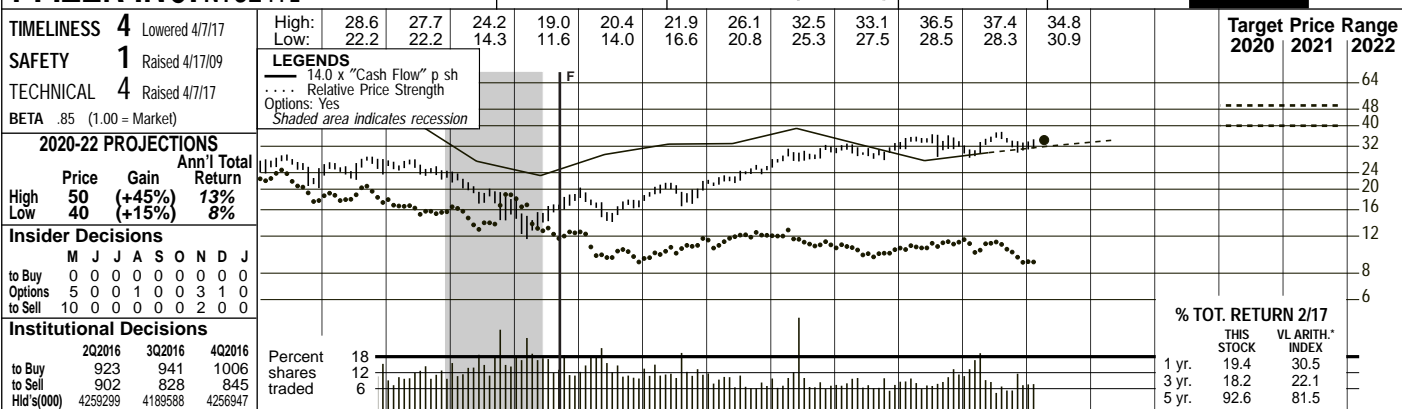


PFIZER INC. NYSE-PFE

RECENT PRICE **34.16** P/E RATIO **26.7** (Trailing: 29.2 Median: 18.0) RELATIVE P/E RATIO **1.36** DIV'D YLD **3.7%**

VALUE LINE



2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
5.14	5.25	5.92	7.03	6.97	6.79	7.16	7.16	6.20	8.46	8.90	8.11	8.06	7.89	7.91	8.70	9.00	9.45	Sales per sh	10.35
1.50	1.72	2.21	2.84	2.80	2.85	3.03	1.94	1.66	2.09	2.34	2.35	2.77	2.32	1.96	2.13	2.30	2.45	"Cash Flow" per sh	3.10
1.31	1.53	1.75	2.12	2.02	2.06	2.20	1.18	1.23	1.03	1.11	1.26	1.65	1.41	1.11	1.17	1.35	1.55	Earnings per sh A G	2.30
.44	.52	.60	.68	.76	.96	1.16	1.28	.80	.72	.80	.88	.96	1.04	1.12	1.20	1.28	1.36	Div'ds Decl'd per sh B	1.60
.35	.29	.35	.35	.29	.29	.28	.25	.15	.19	.22	.18	.19	.19	.23	.30	.25	.25	Cap'l Spending per sh	.25
2.91	3.24	8.53	9.10	8.88	9.98	9.60	8.52	11.15	10.95	10.84	11.16	11.92	11.33	10.48	9.81	9.30	8.60	Book Value per sh C	9.10
6277.0	6162.0	7629.0	7473.0	7361.0	7124.0	6761.0	6746.0	8070.0	8012.0	7575.0	7276.0	6399.0	6291.0	6175.0	6070.0	5900.0	5800.0	Common Shs Outst'g D	5500.0
31.8	22.8	18.2	15.6	12.7	12.5	11.5	16.4	12.8	16.3	17.6	18.4	17.6	21.5	30.3	28.1	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	20.0
1.63	1.25	1.04	.82	.68	.67	.61	.99	.85	1.04	1.10	1.17	.99	1.13	1.53	1.48			Relative P/E Ratio	1.25
1.1%	1.5%	1.9%	2.1%	3.0%	3.7%	4.6%	6.6%	5.1%	4.3%	4.1%	3.8%	3.3%	3.4%	3.3%	3.7%			Avg Ann'l Div'd Yield	3.5%

CAPITAL STRUCTURE as of 12/31/16				2001-2018													20-22	
Total Debt \$42086 mill. Due in 5 Yrs \$22206 mill.				48404	48296	50009	67809	67425	58986	51584	49605	48851	52824	53200	54800	Sales (\$mill)	57000	
LT Debt \$31398 mill. LT Interest \$1247 mill. (35% of Cap'l)				47.8%	45.9%	46.2%	45.5%	48.6%	52.2%	53.1%	46.5%	44.8%	44.6%	46.0%	46.5%	Operating Margin	50.0%	
				5200.0	5090.0	4757.0	8487.0	9026.0	7611.0	6410.0	5537.0	5157.0	5757.0	5600	5300	Depreciation (\$mill)	4500	
				15267	8026.0	8621.0	8266.0	8697.0	9490.0	11341	9088.0	6949.0	7198.0	7970	8990	Net Profit (\$mill)	12650	
				21.0%	17.0%	20.3%	11.9%	31.5%	21.2%	27.4%	25.5%	22.2%	23.0%	23.0%	Income Tax Rate	23.0%		
Leases, Uncapitalized Annual rentals \$220.0 mill.				31.5%	16.6%	17.2%	12.2%	12.9%	16.1%	22.0%	18.3%	14.2%	13.6%	15.0%	16.4%	Net Profit Margin	22.2%	
				25014	16067	24445	31859	29659	32796	32878	36071	14405	7834.0	8000	9000	Working Cap'l (\$mill)	15000	
Pension Assets-12/16 \$20.2 bill. Oblig. \$26.7 bill.				7314.0	7963.0	43193	38410	34931	31036	30462	31541	28818	31398	29000	28000	Long-Term Debt (\$mill)	25000	
				65010	57556	90014	87813	82190	81260	76307	71301	64720	59544	55000	50000	Shr. Equity (\$mill)	50000	
Common Stock 5,951,872,174 shs. as of 2/21/17				21.4%	12.6%	6.8%	7.1%	8.0%	9.0%	11.2%	9.4%	8.0%	8.6%	10.0%	12.5%	Return on Total Cap'l	17.5%	
MARKET CAP: \$203 billion (Large Cap)				23.5%	13.9%	9.6%	9.4%	10.6%	11.7%	14.9%	12.7%	10.7%	12.1%	14.5%	18.0%	Return on Shr. Equity	25.5%	
CURRENT POSITION				11.2%	NMF	3.4%	2.5%	3.0%	3.6%	6.2%	3.5%	NMF	NMF	1.0%	2.0%	Retained to Com Eq	7.5%	
				52%	106%	64%	74%	72%	69%	58%	73%	NMF	NMF	95%	88%	All Div'ds to Net Prof	70%	

BUSINESS: Pfizer Inc. is a research-based, global biopharmaceutical company engaging in the discovery, development, manufacture, and sale of healthcare products. Portfolio includes medicines, vaccines, and various consumer healthcare products. Manages commercial operations through two segments: Pfizer Innovative Health (IH) and Pfizer Essential Health (EH), which was previously known as Established Products. Highest-grossing products '16: *Prevnar*, *Lyrica*, *Enbrel*, *Ibrance*, *Lipitor*, and *Viagra*. Has 96,500 employees. Dirs/Off. own less than 1% of common stock; BlackRock, 7.4%; Vanguard, 6.6%; State Street, 5.3% (3/17 proxy). Chairman/CEO: Ian C. Read. Inc.: Del. Addr.: 235 East 42nd St., New York, NY 10017. Tel.: 212-733-2323. Internet: www.pfizer.com

Pfizer's 2017 outlook was relatively on par with Wall Street's expectations. Following the company's Q4 release (January 31st), management indicated that it expects 2017 adjusted earnings to come in at \$2.50-\$2.60 a share, on sales of \$52 billion-\$54 billion, where analysts on average were targeting \$2.56 a share and \$54 billion. The guidance reflects adjusted SI&A expenses of \$13.7 billion-\$14.7 billion, R&D costs of \$7.5 billion-\$8.0 billion, and an effective tax rate of 23%. **The drugmaker has experienced a few setbacks over the past year.** A failed merger with Allergan (thanks to the government implementing tighter restrictions on tax inversion), the decision against a potentially value-unlocking split of its business, the discontinuation of once-promising pipeline asset Bococizumab, and a recent slowdown in a few of its top-grossing franchises (*Prevnar* and *Enbrel*) have all represented significant hurdles for Pfizer. Increased political scrutiny over drug pricing also appears to have dampened broader industry sentiment. **The current focus is on M&A and new drugs.** Pfizer shelled out roughly \$20 billion for its recent acquisitions of Anacor and Medivation. Assuming integration goes smoothly, these assets should help to alleviate some of the aforementioned portfolio pressure and provide an immediate boost to comps in 2017. The company will also be leaning on continued momentum in its oncology business (sales +54% in 2016), led by standout asset *Ibrance*. The cancer drug saw its sales nearly triple last year to \$2.1 billion, and peak estimates suggest this figure could reach as high as \$5 billion. Rheumatoid arthritis drug *Xeljanz* (sales +78% in '16) is another key driver. **The stock's Timeliness rank has been lowered to 4 (Below Average).** Despite the downgrade, we continue to view Pfizer as an attractive core holding for investors seeking pharmaceutical exposure. The blue chip currently maintains high scores for Safety (1) and Stock Price Stability (95), to go along with a below market Beta (.85). The company's Financial Strength grade is also top notch (A++). An above-average dividend yield (3.7%) and expectations for continued stock buybacks should enhance shareholder value. *Michael Ratty* April 7, 2017

Cal-endar	QUARTERLY SALES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2014	11353	12773	12361	13118	49605
2015	10864	11853	12087	14047	48851
2016	13005	13147	13045	13627	52824
2017	13100	13200	13200	13700	53200
2018	13500	13600	13600	14100	54800

Cal-endar	EARNINGS PER SHARE A				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2014	.36	.45	.42	.19	1.41
2015	.38	.42	.34	d.03	1.11
2016	.49	.33	.21	.13	1.17
2017	.40	.40	.35	.20	1.35
2018	.45	.45	.40	.25	1.55

Cal-endar	QUARTERLY DIVIDENDS PAID B				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2013	.24	.24	.24	.24	.96
2014	.26	.26	.26	.26	1.04
2015	.28	.28	.28	.28	1.12
2016	.30	.30	.30	.30	1.20
2017	.32	.32	.32	.32	1.28

(A) Diluted earnings (GAAP). May not sum due to change in share count. Next earnings report due early May. (B) Dividends paid in early Mar., Jun, Sep., Dec. (C) Div'd reinvest. plan. (D) Includes intangibles. In '16: \$107.1 bill., \$17.64/sh. (E) In millions. (F) Pharmacia acq. 4/03, included from 2nd qtr. (G) Wyeth acq. 10/09, included from 4th qtr. (H) Switched to GAAP earnings from adjusted in 2008. Company's Financial Strength A++ Stock's Price Stability 95 Price Growth Persistence 75 Earnings Predictability 70