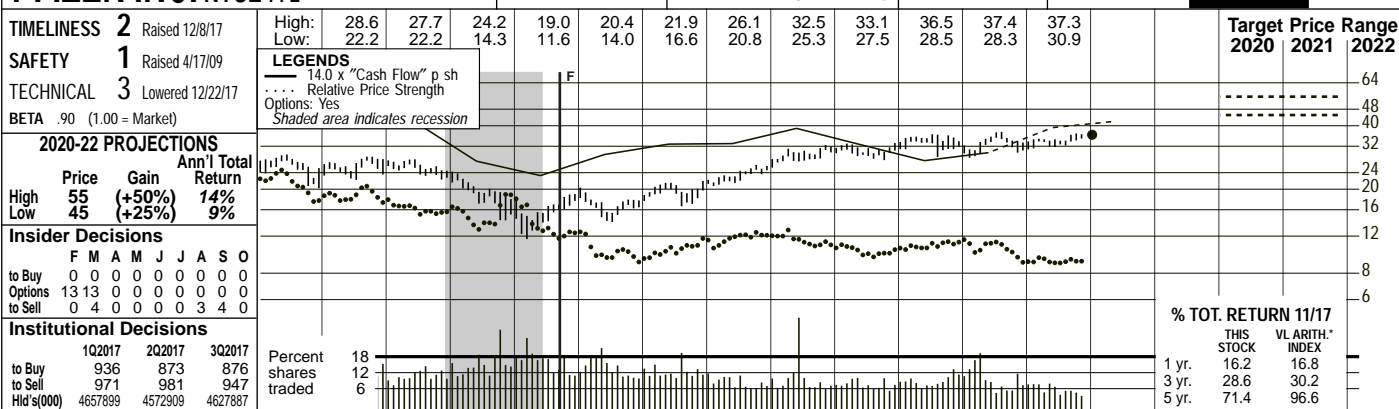


PFIZER INC. NYSE:PFE

RECENT PRICE **36.21** P/E RATIO **19.3** (Trailing: 22.4 Median: 18.0) RELATIVE P/E RATIO **0.94** DIV'D YLD **3.8%** **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	8.90	9.30	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	2.80	3.00	"Cash Flow" per sh	3.45
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	1.80	2.00	Earnings per sh A G	2.45
.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	.35	.35	Cap'l Spending per sh	.35
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	9.85	9.85	Book Value per sh C	10.00
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	18.9	18.9	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	.93	.93	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%	3.8%	3.8%	Avg Ann'l Div'd Yield	3.3%

CAPITAL STRUCTURE as of 10/1/17																			
Total Debt \$43951 mill. Due in 5 Yrs \$22206 mill.																	Sales (\$mill)		57000
LT Debt \$34503 mill. LT Interest \$1247 mill.																	Operating Margin		50.0%
(36% of Cap'l)																	Depreciation (\$mill)		5500
																	Net Profit (\$mill)		13480
																	Income Tax Rate		21.0%
Leases, Uncapitalized Annual rentals \$220.0 mill.																	Net Profit Margin		23.6%
																	Working Cap'l (\$mill)		15000
Pension Assets-12/16 \$20.2 bill. Oblig. \$26.7 bill.																	Long-Term Debt (\$mill)		28000
																	Shr. Equity (\$mill)		55000
Common Stock 5,960,707,317 shs. as of 11/6/17																	Return on Total Cap'l		17.0%
MARKET CAP: \$216 billion (Large Cap)																	Return on Shr. Equity		24.5%
CURRENT POSITION				2015	2016	10/1/17											Retained to Com Eq		8.5%
(SMILL.)																	All Div'ds to Net Prof		65%
Cash Assets				23290	17850	16925													
Receivables				8176	8225	10002													
Inventory (LIFO)				7513	6783	7925													
Other				4825	6091	5439													
Current Assets				43804	38949	40291													
Accts Payable				3620	4536	3480													
Debt Due				10160	10688	9448													
Other				15619	15891	15289													
Current Liab.				29399	31115	28217													

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: *Plevnar*, *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 was poised to close out 2017 on solid footing. The drugmaker's third-quarter results exceeded consensus expectations on both lines, thanks in part to continued strong growth in standout oncology asset *Ibrance* (+60% year over year). Rheumatoid arthritis treatment *Xeljanz* (+48%) and blood thinner medication *Eliquis* (+43%) provided additional support, helping to offset competitive pressures in aging blockbusters *Viagra* (-31%) and *Enbrel* (-13%). While softness in off-patent drugs and some deceleration in the top-grossing *Plevnar* franchise likely remained key drags in the fourth quarter (results due out later this month), further development of the new product cycle and cost control initiatives should keep comps trending in the right direction. For full-year 2017, management is guiding for adjusted earnings of \$2.58-\$2.62 a share, on sales of \$52.4 billion-\$53.1 billion.

The consumer health business is likely to generate significant interest. On the Q3 conference call, management indicated that it was mulling a potential sale of its consumer health division, which includes reliable revenue streams such as pain medication *Advil* and *Centrum* multivitamins. The announcement reflects a shift in strategy as the drugmaker attempts to move away from lower-margin products in order to focus more on innovative pharmaceuticals. Several industry rivals including GlaxoSmithKline and Johnson & Johnson are said to be in the mix, but Pfizer isn't expected to make a decision until later in 2018. Current projections suggest the business could fetch as much as \$15 billion.

On the heels of recent tax reform legislation, the board authorized more share buybacks and a dividend hike. Pfizer poured another \$10 billion into its existing share repurchase program (upping the total to \$16.4 billion) and increased its quarterly dividend by 6.3%.

The stock's Timeliness rank has been raised a notch to 2 (Above Average). Based on our system, shares of PFE are now pegged to outperform the broader market in the year ahead. The company's strong finances, high-grade fundamentals, and impressive track record further bolster overall investment appeal.

Michael Ratty
 January 5, 2018

(A) Diluted earnings (GAAP). May not sum due to change in share count. Next earnings report due late January. (B) Dividends paid in early Mar., Jun, Sep., Dec. Div'd reinvest. plan. (C) Includes intangibles. In '16: \$107.1 bill., \$17.64/sh. (D) In millions. (E) Pharmacia acqd. 4/03, included from 2nd qtr. (F) Wyeth acqd. 10/09, included from 4th qtr. (G) Switched to GAAP earnings from adjusted in 2008.	Company's Financial Strength	A++
	Stock's Price Stability	95
	Price Growth Persistence	65
	Earnings Predictability	65