

Auditor's Report on the financial results of Pfizer Limited pursuant to Clause 41 of Listing Agreement**To Board of Directors of
Pfizer Limited**

We have audited the accompanying annual financial results of Pfizer Limited ('the Company') for the year ended 31 March 2013, attached herewith, being submitted by the Company pursuant to the requirements of Clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2013 and the corresponding three months ended 31 March 2012 for the previous quarter as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results up to the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial results which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the year ended 31 March 2013



Auditor's Report on the financial results of Pfizer Limited pursuant to Clause 41 of Listing Agreement (*Continued*)

Pfizer Limited

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **BSR & Co.**
Chartered Accountants
Firm's Registration No: 101248W



Sanjay Aggarwal
Partner

Membership No: 40780

Mumbai
14 May 2013



PFIZER LIMITED

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PART I STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2013 (₹ in Lakhs)

| Particulars | Quarter ended 31st March 2013 | Quarter ended 31st Dec 2012 | Quarter ended 31st March 2012 | Year ended 31st March 2013 | Year ended 31st March 2012 |
|--|-------------------------------------|-----------------------------------|-------------------------------------|----------------------------------|----------------------------------|
| | Audited | Unaudited | Audited | Audited | Audited |
| 1 Income from Operations | | | | | |
| (a) Net Sales/Income from Operations (Net of excise duty) | 25,219 | 22,978 | 25,174 | 94,798 | 101,732 |
| (b) Other Operating Income | 2,955 | 2,726 | 2,090 | 10,209 | 7,596 |
| Total income from operations (net) | 28,174 | 25,704 | 27,264 | 105,007 | 109,328 |
| 2 Expenses | | | | | |
| a. Cost of materials consumed | 7,885 | 6,175 | 5,977 | 23,849 | 23,077 |
| b. Purchases of stock-in-trade | 1,653 | 3,065 | 3,827 | 9,723 | 14,681 |
| c. Changes in inventories of finished goods, work-in-progress and stock-in-trade | (170) | (1,475) | (687) | (267) | (1,849) |
| d. Employee benefits expense | 4,747 | 5,509 | 3,440 | 20,670 | 19,282 |
| e. Depreciation and amortisation expense | 192 | 198 | 232 | 802 | 956 |
| f. Other expenses | 8,636 | 8,439 | 9,636 | 32,323 | 34,605 |
| Total Expenses | 22,943 | 21,911 | 22,425 | 87,100 | 90,752 |
| 3 Profit from operations before other income, finance costs and exceptional items (1-2) | 5,231 | 3,793 | 4,839 | 17,907 | 18,576 |
| 4 Other income | 3,112 | 2,638 | 2,455 | 10,524 | 9,274 |
| 5 Profit from ordinary activities before finance costs and exceptional items (3 + 4) | 8,343 | 6,431 | 7,294 | 28,431 | 27,850 |
| 6 Finance costs | (8) | 5 | 35 | 24 | 59 |
| 7 Profit from ordinary activities after finance costs but before exceptional items (5 - 6) | 8,351 | 6,426 | 7,259 | 28,407 | 27,791 |
| 8 Exceptional items: (a) VRS | 62 | (4) | - | (442) | (38) |
| (b) Gain on sale of Animal Health business | - | - | - | 38,252 | - |
| (c) Gain on sale of Investment | - | 3,160 | - | 3,160 | - |
| 9 Profit from ordinary activities before tax (7 + 8) | 8,413 | 9,582 | 7,259 | 69,377 | 27,753 |
| 10 Tax expense | 2,597 | 3,194 | 2,449 | 19,057 | 9,292 |
| 11 Net Profit from ordinary activities after tax (9 - 10) | 5,816 | 6,388 | 4,810 | 50,320 | 18,461 |
| 12 Paid-up equity share capital (Face Value per share ₹ 10) | 2,984 | 2,984 | 2,984 | 2,984 | 2,984 |
| 13 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year | | | | | 127,485 |
| 14 Earnings per share - Basic and Diluted (of ₹ 10/- each) (not annualised) | 19.49 | 21.41 | 16.12 | 168.63 | 61.87 |

PART II SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2013

| Particulars | Quarter ended 31st Mar 2013 Audited | Quarter ended 31st Dec 2012 Unaudited | Quarter ended 31st Mar 2012 Audited | Year ended 31st March 2013 Audited | Year ended 31st March 2012 Audited |
|--|---|---|---|--|--|
| A PARTICULARS OF SHAREHOLDING | | | | | |
| 1 Public shareholding | | | | | |
| - Number of shares | 8,728,269 | 8,728,269 | 8,728,269 | 8,728,269 | 8,728,269 |
| - Percentage of shareholding | 29.25% | 29.25% | 29.25% | 29.25% | 29.25% |
| 2 Promoters and Promoter Group Shareholding | | | | | |
| a) Pledged/Encumbered | | | | | |
| - Number of shares | Nil | Nil | Nil | Nil | Nil |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | Nil | Nil | Nil | Nil | Nil |
| - Percentage of shares (as a % of the total share capital of the company) | Nil | Nil | Nil | Nil | Nil |
| b) Non-encumbered | | | | | |
| - Number of Shares | 21,113,171 | 21,113,171 | 21,113,171 | 21,113,171 | 21,113,171 |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100% | 100% | 100% | 100% | 100% |
| - Percentage of shares (as a % of the total share capital of the company) | 70.75% | 70.75% | 70.75% | 70.75% | 70.75% |

| Particulars | Quarter ended 31st March 2013 |
|--|-------------------------------|
| B INVESTOR COMPLAINTS | |
| Pending at the beginning of the quarter | 2 |
| Received during the quarter | 25 |
| Disposed of during the quarter | 26 |
| Remaining unresolved at the end of the quarter | 1 |

STATEMENT OF AUDITED SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2013 (₹ in Lakhs)

| Particulars | Quarter ended 31st March 2013 Audited | Quarter ended 31st Dec 2012 Unaudited | Quarter ended 31st March 2012 Audited | Year ended 31st March 2013 Audited | Year ended 31st March 2012 Audited |
|--|---|---|---|--|--|
| 1. Segment Revenue | | | | | |
| (a) Pharmaceuticals | 23,724 | 21,989 | 21,635 | 91,506 | 88,385 |
| (b) Animal Health | - | - | 3,539 | - | 13,347 |
| (c) Services | - | - | 2,007 | - | 7,507 |
| (d) Others | 4,406 | 3,657 | - | 13,374 | - |
| Total | 28,130 | 25,646 | 27,181 | 104,880 | 109,239 |
| Less: Inter Segment Revenue | - | - | - | - | - |
| Net sales/Income From Operations | 28,130 | 25,646 | 27,181 | 104,880 | 109,239 |
| 2. Segment Results (Profit before tax and interest from each segment) | | | | | |
| (a) Pharmaceuticals | 4,778 | 3,915 | 5,409 | 16,896 | 21,714 |
| (b) Animal Health | - | - | 653 | - | 2,280 |
| (c) Services | - | - | 198 | - | 698 |
| (d) Others | 1,003 | 344 | - | 2,214 | - |
| Total | 5,781 | 4,259 | 6,260 | 19,110 | 24,692 |
| Less: (i) Interest income (net) | (2,632) | (2,163) | (2,007) | (8,855) | (7,631) |
| (ii) Other un-allocable expenditure / (income) - net | - | - | 1,008 | - | 4,570 |
| (iii) Un-allocable exceptional item | - | (3,160) | - | (41,412) | - |
| Total Profit Before Tax | 8,413 | 9,582 | 7,259 | 69,377 | 27,753 |
| 3. Capital Employed | | | | | |
| (a) Pharmaceuticals | 16,519 | 16,425 | 13,404 | 16,519 | 13,404 |
| (b) Animal Health | - | - | 3,987 | - | 3,987 |
| (c) Services | - | - | 3,854 | - | 3,854 |
| (d) Unallocated | 144,159 | 147,803 | 109,224 | 144,159 | 109,224 |
| (e) Others | 8,764 | 10,745 | - | 8,764 | - |
| Total | 169,442 | 174,973 | 130,469 | 169,442 | 130,469 |

STANDALONE STATEMENT OF ASSETS AND LIABILITIES (₹ in Lakhs)

| Particulars | As at 31 March, 2013 (Audited) | As at 31 March, 2012 (Audited) |
|---|--------------------------------|--------------------------------|
| A EQUITY AND LIABILITIES | | |
| 1 Shareholders' funds | | |
| (a) Share capital | 2,984 | 2,984 |
| (b) Reserves and surplus | 166,458 | 127,485 |
| sub-total- Shareholders' funds | 169,442 | 130,469 |
| 2 Non-current liabilities | | |
| (a) Other long-term liabilities | 10 | - |
| (b) Long-term provisions | 1,407 | 2,583 |
| sub-total- Non-current liabilities | 1,417 | 2,583 |
| 3 Current liabilities | | |
| (a) Trade payables | 15,061 | 13,604 |
| (b) Other current liabilities | 3,956 | 3,564 |
| (c) Short-term provisions | 16,075 | 7,936 |
| sub-total- Current liabilities | 35,092 | 25,104 |
| TOTAL- EQUITY AND LIABILITIES | 205,951 | 158,156 |
| B ASSETS | | |
| 1 Non-current assets | | |
| (a) Fixed assets | 2,594 | 3,186 |
| (b) Non current investments | 4,599 | 4,750 |
| (c) Deferred tax assets (net) | 3,988 | 3,708 |
| (d) Long-term loans and advances | 14,331 | 13,431 |
| sub-total- Non-current assets | 25,512 | 25,075 |
| 2 Current assets | | |
| (a) Current investments | - | 5 |
| (b) Inventories | 16,515 | 18,324 |
| (c) Trade receivables | 14,209 | 14,178 |
| (d) Cash and bank balance | 143,294 | 86,627 |
| (e) Short-term loans and advances | 4,323 | 12,983 |
| (f) Other current assets | 2,098 | 964 |
| sub-total- current assets | 180,439 | 133,081 |
| TOTAL- ASSETS | 205,951 | 158,156 |

NOTES:

- The above results were reviewed and recommended by the Audit Committee, for approval by the Board, at its meeting held on May 14, 2013 and were approved and taken on record at the meeting of the Board of Directors of the Company held on that date.
- The financial results for year ended March 31, 2013 have been audited by the statutory auditors of the Company. The audit report on the financial results does not contain any qualifications. The Audit Report will be filed with the Stock Exchanges and will also be available on the Company's website www.pfizerindia.com.
- The figures for the quarter ended March 31, 2013 and quarter ended March 31, 2012 as reported in these financial results are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter were only reviewed and not subjected to audit.
- Discontinuing operations:
The Company had incorporated a wholly owned subsidiary on February 10, 2012 under the name Pfizer Animal Pharma Private Limited for a temporary period with a view to spin off the animal health business of Pfizer Limited as a pre-step to subsequent sale to a wholly owned subsidiary of Pfizer Inc. in India subject to necessary approvals. The business operations of animal health division was transferred to the above subsidiary on April 2, 2012 by way of slump sale for a consideration of ₹42,428 lakhs. The gain of ₹38,252 lakhs on the slump sale of the said business operation was disclosed as exceptional income during the quarter ended June 30, 2012. The Company has transferred on December 7, 2012, its 100% ownership in the wholly owned subsidiary, Pfizer Animal Pharma Private Limited to Pfizer Animal Health India Limited, a 100% indirect subsidiary of Pfizer Inc. for a consideration of ₹47,160 lakhs. The gain on sale of investment of ₹3,160 lakhs was disclosed as exceptional income during the quarter ended December 31, 2012.
Assets, liabilities revenue and expenses for the year ended March 31, 2013 and March 31, 2012 contains following amounts relating to discontinuing operations:-

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2013 | For the year ended March 31, 2012 |
|-------------------|-----------------------------------|-----------------------------------|
| Revenue | - | 13,347 |
| Expenditure | - | 11,067 |
| Profit before tax | - | 2,279 |
| Profit after tax | - | 1,516 |
| Total Assets | - | 6,439 |
| Total Liabilities | - | 2,453 |

Profit after tax attributable to discontinuing operations of the Company has been calculated using the effective tax rate of the Company.

- In view of the transfer of animal health division, the Company now has only one reportable segment 'Pharmaceuticals'. Accordingly, the general and administrative expenses have been allocated to pharmaceuticals segment. As a result, the segmental reporting is not comparable with previous year quarter and year end.
- The Board of Directors of the Company has recommended a normal dividend of ₹12.50 per equity share of ₹10 each (125%) and a special dividend of ₹20.00 per equity share of ₹10 each (200%) on account of sale of animal health business aggregating to total dividend of ₹32.50 per equity share of ₹10 each (325%) for the year ended March 31, 2013.
- The sale of animal health business has been effective April 2, 2012, therefore the figures for the previous quarter / year are not comparable.
- Figures for previous quarters / year have been regrouped where necessary.

For Pfizer Limited

Aijaz Tobaccowalla
Managing Director

Mumbai, May 14, 2013