

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-3619

PFIZER INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

**235 East 42nd Street
New York, New York**

(Address of principal executive offices)

13-5315170

(I.R.S. Employer
Identification Number)

10017-5755

(Zip Code)

(212) 733-2323

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Stock, \$.05 par value

Name of each exchange
on which registered
New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232-405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files.) Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the voting stock held by non-affiliates of the registrant, computed by reference to the closing price as of the last business day of the registrant's most recently completed second fiscal quarter (July 1, 2011), was approximately \$163 billion. The registrant has no non-voting

The number of shares outstanding of the registrant's common stock as of February 21, 2012 was 7,538,520,276 shares of common stock, all of one class.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the 2011 Annual Report to Shareholders

Parts I, II and IV

Portions of the Proxy Statement for the 2012 Annual Meeting of Shareholders

Part III

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PART I

ITEM 1. BUSINESS

General

Pfizer Inc. (which may be referred to as *Pfizer, the Company, we, us or our*) is a research-based, global biopharmaceutical company. We apply science and our global resources to improve health and well-being at every stage of life. We strive to set the standard for quality, safety and value in the discovery, development and manufacturing of medicines for people and animals. Our diversified global healthcare portfolio includes human and animal biologic and small molecule medicines and vaccines, as well as nutritional products and many of the world's best-known consumer healthcare products. Every day, we work across developed and emerging markets to advance wellness, prevention, treatments and cures that challenge the most feared diseases of our time. We also collaborate with other biopharmaceutical companies, healthcare providers, governments and local communities to support and expand access to reliable, affordable healthcare around the world.

The Company was incorporated under the laws of the State of Delaware on June 2, 1942.

On October 15, 2009, we completed our acquisition of Wyeth. The acquisition was a cash-and-stock transaction valued at \$50.40 per share of Wyeth common stock, or a total of approximately \$68.2 billion, based on the closing market price of Pfizer common stock on the acquisition date.

On January 31, 2011, we completed a tender offer for the outstanding shares of common stock of King Pharmaceuticals, Inc. (King) and acquired approximately 92.5% of the outstanding shares for approximately \$3.3 billion in cash. On February 28, 2011, we acquired the remaining outstanding shares of King for approximately \$300 million in cash. Commencing from January 31, 2011, our financial statements include the assets, liabilities, operating results and cash flows of King. Therefore, in accordance with our domestic and international reporting periods, our consolidated financial statements for the fiscal year ended December 31, 2011 reflect approximately 11 months of King's U.S. operations and 10 months of King's international operations.

In July 2011, we announced our decision to explore strategic alternatives for our Animal Health and Nutrition businesses, which may include, among other things, a full or partial separation of each of these businesses from Pfizer through a spin-off, sale or other transaction. We believe these potential actions may create greater shareholder value, enable us to become a more focused organization and optimize capital allocation. Given the separate and distinct nature of Animal Health and Nutrition, we may pursue a different strategic alternative for each of these businesses. Although the timeline for each evaluation may differ, we expect to announce our strategic decision for each of these businesses in 2012 and to complete any separation of these businesses between July 2012 and July 2013. For additional information, see the *Overview of Our Performance, Operating Environment, Strategy and Outlook – Our Business Development Initiatives* section of *Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A)* in our 2011 Financial Report.

On August 1, 2011, we completed the sale of our Capsugel business for approximately \$2.4 billion in cash. For additional information, see the Notes to Consolidated Financial Statements – *Note 2D. Acquisitions, Divestitures, Collaborative Arrangements and Equity Method Arrangements – Divestitures* in our 2011 Financial Report, as well as *Other Products – Capsugel* below.

Pfizer Website

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2011 (2011 Form 10-K), Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or

furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (Exchange Act), are available on our website (www.pfizer.com), in text format and, where applicable, in interactive data file format, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission (SEC).

Throughout this 2011 Form 10-K, we “incorporate by reference” certain information from other documents filed or to be filed with the SEC, including our Proxy Statement for the 2012 Annual Meeting of Shareholders (2012 Proxy Statement) and the 2011 Financial Report, portions of which are filed as Exhibit 13 to this 2011 Form 10-K, and which also will be contained in Appendix A to our 2012 Proxy Statement (2011 Financial Report). The SEC allows us to disclose important information by referring to it in that manner. Please refer to such information. Our 2011 Annual Report to Shareholders consists of the 2011 Financial Report and the Corporate and Shareholder Information attached to the 2012 Proxy Statement. Our 2011 Financial Report will be available on our website (www.pfizer.com) on or about February 28, 2012. Our 2012 Proxy Statement will be available on our website (www.pfizer.com) on or about March 15, 2012.

Information relating to corporate governance at Pfizer, including our Corporate Governance Principles; Director Qualification Standards; Pfizer Policies on Business Conduct (for all of our employees, including our Chief Executive Officer, Chief Financial Officer and Principal Accounting Officer); Code of Business Conduct and Ethics for our Directors; information concerning our Directors; ways to communicate by e-mail with our Directors; Board Committees; Committee Charters; the Lead Independent Director Charter; and transactions in Pfizer securities by Directors and Officers; as well as Chief Executive Officer and Chief Financial Officer certifications, are available on our website (www.pfizer.com). We will provide any of the foregoing information without charge upon written request to Matthew Lepore, Vice President and Corporate Secretary, Chief Counsel-Corporate Governance, Pfizer Inc., 235 East 42nd Street, New York, NY 10017-5755. Information relating to shareholder services, including our Shareholder Investment Program, book-entry share ownership and direct deposit of dividends, is also available on our website (www.pfizer.com).

The information contained in our website does not constitute a part of this 2011 Form 10-K.

Operating Segments

We manage our operations through five operating segments—Primary Care; Specialty Care and Oncology; Established Products and Emerging Markets; Animal Health and Consumer Healthcare; and Nutrition. Each operating segment has responsibility for its commercial activities and for certain research and development activities related to in-line products and in-process research and development (IPR&D) projects that generally have achieved proof-of-concept. Previously, we managed our operations through two operating segments—Biopharmaceutical and Diversified.

We regularly review our segments and the approach used by management to evaluate performance and allocate resources.

A description of each of our five operating segments follows:

- Primary Care operating segment—includes revenues from human pharmaceutical products primarily prescribed by primary-care physicians, and may include products in the following therapeutic and disease areas: Alzheimer’s disease, cardiovascular (excluding pulmonary arterial hypertension), erectile dysfunction, genitourinary, major depressive disorder, pain, respiratory and smoking cessation. Examples of products in this segment include *Celebrex*, *Chantix/Champix*, *Lipitor*, *Lyrica*, *Premarin*, *Pristiq* and *Viagra*. All revenues for such products are allocated to the Primary Care business unit, except those generated in emerging markets and those that are managed by the Established Products business unit.

Through the end of 2011, sales of *Lipitor* in the U.S. are reported in our Primary Care business unit. Beginning in 2012, sales of *Lipitor* in the U.S. will be reported in our Established Products business unit.

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