

Pfizer raises 2021 outlook on surging COVID-19 vaccine sales

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Pfizer raised its 2021 forecasts based on surging demand for Covid-19 vaccines.

Pfizer lifted its annual revenue and profit projections Wednesday on surging demand for COVID-19 vaccine doses as executives amplified their case for booster shots amid the latest wave of infections.

The two-shot inoculation accounted for more than 40 percent of Pfizer's sales in the second quarter, boosting revenues sharply compared with the same three months of 2020.

Pfizer Chief Executive Albert Bourla said more than a billion doses of the vaccine have been delivered so far.

The US drugmaker, which has partnered with Germany's BioNTech on the vaccine, now expects to deliver 2.1 billion doses this year, generating \$33.5 billion in sales, topping the May forecast for \$26 billion in sales on 1.6 billion doses.

Bourla said "the speed and efficiency of our efforts with BioNTech to help vaccinate the world against COVID-19 have been unprecedented."

In the second quarter, the company logged profits of \$5.6 billion, up 59 percent from the prior year on a 92 percent increase in revenues to \$19 billion.

Recent commercial developments for the Pfizer-BioNTech vaccine venture include a May agreement with the European Union, a June deal with the United States for 500 million doses to donate to the poorest countries, and a letter of intent signed in July with the Biovac Institute to manufacture the vaccine in Africa.

The pre-tax profit margin on the COVID-19 vaccine was in the high-20 percent range, the same as the earlier forecast, the company said.

That has raised the ire of non-governmental organizations such as Public Citizen, which has accused Pfizer of "profiteering" on the pandemic and called on world leaders to launch a multi-billion dollar campaign to build vaccine manufacturing capacity and "vaccinate the world."

But Pfizer, which has resisted efforts to roll back patent protections on vaccines, has defended its policies, saying it has priced the shots moderately in middle income countries and at cost for low-income countries.

Bourla also said he expects Pfizer to deliver one billion doses to middle-and-low income countries this year and another one billion in 2022.

The company expects to produce a total of three billion COVID-19 vaccines, meaning additional contracts could be announced this year.

A third shot?

Much of the 90-minute conference call with Wall Street analysts focused on the prospect for additional vaccine-related revenue, notably from booster shots that Pfizer has argued will be needed to contain COVID-19.

Bourla has said he expects "durable demand" for COVID-19 vaccines, similar to that of the annual flu shot.

Pfizer has launched clinical studies on a possible third dose of the vaccine, and plans to submit data on the booster shot to the government next month.

The company's presentation included charts showing a third jab boosting effectiveness against new variants, including fast-spreading Delta.

"What we have said for months is that we believe.... we will need a booster eight to 12 months from the second dose, and we have seen with the Delta that might be needed a little bit earlier for some parts of the population," Bourla told analysts on a conference call.

US health officials have thus far been circumspect on the need for a third shot for the broad population, but officials are studying the need in immunocompromised people.

"Americans who have been fully vaccinated do not need a booster shot at this time," according to a July 8 statement from the Food and Drug Administration and the Centers for Disease Control and Prevention.

"We are prepared for booster doses if and when the science demonstrates that they are needed," the agencies said.

On Tuesday, the Centers for Disease Control and Prevention shifted course and directed vaccinated people to resume wearing masks indoors in high-risk parts of the United States.

Bourla suggested government's response thus far on boosters reflects the normal process.

"We haven't submitted the data yet, so I don't think the FDA or CDC can speak because they have very different authority when they speak," Bourla said.

Shares of Pfizer rose 2.9 percent to \$43.31 in midday trading.

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