



# A New Champion for Global Health

July 29, 2019

# Safe Harbor Provision

This communication contains “forward-looking statements”. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may include, without limitation, statements about the proposed transaction, the expected timetable for completing the proposed transaction, the benefits and synergies of the proposed transaction, future opportunities for the combined company and products and any other statements regarding Pfizer’s, Mylan’s and Upjohn’s future operations, financial or operating results, capital allocation, dividend policy, debt ratio, anticipated business levels, future earnings, planned activities, anticipated growth, market opportunities, strategies, competitions, and other expectations and targets for future periods. Forward-looking statements may often be identified by the use of words such as “will”, “may”, “could”, “should”, “would”, “project”, “believe”, “anticipate”, “expect”, “plan”, “estimate”, “forecast”, “potential”, “intend”, “continue”, “target”, “outlook” and variations of these words or comparable words. Because forward-looking statements inherently involve risks and uncertainties, actual future results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: the parties’ ability to meet expectations regarding the timing, completion and accounting and tax treatments of the proposed transaction; changes in relevant tax and other laws; the parties’ ability to consummate the proposed transaction; the conditions to the completion of the proposed transaction, including receipt of approval of Mylan’s shareholders, not being satisfied or waived on the anticipated timeframe or at all; the regulatory approvals required for the proposed transaction not being obtained on the terms expected or on the anticipated schedule or at all; inherent uncertainties involved in the estimates and judgments used in the preparation of financial statements and the providing of estimates of financial measures, in accordance with the accounting principles generally accepted in the United States of America (“U.S. GAAP”) and related standards, or on an adjusted basis (“Non-GAAP measures”); the integration of Mylan and Upjohn being more difficult, time consuming or costly than expected; Mylan’s and Upjohn’s failure to achieve expected or targeted future financial and operating performance and results; the possibility that the combined company may be unable to achieve expected benefits, synergies and operating efficiencies in connection with the proposed transaction within the expected time frames or at all or to successfully integrate Mylan and Upjohn; customer loss and business disruption being greater than expected following the proposed transaction; the retention of key employees being more difficult following the proposed transaction; Mylan and Upjohn’s capacity to bring new products to market, including but not limited to where it uses its business judgment and decides to manufacture, market and/or sell products directly or through third parties, notwithstanding the fact that allegations of patent infringement(s) have not been finally resolved by the courts (i.e., an “at-risk launch”); the scope, timing and outcome of any ongoing legal proceedings and the impact of such proceedings on Mylan’s and Upjohn’s consolidated financial condition, results of operations and/or cash flows; Mylan’s and Upjohn’s ability to protect their respective intellectual property and preserve their respective intellectual property rights; the effect of any changes in customer and supplier relationships and customer purchasing patterns; the ability to attract and retain key personnel; changes in third-party relationships; the impacts of competition; changes in the economic and financial conditions of the business of Mylan or Upjohn; and uncertainties and matters beyond the control of management and other factors described under “Risk Factors” in each of Pfizer’s and Mylan’s Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and other filings with the SEC. You can access Pfizer’s or Mylan’s filings with the SEC through the SEC website at [www.sec.gov](http://www.sec.gov) or through Pfizer’s or Mylan’s website, and Pfizer and Mylan strongly encourage you to do so. Except as required by applicable law, Pfizer, Mylan or Upjohn undertake no obligation to update any statements herein for revisions or changes after the date of this communication.

# Safe Harbor Provision



## **ADDITIONAL INFORMATION**

This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended (the "Securities Act"). In connection with the proposed combination of Upjohn Inc. ("Upjohn"), a wholly owned subsidiary of Pfizer Inc. ("Pfizer") and Mylan N.V. ("Mylan"), which will immediately follow the proposed separation of the Upjohn business from Pfizer (the "proposed transaction"), Upjohn, Mylan and Mylan I B.V., a wholly owned subsidiary of Mylan, ("Mylan Newco") intend to file relevant materials with the Securities and Exchange Commission ("SEC"), including a registration statement on Form S-4 that will include a proxy statement/prospectus relating to the proposed transaction. In addition, Upjohn expects to file a registration statement in connection with its separation from Pfizer. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENTS, PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT MYLAN, UPJOHN, MYLAN NEWCO AND THE PROPOSED TRANSACTION. A definitive proxy statement will be sent to shareholders of Mylan seeking approval of the proposed transaction. The documents relating to the proposed transaction (when they are available) can be obtained free of charge from the SEC's website at [www.sec.gov](http://www.sec.gov). These documents (when they are available) can also be obtained free of charge from Mylan, upon written request to Mylan, at (724) 514-1813 or [investor.relations@mylan.com](mailto:investor.relations@mylan.com) or from Pfizer on Pfizer's internet website at <https://investors.Pfizer.com/financials/sec-filings/default.aspx> or by contacting Pfizer's Investor Relations Department at (212) 733-2323.

## **PARTICIPANTS IN THE SOLICITATION**

This communication is not a solicitation of a proxy from any investor or security holder. However, Pfizer, Mylan, Upjohn and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in connection with the proposed transaction under the rules of the SEC. Information about the directors and executive officers of Pfizer may be found in its Annual Report on Form 10-K filed with the SEC on February 28, 2019, its definitive proxy statement and additional proxy statement relating to its 2019 Annual Meeting filed with the SEC on March 14, 2019 and on April 2, 2019, respectively, and Current Report on Form 8-K filed with the SEC on June 27, 2019. Information about the directors and executive officers of Mylan may be found in its amended Annual Report on Form 10-K filed with the SEC on April 30, 2019, and its definitive proxy statement relating to its 2019 Annual Meeting filed with the SEC on May 24, 2019. These documents can be obtained free of charge from the sources indicated above. Additional information regarding the interests of these participants will also be included in the proxy statement/prospectus when it becomes available.

# Executive Commentary



**Robert Coury**  
Chairman, Mylan



**Albert Bourla**  
CEO, Pfizer

# Transaction Summary

## Deal Terms

- Mylan and Upjohn combining in a Reverse Morris Trust transaction, expected to be tax-free to Pfizer shareholders
- Mylan shareholder vote required; no shareholder vote required for Pfizer
- Transaction is subject to customary closing conditions, including receipt of regulatory approvals, and is currently expected to close in mid 2020

## Ownership

- Pfizer shareholders to own 57% of the combined company
- Mylan shareholders to own 43% of the combined company

## Capital Policies

- NewCo to have lower leverage ratio than Mylan standalone
  - ~\$24.5bn of total debt, including \$12bn of gross debt for Upjohn to fund \$12bn pre-closing cash payment to Pfizer
- Solid investment grade credit rating with stable to positive outlook expected
- Company will pay a dividend;  $\geq 25\%$  target payout of free cash flows

## Corporate Organization

- New Management: Robert J. Coury (Executive Chairman); Michael Goettler (CEO); Rajiv Malik (President)
- New Board: 13 directors (Chairman, CEO, 8 Mylan Appointees, 3 Pfizer Appointees)
- NewCo will be domiciled in the US and incorporated in Delaware
- NewCo will have three Global Centers: Pittsburgh, Shanghai and Hyderabad
- Combined Board will fully declassify by 2023 annual meeting

# A New Champion for Global Health



Accelerates shared commitments  
to expand access to medicine

Capable of meeting the world's diverse therapeutic  
needs and meeting evolving health needs

Leader in treating communicable  
and non-communicable diseases

Good for patients, payors,  
governments and health systems

**New Name to be Announced Before Closing**

**Upjohn Name to be Used in China and Select Emerging  
Markets**





# A Powerful Combination



**NewCo**



Strong Footprint in US and Europe

**Enhanced Global Scale and Geographic Reach**

Unique Footprint in Asia and the Emerging Markets

Diverse Portfolio Across all Key Therapeutic Areas

**Sustainable, Diverse and Differentiated Portfolio and Pipeline**

Trusted, Iconic Off-Patent Brands

Best-in-Class Global Manufacturing and Supply Platform

**Powerful Combination of Best-in-Class Capabilities with World Class Management Team**

Best-in-Class Global Commercial Capabilities

Sustainable Pipeline Engine

**Strong and Sustainable Cash Flows Enabling Strong Return of Capital**

Strong Cash Flow and Pfizer's Shareholder Friendly Capital Allocation

**Focused on Delivering Shareholder Value  
and High-Quality Governance**

# Compelling Financial Profile

Commitment to Solid Investment Grade Profile, Maintaining Strategic Flexibility and Delivering Shareholder Friendly Capital Returns

## 2020 Pro Forma Outlook

**\$19 - 20bn**

Expected Revenue

**\$7.5 - 8.0bn**

Expected Adjusted EBITDA  
with a margin of ~40% including  
phased synergies

**> \$4bn**

Expected Annual FCF

## Forward Looking Targets

**~\$1bn**

Expected Annual Cost  
Synergies by 2023

**≥ 25%**

of Free Cash Flow to  
Be Paid as Dividend  
Beginning First Full  
Quarter After Close

**≤ 2.5x**

Gross Leverage,  
Targeted by the  
end of 2021

Note: 2020 Pro Forma Outlook reflects Lyrica US LOE and China Volume Based Procurement

Note: Based on historic exchange rates, potential divestitures not included

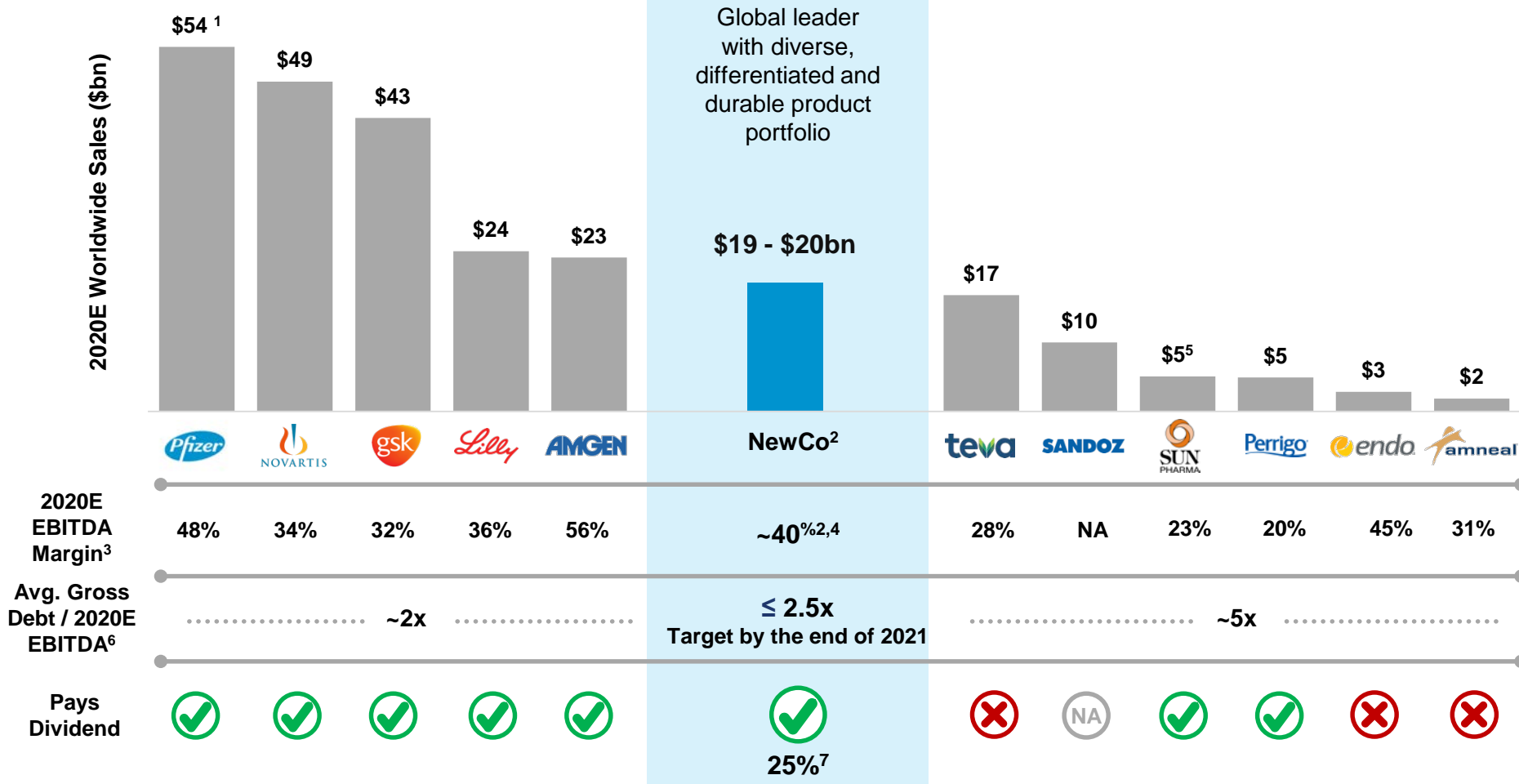


# Today's Competitive Landscape

## Selected Large Cap Pharma

## The Opportunity

## Selected Spec Pharma / Generics



Source: Company filings, CapIQ

1 Pfizer 2020E Revenue does not adjust for this transaction, the GSK/Pfizer Consumer JV and includes Upjohn Revenue.

2 2020 Pro Forma Outlook Revenue.

3 Wall Street consensus 2020E EBITDA margin. Figures adjusted to reflect 2020E calendar year. Consensus estimates are not internal estimates.

4 2020 EBITDA margin including phased-in synergies.

5 Includes revenues from consolidated sub Taro.

6 Average gross leverage multiples of large cap pharma and spec pharma / Generics, excl. Sandoz, peer groups respectively. Consensus estimates are not internal estimates.

7 Represents target payout ratio of free cash flow for NewCo.

# A Unique Company – No Direct Pharma Peer Set



**Balanced  
geographic presence**



**A leader in the  
world's growth markets**



**Durable EBITDA  
margin profile**



**Solid investment grade  
profile and balance sheet**



**Enhanced and  
sustainable cash flow**



**Substantial  
dividend**

# Combination Highlights



**Enhanced Global Scale and Geographic Reach**



**Sustainable, Diverse and Differentiated Portfolio and Pipeline**



**Powerful Combination of Best-in-Class Capabilities  
with World Class Management Team**



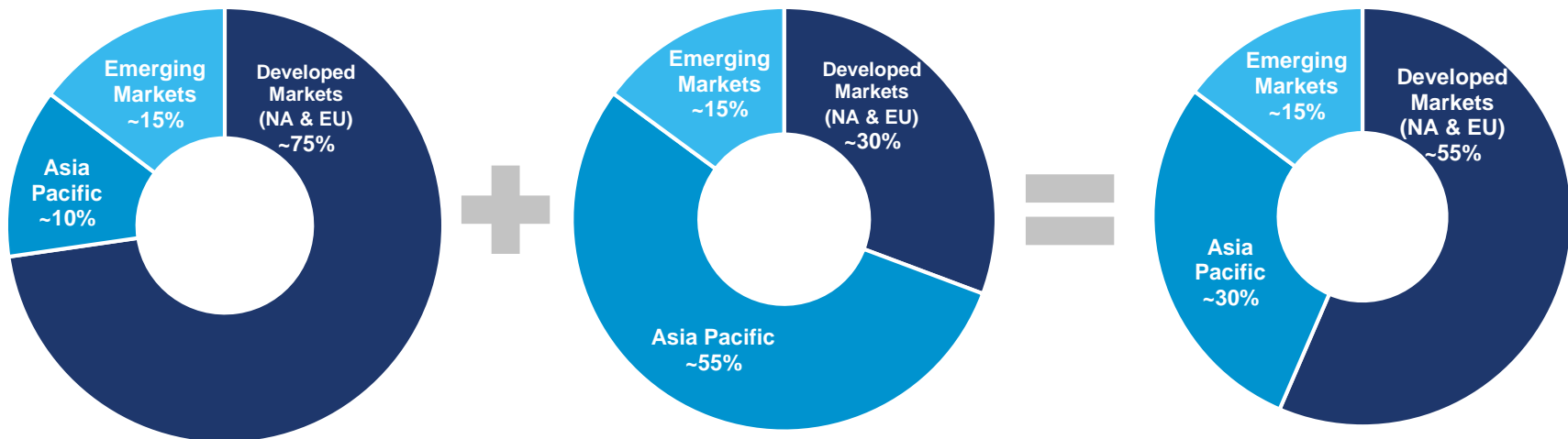
**Strong and Sustainable Cash Flows  
with Attractive Shareholder Returns**

# Regionally Balanced Revenue Footprint

## 2020E Pro Forma Revenue Mix Outlook by Geography



**NewCo**

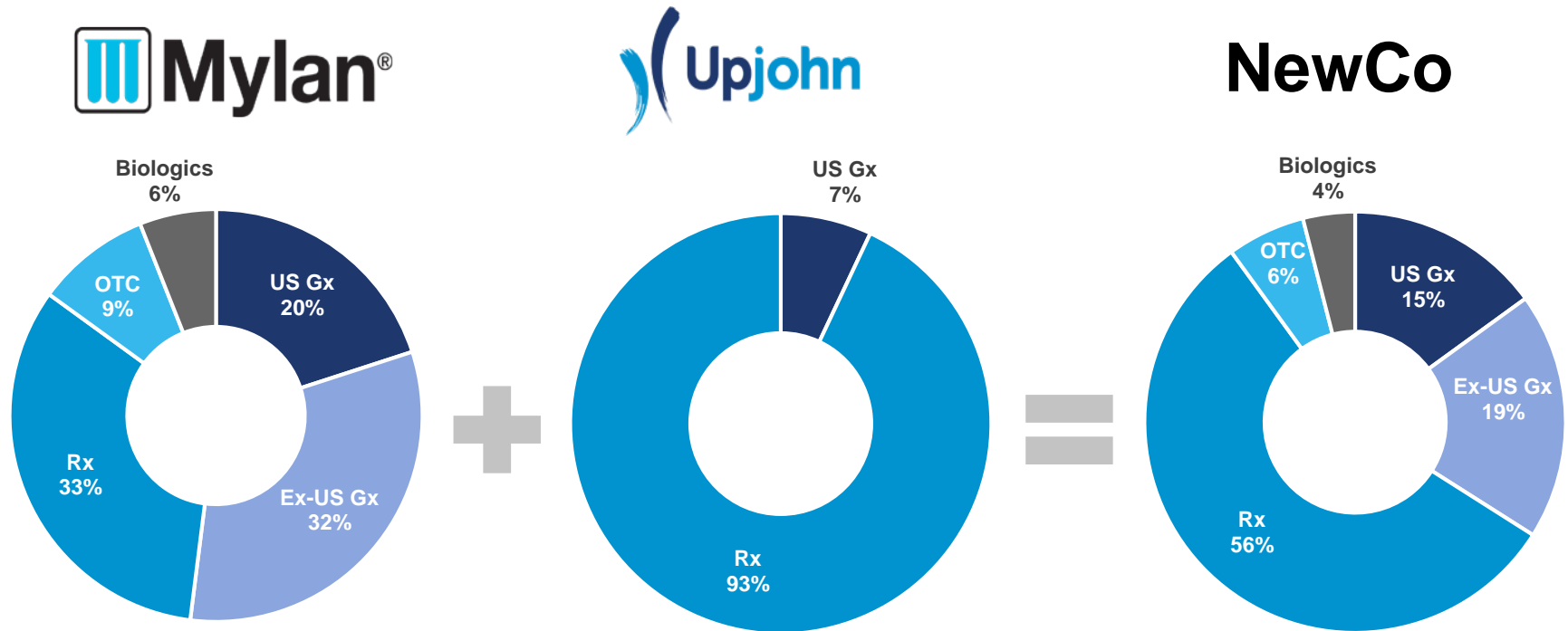


**Powerful Footprint Across The World's Growth Markets**

Note: NA = North America; Asia Pacific includes Japan, China and Australia

# Diversification Across Product Categories

## 2020E Pro Forma Revenue Mix Outlook by Product Type

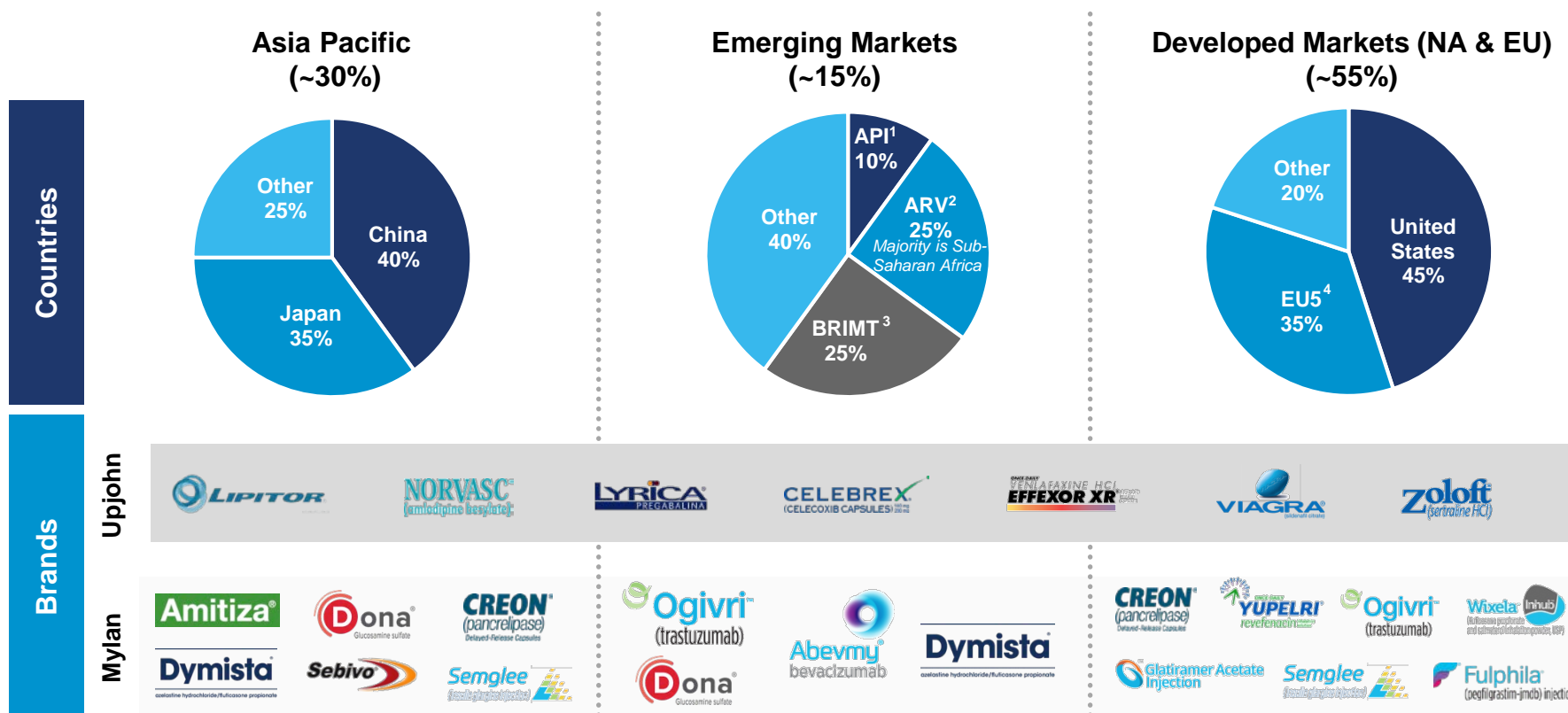


**Sustainable, Diverse And Differentiated Portfolio**

Note: Rx = Brands; Gx = Generics; OTC = Over-the-Counter

# NewCo's Geographic Opportunities

## 2020E Pro Forma Revenue Mix Outlook by Geography



**Opportunity to Bring Mylan Growth Products to Upjohn Growth Markets**

1 Stands for Active Pharmaceutical Ingredient.  
 2 Stands for Antiretroviral.  
 3 Stands for Brazil, Russia, India, Mexico, Turkey.  
 4 Includes UK, Spain, Germany, France, Italy.

# Strong Diversified Pipeline

## Notable Approvals

OSD<sup>2</sup>

**Mesalamine**  
(Canasa)

Sterile  
products

**Glatiramer Acetate Injection**  
(Copaxone)

Topicals/  
TDS<sup>3</sup>

**Estradiol**  
Vaginal Cream, USP  
(Estrace)

**Suboxone**  
(buprenorphine and naloxone)  
(Suboxone)

Biosimilars and  
Insulins

**Fulphila**  
(pegfilgrastim-jmdo) injection  
(Neulasta)

**Semglee**  
(insulin glargine)  
(Lantus)

**Ogivri**  
(trastuzumab)  
(Herceptin)

Respiratory

**Wixela**  
(fluticasone propionate  
and salmeterol inhalation powder, USP)

**YUPELRI**  
(revelerfenacin)  
inhalation solution

## Notable Pipeline (RLD<sup>1</sup>)

**ADDERALL XR**  
(dextroamphetamine)  
One Dose Daily

**Premarin**  
CONJUGATED ESTROGENS

**Tecfidera**  
(dimethyl fumarate)  
delayed-release capsules 120mg

**Restasis**  
(cyclosporine ophthalmic emulsion)  
eye drops

**INVEGA SUSTENNA**  
paliperidone palmitate  
extended-release tablets  
39mg, 78mg, 117mg, 156mg, 234mg

**Sandostatin LAR**  
octreotide /IM INJECTION

**VICTOZA**  
liraglutide injection 1.2mg/18mg

**Collagenase SANTYL**  
Ointment 250 units/g

**Aczone 7.5%**  
(dapsone) Gel, 7.5%

**ORENCIA**  
(abatacept)

**EYLEA**  
( aflibercept ) Injection  
For Intravitreal Injection

**AVASTIN**  
bevacizumab  
injection

**FloVent HFA 44 mcg**  
(fluticasone propionate 44 mcg)  
Inhalation Aerosol

**PROAIR HFA**  
(albuterol sulfate)  
Inhalation Aerosol

**Symbicort**  
(budesonide/formoterol fumarate  
dihydrate) Inhalation Aerosol

Targeting ~\$3bn in New Revenue from Products Expected to Launch by 2023  
~2/3 Will be Complex Gx, Biosimilars and Global Key Brands

Note: Trademarks are the property of their respective owners. Pipeline as of May 2019

1 RLD = Reference Listed Drug.

2 OSD = Oral Solid Dosage.

3 TDS = Transdermal Drug Delivery Systems.



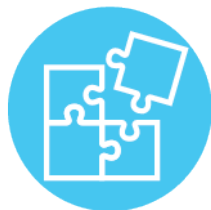
# Combination Highlights



Enhanced Global Scale and Geographic Reach



Sustainable, Diverse and Differentiated Portfolio and Pipeline



**Powerful Combination of Best-in-Class Capabilities  
with World Class Management Team**



Strong and Sustainable Cash Flows  
with Attractive Shareholder Returns

# Powerful Commercial Presence Drives Global Growth



**165+**

Countries  
Served



**~3,000**

Brands and  
Molecules



**~15,000**

Commercial  
Colleagues



**60,000+**

Customers  
Shipped to  
Globally

**Extensive Commercial Reach**  
and **Leading Position** in Key  
Growth Markets

**Combined Talent** from Both  
Companies

Strong Platform and Partnership  
Network **Protect Brand Value**  
and **Maximize Pipeline Potential**

Opportunity to **Cross Pollinate**  
**Across Portfolios**

Unique Capabilities in  
**Brand Building** and  
**Tendering / Contracting**

# Best-in-class Manufacturing and Supply Network

25

OSD Sites

7

Injectable Sites

8

Complex Dosage Form Sites

11

API Sites

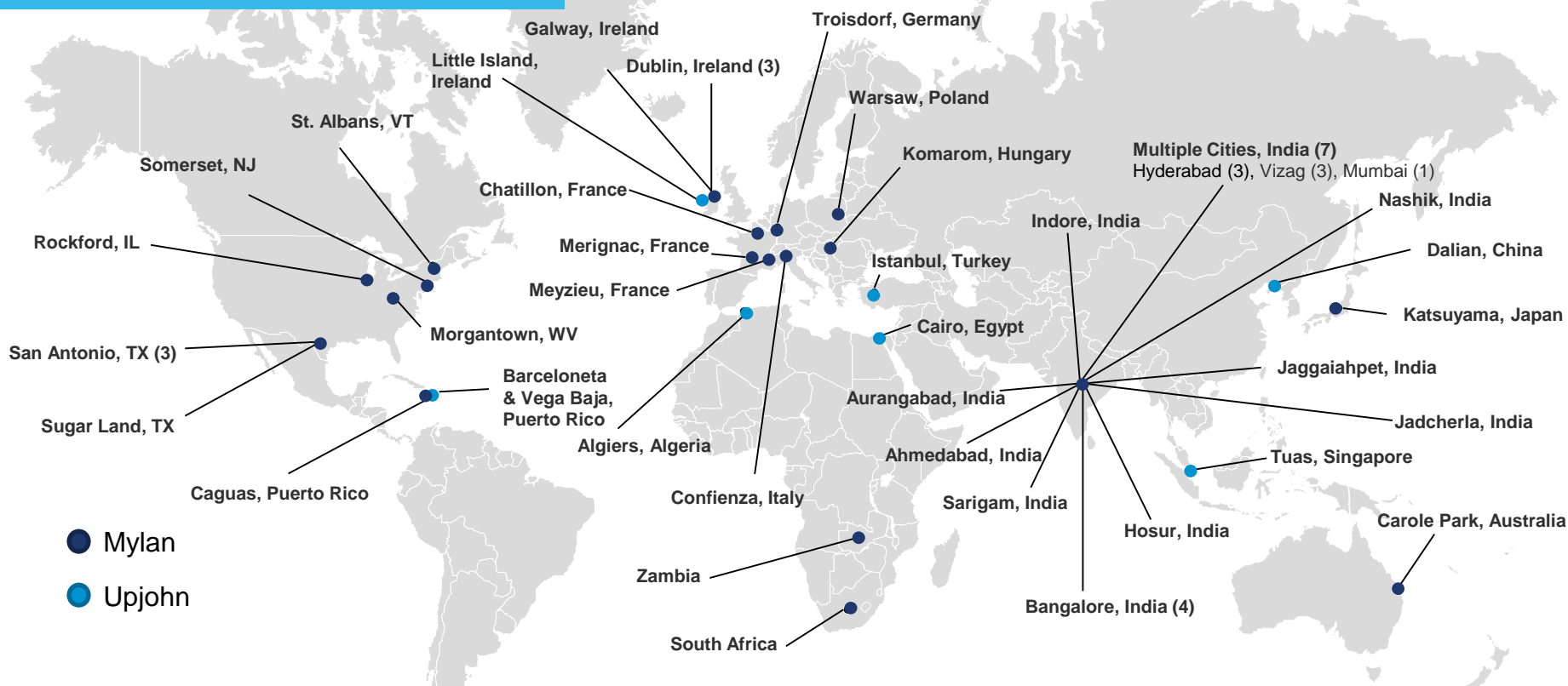
>80bn

Doses Produced Annually

165+

Countries Served

## Manufacturing Site Locations



Global network of 51 sites serving >60,000 customers

# Combination Highlights



**Enhanced Global Scale and Geographic Reach**



**Sustainable, Diverse and Differentiated Portfolio and Pipeline**



**Powerful Combination of Best-in-Class Capabilities  
with World Class Management Team**

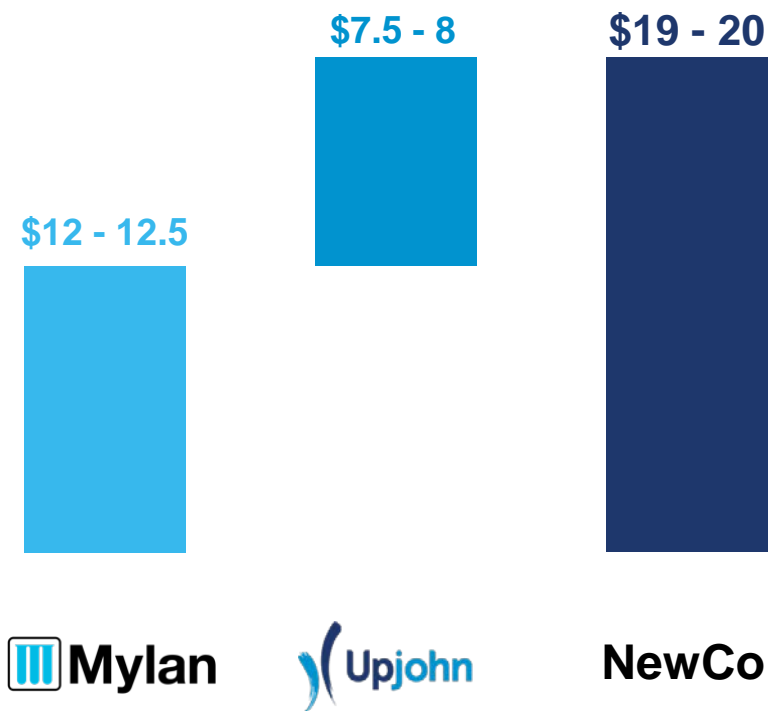


**Strong and Sustainable Cash Flows  
with Attractive Shareholder Returns**

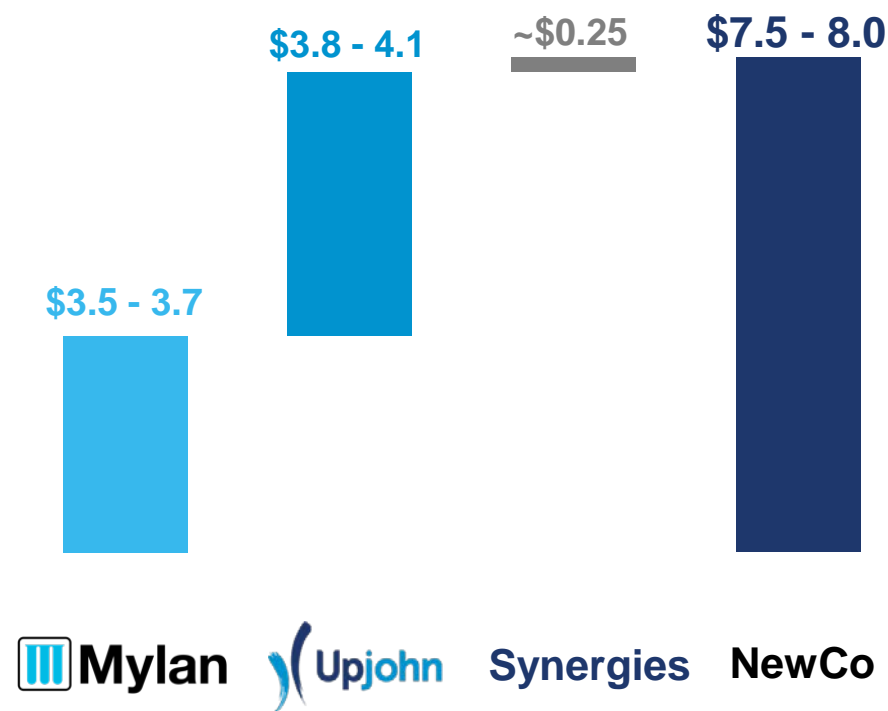
# Revenue and EBITDA Contributions

\$ in billions

## Expected Pro Forma 2020 Revenue



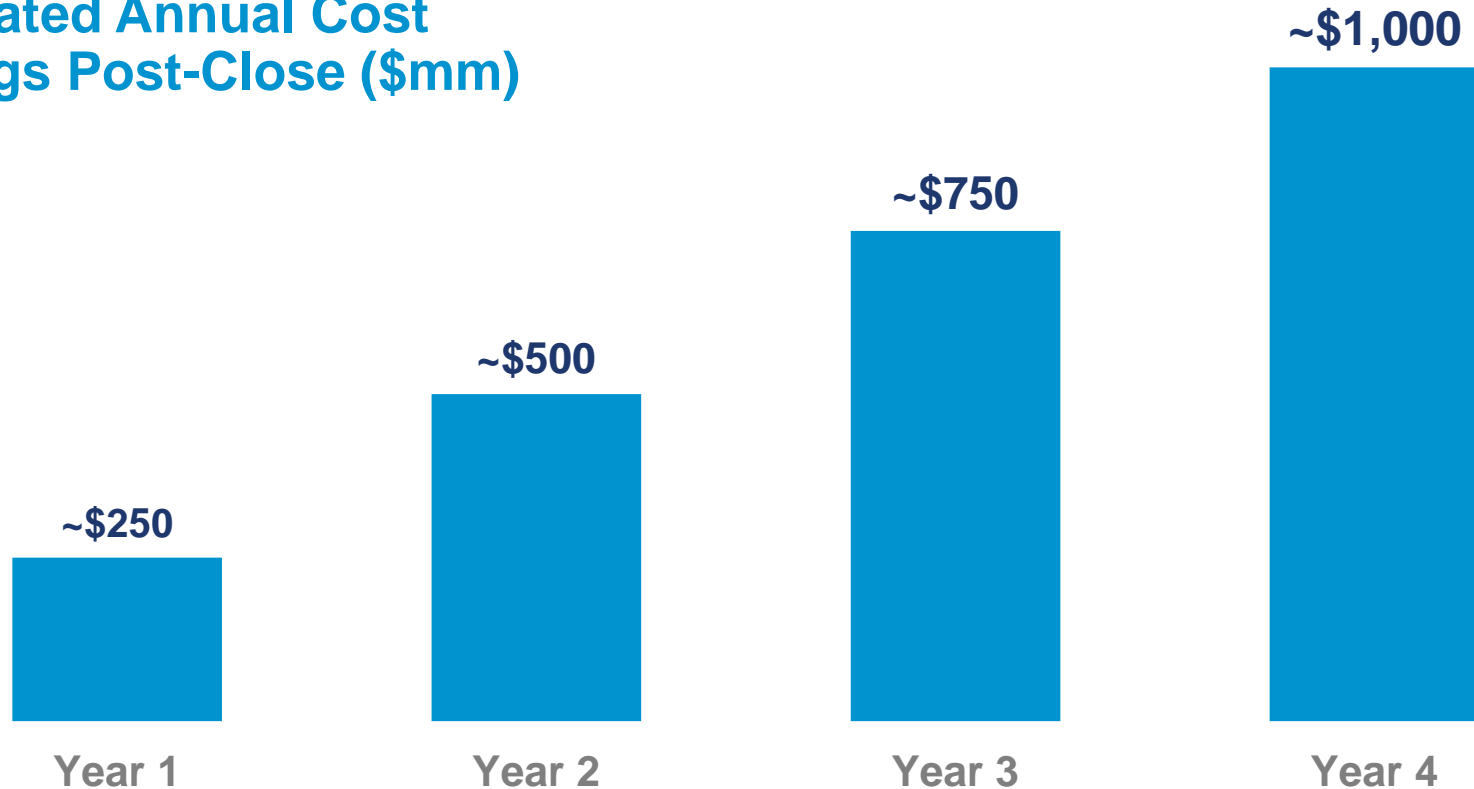
## Expected Pro Forma 2020 Adjusted EBITDA



Note: 2020 Pro Forma Outlook reflects Lyrica US LOE and China Volume Based Procurement

# Significant Operational Efficiencies

**Estimated Annual Cost Savings Post-Close (\$mm)**



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**Significant Cost Synergies of at Least \$1bn Annually Anticipated by 2023  
Expected to Further Enhance Existing Combined EBITDA and Cash Flows**

# Financial Outlook

## 2020 Pro Forma Outlook

**\$19 –  
20bn**

Expected  
Revenue

Moderate Growth  
in the Mid to  
Long Term

**Near-term:** Modest revenue growth  
as organic volume growth is offset by  
pricing pressure

**Longer-term:** Accelerating pipeline  
delivery to drive moderate growth

**\$7.5 –  
8.0bn**

Expected  
Adjusted  
EBITDA

~40% EBITDA  
Margin<sup>1</sup> with  
Potential for  
Improvement  
over Time

**Near-term:** Realization of cost  
synergies

**Longer-term:** Moderate revenue  
growth flowing through to EBITDA

<sup>1</sup> Reflects the impact of phased synergies.

Note: 2020 Pro Forma Outlook reflects Lyrica US LOE and China Volume Based Procurement

Note: Based on historic exchange rates, potential divestitures not included



# Financial Outlook (Cont'd)

## Other Targets

## Forward Commentary

**$\leq 2.5x$**

Gross Leverage  
Target

Targeted by the  
End of 2021

**Near-term:** Significant cash flows support repayment of scheduled 2020-21 debt maturities

**Long-term:** Continue to target leverage  $\leq 2.5x$

**$\geq 25\%$**   
of Free Cash Flow  
to Be Paid as  
Dividend

Potential for  
Dividend Growth  
and Share  
Repurchases

**Near-term:** Initiate dividend 1st quarter after close

**Long-term:** Commitment to maintaining solid investment grade rating, with sustained leverage  $\leq 2.5x$  and potential for share repurchases and dividend increases, thereafter

# Key Takeaways



**Enhanced Global Scale and Geographic Reach**



**Sustainable, Diverse and Differentiated Portfolio and Pipeline**



**Powerful Combination of Best-in-Class Capabilities**



**Strong and Sustainable Cash Flows  
with Attractive Shareholder Returns**



**Relentless Focus on Total Shareholder Returns**