Abbott Laboratories (ABT)

Date: 11/13/2013

Recent Quarterly Results

Sales ($M) | Earnings Per Share ($)
---|---
Latest Quarter: 09/30/2013 | 5369.14 | 0.49
Year Ago Quarter | 9773.24 | 1.22
Percentage Change | -45.06% | -59.84%

Stock Prices
Current Price = $37.77
52 Week Range = $30.05 to $38.77
Exchange: NYSE
Industry: Medical Devices

Share Data

<table>
<thead>
<tr>
<th></th>
<th>Authorized</th>
<th>Issued</th>
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</thead>
<tbody>
<tr>
<td>Preferred:</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>Common:</td>
<td>1566.691</td>
<td>1551.803</td>
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<tr>
<td>Preferred Stock Dividend:</td>
<td>Dilation: 14.888</td>
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Debt ($M): 8262.94
% Total Cap.: 25.85%

(1) Historical Sales Growth = 9.16%
(2) Estimated Sales Growth = 9.00%
(3) Historical EPS Growth = 9.58%
(4) Estimated EPS Growth = 12.00%
ACE 5-year EPS Growth Estimate: 10.8%
2 EVALUATING MANAGEMENT

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>5 Yr Ave</th>
<th>Trend</th>
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<tbody>
<tr>
<td>% Pretax Profit on Sales</td>
<td>19.5</td>
<td>22.4</td>
<td>20.8</td>
<td>19.1</td>
<td>17.2</td>
<td>20.2</td>
<td>23.9</td>
<td>17.1</td>
<td>15.1</td>
<td>16.4</td>
<td>18.5</td>
<td>DOWN</td>
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<tr>
<td>% Earned on Invested Capital</td>
<td>20.9</td>
<td>22.0</td>
<td>23.3</td>
<td>12.2</td>
<td>20.1</td>
<td>26.9</td>
<td>25.1</td>
<td>20.2</td>
<td>19.4</td>
<td>22.1</td>
<td>22.7</td>
<td>FLAT</td>
</tr>
<tr>
<td>% Debt to Equity</td>
<td>26.4</td>
<td>33.3</td>
<td>31.7</td>
<td>50.0</td>
<td>53.4</td>
<td>50.0</td>
<td>49.4</td>
<td>55.2</td>
<td>49.7</td>
<td>67.7</td>
<td>54.4</td>
<td>UP</td>
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3 PRICE & EARNINGS HISTORY

Current Price: 37.77  52 Week High= 38.77  52 Week Low= 30.0451

<table>
<thead>
<tr>
<th>Year</th>
<th>High Price</th>
<th>Low Price</th>
<th>EPS</th>
<th>PE High</th>
<th>PE Low</th>
<th>Dividend</th>
<th>Payout</th>
<th>High Yield</th>
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<tbody>
<tr>
<td>2008</td>
<td>29.2</td>
<td>21.9</td>
<td>3.03</td>
<td>9.7</td>
<td>7.2</td>
<td>1.405</td>
<td>46.4</td>
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<td>2009</td>
<td>27.5</td>
<td>19.8</td>
<td>3.69</td>
<td>7.4</td>
<td>5.4</td>
<td>1.560</td>
<td>42.3</td>
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<td>2010</td>
<td>27.2</td>
<td>21.3</td>
<td>2.96</td>
<td>9.2</td>
<td>7.2</td>
<td>1.720</td>
<td>58.1</td>
<td>8.1</td>
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<td>2011</td>
<td>27.0</td>
<td>21.6</td>
<td>3.02</td>
<td>8.9</td>
<td>7.1</td>
<td>1.880</td>
<td>62.3</td>
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<td>2012</td>
<td>34.7</td>
<td>25.8</td>
<td>3.75</td>
<td>9.2</td>
<td>6.9</td>
<td>2.010</td>
<td>53.6</td>
<td>7.8</td>
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<td>TOTAL</td>
<td>145.5</td>
<td>110.4</td>
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<tr>
<td>AVE</td>
<td>29.1</td>
<td>22.1</td>
<td>8.9</td>
<td>6.8</td>
<td>52.5</td>
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Average Price Earnings Ratio: 7.8  Current Price Earnings Ratio: 21.1

4 EVALUATING BUY, HOLD, & SELL

A. CALCULATED HIGH PRICE - 5 YEARS
Ave High PE  22.0  X Estimated High Earnings/Share  2.90  Projected High Price =  $ 63.8

B. CALCULATED LOW PRICE - 5 YEARS
(a) Avg. Low P/E  6.9  X Estimated Low Earnings/Share  2.00  =  $ 13.80
(b) Avg. Low Price of Last 5 Years = $22.1
(c) Recent Market Low = $21.3
(d) Dividend Price Support = $23.1
Selected Estimated Low Price  $29.4

C. BUY/HOLD/SELL ZONES
Selected High of $63.80 minus Selected Low of $29.40 = $34.40 Range.  1/4 of Range = $8.600

Lower 1/4 = $29.4  To $38.00  (Buy)  25%/50%/25% Zoning
Center 1/2 = $38.00  To $55.20  (Hold)
Upper 1/4 = $55.20  To $63.8  (Sell)

D. UPSIDE RISK ANALYSIS
High Price  63.8  - Current Price  37.77  =  3.1  to 1  Current price of $37.77 is in the BUY zone
Current Yield = (100 * Current Dividend)÷Current Price = 0.88 / 37.8 = 2.3%
Ave. 5 Yr. Yield = (Ave. EPS(5Yr) * Ave. Payout)÷Current Price = (5.27 * 52.5)/37.8 = 7.3%

Average Total Return = Price Appreciation+Ave. 5 Yr. Yield = 21.1 %

Compounded Annual Return = 5.7%  13.4%

5 YIELD ANALYSIS