

PFIZER INC
Form 11-K
June 28, 2012

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

FORM 11-K

FOR ANNUAL REPORTS OF EMPLOYEE STOCK PURCHASE, SAVINGS
AND SIMILAR PLANS PURSUANT TO SECTION 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

(Mark One)

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

For the fiscal year ended December 31, 2011

or

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

For the transition period from _____ to _____

Commission file number 1-3619

A. Full title of the Plan and the address of the plan, if different from that of the issuer named
below:

PFIZER SAVINGS PLAN
FOR EMPLOYEES RESIDENT IN PUERTO RICO

B. Name of issuer of the securities held pursuant to the plan and the address of its principal
executive office:

PFIZER INC.
235 EAST 42ND STREET
NEW YORK, NEW YORK 10017

PFIZER SAVINGS PLAN
FOR EMPLOYEES RESIDENT IN PUERTO RICO
DECEMBER 31, 2011 AND 2010

INDEX

	Page
FINANCIAL STATEMENTS	
Report of Independent Registered Public Accounting Firm	3
Statements of Net Assets Available for Plan Benefits as of December 31, 2011 and 2010	4
Statements of Changes in Net Assets Available for Plan Benefits for the years ended December 31, 2011 and 2010	5
Notes to Financial Statements	6
 SUPPLEMENTAL SCHEDULES	
Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2011	19
Schedule H, Line 4j - Schedule of Reportable Transactions for the Year Ended December 31, 2011	21
Signature	22
 EXHIBITS	
23.1 -- Consent of Independent Registered Public Accounting Firm	23

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Savings Plan Committee
Pfizer Savings Plan for Employees Resident in Puerto Rico:

We have audited the accompanying statements of net assets available for plan benefits of the Pfizer Savings Plan for Employees Resident in Puerto Rico (Plan) as of December 31, 2011 and 2010, and the related statements of changes in net assets available for plan benefits for each of the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Plan as of December 31, 2011 and 2010, and the changes in net assets available for plan benefits for the years then ended, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2011 and Schedule H, Line 4j - Schedule of Reportable Transactions for the Year Ended December 31, 2011 are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP

Memphis, Tennessee
June 28, 2012

PFIZER SAVINGS PLAN
FOR EMPLOYEES RESIDENT IN PUERTO RICO
STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
As of December 31, 2011 and 2010

(in thousands of dollars)	December 31,	
	2011	2010
Assets:		
Investments, at fair value:		
Pfizer Inc. common stock	\$43,820	\$36,720
Pfizer Inc. preferred stock	2,497	2,405
Common/collective trust funds	82,796	86,053
Fixed income funds	19,623	25,735
Mutual funds	44,791	36,469
Total investments, at fair value	193,527	187,382
Receivables:		
Participant contributions	-	301
Company contributions	35	197
Notes receivable from participants	10,706	13,122
Receivable for securities sold	600	89
Interest	81	-
Total receivables	11,422	13,709
Total assets	204,949	201,091
Liabilities:		
Investment management fees payable	(20)	(6)
Pending trade purchases	(267)	-
Total liabilities	(287)	(6)
Net assets available for plan benefits before adjustment	204,662	201,085
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(3,216)	(3,756)
Net assets available for plan benefits	\$201,446	\$197,329

See Accompanying Notes to Financial Statements.

PFIZER SAVINGS PLAN
FOR EMPLOYEES RESIDENT IN PUERTO RICO
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
For the Years Ended December 31, 2011 and 2010

(in thousands of dollars)	Year-Ended December 31,	
	2011	2010
Additions/(reductions):		
Additions/(reductions) to net assets attributed to:		
Investment income:		
Net appreciation in investments	\$ 7,271	\$ 6,562
Pfizer Inc. common stock dividends	1,649	1,256
Pfizer Inc. preferred stock dividends	125	152
Interest and dividend income from other investments	3,232	1,988
Total investment income	12,277	9,958
Interest income from notes receivable from participants	543	509
Less: Investment management fees	(51)	(10)
Net investment and interest income	12,769	10,457
Transfers into Plan	-	95,046
Contributions:		
Participant	13,946	8,295
Company	5,374	3,699
Total contributions	19,320	11,994
Total additions, net	32,089	117,497
Deductions:		
Deductions from net assets attributed to:		
Benefits paid to participants	(27,972)	(20,404)
Net increase	4,117	97,093
Net assets available for plan benefits:		
Beginning of year	197,329	100,236
End of year	\$ 201,446	\$ 197,329

See Accompanying Notes to Financial Statements.

PFIZER SAVINGS PLAN
FOR EMPLOYEES RESIDENT IN PUERTO RICO
Notes to Financial Statements
December 31, 2011 and 2010

1. Description of the Plan

The Pfizer Savings Plan for Employees Resident in Puerto Rico (“Plan”), originally adopted in 1990 as the Pfizer Savings and Investment Plan for Employees Resident in Puerto Rico, is a defined contribution retirement savings plan. Participation in the Plan is open to any employee employed by Pfizer Pharmaceuticals LLC (Plan Sponsor) or an affiliate which has, with the consent of the Plan Sponsor or Pfizer Inc. (Parent), adopted the Plan (Participating Employers) and who is included within a group or class designated by the Plan Sponsor as set forth in the Plan document. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA), and the New Puerto Rico Internal Revenue Code, Act No. 1 of January 31, 2011 (the Puerto Rico Code).

Under the Puerto Rico Code, any qualified plan involving pre-tax contributions of cash or deferred compensation arrangements must comply with one of two nondiscrimination tests. For the years ended December 31, 2011 and 2010, the Plan complied with both tests.

The following is a general description of certain provisions of the Plan. Participants should refer to the Plan document for more complete information.

Plan Administration

The Savings Plan Committee of Pfizer Inc. monitors and reports on the selection and termination of the trustee, custodian, and investment managers and on the investment activity and performance of the Plan.

Administrative Costs

In general, except for investment management fees, loan fees and redemption fees associated with certain investment fund options, costs and expenses of administering the Plan are paid and absorbed by the Plan Sponsor and Participating Employers (collectively, the Company).

Contributions

Participants may elect to contribute on a before-tax basis or after-tax basis from 1% to 10% in whole percentages of their compensation, as defined in the Plan document. Pre-tax contributions are subject to certain restrictions under the Puerto Rico Code. Any contributions for which the participant does not provide investment direction, are invested in the Plan’s default investment fund option, which is a Target Retirement Trust Plus accounts depending on the participant’s retirement eligibility date. For all participants other than those participants formerly in the Pharmacia Savings Plan for Employees Resident in Puerto Rico (Pharmacia Puerto Rico Savings Plan) and the Wyeth Savings Plan – Puerto Rico, contributions of up to 3% of compensation are matched 100% by the Company and the next 3% are matched 50% by the Company. Participants' contributions in excess of 6% are not matched.

The Company matching formula for participants in the former Pharmacia Puerto Rico Savings Plan was 100% of the first 5% and remained in effect under the Plan through December 31, 2011. As of January 1, 2012, these participants are covered by the Pfizer match formula described in the preceding paragraph.

The Company matching formula for participants in the former Wyeth Savings Plan - Puerto Rico was 50% of the first 6% of base pay and remained in effect under the Plan through December 31, 2011. As of January 1, 2012, these participants are covered under the Pfizer match formula described above.

Plan amendments to the Wyeth Savings Plan – Puerto Rico provided that all active participants and participants on approved leave of absence as of October 16, 2009 became 100% vested in any unvested company matching contributions that had been earned in the Wyeth Savings Plan – Puerto Rico through that date and 100% vesting on all future Company matching contributions. Unvested matching contributions earned by a participant in the Wyeth Savings Plan – Puerto Rico who was not actively employed on October 16, 2009 remain subject to the five year vesting schedule set forth below until the time he or she becomes eligible to participate in the Plan (i.e., upon rehire by the Company).

Effective January 1, 2011, the Plan was amended to include a retirement savings contribution (RSC) for employees hired, rehired or transferred from certain positions on or after January 1, 2011 who are not eligible for the Pfizer Consolidated Pension Plan for Employees Resident in Puerto Rico. The RSC provides an additional annual employer-provided contribution based on age and service and is generally subject to three-year cliff vesting. In February 2012, the Company funded the RSC for plan year 2011 in the amount of approximately \$35 thousand.

Section 1081.01(d) of the Puerto Rico Code contains provisions to gradually increase the maximum limits that may be deferred by participants as before-tax cash contributions to a qualified plan as follows:

Years	Amount
Beginning on January 1, 2011	\$ 10,000
Beginning on January 1, 2012	13,000
Beginning on January 1, 2013	15,000

Participant Accounts and Vesting

Each participant's account is credited with the participant's contribution, allocations of the Company's contribution and Plan earnings/(losses). Allocations are based on participant earnings/(losses) or account balances, as defined. Participants are immediately vested in the full value of their account other than the RSC (i.e., participant's and Company's matching contributions). Forfeited balances of terminated participants' nonvested accounts are used to reduce future Company contributions. At December 31, 2011 and 2010, forfeited nonvested accounts available to reduce future employer contributions totaled approximately \$45 thousand and \$36 thousand, respectively.

Investment Options

Nonparticipant-Directed Funds --

Pfizer Match Fund -- This fund invests Company matching contributions in the common stock of Pfizer Inc.

All Plan participants can diversify 100% of their Company matching contributions into any of the other available investment funds at any time after the contributions have been made to their account.

Pfizer Preferred Stock Fund -- This fund holds investments in the preferred stock of Pfizer Inc. which were allocated to participants in the Pharmacia Savings Plan for Employees Resident in Puerto Rico before the merger of that plan into the Pfizer Savings Plan for Employees Resident in Puerto Rico (see Note 3). Dividends paid to the participants' Pfizer Preferred Stock Fund accounts are substituted for an allocation of Pfizer Inc. common stock.

Participant-Directed Funds -- Each participant in the Plan elects to have his or her contributions invested in any one or combination of the following investment funds:

- (a) Northern Trust Russell 2000 Small Cap Index Fund*
- (b) Northern Trust S&P 500 Equity Index Fund*
- (c) Pfizer Company Stock Fund
- (d) T. Rowe Price Stable Value Fund
- (e) Fidelity Low Price Stock Fund
- (f) Fidelity Mid Cap Stock Fund
- (g) BlackRock TIPS Index Fund
- (h) BlackRock US Debt Index Fund K
- (i) Dodge & Cox International Stock Fund
- (j) Eaton Vance Large Cap Value Fund
- (k) Fidelity Growth Company Fund
- (l) T. Rowe Price Small Cap Fund
- (m) Oppenheimer Developing Markets Fund Y
- (n) Vanguard Target Retirement Income Trust
- (o) Vanguard Target Retirement 2015 Trust
- (p) Vanguard Target Retirement 2020 Trust
- (q) Vanguard Target Retirement 2025 Trust
- (r) Vanguard Target Retirement 2030 Trust
- (s) Vanguard Target Retirement 2035 Trust
- (t) Vanguard Target Retirement 2040 Trust
- (u) Vanguard Target Retirement 2045 Trust
- (v) Vanguard Target Retirement 2050 Trust
- (w) Vanguard Target Retirement 2055 Trust

*Northern Trust sponsored fund

The trustee of the Plan, Banco Popular de Puerto Rico, and the custodian, Northern Trust Company, also manage investments in their sponsored funds and therefore, each is deemed to be a party-in-interest and a related party. The Plan's trust agreement provides that any portion of any of the investment funds may, pending its permanent investment or distribution, be invested in short-term investments.

Eligibility

All employees of the Company who are employed within the Commonwealth of Puerto Rico, except certain employees who are either covered by a collective bargaining agreement and have not negotiated to participate in the Plan or are employed by a unit not designated for participation in the Plan, are eligible to enroll in the Plan on their date of hire.

On December 31, 2009, the Pharmacia Savings Plan for Employees Resident in Puerto Rico (Pharmacia Puerto Rico Savings Plan) was merged into the Plan (see Note 3). Participants eligible to participate in or who held balances in the Pharmacia Puerto Rico Savings Plan became eligible to participate in the Plan. Participant balances of the Pharmacia Puerto Rico Savings Plan were transferred into investment options offered by the Plan as of the merger date.

On October 1, 2010, the Wyeth Savings Plan – Puerto Rico was merged into the Plan (see Note 3). Participants eligible to participate in or who held balances in the Wyeth Savings Plan – Puerto Rico became eligible to participate in the Plan. Participant balances of the Wyeth Savings Plan – Puerto Rico were transferred into investment options offered by the Plan as of the merger date.

In July 2010, the Plan Sponsor announced that effective January 1, 2012 participants in the Searle Puerto Rico Savings Plan 1165(e), other than those located in Caguas, Puerto Rico, will begin participating in the Pfizer Savings Plan for Employees Resident in Puerto Rico. Participants located in Caguas will remain in the Searle Puerto Rico Savings Plan 1165(e). The Plan Sponsor also announced that effective January 1, 2012, the former participants in either the Pharmacia Savings Plan for Employees Resident in Puerto Rico or the Wyeth Savings Plan – Puerto Rico will begin receiving matching contributions in accordance with the Pfizer match contribution formula instead of the legacy-Pharmacia or legacy-Wyeth matching contribution formula.

Notes Receivable from Participants

Plan participants are permitted to borrow against their account balance. The minimum amount a participant may borrow is one thousand dollars and the maximum amount is the lesser of 50% of the account balance reduced by any current outstanding loan balance, or fifty thousand dollars, reduced by the highest outstanding loan balance in the preceding 12 months.

Under the terms of the Plan, loans must be repaid within five years, unless the funds are used to purchase a primary residence. Primary residence loans must be repaid over 6 to 15 years at the participant's option. The interest rate on all loans is based on the prime rate, as defined, in effect on the date the loan is requested, plus 1%. Interest rates on outstanding loans ranged from 4.25% to 9.5% at December 31, 2011 and December 31, 2010. Interest paid is credited to the account of the participant. Repayments may not necessarily be made to the same fund from which the amounts were borrowed. Repayments are credited to the applicable funds based on the participant's investment elections at the time of repayment.

In the event of termination, participants will have 90 days to repay the loan before the loan is considered taxable to the participant.

Benefit Payments

Upon separation from service, retirement or disability, a participant is entitled to receive the full value of the account balance in the form of a lump sum distribution. A participant generally may elect to receive his or her account balance at any time up to the later of 13 months after termination or age 65, subject to the provisions of the Plan. In the event of a participant's death, a spouse beneficiary generally may elect an immediate lump sum payment or defer payments until the later of 13 months from the date of death or when the participant would have reached age 65. A non-spouse beneficiary generally may elect an immediate lump sum payment or defer payment until 13 months from the date of the participant's death.

In-Service Withdrawals

Participants in the Plan may make in-service or hardship withdrawals from their account balances subject to the provisions of the Plan.

Plan Termination

The Plan Sponsor and the Parent expect to continue the Plan indefinitely, but reserve the right to amend, suspend or discontinue it in whole or in part at any time by action of the Plan Sponsor's Managers or the Board of Directors of the Parent or the authorized designee(s) of either of them. In the event of termination of the Plan, each participant shall be entitled to the full value of his or her account balance as though he or she had retired as of the date of such termination. No part of the invested assets established pursuant to the Plan will at any time revert to the Company, except as otherwise permitted under ERISA.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting. Benefit payments are recorded when paid. For treatment in Form 5500 of benefits processed and approved for payment prior to December 31 but not yet paid as of that date, refer to Note 9.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. As required, the accompanying statements of net assets available for plan benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statements of changes in net assets available for plan benefits are prepared on a contract value basis.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires Plan management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, the reported amounts of increases and decreases to net assets during the reporting period, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation

Pfizer Inc. common stock is valued at the closing market price on the last business day of the year. Common/collective trust funds (CCT), except for the investment in the T. Rowe Price Stable Value Common Trust Fund, are stated at redemption value as determined by the trustees of such funds based upon the underlying securities stated at fair value. The T. Rowe Price Stable Value Common Trust Fund represents a common/collective trust fund with an underlying investment in guaranteed investment contracts (GICs), synthetic investment contracts (SICs), separate account contracts (SACs) and other similar instruments (collectively, investment contracts). The fixed income fund represents direct investments in GICs. The investment contracts within the T. Rowe Price Stable Value Common Trust Fund, as well as the GICs held directly, are reported at fair value by the issuer insurance companies and banks with an appropriate adjustment to report such contracts at contract value because these investments are fully benefit-responsive. Mutual funds are recorded at fair value based on the closing market prices obtained from national exchanges of the underlying investments of the respective fund as of the last business day of the year.

Pfizer Inc. preferred stock provides dividends at the annual rate of 6.25% and is convertible at the holder's option into 2.57487 shares of Pfizer Inc. common stock. The preferred stock may also be redeemed by Pfizer Inc. at a per share equivalent stated value of \$40.30. Pfizer Inc. preferred stock is valued using the higher of the per share equivalent

stated value of \$40.30 or the quoted market price of Pfizer Inc. common stock multiplied by 2.57487 on the last business day of the Plan year (preferred stock share balances maintained by the Plan's trustee and recordkeeper are on a basis equal to a multiple of 1,000 of the share balance and one-thousandth of the \$40,300 stated value). Pfizer Inc. preferred stock was valued at \$55.72 at December 30, 2011 and \$45.09 at December 31, 2010 based on the closing Pfizer Inc. common stock price of \$21.64 and \$17.51 on December 30, 2011 and December 31, 2010, respectively. See Note 8 for additional information regarding the fair value of the Plan's investments.

Notes Receivable from Participants

Notes receivable from participants, which are subject to various interest rates, are recorded at amortized cost.

Risks and Uncertainties

Investment securities, including Pfizer Inc. common stock and preferred stock, are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in their fair values could occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for plan benefits.

Investment Transactions

Purchases and sales of securities are reflected on a trade-date basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded as earned.

Net Appreciation in Investments

The Plan presents, in the statements of changes in net assets available for plan benefits, the net appreciation in the value of its investments which consists of the realized gains and losses and the unrealized gains and losses on those investments, and the change in contract value of the common/collective trust fund holding investments in GICs and for GICs held directly. Realized gains and losses on sales of investments represent the difference between the net proceeds and the cost of the investments (average cost if less than the entire investment is sold). Unrealized gains and losses on investments represent the change in the difference between the cost of the investments and their fair value at the end of the year.

Adoption of New Accounting Standard

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-06 which amends Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, adding new disclosure requirements for Levels 1 and 2, separate disclosures of purchases, sales, issuances and settlements relating to Level 3 measurements and clarification of existing fair value disclosures. The Plan prospectively adopted the new guidance in 2010, except for the Level 3 disclosures, which were adopted as required in 2011. The adoptions in 2011 and 2010 did not materially affect the Plan's financial statements.

3. Transfers Into and Out of the Plan

On December 31, 2009, the Pharmacia Puerto Rico Savings Plan was merged into the Plan resulting in a transfer of net assets in the amount of approximately \$28 million into the Plan. Participants eligible to participate in or who held balances in the Pharmacia Puerto Rico Savings Plan became eligible to participate in the Plan. Participant balances were transferred into investment options offered by the Plan as of that date. The Company matching contribution formula elected by participants under the Pharmacia Puerto Rico Savings Plan remained in effect until December 31, 2011 under the Plan.

In 2009, the Parent completed its acquisition of Wyeth. On October 1, 2010, the Wyeth Savings Plan – Puerto Rico was merged into the Plan resulting in a transfer of net assets in the amount of approximately \$95 million into the Plan. Participants eligible to participate in or who held balances in the Wyeth Savings Plan – Puerto Rico became eligible to participate in the Plan. Participant balances were transferred into investment options offered by the Plan as of that date. The Company matching contribution formula for participants under the Wyeth Savings Plan – Puerto Rico remained in effect until December 31, 2011 under the Plan (see Note 1).

4. Tax Status of the Plan

The Puerto Rico Department of Treasury has determined and informed the Plan Sponsor by letter dated October 3, 2005 that the Plan and related trust are designed in accordance with the applicable sections of the Puerto Rico Code. The Plan has been amended since receiving the determination letter. However, the plan administrator and the Plan's counsel believe that the Plan is designed and is currently being operated in compliance with all of the applicable requirements of the Puerto Rico Code. Accordingly, no provision has been made for Puerto Rico income taxes in the accompanying financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Puerto Rico Department of the Treasury. The Company's Tax Division and the Company's counsel have confirmed that there are no uncertain positions taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is generally no longer subject to income tax examinations for years prior to 2008.

Contributions made to the Plan by the Company, including pre-tax contributions made on the participants' behalf and any appreciation on all funds in the participants' accounts, are not taxable to the participants under current Puerto Rico income tax law while these amounts remain in the Plan and the Plan maintains its qualified status.

5. Investments

The following investments represent 5% or more of the Plan's net assets available for plan benefits as of December 31, 2011 and 2010 were as follows:

(thousands of dollars)	2011	2010
Pfizer Inc. common stock*	\$ 43,820	\$ 36,720
T. Rowe Price Stable Value Fund, at contract value	51,313	44,898
Northern Trust S&P 500 Equity Index Fund	14,463	15,366

* Includes 886,450 nonparticipant-directed shares and 1,138,486 participant-directed shares at December 31, 2011 and 883,621 nonparticipant-directed shares and 1,213,449 participant-directed shares at December 31, 2010.

The Plan's investments (including gains and losses on investments sold, as well as held during the year) appreciated/(depreciated) in value as follows:

(thousands of dollars)	Year-Ended December 31,	
	2011	2010
Net appreciation/(depreciation) in investments:		
Pfizer Inc. common stock	\$ 8,536	\$ (893)
Pfizer Inc. preferred stock	522	(133)
Mutual funds	(2,792)	4,978
Common/collective trust funds	1,005	2,610
	\$ 7,271	\$ 6,562

6. Investment Contracts with Insurance Companies

The T. Rowe Price Stable Value Fund consists primarily of fully benefit-responsive GICs held directly in the T. Rowe Price Fixed Income Fund and GICs, SICs and SACs within the T. Rowe Price Stable Value Common Trust Fund, which is a collective trust fund that invests primarily in fully benefit-responsive contracts. The contract value of the investment contracts represents contributions made under the contract and related earnings offset by participant withdrawals.

At December 31, 2011 and 2010, the Plan held GICs directly with insurance companies with a contract value of approximately \$18 million and \$24 million, respectively. The average portfolio yields were approximately 5% for 2011 and 5.5% for 2010. The crediting interest rates were approximately 5.6% and 4.9% for the years ended December 31, 2011 and 2010, respectively.

The contract value of the Plan's investments in the T. Rowe Price Stable Value Common Trust Fund at December 31, 2011 and 2010 was approximately \$51 million and \$45 million, respectively.

Traditional investment contracts, such as GICs, provide for a fixed return on principal invested for a specified period of time. The issuer of a traditional contract is a financially responsible counterparty, typically an insurance company, bank, or other financial services institution. The issuer accepts a deposit from a benefit plan or collective trust fund and purchases investments, which are held by the issuer. The issuer is contractually obligated to repay principal and interest at the stated coupon rate to the plan or collective trust fund, and guarantees liquidity at contract value prior to maturity for routine permitted participant-initiated withdrawals from the stable value fund that holds these investment contracts. "Permitted participant-initiated withdrawals" mean withdrawals from the stable value fund which directly result from participant transactions which are allowed by a benefit plan, such as participant withdrawals for benefits, loans, or transfers to other funds or trusts within the benefit plan. There are no reserves against contract value for credit risk of the contract issuers or otherwise.

The existence of certain conditions can limit a benefit plan's or collective trust fund's ability to transact at contract value with the issuers of its investment contracts. Specifically, any event outside the normal operation of a benefit plan which causes a withdrawal from an investment contract may result in a contract value adjustment with respect to such withdrawal. Examples of such events include, but are not limited to, partial or complete legal termination of the plan or collective trust fund, tax disqualification, certain plan or trust amendments if issuers' consent is not obtained, improper communications to participants, group terminations, group layoffs, early retirement programs, mergers, sales, spin-offs, and bankruptcy.

In contrast to traditional investment contracts, the investments underlying a synthetic structure are owned by the collective trust fund. SICs consist of a portfolio of underlying assets owned by the collective trust fund, and a wrap contract issued by a financially responsible third party, typically an insurance company, bank or other financial services institution. The issuer of the wrap contract provides for unscheduled withdrawals from the contract at contract value, regardless of the value of the underlying assets, in order to fund routine permitted participant-initiated withdrawals from the stable value fund. SICs provide for a variable crediting rate, which typically resets at least quarterly, and the issuer of the wrap contract provides assurance that future adjustments to the crediting rate cannot result in a crediting rate less than zero.

SACs share certain attributes of both traditional and synthetic investment contracts. A SAC is a contract with a financially responsible counterparty, typically an insurance company. The issuer guarantees liquidity at contract value for permitted participant-initiated withdrawals from the collective trust fund and provides for a variable crediting rate, not less than zero, based on performance of an underlying portfolio of investments. The issuer accepts a deposit of cash and/or securities from the collective trust fund to create the underlying fixed income portfolio. The underlying portfolio holdings are owned by the issuer but are required to be segregated in a separate account and are designed to be protected from the claims of the issuer's general creditors in the event of issuer insolvency. As with a SIC, to the extent the portfolio underlying a SAC is insufficient to cover payment obligations under the contract, the issuer is contractually obligated to make such payments in full. The SAC provides that gains and losses on the underlying portfolio accrue to the benefit of the trust. SACs have no stated maturity but may be discontinued by either party subject to any notice period under the terms of the SAC.

The crediting rate is based, in part, on the relationship between the contract value and the market value of the underlying assets, as well as previously realized gains and losses on underlying assets. The crediting rate will generally reflect, over time, movements in prevailing interest rates. However, at times the crediting rate may be more or less than prevailing rates or the actual income earned on the underlying assets. In most cases, realized and unrealized gains and losses on the underlying investments are not reflected immediately in the net assets of a stable value fund, but rather are amortized either over the time to maturity or the duration of the underlying investments, through adjustments to the future interest crediting rate.

There are no reserves against contract value for credit risk of the contract issuers or otherwise. The average portfolio yields for the years ended December 31, 2011 and 2010 for the T. Rowe Price Stable Value Common Trust Fund were approximately 2.69% during 2011 and 3.65%, respectively. The crediting interest rates were approximately 2.97% for 2011 and 4.1% for 2010.

The existence of certain conditions can limit a benefit plan's or collective trust fund's ability to transact at contract value with the issuers of its investment contracts. Specifically, any event outside the normal operation of a benefit plan which causes a withdrawal from an investment contract may result in a contract value adjustment with respect to such withdrawal. Examples of such events include, but are not limited to, partial or complete legal termination of the plan or collective trust fund, tax disqualification, certain plan or trust amendments if issuers' consent is not obtained, improper communications to participants, group terminations, group layoffs, early retirement programs, mergers, sales, spin-offs, and bankruptcy.

In addition to the limitations noted above, issuers of investment contracts have certain rights to terminate a contract and settle at an amount which differs from contract value. For example, certain breaches by a benefit plan or the investment manager of their obligations, representations, or warranties under the terms of an investment contract can result in its termination at market value, which may differ from contract value. Investment contracts may also provide for termination with no payment obligation from the issuer if the performance of the contract constitutes a prohibited transaction under ERISA or other applicable law.

7. Nonparticipant-Directed Investments

Information about the net assets and significant components of the changes in net assets relating to the nonparticipant-directed investments in the Pfizer Match Fund and the Pfizer Preferred Stock Fund is as follows:

(thousands of dollars)	As of December 31,	
	2011	2010
Net assets:		
Investments, at fair value:		
Pfizer Inc. common stock	\$19,183	\$15,472
Pfizer Inc. preferred stock	2,497	2,405
Common/collective trust funds	247	137
Total investments	21,927	18,014
Receivables:		
Participant contributions	--	8
Company contributions	--	85
Receivable for securities sold	--	