

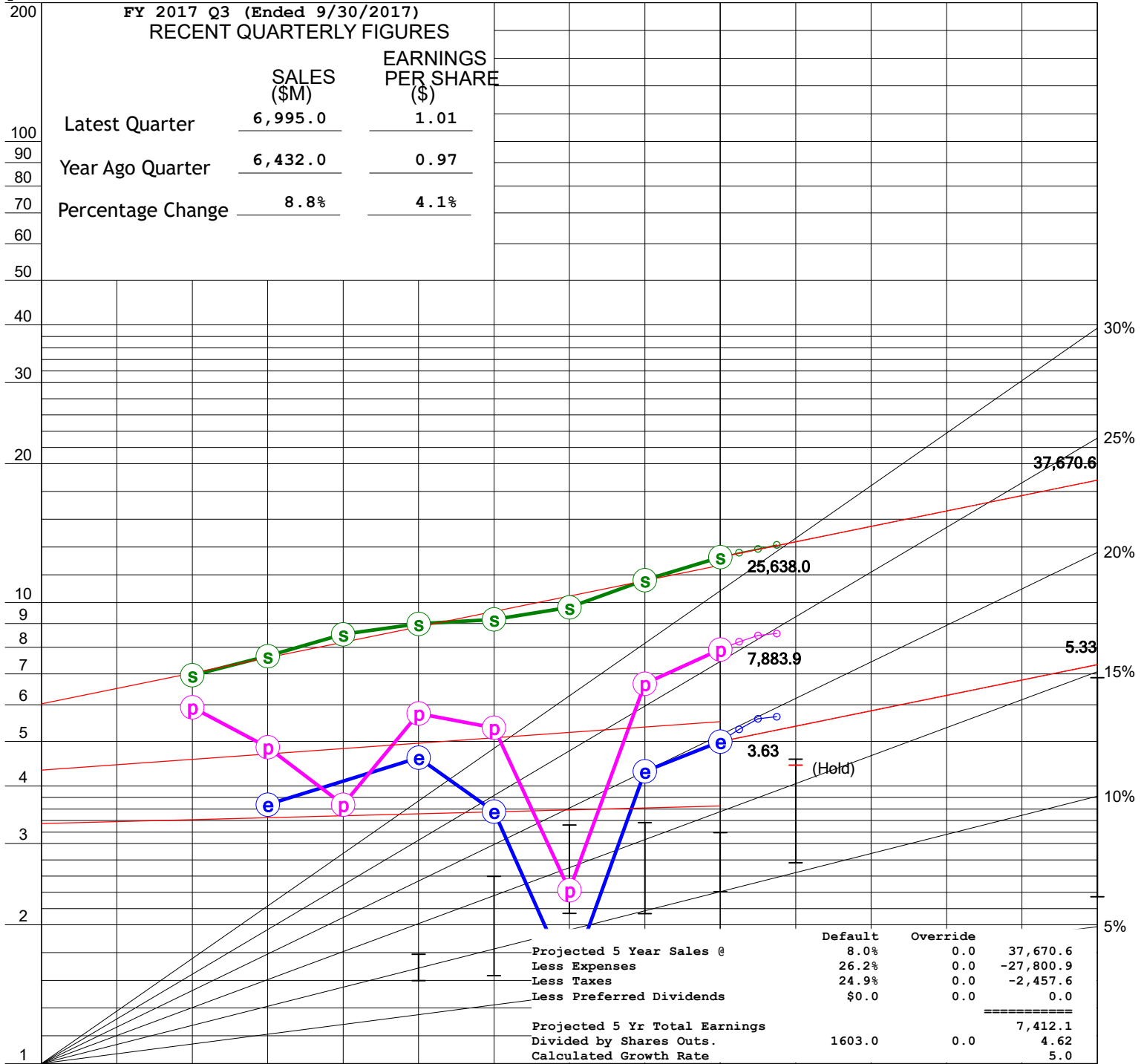


# Stock Selection Guide

Company	AbbVie	Price Date	11/10/17
Study by	WEN	Data Date	11/10/17
Sector	Healthcare	Last Judgment	11/14/17
Industry	Drug Manufacturers - Maj	Data Source	BI
Preferred(\$M)	0.0	Reference	Morningsta
Diluted(M Shares)	1,603.0	% Insiders	0.1
Total Debt(\$M)	37,795.0	% Institutions	68.6
% Tot Debt to Tot Cap	85.4	Quality	

## 1 Growth Analysis

NYS: ABBV



(1) Historical Sales Growth	8.0 %	(3) Historical Earnings Per Share Growth	1.0 %	www.iclub.com
(2) Estimated Future Sales Growth	8.0 %	(4) Estimated Future Earnings Per Share Growth	8.0 %	
(5) Sales Growth R <sup>2</sup>	0.97	(6) Earnings Per Share Growth R <sup>2</sup>	0.00	

## 2 QUALITY ANALYSIS

Company **AbbVie** (ABBV)

11/10/17

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	5 YEAR AVG.	TREND UP / DOWN
<b>A</b> % Pre-tax Profit on Sales			41.5	30.9	20.8	31.1	28.4	11.9	29.1	30.8	26.2	UP
<b>B</b> % ROE (Beginning Yr)								48.8	107.2	120.2	92.1	UP
<b>C</b> % LT Debt to Equity	0.0	0.0	0.0	0.0	0.0	0.0	395.5	224.8	591.3	550.0	440.4	UP

## 3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) **95.43 (23.2)** 52-WEEK HIGH (P/E) **98.26 (23.9)** 52-WEEK LOW (P/E) **58.60 (14.3)**

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2012	37.1	32.5	3.35	11.1	9.7	0.000	0.0	0.0
2 2013	54.8	33.3	2.56	21.4	13.0	1.600	62.5	4.8
3 2014	70.8	45.5	1.10	64.4	41.4	1.660	150.9	3.6
4 2015	71.6	45.5	3.13	22.9	14.5	2.020	64.5	4.4
5 2016	68.1	50.7	3.63	18.8	14.0	2.280	62.8	4.5
6 AVERAGE		41.5		27.7	18.5		85.2	
AVERAGE P/E RATIO	23.1	PROJECTED P/E RATIO		21.5	TTM EPS		4.11	
CURRENT P/E RATIO	23.2	PEG RATIO		2.7	FTM EPS		4.44	
RELATIVE VALUE	100.4%	PROJ. RELATIVE VALUE		93.1%	AVG TTM + FTM EPS		4.27	

## 4 EVALUATING REWARD and RISK over the next 5 years

### A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E **27.7** X Estimated High Earnings/Share **5.33** = Forecast High Price \$ **147.6**

### B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Sel. Low P/E **18.5** X Estimated Low Earnings/Share **3.63** = \$ **67.2**  
(as adj.)

(b) Average 5-Year Low Price = **41.5**

(c) Recent Severe Low Price = **45.5**

(d) Price Dividend Will Support = Present Divd. ÷ High Yield = **2.84** ÷ **0.048** = **59.1**

Selected Estimated Low Price = \$ **49.4**

### C PRICE RANGES

Forecast High Price **147.6** - Estimated Low Price **49.4** = Range **98.2** 25% of Range = **24.5**

BUY (Lower 25% of Range) = **49.4** to **73.9**

MAYBE (Middle 50% of Range) = **73.9** to **123.1**

SELL (Upper 25% of Range) = **123.1** to **147.6**

Current Price **95.43** is in the **Hold** Range

### D UPSIDE/DOWNSIDE ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price **147.6** - Current Price **95.43**) ÷ (Current Price **95.43** - Estimated Low Price **49.4**) = **1.1** To 1

## 5 TOTAL RETURN ANALYSIS

### A CURRENT YIELD

Present Full Year's Dividend \$ **2.840** ÷ Current Price of Stock \$ **95.43** = **3.0** % Present Yield or % Returned on Purchase Price

### B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout **85.2** ÷ Forecast High P/E **27.7** = Avg. Yield **3.1**

### AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout **85.2** ÷ Forecast Avg P/E **23.1** = Avg. Yield **3.7**

### C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E

Average Yield **3.1** % + Annual Appreciation **9.1** % = Compound Annual Total Return **12.2** %

### D % PROJECTED AVERAGE RETURN - USING FORECAST AVERAGE P/E

Average Yield **3.7** % + Annual Appreciation **5.2** % = Projected Average Total Return **8.9** %

# PERT-A Graph

Company AbbVie (ABBV)

