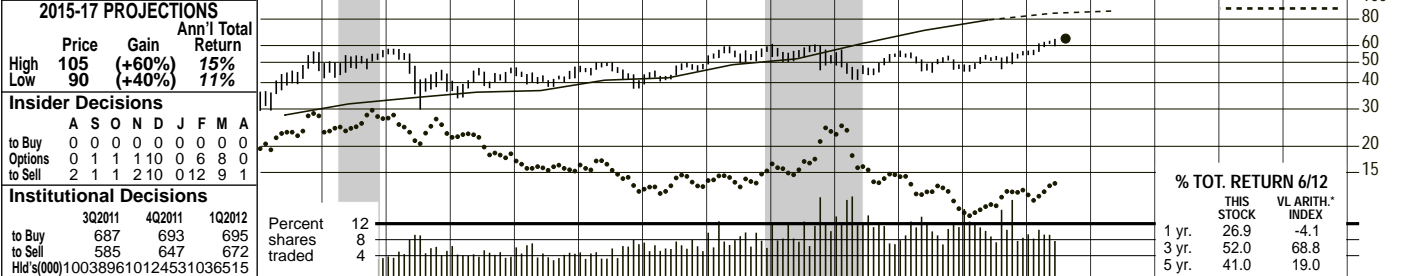


ABBOTT LABS. NYSE-ABT

RECENT PRICE **64.63** P/E RATIO **12.7** (Trailing: 13.5 Median: 18.0) RELATIVE P/E RATIO **0.86** DIV'D YLD **3.2%** VALUE LINE

TIMELINESS 1 Raised 11/4/11	High: 57.2	58.0	47.2	47.6	50.0	49.9	59.5	61.1	57.4	56.8	56.4	64.7	Target Price Range 2015 2016 2017
SAFETY 1 Raised 9/11/98	Low: 42.0	29.8	33.8	38.3	37.5	39.2	48.8	45.8	41.3	44.6	45.1	54.0	
TECHNICAL 4 Lowered 7/6/12	LEGENDS — 12.0 x "Cash Flow" p sh ... Relative Price Strength Options: Yes Shaded areas indicate recessions												



1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
7.11	7.78	8.14	8.61	8.89	10.48	11.31	12.45	12.49	14.51	14.62	16.72	19.40	19.82	22.73	24.74	25.65	26.75	Sales per sh	33.05
1.66	1.85	2.03	2.23	2.34	2.65	2.83	3.01	3.05	3.42	3.51	4.05	4.32	5.09	5.90	6.61	7.10	7.30	"Cash Flow" per sh	8.50
1.21	1.34	1.51	1.66	1.78	1.88	2.06	2.21	2.27	2.50	2.52	2.84	3.03	3.72	4.17	4.66	5.10	5.35	Earnings per sh ^A	6.50
.48	.54	.60	.66	.74	.82	.94	.98	1.04	1.10	1.18	1.30	1.44	1.60	1.76	1.88	2.04	2.16	Div'ds Decl'd per sh ^B	2.40
.61	.66	.65	.64	.67	.75	.83	.79	.82	.78	.87	1.07	.85	.70	.66	.95	.85	.75	Cap'l Spending per sh	.90
3.11	3.27	3.73	4.85	5.54	5.83	6.82	8.27	9.09	9.37	9.14	11.47	11.48	14.73	14.47	15.56	17.75	18.70	Book Value per sh ^C	22.25
1548.9	1528.2	1533.8	1530.7	1545.9	1554.5	1563.1	1580.2	1575.1	1539.2	1537.2	1549.9	1522.4	1551.9	1547.0	1570.4	1570.0	1560.0	Common Shs Outst'g ^D	1550.0
18.7	23.1	27.1	26.3	23.5	26.6	22.3	18.7	18.7	18.1	17.9	19.2	18.3	13.0	12.2	11.0	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	15.0
2.17	1.33	1.41	1.50	1.53	1.36	1.22	1.07	.99	.96	.97	1.02	1.10	.87	.78	.69			Relative P/E Ratio	1.00
1.1%	1.7%	1.5%	1.5%	1.8%	1.6%	2.0%	2.4%	2.5%	2.4%	2.6%	2.4%	2.6%	3.3%	3.5%	3.7%			Avg Ann'l Div'd Yield	2.6%

CAPITAL STRUCTURE as of 3/31/12				17685	19681	19680	22338	22476	25914	29528	30765	35167	38851	40250	41750	Sales (\$mill)	51200
Total Debt \$16.7 bill. Due in 5 Yrs \$6.5 bill.				28.9%	27.0%	28.2%	27.6%	28.2%	26.2%	25.5%	28.8%	30.3%	31.2%	32.0%	31.8%	Operating Margin	31.0%
LT Debt \$11.9 bill. LT Interest \$0.5 bill. (39% of Capital)				1177.3	1274.0	1288.7	1358.9	1558.8	1854.9	1838.8	2089.3	2624.3	3043.9	3050	3070	Depreciation (\$mill)	3150
Pension Assets-12/11 \$7.0 bill. Oblig. \$9.0 bill.				3242.4	3479.2	3522.8	3908.5	3841.8	4429.3	4734.2	5805.2	6501.1	7330.4	8080	8350	Net Profit (\$mill)	10050
Preferred Stock None				24.5%	22.0%	21.4%	24.3%	23.5%	19.3%	19.2%	17.0%	15.0%	15.1%	15.5%	16.0%	Income Tax Rate	17.0%
Common Stock 1,573,391,467 shares				18.3%	17.7%	17.9%	17.5%	17.1%	17.1%	16.0%	18.9%	18.5%	18.9%	20.1%	19.5%	Net Profit Margin	19.6%
MARKET CAP: \$102 billion (Large Cap)				2119.6	2650.9	3908.9	3970.5	4669.3	4939.4	5450.7	10264	5055.1	8288.6	7800	7900	Working Cap'l (\$mill)	9500
CURRENT POSITION				4274.0	3452.3	4787.9	4571.5	7009.7	9487.8	8713.3	11266	12524	12040	11500	10800	Long-Term Debt (\$mill)	9000
ANNUAL RATES				10665	13072	14326	14415	14054	17779	17480	22856	22388	24440	27850	29200	Shr. Equity (\$mill)	34500
Past 10 Yrs. of change (per sh)				22.3%	21.5%	18.8%	21.0%	18.8%	17.0%	18.8%	17.5%	19.1%	20.6%	19.0%	19.0%	Return on Total Cap'l	23.0%
Sales				30.4%	26.6%	24.6%	27.1%	27.3%	24.9%	27.1%	25.4%	29.0%	30.0%	29.0%	28.5%	Return on Shr. Equity	29.0%
"Cash Flow"				17.0%	15.0%	13.4%	15.4%	14.7%	13.9%	14.6%	14.8%	17.1%	18.0%	17.5%	17.0%	Retained to Com Eq	18.0%
Earnings				44%	44%	45%	43%	46%	44%	46%	42%	41%	40%	40%	40%	All Div'ds to Net Prof	37%
Dividends				BUSINESS: Abbott Laboratories operates four segments: Pharmaceutical Products (56.5% of '10 sales) develops, manufactures, and sells a broad line of adult and pediatric pharmaceuticals, which are sold primarily on the prescription, or recommendation, of physicians; Diagnostic Products (10.8%) diagnostic systems and tests for blood banks, hospitals, labs, physicians' offices, etc.; Nutri-													
Book Value				Abbott Laboratories should maintain solid earnings growth in 2012. The company started the year with a strong 13% increase in first-quarter share net. Sales performance was somewhat mixed across the numerous segments, but sound overall with a 5% increase (6% on a constant-currency basis). <i>Humira</i> sales improved 17%, with a 23% domestic gain and 14% rise in international markets. We continue to look for <i>Humira</i> sales to moderate, but the blockbuster drug should still deliver low double-digit growth this year. We have raised our 2012 share-net estimate by \$0.10, to \$5.10. Our upward revision reflects the first-quarter result, along with an increased assumption for operating margins. Our call is at the top of management's updated guidance range of \$5.00-\$5.10. The company remains on track for the anticipated spinoff by yearend. Abbott recently filed its form 10-12b, providing some insight regarding the split of its Proprietary Pharmaceuticals and Medical Products businesses. However, no information was given regarding the projected capital structures, transaction financing,													

and dividend payouts. The proposed spinoff of the pharma company, which will be called AbbVie, remains the primary focus for investors. AbbVie accounted for 45% of "old Abbott" 2011 sales, but the higher-margin business achieved \$6.2 billion in operating cash flow, which was 69% of the overall company. The strong margins and cash flow of the new entity, coupled with relatively slower growth, make it more likely that it will be the higher-yield stock. Although both companies are expected to pay dividends, with a combined total that is equal to the current payout, we don't anticipate an even split. Rather, we believe that AbbVie, which should appeal to the traditional Abbott investor base that is focused on yield and safety, will likely have a higher dividend. Meanwhile, the remaining ABT should be more attractive to growth-focused investors. **These timely shares have continued to outperform the broader market,** as investors look forward to the spinoff. We believe that the transaction should serve as a catalyst to unlock shareholder value. *Joel Schwed* July 13, 2012

Cal-endar	Q1	Q2	Q3	Q4	Full Year
2009	6718	7494	7762	8791	30765
2010	7698	8827	8674	9967	35167
2011	9041	9616	9817	10377	38851
2012	9457	9950	10100	10743	40250
2013	9800	10350	10470	11130	41750

Cal-endar	Q1	Q2	Q3	Q4	Full Year
2009	.73	.89	.92	1.18	3.72
2010	.81	1.01	1.05	1.30	4.17
2011	.91	1.12	1.18	1.45	4.66
2012	1.03	1.23	1.29	1.55	5.10
2013	1.10	1.30	1.35	1.60	5.35

Cal-endar	Q1	Q2	Q3	Q4	Full Year
2008	.325	.36	.36	.36	1.41
2009	.36	.40	.40	.40	1.56
2010	.40	.44	.44	.44	1.72
2011	.44	.48	.48	.48	1.88
2012	.48				

(A) Primary earnings thru '96, diluted earnings thereafter. Excludes nonrecurring gain/losses: '99, (.9c); '01, (.89c); '02, (.28c); '03, (.46c); '04, (.21c); '05, (.34c); '06, (\$1.40); '07, (.53c); '08, 19c; '10, (\$1.21). Next earnings report due late July. (B) Dividends historically paid in February, May, August, and November. (C) Dividend reinvestment plan available. (D) In millions. © 2012, Value Line Publishing LLC. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product. To subscribe call 1-800-833-0046.