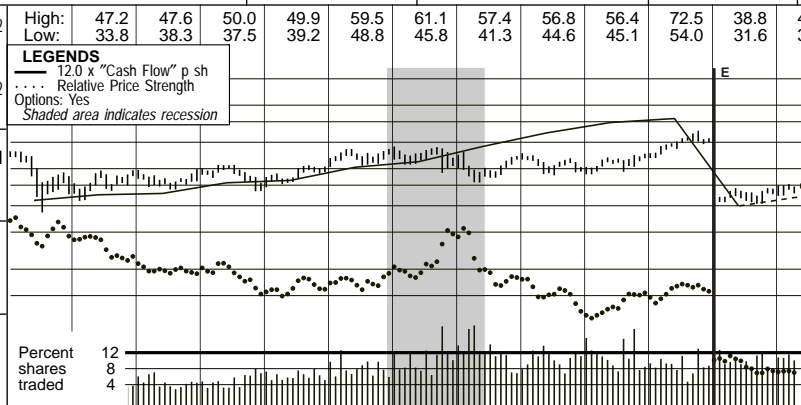


ABBOTT LABS. NYSE-ABT

RECENT PRICE **39.66** P/E RATIO **18.0** (Trailing: 19.8 Median: 17.0) RELATIVE P/E RATIO **1.00** DIV'D YLD **2.2%** VALUE LINE

TIMELINESS — Suspended 10/12/12
SAFETY **1** New 4/12/13
TECHNICAL — Suspended 10/12/12
BETA NMF (1.00 = Market)



2017-19 PROJECTIONS

Insider Decisions

	J	A	S	O	N	D	J	F
to Buy	0	0	0	0	0	0	0	0
Options	0	0	0	2	2	2	2	1
to Sell	1	1	0	1	2	3	3	5

Institutional Decisions

	2Q2013	3Q2013	4Q2013
to Buy	603	612	653
to Sell	633	605	600
Hlds(000)	1037198	1034656	1052983

% TOT. RETURN 4/14

	THIS STOCK	VL ARITH. INDEX
1 yr.	6.6	22.9
3 yr.	65.6	40.2
5 yr.	120.5	175.8

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	© VALUE LINE PUB. LLC	17-19
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	25.29	14.11	15.35	16.65	Sales per sh	20.00
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	6.91	2.66	2.95	3.20	"Cash Flow" per sh	4.25
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	4.99	2.01	2.20	2.45	Earnings per sh ^A	3.40
.60	.66	.74	.82	.94	.98	1.04	1.10	1.18	1.30	1.44	1.60	1.76	1.88	2.01	.56	.88	.92	Div's Decl'd per sh ^B	1.12
.65	.64	.67	.75	.83	.79	.82	.78	.87	1.07	.85	.70	.66	.95	1.14	.74	1.00	1.00	Cap'l Spending per sh	1.00
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	16.95	16.26	14.65	15.35	Book Value per sh ^C	17.35
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	1576.7	1548.1	1500.0	1500.0	Common Shs Outst'g ^D	1500.0
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	12.6	17.8	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	15.0
1.41	1.50	1.53	1.36	1.22	1.07	.99	.96	.97	1.02	1.10	.87	.78	.69	.80	.99			Relative P/E Ratio	.95
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%	3.2%	1.6%			Avg Ann'l Div'd Yield	2.2%

CAPITAL STRUCTURE as of 3/31/14
 Total Debt \$7.8 bill. Due in 5 Yrs None
 LT Debt \$3.4 bill. LT Interest 160 mill. (13% of Capital)

Pension Assets-12/13 \$6.1 bill. Oblig. \$6.4 bill.

Preferred Stock None

Common Stock 1,543,070,300 shares as of 1/31/14
MARKET CAP: \$61.2 billion (Large Cap)

CURRENT POSITION 2012 2013 3/31/14 (\$MILL.)

Cash Assets	10802.2	3475	2060
Receivables	7612.9	3986	3883
Inventory (FIFO)	3792.3	2693	2775
Other	9115.2	9093	9213
Current Assets	31322.6	19247	17931
Accts Payable	1797.0	1026	1074
Debt Due	2390.7	3173	4378
Other	9092.5	5308	4734
Current Liab.	13280.2	9507	10186

19680	22338	22476	25914	29528	30765	35167	38851	39874	21848	23000	25000	Sales (\$mill)	30000
28.2%	27.6%	28.2%	26.2%	25.5%	28.8%	30.3%	31.2%	35.4%	34.5%	35.0%	35.0%	Operating Margin	35.0%
1288.7	1358.9	1558.8	1854.9	1838.8	2089.3	2624.3	3043.9	2783.2	928.0	1100	1100	Depreciation (\$mill)	1300
3522.8	3908.5	3841.8	4429.3	4734.2	5805.2	6501.1	7330.4	8119.0	3189.0	3300	3675	Net Profit (\$mill)	5100
21.4%	24.3%	23.5%	19.3%	19.2%	17.0%	15.0%	15.1%	14.8%	19.0%	20.0%	20.0%	Income Tax Rate	20.0%
17.9%	17.5%	17.1%	17.1%	16.0%	18.9%	18.5%	18.9%	20.4%	14.6%	14.3%	14.7%	Net Profit Margin	17.0%
3908.9	3970.5	4669.3	4939.4	5450.7	10264	5055.1	8288.6	18042	9740	10000	10000	Working Cap'l (\$mill)	10000
4787.9	4571.5	7009.7	9487.8	8713.3	11266	12524	12040	18085	3388	4000	4000	Long-Term Debt (\$mill)	4000
14326	14415	14054	17779	17480	22856	22388	24440	26721	25171	22000	23000	Shr. Equity (\$mill)	26000
18.8%	21.0%	18.8%	17.0%	18.8%	17.5%	19.1%	20.6%	18.6%	11.5%	13.5%	14.5%	Return on Total Cap'l	17.0%
24.6%	27.1%	27.3%	24.9%	27.1%	25.4%	29.0%	30.0%	30.4%	12.6%	15.0%	16.0%	Return on Shr. Equity	19.5%
13.4%	15.4%	14.7%	13.9%	14.6%	14.8%	17.1%	18.0%	18.5%	9.2%	9.0%	10.0%	Retained to Com Eq	13.0%
45%	43%	46%	44%	46%	42%	41%	40%	39%	27%	40%	38%	All Div'ds to Net Prof	33%

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '11-'13 to '17-19

of change (per sh)	9.0%	9.5%	NMF
Sales	9.5%	12.0%	NMF
"Cash Flow"	9.0%	12.0%	NMF
Earnings	8.5%	9.5%	NMF
Dividends	10.0%	9.5%	NMF
Book Value			

QUARTERLY SALES (\$ mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	9041	9616	9817	10377	38851
2012	9457	9807	9773	10836	39874
2013	5378	5446	5369	5655	21848
2014	5244	5600	5600	6056	22500
2015	5700	5900	6000	6400	24000

EARNINGS PER SHARE ^A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	.91	1.12	1.18	1.45	4.66
2012	1.03	1.23	1.30	1.51	5.07
2013	.42	.46	.55	.58	2.01
2014	.41	.50	.63	.66	2.20
2015	.45	.55	.70	.75	2.45

QUARTERLY DIVIDENDS PAID ^B

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.40	.44	.44	.44	1.72
2011	.44	.48	.48	.48	1.88
2012	.48	.51	.51	.51	2.01
2013	.14	.14	.14	.14	.56
2014	.22	.22			

BUSINESS: Abbott Laboratories engages in the discovery, development, manufacture, and sale of healthcare-related products around the world. Beginning in 2013, its four key reportable revenue segments include: Nutritional Products, Diagnostic Products, Medical Device Products, and Established Products Division. On January 1, 2013, Abbott completed the separation of its research-

We are maintaining our 2014 share-net estimate for Abbott Laboratories. The company reported first-quarter earnings of \$0.41 a share, slightly ahead of our \$0.40 estimate but down a penny from the comparable year-ago period. Although total revenue came in a bit light (\$5.24 billion versus our \$5.5 billion target), better margins stemming from cost cutting helped pick up the slack and drive the modest bottom-line beat. All told, our 2014 earnings estimate remains unchanged at \$2.20 a share, while our revenue projection has been lowered from \$23 billion to \$22.5 billion. Management reiterated its full-year earnings guidance range of \$2.16-\$2.26 a share.

Top-line comps ought to improve in the coming quarters. In the March period, revenue softness was somewhat expected due to foreign exchange pressure and disruption in the Nutrition business (stemming from last year's supplier recall). Encouragingly, management doesn't anticipate much carryover and looks for revenue growth to accelerate as the year progresses, particularly within the Nutrition, Established Pharmaceuticals, and Vas-

based pharmaceuticals business through the distribution of the issued and outstanding common stock of AbbVie Inc. to ABT shareholders. Has 69,000 employees. Off/dirs. own less than 1% of common; Vanguard, 6.2%; BlackRock, 5.7% (3/14 proxy). Chairman & CEO: Miles D. White. Inc.: IL. Addr.: 100 Abbott Park Road, Abbott Park, IL 60064. Tel.: 847-937-6100. Internet: www.abbott.com.

Emerging markets remains a prime focus. Despite a notable slowdown in several emerging economies, Abbott has continued to post solid gains in this segment (mid-single-digit growth in Q1). Increased product acceptance in Diagnostics, Medical Device, and Nutrition, coupled with aggressive expansion have been key drivers. In our view, further penetration into these markets will likely remain a top priority given their attractive growth rates relative to developed countries.

The stock holds appeal for investors seeking a low-risk income play. At present, Abbott possesses superior marks for Safety (1) and Financial Strength (A++). The equity's 2.2% dividend yield is a clip above our *Survey's* 2.0% median. **Due to the recent spinoff of AbbVie, shares of Abbott remain unranked for Timeliness.** Based on our 3- to 5-year projections, the equity's long-term capital gains potential is below average. *Michael Ratty* May 23, 2014

(A) Diluted earnings. 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); '11, (\$1.65); '12, (\$1.27) '13, (.39c). Next earnings report due late July. (B) Dividends historically paid in January, April, July, and October. (C) Dividend reinvestment plan available. (D) Includes intangibles. In '13: \$15.5 billion, \$10.05 a share. (E) In millions. (F) Data post-2012 reflect the spinoff the pharmaceuticals operation (AbbVie).