pain relief from or intolerance to at least three different classes of analgesics, and on average had OA for more than six years.

Preliminary safety data showed that tanezumab was generally well tolerated during the 24-week treatment period, with similarly low rates of treatment discontinuations due to adverse events observed among patients taking tanezumab and placebo. The trial also included a 24-week safety follow-up period, for a total of 48 weeks of observation. Overall, rapidly progressive osteoarthritis (RPOA) was observed in 2.1% of tanezumab-treated patients and was not observed in the placebo arm. The ratio of RPOA type 1 (accelerated joint space narrowing) to RPOA type 2 (damage or deterioration of the joint) was 2:1, consistent with the ratio from the previously reported subcutaneous Phase 3 study in OA pain (A4091056). There was one event of osteonecrosis and one event of subchondral insufficiency fracture observed in tanezumab-treated patients, and no events were observed in the placebo arm. The rate of total joint replacement was similar across the tanezumab treatment groups and placebo. Detailed efficacy and safety results from this study will be submitted to a future medical congress.

Corporate Developments

- At the start of the 2019 fiscal year[(4)], Pfizer began operating in its previously-announced new commercial structure, reorganizing operations into three businesses:
  - Pfizer Biopharmaceuticals Group (PBG), a science-based innovative medicines business, which includes all of the Innovative Health business units (except Consumer Healthcare) as well as a new Hospital business unit that commercializes Pfizer's global portfolio of sterile injectable and anti-infective medicines. Pfizer also incorporated its biosimilar portfolio into its Oncology and Inflammation & Immunology business units.
  - Upjohn, a global, off-patent branded and generic established medicines business, which includes the majority of Pfizer's off-patent solid oral dose legacy brands, including Lyrica, Lipitor, Norvasc, Viagra and Celebrex as well as certain generic medicines. To allow this business to act with speed and flexibility, it has distinct and fully-dedicated manufacturing, marketing, regulatory and, with some exceptions, enabling functions, which enhances its autonomy and positions it to operate as a true stand-alone business within Pfizer.
  - Consumer Healthcare, which includes Pfizer's over-the-counter medicines[(6)].

  Pfizer will provide financial reporting to reflect this reorganization beginning in first-quarter 2019.
- In December 2018, Pfizer entered into a definitive agreement with GSK under which the two companies have agreed to combine their respective consumer healthcare businesses into a new consumer healthcare joint venture that will operate globally under the GSK Consumer Healthcare name. In exchange for contributing its Consumer Healthcare business, Pfizer will receive a 32% equity stake in the new company

and GSK will own the remaining 68% of the new company. Upon the closing of the transaction, which is expected to occur in the second half of 2019, subject to customary closing conditions including GSK shareholder approval and required regulatory approvals, Pfizer anticipates deconsolidating its Consumer Healthcare business and will begin to receive its pro rata share of the joint venture's earnings and dividends, which will be paid on a quarterly basis. Pfizer will have the right to appoint three out of the nine members of the joint venture's board. The transaction is expected to deliver $650 million in peak cost synergies and to be slightly accretive for Pfizer in each of the first three years after the close of the transaction.

- In December 2018, Pfizer's board of directors declared a 36-cent first-quarter 2019 dividend on the company's common stock, representing an increase of approximately 6% compared to the company's first-quarter 2018 dividend. The first-quarter 2019 dividend is payable on March 1, 2019 to shareholders of record at the close of business on February 1, 2019. Additionally, the board of directors also authorized a new $10 billion share repurchase program to be utilized over time. As of January 29, 2019, Pfizer's remaining share repurchase authorization was $12.8 billion, including this new share repurchase program and reflecting the $1.4 billion of shares repurchased to date in 2019.