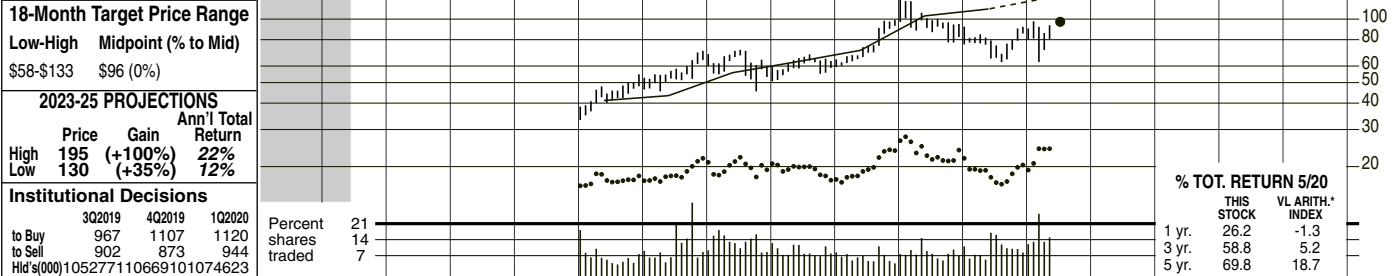


ABBVIE INC. NYSE-ABBV

RECENT PRICE **97.27** P/E RATIO **9.4** (Trailing: 10.5 Median: NMF) RELATIVE P/E RATIO **0.47** DIV'D YLD **4.9%** VALUE LINE **1611**

TIMELINESS 1 Raised 4/17/20	High: 54.8	70.8	71.6	68.1	99.1	125.9	92.3	99.4	Target Price Range
SAFETY 3 Lowered 7/3/20	Low: 33.3	45.5	45.4	50.7	59.3	77.5	62.7	62.6	2023 2024 2025
TECHNICAL 2 Raised 6/5/20	LEGENDS — 12.0 x "Cash Flow" p sh Relative Price Strength Options: Yes Shaded area indicates recession								200
BETA 1.05 (1.00 = Market)									160



18-Month Target Price Range		2023-25 PROJECTIONS		Institutional Decisions		Percent shares traded		% TOT. RETURN 5/20	
Low-High	Midpoint (% to Mid)	Price	Gain	Ann'l Total	Return	to Buy	to Sell	High	Low
\$58-\$133	\$96 (0%)	195	(+100%)	22%	22%	967	1107	195	130
		130	(+35%)	12%	12%	902	873	26.2	-1.3
						Hld's(000)	1052771	58.8	5.2
							1066910	69.8	18.7
							101074623		

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
Sales per sh	--	--	--	--	--	--	--	--	--	11.84	12.54	14.20	16.10	17.72	22.15	22.49	30.95	36.50	Sales (\$mill)	41.20
"Cash Flow" per sh	--	--	--	--	--	--	--	--	--	3.44	3.62	4.64	5.23	5.93	8.62	9.32	10.60	12.10	"Cash Flow" per sh	13.85
Earnings per sh ^A	--	--	--	--	--	--	--	--	--	3.14	3.32	4.29	4.82	5.60	7.91	8.94	10.30	11.80	Earnings per sh ^A	13.50
Div'ds Decl'd per sh ^B	--	--	--	--	--	--	--	--	--	1.60	1.66	2.02	2.28	2.56	3.59	4.28	4.72	4.96	Div'ds Decl'd per sh ^B	5.76
Cap'l Spending per sh	--	--	--	--	--	--	--	--	--	.56	.78	.33	.30	.33	.43	.37	.35	.40	Cap'l Spending per sh	.50
Book Value per sh ^C	--	--	--	--	--	--	--	--	--	2.83	1.09	2.45	2.91	3.20	d5.71	d5.53	d2.05	2.05	Book Value per sh ^C	12.15
Common Shs Outst'g ^D	--	--	--	--	--	--	--	--	--	1587.4	1591.4	1609.9	1592.5	1592.1	1478.8	1478.9	1480.0	1480.0	Common Shs Outst'g ^D	1480.0
Avg Ann'l P/E Ratio	--	--	--	--	--	--	--	--	--	13.9	16.7	14.4	12.6	13.4	12.3	8.7	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	12.0
Relative P/E Ratio	--	--	--	--	--	--	--	--	--	.78	.88	.73	.66	.67	.66	.47			Relative P/E Ratio	.65
Avg Ann'l Div'd Yield	--	--	--	--	--	--	--	--	--	3.7%	3.0%	3.3%	3.8%	3.4%	3.7%	5.5%			Avg Ann'l Div'd Yield	3.6%

Category	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2023-25	
CAPITAL STRUCTURE as of 3/31/20	--	--	--	--	--	--	--	--	--	18790	19960	22859	25638	28216	32753	33266	45800	54000	Sales (\$mill)	61000
Total Debt \$67.1 bill. Due in 5 Yrs \$25.5 bill.	--	--	--	--	--	--	--	--	--	38.4%	38.4%	45.5%	44.2%	44.1%	46.1%	48.7%	45.0%	45.0%	Operating Margin	46.0%
LT Debt \$63.3 bill. LT Interest \$1.5 bill. (100% of Capital)	--	--	--	--	--	--	--	--	--	388.0	383.0	417.0	425.0	425.0	471.0	464.0	460	470	Depreciation (\$mill)	500
Leases, Uncapitalized Annual rentals \$119 mill.	--	--	--	--	--	--	--	--	--	5066.0	5375.0	7060.0	7904.0	9011.0	12282	13324	15240	17460	Net Profit (\$mill)	19980
Pension Assets-12/19 \$7.1 bill. Oblig. \$8.6 bill.	--	--	--	--	--	--	--	--	--	22.2%	22.4%	21.9%	20.2%	18.9%	8.7%	8.6%	10.0%	11.0%	Income Tax Rate	13.0%
Common Stock 1,476,742,215 shares as of 4/30/20	--	--	--	--	--	--	--	--	--	27.0%	26.9%	30.9%	30.8%	31.9%	37.5%	40.1%	33.3%	32.3%	Net Profit Margin	32.8%
MARKET CAP: \$144 billion (Large Cap)	--	--	--	--	--	--	--	--	--	10969	4688.0	5420.0	6406.0	4582.0	d294.0	33934	5000	6000	Working Cap'l (\$mill)	8000
CURRENT POSITION (SMILL.)	--	--	--	--	--	--	--	--	--	14292	10565	29240	36440	30953	35002	62975	60000	57000	Long-Term Debt (\$mill)	45000
Cash Assets	8061	39924	41142							4492.0	1742.0	3945.0	4636.0	5097.0	d8446	d8172	d3000	3000	Shr. Equity (\$mill)	18000
Receivables	5384	5428	6362							27.7%	45.3%	22.2%	20.4%	26.4%	48.4%	25.7%	28.0%	30.5%	Return on Total Cap'l	33.0%
Inventory	1605	1813	1844							NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	Return on Shr. Equity	NMF
Other	1895	2354	2410							55.9%	NMF	95.5%	90.3%	96.2%	96.2%	NMF	NMF	NMF	Retained to Com Eq	63.5%
Current Assets	16945	49519	51758							50%	50%	47%	47%	46%	45%	48%	46%	42%	All Div'ds to Net Prof	43%
Accts Payable	11931	11832	12709							BUSINESS: AbbVie Inc. engages in the discovery, development, manufacture, and sale of pharmaceutical products worldwide. Its products are focused on treating conditions such as chronic autoimmune diseases in rheumatology, gastroenterology and dermatology; oncology, including blood cancers; virology, including HCV and HIV; neurological disorders, such as Parkinson's disease; metabo-										
Debt Due	1609	3753	3762							lic diseases, including thyroid disease and complications associated with cystic fibrosis; and other serious conditions. Off/dirs. own less than 1% of comm. stock; Vanguard, 8.3%; BlackRock, 6.7%; Capital Research Global Investors, 5.8% (3/20 proxy). Chrmn./CEO: Richard A. Gonzalez. Inc. DE. Addr.: 1 North Waukegan Rd, North Chicago, IL 60064. Tel.: 847-932-7900. Internet: www.abbvie.com.										
Other	3699	--	--							AbbVie completed its mega merger with Allergan. The drugmaker finalized its acquisition of Botox-maker Allergan on May 8th, nearly a year after the deal was first announced. Under the terms, AGN shareholders received 0.866 shares of ABBV stock and \$120.30 in cash for each unit held, for a total consideration of \$193.23, based on May 7th's closing price. The roughly \$63 billion transaction represented one of the largest in pharmaceutical industry history. We have adjusted our 2020 and 2021 estimates to reflect the deal's completion.										
Current Liab.	17239	15585	16471							The addition provides some much-needed diversity to the portfolio. AbbVie has been heavily dependent on the success of its blockbuster drug Humira over these past few years (accounted for about 60% of total sales in 2018 and 2019). While the franchise has performed exceptionally well and is currently the top-selling medication in the world (raked in \$19.2 billion in 2019), it has started to see some deceleration in recent quarters due to increased biosimilar competition overseas. In our view, Allergan's product portfolio, highlighted by the lucrative Botox										

Category	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2023-25	
ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '17-'19 to '23-'25																				
of change (per sh)																				
Sales	--	11.5%	12.0%																	
"Cash Flow"	--	17.5%	9.5%																	
Earnings	--	18.5%	10.5%																	
Dividends	--	16.5%	9.0%																	
Book Value	--	--	NMF																	

Cal-endar	QUARTERLY SALES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2017	6538	6944	6995	7739	28216
2018	7934	8278	8236	8305	32753
2019	7828	8255	8479	8704	33266
2020	8619	10500	13000	13681	45800
2021	13300	13400	13500	13800	54000

Cal-endar	EARNINGS PER SHARE ^A				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2017	1.28	1.42	1.41	1.49	5.60
2018	1.87	2.00	2.14	1.90	7.91
2019	2.14	2.26	2.33	2.21	8.94
2020	2.42	2.24	2.81	2.83	10.30
2021	2.85	2.95	3.00	3.00	11.80

Cal-endar	QUARTERLY DIVIDENDS PAID ^B				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2016	.57	.57	.57	.57	2.28
2017	.64	.64	.64	.64	2.56
2018	.71	.96	.96	.96	3.59
2019	1.07	1.07	1.07	1.07	4.28
2020	1.18	1.18			

(A) Diluted earnings (adjusted). Quarters may not sum due to rounding. Excludes nonrecurring items: '13, (\$8c); '14, (\$2.22); '15, (\$1.16); '16, (\$1.19); '17, (\$2.30); '18, (\$4.25); '19, (\$3.66). Next earnings report due late July.	(B) Dividends historically paid in February, May, August, and November. ■ Dividend reinvestment plan available.	(C) Includes intangibles. In '19: \$34.25 billion, \$23.16 a share.	(D) In millions	Company's Financial Strength	A
				Stock's Price Stability	65
				Price Growth Persistence	90
				Earnings Predictability	75

franchise, should provide a meaningful boost and help to lessen AbbVie's dependence on Humira. We believe the combined portfolio has the potential to exceed \$50 billion in annual sales by 2021. **The pipeline should offer additional support over the long term.** AbbVie currently has more than 120 drug programs in its pipeline, roughly half of which are in mid- and late-stage trials. The company's first-line treatment for multiple myeloma, *Empliciti*, has generated some buzz and will be worth monitoring in the coming months. Recently launched immunology assets *Skyrizi* and *Rinvoq* are also poised to be more meaningful contributors over the next five years. **The stock's Timeliness rank has been upgraded to 1 (Highest).** Based on our system, ABBV shares currently represent one of the more-attractive year-ahead growth plays in the pharmaceutical space. For longer-term investors, our projections reflect above-average price appreciation over the pull to 2023-2025. A near 5% dividend yield is also a key draw for income-oriented portfolios. *Michael Ratty* July 3, 2020