

ABBVIE INC. NYSE-ABBV

RECENT PRICE **52.10**

P/E RATIO **17.0** (Trailing: 16.6 Median: NMF)

RELATIVE P/E RATIO **0.90**

DIV'D YLD **3.2%**

VALUE LINE

TIMELINESS -- E
SAFETY **2** New 7/12/13
TECHNICAL -- E
BETA NMF (1.00 = Market)

LEGENDS
... Relative Price Strength
Options: Yes
Shaded area indicates recession

High: 54.8
Low: 33.3

54.7
46.4

Target Price Range
2017 2018 2019

2017-19 PROJECTIONS
Price Gain Ann'l Total
High 70 (+35%) 10%
Low 50 (-5%) 3%

Insider Decisions
M J J A S O N D J
to Buy 0 0 0 0 0 0 0 0 0
Options 1 0 0 3 1 0 1 2 0
to Sell 1 0 0 1 1 0 0 0 0

Institutional Decisions
2Q2013 3Q2013 4Q2013
to Buy 556 542 617
to Sell 621 608 642
Hlds(000) 1065936 1076641 1084290

Percent 21
shares 14
traded 7

% TOT. RETURN 3/14
THIS STOCK VL ARITH. INDEX
1 yr. 29.4 26.1
3 yr. -- 46.4
5 yr. -- 245.1

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	© VALUE LINE PUB. LLC	17-19
--	--	--	--	--	--	--	--	--	--	--	--	--	--	11.66	11.84	11.95	12.70	Sales per sh	13.50
--	--	--	--	--	--	--	--	--	--	--	--	--	--	4.48	3.44	3.40	3.80	"Cash Flow" per sh	4.40
--	--	--	--	--	--	--	--	--	--	--	--	--	--	4.13	3.14	3.10	3.50	Earnings per sh ^A	4.10
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1.60	1.66	1.70	Div'ds Decl'd per sh ^{B=C}	1.80
--	--	--	--	--	--	--	--	--	--	--	--	--	--	.21	.56	.50	.50	Cap'l Spending per sh	.50
--	--	--	--	--	--	--	--	--	--	--	--	--	--	2.13	2.83	3.75	5.65	Book Value per sh ^C	8.80
--	--	--	--	--	--	--	--	--	--	--	--	--	--	1577.0	1587.4	1590.00	1590.00	Common Shs Outst'g ^D	1590.00
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	13.9	<i>Bold figures are Value Line estimates</i>	--	Avg Ann'l P/E Ratio	15.0
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	.78	--	--	Relative P/E Ratio	.95
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	3.7%	--	--	Avg Ann'l Div' d Yield	2.9%

CAPITAL STRUCTURE as of 12/31/13
Total Debt \$14.3 bill. Due in 5 Yrs \$9.1 bill.
LT Debt \$14.3 bill. LT Interest \$300 mill.
(76% of Capital)

Pension Assets-12/13 \$3.7 bill. Oblig. \$4.5 bill.

Preferred Stock None

Common Stock 1,588,518,764 shares as of 1/31/14

MARKET CAP: \$82.7 billion (Large Cap)

CURRENT POSITION (\$MILL.)	2011	2012	12/31/13
Cash Assets	--	5901	9595
Receivables	--	4298	3854
Inventory (FIFO)	--	1091	1150
Other	--	4064	3249
Current Assets	--	15354	17848
Accts Payable	--	5734	6448
Debt Due	--	22	18
Other	--	1020	413
Current Liab.	--	6776	6879

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '11-'13 to '17-'19
Sales	--	--	NMF
"Cash Flow"	--	--	NMF
Earnings	--	--	NMF
Dividends	--	--	NMF
Book Value	--	--	NMF

Cal-endar	QUARTERLY SALES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2011	--	--	--	--	--
2012	4174	4493	4508	5205	18380
2013	4329	4692	4658	5111	18790
2014	4400	4600	4800	5200	19000
2015	4700	4900	5100	5500	20200

Cal-endar	EARNINGS PER SHARE ^A				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2011	--	--	--	--	--
2012	.86	1.01	1.16	1.10	4.13
2013	.68	.82	.82	.82	3.14
2014	.65	.75	.85	.85	3.10
2015	.75	.85	.95	.95	3.50

Cal-endar	QUARTERLY DIVIDENDS PAID ^{B=C}				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2010	--	--	--	--	--
2011	--	--	--	--	--
2012	--	--	--	--	--
2013	.40	.40	.40	.40	1.60
2014	.40	.42	--	--	--

BUSINESS: AbbVie Inc. is a global, research-based biopharmaceutical company that engages in the development and marketing of advanced therapies for some of the world's most complex diseases. Its products are used to treat rheumatoid arthritis, psoriasis, Crohn's disease, HIV, cystic fibrosis, low testosterone, thyroid disease, Parkinson's disease, ulcerative colitis, and chronic

We have lowered our 2014 estimates for AbbVie. In its most recent conference call, management indicated that 2014 was shaping up to be an investment year for the company. By ramping up capital outlays in its pipeline, leading brands, and upcoming launches, it believes it will better position itself for stronger growth in 2015 and beyond. This includes preparation for the launch of its interferon-free HCV combination, which is expected to occur in the U.S. later this year. All told, management is currently guiding for adjusted earnings of \$300-\$310 a share in 2014. We have lowered our estimate by \$15 a share, to \$310.

The continued success of HUMIRA will be key. The popular rheumatoid arthritis treatment has been AbbVie's bread and butter over the past year, accounting for roughly 57% of total revenue in 2013. Encouragingly, the dynamics appear favorable for another strong performance in the year ahead. Management expects the brand will deliver low double-digit global operational growth in 2014. **All eyes will be on the HCV launch.** AbbVie's multinational HCV program is

the largest all-oral interferon-free clinical program in Genotype 1 patients conducted to date. Its Phase III study includes more than 2,300 patients and clinical sites in more than 25 countries around the world. Management believes it will gain U.S. approval for its HCV regimen sometime in 2014, and expects this will generate significant sales early in the launch. However, since it cannot yet forecast the specific date of approval, its 2014 guidance excludes any revenue benefit associated with the franchise. Indeed, a timely approval by the FDA could provide considerable upside to our current projections.

The board recently approved a dividend increase. On February 20th, AbbVie announced a 5% hike in its quarterly cash payout from \$0.40 a share, to \$0.42. The dividend is payable May 15, 2014 to shareholders of record at the close on April 15, 2014. Shares of AbbVie's stock are now yielding 3.2%, more than one full percentage point above *The Value Line* median.

Due to its short trading history, this stock is unranked for Timeliness.
Michael Ratty
April 11, 2014

(A) Diluted earnings. Next earnings report due late April.	plan available.	(E) Unranked due to short trading history.	Company's Financial Strength	A
(B) Dividends historically paid in January, April, July, and October. ■ Dividend reinvestment	(C) Includes intangibles. In '13: \$8.17 billion, \$5.14 a share.		Stock's Price Stability	NMF
	(D) In millions		Price Growth Persistence	NMF
			Earnings Predictability	NMF

To subscribe call 1-800-833-0046