AbbVie Inc

STANDARD & POOR'S

S&P Recommendation BUY ★★★★★ | **Price** $44.68 (as of May 3, 2013) | **12-Mo. Target Price** $50.00 | **Investment Style** Large-Cap Growth

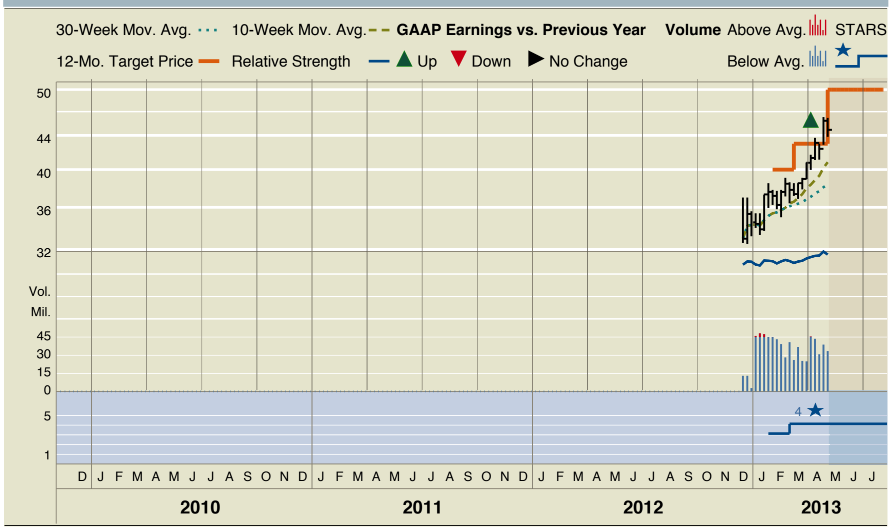
GICS Sector Health Care
Sub-Industry Pharmaceuticals

Summary This company is a global research-based pharmaceuticals business that emerged as a separate entity following its spin-off from Abbott Laboratories at the start of 2013. AbbVie's key drug is Humira for rheumatoid arthritis.

Key Stock Statistics (Source S&P, Vickers, company reports)

52-Wk Range	**$46.32– 32.51**	S&P Oper. EPS 2013**E**	**3.12**	Market Capitalization(B)	**$70.475**	Beta	**NA**
Trailing 12-Month EPS	**$3.38**	S&P Oper. EPS 2014**E**	**3.20**	Yield (%)	**3.58**	S&P 3-Yr. Proj. EPS CAGR(%)	**3**
Trailing 12-Month P/E	**13.2**	P/E on S&P Oper. EPS 2013**E**	**14.3**	Dividend Rate/Share	**$1.60**	S&P Credit Rating	**NA**
$10K Invested 5 Yrs Ago	**NA**	Common Shares Outstg. (M)	**1,577.3**	Institutional Ownership (%)	**32**		

Price Performance



Qualitative Risk Assessment

LOW	MEDIUM	HIGH

Our risk assessment reflects common challenges to branded drugs, including competition from generics, pricing restraints, and R&D related risks. ABBV is also heavily reliant on one drug -- Humira--which presently accounts for about 50% of sales. We also note that key cholesterol regulation and HIV franchises face generic competition. On the plus side, we think ABBV's robust R&D pipeline, which includes new treatments for hepatitis C, cancer, Parkinson's disease and other conditions, augurs well for long-term growth.

Quantitative Evaluations

S&P Quality Ranking NR

D	C	B-	B	B+	A-	A	A+

Relative Strength Rank STRONG

86

LOWEST = 1 HIGHEST = 99

Highlights

➤ The 12-month target price for ABBV has recently been changed to $50.00 from $43.00. The Highlights section of this Stock Report will be updated accordingly.

Investment Rationale/Risk

➤ The Investment Rationale/Risk section of this Stock Report will be updated shortly. For the latest News story on ABBV from MarketScope, see below.

➤ 04/26/13 12:05 pm ET ... S&P REITERATES BUY OPINION ON SHARES OF ABBVIE (ABBV 45.35****): We are raising our target price by $7, to $50, based on our enhanced valuations of ABBV's key Humira rheumatoid arthritis drug and advancing R&D pipeline. Boosted by new indications, Q1 sales of Humira rose 16% to $2.2B, with U.S. sales up 24%. On the R&D front, we see ABBV leading the pack with its new class of breakthrough hepatitis C drugs, which should be first to market in 2015. We also see promising new treatments for Parkinson's disease, leukemia, endometriosis and other conditions in ABBV's late stage pipeline. The $1.60 dividend yields 3.6%. /H. Saftlas

Revenue/Earnings Data

Revenue (Million $)

	1Q	2Q	3Q	4Q	Year
2013	4,329	--	--	--	--
2012	4,173	4,493	4,508	5,206	18,380
2011	--	--	--	--	17,639
2010	--	--	--	--	15,638
2009	--	--	--	--	14,214
2008	--	--	--	--	--

Earnings Per Share ($)

2013	0.60	E0.78	E0.79	E0.87	E3.12
2012	0.56	0.80	1.01	0.98	3.35
2011	--	--	--	--	2.03
2010	--	--	--	--	--
2009	--	--	--	--	--
2008	--	--	--	--	--

Fiscal year ended Dec. 31. Next earnings report expected: NA. EPS Estimates based on S&P Operating Earnings; historical GAAP earnings are as reported.

Dividend Data (Dates: mm/dd Payment Date: mm/dd/yy)

Amount ($)	Date Decl.	Ex-Div. Date	Stk. of Record	Payment Date
0.400	01/04	01/11	01/15	02/15/13
0.400	02/15	04/11	04/15	05/15/13

Dividends have been paid since 2013. Source: Company reports.

Please read the Required Disclosures and Analyst Certification on the last page of this report.

AbbVie Inc

Business Summary March 18, 2013

CORPORATE OVERVIEW. AbbVie Inc. is a global research-based pharmaceuticals business that emerged as a separate company following its spin-off from Abbott Laboratories to Abbott shareholders on a share-for-share basis on January 1, 2013. Pro forma revenues of about $17.4 billion in 2011 were divided as follows: Humira 45%, dyslipidemia products 14%, metabolic/hormonal 10%, virology 9%, endocrinology 5%, and all other 17%. By geographic regions 2011 sales broke down: the U.S. 55%, European Union (EU) and other developed countries 31%, and emerging markets 14%.

AbbVie's most important product is Humira, an injectable biologic TNF (tumor necrosis factor) blocker treatment for rheumatoid arthritis (RA) and similar conditions, with sales of $9.3 billion in 2012, up from $7.9 billion in 2011. We estimate that Humira accounts for more than half of the global prescription pharmaceuticals market for rheumatoid arthritis. Besides moderate to severe RA in adults, Humira is also approved for eight other uses, including juvenile idiopathic arthritis, plaque psoriasis, psoriatic arthritis, ankylosing spondylitis, ulcerative colitis, Crohn's disease in adults, juvenile Crohn's disease and axial spondyloarthritis.

Humira's U.S. composition of matter patent is expected to expire at the end of 2016, with its equivalent European Union patent set to expire in most EU countries in April 2018. Competitors in the rheumatoid arthritis market include Remicade (marketed by Johnson & Johnson), Simponi (Johnson & Johnson) and Enbrel (Pfizer).

Dyslipidemia products comprise treatments for high cholesterol and/or high triglycerides such as Tricor and Trilipix fibric acid derivatives (sales of $1.1 billion in 2012), Niaspan extended release niacin ($911 million), and Simcor, which is a combination of Niaspan and simvastatin. Metabolic/hormonal products include Synthroid treatment for hypothyroidism ($551 million), and AndroGel testosterone replacement ($1.2 billion). Virology products comprise primarily Kaletra and Norvir HIV treatments. Lupron for prostate cancer ($800 million) is ABBV's key endocrinology drug. Synagis for respiratory syncytial virus is marketed outside of the U.S.

CORPORATE STRATEGY. AbbVie's strategic objectives include expanding Humira's sales through greater penetration of emerging markets, increased emphasis on earlier diagnosis of autoimmune patients, and new indications. ABBV also plans to advance its R&D pipeline through internal development or through collaborations and licensing agreements. From 2013 through 2016, the company plans to launch five significant new products. The company also plans to maximize efficiency by streamlining the supply chain and optimizing residual value when products near the end of exclusivity.

PIPELINE. AbbVie has an R&D pipeline of some 20 compounds or indications in Phase II or Phase III development across a fairly wide spectrum, including immunology, renal care, hepatitis C, women's health, oncology, multiple sclerosis, and Parkinson's and Alzheimer's diseases. From 2013 through 2016, AbbVie anticipates new product launches, including: an interferon-free regimen for the treatment of HCV; a levodopa-carbidopa intestinal gel (LCIG) in the U.S. for advanced Parkinson's disease; elotuzumab, a humanized monoclonal antibody for the treatment of multiple myeloma; daclizumab, a monoclonal antibody for the treatment of multiple sclerosis; ABT-199, a next-generation bcl-2 inhibitor in development for chronic lymphocytic leukemia; and new indications for Humira.

In 2013, the company expects to initiate several Phase III programs including atrasentan for diabetic kidney disease and ABT-199 in chronic lymphocytic leukemia (CLL). Additionally, AbbVie is planning Phase IIB starts for: elagolix in uterine fibroids; work on a partnered JAK1 inhibitor for rheumatoid arthritis (RA); BT-061 for RA; and ABT-719 for acute kidney injury associated with major cardiac and other surgeries. Finally, in 2013 or early 2014, the company intends to present data from a number of key development programs, including its rapidly advancing HCV program, oncology, renal disease, immunology and Alzheimer's disease.

MARKET PROFILE. The dollar value of the global drug market is projected to grow at a CAGR (compound annual growth rate) of 3%-6% over the 2012-2016 period, according to forecasts made by IMS Health. The key driver should be emerging markets, whose aggregate sales (17 countries) should advance at a CAGR of 12%-15% over the same period. Growth in developing markets is being spurred by rising standards of living and growing government spending on health care. However, IMS forecasts declining trends in Europe, with combined drug spending for five major European markets projected to decline at a CAGR of 1%-2% over 2012-2016. On the other hand, spending in the U.S. was forecast to grow at a CAGR of 1%-4% over the same period.

FINANCIAL TRENDS. As of September 30, 2012, ABBV had pro forma cash and investments of about $7.2 billion, and long-term debt of $14.7 billion. ABBV also has a $2.0 billion five-year credit facility. In early January 2013, ABBV declared its first quarterly cash dividend of $0.40, payable February 15, to holders of record January 15. We expect ABBV to use its financial resources for disciplined and targeted licensing deals and acquisitions, as well as for share repurchases.

Corporate Information

Office
1 North Waukegan Road, North Chicago, IL 60064-6400.

Telephone
847-932-7900.

Website
http://www.abbvie.com

Officers

Chrmn & CEO
R.A. Gonzalez

SVP & CSO
J.M. Leonard

COO
A. Saleki-Gerhardt

Chief Acctg Officer & Cntlr
T.A. Hurwich

EVP & CFO
W.J. Chase

Board Members
R. J. Alpern
R. S. Austin
W. H. Burnside
R. A. Gonzalez
E. M. Liddy
E. J. Rapp
R. S. Roberts
G. F. Tilton
F. H. Waddell

Domicile
Delaware

Founded
2012

Employees
21,500

Stockholders
60,713

AbbVie Inc

STANDARD &POOR'S

Quantitative Evaluations

S&P Fair Value Rank NR

1	2	3	4	5
LOWEST				HIGHEST

Based on S&P's proprietary quantitative model, stocks are ranked from most overvalued (1) to most undervalued (5).

Fair Value Calculation NA

Investability Quotient Percentile

This company does not meet the inclusion criteria required for calculating an IQ value.

Volatility NA

Technical Evaluation NA

Insider Activity NA

UNFAVORABLE	NEUTRAL	FAVORABLE

Expanded Ratio Analysis

	2012	2011	2010	2009
Price/Sales	2.97	Nil	Nil	NA
Price/EBITDA	7.05	Nil	Nil	NA
Price/Pretax Income	9.55	Nil	Nil	NA
P/E Ratio	10.36	Nil	Nil	NA
Avg. Diluted Shares Outstg (M)	1,600.0	1,585.0	1,585.0	NA

Figures based on calendar year-end price

Key Growth Rates and Averages

Past Growth Rate (%)	1 Year	3 Years	5 Years	9 Years
Sales	4.20	9.32	NA	NA
Net Income	62.66	1.35	NA	NA
Ratio Analysis (Annual Avg.)				
Net Margin (%)	28.70	24.60	26.61	NA
% LT Debt to Capitalization	81.21	NA	NA	NA
Return on Equity (%)	67.69	NA	NA	NA

Company Financials Fiscal Year Ended Dec. 31

Per Share Data ($)	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Tangible Book Value	NM	NM	NA	NA	NA	NA	NA	NA	NA	NA
Cash Flow	4.07	NA	NA	NA	NA	NA	NA	NA	NA	NA
Earnings	3.35	2.03	NA	NA	NA	NA	NA	NA	NA	NA
S&P Core Earnings	3.37	2.80	2.64	NA	NA	NA	NA	NA	NA	NA
Dividends	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Payout Ratio	Nil	NA	NA	NA	NA	NA	NA	NA	NA	NA
Prices:High	37.07	NA	NA	NA	NA	NA	NA	NA	NA	NA
Prices:Low	32.51	NA	NA	NA	NA	NA	NA	NA	NA	NA
P/E Ratio:High	11	NA	NA	NA	NA	NA	NA	NA	NA	NA
P/E Ratio:Low	10	NA	NA	NA	NA	NA	NA	NA	NA	NA
Income Statement Analysis (Million $)										
Revenue	18,380	17,639	15,638	14,214	NA	NA	NA	NA	NA	NA
Operating Income	7,758	NA	6,361	5,826	NA	NA	NA	NA	NA	NA
Depreciation	1,150	NA	1,184	697	NA	NA	NA	NA	NA	NA
Interest Expense	104	292	NA	NA	NA	NA	NA	NA	NA	NA
Pretax Income	5,725	3,367	4,836	5,950	NA	NA	NA	NA	NA	NA
Effective Tax Rate	7.86%	3.70%	13.6%	22.1%	NA	NA	NA	NA	NA	NA
Net Income	5,275	3,243	4,178	4,637	NA	NA	NA	NA	NA	NA
S&P Core Earnings	5,389	4,432	4,182	NA	NA	NA	NA	NA	NA	NA
Balance Sheet & Other Financial Data (Million $)										
Cash	7,976	7,200	NA	NA	NA	NA	NA	NA	NA	NA
Current Assets	15,354	13,546	NA	NA	NA	NA	NA	NA	NA	NA
Total Assets	27,008	25,948	NA	NA	NA	NA	NA	NA	NA	NA
Current Liabilities	6,776	6,368	NA	NA	NA	NA	NA	NA	NA	NA
Long Term Debt	14,630	14,700	NA	NA	NA	NA	NA	NA	NA	NA
Common Equity	3,363	2,230	NA	NA	NA	NA	NA	NA	NA	NA
Total Capital	18,015	16,930	NA	NA	NA	NA	NA	NA	NA	NA
Capital Expenditures	333	NA	NA	NA	NA	NA	NA	NA	NA	NA
Cash Flow	6,425	NA	NA	NA	NA	NA	NA	NA	NA	NA
Current Ratio	2.3	2.1	NA	NA	NA	NA	NA	NA	NA	NA
% Long Term Debt of Capitalization	81.2	86.8	NA	NA	NA	NA	NA	NA	NA	NA
% Net Income of Revenue	28.7	NA	NA	NA	NA	NA	NA	NA	NA	NA
% Return on Assets	22.6	NA	NA	NA	NA	NA	NA	NA	NA	NA
% Return on Equity	67.7	NA	NA	NA	NA	NA	NA	NA	NA	NA

Data as orig reptd.; bef. results of disc opers/spec. items. Per share data adj. for stk. divs.; EPS diluted. Pro forma data in 2011, book value and balance sheet as of Sep. 30, 2012. E-Estimated. NA-Not Available. NM-Not Meaningful. NR-Not Ranked. UR-Under Review.

The McGraw·Hill Companies

Sub-Industry Outlook

Our fundamental outlook for the pharmaceuticals sub-industry for the next 12 months is neutral. Although the sector continues to face top-line pressure from patent expirations on many top-selling drugs, as well as from foreign exchange fluctuations, we believe overall industry profits should hold up relatively well, helped by expanding sales of new innovative drug therapies and margin improvements accruing from cost restructurings and merger synergies. EPS comparisons should also benefit from common share buybacks.

While we see new health care reform legislation continuing to negatively affect industry profitability, we see benefits accruing from significant expansion of the market stemming from new coverage provided to up to 32 million currently uninsured Americans starting in 2014. We favor the shares of firms with well defined growth prospects and generous dividend yields, as we believe they should perform relatively well over the coming quarters.

Despite near-term effects from patent expirations and regulatory pressures on drug pricing, we still think long-term prospects for the sector remain favorable. Pharmaceuticals remains one of the widest-margin U.S. industries, with prospects enhanced by demographic growth in the elderly (which account for about 33% of industry sales) and new drugs stemming from discoveries in genomics and biotechnology. We expect FDA approvals of new molecular entities in 2013 to approach or possibly match the near record 39 approvals the agency cleared in 2012.

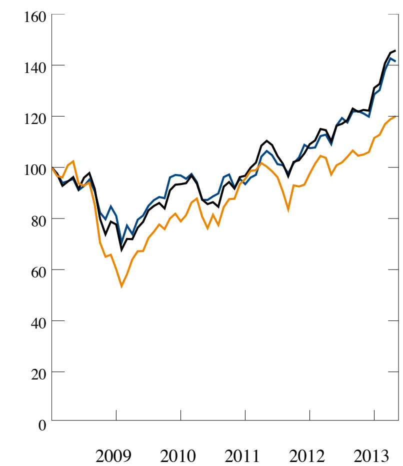
Year to date through April 19, the S&P Pharmaceuticals Index was up 20.4%, versus a 9.1% rise in the S&P 1500 Composite Index. We expect prospects for the generic/specialty drug sector to remain favorable. We see a large number of major drugs losing patent protection over the next few years, providing significant opportunities for this group. We favor companies with rich generic pipelines, especially those with first-to-file generics with the potential for 180 days of marketing exclusivity, and competence in litigating complex patent issues.

--Herman B. Saftlas

Stock Performance

GICS Sector: Health Care
Sub-Industry: Pharmaceuticals

Based on S&P 1500 Indexes
Month-end Price Performance as of 4/30/13



Sub-Industry | Sector | S&P 1500

NOTE: All Sector & Sub-Industry information is based on the Global Industry Classification Standard (GICS)

Sub-Industry : Pharmaceuticals Peer Group*: Based on market capitalizations within GICS Sub-Industry

Peer Group	Stock Symbol	Stk.Mkt. Cap. (Mil. $)	Recent Stock Price($)	52 Week High/Low($)	Beta	Yield (%)	P/E Ratio	Fair Value Calc.($)	Quality Ranking	S&P IQ %ile	Return on Revenue (%)	LTD to Cap (%)
AbbVie Inc	**ABBV**	**70,475**	**44.68**	**46.32/32.51**	**NA**	**3.6**	**13**	**NA**	**NR**	**NA**	**28.7**	**81.2**
Auxilium Pharmaceuticals	AUXL	738	14.98	29.37/13.87	0.82	Nil	9	NA	C	76	21.7	NA
Bayer AG ADR	BAYRY	88,450	106.96	107.94/59.57	1.15	1.7	27	95.70	NR	74	6.3	23.8
Hospira Inc	HSP	5,456	33.02	37.78/28.62	0.85	Nil	NM	31.20	B-	90	1.1	35.9
Impax Laboratories	IPXL	1,102	17.00	27.25/14.41	0.73	Nil	8	12.90	C	78	9.6	NA
Jazz Pharmaceuticals Plc	JAZZ	3,408	58.72	60.79/40.38	2.03	Nil	12	65.00	NR	89	44.6	27.1
Mylan Inc	MYL	11,431	28.90	31.22/20.21	0.81	Nil	19	32.70	A-	67	9.4	60.7
Nektar Therapeutics	NKTR	1,208	10.49	11.34/5.65	0.69	Nil	NM	NA	C	6	NM	74.4
Optimer Pharmaceuticals	OPTR	706	15.10	16.49/8.64	0.43	Nil	NM	NA	NR	43	NM	NA
Pacira Pharmaceuticals	PCRX	736	28.98	30.94/9.81	1.49	Nil	NM	NA	NR	12	NM	28.1
Santarus Inc	SNTS	1,177	18.80	19.20/4.82	1.29	Nil	70	16.80	B-	68	8.5	10.6
ViroPharma Inc	VPHM	1,652	25.07	31.36/19.02	1.53	Nil	NM	12.50	B-	75	1.3	17.6
Vivus Inc	VVUS	1,227	12.23	31.21/9.86	1.17	Nil	NM	NA	C	72	NA	NA
Warner Chilcott'A'	WCRX	3,664	14.62	22.11/10.85	1.00	3.4	9	28.80	NR	19	15.9	112.5
Zoetis Inc'A'	ZTS	16,605	33.21	35.42/30.42	NA	0.8	36	NA	NR	NA	10.1	11.0

NA-Not Available NM-Not Meaningful NR-Not Rated. *For Peer Groups with more than 15 companies or stocks, selection of issues is based on market capitalization.

Source: S&P.

S&P Analyst Research Notes and other Company News

April 26, 2013
12:05 pm ET ... S&P REITERATES BUY OPINION ON SHARES OF ABBVIE (ABBV 45.35****): We are raising our target price by $7, to $50, based on our enhanced valuations of ABBV's key Humira rheumatoid arthritis drug and advancing R&D pipeline. Boosted by new indications, Q1 sales of Humira rose 16% to $2.2B, with U.S. sales up 24%. On the R&D front, we see ABBV leading the pack with its new class of breakthrough hepatitis C drugs, which should be first to market in 2015. We also see promising new treatments for Parkinson's disease, leukemia, endometriosis and other conditions in ABBV's late stage pipeline. The $1.60 dividend yields 3.6%. /H. Saftlas

March 6, 2013
(ABBV 37.51****): We are raising our target price by $3, to $43, based on our enhanced valuations of ABBV's key Humira rheumatoid arthritis drug, and the R&D pipeline. In our opinion, sales of Humira should continue to grow through the end of the decade, helped by new indications and expansion in emerging markets. With respect to the pipeline, we see multi-billion dollar sales potential for ABBV's new hepatitis C drugs, which should be first to the market in 2015. Other positives include a 4.3% dividend yield, a $1.5B buyback program, and new business development. /H. Saftlas

February 8, 2013
10:53 am ET ... S&P MAINTAINS BUY OPINION ON SHARES OF NEUROCRINE BIOSCIENCES (NBIX 10.52****): We raise our NPV-based target price by $2 to $13 on an enhanced pipeline outlook. Q4 EPS of $0.14, vs. $0.02, beats our last published Capital IQ consensus estimate of $0.08 loss, which we attribute to $13M in recognized collaborative revenues. We are encouraged by partner AbbVie's (ABBV 36, Hold) advancement of elagolix to Phase IIb study for uterine fibroids, and we expect Phase IIb data for internal VMAT2 inhibitor for tardive dyskinesia near mid-'13. With $130M cash expected at '13 end, we view NBIX as well funded, and we anticipate receipt of milestone payments in '14. /S.Silver

January 30, 2013
TH A HOLD OPINION (ABBV 37.34***): This spin-off from Abbott Laboratories (ABT 33***) ranks among the world's leading drugmakers. Still, we note that some 45% of sales comes from one drug- Humira, a rheumatoid arthritis treatment whose patent expires in 2016. We also see generics impacting ABBV's lipid lowering and HIV franchises. On the plus side, we like ABBV's robust pipeline, which we think has promising therapies for hepatitis C, Parkinson's disease and cancer. Our target price of $40 applies a modest premium-to-peers P/E of 12.8X to our 2013 EPS estimate of $3.12. The $1.60 dividend provides a 4.3% yield. /H. Saftlas

January 30, 2013
BBV 37.02***): We keep our 2013 $3.12 operating EPS estimate, near the upper end of ABBV's new $3.03-$3.13 guidance provided today. Our $40 target price applies a modest premium to peers' 12.8X P/E to our 2013 forecast. We reiterate our modest sales growth projection for 2013, from $18B in 2012, with low-teens growth in Humira, and A 5% gain for Synthroid, more than offsetting steep generic erosion in Tricor/Trilipix. We like ABBV's 11 project Phase 3 pipeline, but remain uncertain in its ability to offset generic losses. We think the $1.60 dividend provides some support for the stock. /H. Saftlas

January 23, 2013
12:03 pm ET ... S&P REITERATES HOLD OPINION ON SHARES OF ABBOTT LABORATORIES (ABT 32.88***): We maintain our target price of $36, and our 2013 operating EPS estimate of $2.00, near the midpoint of ABT's new $1.98-$2.04 guidance range. Q4 EPS of $1.51, vs. $1.45, was $0.01 below our forecast. While sales rose 4.4%, we attribute most of the gain to strength in drugs such as Humira that are now booked by recently spun-off Abbvie (ABBV 37, NR). For 2013, we see mid-single top line growth, helped by new products such as Absorb vascular scaffold and MitraClip valve repair system, as well as by greater penetration of emerging markets. The dividend presently yields 1.7%. /H. Saftlas

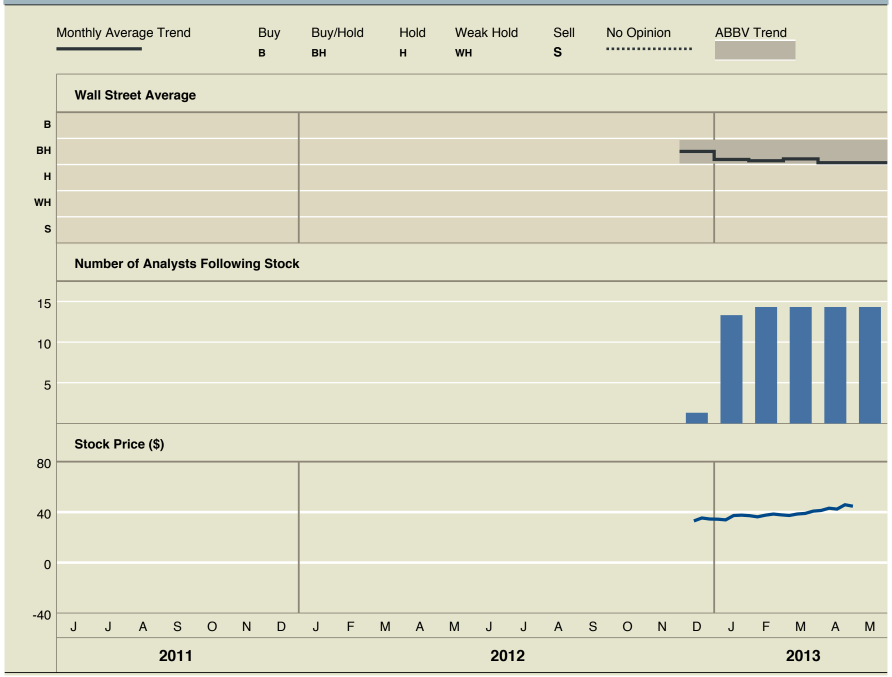
January 14, 2013
05:44 pm ET ... S&P DOWNGRADES OPINION ON SHARES OF ABBOTT LABORATORIES TO HOLD FROM BUY (ABT 33.37***): We are reducing our 12-month target price by $40, to $36, to reflect the recent spin-off of the company's research-based pharmaceuticals business as shares of a new publicly traded firm called AbbVie, Inc. (ABBV 34, NR). Our new target price applies a premium-to-peers P/E multiple of 18X to our new $2.00 EPS estimate for 2013 (versus our prior pre-spinoff estimate of $5.55). While we view ABT as well positioned in diversified health care products markets, we think many of those markets are relatively mature, with future EPS growth likely coming largely from margin expansion. /H. Saftlas

January 3, 2013
On December 31, 2012, the Board of Directors of AbbVie expanded its size from three directors to nine directors, effective as of immediately on January 1, 2013. Each of Richard A. Gonzalez, the Chairman and Chief Executive Officer of AbbVie, Robert J. Alpern, M.D., Roxanne S. Austin, William H.L. Burnside, Edward M. Liddy, Edward J. Rapp, Roy S. Roberts, and Glenn F. Tilton were elected as a director of AbbVie, effective as of immediately prior to the Effective Time. Thomas C. Freyman and Greg W. Linder, who had been serving as members of the Board, ceased to be directors of AbbVie effective as of immediately prior to the Effective Time. Frederick H. Waddell, who had been elected to the Board effective November 29, 2012, remains on the Board and will continue to serve as a director of AbbVie following the Distribution.

AbbVie Inc

STANDARD &POOR'S

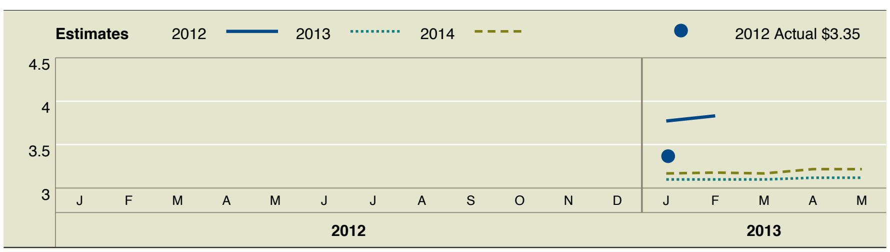
Analysts' Recommendations



Of the total 12 companies following ABBV, 14 analysts currently publish recommendations.

	No. of Ratings	% of Total	1 Mo. Prior	3 Mos. Prior
Buy	3	21	3	4
Buy/Hold	3	21	3	1
Hold	7	50	7	9
Weak Hold	1	7	1	0
Sell	0	0	0	0
No Opinion	0	0	0	0
Total	**14**	**100**	**14**	**14**

Wall Street Consensus Estimates



Fiscal Years	Avg Est.	High Est.	Low Est.	# of Est.	Est. P/E
2014	3.22	3.32	3.15	11	13.9
2013	3.12	3.17	3.07	13	14.3
2014 vs. 2013	▲ 3%	▲ 5%	▲ 3%	▼ -15%	▼ -3%
Q2'14	0.79	0.80	0.76	11	56.6
Q2'13	0.79	0.80	0.78	11	56.6
Q2'14 vs. Q2'13	**0%**	**0%**	▼ -3%	**0%**	**0%**

A company's earnings outlook plays a major part in any investment decision. Standard & Poor's organizes the earnings estimates of over 2,300 Wall Street analysts, and provides their consensus of earnings over the next two years. This graph shows the trend in analyst estimates over the past 15 months.

Wall Steet Consensus Opinion

BUY/HOLD

Companies Offering Coverage

BMO Capital Markets, U.S. Equity Research
Barclays
BofA Merrill Lynch
Goldman Sachs
Hilliard Lyons
JP Morgan
Jefferies & Company, Inc.
Morgan Stanley
Morningstar Inc.
S&P Equity Research
UBS Investment Bank
Wells Fargo Securities, LLC

Wall Street Consensus vs. Performance

For fiscal year 2013, analysts estimate that ABBV will earn $3.12. For the 1st quarter of fiscal year 2013, ABBV announced earnings per share of $0.60, representing 19% of the total annual estimate. For fiscal year 2014, analysts estimate that ABBV's earnings per share will grow by 3% to $3.22.

Glossary

S&P STARS
Since January 1, 1987, Standard and Poor's Equity Research Services has ranked a universe of common stocks based on a given stock's potential for future performance. Under proprietary STARS (STock Appreciation Ranking System), S&P equity analysts rank stocks according to their individual forecast of a stock's future total return potential versus the expected total return of a relevant benchmark (e.g., a regional index (S&P Asia 50 Index, S&P Europe 350 Index or S&P 500 Index)), based on a 12-month time horizon. STARS was designed to meet the needs of investors looking to put their investment decisions in perspective. Data used to assist in determining the STARS ranking may be the result of the analyst's own models as well as internal proprietary models resulting from dynamic data inputs.

S&P 12-Month Target Price
The S&P equity analyst's projection of the market price a given security will command 12 months hence, based on a combination of intrinsic, relative, and private market valuation metrics, including S&P Fair Value.

Investment Style Classification
Characterizes the stock as Growth or Value, and indicates its capitalization level. Growth is evaluated along three dimensions (earnings, sales and internal growth), while Value is evaluated along four dimensions (book-to-price, cash flow-to-price, dividend yield and sale-to-price). Growth stocks score higher than the market average on growth dimensions and lower on value dimensions. The reverse is true for Value stocks. Certain stocks are classified as Blend, indicating a mixture of growth and value characteristics and cannot be classified as purely growth or value.

S&P EPS Estimates
Standard & Poor's earnings per share (EPS) estimates reflect analyst projections of future EPS from continuing operations, and generally exclude various items that are viewed as special, non-recurring, or extraordinary. Also, S&P EPS estimates reflect either forecasts of S&P equity analysts; or, the consensus (average) EPS estimate, which are independently compiled by Capital IQ, a data provider to Standard & Poor's Equity Research. Among the items typically excluded from EPS estimates are asset sale gains; impairment, restructuring or merger-related charges; legal and insurance settlements; in process research and development expenses; gains or losses on the extinguishment of debt; the cumulative effect of accounting changes; and earnings related to operations that have been classified by the company as discontinued. The inclusion of some items, such as stock option expense and recurring types of other charges, may vary, and depend on such factors as industry practice, analyst judgment, and the extent to which some types of data is disclosed by companies.

S&P Core Earnings
Standard & Poor's Core Earnings is a uniform methodology for adjusting operating earnings by focusing on a company's after-tax earnings generated from its principal businesses. Included in the Standard & Poor's definition are employee stock option grant expenses, pension costs, restructuring charges from ongoing operations, write-downs of depreciable or amortizable operating assets, purchased research and development, M&A related expenses and unrealized gains/losses from hedging activities. Excluded from the definition are pension gains, impairment of goodwill charges, gains or losses from asset sales, reversal of prior-year charges and provision from litigation or insurance settlements.

Qualitative Risk Assessment
The S&P equity analyst's view of a given company's operational risk, or the risk of a firm's ability to continue as an ongoing concern. The Qualitative Risk Assessment is a relative ranking to the S&P U.S. STARS universe, and should be reflective of risk factors related to a company's operations, as opposed to risk and volatility measures associated with share prices.

Quantitative Evaluations
In contrast to our qualitative STARS recommendations, which are assigned by S&P analysts, the quantitative evaluations described below are derived from proprietary arithmetic models. These computer-driven evaluations may at times contradict an analyst's qualitative assessment of a stock. One primary reason for this is that different measures are used to determine each. For instance, when designating STARS, S&P analysts assess many factors that cannot be reflected in a model, such as risks and opportunities, management changes, recent competitive shifts, patent expiration, litigation risk, etc.

S&P Quality Ranking
Growth and stability of earnings and dividends are deemed key elements in establishing S&P's Quality Rankings for common stocks, which are designed to capsulize the nature of this record in a single symbol. It should be noted, however, that the process also takes into consideration certain adjustments and modifications deemed desirable in establishing such rankings. The final score for each stock is measured against a scoring matrix determined by analysis of the scores of a large and representative sample of stocks. The range of scores in the array of this sample has been aligned with the following ladder of rankings:

A+	Highest	B	Below Average
A	High	B-	Lower
A-	Above Average	C	Lowest
B+	Average	D	In Reorganization
NR	Not Ranked		

S&P Fair Value Rank
Using S&P's exclusive proprietary quantitative model, stocks are ranked in one of five groups, ranging from Group 5, listing the most undervalued stocks, to Group 1, the most overvalued issues. Group 5 stocks are expected to generally outperform all others. A positive (+) or negative (-) Timing Index is placed next to the Fair Value ranking to further aid the selection process. A stock with a (+) added to the Fair Value Rank simply means that this stock has a somewhat better chance to outperform other stocks with the same Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; 4-Stock is moderately undervalued; 3-Stock is fairly valued; 2-Stock is modestly overvalued; 1-Stock is significantly overvalued.

S&P Fair Value Calculation
The price at which a stock should trade at, according to S&P's proprietary quantitative model that incorporates both actual and estimated variables (as opposed to only actual variables in the case of S&P Quality Ranking). Relying heavily on a company's actual return on equity, the S&P Fair Value model places a value on a security based on placing a formula-derived price-to-book multiple on a company's consensus earnings per share estimate.

Insider Activity
Gives an insight as to insider sentiment by showing whether directors, officers and key employees who have proprietary information not available to the general public, are buying or selling the company's stock during the most recent six months.

Funds From Operations FFO
FFO is Funds from Operations and equal to a REIT's net income, excluding gains or losses from sales of property, plus real estate depreciation.

Investability Quotient (IQ)
The IQ is a measure of investment desirability. It serves as an indicator of potential medium-to-long term return and as a caution against downside risk. The measure takes into account variables such as technical indicators, earnings estimates, liquidity, financial ratios and selected S&P proprietary measures.

Volatility
Rates the volatility of the stock's price over the past year.

Technical Evaluation
In researching the past market history of prices and trading volume for each company, S&P's computer models apply special technical methods and formulas to identify and project price trends for the stock.

Relative Strength Rank
Shows, on a scale of 1 to 99, how the stock has performed versus all other companies in S&P's universe on a rolling 13-week basis.

Global Industry Classification Standard (GICS)
An industry classification standard, developed by Standard & Poor's in collaboration with Morgan Stanley Capital International (MSCI). GICS is currently comprised of 10 Sectors, 24 Industry Groups, 68 Industries, and 154 Sub-Industries.

S&P Issuer Credit Rating
A Standard & Poor's Issuer Credit Rating is a current opinion of an obligor's overall financial capacity (its creditworthiness) to pay its financial obligations. This opinion focuses on the obligor's capacity and willingness to meet its financial commitments as they come due. It does not apply to any specific financial obligation, as it does not take into account the nature of and provisions of the obligation, its standing in bankruptcy or liquidation, statutory preferences, or the legality and enforceability of the obligation. In addition, it does not take into account the creditworthiness of the guarantors, insurers, or other forms of credit enhancement on the obligation. The Issuer Credit Rating is not a recommendation to purchase, sell, or hold a financial obligation issued by an obligor, as it does not comment on market price or suitability for a particular investor. Issuer Credit Ratings are based on current information furnished by obligors or obtained by Standard & Poor's from other sources it considers reliable. Standard & Poor's does not perform an audit in connection with any Issuer Credit Rating and may, on occasion, rely on unaudited financial information. Issuer Credit Ratings may be changed, suspended, or withdrawn as a result of changes in, or unavailability of, such information, or based on other circumstances.

Exchange Type
ASE - American Stock Exchange; AU - Australia Stock Exchange; BB - Bulletin Board; NGM - Nasdaq Global Market; NNM - Nasdaq Global Select Market; NSC - Nasdaq Capital Market; NYS - New York Stock Exchange; OTN - Other OTC (Over the Counter); OTC - Over the Counter; QB - OTCQB; QX - OTCQX; TS - Toronto Stock Exchange; TXV - TSX Venture Exchange; NEX - NEX Exchange.

S&P Equity Research Services
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Abbreviations Used in S&P Equity Research Reports
CAGR- Compound Annual Growth Rate; **CAPEX**- Capital Expenditures; **CY**- Calendar Year; **DCF**- Discounted Cash Flow; **EBIT**- Earnings Before Interest and Taxes; **EBITDA**- Earnings Before Interest, Taxes, Depreciation and

Amortization; **EPS**- Earnings Per Share; **EV**- Enterprise Value; **FCF**- Free Cash Flow; **FFO**- Funds From Operations; **FY**- Fiscal Year; **P/E**- Price/Earnings ; **PEG Ratio**- P/E-to-Growth Ratio; **PV**- Present Value; **R&D**- Research & Development; **ROE**- Return on Equity; **ROI**- Return on Investment; **ROIC**- Return on Invested Capital; **ROA**- Return on Assets; **SG&A**- Selling, General & Administrative Expenses; **WACC**- Weighted Average Cost of Capital

Dividends on American Depository Receipts (ADRs) and American Depository Shares (ADSs) are net of taxes (paid in the country of origin).

Required Disclosures

In contrast to the qualitative STARS recommendations covered in this report, which are determined and assigned by S&P equity analysts, S&P's quantitative evaluations are derived from S&P's proprietary Fair Value quantitative model. In particular, the Fair Value Ranking methodology is a relative ranking methodology, whereas the STARS methodology is not. Because the Fair Value model and the STARS methodology reflect different criteria, assumptions and analytical methods, quantitative evaluations may at times differ from (or even contradict) an equity analyst's STARS recommendations. As a quantitative model, Fair Value relies on history and consensus estimates and does not introduce an element of subjectivity as can be the case with equity analysts in assigning STARS recommendations.

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In North America: As of March 31, 2013, research analysts at Standard & Poor's Equity Research Services North America recommended 35.0% of issuers with buy recommendations, 56.0% with hold recommendations and 9.0% with sell recommendations.

In Europe: As of March 31, 2013, research analysts at Standard & Poor's Equity Research Services Europe recommended 27.7% of issuers with buy recommendations, 48.6% with hold recommendations and 23.7% with sell recommendations.

In Asia: As of March 31, 2013, research analysts at Standard & Poor's Equity Research Services Asia recommended 38.7% of issuers with buy recommendations, 50.3% with hold recommendations and 11.0% with sell recommendations.

Globally: As of March 31, 2013, research analysts at Standard & Poor's Equity Research Services globally recommended 34.3% of issuers with buy recommendations, 54.2% with hold recommendations and 11.5% with sell recommendations.

★★★★★ **5-STARS (Strong Buy)**: Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis.

★★★★☆ **4-STARS (Buy)**: Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis.

★★★☆☆ **3-STARS (Hold)**: Total return is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis.

★★☆☆☆ **2-STARS (Sell)**: Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price not anticipated to show a gain.

★☆☆☆☆ **1-STARS (Strong Sell)**: Total return is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis.

Relevant benchmarks: In North America the relevant benchmark is the S&P 500 Index, in Europe and in Asia, the relevant benchmarks are generally the S&P Europe 350 Index and the S&P Asia 50 Index.

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In Asia: As of March 31, 2013, Standard & Poor's Quantitative Services Asia recommended 49.9% of issuers with buy recommendations, 19.7% with hold recommendations and 30.4% with sell recommendations.

Globally: As of March 31, 2013, Standard & Poor's Quantitative Services globally recommended 44.9% of issuers with buy recommendations, 20.3% with hold recommendations and 34.8% with sell recommendations.

Additional information is available upon request.

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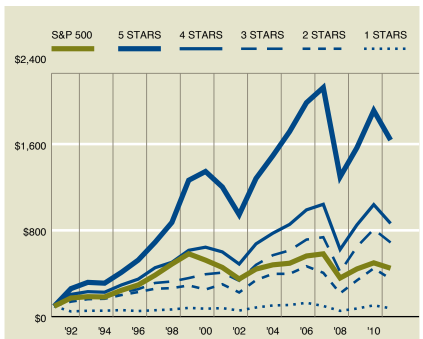
U.S. STARS Cumulative Model Performance
Hypothetical Growth Due to Price Appreciation of $100
For the Period 12/31/1986 through 04/30/2013



The performance above represents only the results of Standard & Poor's model portfolios. Model performance has inherent limitations. Standard & Poor's maintains the models and calculates the model performance shown, but does not manage actual assets. The U.S. STARS model performance chart is only an illustration of Standard & Poor's (S&P) research; it shows how U.S. common stocks, ADRs (American Depositary Receipts) and ADSs (American Depositary Shares), collectively "equities", that received particular STARS rankings performed. STARS categories are models only; they are not collective investment funds. The STARS performance does not show how any actual portfolio has performed. STARS model performance does not represent the results of actual trading of investor assets. Thus, the model performance shown does not reflect the impact that material economic and market factors might have had on decision-making if actual investor money had been managed. Performance is calculated using a time-weighted rate of return. While model performance for some or all STARS categories performed better than the S&P 500 for the period shown, the performance during any shorter period may not have, and there is no assurance that they will perform better than the S&P 500 in the future. STARS does not take into account any particular investment objective, financial situation or need and is not intended as an investment recommendation or strategy. Investments based on the STARS methodology may lose money. High returns are not necessarily the norm and there is no assurance that they can be sustained. Past model performance of STARS is no guarantee of future performance.

For model performance calculation purposes, the equities within each STARS category at December 31, 1986 were equally weighted. Thereafter, additions to the composition of the equities in each STARS category are made at the average value of the STARS category at the preceding month end with no rebalancing. Deletions are made at the closing price of the day that the deletion is made. Performance was calculated from inception through March 31, 2003 on a monthly basis. Thereafter, performance is calculated daily. Equities in each STARS category will change over time, and some or all of the equities that received STARS rankings during the time period shown may not have maintained their STARS ranking during the entire period.

The model performance does not consider taxes and brokerage commissions, nor does it reflect the deduction of any advisory or other fees charged by advisors or other parties that investors will incur when their accounts are managed in accordance with the models. The imposition of these fees and charges would cause actual performance to be lower than the performance shown. For example, if a model returned 10 percent on a $100,000 investment for a 12-month period (or $10,000) and an annual asset-based fee of 1.5 percent were imposed at the end of the period (or $1,650), the net return would be 8.35 percent (or $8,350) for the year. Over 3 years, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.1%, a total fee of $5,375 and a cumulative net return of 27.2% (or $27,200). Fees deducted on a frequency other than annual would result in a different cumulative net return in the preceding example.

The Standard & Poor's 500 index is the benchmark for U.S. STARS. The S&P 500 index is calculated in U.S. dollars and does not take into account the reinvestment of dividends. Indexes are unmanaged, statistical composites and their returns do not include payment of any sales charges or fees an investor would pay to purchase the securities they represent. Such costs would lower performance. It is not possible to invest directly in an index. The S&P 500 index includes a different number of constituents and has different risk characteristics than the STARS equities. Some of the STARS equities may have been included in the S&P 500 index for some (but not necessarily all) of the period covered in the chart, and some such equities may not have been included at all. The S&P 500 excludes ADRs and ADSs. The methodology for calculating the return of the S&P 500 index differs from the methodology of calculating the return for STARS. Past performance of the S&P 500 index is no guarantee of future performance.

An investment based upon the models should only be made after consulting with a financial advisor and with an understanding of the risks associated with any investment in securities, including, but not limited to, market risk, currency risk, political and credit risks, the risk of economic recession and the risk that issuers of securities or general stock market conditions may worsen, over time. Foreign investing involves certain risks, including currency fluctuations and controls, restrictions on foreign investments, less governmental supervision and regulation, less liquidity and the potential for market volatility and political instability. As with any investment, investment returns and principal value will fluctuate, so that when redeemed, an investor's shares may be worth more or less than their original cost.

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