Pfizer Inc. (PFE)

Price Yield Market Cap. 52-Week Range \$24.85 6.9% \$144.8B \$27.99 - \$20.92 Data as of 11/06/2025 Data as of 11/06/2025

Investment Summary

Sector Health Care
Subsector Biopharma & Life Sci
Investment Category Large Cap
Price Movement Average

opinion should not be relied upon after termination of coverage on November 14, 2025.

3%

Outlook Recent Spinoffs Accelerate Growth -

Through a series of recent transactions, Pfizer has become a company focused on developing innovative drugs and vaccines. We believe Pfizer will be able to grow earnings at a higher rate because of the potential for new drugs and vaccines, such as those for cancer and RSV.

Diversified Business Helps Results -

Pfizer's extensive drug and vaccine business remains very diversified. Many products have over \$1 billion in annual sales. Pfizer generates significant cash flow, which we believe it will continue to use to return cash to shareholders and to pay down debt.

Strong Drug Pipeline Drives Growth

- Given Pfizer's size advantages and experience, it has been successful in developing drugs. Pfizer's new products are progressing well, and its shorter-term product pipeline for cancer and others appears solid.

Valuation and Recent Performance - Pfizer trades at a price-to-earnings ratio of 7.6 times our 2026 earnings estimate, which is lower than its peer average of 12.3 times. Given our growth outlook, we view shares as attractively valued. The stock has underperformed due to fears of slowing COVID-19 sales.

Risks - The primary downside risks to our Buy rating are product failures or liabilities, early patent losses, pricing pressure from third-party payers, and legal, political and regulatory (FDA) risk, including Medicare-related drug negotiations. Lower-than-expected COVID-19 product sales are also a risk. Additionally, COVID-19 products can have notable news headline risks, which may include legal and political news items.

Company Overview

Pfizer is one of the largest drug companies in the world. Top drugs include Ibrance, Prevnar and Enbrel. The company was founded in 1849 and is headquartered in New York, New York. Pfizer's competitors include Johnson & Johnson, Merck, and AbbVie.

Revenues International 48%
Standard & Poor's/Moody's A+/A2
MSCI ESG Rating BBB/Average

Dividend Outlook (1-Year): Rising

Long-Term Growth Est.

Annualized Payment \$1.72 Last Change 2% (Dec 12, 2024) Consec. Yrs Increased 16 Paid Since 1901 5-Yr. Trailing Growth 3%

Payout Ratio ('25) 55%
Dividends Paid Mar, Jun, Sep, Dec
Commentary: We believe dividend growth will be below earnings growth as the company focuses

its spending on new product development.

Valuation & Earnings			
	'24A	'25E	'26E
Earnings Per Share	3.11	3.10	3.25
P/E	8.0x	8.0x	7.6
PEGY	0.5x	0.5x	0.5
LT EPS Growth Est.			9%
Est. Earnings Date	Fel	oruary 10	, 2026

Est. Earnings Date February 10, 2026 Pfizer notably benefited from sales of its COVID-19 products during the pandemic. With the pandemic fading, Pfizer's COVID-19 product sales declined and had a negative impact on its near-term earnings per share. This should change as COVID-19 product sales begin to normalize and new products potentially help growth. Eventually, we see Pfizer's earnings per share approximating our 9% growth estimate.

Annualized Total Returns	1yr	3yr	5yr
Pfizer Inc.	(3)%	(15)%	(2)%
S&P Health Care Index	0%	5%	8%
S&P 500 Index	15%	23%	16%

Data as of 11/6/25. Source: FactSet. Indexes are unmanaged and cannot be invested in directly. Past performance is no guarantee of future results.

Key Developments

We intend to drop coverage of Pfizer on November 14, 2025, as Edward Jones is no longer producing equity research reports. Our final recommendation on the stock is a Buy. The

11/7/25: We intend to drop coverage of Pfizer on November 14, 2025, as Edward Jones is no longer producing equity research reports. Our final recommendation on the stock is a Buy. The opinion should not be relied upon after termination of coverage on November 14, 2025.

Analyst: John Boylan, CFA

November 7, 2025 (NYSE: PFE)

Analyst Certification

I certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers; and no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in the research report. John Boylan, CFA

Required Research Disclosures



November 7, 2025	BUY	HOLD	SELL
Stocks	55%	45%	0%
Investment Banking	4%	6%	0%
Services			

The table lists the percent of stocks we follow globally in each of our rating categories. Investment banking services indicate the percentage of those companies where the firm has acted in furtherance of a public offering of the issuer within the past 12 months.

- Initiated Coverage PRE-1994.....BUY since 10/06/01...(B) 10/06/01-
- Analysts receive compensation that is derived from revenues of Edward Jones as a whole which include, but are not limited to, investment banking services revenue.

Opinion Rating Definitions: Buy (B) - We believe the valuation is attractive and total return potential is above average over the next 3-5 years compared with industry peers. Hold (H) - We believe the stock is fairly valued and total return potential is about average over the next 3-5 years compared with industry peers or a special situation exists, such as a merger, that warrants no action. Sell (S) - We believe the stock is overvalued and total return potential is below average over the next 3-5 years compared with industry peers. In some cases we expect fundamentals to deteriorate considerably and/or a recovery is highly uncertain. FYI (FYI) - For informational purposes only; factual, no opinion. Under Review (UR) – Our rating, estimates, and opinion for this company are under review and should not be relied upon for making investment decisions until updated.

Other Disclosures

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- Dividend Outlook (1-Year): Rising We believe the dividend is likely to increase based on historical trends, the current payout ratio, and/or expected future earnings and cash flow; Stable We believe the dividend is stable at the current level and is unlikely to increase or decrease; At Risk We believe the dividend is at risk of being reduced or eliminated; No Dividend This company does not pay a dividend.
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- Investment Category: Large Cap Stocks of large-sized companies; Small and Mid Cap Stocks of small- or medium-sized companies; Aggressive Micro-cap companies, companies with share prices below \$4, and emerging market equity.
- Price Movement: Above Average (AA) This stock will likely be more volatile than the average stock in the S&P 500 Index. These companies are often growing faster than the average company and/or are in industries that are more sensitive to the economy. Average (A) This stock will likely experience volatility similar to the average stock in the S&P 500 Index. Below Average (BA) This stock will likely be less volatile than the average stock in the S&P 500 Index. These companies are often more mature, grow more slowly than the average company, and/or are in industries that are less sensitive to the economy.
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- Diversification does not guarantee a profit or protect against loss in declining markets.
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- Our expectation for average annual earnings growth through a full economic cycle. This figure avoids distortions that can occur due to one-time items or by extreme peaks or troughs within the cycle.
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