

PFIZER INC. AND SUBSIDIARY COMPANIES.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

as of July 2, 2023 and December 31, 2022. The fair value measurements of our held-to-maturity debt securities and short-term borrowings are based on Level 2 inputs. The fair value measurements of our long-term receivables and private equity securities are based on Level 3 inputs.

B. Investments

Total Short-Term, Long-Term and Equity-Method Investments

The following summarizes our investments by classification type:

(MILLIONS)	July 2, 2023	December 31, 2022
Short-term investments		
Equity securities with readily determinable fair values ^(a)	\$ 17,639	\$ 1,588
Available-for-sale debt securities	24,091	18,743
Held-to-maturity debt securities	423	1,985
Total Short-term investments	\$ 42,153	\$ 22,316
Long-term investments		
Equity securities with readily determinable fair values ^(b)	\$ 2,507	\$ 2,836
Available-for-sale debt securities	254	352
Held-to-maturity debt securities	50	48
Private equity securities at cost ^(b)	833	800
Total Long-term investments	\$ 3,644	\$ 4,036
Equity-method investments	11,422	11,033
Total long-term investments and equity-method investments	\$ 15,066	\$ 15,069
Held-to-maturity cash equivalents	\$ 602	\$ 679

^(a) Includes money market funds primarily invested in U.S. Treasury and government debt.

^(b) Represent investments in the life sciences sector.

Debt Securities

Our investment portfolio consists of investment-grade debt securities issued across diverse governments, corporate and financial institutions:

	July 2, 2023							December 31, 2022			
	Amortized Cost	Gross Unrealized		Fair Value	Contractual or Estimated Maturities (in Years)			Amortized Cost	Gross Unrealized		Fair Value
(MILLIONS)		Gains	Losses		Within 1	Over 1 to 5	Over 5		Gains	Losses	
<u>Available-for-sale debt securities</u>											
Government and agency—non-U.S.	\$ 15,791	\$ 7	\$ (124)	\$ 15,673	\$ 15,492	\$ 181	\$ —	\$ 15,946	\$ 297	\$ (48)	\$ 16,195
Government and agency—U.S.	6,351	—	(3)	6,348	6,348	—	—	1,313	—	—	1,313
Corporate and other	2,332	—	(8)	2,324	2,252	73	—	1,584	7	(4)	1,586
<u>Held-to-maturity debt securities</u>											
Time deposits and other	1,071	—	—	1,071	1,025	35	11	1,171	—	—	1,171
Government and agency—non-U.S.	4	—	—	4	—	3	1	1,542	—	—	1,542
Total debt securities	\$ 25,548	\$ 7	\$ (135)	\$ 25,420	\$ 25,116	\$ 293	\$ 11	\$ 21,556	\$ 304	\$ (53)	\$ 21,807

Any expected credit losses to these portfolios would be immaterial to our financial statements.

Equity Securities

The following presents the calculation of the portion of unrealized (gains)/losses that relates to equity securities, excluding equity-method investments, held at the reporting date:

(MILLIONS)	Three Months Ended		Six Months Ended	
	July 2, 2023	July 3, 2022	July 2, 2023	July 3, 2022
Net (gains)/losses recognized during the period on equity securities ^(a)	\$ (135)	\$ 541	\$ 316	\$ 1,241
Less: Net (gains)/losses recognized during the period on equity securities sold during the period	(14)	(68)	(47)	(79)
Net unrealized (gains)/losses during the reporting period on equity securities still held at the reporting date ^(b)	\$ (121)	\$ 610	\$ 363	\$ 1,320