

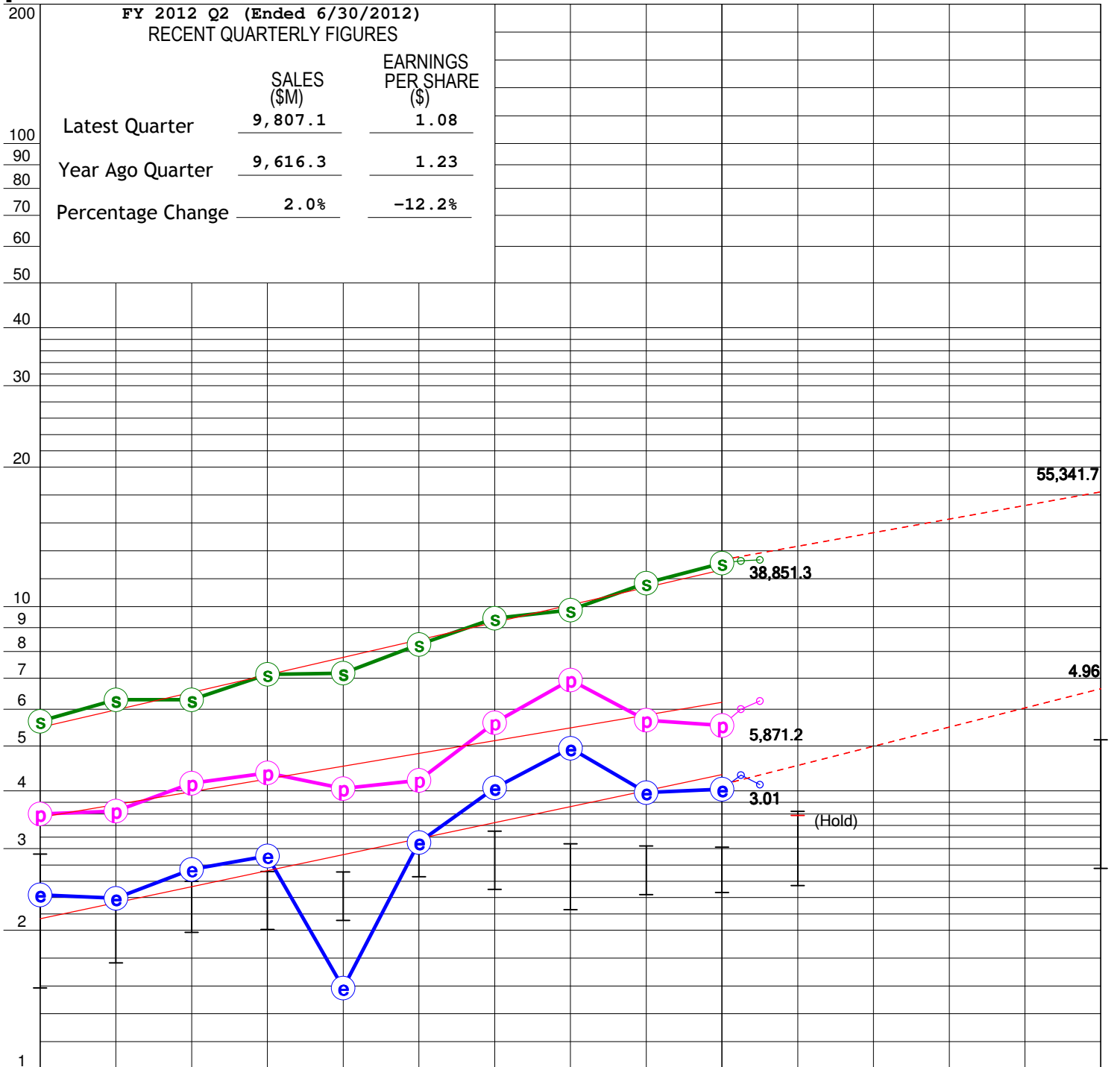


Stock Study

Company	Abbott Labs 08-10-12	Price Date	08/10/12
Study by	S Patterso	Data Date	08/10/12
Sector	Healthcare	Data Source	BI
Industry	Drug Manufacturers - Maj	Reference	Morningsta
Preferred(\$M)	0.0		
Common(M Shares)	1,572.1	% Insiders	0.4
Debt(\$M)	18,087.0	% Institutions	64.8
% Debt to Tot.Cap.	42.3	Quality	

1 Growth Analysis

NYSE: ABT



(1) Historical Sales Growth	9.1 %	(3) Historical Earnings Per Share Growth	8.3 %	www.iclub.com
(2) Estimated Future Sales Growth	7.0 %	(4) Estimated Future Earnings Per Share Growth	10.0 %	
(5) Sales Growth R ²	0.98	(6) Earnings Per Share Growth R ²	0.47	

2 QUALITY ANALYSIS

Company **Abbott Labs 08-10-12**

(**ABT**)

08/10/12

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales	21.4	19.5	22.4	20.8	19.1	17.2	20.2	23.9	17.1	15.1	18.7	DOWN
B % ROE (Beginning Yr)	21.4	25.6	24.2	23.5	12.1	25.2	26.3	32.8	20.1	20.5	25.0	DOWN
C % Debt to Equity	40.1	26.4	33.4	31.7	50.0	53.4	50.0	49.4	55.2	49.3	51.5	DOWN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) **66.11 (21.5)** 52-WEEK HIGH (P/E) **67.45 (21.9)** 52-WEEK LOW (P/E) **46.62 (15.1)**

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield	
1 2007	59.5	48.7	2.31	25.8	21.1	1.270	55.0	2.6	
2 2008	61.1	45.8	3.03	20.2	15.1	1.405	46.4	3.1	
3 2009	57.4	41.4	3.69	15.6	11.2	1.560	42.3	3.8	
4 2010	56.8	44.6	2.96	19.2	15.1	1.720	58.1	3.9	
5 2011	56.4	45.1	3.01	18.7	15.0	1.880	62.5	4.2	
6 AVERAGE		45.1		19.9	15.5		52.9		
AVERAGE P/E RATIO	17.7		PROJECTED P/E RATIO	19.5		TTM EPS	3.08		
CURRENT P/E RATIO	21.5		PEG RATIO	2.0		FTM EPS	3.39		
RELATIVE VALUE	121.5		PROJ. RELATIVE VALUE	110.2		AVG TTM + FTM EPS	3.23		

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E ~~19.9~~ **19.4** X Estimated High Earnings/Share **4.96** = Forecast High Price \$ **96.2**

B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Sel. Low P/E ~~15.5~~ **14.4** (as adj.) X Estimated Low Earnings/Share ~~3.01~~ **3.08** = \$ **44.4**

(b) Average 5-Year Low Price = **45.1**

(c) Recent Severe Low Price = **44.6**

(d) Price Dividend Will Support = Present Divd. + High Yield = **2.040** + **0.042** = **48.9**

Selected Estimated Low Price = \$ **50.8**

C PRICE RANGES

Forecast High Price **96.2** - Estimated Low Price **50.8** = Range **45.4** 25% of Range = **11.3**

BUY (Lower 25% of Range) = **50.8** to **62.1**

MAYBE (Middle 50% of Range) = **62.1** to **84.9**

SELL (Upper 25% of Range) = **84.9** to **96.2**

Current Price **66.110** is in the **Hold** Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price **96.2** - Current Price **66.110**) ÷ (Current Price **66.110** - Estimated Low Price **50.8**) = **2.0** To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ **2.040** ÷ Current Price of Stock \$ **66.110** = **3.1** % Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout **52.9** ÷ Forecast High P/E **19.4** = Avg. Yield **2.7**

AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout **52.9** ÷ Forecast Avg P/E **16.9** = Avg. Yield **3.1**

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

Average Yield **2.7** % + Annual Appreciation **7.8** % = Compound Annual Total Return **10.5** %

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

Average Yield **3.1** % + Annual Appreciation **4.9** % = Projected Average Total Return **8.0** %