" therapies. We are hoping that one or more of our advanced programs will bear fruit, offering new options for effective, safe Alzheimer's disease treatments.

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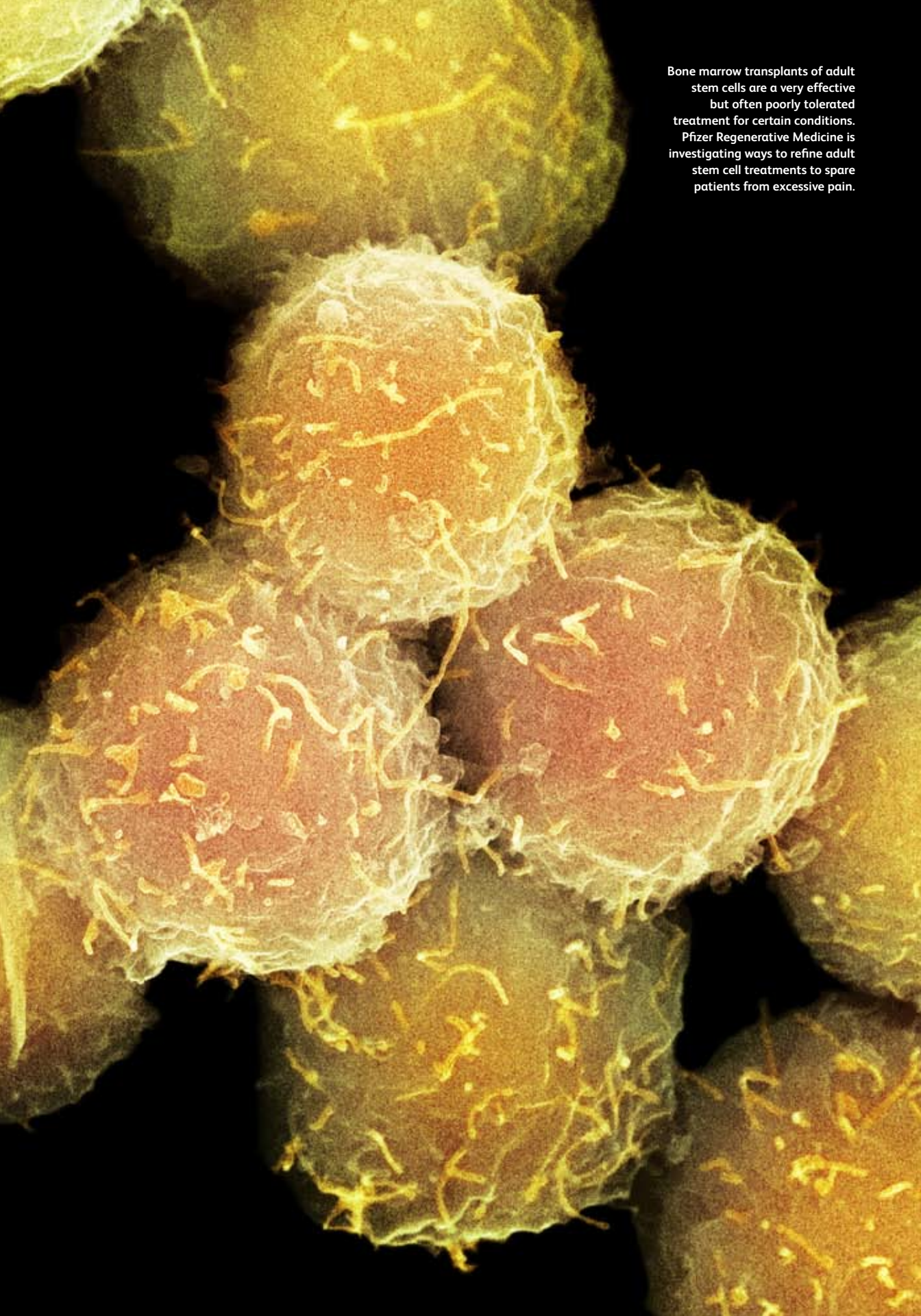


Rheumatoid arthritis, an autoimmune disease, can greatly affect quality of life. Pfizer's tasocinitib, a JAK-3 inhibitor now in Phase III trials, may offer physicians and patients a new alternative for managing it.

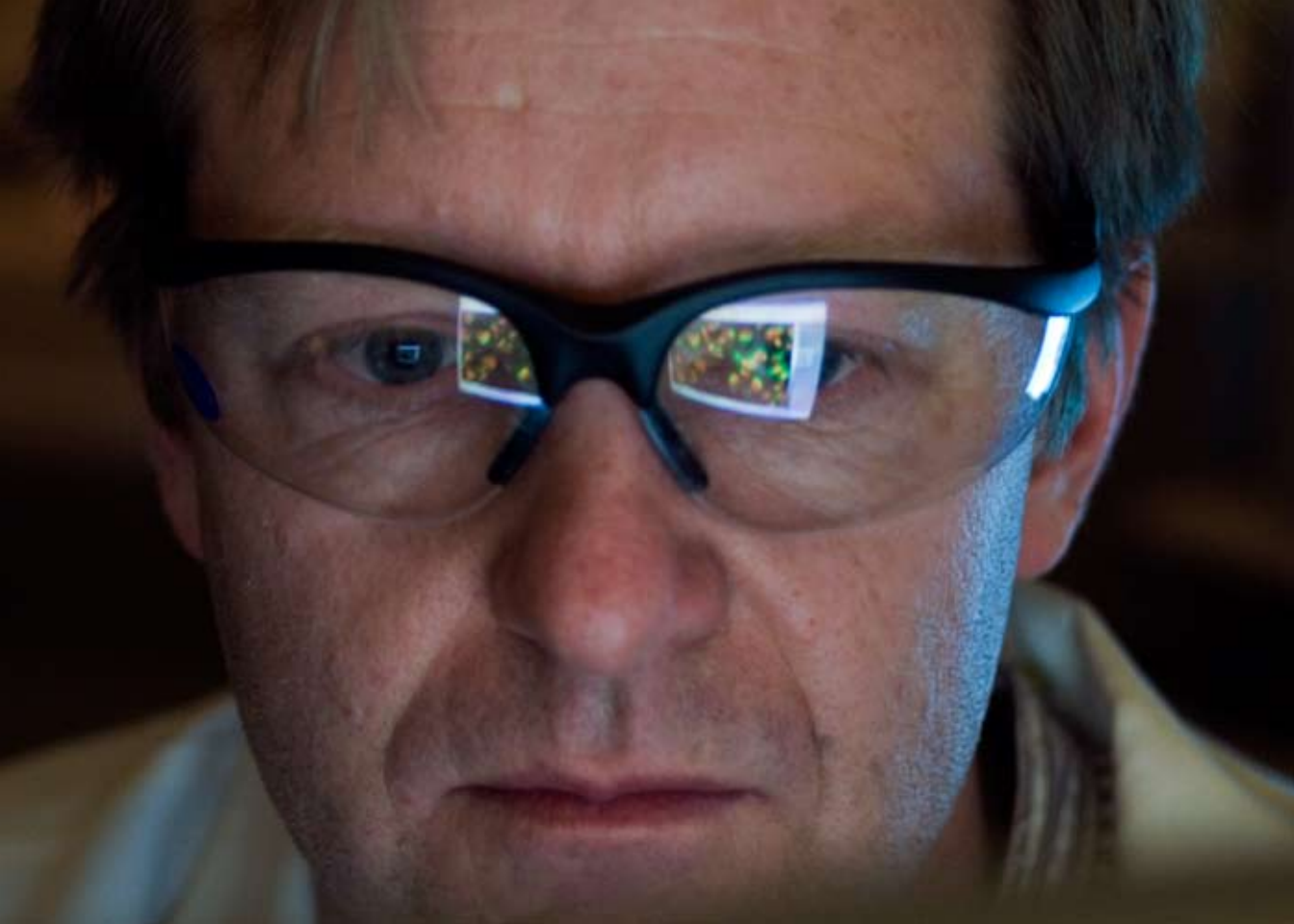
Knut Niss (left) is doing basic research on adult stem cells with the ultimate goal of combating chronic inflammatory bowel disease.



...AND HELP BRING ABOUT
A HEALTHIER WORLD.
YOUR WORLD.



Bone marrow transplants of adult stem cells are a very effective but often poorly tolerated treatment for certain conditions. Pfizer Regenerative Medicine is investigating ways to refine adult stem cell treatments to spare patients from excessive pain.



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Where
science
comes
to life.

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“ The rapid pace of the Wyeth integration reflects the most fundamental principle at Pfizer: We meet our commitments to our stakeholders, starting with our commitments to you, the owners of the company.”

Jeff Kindler

Chairman of the Board and
Chief Executive Officer



Pfizer colleagues have stepped up to the challenge of executing one of the fastest integrations in recent business history.

To Our Owners

When I first wrote to you as Chairman three years ago, we had just made the necessary but painful decision to end our late-stage development program for torcetrapib due to safety concerns. That program offered a potential new treatment for the millions of people living with cardiovascular disease—which still remains the world’s number one killer, despite all the medical advances and increased knowledge about healthier lifestyles over the last few decades.

Several months later, we made another difficult decision—this time to withdraw Exubera from the market. The world’s first inhalable insulin, this novel technology offered a medical advance to treat diabetes. But it was not accepted by the people we hoped would use it, prescribe it or pay for it.

These two medical programs sought to address urgent challenges to global health, and they had strong scientific merit when they began years earlier. That’s why billions of dollars were invested in them over a long period of time.

These two outcomes—disappointing for patients and our colleagues, and expensive for our shareholders—brought into sharp focus several truths about the biopharmaceutical business:

- **People around the world continue to suffer from unmet medical needs—so society must continue to make the significant but risky investments necessary to find cures and treatments to meet those needs.** Biopharmaceutical companies are

uniquely able to make those investments and, therefore, policymakers must continue to preserve and enhance an environment that encourages companies like ours to invest capital in the pursuit of medical innovation;

- **Drug discovery and development is enormously expensive and inherently risky—so those of us who are stewards of your capital must invest it wisely.** We must take prudent risks; rigorously apply hurdle rates appropriate for the nature of the specific investment; recognize that not every investment will succeed in this business; carefully monitor our investments; and, importantly, know when to stop funding projects that are not meeting their goals. Our job, of course, is to achieve for you, over time, an appropriate return for those investments as a whole; and
- **It is unwise to rely on one or two blockbuster drugs (whether on the market or still in the pipeline) for a disproportionate amount of our future revenue and profit.** We must take a balanced approach to the risks and rewards represented by the different types of product and market opportunities presented by today’s biopharmaceutical business.

Our Path Forward

And so, as I reported in my letter to you after my first full year as Chairman and CEO, we adopted a different course than we had taken in the recent past.

We called it *Our Path Forward* and it has five strategies:

- Refocus and optimize our patent-protected portfolio;
- Find and capitalize on new opportunities for established products;
- Grow in emerging markets;
- Grow our diversified businesses; and
- Instill a culture of innovation and continuous improvement.

We have pursued these strategies aggressively and the Wyeth transaction accelerated our progress toward each one:

- **In our patent-protected portfolio, we narrowed the focus of our research to those therapeutic areas where we can invest to win.** These are the diseases where the medical needs are greatest, where the science is most promising, and where Pfizer's capabilities are strongest. They include oncology, pain, inflammation, Alzheimer's disease, psychoses and diabetes. In addition, thanks in significant part to the Wyeth acquisition, we have increased our emphasis on biotherapeutics and vaccines. When we updated our pipeline in late January of this year, we announced that we had 133 programs in development, including 27 biologics and 6 vaccines, up from 16 biologics and one vaccine when we updated the pipeline a year earlier;
- **We made Pfizer's first significant investments in generic medicines and are turning a historically declining business—consisting of products that have lost their exclusivity—into a platform for future profitable growth.** We did this by creating a focused, accountable, high-performing Established Products unit with a culture all its own. This business operates with the speed and agility demanded by its unique marketplace. We now have approximately 600 products in our Established Products portfolio. While the results in this unit will vary, it generated year-over-year operational revenue growth for the first time in the fourth quarter of 2009;
- **Similarly, we created an Emerging Markets Business Unit to seize opportunities in the fastest-growing biopharmaceutical markets in the world.** We have made the right kinds of investments in the right markets—those in which we are in a premier competitive position as a result of our historical presence, the breadth of our portfolio, and our strong relationships with local partners. As a result, this business produced double-digit revenue growth in many markets during 2009, led by China, India, Brazil and Russia;

- **We now have a portfolio of profitable, growing diversified businesses that closely complement our core biopharmaceutical businesses.** The combination of Pfizer and Wyeth brought together leading animal health, consumer health, nutrition and capsule manufacturing businesses that produce profitable growth—and that together offer a range of treatments and preventive measures for every stage of life for people and animals; and
- **We are continuously reducing our costs, improving our productivity and making our cost structure more flexible.** During 2007 and 2008, we reduced our total cost base by \$2.8 billion, on a constant-currency basis versus 2006. This was achieved in large part by reducing the workforce from 98,000 to 81,900; and by decreasing the number of manufacturing and R&D sites by more than 40 percent—from 78 to 46 and from 15 to nine, respectively. All told, the total real estate footprint was reduced by more than 35 percent. We announced further cost reduction plans in January 2009 in conjunction with the Wyeth acquisition. We aim to achieve additional savings of approximately \$7 billion before making focused investments in growth opportunities, yielding net cost savings of between \$4 billion and \$5 billion after those reinvestments by 2012, on a constant-currency basis. We will continue to improve every aspect of our productivity and the efficiency with which we deploy your capital. Our solid track record on this score provides confidence in our ability to both return that capital to shareholders as well as to make disciplined investments in the many growth opportunities before us—in marketed products as well as in new products and new markets.

Pursuing Health Solutions in Diverse Ways

Together, all of these changes have produced a very different company today from what we were when I first wrote to you three years ago.

We remain, of course, a biopharmaceutical company driven by scientific innovation. But we now pursue health solutions in numerous and diverse ways:

- For people as well as animals;
- Through research in small molecules, large molecules and vaccines;
- Through prescription as well as over-the-counter medicines;
- Through patent-protected, generic and “branded generic” medicines;
- Through human nutritional supplements and vitamins;
- Through primary care, specialty care, and oncology treatments and cures; and
- In the developed world as well as in the developing world.



Acquired with Wyeth, Pfizer's Andover, Massachusetts facility is home to leading experts in recombinant DNA and other biotherapeutic technologies.

“Thanks in significant part to the Wyeth acquisition, we have increased our emphasis on biotherapeutics and vaccines.”

In short, we are a company whose mission is to apply science and our global resources to improve health and well-being at every stage of life.

I believe the people, capabilities and assets that we have brought together make Pfizer uniquely valuable to people around the world. We now have more ways than ever to help the tens of millions of people who live with disease today—as well as the tens of millions of people we can help by preventing illnesses and disease in the future.

For shareholders, this means enormous opportunities. And, it also means we will no longer be overly dependent on one or two in-line blockbuster drugs or potential blockbusters. In fact, no Pfizer product is expected to account for more than 10 percent of our annual revenue once Lipitor loses U.S. exclusivity.

Clearly, we are still pursuing blockbusters—medicines that can individually prevent, treat or cure dreaded illnesses that afflict tens of millions of people. We are bringing together the best scientific minds—inside and outside our company—to attack some of the most feared diseases of our time. In many therapeutic areas, we believe our late-stage pipeline provides potential new medicines and vaccines that will address enormous unmet medical needs—like Alzheimer's disease, chronic pain and rheumatoid arthritis.

At the same time, however, we will continue to respond to unmet medical needs across our business in numerous other ways. We will drive profitable growth from multiple additional sources—from new indications for existing products; from medicines to treat diseases that afflict relatively smaller, but still large, segments of the population; from opportunities across emerging markets; from our established products portfolio; and from our diversified businesses.

Together with continuing improvements in productivity, and smart, disciplined capital allocation, we expect our strategy to produce, over time, modest top-line growth, stronger and consistent bottom-line growth, and continued strong dividend payments—all of which, in turn, should enhance shareholder value.

2009: Challenges and Progress

As I noted earlier, our acquisition of Wyeth, which we closed late in 2009, significantly advanced each of the strategies in *Our Path Forward*.

Thanks to the extraordinary work of thousands of individuals at Pfizer and Wyeth, the transaction was closed on time. The integration has so far met or exceeded our expectations in terms of speed, in achievement of milestones, and, most importantly from my point of view, in advancing a culture through which we gain the best thinking and talent from both legacy companies and move forward together on behalf of our shareholders and other stakeholders.

“Over the past three years, we’ve substantially enhanced our leadership at all levels, through internal promotions and by hiring people from inside and outside the industry.”



Pfizer's Executive Leadership Team. You can learn more from each of these leaders on pages 26–31 of this report.

Our performance in 2009 clearly demonstrates the ability of our colleagues to remain focused and to deliver solid operational performance, while also working to ensure a successful integration. From the moment the acquisition received required legal approvals, our colleagues moved quickly. The day after the acquisition closed, we announced the identity of all country leaders and the location of all headquarters sites. Within six days, U.S. Primary Care field force members knew their status. Within 30 days, we announced an integrated plan for R&D site reductions. And within 90 days, we completed a scientifically complex prioritization and announced Pfizer's new combined R&D pipeline.

The rapid pace of the Wyeth integration reflects the most fundamental principle at Pfizer: **We meet our commitments to our stakeholders, starting with our commitments to you, the owners of the company.** Since this management team has been fully in place, we have consistently met or exceeded the adjusted financial guidance¹ that we have provided—despite an extremely dynamic operating and policy environment. We did so again in 2009, and our financial guidance for 2010 reflects our plan to continue delivering results and meeting our commitments.

The Spirit of Small... The Power of Scale

Delivering commitments requires clear accountability. But big companies often produce bureaucracy the way gardens produce weeds, and bureaucracy is the enemy of accountability. And, of course, it can suffocate the ability of leaders closest to their customers to act quickly in a highly competitive and fast-moving global marketplace.

At the same time, there are significant aspects of our business where size and scale are not only a competitive advantage but, in some ways, essential. High-throughput screening; large, global clinical trials; extensive field forces in certain markets; economies of scale in manufacturing—these are just a few examples of areas in which Pfizer can, when we do it right, use our size and scale to our advantage.

So, at Pfizer, we follow a principle that I call “the spirit of small and the power of scale.” Whether competing in different geographies or different businesses, our general managers have clear accountability for business units that are now small enough to focus on meeting the very different needs of the unique customers they serve. Similarly, the Chief Scientific Officers of our research units lead small groups of scientists focused on specific therapeutic or technology areas. In each of these cases, accountability and authority are clear. At the same time they are backed by Pfizer's global scale and resources—providing a level of efficiency and other advantages that they could not achieve on their own.

¹ See note 3 on page 35.

In the last year, this approach produced results that are hard to imagine happening at Pfizer, even two or three years ago.

- We joined forces with GlaxoSmithKline to create ViiV Healthcare, a separate company that brings together the industry's best assets in combating HIV/AIDS.
- By empowering our Established Products business to move quickly, we beat out competitors to collaborate with Protalix in developing an orphan drug to treat Gaucher's disease. The Protalix partnership represents Pfizer's first entry in the biosimilar drug market.
- We entered into major licensing agreements with three India-based pharmaceutical companies—Aurobindo Pharma Ltd., Claris Lifesciences Ltd. and Strides Arcolab—that add new non-Pfizer products to our portfolio, enhancing the availability of medicines to underserved people around the world.
- We formed a partnership with Bausch & Lomb, a leading global supplier of eye care treatments, in which both companies will promote each other's prescription ophthalmic products, allowing each of us to extend our level of support to eye care professionals.
- We created the industry's first Regenerative Medicine Unit to harness the potential of stem cells. This scientific team is less than 2 years old and it already plans to start clinical studies this year—an achievement that would not be possible without combining our willingness to empower them to move at their own speed with our experience and scale in regulatory strategy, policy and pharmaceutical sciences.
- We joined forces with Eli Lilly and Merck to establish the Asian Cancer Research Group, an independent, not-for-profit company. Its goal is to improve the knowledge of cancers prevalent in Asia and to accelerate drug discovery efforts by sharing the resulting data with the scientific community.
- We joined with Private Access, an innovator in privacy-enhanced search technology, to increase recruitment into clinical trials by creating the first online community to address privacy concerns, by giving participants full control over the amount and type of information they share with researchers.
- We developed CUE, an integrated, multichannel, closed loop marketing system designed to provide customized information to physicians and health care providers based on their unique needs. Pfizer's scale allowed us to make this important investment across business units and ensure a consistent experience for U.S. physicians and other health care providers, while tailoring content to ensure those important customers have the information they need to make important prescribing decisions.

Advancing Science

As I stated earlier, science remains at the center of who we are at Pfizer. As we've been changing the company, we've also reflected the changing science of biopharmaceutical research, which is taking many promising directions. Historically, companies like ours have primarily focused on new medicines based on chemical compounds, and we will continue to build on our strengths in this critical area. But we are also increasing our investment in research that seeks new medicines and vaccines that are made of protein-based biological molecules.

In order to do so, we charted a unique course in 2009, by creating two distinct research organizations, PharmaTherapeutics R&D and BioTherapeutics R&D. Within these two groups, world-class Chief Scientific Officers—advised by specialized panels of independent experts—lead highly targeted scientific teams focused on particular therapeutic areas or technologies. These teams search for compounds that they believe have the probability of scientific, clinical, technical and regulatory success.

Conferring on these Chief Scientific Officers and their teams the authority and resources to pursue this kind of research matters today more than ever. Medical solutions are within reach for some of the most feared diseases of our time, especially those where the unmet medical need is greatest.

We are especially enthusiastic about our late-stage pipeline, which has 34 new molecular entities and new indications in Phase III. Among the most noteworthy of our ongoing late-stage clinical trials are studies of potential treatments for rheumatoid arthritis, for Alzheimer's disease, for the prevention of venous thromboembolism, for lung and breast cancer, for chronic pain indications, for renal cell carcinoma, for chronic myelogenous leukemia and for the use of the breakthrough Prevnar 13 vaccine for adults.

Not every trial will produce the exact results for which we all hope—that's the nature of drug discovery and development, which is inherently risky. But we are more enthusiastic about our late-stage pipeline than we have been in years.

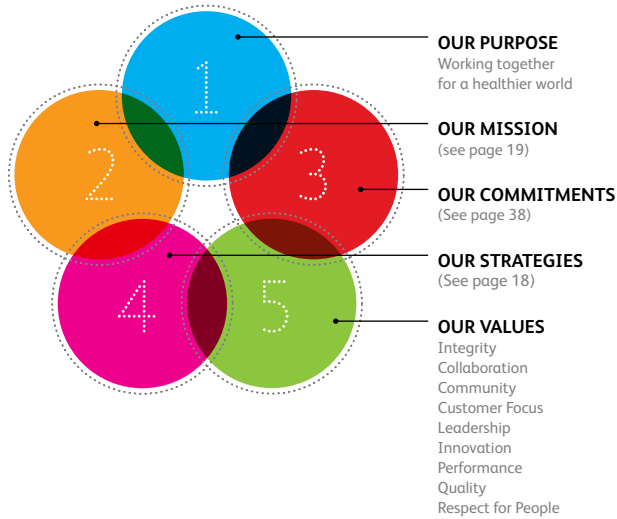
Reforming Health Care

As I stated earlier, for drug discovery and development to continue, society must sustain and enhance the policy environment that provides incentives for investors like you to support the innovation that our scientists bring to the laboratory every day.

That presents, of course, an increasingly difficult challenge for policymakers as countries around the world struggle with the need to improve the ability of their citizens to obtain quality, affordable health

OUR PATH **Forward** THE NEXT STEP

Pfizer's five-element strategic course, *Our Path Forward*, integrates the company's Purpose, Mission, Commitments, Strategies and Values and guides all our decision making. You can learn more about *Our Path Forward* on www.pfizer.com.



care—while they deal with escalating deficits which, in turn, are often substantially affected by increasing health care costs. This challenge will grow even more acute in many parts of the world as fewer active workers generate the revenue to pay for health care and other social benefits that larger numbers of retired people will need and demand.

At Pfizer, we know we must participate constructively in addressing this critical societal challenge. In particular, we have a responsibility to be a leading voice in support of improving everyone's ability to have reliable and affordable health care while maintaining a policy structure in which the search for new cures and treatments can continue.

So, as we promote policies that advance innovation, we work actively in partnership with governments and nongovernmental organizations to expand access to quality care in every part of the world. And we've redoubled our efforts in the face of the weak global economy.

In the U.S., Pfizer has been a consistent advocate for the right kind of health care reform from the beginning of the current debate. We've been clear and consistent about our principles—improve access to quality, affordable care; preserve the doctor/patient relationship; invest in prevention and wellness; and promote medical innovation.

The debate in the U.S. over the last year was difficult for the country in many ways, and the outcome remains controversial.

But, from my point of view, two things were true when this debate started and they remain true now.

First, the U.S. health care system cannot continue on a course in which too many Americans lack access to quality health care at an affordable cost and in which our lack of investment in innovation, prevention and wellness will continue to burden our society with growing and unsustainable costs.

Second, as a major participant in the U.S. health care system, Pfizer has a responsibility to play a leading and constructive role in the ongoing reform of that system.

I can assure you that we will continue to do so.

Leadership Brings Responsibility

Of course, the responsibility that comes with leadership takes many forms. Last year, we resolved allegations of past off-label promotional practices and paid a significant fine as a result. This was a blow to all of us at Pfizer because it didn't reflect the company that we know.

To move forward, we have taken substantial measures that further strengthen our internal controls and that pioneer new procedures designed to prevent, detect and correct any future problems. These include requiring additional training for our colleagues and leaders, instituting new and advanced monitoring systems and giving greater authority to our Chief Compliance Officer.

People expect us to respect and support their communities, to act ethically, to practice environmental stewardship and to support responsible public policies. That's why we have committed to using our global presence and scale to make a difference in local communities and the world around us. Throughout this report, you can see many examples—from the Global Health Fellows, to MAINTAIN, our program that helps people in the U.S. keep getting the Pfizer medicines they need even after losing their jobs and health insurance, to our long-term agreement to supply Prevenar 13 to the world's poorest countries—of how Pfizer is striving to meet our responsibilities as a global leader.

In everything we do, we are committed to earning the trust of the people we serve. Every employee, every leader and every Director of Pfizer is responsible for helping us do this. One way we work to earn trust is by attracting leaders known for their integrity.

Over the past three years, we've substantially enhanced our leadership at all levels, through internal promotions and by hiring people from inside and outside the industry. We added two outstanding Wyeth executives to our Executive Leadership Team (ELT): Cavan Redmond, who leads Pfizer Diversified Businesses, and Mikael Dolsten, who leads the BioTherapeutics Research and Development Group. We also added Freda Lewis-Hall, a premier physician, researcher and biopharmaceutical executive, as Chief Medical Officer. In addition, we brought in other leaders from outside Pfizer. Some have joined from competitor companies, while others have joined us from groups ranging from major research universities, to FasterCures, to the Fred Hutchinson Cancer Center, to world-class companies outside our industry.

We also have a member of the ELT retiring this April—Bill Ringo, who leads our Worldwide Business Development, Strategy and Innovation teams. After retiring from Eli Lilly, Bill joined Pfizer two years ago and has helped diversify our portfolio through the Wyeth acquisition. He has also connected the company more closely with expanding opportunities in biotechnology. I would like to thank Bill for his wise counsel and his important contributions to the changes that we have made in the last two years.

The Board of Directors has elected Kristin Peck to take over Bill's responsibilities and join the ELT. She has been a Pfizer colleague for several years, and most recently helped lead Worldwide Strategy and Innovation. The Board has also elected Doug Lankler, our Chief Compliance Officer, to the ELT. Doug leads our Corporate Compliance functions. His election reflects Pfizer's continued commitment to integrity and the seriousness with which the Board and I take all issues of compliance.

We are fortunate to have a Board of Directors that is deeply committed to integrity and ethical leadership. Two distinguished members joined us late in 2009, after serving on Wyeth's Board. Dr. Frances D. Fergusson served as President of Vassar College for 20 years, and John P. Mascotte served as CEO of Blue Cross and Blue Shield of Kansas City.

I want to thank Dr. Dana G. Mead, who is retiring in April after 12 years on our Board. Dana's keen insight and broad experience have been tremendous assets to Pfizer. He entered business after a long career in the military, where he was the youngest colonel in the U.S. Army. He was an executive at International Paper before becoming Chairman and CEO of Tenneco in the 1990s. Since 2003, he has served as Chairman of the MIT Corporation. I am grateful to Dana and to all of our Board members for their strong oversight and wise counsel.

Our Path Forward: The Next Step

As I discussed earlier in this letter, we launched *Our Path Forward* at the beginning of 2008 to describe where Pfizer stood, where we wanted to go, and our plans for getting there. Since then, *Our Path Forward* has guided the way Pfizer operates.

Now, Pfizer takes the next step on *Our Path Forward*. We do so as a much more diversified company, uniquely positioned to apply science and our global reach to improve health and well-being at every stage of life. Having built a track record of keeping our commitments, we can now ask ourselves: How can we serve the world's health needs like no other company?

This report sets out for you some of the ways we are doing that and will do that. As you will see, Pfizer is now much more than the sum of its parts.

All of us at your company are moving forward with clear goals, meaningful accountability and a passion for our work. We know we have much to do in the years ahead, and we know you have significant expectations of us. We will deliver.

Sincerely,



Jeff Kindler
Chairman of the Board and
Chief Executive Officer
March 25, 2010

FINANCIAL HIGHLIGHTS

THREE-YEAR SUMMARY

(MILLIONS, EXCEPT PER COMMON SHARE DATA)	AS OF AND FOR THE YEAR ENDED DECEMBER 31,				
	2009	2008	2007	09/08	08/07
				% CHANGE	
Revenues ^(a)	\$ 50,009	\$ 48,296	\$ 48,418	4	—
Research and development expenses ^(a)	\$ 7,845	\$ 7,945	\$ 8,089	(1)	(2)
Acquisition-related in-process research and development charges ^(a,b)	\$ 68	\$ 633	\$ 283	(89)	123
Restructuring charges and certain acquisition-related costs ^(a)	\$ 4,337	\$ 2,675	\$ 2,534	62	6
Income from continuing operations before provision for taxes on income and noncontrolling interests ^(a)	\$ 10,827	\$ 9,694	\$ 9,278	12	4
Net income attributable to Pfizer Inc. ^(a)	\$ 8,635	\$ 8,104	\$ 8,144	7	—
Diluted earnings per common share attributable to Pfizer Inc. shareholders ^(a)	\$ 1.23	\$ 1.20	\$ 1.17	3	3
Weighted average shares—diluted	7,045	6,750	6,939	4	(3)
Number of common shares outstanding	8,051	6,722	6,737	20	—
Working capital	\$ 24,445	\$ 16,067	\$ 25,014	52	(36)
Goodwill & other identifiable intangible assets, net	\$ 110,391	\$ 39,185	\$ 41,880	182	(6)
Total assets	\$ 212,949	\$ 111,148	\$ 115,268	92	(4)
Total debt ^(c)	\$ 48,662	\$ 17,283	\$ 13,139	182	32
Total Pfizer Inc. shareholders' equity	\$ 90,014	\$ 57,556	\$ 65,010	56	(11)
Shareholders' equity per common share	\$ 11.19	\$ 8.56	\$ 9.65	31	(11)
Cash provided by continuing operating activities	\$ 16,587	\$ 18,238	\$ 13,353	(9)	37
Property, plant and equipment additions	\$ 1,205	\$ 1,701	\$ 1,880	(29)	(9)
Purchases of common stock	\$ —	\$ 500	\$ 9,994	(100)	(95)
Cash dividends paid	\$ 5,548	\$ 8,541	\$ 7,975	(35)	7

(a) Our 2009 results of operations include approximately two-and-a-half months of the fourth calendar quarter of 2009 in the case of Wyeth's U.S. operations and approximately one-and-a-half months of the fourth calendar quarter of 2009 in the case of Wyeth's international operations.

(b) Acquisition-related in-process research and development (IPR&D) charges in 2009 related to the resolution of a contingency associated with our 2008 acquisition of CovX; in 2008 primarily related to our acquisitions of Serenex, Inc., Encysive Pharmaceuticals, Inc., CovX, Coley Pharmaceuticals, Inc., a number of animal health product lines from Schering-Plough Corporation, as well as two smaller acquisitions

also related to Animal Health; and in 2007 BioRexis Pharmaceutical Corporation and Embrex, Inc. For acquisitions completed after January 1, 2009, we record acquired IPR&D on our consolidated balance sheet as indefinite-lived intangible assets.

(c) Our short-term borrowings are rated P-1 by Moody's Investors Service (Moody's) and A1+ by Standard & Poors (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.

Detailed information on our financial and operational performance can be found in the 2009 Financial Report.

BOARD OF DIRECTORS



Dennis A. Ausiello, M.D.^(2, 4, 5)
Physician-in-Chief, Massachusetts
General Hospital



Michael S. Brown, M.D.^(4, 5)
Distinguished Chair, Biomedical
Sciences, Regental Professor, University
of Texas Southwestern Medical Center



M. Anthony Burns^(1, 2, 4)
Chairman Emeritus, Ryder System, Inc.



Robert N. Burt^(3, 5)
Retired Chairman and CEO,
FMC Corporation



W. Don Cornwell^(2, 3)
Retired Founder, Chairman and CEO,
Granite Broadcasting Corporation



Frances D. Fergusson, Ph.D.^(3, 5)
President Emeritus, Vassar College



William H. Gray III^(4, 5)
Co-Chairman, GrayLoeffler, LLC



Constance J. Horner^(1, 4, 6)
Former Assistant to the President of
the United States and Director of
Presidential Personnel



James M. Kilts^(3, 5)
Founding Partner,
Centerview Partners
Management, LLC



Jeffrey B. Kindler⁽¹⁾
Chairman of the Board and
Chief Executive Officer, Pfizer Inc.



George A. Lorch^(3, 5)
Chairman Emeritus, Armstrong
Holdings, Inc.



John P. Mascotte^(4, 5)
Retired President and CEO,
Blue Cross and Blue Shield
of Kansas City, Inc.



Dana G. Mead, Ph.D.^(3, 5)
Chairman, MIT Corporation
Will retire as a Board member effective
as of the 2010 Annual Meeting



Suzanne Nora Johnson^(2, 3, 5)
Retired Vice Chairman,
The Goldman Sachs Group, Inc.



Stephen W. Sanger^(2, 4)
Retired Chairman and CEO,
General Mills



William C. Steere, Jr.⁽⁵⁾
Chairman of the Board Emeritus,
Pfizer Inc.

-
- (1) Executive Committee
 - (2) Audit Committee
 - (3) Compensation Committee
 - (4) Corporate Governance Committee
 - (5) Science and Technology Committee
 - (6) Lead Independent Director

LEADING AT THE INTERSECTION OF LIFE AND SCIENCE

EXECUTIVE LEADERSHIP TEAM

Pfizer's Executive Leadership Team includes the Chairman and CEO, Jeff Kindler, and the heads of the company's commercial, research and manufacturing units, as well as the leaders of staff groups. The team, most of whom came to Pfizer after 2006, reflects the company's increased diversity of thought and experience, and includes two senior leaders joining from Wyeth, Mikael Dolsten and Cavan Redmond. Executive Leadership Team members whose quotes are in large type joined the team in 2009.



Martin Mackay

Senior Vice President and President,
PharmaTherapeutics Research and Development

“It comes down to this: we are out to conquer disease. That’s an amazing, driving aspiration. We’re working to make real inroads against conditions that affect the lives of countless people around the world. We’ve done just that against conditions like heart disease. Now we’re seeing strategies take shape that may make a disease like Alzheimer’s a manageable one in a decade or two—just in time to help the greatest age wave the world has ever seen. But it’s more than Alzheimer’s—it’s diabetes, it’s cancer, it’s pain, it’s inflammation, it’s malaria and infection. That’s our passion. And that’s what drives our scientists and all the stunning talent we have here. We’re applying what we know about science to crack some of the biggest mysteries in the world—and in doing that, change the course of life for the better for billions of people.”



Frank D'Amelio
Senior Vice President and
Chief Financial Officer



Mikael Dolsten
Senior Vice President and President,
BioTherapeutics Research and Development

“The addition of Wyeth advances every one of Pfizer’s stated strategies for generating sustainable growth. We have tremendous potential to create value through a company that operates globally, is more diverse than at any other time in our recent history, and is strong in our financial foundations, the capabilities of our people and our ability to operate efficiently. We understand that the more we manage our costs and make disciplined financial decisions, the more options we have to prudently deploy our capital with the ultimate goal of increasing total return for our shareholders.”

“Pfizer is focused on becoming a world leader in biotherapeutics. So what does that mean? It means we can attack conditions such as Alzheimer’s disease and pain from more than one angle — using our expertise in both small molecules and biotherapeutics — and greatly improving our chances for success.”



Sally Susman
Senior Vice President,
Policy, External Affairs and
Communications

“My mission at Pfizer is to do all I can to close the perception gap between the important, noble and often groundbreaking work that we do, and the cynicism and misinformation that exists about the industry and sometimes the company. There’s no question that we live in a noisy world, and it’s tempting to think that the way to be heard is to turn up the volume. We are thinking differently. We believe that the route to being heard starts with listening. We’re doing that, changing where we need to change, speaking out when we must, and letting our positive action, day after day, be the best response to those who question whether we can both do well—and do good.”



Ian C. Read
Senior Vice President and
Group President, Pfizer Worldwide
Biopharmaceutical Businesses

“If you are not innovative in today’s economy, you don’t succeed. So by definition, Pfizer has to be innovative. We’ve brought new thinking to just about all of the ways we operate, from our marketing practices to the organization of our commercial operations. We’ve been innovative in our business model and in how we focus our resources, almost relentlessly, around our customers, in developed markets like the U.S. and Europe, and emerging markets such as China, India, Brazil and Russia. We now have the ability, nearly unmatched in our industry, to focus on a particular market or target, and marshal resources quickly to achieve our goals. We’re increasingly able to bring whole solutions, not just products, to physicians, payers and patients.”



Mary McLeod
Senior Vice President,
Worldwide Human Resources

“Three years ago, Pfizer began the process of fundamentally reinventing itself. Our efforts focus on our patients and our customers and other stakeholders, and they are created and executed by our colleagues. At all levels of the organization, people are taking accountability for implementing *Our Path Forward*, which provides direction for achieving our strategies, commitments and values. We have organized into smaller, more agile teams that have responsibility for applying those strategies to accomplish our ambitious performance goals. We are building a more diverse and inclusive culture that drives results throughout the company. Working together to transform Pfizer is how we achieve our success in becoming a more diversified health care company.”



Cavan M. Redmond
Senior Vice President and
Group President,
Pfizer Diversified Businesses

“Pfizer provides both the initial lines of defense against disease and many of the most important treatment options for when people get sick. Our animal health products keep pets healthy and the food supply safe. Even more exciting, our array of products, technologies and capabilities opens up nearly endless opportunities for us to work across our businesses to create new health solutions that help people get well and stay well today—and tomorrow.”



Amy W. Schulman
Senior Vice President and
General Counsel



Freda C. Lewis-Hall
Senior Vice President and
Chief Medical Officer

“When I joined Pfizer in 2008, a lot of people asked me, ‘Why this?’ ‘Why now?’ The answer, most fundamentally, is that I believe in Pfizer. What we are doing is mission-critical. The opportunity to be more intimately involved in sorting out health care solutions is compelling. The collaborative work we do is a big draw. We are direct and, most important, unafraid to see things as they are, and not as we wish that they were. That is the only way we will be able to deliver on our commitments to the people who depend on us.”

“Pfizer can bring unmatched brainpower and resources to being the best in patient safety and care. We know that the decision to take a medicine is never routine. When you see our name on a product, you can be assured that your safety and good health are our highest priorities. That’s true from the moment a potential new medicine is used by the first patient in a clinical trial, until the last day that medicine is offered for sale, anywhere in the world.”



William R. Ringo
Senior Vice President,
Worldwide Business Development,
Strategy & Innovation

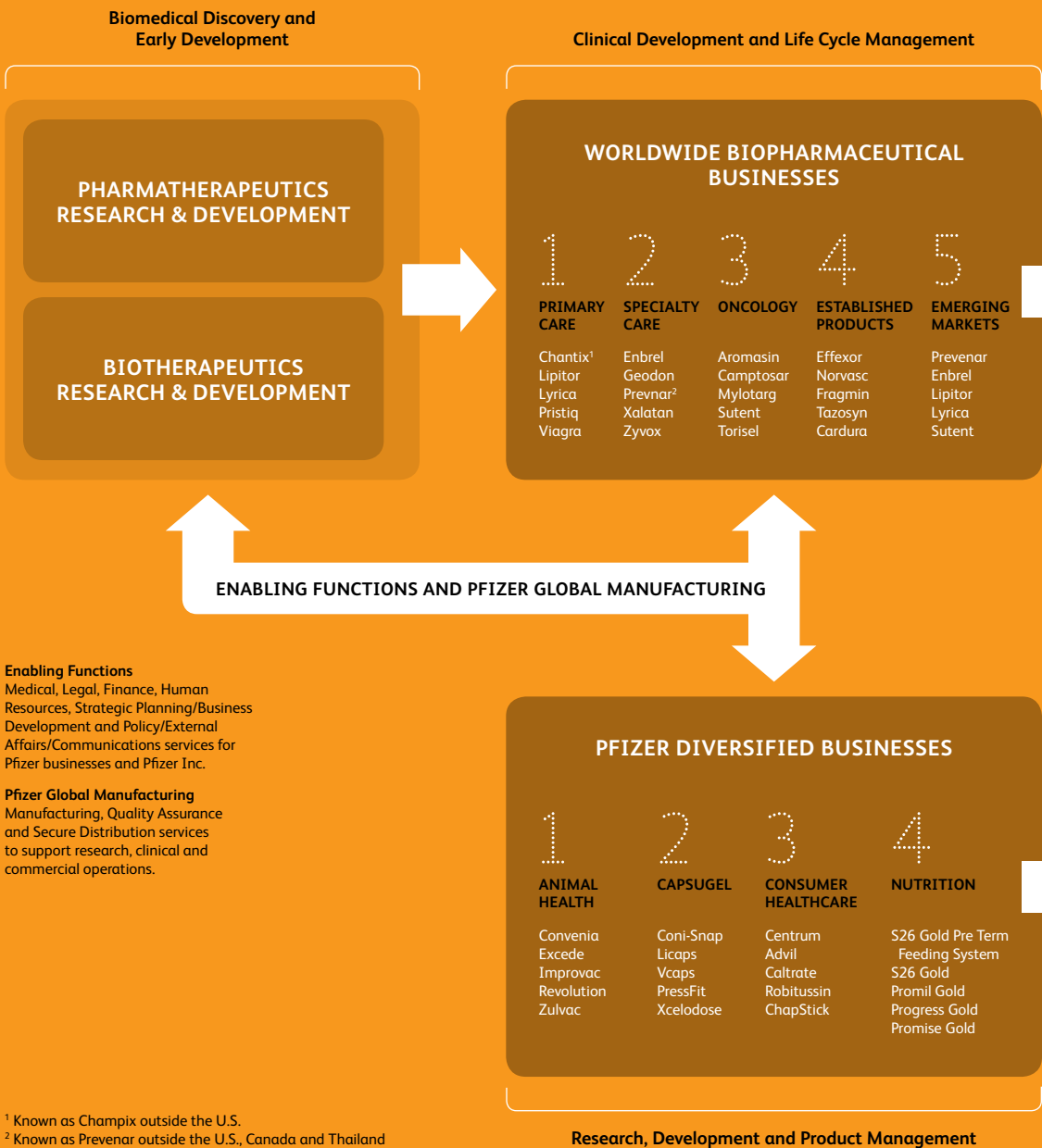


Natale S. Ricciardi
Senior Vice President and President,
Pfizer Global Manufacturing

“Many people think about innovation through the lens of “products” and many of the products that Pfizer has launched are truly innovative and have helped treat and cure patients with a variety of diseases. Innovation, though, goes far beyond the pill to the minds and skills of our colleagues and partners, all of whom are working to understand what new businesses we can create. Opportunities abound. Business innovation arises from the unmet needs of our customers—it can be enabled by cutting-edge technology, new processes or business models. At Pfizer, innovation knows no boundaries.”

“A quiet but highly effective revolution is taking place at Pfizer—that of continuous improvement. In just a few years, we’ve trained thousands of colleagues to take apart processes—some of them in place for decades—analyze them, and put them back together in ways that yield better results, often at higher levels of quality and less expensively. This movement has spread beyond manufacturing to just about every dimension of our company. No process is beyond further improvement. The blossoming of this movement is making Pfizer not just more efficient, but also more environmentally conscious, more in tune with our customers and a more satisfying place to work.”

SHARPLY FOCUSED ON CUSTOMER NEEDS



¹ Known as Champix outside the U.S.

² Known as Prevenar outside the U.S., Canada and Thailand

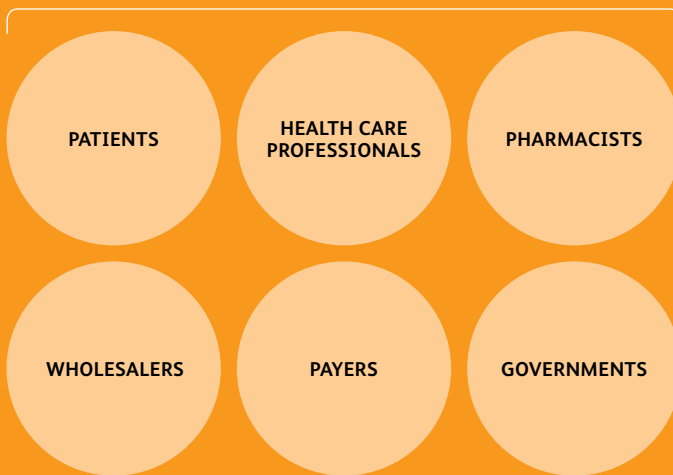
Pfizer is firmly focused on the needs of customers, starting with patients and extending to all key stakeholders. Two Research and Development groups discover prescription medicines and vaccines and develop them until “proof of concept.” A promising product is then transferred to one of five groups within Pfizer Worldwide

Biopharmaceutical Businesses, which works to prove the new product in the clinic, obtain regulatory approvals, launch it and manage it through its life cycle.

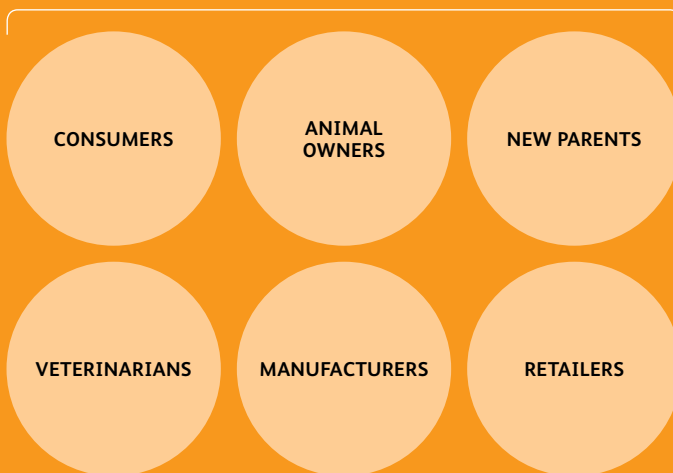
Pfizer Diversified Businesses serves those who use our consumer health care products, nutritionals, animal health products, and capsules for medicines and dietary supplements.

Pfizer Global Manufacturing anchors all our groups with state-of-the-art production services and a secure, efficient supply chain. Enabling Functions advance a range of business goals, including strong financial controls, strict compliance, and wide-ranging engagement with colleagues, business partners and the public.

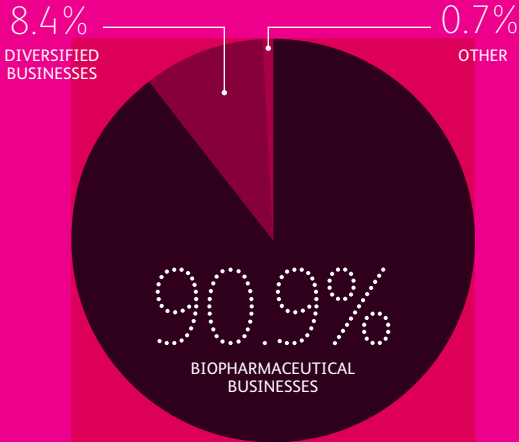
KEY CUSTOMERS



KEY CUSTOMERS

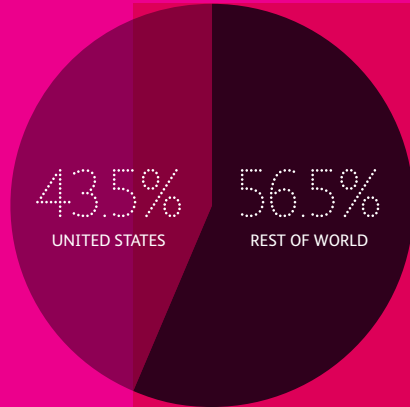


WHERE 2009 REVENUES CAME FROM



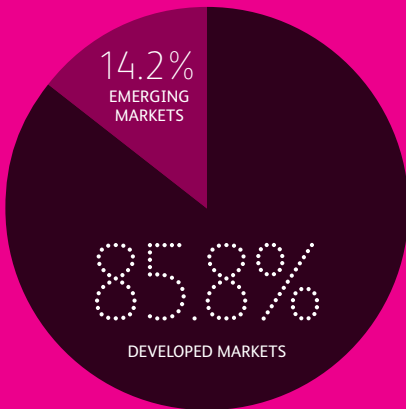
SOURCE OF REVENUE

Though still predominantly a biopharmaceutical company, Pfizer diversified into consumer health care products and nutritionals with the acquisition of Wyeth.



U.S. vs. REST OF WORLD

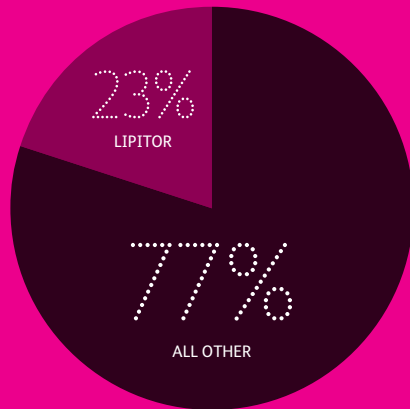
Pfizer is No. 1 in the top three global markets for biopharmaceuticals—the U.S., the European Union and Japan.



DEVELOPED vs. EMERGING MARKETS

(BIOPHARMACEUTICAL BUSINESSES)

Pfizer has a remarkable opportunity in emerging markets, and is already the top U.S.-headquartered biopharmaceutical company in these markets.



LIPITOR vs. ALL OTHER MARKETED PRODUCTS

The acquisition of Wyeth is reducing Pfizer's reliance on Lipitor and, in 2012, it is projected that no single Pfizer product will account for more than 10% of revenues.

2010 GUIDANCE¹

\$67–\$69
billion

REPORTED REVENUES

\$9.1–\$9.6
billion

ADJUSTED R&D EXPENSES³

\$0.95–
\$1.10

**REPORTED DILUTED EARNINGS
PER SHARE²**

\$2.10–
\$2.20

**ADJUSTED DILUTED EARNINGS
PER SHARE³**

¹ Our 2010 guidance does not assume the completion of any business-development transactions not completed as of December 31, 2009. It excludes the potential effects of the resolution of litigation-related matters not substantially resolved as of December 31, 2009, as well as the potential impact of health care reform in the U.S. In addition, this guidance is based on approximate foreign currency exchange rates in effect in late January 2010.

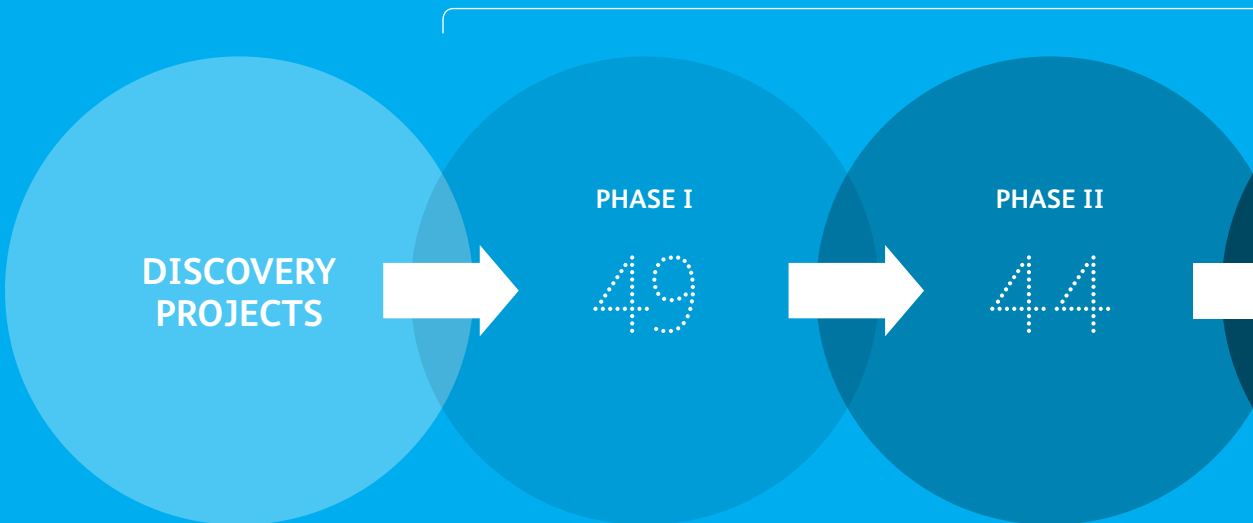
² “Reported net income” is defined as net income attributable to Pfizer Inc. in accordance with U.S. generally accepted accounting principles (GAAP). “Reported diluted earnings per share” is defined as reported diluted earnings per share attributable to Pfizer Inc. common shareholders in accordance with U.S. GAAP.

³ “Adjusted income” and its components and “Adjusted diluted earnings per share” are defined as “reported net income” and its components and “reported diluted earnings per share”² excluding purchase-accounting adjustments, acquisition-related costs, discontinued operations and certain significant items. “Adjusted R&D Expenses” is an income statement line item prepared on the same basis and, therefore, a component of the overall adjusted income measure. As described in our Form 10-K for the fiscal year ended December 31, 2009, we use adjusted income, among other factors, to set performance goals and to measure the performance of the overall company. A reconciliation of 2009 adjusted income and its components and adjusted diluted earnings per share to “reported net income”² and its components and “reported diluted earnings per share”² is provided in our Form 8-K filed on February 3, 2010. Additional information regarding our 2009 financial performance can be found in our Form 10-K for the fiscal year ended December 31, 2009. The adjusted income and its components and adjusted diluted earnings per share measures are not, and should not be viewed as, substitutes for U.S. GAAP net income and its components and diluted earnings per share.

OUR PIPELINE

AS OF JANUARY 27, 2010

PROGRAMS IN CLINICAL

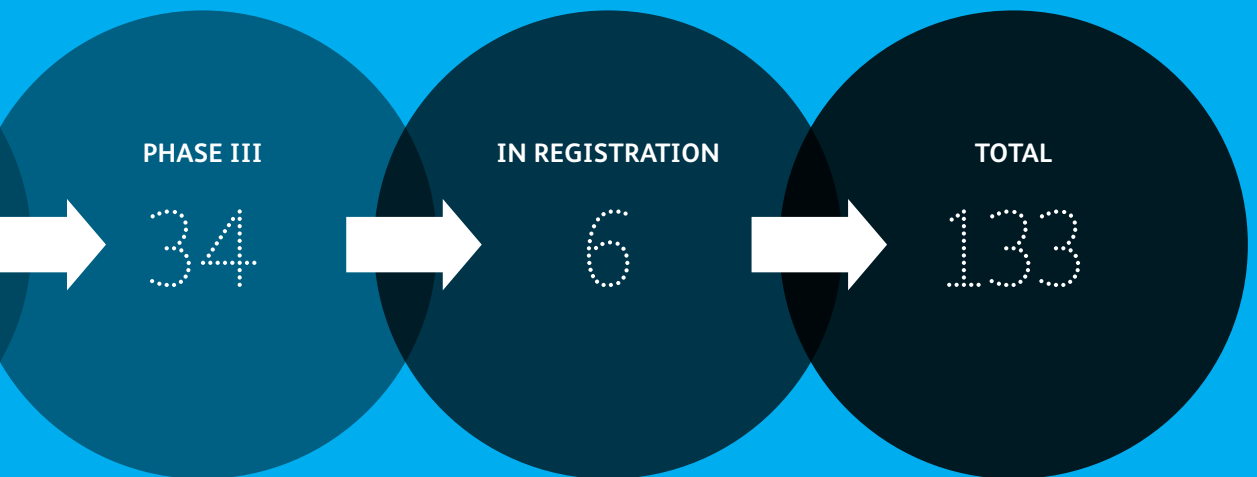


A new medicine or vaccine takes years to discover and fully develop. Only a miniscule number of small-molecule or biological compounds tested in the laboratory emerge as promising enough to justify investment in a series of highly regulated controlled trials for safety and efficacy.

In Phase I, an experimental compound is tested in a small number of human volunteers to assess safety and tolerability. Phase II clinical trials focus on effectiveness in treating or preventing a disease. Phase III trials test the results of earlier trials in larger populations and gather additional information about

effectiveness and safety. (All clinical studies are done by independent investigators.) Registration means that Pfizer has filed an application with a health regulatory authority to obtain marketing approval for a new medicine or vaccine.

TRIAL OR REGISTRATION



**Since our last update—
March 31, 2009**

- 63 Programs Advanced
- 13 Programs Discontinued
- 4 Programs Transferred to ViiV Healthcare (see p. 39)
- 1 Program Out-Licensed (dalbavancin)

Visit pfizer.com/pipeline, Pfizer's online database, where you can learn more about our portfolio of new medicines and vaccines, and find out more about our biomedical research and development efforts around the world.

HOW WE DO BUSINESS

In Serving Our Stakeholders

OUR COMMITMENTS

In 2009 Pfizer adopted a series of commitments that are both aspirational and achievable. These commitments demonstrate how we can serve the world's health needs in ways that are unique to our company. Our commitments are to:

- Advance wellness, prevention, treatments and cures;
- Bring the best scientific minds together to challenge the most feared diseases of our time;
- Set the standard for quality, safety and value of medicines;
- Use our global presence and scale to make a difference in local communities and the world around us;
- Promote curiosity, inclusion and a passion for our work;
- Be a leading voice for improving everyone's ability to have reliable and affordable health care; and
- Maximize our financial performance so that we can meet our commitments to all who rely on us.

On its own, each commitment can advance the world's health and wellness. Taken together, these commitments give us the framework for transforming health care as we know it today.

EMERGING MARKETS IN FOCUS

The rapid integration of operations following the Wyeth acquisition is putting Pfizer's greater diversity and scale to work. This includes additional expansion into emerging markets, the fastest-growing segment of the global pharmaceutical business. The addition of Wyeth assets has solidified our leadership in Asia and Latin America and enhanced our presence in China, where we have now expanded operations into

more than 170 cities. In our research, we are targeting diseases of the developing world and working with many partners to develop socially responsible, sustainable and commercially viable health care solutions.



MEETING SPECIALIZED NEEDS

Capsugel, part of Pfizer Diversified Businesses, is the world leader in providing empty hard capsules to makers of medicines, vitamins and dietary supplements. An innovator in new drug delivery technologies, Capsugel faced a market need: capsules to satisfy everyone's dietary and cultural requirements. Enter Vcaps capsules—two-piece capsules formulated from plant matter and suitable for vegetarians. Starch-free, gluten-free, preservative-free, and kosher and halal certified, Vcaps run smoothly on high-speed and semi-automatic filling machines and are produced to the same standards that have made the Capsugel name synonymous with exceptional quality.



OPTIMIZING THE MANUFACTURING AND SUPPLY CHAIN

To optimize Pfizer's manufacturing and supply chain, we are continuing to develop a competitive "make or buy"

supply network. Recognizing that risks increase with a greater dependence on outside vendors, Pfizer has put into place a comprehensive supplier oversight system to ensure quality, as well as good environmental, health and safety (EHS) systems and practices. Assessments of EHS conditions at our suppliers help us manage business continuity, liability and reputational risks and ensure that supply decisions align with Pfizer's values. During the last five years of our EHS assessment program, we have conducted on-site inspections at more than 400 new or existing supplier facilities. Pfizer is also committed to helping suppliers improve EHS competencies through training workshops and coaching sessions.

COUNTERFEIT RINGS STOPPED AT THE SOURCE

Protecting the integrity of our medicines is of paramount importance to us. That's why we've taken a leadership position among pharmaceutical companies to protect consumers of our medicines from the dangers posed by counterfeits. During 2009, authorities from 45 countries reported seizing almost 11.1 million counterfeit dosages of Pfizer medicines. Many of these seizures were the result of evidence obtained by Pfizer Global Security colleagues and then referred to authorities for their action. The seizures were the result of 285 raids, a 37.7 percent increase over 2008, and resulted in 625 arrests, a 30.9 percent increase.

In Delivering Our Pipeline

PIPELINE UPDATE

Pfizer reported on its biotherapeutics research and development pipeline on January 27, 2010. The updated pipeline showed 133 programs in Phase I through registration and included:

- 30 compounds in development for various oncology indications;
- 10 compounds in development for Alzheimer's disease;
- eight compounds in development for pain;
- 11 compounds in development for inflammation; and
- 27 biologics and six vaccines.

Late-stage compounds in development include our novel JAK-3 inhibitor for rheumatoid arthritis; tanezumab for osteoarthritis of the knee; PF-02341066 for advanced small-cell lung cancer; and apixaban, an investigational blood thinner for acute coronary syndrome, being developed with Bristol-Myers Squibb.



PRIORITIZING THE PIPELINE

Pfizer has identified six "Invest to Win" areas of research that hold significant potential opportunities for innovation and leadership: oncology, pain, inflammation, Alzheimer's disease, psychoses and diabetes. Pfizer's pipeline, streamlined following the acquisition of Wyeth, demonstrates focused investment in these areas of great unmet medical need, as well as growth in the critical technologies of vaccines and

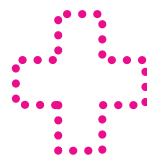
biologics. Approximately 70 percent of Pfizer's research projects and 75 percent of the late-stage portfolio are now focused on these areas.



PREVNAR 13 APPROVED IN MORE THAN 40 COUNTRIES

Pneumococcal disease is one of the world's leading causes of vaccine-preventable death worldwide for children younger than 5 years old. Pfizer's Prevnar 13 (known as Prevenar 13 in most markets outside the U.S.) is approved for the prevention of serious pneumococcal disease in infants and young children. Pfizer is also in the late stages of investigating the use of Prevnar 13 to protect older adults, who are also at increased risk of developing invasive pneumococcal disease. This vaccine includes the seven serotypes in Prevnar, plus an additional six serotypes, including serotype 19A, now the most common cause of invasive pneumococcal disease among children in the U.S. under 5 and increasing in prevalence elsewhere. On March 23, 2010, Pfizer announced a 10-year Provisional Supply Agreement to supply Prevenar 13 for infants and young children in the world's poorest countries, under the terms of the Advance Market Commitment (AMC) pilot project against pneumococcal disease. The AMC procurement process is designed to provide the poorest nations greater access to new pneumococcal conjugate vaccines. The agreement is subject to prequalification by the World Health Organization and

AMC eligibility designation, which are both expected later this year. This process is administered by the United Nations Children's Fund, piloted by the GAVI Alliance and funded by the Bill & Melinda Gates Foundation and the governments of Italy, the U.K., Canada, Russia and Norway. (Read more at www.pfizer.com/news.)



ViiV HEALTHCARE LAUNCHES TO COMBAT HIV

In 2009, Pfizer and GlaxoSmithKline (GSK) launched a new company, ViiV Healthcare, dedicated to delivering advances in HIV treatment and care. This new company, focused solely on research, development and commercialization of HIV treatments, opens a new opportunity to advance the work against HIV worldwide by combining the work of two companies known for innovation in HIV treatment. ViiV Healthcare integrates the pipeline and marketed HIV portfolios of both Pfizer and GSK, and will continue the commitments of these two companies to improve access to HIV medicines for everyone. Not-for-profit pricing for HIV medicines continues for those countries most in need. ViiV Healthcare is also supporting research and development activities specifically to address access to HIV medicines in the developing world, including treatments and formulations for children living with HIV, and managing a new fund to help prevent mother-to-child transmission.

In Targeting Unmet Needs

NEW PARTNERSHIPS EXPAND GENERIC PORTFOLIO

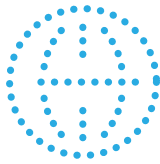
Pfizer is a growing force in the rapidly expanding but highly contested generics marketplace. While we have a huge generics catalog of our own, we recently entered into major licensing agreements with three India-based pharmaceutical companies, Claris Lifesciences, Aurobindo Pharma and Strides Arcolab. These agreements will bring hundreds of high-quality generic medicines to underserved populations around the world and add numerous products to Pfizer's portfolio of established brands in key markets. In addition, we launched Pfizer Injectables, a U.S.-based business offering off-patent injectables and hospital products, including Pfizer brands and generic medicines.



FIRST CANINE CANCER THERAPY

In 2009, Palladia, a prescription-only oral therapy, became the first FDA-approved canine cancer therapy in the U.S. It has also received marketing authorization approval in the European Union. Palladia treats mast cell tumors, the second most common type of tumor in dogs. These tumors often appear as lumps in the skin and may spread to the pet's internal organs, requiring extensive surgery, chemotherapy or radiation treatment. A tyrosine kinase inhibitor, Palladia works by blocking key receptors important

for the development of blood vessels that supply tumors, as well as receptors critical for tumor survival. Palladia is now being marketed through Pfizer Animal Health.



SMOKING CESSATION AROUND THE WORLD

One of Pfizer's key investments in health, the Global Health Partnerships program, has supported 32 grantees in 46 countries across five continents, funding innovative solutions to challenges in cancer and tobacco control. A partnership between the Pfizer Foundation and Pfizer's business groups across country offices, it addresses one of the world's most urgent public health problems—the ravages of smoking. Our tobacco control grantees are helping to build networks and alliances for tobacco control in nine countries, training thousands of physicians, encouraging thousands of smokers to quit, and working to protect nonsmokers from secondhand smoke. For example, the Smoke-free Hospital Program—jointly sponsored by the Pfizer Foundation, Pfizer China, the Chinese Association of Tobacco Control and the China Hospitals Association—aims to ban smoking in all public areas of participating hospitals. The program also seeks to identify and implement best practices in smoke-free regulation, as well as provide smoking cessation awareness training for health care professionals. Having reached its

first-year goal of establishing smoke-free public spaces at all 40 of its participating hospitals, the program's results have supported a wider smoking ban passed by the Chinese Ministry of Health that will be adopted by all hospitals in China in 2011.



COLLABORATING TO EXPAND RESEARCH INTO NEGLECTED DISEASES

At Pfizer, we recognize our responsibility to help combat diseases that affect people in the developing world. In alliance with global health organizations, public-private partnerships and companies that share our commitment, Pfizer is conducting research programs for "neglected diseases" such as malaria, tuberculosis and river blindness.

Working with the World Health Organization's Special Programme for Research in Tropical Diseases, we have opened access to Pfizer's library of medicinal compounds and trained scientists from developing countries. To expand screening efforts for tropical diseases such as African sleeping sickness, Pfizer is collaborating with the Drugs for Neglected Diseases Initiative while pursuing a molecular approach for this group of diseases with several U.K. universities.

Malaria afflicts up to 250 million people annually, killing close to 1 million people a year, mostly children in Africa. We are providing the Medicines for Malaria Venture (MMV) access to Pfizer's

library of chemical entities to screen approximately 200,000 compounds that have the potential to be developed into new treatments against *P. falciparum*, the parasite that causes acute malaria, including multidrug-resistant strains. In consultation with MMV and the London School of Hygiene & Tropical Medicine we are in Phase III development of the combination of azithromycin and chloroquine as a potential treatment of malaria. In addition, Pfizer and the Italian firm Sigma-Tau entered into a license-and-supply agreement to market Eurartesim, a novel, fixed-dose, once-daily, artemisinin-based combination therapy in Africa. This product, which is currently under review by the European Medicines Agency, aims to treat uncomplicated *P. falciparum* malaria in adults and children, while reducing the potential for re-infection. If these products are approved by regulatory authorities, the partnerships will expand access for underserved populations while allowing Pfizer to realize a commercial return, an approach we believe will prove sustainable for our business and for society.

PARTNERING WITH THE CLINTON FOUNDATION TO FIGHT HIV/AIDS

Pfizer has entered into a partnership with the Clinton Foundation HIV/AIDS Initiative that will reduce the cost and expand the availability of rifabutin, an antibiotic used to treat tuberculosis in HIV/AIDS patients taking second-line antiretroviral therapy. Tuberculosis is a leading killer of those who succumb to HIV/AIDS. For five years, rifabutin prices will be capped in emerging markets at \$1 per 150 mg dose, or \$90 for the six-month full course of treatment—

a reduction of 60 percent. This will foster greater access to rifabutin, which was recently added to the WHO Model List of Essential Medicines.

TOVIAZ LAUNCHES IN U.S.

Overactive bladder (OAB) affects more than 33 million Americans—men and women—and can affect anyone at any time. Yet awareness of OAB's symptoms and treatments has been quite low, primarily because of reluctance by patients to talk to doctors about their condition. With the launch of Toviaz, Pfizer's latest prescription treatment for OAB, the company not only introduced the brand to patients and physicians, but also developed a support plan, called *YourWay*, to help OAB patients manage the condition. The *YourWay* support plan is available at no charge. Information can be delivered by e-mail, telephone or Web site.



CONSUMER PRODUCTS MAINTAIN MOMENTUM

As people worldwide become increasingly aware of issues surrounding health and wellness, they're taking more proactive roles to maintain their personal well-being and treat minor illnesses through self-care solutions. Pfizer's solutions range from Advil pain relievers to ThermoCare heatwraps.

Pfizer Consumer Healthcare—already one of the world's leaders in the development, manufacturing and marketing of nonprescription medicines, vitamins and nutritional products—is continually bringing to market new products and line extensions that meet evolving needs for self-care solutions.

For example, early in 2009, we introduced the Centrum Ultra line of products in the U.S. Centrum Ultra is a scientifically advanced line of gender- and age-specific multivitamins specially formulated to help meet the nutritional needs of men and women. The success of Centrum Ultra in its first year represents Pfizer Consumer Healthcare's largest new product launch in the U.S. since Advil.

Also, in the fourth quarter of 2009 we introduced advanced new formulas of Centrum and Centrum Silver/Select 50+ in 14 European markets. This patent-pending formula upgrade is a major milestone that represents a significant opportunity to grow the Centrum business throughout Europe. Advanced Centrum and Centrum Silver/Select 50+ contain specially adjusted levels of key vitamins and minerals to help fill nutritional gaps and deliver multiple health benefits such as energy, immunity, healthy appearance, eye health, bone health and environmental stress protection.

In Expanding the Science

SHANGHAI INITIATIVE SUPPORTS FUNDAMENTAL RESEARCH

Fundamental research in China got a boost from a new joint initiative between Pfizer and the Shanghai Institutes for Biological Sciences (SIBS). Research projects will be selected and developed jointly by Pfizer and SIBS scientists, with significant funding from Pfizer. This is the latest in a series of Pfizer initiatives aimed at supporting China as it becomes one of the leading contributors to health care innovation worldwide. Innovation in the early stages of drug development, including exploration into basic bioscience principles, has the potential to alter the way we look at health care over the next 20 years. At Pfizer, we intend to lead health care innovation at every stage.

REALIZING THE PROMISE OF GREEN CHEMISTRY

Our Green Chemistry program seeks to integrate environmental, health and safety considerations throughout the research, discovery, development, manufacture and distribution of our products. Green Chemistry is now integral to the way all Pfizer scientists and engineers perform their work. It is about advancing scientific innovation—the heart and strength of our company—to reduce our environmental footprint.

A case in point is Lipitor. New, FDA-approved manufacturing processes for this widely-prescribed medicine use nature's own chemical catalysts (enzymes) at key steps. This allows much of the chemistry to be run in water rather

than in solvents. These innovations have dramatically reduced the number of processing steps, avoided the use of chemical solvents and hazardous reagents, minimized waste, cut energy requirements and reduced certain production costs. It's a compelling example of why Green Chemistry is the right thing to do.



GLOBALIZATION OF CLINICAL TRIALS

Pfizer is committed to upholding the highest ethical standards in all of its clinical trials around the world. Pfizer's research is conducted according to international standards, and we were the first pharmaceutical company to be accredited by the Association for the Accreditation of Human Research Protection Programs in 2009 for ensuring the protection of people who volunteer to participate in early-stage trials. As our trials in global markets increase, Pfizer has taken a leadership role in building the capabilities of local investigators in good clinical practices, in partnership with local academic and professional institutions. Pfizer is also a leader in clinical trial transparency. We publicly post summary results of all our clinical trials, including those where further development has been discontinued. In addition, Pfizer has become the first company to begin disclosing payments made to principal investigators and their institutions for Pfizer-sponsored studies run in the U.S.



PARTNERING TO DRIVE RESEARCH

The list of research partnerships forged in 2009 is long and spans the globe, involving leaders in applied health sciences from academia, biotherapeutics companies, public-private partnerships, global health organizations and government. Many are featured in this review. Additional highlights include:

- A collaboration with Crown Biosciences at its facilities in Taicang, China, to discover and develop novel therapeutics for cancer;
- Graceway Pharmaceuticals' acquisition of the worldwide commercial rights for three investigational dermatological molecules from Pfizer, while retaining our services to shepherd the projects through development;
- A first-of-its-kind collaboration with the U.S. Environmental Protection Agency (EPA) to validate an EPA-designed set of tools and technologies that could better predict toxicology outcomes in drug discovery and development; and
- A partnership with China's Fudan University to establish a graduate program in Clinical Data Management and Statistical Programming, designed to develop qualified professionals to support clinical research, which is rapidly increasing in China.

In Meeting Our Responsibilities

RESPONSIBILITY IS INTEGRAL TO SUCCESS

Corporate responsibility is fundamental to Pfizer's business and our ability to achieve our mission and purpose. To ensure that responsibility is part of how we do business every day, most of Pfizer's corporate responsibility issues are managed within our businesses. Pfizer's corporate responsibility efforts are coordinated globally by a team that is part of Policy, External Affairs and Communications, whose leader reports directly to the CEO. This team focuses on guiding overall strategy and goal setting, ensuring clear communications, and engaging with key internal and external stakeholders. In 2009 we made two significant moves to strengthen our efforts. We established a new Global Corporate Responsibility Colleague Network to connect and align all Pfizer colleagues who have corporate-responsibility-related roles around the world. We also strengthened oversight by instituting twice-yearly updates to Pfizer's Board of Directors' Corporate Governance Committee on progress toward corporate responsibility goals and emerging issues potentially affecting Pfizer's reputation and our ability to meet our business objectives.

EXECUTIVE COMPENSATION—“SAY ON PAY”

Executive compensation has become a principal topic of discussion for many stakeholders. Giving shareholders a “say on pay”—a nonbinding, advisory vote on executive compensation—has been widely debated in the business and investment communities as well as in government. At Pfizer's 2009 Annual Meeting shareholders approved a

nonbinding proposal asking the Board of Directors to give shareholders a “say on pay” vote. Following discussions with shareholders, the Board determined that a biennial advisory vote will facilitate our shareholder outreach activities and provide another way to receive input on compensation policies and practices. At the same time, such a vote will foster a more long-term approach to evaluating our executive compensation policies and practices.

RESPONDING TO DISASTERS

When disasters strike, Pfizer and our colleagues respond immediately. Less than 48 hours after Haiti's devastating earthquake, Pfizer pledged over \$1 million in medicines, as well as an additional monetary donation to international relief organizations. That number has since been increased to over \$4 million in medicines, over-the-counter products and cash contributions. In addition, the Pfizer Foundation's Matching Gifts program matches financial contributions made by U.S.- and Puerto Rico-based colleagues and retirees to 501(c)(3) organizations in the U.S. and Puerto Rico.

Similarly, when Taiwan's worst typhoon in 50 years devastated the island, when two super typhoons hit the Philippines two weeks apart engulfing Manila in floodwaters as high as seven feet, and when earthquakes struck Chile, Indonesia and Italy, Pfizer and our colleagues responded with significant donations of time, medical supplies and cash to help with rescue efforts and rehabilitation work.



HELPING PEOPLE GET THEIR MEDICINES IN A DIFFICULT ECONOMIC CLIMATE

For decades, Pfizer has been committed to making our medicines accessible to uninsured and underinsured Americans. In 2004 Pfizer created Pfizer Helpful Answers so that with just one phone call to a toll-free number or a visit to one Web site, patients could be directed to the Pfizer program that might best meet their needs. Today, Pfizer Helpful Answers is the largest and most extensive suite of patient assistance programs in our industry. In the last five years alone, Pfizer Helpful Answers and the Wyeth patient assistance programs combined helped nearly 6 million uninsured or underinsured patients get access to more than 48 million prescriptions, with a value of more than \$5.7 billion at wholesale cost.

Pfizer continues to evolve its assistance programs to meet the changing needs of patients. Last year, for example, Pfizer Helpful Answers launched the MAINTAIN program, designed to help eligible people in the U.S. who have lost their jobs and health insurance to continue to get their Pfizer primary care medicines for free for up to one year or until they become insured again, whichever comes first. The idea for MAINTAIN came from a Pfizer executive in our Asia business, and went from suggestion to launch in seven weeks. Originally designed to last one year, MAINTAIN was extended a second year, through 2010, and Wyeth primary care medicines are being included in the program.

In Setting the Standards

ETHICS AND COMPLIANCE

Pfizer's Corporate Ethics and Compliance Program, established under the direction of our Board of Directors, supports our unyielding commitment to high standards of legal and ethical conduct. Strong ethical performance supports our ability to operate in markets around the world and helps protect Pfizer from litigation and negative impacts on our reputation. Our Corporate Compliance Officer and staff provide oversight and guidance to help ensure compliance with applicable laws, regulations and company policies. Colleagues worldwide receive Pfizer's Code of Business Conduct, known as the "Blue Book," which explains Pfizer's commitment to maintaining high standards and performing with integrity. Pfizer has also made considerable investments to prevent bribery and corruption. Our International Anti-Bribery and Anti-Corruption Corporate Procedure implementation platform helps local teams train colleagues and adopt local procedures. We also have established a compliance hotline in 70 countries. These efforts will support our expansion globally and help ensure that Pfizer's business is conducted consistently and ethically around the world.



HUMAN RIGHTS

Pfizer strives to uphold human rights in all of our business activities. We fully support the principles in the Universal

Declaration on Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work. Pfizer is a signatory of the United Nations Global Compact and we support its Ten Principles on human rights, labor, environment and anticorruption.

We believe that people have a right to health, and, while governments may have the primary responsibility, we embrace the unique role Pfizer can play in promoting this right. Our commitment is embodied in the many approaches we have developed to improve access to medicines and strengthen health care systems for underserved people around the world.

PUBLIC POLICY

Engaging in public policy is a crucial facet of our efforts to create an enabling environment to improve access to medicines and health care. America's current health care system faces real challenges, and we strongly believe that there is long-term value to creating a system that is more efficient, stable and performance oriented. That is why we support health care reform. Reform that expands comprehensive health care coverage, improves quality and provides value for patients, while enhancing choices and health care innovation, is an important goal that benefits patients. Done right, reform can improve Americans' health, broaden access to care and manage costs. Our guiding principle is to support reform that helps many more patients while promoting continued innovation in the search for cures.



RECOGNITION AS A GREAT PLACE TO WORK

Diversity is integral to our business culture, and we consider it a distinct advantage in the marketplace. In addition to numerous individual awards, such as Nikkei's "Woman of the Year" to Pfizer Japan executive Chizuro Kiyomura (pictured above), our positive culture and workplace gained recognition by many monitors of the corporate world. Once again, the *Working Mother* 100 Best Companies roster includes Pfizer, in recognition of our commitment to family-friendly benefits. For the sixth consecutive year, Pfizer earned the highest possible score in the Human Rights Campaign Foundation's Corporate Equality Index, which evaluates U.S.-based businesses on their treatment of lesbian, gay, bisexual and transgender employees, investors and customers. Also for the sixth time, the Women's Business Enterprise National Council named Pfizer one of the top corporations for world-class programs that create level playing fields for women's business enterprises. *Diversity/Careers* magazine recognized Pfizer as a 2009 Best Diversity Company in Engineering & Information Technology. And Universum, a global employer branding company, named Pfizer one of the top 50 most attractive employers, based on a survey of 120,000 business and engineering students from top academic institutions in 11 leading economies.

CORPORATE AND SHAREHOLDER INFORMATION

Stock Listings

Our Common Stock is listed on the New York Stock Exchange. It is also listed on the London, NYSE Euronext and Swiss stock exchanges, and traded on various United States regional stock exchanges.

Stock Transfer Agent and Registrar

Computershare Trust Company, N.A.
250 Royall Street
Canton, MA 02021
Telephone: 1-800-PFE-9393
Outside the U.S., Canada and
Puerto Rico: 1-781-575-4591
Internet: www.computershare.com

Shareholder Services and Programs

Please contact our Stock Transfer Agent and Registrar with inquiries concerning shareholder accounts of record and stock transfer matters, and also for information on the following services and programs:

- Shareholder Investment Program
 - direct purchase of Pfizer stock
 - dividend reinvestment
 - automatic monthly investments
- Book-entry share ownership
- Direct deposit of dividends

Forward-Looking Information

Please refer to Pfizer's 2009 Form 10-K for a description of the substantial risks and uncertainties related to the forward-looking statements included in this Annual Review. Our Form 10-K is available on our Web site at www.pfizer.com/sec and on the Securities and Exchange Commission's Web site at www.sec.gov.

Corporate Responsibility Report

This report provides additional detailed information about how Pfizer conducts business responsibly and engages with stakeholders to advance good health and expand a sustainable business. This report is available online at www.pfizer.com/crreport.



Pfizer's commitment to conduct business in a sustainable way includes adopting green practices with respect to this report. The text of this Annual Review is printed on paper made from well-managed forests and other controlled sources containing 10 percent post-consumer fiber content and is made free of elemental chlorine. The paper is independently certified to the Forest Stewardship Council (FSC) standards.

Our printer, Sandy Alexander Inc., an ISO 14001:2004 Certified printer with Forest Stewardship Council (FSC) Chain of Custody certification, printed this report with the use of renewable wind power resulting in nearly zero volatile organic compound (VOC) emissions. This saved 15,962 pounds of carbon dioxide emissions. This amount of wind-generated electricity is equivalent to 13,849 miles not driven in an automobile or 1,085 trees planted.

Political Action Committee (PAC)

To review our most recent PAC and corporate political contributions report, go online at www.pfizer.com/pac.

Environmental, Health and Safety (EHS)

Our global EHS initiatives, Environmental Sustainability Program and performance metrics may be found online at www.pfizer.com/ehs and in our Corporate Responsibility Report at www.pfizer.com/crreport.

Helplines

Patients, customers and health care professionals who have questions about any of our products should call 1-800-438-1985.

Uninsured or underinsured patients who need help getting their Pfizer medicines should call Pfizer Helpful Answers[®], our family of patient assistance programs that provide Pfizer medicines for free or at a savings to patients who qualify. To learn more, visit www.PfizerHelpfulAnswers.com or call 1-866-706-2400.

Send Us Your Feedback

We value your views on this Annual Review. Did it help you to better understand Pfizer? Was the information presented in a reader-friendly manner? Please send your comments to annual.report@pfizer.com.

You can find more information about Pfizer online at www.pfizer.com. Real-time news about Pfizer can be found on our Facebook page (www.facebook.com/Pfizer) and through Twitter (www.Twitter/Pfizer_news).

This Annual Review is produced by Pfizer's Policy, External Affairs and Communications group.

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Wyeth is now part of Pfizer. The merger of local Wyeth and Pfizer entities may be pending in various jurisdictions and integration is subject to completion of various local legal and regulatory obligations. Accordingly, some changes will not become effective outside of the U.S. and Puerto Rico until the relevant go-live date. All content in this message is subject to works council and/or union consultations and other legal requirements where appropriate.

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LIFE

**We all want the same
things in life—health,
vitality, freedom, longevity.**

The picture of health.
An expanded, more diversified
Pfizer can now serve people
at all stages of life.



Those in the baby boom generation were *Time* magazine's "Man of the Year" in 1967. Now crossing into their 60s, they will drive unprecedented demand for better health care.



**We hope to get the most
out of life at every stage,
not just for ourselves
but also for the people we love.**

The power of genetics is becoming increasingly understood, and the first steps toward truly personalized medicines are now being taken.



A Wide Array of Life-Affirming Products

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At Pfizer, we strive to improve well-being at all stages of life. In 2009, by acquiring Wyeth, we became a more diversified company, offering a wider range of high-quality products for people and animals. These include vaccines to prevent disease, biological and pharmaceutical therapies to treat illnesses, technologies to deliver medicines, and iconic brands in consumer health and nutrition, all offered across developed and emerging markets.

We are well-known for a number of widely prescribed therapies, including Lipitor, Viagra, Lyrica, Enbrel and Celebrex. We are moving quickly in oncology, with breakthrough treatments such as Sutent. But we do more than treat disease. We help prevent it through our vaccines, and through medicines such as Chantix (marketed outside the U.S. as Champix), the world's leading prescription medicine for smoking cessation. We also market hundreds of entries in the fastest-growing segment of the pharmaceutical business—generic medicines.

In addition, our roster of trusted consumer brands includes Advil, Centrum, Robitussin and ChapStick, as well as the GOLD line of infant and toddler nutritional products. We offer suites of animal medicines that support livestock farming and keep companion animals healthy and strong. We have Capsugel, a global leader in creating innovative dosage forms for the pharmaceutical and dietary supplement industries.

Our products are valuable at all stages of life. Our work is profound and felt by every person who, because of our offerings, is able to maintain or reclaim well-being and quality of life.

And with a pipeline expanded through the Wyeth acquisition, we feel confident that a greater number of essential and life-affirming products are on their way.

→ [LEARN MORE AT PFIZER.COM/ANNUAL](https://www.pfizer.com/annual)

Keeping Our Patients Safe

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Patient safety is the first priority at Pfizer—from the moment a compound is cleared for clinical trials, to its approval by regulators for marketing, through its manufacture and distribution, and for as long as it is for sale anywhere in the world. Thousands of Pfizer colleagues in specialized groups devoted to safety, risk management, quality assurance, data collection and analysis, global security, medical communication, and regulatory compliance focus intently on the safe, effective and appropriate use of our medicines, vaccines and other products.

We are among the innovators in improving patient safety. One area of great interest is improving the quality and speed of adverse event reporting. In 2009 we began a collaboration with Brigham and Women's Hospital, Partners Healthcare, the Clinical Data Exchange Consortium, and CRIX International to improve the timeliness and quality of data in adverse event reporting. In the group's pilot study, physicians used electronic health record

technology to report adverse events directly to the U.S. Food and Drug Administration. Preliminary results show that these reports were more complete and more timely, often filed from the point of care. We are now working to expand the pilot to other health systems and to include devices as well.

We empower patients, their caregivers and the public with up-to-date, meaningful information—trying to make certain that people can understand clearly the benefits, risks and proper use of our medicines. The Pfizer Medicine Safety Education Web site (www.pfizer.com/medicinesafety) helps people understand more about how a medicine's safety is determined, monitored and communicated. This highly interactive site has had more than 100,000 unique visitors since its launch in late 2008. It includes a direct link to MedWatch, the FDA's Safety Information and Adverse Event reporting program.

→ LEARN MORE AT PFIZER.COM/ANNUAL

Pfizer now markets a stable of trusted self-care brands—Advil, Caltrate, Centrum, Robitussin and TheraCare among them.



The condition we share
is the human one.



Pfizer's on Facebook—and
Twitter. And we're a leader in how
social media can improve health
for people of all ages.

Pfizer is focusing a number of programs on the special needs of women, from helping them manage the symptoms of menopause to improving their odds against cancer.



At Pfizer, we focus on maximizing wellness and minimizing illness—striving to protect and reclaim health and well-being for people and animals around the world.

Pets are family. Pfizer Animal Health is there for pets—and their families.



Everywhere We Call Home

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We are truly global, an integral part of people's lives in communities and nations around the world. Pfizer has a reach that no other science-based health care company can match. Through our vaccines and other biopharmaceutical products, pharmaceuticals, consumer health care products, nutritionals, capsules and animal health products,

we touch people's lives at every stage. We fight sickness and foster well-being with everything from preventive vaccines, to vitamins and medicines for self-care, to some of the most sophisticated treatments for threatening diseases such as cancer and resistant infections. We help people care for their pets and keep the world's food supply strong in the face of a growing global population.

Pfizer sees human health care in the broadest sense—and the most specific. We are helping everyone from governments to individual patients navigate the changing world of health care. Our knowledge of our products and the health care environment equips us to help society make the most of its current investment in health care, meeting the needs of patients and their families today. At the same time, we are working to help shape health care systems of the future, focusing on prevention, early diagnosis and wider access to needed treatment.

In the developing world, we are a force for expanded access and improvements in health care delivery. We are strong in emerging markets, the fastest-growing segment of our global biopharmaceuticals business. We invest in communities. Through our Global Health Fellows program, as one example, Pfizer colleagues with specialized skills volunteer for three-to-six-month assignments with nongovernmental, multilateral and community-based organizations on the frontiers of health care delivery for underserved populations. Overall, Pfizer is working in partnership with patients, caregivers, physicians, payers, health ministries and local health care providers around the world, leaving them better equipped to meet their most basic challenge—keeping people healthy.

→ [LEARN MORE AT PFIZER.COM/ANNUAL](https://www.pfizer.com/annual)

Expanding Access as a Business Strategy

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Our goal is to work together for a healthier world and, in so doing, build long-term, sustainable value for our investors. As a route to that goal, we seek to improve access to medicines and health care in ways that improve Pfizer's standing among people and their governments, and open new opportunities for all of us. Pfizer has launched a global access strategy within our Emerging Markets Business Unit, dedicated

to developing new business models that will improve access to quality medicines in a commercially viable, affordable and sustainable manner for patients facing barriers to basic health care.

Working with these valued customers offers us new opportunities and challenges. A key enabler will be partnerships with governments, nongovernmental institutions, private organizations, health care professionals and patients themselves. We are exploring a variety of frameworks, including new financial models for health care. In 2008 Pfizer announced a partnership with Grameen Bank, and we continue to work together to assess the needs of patients, community health care workers and others in Bangladesh. Based on what we have learned from this assessment, Pfizer and Grameen have begun setting priorities on how best to meet the most urgent unmet needs of these customers. We are now developing a tailored pilot initiative.

In addition, we are working with global procurement agencies to provide more-affordable medicines, expand access to innovative products, and conduct research and development specifically for underserved people in the developing world.

In parallel, we continue responsible expansion of our philanthropic social health portfolio, including programs such as the International Trachoma Initiative. This initiative aims to eliminate the leading cause of preventable blindness in the developing world, through donations of Pfizer's antibiotic Zithromax and support for community-based training and education. These innovative approaches are among the many being conducted by teams across Pfizer that position us to do more to help meet the health needs of more people than ever before, around the world.

→ [LEARN MORE AT PFIZER.COM/ANNUAL](http://PFIZER.COM/ANNUAL)



In 2009, as it did in 2008,
2007 and 2006, *Working Mother*
magazine put Pfizer on
its "100 Best Companies" list.

**We want everyone, everywhere,
to have access to reliable,
affordable health care, and
to trust in the quality and safety
of their medicines.**



Pfizer is on track to reach people
in more than 250 of China's cities
by 2011.



They deserve a smoke-free environment. Pfizer is supporting smoking cessation projects in 46 countries across five continents.

**We have the science,
scale and reach to help build
a healthier world.**



Our network of Web sites for patients and caregivers contains information on a variety of health and wellness topics.

Playing “Catch-Up” on Low Birthweight Infant Nutrition

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Preterm or low birthweight babies face challenges when it comes to nutrition, particularly once their parents take them home. While in the hospital, these newborns often receive fortified breast milk or specialized formulas that are precisely balanced for their needs—richer in calories and denser in key nutrients.

While mother’s milk is the best and only food most newborns need for the first 6 months of life, studies show that breastfeeding alone may not meet all the immediate neonatal needs of very preterm or low birthweight infants. Supplementation can be key to better health outcomes. For formula-fed preterm or low birthweight babies, however, parents in many markets can only get “one size fits all” infant formulas. Modifying these formulas themselves, parents must make complex adjustments according to their pediatrician’s instructions, without necessarily being sure if the result is optimal for their new child.

Pfizer Nutrition now offers a post-hospital-discharge formula specially designed for low birthweight and preterm newborns. Parents simply follow the easy-to-understand instructions on the package to precisely reflect their pediatrician’s instructions for at-home feeding. The response from

pediatricians in markets ranging from China to Mexico to Australia has been enthusiastic, with doctors seeing this approach as a genuine, long-sought innovation in infant nutrition.

As with all our infant nutritionals, Pfizer is committed to marketing this formula in accordance with the aim and principles of the World Health Organization code, and abiding by national codes wherever they exist and ensuring strict compliance. With the integration of Pfizer and Wyeth, we continue to strengthen efforts to monitor code compliance, and to ensure our marketing of infant formulas is carried out with the best interests of parents and babies first and foremost.

→ [LEARN MORE AT PFIZER.COM/ANNUAL](https://www.pfizer.com/annual)

What Green Means— Our New Environmental Sustainability Strategy

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Pfizer is on a green journey. We are integrating environmental sustainability into our business, better enabling us to realize our purpose of “Working together for a healthier world.” We are using our capabilities to mitigate our impact on climate change, improve product stewardship and manage water resources.

Pfizer has a long-standing commitment to environmental, health and safety protection. We are building on the bedrock of successful programs to push sustainable practices throughout our businesses and supplier network. While we continue to emphasize full compliance with legal requirements and are proud of our many accolades, we have developed a clear vision that focuses on where we believe Pfizer can bring additional value. Our mission encompasses:

ENERGY AND CLIMATE CHANGE

We are actively driving down our carbon footprint by reducing our greenhouse gas emissions and increasing our energy efficiency. Our work goes beyond our facilities to rethinking the cars our sales force use and the routes they drive.

PRODUCT STEWARDSHIP

Pfizer delivers safe and effective products. We are also working to minimize the potential impact

of our products from discovery through use and disposal. We seek innovative ways to reduce our packaging and wastes and look for opportunities to recycle.

CLEAN WATER

We are striving to decrease water use, assessing our global impact and looking for opportunities to expand our responsibility in addressing this world health issue.

With guidance from our stakeholders, we have set near-term and longer-range priorities for executing our environmental strategies. We continue to report on issues and progress toward these priorities, as well as other footprint management measures such as minimizing releases to air and water, reducing waste and increasing recycling efforts.

→ [LEARN MORE AT PFIZER.COM/ANNUAL](https://www.pfizer.com/annual)

Pfizer is on a "green journey"
to build environmentally
sustainable practices
everywhere we operate.



**Better health—that is our quest
and commitment to the world.**

Your world.

When this great-grandfather was born in 1910, the U.S. had fewer than 10,000 centenarians. Now it has more than 130,000.



In partnership with groups such as USAID and the World Health Organization, Pfizer is fighting the alarming rates of maternal mortality in the developing world.



Pfizer.



Thanks to biomedical research, he's survived everything from malaria to melanoma. Life sends its challenges. Pfizer helps people through them.

Where
life
meets
science.

www.pfizer.com/annual
