NATIONAL ASSOCIATION OF INVESTORS CORPORATION
NAIC
INVESTMENT EDUCATION FOR INDIVIDUALS AND CLUBS SINCE 1951

Stock Selection Guide ®

The most widely used aid to good investment judgment

Company **PFIZER INC** Date **02/13/04**

Prepared by **jah** Data taken from **NAIC Data**

Where traded **NYSE** Major product/service **Pharmaceuti**

CAPITALIZATION --- Outstanding Amounts Reference

Preferred($M)	0.0		% Insiders	% Institution	
Common(M Shares)	7,631.5		0.0	0.0	
Debt($M)	0.0	% to Tot.Cap.	0.0	% Potential Dil.	None

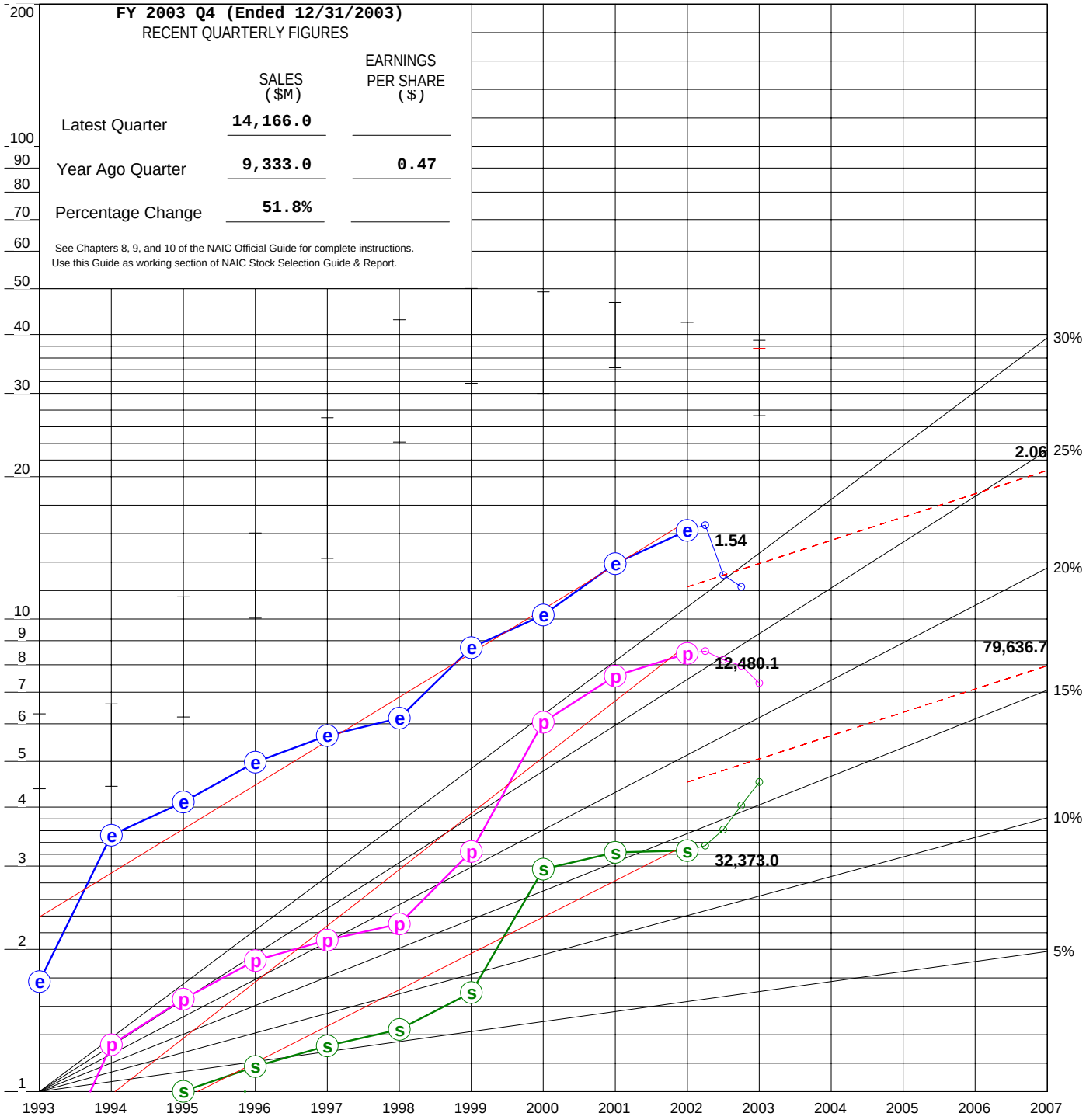
1 VISUAL ANALYSIS of Sales, Earnings and Price

PFE

FY 2003 Q4 (Ended 12/31/2003)
RECENT QUARTERLY FIGURES

	SALES ($M)	EARNINGS PER SHARE ($)
Latest Quarter	14,166.0	
Year Ago Quarter	9,333.0	0.47
Percentage Change	51.8%	

See Chapters 8, 9, and 10 of the NAIC Official Guide for complete instructions.
Use this Guide as working section of NAIC Stock Selection Guide & Report.



(1) Historical Sales Growth **19.4** %
(2) Estimated Future Sales Growth **12.0** %
(3) Historical Earnings Per Share Growth **23.9** %
(4) Estimated Future Earnings Per Share Growth **12.0** %

2 EVALUATING MANAGEMENT

Company **PFIZER INC (PFE)** **02/13/04**

		1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	LAST 5 YEAR AVG.	TREND UP	TREND DOWN
A	% Pre-tax Profit on Sales (Net Before Taxes ÷ Sales)	11.3	22.4	23.1	24.7	24.7	24.7	29.3	30.2	34.9	38.6	31.5	UP	
B	% Earned on Equity (E/S ÷ Book Value)	17.0	30.4	28.5	27.7	27.7	27.2	37.7	40.1	45.0	47.6	39.5	UP	

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is a building block for translating earnings into future stock prices.

PRESENT PRICE **37.380** HIGH THIS YEAR **38.890** LOW THIS YEAR **26.950**

	Year	A PRICE HIGH	B PRICE LOW	C Earnings Per Share	D Price Earnings Ratio HIGH A ÷ C	E Price Earnings Ratio LOW B ÷ C	F Dividend Per Share	G % Payout F ÷ C X 100	H % High Yield F ÷ B X 100
1	1998	43.0	23.7	0.62	69.7	38.4	0.253	41.0	1.1
2	1999	50.0	31.5	0.87	57.5	36.2	0.307	35.3	1.0
3	2000	49.3	30.0	1.02	48.3	29.4	0.360	35.3	1.2
4	2001	46.8	34.0	1.31	35.7	26.0	0.440	33.6	1.3
5	2002	42.5	25.1	1.54	27.6	16.3	0.520	33.8	2.1
6	TOTAL		144.3		63.3	42.3		179.0	
7	AVERAGE		28.9		31.7	21.1		35.8	

8 AVERAGE PRICE EARNINGS RATIO **26.4** 9 CURRENT PRICE EARNINGS RATIO **NMF**

Proj. P/E [NMF] Based on Next 4 qtr. EPS [NMF] **Current P/E Based on Last 4 qtr. EPS [NMF]**

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE -- NEXT 5 YEARS

Avg. High P/E **31.7** (3D7 as adj.) X Estimate High Earnings/Share **2.06** = Forecast High Price $ **65.3** (4A1)

B LOW PRICE -- NEXT 5 YEARS

(a) Avg. Low P/E **21.1** (3E7 as adj.) X Estimated Low Earnings/Share **1.54** = $ **32.5**

(b) Avg. Low Price of Last 5 Years = **28.9** (3B7)

(c) Recent Severe Market Low Price = **25.1**

(d) Price Dividend Will Support Present Divd. **0.680** / High Yield (H) **0.021** = **32.8**

Selected Estimate Low Price = $ **28.9** (4B1)

C ZONING

65.3 (4A1) High Forecast Price Minus **28.9** (4B1) Low Forecast Price Equals **36.4** (C) Range. 1/3 of Range = **9.1** (4CD)

(4C2) Lower 1/3 = (4B1) **28.9** to **38.0** (Buy) **Note: Ranges changed to 25%/50%/25%**

(4C3) Middle 1/3 = **38.0** to **56.2** (Maybe)

(4C4) Upper 1/3 = **56.2** to **65.3** (4A1) (Sell)

Present Market Price of **37.380** is in the **Buy** (4C5) Range

D UP-SIDE DOWN-SIDE RATIO (Potential Gain vs. Risk of Loss)

High Price (4A1) **65.3** Minus Present Price **37.380** = **27.9** / **8.5** = **3.3** (4D) To 1

Present Price **37.380** Minus Low Price (4B1) **28.9**

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

High Price (4A1) **65.3** / Present Market Price **37.380** = (**1.747**) X 100 = (**174.7**) - 100 = **74.7** (4E) % Appreciation

Relative Value: 0.0% Proj. Relative Value: 0.0%

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

Note: Results are expressed as a simple rate; use the table below to convert to a compound rate.

A Present Full Year's Dividend $ **0.680** / Present Price of Stock $ **37.380** = **0.018** X 100 = **1.8** (5A) Present Yield or % Returned on Purchase Price

B AVERAGE YIELD OVER NEXT 5 YEARS

Avg. Earnings Per Share Next 5 Years **1.64** X Avg. % Payout (3G) ~~35.8~~ **39.4** = **64.6** / Present Price $ **37.380** = **1.7** (5B) %

C ESTIMATED AVERAGE ANNUAL RETURN OVER NEXT FIVE YEARS

5 Year Appreciation Potential (4E) **74.7** / 5 = **14.9** %

Average Yield (5B) **1.7** %

Average Total Annual Return Over the Next 5 Years (5C) **16.6** %

	P.A.R.	Tot. Ret.
Average Yield	1.5%	1.2%
Annual Appreciation	7.8%	11.8%
% Compd Ann Rate of Ret	9.3%	13.0%

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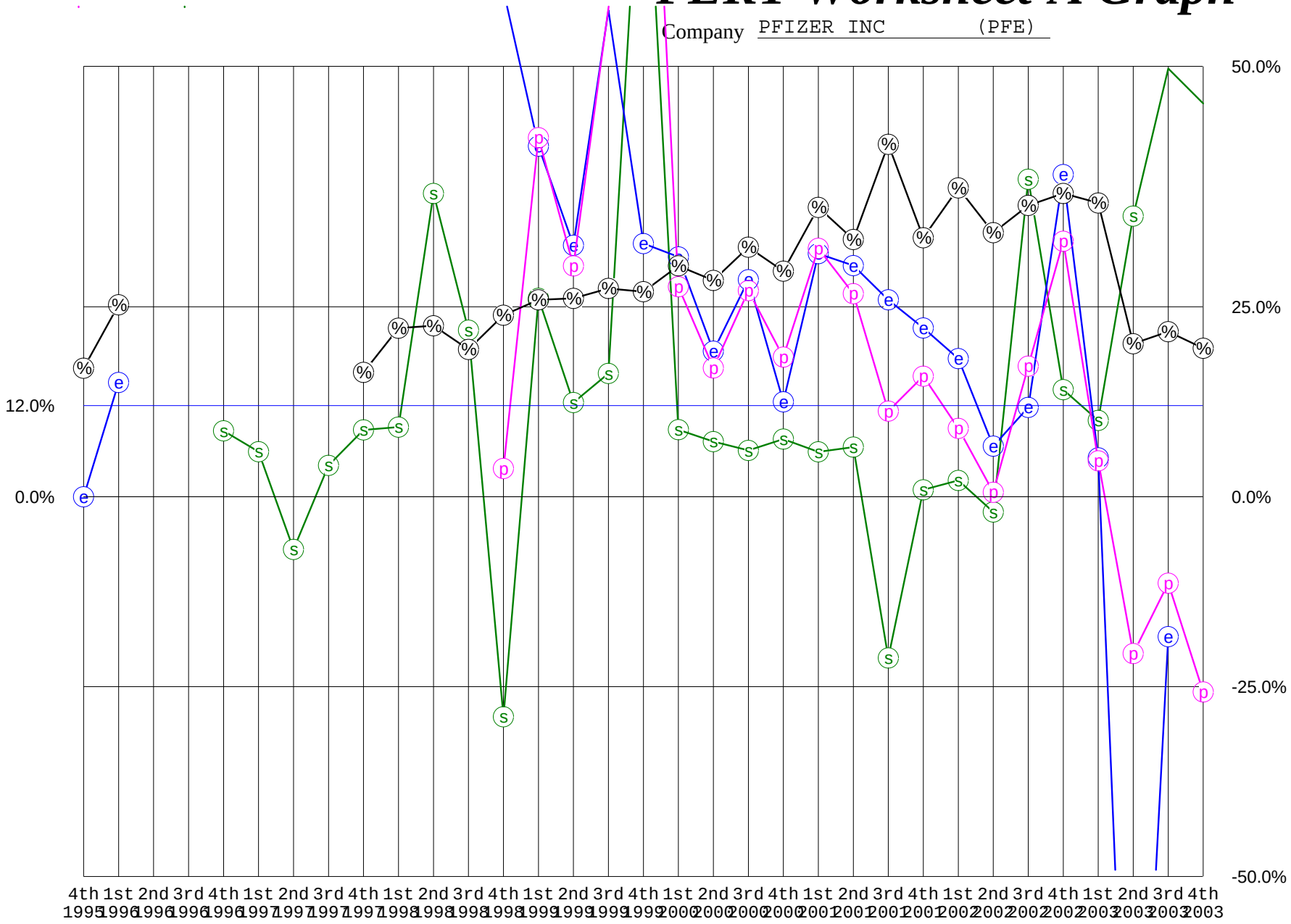
Quarterly Data Points

PERT Worksheet-A Graph

Company PFIZER INC (PFE)