

**Miles D. White**  
**Annual Shareholders Meeting**  
**April 25, 2014**

**[SLIDE 1: Title]**

2013 was a milestone year for Abbott in two very important ways.

The first milestone was our 125<sup>th</sup> anniversary -- an occasion that gave us the opportunity to reflect on our past accomplishments, and the legacy of success that we're carrying forward today

The second milestone of last year -- the creation of a new Abbott when we launched AbbVie -- moved us in a new direction, propelling us into our future.

With the separation, we began a year that was an energizing and productive one for our company.

In 2013, our first year as the new Abbott, we met our short-term commitments, producing the results we said we would, and -- more importantly -- we strengthened our company to keep thriving over the long term.

Today's Abbott is well positioned to make a powerful, positive difference in the lives of the millions of people we serve -- people at every stage of life and in every region of the world.

**[SLIDE 2: Today's Abbott: Balanced]**

Today, we are a very well balanced company -- in every respect. And this makes us better in several ways.

First, in this more balanced Abbott, every business matters equally; each one has a greater impact on the total company than ever before. So each one has to perform. And that's sharpened our management focus on all of them.

Second, as balanced as we are, we're able to capture opportunities across the spectrum of healthcare, without over exposure to the challenges of any one sector, or any one geographic market.

Third, this new balance brings an important difference in the type of customers we serve. Today, thanks to the strong consumer focus of our nutrition, established pharmaceuticals, diabetes care and vision care businesses -- roughly 50 percent of our sales are direct to consumers. This makes Abbott one of the largest consumer-facing healthcare organizations in the world.

**[SLIDE 3: Today's Abbott: Global]**

And Abbott today is more global than we've ever been. Not even a decade ago, the majority of our business still came from the United States. Today, U.S. sales are closer to 30 percent of our total, with another 30 percent in other developed markets -- such as Japan, Canada and Europe -- and 40 percent in faster-growing emerging markets.

And also more than ever, we're moving to ensure that we have feet on the ground in these markets -- Abbott employees -- to better understand and respond to local needs and preferences.

- Today, roughly 70 percent of Abbott people are based outside the United States, in direct proportion to our sales mix; and we're building new research and development, and manufacturing facilities in these countries as well. This year, for example, we'll open new manufacturing plants in both China and India to be closer to those fast-growing markets. We've also built a new plant in Ohio, since our growth opportunities are promising here in North America, as well.

**[SLIDE 4: Today's Abbott: Aligned]**

By aligning our operations like this, we're very well positioned to benefit from the growth in both the populations -- and the purchasing power -- of emerging

economies.

In 2014, growth in these countries is projected to be almost three times that of developed markets. And as their buying power increases, it is often one of their first priorities to increase people's access to healthcare. As a result, when developing economies grow, they spend more of their incremental income on healthcare than do other countries.

Because Abbott is building a strong, visible presence in many of these countries, this represents a significant long-term growth opportunity for us.

We'll also benefit from another important trend -- the aging of the global population. Today, 23 percent of the world's population is age 50 or older. By the middle of the century, that number will rise to 40 percent.

Our number-one position globally in nutritional products that help older adults lead healthier lives, combined with our leadership in treating conditions associated with aging -- such as cardiovascular disease, diabetes, and cataracts -- positions us very well for long-term success.

**[SLIDE 5: Today's Abbott: Leading]**

In fact, we have market-leading positions in each of our businesses. We are number one or number two in many of the markets in which we compete; giving us a formidable base from which to grow.

When I cover our business highlights, you'll get a better sense of this.

But, first, I'll review our financial performance for 2013.

**[SLIDE 6: 2013 Results]**

Last year, our sales rose about 4 percent over 2012 when you exclude the impact of foreign exchange.

For the full year, Abbott achieved another strong earnings performance, meeting our guidance by generating ongoing earnings-per-share growth of more than 15 percent.

Now, let's take a look at how these results translated into financial return for our shareholders.

**[SLIDE 7: Abbott's New Peer Group]**

But before we get to the numbers, I should point out that in the following slides, you'll notice that we're comparing our performance against a new group of companies, not all of them in health care. We think this group better reflects the nature of our business today. These new peers are all globally diverse, manufacturing-driven organizations, with similar proportions of international business. They're similar to Abbott in terms of how they run their businesses. And this list includes more consumer-facing companies than our previous group of peers. These are high-performing companies, and Abbott compares very well with them.

**[SLIDE 8: 3-Year Total Shareholder Return]**

Over the past three years, Abbott has generated a total return to shareholders that puts us in the top tier of this group. And, when you combine our total return with AbbVie's -- which, for most of you, represents your original Abbott investment -- we lead the group.

**[SLIDE 9: 3-Year Total Shareholder Return vs. Total Market]**

And our performance was not only at the top of our peer group, it was significantly above that of the total market, as well.

**[SLIDE 10: 3-Year Shareholder Value Creation]**

As you can see, over the past three years, the combined value of Abbott and AbbVie nearly doubled, from \$75 billion in value to \$145 billion.

**[SLIDE 11: Price-to-Earnings Ratios -- Abbott and Peer Group]**

This performance is reflected in our price-to-earnings ratio which is in the top third of this new group.

**[SLIDE 12: Abbott Financial Strength]**

This valuation comes in part from investors' continued confidence in our long-term financial strength and business prospects.

Last year, we generated adjusted operating cash flow of more than \$4 billion; returning nearly \$2.5 billion to shareholders in the form of dividends and share repurchases. This again makes us a member of the S&P 500 Dividend Aristocrats Index, which tracks companies that have annually raised their dividend for at least 25 consecutive years.

And, on February 21st, we announced our 361<sup>st</sup> consecutive quarterly dividend to be paid since 1924 -- that's 90 years in a row.

This year that return will be even greater, as we increased our quarterly dividend by 57%.

Looking at the highlights from last year will give you a better sense of how these results were achieved, and how we're going to sustain our success going forward.

**[SLIDE 13: Business Highlights – Diagnostics]**

Let's start with our diagnostics business.

Diagnostics -- with its focus on providing highly accurate, efficient and cost-effective testing and data management solutions -- remains one of our most durable growth businesses, having achieved mid-to-high single-digit operational sales growth for the past three years.

In this business, we've long been the market leader in immunoassay testing and blood screening. We have the leading point-of-care testing platform and a growing line of best-in-class molecular tests.

Last year, sales in this business rose more than 8 percent, with strong growth across our Core Laboratory, Molecular and Point-of-Care businesses. Our growth was well balanced geographically as well, and we achieved strong, double-digit growth in emerging markets.

Over the past several years, we've been focusing on our operating margins to improve the profitability of this business. And today, we have a best-in-class margin profile.

In 2014, we expect similar sales performance from Diagnostics as we continue to build momentum in the Core Laboratory segment, increase our market penetration in Molecular and Point-of-Care testing, and expand our presence in emerging markets across all three Diagnostics businesses.

In our R&D pipeline, we'll continue to invest in the development of multiple new instrument platforms that we expect to launch over the next several years. These systems add new features that are important to our customers, such as speed, scalability and shorter turnaround time.

## **[SLIDE 14: Business Highlights – Established Pharmaceuticals]**

Next is our Established Pharmaceuticals Division, or EPD, which is home to our branded-generics business. Here, we're building on a product portfolio that includes some of the world's most trusted brands.

As economies around the world expand, people have more resources to devote to health care and, increasingly, more choice in how that money is spent. When given that choice, they look for the promise of quality and efficacy that these brands represent.

Today, Abbott is the leading pharmaceutical company in India -- one of the world's largest and faster-growing markets -- and we're working to expand our presence in a number of other emerging markets.

EPD sales increased modestly in 2013, with nearly 7% growth in emerging markets offset by economic slowdowns and market pressures in developed markets that impacted the business.

We have a new business structure for EPD which sharpens our focus on the very different, specific needs of the various markets that it serves.

This will help us meet our growth targets -- but we know this is going to take some time. We expect that we'll build momentum this year, and see accelerated growth in 2015.

And over the next several years, we expect continued improvement in EPD's growth as sales in emerging markets become a larger component of this business. Growth rates in emerging markets are expected to remain higher than those of the developed world and the overall global economy. And EPD remains well-aligned with the fundamentals driving long-term growth for healthcare in emerging markets.

**[SLIDE 15: Business Highlights – Medical Devices]**

Next, I'll cover Medical Devices, a diverse group of businesses that share a common focus on leading-edge technological innovation.

In this business, which includes our Vascular, Diabetes Care and Vision Care units, we had modest overall growth for the year, with more than 5 percent growth outside the United States.

In our Vascular business, sales improved in each quarter of the year.

We'll continue to grow this business on the strong foundation provided by the best-selling drug-eluting stent in the world, and first-in-class technologies such as Absorb, our bioresorbable vascular scaffold, and our MitraClip valve repair device.

We're launching Absorb in more than 60 countries, and we recently completed enrollment in the randomized trials that are needed to secure regulatory approval for Absorb in the U.S., Japan and China. This is important news, because these three countries represent half of the world's procedures of this type.

And our MitraClip device, which is designed to repair leaky heart valves without the need for open-heart surgery, also continues to do well in international markets and was launched in the U.S. at the end of last year.

We expect sales in this business to increase this year, with growth in emerging markets and the launch of multiple new products. These include our new Supera stent, which is on the market in Europe and was approved in the U.S. last month.

- Supera is designed to treat blockages in the superficial femoral artery, a vessel in the upper thigh. This represents an excellent opportunity for us, because the number of procedures being done to treat blockages like this is large and growing quickly.



In Diabetes Care, we benefited from double-digit growth in emerging markets, as well as the continued uptake of our FreeStyle InsuLinx meter.

- To help accelerate the growth of this business over the long term, we've continued to invest in next-generation sensing technology, which we expect to introduce in Europe this year.

In Vision Care, our cataract devices business continued to drive growth. This business represents 65 percent of our vision care sales and has been growing faster than its market.

We currently hold the number-two position in cataract surgery; a part of our business that will benefit substantially from our acquisition of OptiMedica last year.

- OptiMedica's state-of-the-art laser system -- called Catalys -- provides Abbott access to the rapidly developing laser cataract surgery market. Today, most cataract procedures are performed manually; but a growing portion of the cataract market is moving to laser-assisted surgery.

This year, this business will also benefit from a number of new products, including the intraocular lenses Tecnis Toric and Tecnis Optiblu.

#### **[SLIDE 16: Business Highlights – Nutrition]**

And in Nutrition -- our most consumer-facing business -- we continue to expand our portfolio of science-based products that people can rely on at every stage of life.

Sales in this business grew more than 5 percent, despite the impact of a supplier recall that was initiated in certain markets outside the United States last August.

While the supplier subsequently determined the products had been safe for consumption all along, the recall created disruption in these markets, including China.

We made additional marketing investments in the third and fourth quarters to help rebuild our market share in these countries. We're anticipating accelerated growth in international pediatric nutrition in the second half of the year, as we move beyond the impact of the recall.

We remain the leading pediatric nutrition company here in the U.S. and we are the worldwide leader in adult nutrition - a segment that represents 45 percent of our sales in this business.

Our nutrition business is another area in which our margin-improvement efforts have been especially successful, substantially improving the profitability of this business over the past few years.

This year, we'll further expand our global production capacity with the three new manufacturing facilities I mentioned earlier.

We'll also continue to see very high productivity from our R&D organization. We had more than 60 product launches in 2013, and expect to introduce a number of important innovations this year as well.

**[SLIDE 17: Recognition]**

As a result of our continued success in 2013, our company received a great deal of positive recognition across all aspects of our operations. Among the highlights:

Abbott was named the most admired company in our category in Fortune Magazine's annual ranking. This is particularly noteworthy, as it is our first year in a new industry group, since Fortune moved us from Pharmaceuticals to Medical Products and Equipment. This means our positive reputation precedes us and creates new opportunities for us -- which is exactly what we strive for.

For the sixth year in a row, The Deal magazine named us its “Most Admired Dealmaker” in our sector for our effective strategic use of mergers and acquisitions.

We received recognition as an outstanding employer in a number of countries around the world.

And, finally, we were named to the Dow Jones Sustainability Indexes for the ninth consecutive year. This is the world's top recognition for leadership in responsible economic, environmental, and social performance.

**[SLIDE 18: Title]**

So, as you can see, our business is strong. And, despite a mixed global economy and the impact of currency exchange, Abbott people demonstrated again and again that we can meet our commitments.

Our company’s fundamentals are as strong as they’ve ever been:

- We have outstanding products.
- We have market-leading positions in every one of our businesses and in many countries of the world.
- We have a strong, productive culture -- as many of you know well.
- And, of course, we have outstanding people... as we always have.

We’re taking that core Abbott culture, and we’re working to make it even better. We’re raising our sights and setting the company’s aspirations even higher. We’re working to build the best healthcare company of the 21<sup>st</sup> century -- a goal we believe is well within our reach.

Thank you very much.



## 2014 SHAREHOLDERS' MEETING

**Abbott**



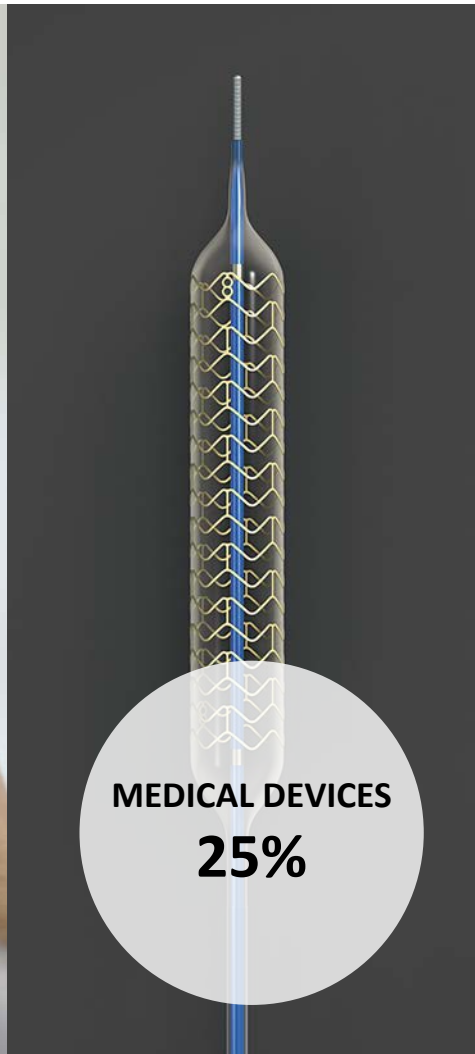


**MILES D. WHITE**  
Chairman and Chief Executive Officer

## 2014 SHAREHOLDERS' MEETING

# TODAY'S ABBOTT

## Balanced





# TODAY'S ABBOTT Global

## Abbott Regional Sales

- **30%**  
United States
- **30%**  
Other Developed Markets
- **40%**  
Emerging Markets



# TODAY'S ABBOTT

## Aligned

### Growth in Emerging Markets

- ~3x growth in developed world
- Strong, visible presence provides opportunity for growth

### Aging global population

- By 2050, 40 percent of the world's population will be >50 years old
- Leadership in addressing conditions associated with aging
  - Cardiovascular disease
  - Diabetes
  - Cataracts





# TODAY'S ABBOTT

## Leading

**#1** Adult nutrition brand

**#1** Drug-eluting stent

**#1** in Laser corrective surgery

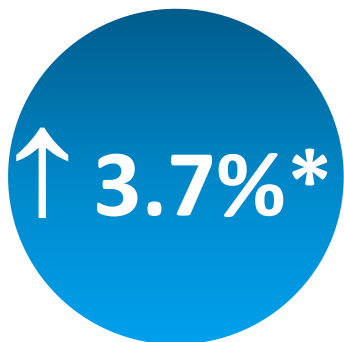
**#2** in Cataract surgery

**#1** in Immunoassay testing  
and blood screening



# 2013 RESULTS

## Worldwide Sales



## Ongoing Earnings Per Share



\*All sales growth statistics in this presentation exclude impact of foreign exchange.



# ABBOTT'S NEW PEER GROUP

Globally diverse manufacturing-driven organizations with significant international operations

Consumer-facing organizations

Similar financial and operating measures

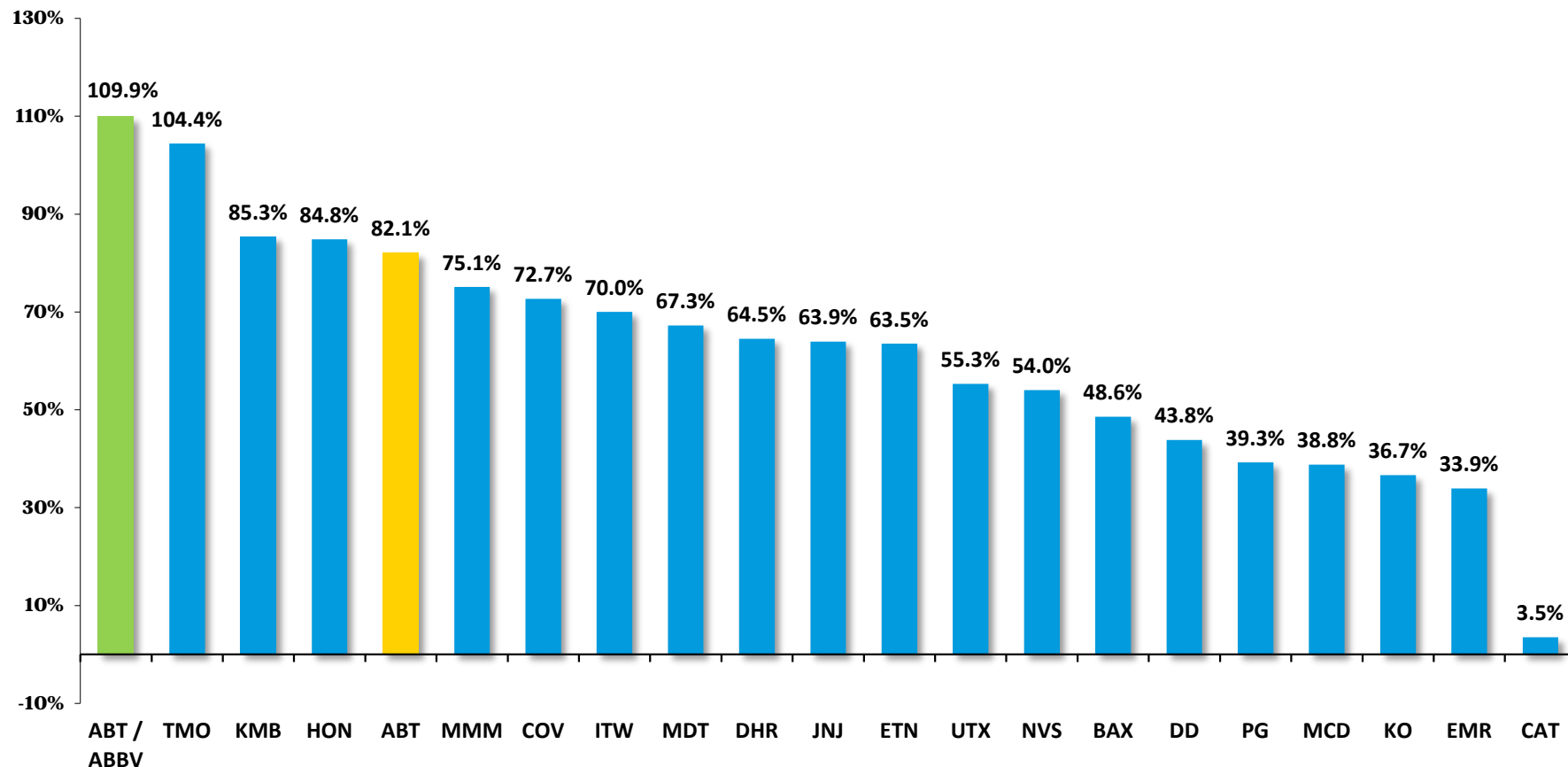
Similar return of cash profiles

Similar geographic mix of revenues and profits



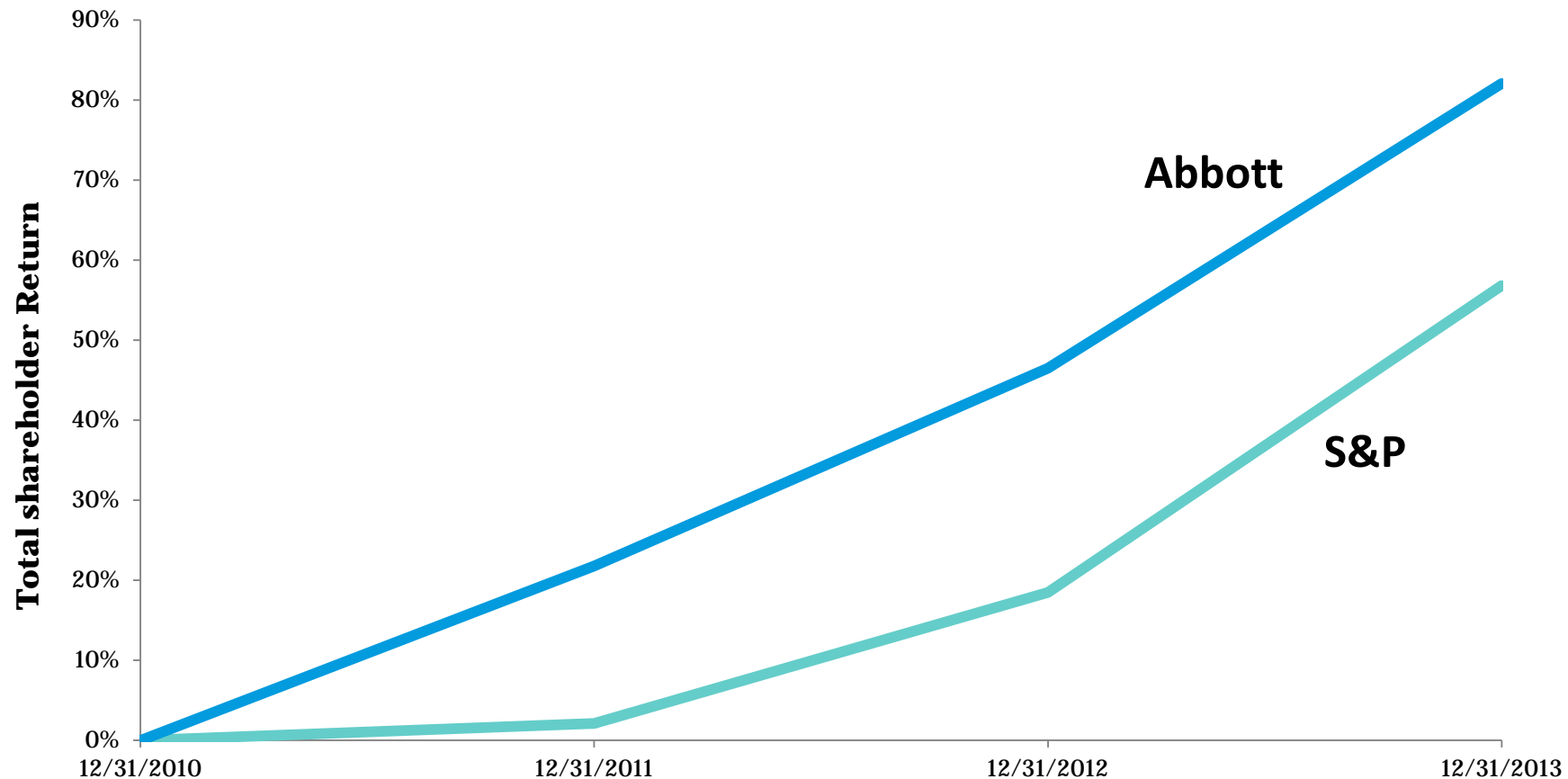
# 3-Year Total Shareholder Return (as of December 31, 2013)

## Abbott and Peer Group

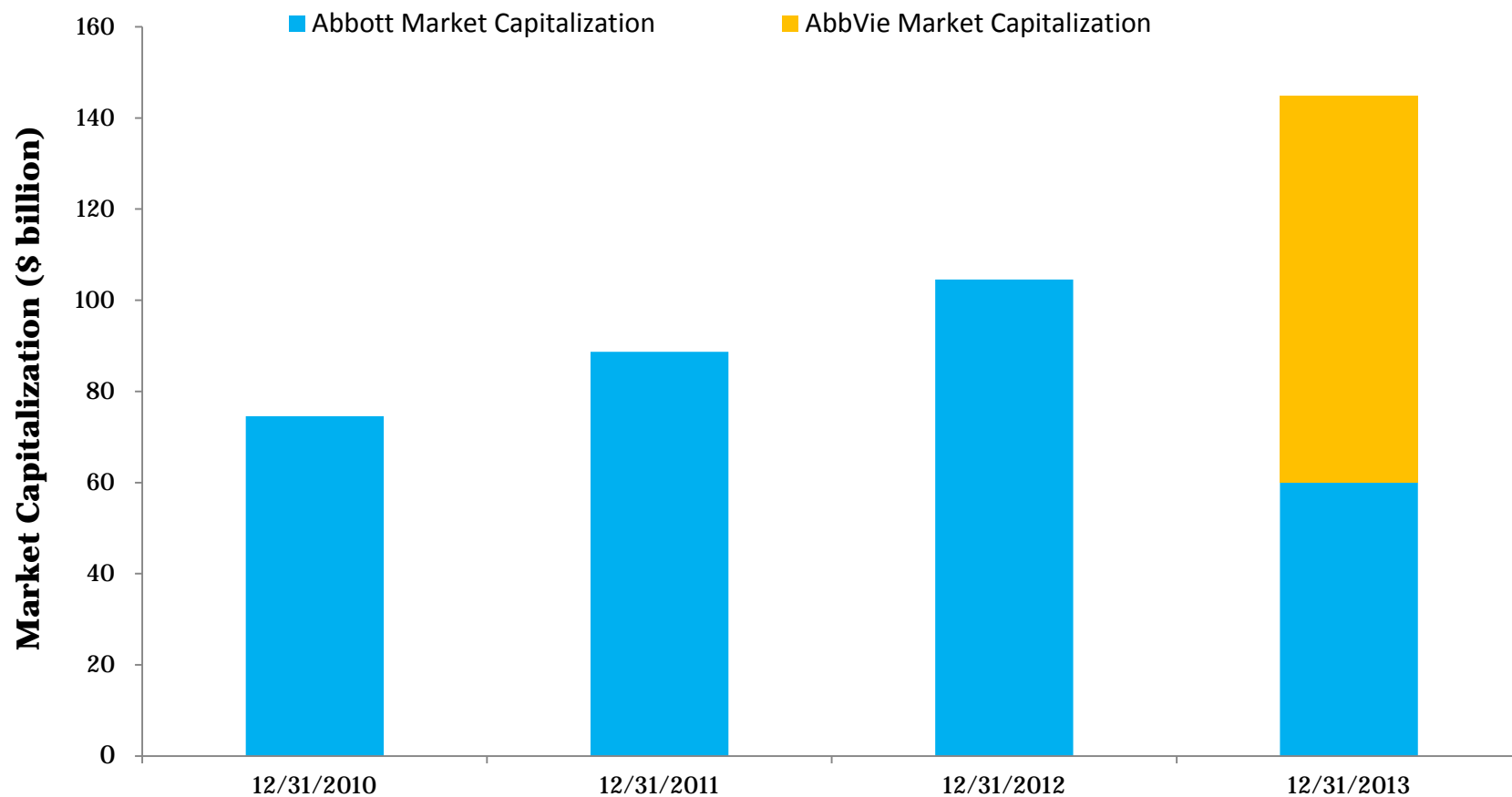


# 3-Year Total Shareholder Return (as of December 31, 2013)

## Abbott vs. Total Market

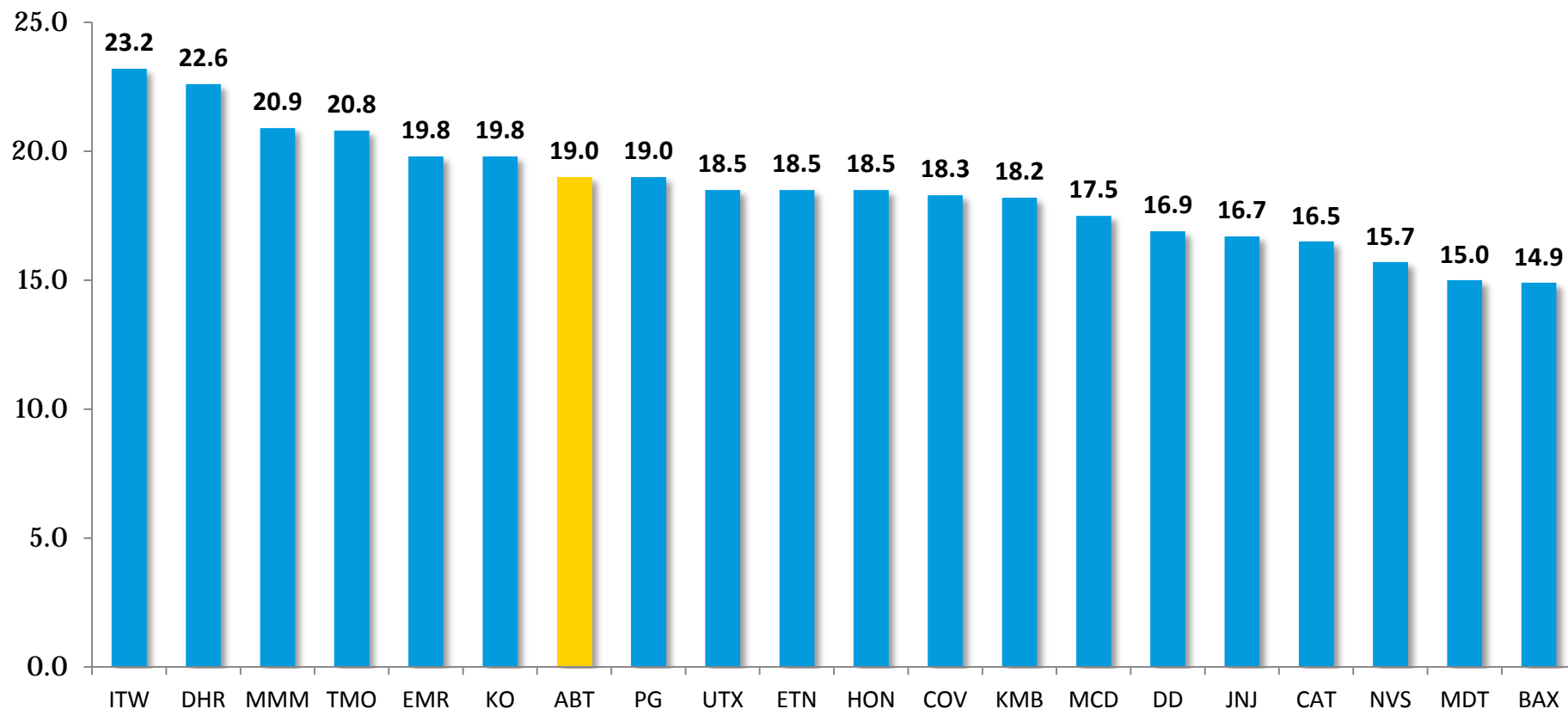


# 3-Year Shareholder Value Creation



# PRICE/EARNINGS RATIOS (AS OF DECEMBER 31, 2013)

## Abbott and New Peer Group



# ABBOTT

## FINANCIAL STRENGTH

- \$4.1 Billion adjusted operating cash flow
- ~\$2.5 Billion returned to shareholders
  - Standard & Poor's Dividend Aristocrats Index
  - 361st consecutive quarterly dividend since 1924
- Announced 57% increase in dividend





# BUSINESS HIGHLIGHTS

## Diagnostics

### Market Leader

- #1 in immunoassay testing and blood screening
- Leading point-of-care testing platform
- Best-in-class molecular tests

Sales up 8.3%

Strong margin performance

Continued momentum in 2014

New instrument platforms in development with greater speed, scalability, and shorter turnaround time



# BUSINESS HIGHLIGHTS

## Established Pharmaceuticals

Broad portfolio of some of the world's most trusted brands

#1 company in India;  
growing presence worldwide

Modest growth in 2013, with  
strong results in emerging markets

New business structure to  
address market needs

Business is well-aligned  
with market fundamentals



# BUSINESS HIGHLIGHTS

## Medical Devices

### Vascular

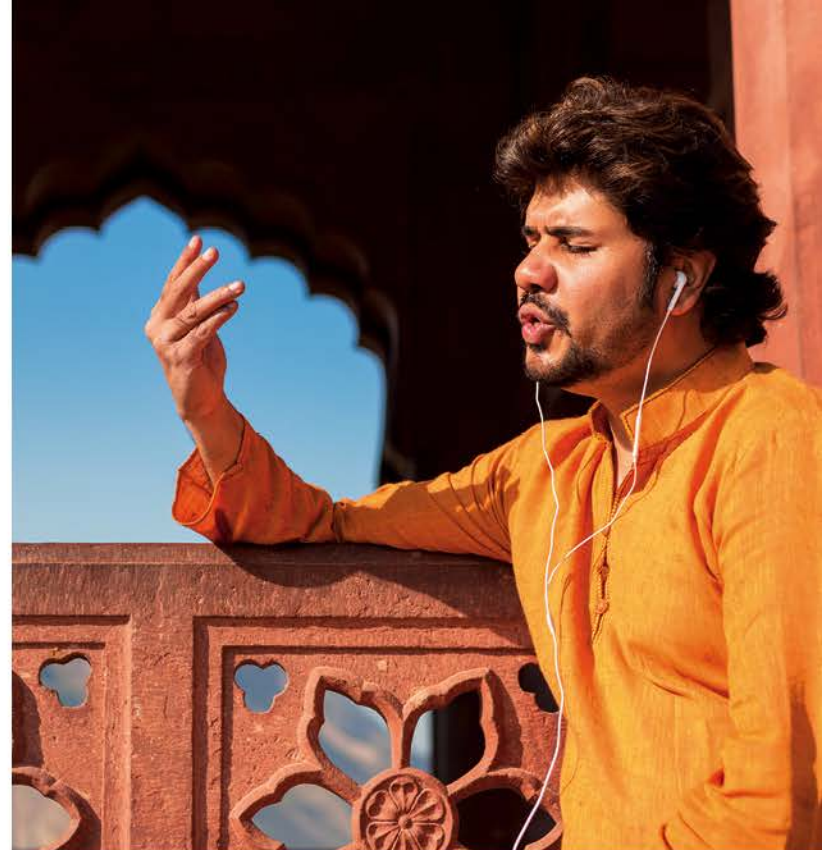
- #1 Drug-eluting stent worldwide
- Absorb bioresorbable vascular scaffold in >60 countries
- MitraClip approved in U.S., performing well ex-U.S.
- Supera stent increases presence in fast-growing femoral artery segment

### Diabetes Care

- Global roll-out of InsuLinx monitor
- Next-generation sensing technology in development

### Vision Care

- Growth driven by cataract business
- Strong position in cataract surgery
- New products accelerate growth





# BUSINESS HIGHLIGHTS

## Nutrition

Sales up 5.4%

#1 in Pediatric Nutritionals in U.S.

#1 in Adult Nutritionals worldwide

Strong margin performance

Increasing global manufacturing capacity, with new plants in:

- China
- India
- Ohio

Highly productive research and development efforts



# RECOGNITION

## Most Admired Company in our Industry

- *Fortune Magazine*

## Most Admired Dealmaker 6th Consecutive Year

- *The Deal Magazine*

## Outstanding Employer

- *Science Magazine*
- Diversity, Inc.
- Great Place to Work Institute

## Dow Jones Sustainability Indexes – 9th Consecutive Year







## 2014 SHAREHOLDERS' MEETING

**Abbott**

