UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-K

(MARK ONE)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2014 **Commission file number 1-2189**

Abbott Laboratories

An Illinois Corporation
100 Abbott Park Road
Abbott Park, Illinois 60064-6400

36-0698440
(I.R.S. employer identification number)
(224) 667-6100
(telephone number)

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Shares, Without Par Value	New York Stock Exchange
	Chicago Stock Exchange

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☒ No o

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act.

Yes o No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☒ No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ **Accelerated Filer o** **Non-accelerated Filer o** **Smaller Reporting Company o**

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes o No ☒

The aggregate market value of the 1,466,577,301 shares of voting stock held by nonaffiliates of the registrant, computed by reference to the closing price as reported on the New York Stock Exchange, as of the last business day of Abbott Laboratories' most recently completed second fiscal quarter (June 30, 2014), was $59,983,011,611. Abbott has no non-voting common equity.

Number of common shares outstanding as of January 31, 2015: 1,508,977,828

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the 2015 Abbott Laboratories Proxy Statement are incorporated by reference into Part III. The Proxy Statement will be filed on or about March 13, 2015.

PART I

ITEM 1. BUSINESS

GENERAL DEVELOPMENT OF BUSINESS

Abbott Laboratories is an Illinois corporation, incorporated in 1900. Abbott's* principal business is the discovery, development, manufacture, and sale of a broad and diversified line of health care products.

FINANCIAL INFORMATION RELATING TO INDUSTRY SEGMENTS, GEOGRAPHIC AREAS, AND CLASSES OF SIMILAR PRODUCTS

Incorporated herein by reference is Note 15 entitled "Segment and Geographic Area Information" of the Notes to Consolidated Financial Statements included under Item 8, "Financial Statements and Supplementary Data."

NARRATIVE DESCRIPTION OF BUSINESS

Abbott has four reportable segments: Established Pharmaceutical Products, Diagnostic Products, Nutritional Products, and Vascular Products.

Prior to January 1, 2013, Abbott had five reportable segments, which included Proprietary Pharmaceutical Products. On January 1, 2013, Abbott completed the separation of its research-based proprietary pharmaceuticals business through the distribution of the issued and outstanding common stock of AbbVie Inc. (AbbVie) to Abbott's shareholders. AbbVie was formed to hold Abbott's research-based proprietary pharmaceuticals business and, as a result of the distribution, became an independent public company trading under the symbol "ABBV" on the New York Stock Exchange.

On September 26, 2014, Abbott completed its acquisition of approximately 99.9% of the ordinary shares of CFR Pharmaceuticals, S.A., a Latin American pharmaceutical company, for approximately $2.9 billion, in cash.

On February 27, 2015, Abbott completed the sale of its developed markets branded generics pharmaceuticals business, which was previously included in the Established Pharmaceutical Products segment, to Mylan Inc. for 110 million shares of Mylan N.V., a newly formed entity that combined Mylan's existing business with Abbott's developed markets branded generics pharmaceuticals business. Abbott retained the branded generics pharmaceuticals business and products of its Established Pharmaceutical Products segment in emerging markets.

Established Pharmaceutical Products

These products include a broad line of branded generic pharmaceuticals manufactured worldwide and marketed and sold outside the United States. These products are generally sold directly to wholesalers, distributors, government agencies, health care facilities, pharmacies, and independent retailers from Abbott-owned distribution centers and public warehouses, depending on the market served. Certain products are co-marketed or co-promoted with, or licensed from, other companies.

The principal products included in the broad therapeutic area portfolios of the Established Pharmaceutical Products segment are:

- gastroenterology products, including Creon®, for the treatment of pancreatic exocrine insufficiency associated with several underlying conditions, including cystic fibrosis and chronic pancreatitis; Duspatal® and Dicetel®, for the treatment of irritable bowel syndrome or biliary spasm; Heptral®,

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* As used throughout the text of this report on Form 10-K, the term "Abbott" refers to Abbott Laboratories, an Illinois corporation, or Abbott Laboratories and its consolidated subsidiaries, as the context requires.

Transmetil®, Samyr®, and Donamet®, for the treatment of intrahepatic cholestasis (associated with liver disease) or depressive symptoms; and Duphalac®, for regulation of the physiological rhythm of the colon;

- women's health products, including Duphaston®, for the treatment of many different gynecological disorders; and Femoston®, a hormone replacement therapy for postmenopausal women;

- cardiovascular and metabolic products, including Lipanthyl® and TriCor®, for the treatment of dyslipidemia; Teveten® and Teveten® Plus, for the treatment of essential hypertension, and Physiotens®, for the treatment of hypertension; and Synthroid®, for the treatment of hypothyroidism;

- pain and central nervous system products, including Serc®, for the treatment of Ménière's disease and vestibular vertigo; and Brufen®, for the treatment of pain, fever, and inflammation; and

- respiratory drugs and vaccines, including the anti-infective clarithromycin (sold under the trademarks Biaxin®, Klacid®, and Klaricid®); and Influvac®, an influenza vaccine.

The Established Pharmaceutical Products segment directs its primary marketing efforts toward building a strong brand with key stakeholders, including consumers, pharmacists, physicians, and other healthcare providers. Government agencies are also important customers.

Competition in the Established Pharmaceutical Products segment is generally from other health care and pharmaceutical companies. In addition, the substitution of generic drugs for the brand prescribed and introduction of additional forms of already marketed established products by generic or branded competitors have increased competitive pressures.

Diagnostic Products

These products include a broad line of diagnostic systems and tests manufactured, marketed, and sold worldwide to blood banks, hospitals, commercial laboratories, clinics, physicians' offices, government agencies, alternate-care testing sites, and plasma protein therapeutic companies. In the United States, the segment's products are generally marketed and sold directly from Abbott-owned distribution centers, public warehouses and third-party distributors. Outside the United States, sales are made either directly to customers or through distributors, depending on the market served.

The principal products included in the Diagnostic Products segment are:

- immunoassay and clinical chemistry systems, including ARCHITECT® and ABBOTT PRISM®;

- assays used for screening and/or diagnosis for drugs of abuse, cancer, therapeutic drug monitoring, fertility, physiological diseases, and infectious diseases such as hepatitis and HIV;

- a full line of hematology systems and reagents known as the Cell-Dyn® series;

- the m2000™, an instrument that automates the extraction, purification, and preparation of DNA and RNA from patient samples, and detects and measures infectious agents including HIV, HBV, HCV, HPV, and CT/NG;

- the Vysis® product line of genomic-based tests, including the PathVysion® HER-2 DNA probe kit; the UroVysion® bladder cancer recurrence kit; and the Vysis ALK Break Apart FISH Probe Kit, the only FDA-approved companion diagnostic to Pfizer's approved non-small-cell lung cancer therapy XALKORI®;

- IRIDICA®, an instrument used to rapidly identify a broad range of infection-causing pathogens, including bacteria, fungi, and viruses in critically ill patients;

- informatics and automation solutions for use in the laboratory; and

- the i-STAT® point-of-care diagnostic systems and tests for blood analysis.

The Diagnostic Products segment's products are subject to competition in technological innovation, price, convenience of use, service, instrument warranty provisions, product performance, long-term supply contracts, and product potential for overall cost-effectiveness and productivity gains. Some products in this segment can be subject to rapid product obsolescence or regulatory changes. Although Abbott has benefited from technological advantages of certain of its current products, these advantages may be reduced or eliminated as competitors introduce new products.

Nutritional Products

These products include a broad line of pediatric and adult nutritional products manufactured, marketed, and sold worldwide. These products are generally marketed and sold directly to customers and to institutions, wholesalers, retailers, health care facilities, government agencies, and third-party distributors from Abbott-owned distribution centers or third-party distributors.

The principal products included in the Nutritional Products segment are:

- various forms of prepared infant formula and follow-on formula, including Similac®, Similac®Advance®, Similac® Advance® with EarlyShield®, Similac® with Iron, Similac Sensitive®, Similac Sensitive® RS, Similac Go&Grow®, Similac® NeoSure®, Similac® Organic, Similac Special Care®, Similac Total Comfort™, Similac® For Supplementation, Similac® with OptiGRO™, Isomil® Advance®, Isomil®, Alimentum®, Gain®, Grow®, Similac Qinti™, and Eleva™;

- adult and other pediatric nutritional products, including Ensure®, Ensure Plus®, Ensure® Muscle Health, Ensure® (with Nutrivigor®), Ensure® Complete, Glucerna®, Glucerna Hunger Smart®, ProSure®, PediaSure®, PediaSure Sidekicks®, EleCare®, Juven®, Abound®, and Pedialyte®;

- nutritional products used in enteral feeding in health care institutions, including Jevity®, Glucerna® 1.2 Cal, Glucerna® 1.5 Cal, Osmolite®, Oxepa®, Freego® (Enteral Pump) and Freego® sets, and Nepro®; and

- Zone Perfect® bars and the EAS® family of nutritional brands, including Myoplex® and AdvantEdge®.

Primary marketing efforts for nutritional products are directed toward consumers or to securing the recommendation of Abbott's brand of products by physicians or other health care professionals. In addition, certain nutritional products sold as Gain®, Grow®, PediaSure®, PediaSure Sidekicks®, Pedialyte®, Ensure®, Zone Perfect®, EAS®/Myoplex®, and Glucerna® are also promoted directly to the public by consumer marketing efforts in select markets.

Competition for nutritional products in the segment is generally from other diversified consumer and health care manufacturers. Competitive factors include consumer advertising, formulation, packaging, scientific innovation, intellectual property, price, retail distribution, and availability of product forms. A significant aspect of competition is the search for ingredient innovations. The introduction of new products by competitors, changes in medical practices and procedures, and regulatory changes can result in product obsolescence. In addition, private label and local manufacturers' products may increase competitive pressure.

Vascular Products

These products include a broad line of coronary, endovascular, vessel closure, and structural heart devices for the treatment of vascular disease manufactured, marketed and sold worldwide. In the United States, the segment's products are generally marketed and sold directly to hospitals from Abbott-owned distribution centers and public warehouses. Outside the United States, sales are made either directly to customers or through distributors, depending on the market served.

The principal products included in the Vascular Products segment are:

- XIENCE Alpine™, XIENCE Xpedition®, XIENCE Prime®, XIENCE nano®, XIENCE V®, and XIENCE Pro® and XIENCE ProX, drug-eluting coronary stent systems developed on the Multi-Link Vision® platform;
- Absorb™, a drug-eluting coronary bioresorbable vascular scaffold;
- Multi-Link 8®, Multi-Link Vision® and Multi-Link Mini Vision®, coronary metallic stents;
- TREK® and Voyager®, coronary balloon dilatation products;
- Hi-Torque Balance Middleweight Elite® and ASAHI® coronary guidewires (licensed from Asahi Intecc Co., Ltd.);
- MitraClip®, a percutaneous mitral valve repair system;
- Supera® Peripheral Stent System, a peripheral vascular stent system;
- StarClose SE® and Perclose® vessel closure devices; and
- Acculink®/Accunet® and Xact®/Emboshield NAV®, carotid stent systems.

The Vascular Products segment's products are subject to competition in technological innovation, price, convenience of use, service, product performance, long-term supply contracts, and product potential for overall cost-effectiveness and productivity gains. Some products in this segment can be subject to rapid product obsolescence or regulatory changes. Although Abbott has benefited from technological advantages of certain of its current products, these advantages may be reduced or eliminated as competitors introduce new products.

Other Products

The principal products in Abbott's other businesses include blood glucose, continuous glucose, and flash glucose monitoring systems, including test strips, sensors, data management decision software, and accessories for people with diabetes, under the FreeStyle® brand, and medical devices for the eye, including cataract surgery, LASIK surgery, contact lens care products, and dry eye products. These products are marketed worldwide and generally sold directly to wholesalers, government agencies, private health care organizations, health care facilities, mail order pharmacies, and independent retailers from Abbott-owned distribution centers and public warehouses. Some of these products are marketed and distributed through distributors. Blood glucose monitoring systems, contact lens care products, and dry eye products are also marketed and sold to consumers. These products are subject to regulatory changes and competition in technological innovation, price, convenience of use, service, and product performance.

INFORMATION WITH RESPECT TO ABBOTT'S BUSINESS IN GENERAL

Sources and Availability of Raw Materials

Abbott purchases, in the ordinary course of business, raw materials and supplies essential to Abbott's operations from numerous suppliers in the United States and abroad. There have been no recent significant availability problems or supply shortages for raw materials or supplies.

Patents, Trademarks, and Licenses

Abbott is aware of the desirability for patent and trademark protection for its products. Accordingly, where possible, patents and trademarks are sought and obtained for Abbott's products in the United States and countries of interest to Abbott. Abbott owns and is licensed under a substantial number of patents and patent applications. Principal trademarks and the products they cover are discussed in the Narrative Description of Business on pages 1 through 4. These, and various patents which expire during the period

2015 to 2035, in the aggregate, are believed to be of material importance in the operation of Abbott's business. Abbott believes that no single patent, license, or trademark is material in relation to Abbott's business as a whole. Patent-related litigation is discussed in Legal Proceedings on page 16.

Seasonal Aspects, Customers, Backlog, and Renegotiation

There are no significant seasonal aspects to Abbott's business. Abbott has no single customer that, if the customer were lost, would have a material adverse effect on Abbott. Orders for Abbott's products are generally filled on a current basis, and order backlog is not material to Abbott's business. No material portion of Abbott's business is subject to renegotiation of profits or termination of contracts at the election of a government.

Research and Development

Abbott spent approximately $1.3 billion in 2014, $1.4 billion in 2013, and $1.5 billion in 2012 on research to discover and develop new products and processes and to improve existing products and processes.

Environmental Matters

Abbott believes that its operations comply in all material respects with applicable laws and regulations concerning environmental protection. Regulations under federal and state environmental laws impose stringent limitations on emissions and discharges to the environment from various manufacturing operations. Abbott's capital and operating expenditures for pollution control in 2014 were approximately $14 million and $37 million, respectively. Capital and operating expenditures for pollution control in 2015 are estimated to be $11 million and $40 million, respectively.

Abbott has been identified as one of many potentially responsible parties in investigations and/or remediations at several locations in the United States, including Puerto Rico, under the Comprehensive Environmental Response, Compensation, and Liability Act, commonly known as Superfund. Abbott is also engaged in remediation at several other sites, some of which are owned by Abbott, in cooperation with the Environmental Protection Agency (EPA) or similar agencies. While it is not feasible to predict with certainty the final costs related to those investigations and remediation activities, Abbott believes that such costs, together with other expenditures to maintain compliance with applicable laws and regulations concerning environmental protection, should not have a material adverse effect on Abbott's financial position, cash flows, or results of operations.

Employees

Abbott employed approximately 77,000 persons as of December 31, 2014.

Regulation

The development, manufacture, marketing, sale, promotion, and distribution of Abbott's products are subject to comprehensive government regulation by the U.S. Food and Drug Administration and similar international regulatory agencies. Government regulation by various international, supranational, federal and state agencies addresses (among other matters) the development and approval to market Abbott's products, as well as the inspection of, and controls over, research and laboratory procedures, clinical investigations, product approvals and manufacturing, labeling, packaging, supply chains, marketing and promotion, pricing and reimbursement, sampling, distribution, quality control, post-market surveillance, record keeping, storage, and disposal practices. Abbott's international operations are also affected by trade and investment regulations in many countries. These may require local investment, restrict Abbott's investments, or limit the import of raw materials and finished products. In addition, Abbott is subject to laws and regulations pertaining to health care fraud and abuse, including state and federal anti-kickback

and false claims laws in the United States. Prescription drug, nutrition, and medical device manufacturers such as Abbott are also subject to taxes, as well as application, product, user, establishment, and other fees. Governmental agencies can also invalidate intellectual property rights.

Compliance with these laws and regulations is costly and materially affects Abbott's business. Among other effects, health care regulations substantially increase the time, difficulty, and costs incurred in obtaining and maintaining approval to market newly developed and existing products. Abbott expects this regulatory environment will continue to require significant technical expertise and capital investment to ensure compliance. Failure to comply can delay the release of a new product or result in regulatory and enforcement actions, the seizure or recall of a product, the suspension or revocation of the authority necessary for a product's production and sale, and other civil or criminal sanctions, including fines and penalties.

Abbott's business can also be affected by ongoing studies of the utilization, safety, efficacy, and outcomes of health care products and their components that are regularly conducted by industry participants, government agencies, and others. These studies can call into question the utilization, safety, and efficacy of previously marketed products. In some cases, these studies have resulted, and may in the future result, in the discontinuation of marketing of such products in one or more countries, and may give rise to claims for damages from persons who believe they have been injured as a result of their use.

Access to human health care products continues to be a subject of investigation and action by governmental agencies, legislative bodies, and private organizations in many countries. A major focus is cost containment. Efforts to reduce health care costs are also being made in the private sector, notably by health care payors and providers, which have instituted various cost reduction and containment measures. Abbott expects insurers and providers will continue attempts to reduce the cost of health care products. Many countries control the price of health care products directly or indirectly, through reimbursement, payment, pricing, coverage limitations, or compulsory licensing. Budgetary pressures on health care payors may also heighten the scope and severity of pricing pressures on Abbott's products for the foreseeable future.

In the United States, the federal government regularly evaluates reimbursement for medical procedures in which medical devices and diagnostics may be used. The government follows a diagnosis-related group (DRG) payment system for certain institutional services provided under Medicare or Medicaid and has implemented a prospective payment system (PPS) for services delivered in hospital outpatient, nursing home, and home health settings. DRG and PPS entitle a health care facility to a fixed reimbursement based on the diagnosis and/or procedure rather than actual costs incurred in patient treatment, thereby increasing the incentive for the facility to limit or control expenditures for many health care products. Under the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act (together, the Affordable Care Act), Abbott must pay an excise tax on sales of certain medical devices. Medicare also implemented a competitive bidding system for durable medical equipment (including diabetes products), enteral nutrition products, and supplies.

The Affordable Care Act also includes provisions known as the Physician Payments Sunshine Act, which require manufacturers of drugs, devices, and medical supplies covered under Medicare and Medicaid to record any transfers of value to physicians and teaching hospitals and to report this data to the Centers for Medicare and Medicaid Services for subsequent public disclosure. Similar reporting requirements have also been enacted on the state level domestically, and an increasing number of governments worldwide either have adopted or are considering similar laws requiring transparency of interactions with health care professionals. Failure to report appropriate data may result in civil or criminal fines and/or penalties.

The regulation of data privacy and security, and the protection of the confidentiality of certain patient health information, is increasing. For example, the European Union continues to contemplate enacting stricter laws with enhanced financial penalties for noncompliance. Similarly, the U.S. Department of

Health and Human Services has issued rules governing the use, disclosure, and security of protected health information, and the U.S. Food and Drug Administration has issued further guidance concerning data security for medical devices. Failure to comply with data privacy and security regulations can result in enforcement actions, which could include civil or criminal penalties. Transferring and managing protected health information will become more challenging as new laws and regulations are enacted, and Abbott expects there will be increasing regulatory complexity in this area.

Governmental cost containment efforts also affect Abbott's nutrition business. In the United States, for example, under regulations governing the federally funded Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), all states must have a cost containment program for infant formula. As a result, through competitive bidding states obtain rebates from manufacturers of infant formula whose products are used in the program.

Abbott expects debate to continue during 2015 at all government levels worldwide over the marketing, manufacture, availability, method of delivery, and payment for health care products and services, as well as data privacy and security. Abbott believes that future legislation and regulation in the markets it serves could affect access to health care products and services, increase rebates, reduce prices or reimbursements or the rate of price increases for health care products and services, change health care delivery systems, create new fees and obligations for the pharmaceutical, nutrition, diagnostic, and medical device industries, or require additional reporting and disclosure. It is not possible to predict the extent to which Abbott or the health care industry in general might be affected by the matters discussed above.

INTERNATIONAL OPERATIONS

As discussed in greater detail in the section captioned, "Narrative Description of Business," Abbott markets products worldwide through affiliates and distributors. Most of the products discussed in the preceding sections of this report are also sold outside the United States. In addition, certain products of a local nature and variations of product lines to meet local regulatory requirements and marketing preferences are manufactured and marketed to customers outside the United States. International operations are subject to certain additional risks inherent in conducting business outside the United States, including price and currency exchange controls, changes in currency exchange rates, limitations on foreign participation in local enterprises, expropriation, nationalization, and other governmental action.

INTERNET INFORMATION

Copies of Abbott's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 are available free of charge through Abbott's investor relations website (*www.abbottinvestor.com*) as soon as reasonably practicable after Abbott electronically files the material with, or furnishes it to, the Securities and Exchange Commission.

Abbott's corporate governance guidelines, outline of directorship qualifications, code of business conduct and the charters of Abbott's audit committee, compensation committee, nominations and governance committee, and public policy committee are all available on Abbott's investor relations website (*www.abbottinvestor.com*).

ITEM 1A. RISK FACTORS

In addition to the other information in this report, the following risk factors should be considered before deciding to invest in any of Abbott's securities. Additional risks and uncertainties not presently known to Abbott, or risks Abbott currently considers immaterial, could also affect Abbott's actual results. Abbott's business, financial condition, results of operations, or prospects could be materially adversely affected by any of these risks.

Abbott may acquire other businesses, license rights to technologies or products, form alliances, or dispose of or spin-off businesses, which could cause it to incur significant expenses and could negatively affect profitability.

Abbott may pursue acquisitions, licensing arrangements, and strategic alliances, or dispose of or spin-off some of its businesses, as part of its business strategy. Abbott may not complete these transactions in a timely manner, on a cost-effective basis, or at all, and may not realize the expected benefits. If Abbott is successful in making an acquisition, the products and technologies that are acquired may not be successful or may require significantly greater resources and investments than originally anticipated. Abbott may not be able to integrate acquisitions successfully into its existing business or transition disposed businesses efficiently, and could incur or assume significant debt and unknown or contingent liabilities. Abbott could also experience negative effects on its reported results of operations from acquisition or disposition-related charges, amortization of expenses related to intangibles and charges for impairment of long-term assets. These effects could cause a deterioration of Abbott's credit rating and result in increased borrowing costs and interest expense.

Abbott is subject to cost containment efforts that could cause a reduction in future revenues and operating income.

In the United States and other countries, Abbott's businesses have experienced downward pressure on product pricing. Cost containment efforts by governments and private organizations are described in greater detail in the section captioned "Regulation." To the extent these cost containment efforts are not offset by greater patient access to health care or other factors, Abbott's future revenues and operating income will be reduced.

Abbott is subject to numerous governmental regulations and it can be costly to comply with these regulations and to develop compliant products and processes.

Abbott's products are subject to rigorous regulation by the U.S. Food and Drug Administration (FDA) and numerous international, supranational, federal, and state authorities. The process of obtaining regulatory approvals to market a drug or medical device can be costly and time-consuming, and approvals might not be granted for future products, or additional indications or uses of existing products, on a timely basis, if at all. Delays in the receipt of, or failure to obtain approvals for, future products, or new indications and uses, could result in delayed realization of product revenues, reduction in revenues, and in substantial additional costs.

In addition, no assurance can be given that Abbott will remain in compliance with applicable FDA and other regulatory requirements once approval or marketing authorization has been obtained for a product. These requirements include, among other things, regulations regarding manufacturing practices, product labeling, and advertising and postmarketing reporting, including adverse event reports and field alerts due to manufacturing quality concerns. Many of Abbott's facilities and procedures and those of Abbott's suppliers are subject to ongoing regulation, including periodic inspection by the FDA and other regulatory authorities. Abbott must incur expense and spend time and effort to ensure compliance with these complex regulations. Possible regulatory actions for non-compliance could include warning letters, fines, damages, injunctions, civil penalties, recalls, seizures of Abbott's products, and criminal prosecution. These actions could result in, among other things, substantial modifications to Abbott's business practices

and operations; refunds, recalls, or seizures of Abbott's products; a total or partial shutdown of production in one or more of Abbott's facilities while Abbott or Abbott's suppliers remedy the alleged violation; the inability to obtain future pre-market approvals or marketing authorizations; and withdrawals or suspensions of current products from the market. Any of these events could disrupt Abbott's business and have a material adverse effect on Abbott's revenues, profitability and financial condition.

Laws and regulations affecting government benefit programs could impose new obligations on Abbott, require Abbott to change its business practices, and restrict its operations in the future.

Abbott's industry is subject to various international, supranational, federal, and state laws and regulations pertaining to government benefit program reimbursement, price reporting and regulation, and health care fraud and abuse, including anti-kickback and false claims laws, and international and individual state laws relating to pricing and sales and marketing practices. Violations of these laws may be punishable by criminal and/or civil sanctions, including, in some instances, substantial fines, imprisonment, and exclusion from participation in government health care programs, including Medicare, Medicaid, and Veterans Administration health programs in the U.S. These laws and regulations are broad in scope and they are subject to evolving interpretations, which could require Abbott to incur substantial costs associated with compliance or to alter one or more of its sales or marketing practices. In addition, violations of these laws, or allegations of such violations, could disrupt Abbott's business and result in a material adverse effect on Abbott's revenues, profitability, and financial condition.

Changes in the health care regulatory environment may adversely affect Abbott's business.

A number of the provisions of the U.S. Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 change access to health care products and services and establish new fees for the medical device industry. Future rulemaking could increase rebates, reduce prices or the rate of price increases for health care products and services, or require additional reporting and disclosure. Abbott cannot predict the timing or impact of any future rulemaking.

The expiration or loss of patent protection and licenses may affect Abbott's future revenues and operating income.

Many of Abbott's businesses rely on patent and trademark and other intellectual property protection. Although most of the challenges to Abbott's intellectual property have come from other businesses, governments may also challenge intellectual property protections. To the extent Abbott's intellectual property is successfully challenged, invalidated, or circumvented or to the extent it does not allow Abbott to compete effectively, Abbott's businesses could suffer. To the extent that countries do not enforce Abbott's intellectual property rights or to the extent that countries require compulsory licensing of its intellectual property, Abbott's future revenues and operating income could be reduced. Litigation regarding Abbott's patents and trademarks is described in the section captioned "Legal Proceedings."

Competitors' intellectual property may prevent Abbott from selling its products or have a material adverse effect on Abbott's future profitability and financial condition.

Competitors may claim that an Abbott product infringes upon their intellectual property. Resolving an intellectual property infringement claim can be costly and time consuming and may require Abbott to enter into license agreements. Abbott cannot guarantee that it would be able to obtain license agreements on commercially reasonable terms. A successful claim of patent or other intellectual property infringement could subject Abbott to significant damages or an injunction preventing the manufacture, sale or use of affected Abbott products. Any of these events could have a material adverse effect on Abbott's profitability and financial condition.

Abbott's research and development efforts may not succeed in developing commercially successful products and technologies, which may cause Abbott's revenue and profitability to decline.

To remain competitive, Abbott must continue to launch new products and technologies. To accomplish this, Abbott commits substantial efforts, funds, and other resources to research and development. A high rate of failure is inherent in the research and development of new products and technologies. Abbott must make ongoing substantial expenditures without any assurance that its efforts will be commercially successful. Failure can occur at any point in the process, including after significant funds have been invested.

Promising new product candidates may fail to reach the market or may only have limited commercial success because of efficacy or safety concerns, failure to achieve positive clinical outcomes, inability to obtain necessary regulatory approvals, limited scope of approved uses, excessive costs to manufacture, the failure to establish or maintain intellectual property rights, or infringement of the intellectual property rights of others. Even if Abbott successfully develops new products or enhancements or new generations of Abbott's existing products, they may be quickly rendered obsolete by changing customer preferences, changing industry standards, or competitors' innovations. Innovations may not be accepted quickly in the marketplace because of, among other things, entrenched patterns of clinical practice or uncertainty over third-party reimbursement. Abbott cannot state with certainty when or whether any of its products under development will be launched, whether it will be able to develop, license, or otherwise acquire compounds or products, or whether any products will be commercially successful. Failure to launch successful new products or new indications for existing products may cause Abbott's products to become obsolete, causing Abbott's revenues and operating results to suffer.

New products and technological advances by Abbott's competitors may negatively affect Abbott's results of operations.

Abbott's products face intense competition from its competitors' products. Competitors' products may be safer, more effective, more effectively marketed or sold, or have lower prices or superior performance features than Abbott's products. Abbott cannot predict with certainty the timing or impact of the introduction of competitors' products.

The manufacture of many of Abbott's products is a highly exacting and complex process, and if Abbott or one of its suppliers encounters problems manufacturing products, Abbott's business could suffer.

The manufacture of many of Abbott's products is a highly exacting and complex process, due in part to strict regulatory requirements. Problems may arise during manufacturing for a variety of reasons, including equipment malfunction, failure to follow specific protocols and procedures, problems with raw materials, natural disasters, and environmental factors. In addition, single suppliers are currently used for certain products and materials. If problems arise during the production of a batch of product, that batch of product may have to be discarded. This could, among other things, lead to increased costs, lost revenue, damage to customer relations, time and expense spent investigating the cause and, depending on the cause, similar losses with respect to other batches or products. If problems are not discovered before the product is released to the market, recall and product liability costs may also be incurred. To the extent Abbott or one of its suppliers experiences significant manufacturing problems, this could have a material adverse effect on Abbott's revenues and profitability.

Significant safety concerns could arise for Abbott's products, which could have a material adverse effect on Abbott's revenues and financial condition.

Health care products typically receive regulatory approval based on data obtained in controlled clinical trials of limited duration. Following regulatory approval, these products will be used over longer periods of time in many patients. Investigators may also conduct additional, and perhaps more extensive, studies. If new safety issues are reported, Abbott may be required to amend the conditions of use for a

product. For example, Abbott may be required to provide additional warnings on a product's label or narrow its approved intended use, either of which could reduce the product's market acceptance. If serious safety issues arise with an Abbott product, sales of the product could be halted by Abbott or by regulatory authorities. Safety issues affecting suppliers' or competitors' products also may reduce the market acceptance of Abbott's products.

In addition, in the ordinary course of business, Abbott is the subject of product liability claims and lawsuits alleging that its products or the products of other companies that Abbott promotes have resulted or could result in an unsafe condition for or injury to patients. Product liability claims and lawsuits, safety alerts or product recalls, and other allegations of product safety or quality issues, regardless of their validity or ultimate outcome, may have a material adverse effect on Abbott's business and reputation and on Abbott's ability to attract and retain customers. Consequences may also include additional costs, a decrease in market share for the products, lower income or exposure to other claims. Product liability losses are self-insured. Product liability claims could have a material adverse effect on Abbott's profitability and financial condition.

Deterioration in the economic position and credit quality of certain countries may negatively affect Abbott's results of operations.

Unfavorable economic conditions in certain countries may increase the time it takes to collect outstanding trade receivables. Financial instability and fiscal deficits in these countries may result in additional austerity measures to reduce costs, including health care. Deterioration in the quality of sovereign debt, including credit downgrades, could increase Abbott's collection risk where a significant amount of Abbott's receivables in these countries are with governmental health care systems.

Abbott depends on sophisticated information technology systems to operate its business and a cyber attack or other breach of these systems could have a material adverse effect on Abbott's results of operations.

Similar to other large multi-national companies, the size and complexity of Abbott's information technology systems makes them vulnerable to a cyber attack, malicious intrusion, breakdown, destruction, loss of data privacy, or other significant disruption. Abbott's systems have been and are expected to continue to be the target of malware and other cyber attacks. Abbott has invested in its systems and the protection of its data to reduce the risk of an invasion or interruption and monitors its systems on an ongoing basis for any current or potential threats. There can be no assurance that these measures and efforts will prevent future interruptions or breakdowns that could have a significant effect on Abbott's business.

Abbott may incur operational difficulties or be exposed to claims and liabilities as a result of the separation.

AbbVie and Abbott entered into a separation and distribution agreement and various other agreements to govern the separation of AbbVie from Abbott and the relationship between the two companies going forward. These arrangements could lead to disputes between Abbott and AbbVie over Abbott's rights to certain shared property and rights and over the allocation of costs and revenues for products and operations. The separation and distribution agreement also provides for, among other things, indemnification obligations designed to make AbbVie financially responsible for substantially all liabilities that may exist relating to its business activities, whether incurred prior to or after AbbVie's separation from Abbott, as well as those obligations of Abbott assumed by AbbVie pursuant to the separation and distribution agreement. It is possible that a court would disregard the allocation agreed to between Abbott and AbbVie and require Abbott to assume responsibility for obligations allocated to AbbVie. Third parties could also seek to hold Abbott responsible for any of these liabilities or obligations. The indemnity rights Abbott has under the separation agreement may not be sufficient to protect Abbott. Even if Abbott is successful in obtaining indemnification, Abbott may have to bear losses temporarily. In addition, Abbott's

indemnity obligations to AbbVie may be significant. These risks could negatively affect Abbott's results of operations.

There could be significant liability if the distribution of AbbVie common stock to Abbott shareholders is determined to be a taxable transaction.

Abbott received a private letter ruling from the Internal Revenue Service (IRS) to the effect that, among other things, the separation and the distribution of AbbVie qualifies as a transaction that is tax-free for U.S. federal income tax purposes under Sections 355 and 368(a)(1)(D) of the Internal Revenue Code (the Code). In addition, Abbott received an opinion from outside tax counsel to the effect that the separation and distribution qualifies as a transaction that is described in Sections 355(a) and 368(a)(1)(D) of the Code. The ruling and the opinion rely on certain facts, assumptions, representations and undertakings from Abbott and AbbVie regarding the past and future conduct of the companies' respective businesses and other matters. If any of these facts, assumptions, representations or undertakings are incorrect or not satisfied, Abbott and its shareholders may not be able to rely on the ruling or the opinion of tax counsel and could be subject to significant tax liabilities. Notwithstanding the receipt by Abbott of the private letter ruling from the IRS and opinion of tax counsel, the IRS could determine on audit that the separation is taxable if it determines that any of these facts, assumptions, representations or undertakings are not correct or have been violated or if it disagrees with the conclusions in the opinion that are not covered by the private letter ruling, or for other reasons, including as a result of certain significant changes in the share ownership of Abbott or AbbVie after the separation. If the separation is determined to be taxable for U.S. federal income tax purposes, Abbott and its shareholders that are subject to U.S. federal income tax could incur significant U.S. federal income tax liabilities.

Abbott holds a significant investment in Mylan N.V. and is subject to market risk.

On February 27, 2015, Abbott completed the disposition of its developed markets branded generics pharmaceuticals business and, in exchange, received 110,000,000 Mylan N.V. ordinary shares. As long as Abbott holds the shares, Abbott will have a substantial undiversified equity investment in Mylan and, therefore, will be subject to the risk of changes in the market value of those shares.

Fluctuation in foreign currency exchange rates may adversely affect our financial statements and Abbott's ability to realize projected sales and earnings.

Although Abbott's financial statements are denominated in U.S. dollars, a significant portion of Abbott's revenues and costs are realized in other currencies. Abbott's profitability is affected by movement of the U.S. dollar against other currencies. Fluctuations in exchange rates between the U.S. dollar and other currencies may also affect the reported value of Abbott's assets and liabilities, as well as its cash flows. Some foreign currencies are subject to government exchange controls. While Abbott enters into hedging arrangements to mitigate some of its foreign currency exposure, Abbott cannot predict with any certainty changes in foreign currency exchange rates or its ability to mitigate these risks.

The international nature of Abbott's business subjects it to additional business risks that may cause its revenue and profitability to decline.

Abbott's business is subject to risks associated with doing business internationally. Sales outside of the United States make up approximately 70 percent of Abbott's net sales. Additional risks associated with Abbott's international operations include:

- differing local product preferences and product requirements;
- trade protection measures and import or export licensing requirements;
- difficulty in establishing, staffing, and managing operations;

- differing labor regulations;
- potentially negative consequences from changes in or interpretations of tax laws;
- political and economic instability, including sovereign debt issues;
- price controls, limitations on participation in local enterprises, expropriation, nationalization, and other governmental action;
- inflation, recession, and fluctuations in interest rates;
- compulsory licensing or diminished protection of intellectual property; and
- potential penalties or other adverse consequences for violations of anti-corruption, anti-bribery, and other similar laws and regulations, including the Foreign Corrupt Practices Act and the U.K. Bribery Act.

Events contemplated by these risks may, individually or in the aggregate, have a material adverse effect on Abbott's revenues and profitability.

Other factors can have a material adverse effect on Abbott's future profitability and financial condition.

Many other factors can affect Abbott's profitability and its financial condition, including:

- changes in or interpretations of laws and regulations, including changes in accounting standards, taxation requirements, product marketing application standards, product labeling, source and use laws, and environmental laws;
- differences between the fair value measurement of assets and liabilities and their actual value, particularly for pensions, retiree health care, stock compensation, intangibles, and goodwill; and for contingent liabilities such as litigation, the absence of a recorded amount, or an amount recorded at the minimum, compared to the actual amount;
- changes in the rate of inflation (including the cost of raw materials, commodities, and supplies), interest rates, market value of Abbott's equity investments, and the performance of investments held by Abbott or Abbott's employee benefit trusts;
- changes in the creditworthiness of counterparties that transact business with or provide services to Abbott or Abbott's employee benefit trusts;
- changes in business, economic, and political conditions, including: war, political instability, terrorist attacks, the threat of future terrorist activity and related military action; natural disasters; the cost and availability of insurance due to any of the foregoing events; labor disputes, strikes, slow-downs, or other forms of labor or union activity; and pressure from third-party interest groups;
- changes in Abbott's business units and investments and changes in the relative and absolute contribution of each to earnings and cash flow resulting from evolving business strategies, changing product mix, changes in tax laws or tax rates both in the U.S. and abroad and opportunities existing now or in the future;
- changes in the buying patterns of a major distributor, retailer, or wholesale customer resulting from buyer purchasing decisions, pricing, seasonality, or other factors, or other problems with licensors, suppliers, distributors, and business partners;
- changes in credit markets impacting Abbott's ability to obtain financing for its business operations; and
- legal difficulties, any of which could preclude or delay commercialization of products or adversely affect profitability, including claims asserting statutory or regulatory violations, and adverse litigation decisions.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Form 10-K contains forward-looking statements that are based on management's current expectations, estimates, and projections. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "forecasts," variations of these words, and similar expressions are intended to identify these forward-looking statements. Certain factors, including but not limited to those identified under "Item 1A. Risk Factors" of this Form 10-K, may cause actual results to differ materially from current expectations, estimates, projections, forecasts, and from past results. No assurance can be made that any expectation, estimate, or projection contained in a forward-looking statement will be achieved or will not be affected by the factors cited above or other future events. Abbott undertakes no obligation to release publicly any revisions to forward-looking statements as the result of subsequent events or developments, except as required by law.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Abbott's corporate offices are located at 100 Abbott Park Road, Abbott Park, Illinois 60064. The locations of Abbott's principal plants, as of December 31, 2014, are listed below.

Location	Segments of Products Produced
Abbott Park, Illinois	Diagnostic Products
Alajuela, Costa Rica	Vascular Products
Alcobendas, Spain	Non-Reportable
Altavista, Virginia	Nutritional Products
Anasco, Puerto Rico *	Non-Reportable
Baddi, India	Established Pharmaceutical Products
Barceloneta, Puerto Rico *	Established Pharmaceutical and Vascular Products
Belgorod, Russia	Established Pharmaceutical Products
Bogota, Colombia	Established Pharmaceutical Products
Buenos Aires, Argentina	Established Pharmaceutical Products
Cali, Colombia	Established Pharmaceutical Products
Casa Grande, Arizona	Nutritional Products
Chatillon, France **	Established Pharmaceutical Products
Clonmel, Ireland	Vascular Products
Columbus, Ohio	Nutritional Products
Cootehill, Ireland	Nutritional Products
Dartford, England *	Diagnostic Products
Des Plaines, Illinois	Diagnostic Products
Donegal, Ireland	Non-Reportable
Fairfield, California *	Nutritional Products
Goa, India	Established Pharmaceutical Products
Granada, Spain	Nutritional Products
Groningen, the Netherlands	Non-Reportable
Hangzhou, China	Non-Reportable
Irving, Texas	Diagnostic Products
Jhagadia, India	Nutritional Products
Jiaxing, China	Nutritional Products
Karachi, Pakistan	Established Pharmaceutical Products
Katsuyama, Japan **	Established Pharmaceutical Products
Lima, Peru	Established Pharmaceutical Products
Longford, Ireland	Diagnostic Products
Menlo Park, California	Vascular Products
Milpitas, California *	Non-Reportable
Murrieta, California	Vascular Products
Neustadt, Germany	Established Pharmaceutical Products
Olst, the Netherlands	Established Pharmaceutical Products
Ottawa, Canada *	Diagnostic Products
Pompeya, Argentina	Established Pharmaceutical Products
Quilmes, Argentina	Established Pharmaceutical Products
Redwood City, California *	Vascular Products
Rio de Janeiro, Brazil	Established Pharmaceutical Products
Santiago, Chile	Established Pharmaceutical Products
Singapore	Nutritional Products
Sligo, Ireland *	Nutritional and Diagnostic Products
Sturgis, Michigan	Nutritional Products
Sunnyvale, California	Non-Reportable
Temecula, California	Vascular Products
Tipp City, Ohio	Nutritional Products
Tlalpan, Mexico	Established Pharmaceutical Products
Uppsala, Sweden	Non-Reportable
Weesp, the Netherlands	Established Pharmaceutical Products
Wiesbaden, Germany	Diagnostic Products
Witney, England	Non-Reportable
Zwolle, the Netherlands	Nutritional Products

* Leased property

** Transferred as part of the sale of the developed markets branded generics pharmaceuticals business to Mylan Inc.

In addition to the above, as of December 31, 2014, Abbott had manufacturing facilities in three other locations in the United States and in seven countries outside the United States. Abbott's facilities are deemed suitable and provide adequate productive capacity.

Abbott's research and development facilities in the United States are primarily located in California, Illinois, New Jersey, and Ohio. Abbott also has research and development facilities in various other countries including China, India, Singapore, Spain, and Switzerland.

Except as noted, the corporate offices, and those principal plants in the United States listed above, are owned by Abbott or subsidiaries of Abbott. The remaining manufacturing plants and all other facilities are owned or leased by Abbott or subsidiaries of Abbott. There are no material encumbrances on the properties.

ITEM 3. LEGAL PROCEEDINGS

Abbott is involved in various claims, legal proceedings and investigations, including (as of January 31, 2015, except where noted below) those described below. While it is not feasible to predict the outcome of such pending claims, proceedings and investigations with certainty, management is of the opinion that their ultimate resolution should not have a material adverse effect on Abbott's financial position, cash flows, or results of operations.

In September 2009, Wyeth, Cordis Corporation, and Cordis LLC filed suit against Abbott in the United States District Court for the District of New Jersey alleging the XIENCE V (and later the XIENCE Prime) stent systems infringe a patent relating to drug eluting stents, and in August 2010 the plaintiffs amended their lawsuit to add a second related patent to this case. The plaintiffs seek an injunction and damages. In February 2012, the court stayed the litigation pending the completion of inter partes reexamination of the two patents at issue by the United States Patent and Trademark Office and any resulting appeals.

In December 2008, Medinol Limited (Medinol) sued Abbott in Germany asserting that certain of Abbott's coronary bare metal and certain of its metal-based drug eluting stent products infringe four of Medinol's European and German stent design patents, and in June 2011, asserted another, related European patent against Abbott. In March 2010, a German court, which assesses questions of patent infringement, issued mixed infringement/non-infringement rulings which both Abbott and Medinol appealed. The infringement cases were stayed pending further developments with respect to Abbott-initiated actions relating to patent validity. In January 2011, a different German court, which assesses questions of patent validity, found two of three of the Medinol patents invalid, but concluded that the modified claims of one of Medinol's German patents were valid. The validity of these three patents was appealed to the German Federal Supreme Court, which upheld the patents' validity in April 2014. The previously stayed infringement actions related to these three patents are scheduled for April and May 2015. The question of the validity of the remaining patents are subject to continued lower court proceedings. In each case, Medinol seeks damages. These cases are no longer material to Abbott, and Abbott will no longer report on these cases.

As previously mentioned, the Texas State Attorney General is investigating the sales and marketing activities of Abbott's biliary stent products and the United States Attorney's Office for the District of Maryland is investigating the sales and marketing activities for Abbott's coronary stents products. The government is seeking to determine whether any of these activities violated civil and/or criminal laws, including the Federal False Claims Act, the Food and Drug Cosmetic Act, and the Anti-Kickback Statute in connection with Medicare and/or Medicaid reimbursement paid to third parties.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

EXECUTIVE OFFICERS OF THE REGISTRANT

Executive officers of Abbott are elected annually by the board of directors. All other officers are elected by the board or appointed by the chairman of the board. All officers are either elected at the first meeting of the board of directors held after the annual shareholder meeting or appointed by the chairman after that board meeting. Each officer holds office until a successor has been duly elected or appointed and qualified or until the officer's death, resignation, or removal. Vacancies may be filled at any time by the board. Any officer may be removed by the board of directors when, in its judgment, removal would serve the best interests of Abbott. Any officer appointed by the chairman of the board may be removed by the chairman whenever, in the chairman's judgment, removal would serve the best interests of Abbott. A vacancy in any office appointed by the chairman of the board may be filled by the chairman.

Abbott's executive officers, their ages as of February 27, 2015, and the dates of their first election as officers of Abbott are listed below. The executive officers' principal occupations and employment for the past five years and the year of appointment to the earliest reported office are also shown. Unless otherwise stated, employment was by Abbott. There are no family relationships between any corporate officers or directors.

Miles D. White, 59

1999 to present — Chairman of the Board and Chief Executive Officer, and Director.

Elected Corporate Officer — 1993.

Hubert L. Allen, 50

2013 to present — Executive Vice President, General Counsel and Secretary.

2010 to 2012 — Divisional Vice President and Associate General Counsel, Established Pharmaceuticals.

2009 to 2010 — Divisional Vice President and Associate General Counsel, Proprietary Pharmaceuticals.

Elected Corporate Officer — 2012.

Richard W. Ashley, 71

2004 to present — Executive Vice President, Corporate Development.

Elected Corporate Officer — 2004.

Brian J. Blaser, 50

2012 to present — Executive Vice President, Diagnostics Products.

2010 to 2012 — Senior Vice President, Diagnostics.

2008 to 2010 — Vice President, Diagnostics, Operations.

Elected Corporate Officer — 2008.

John M. Capek, 53

2007 to present — Executive Vice President, Medical Devices.

Elected Corporate Officer — 2006.

Thomas C. Freyman, 60

2004 to present — Executive Vice President, Finance and Chief Financial Officer.

Elected Corporate Officer — 1991.

Stephen R. Fussell, 57

2013 to present — Executive Vice President, Human Resources.

2005 to 2013 — Senior Vice President, Human Resources.

Elected Corporate Officer — 1999.

John C. Landgraf, 62

2013 to present — Executive Vice President, Nutritional Products.

2011 to 2013 — Executive Vice President, Nutritional Products.

2004 to 2010 — Senior Vice President, Pharmaceuticals, Manufacturing and Supply.

Elected Corporate Officer — 2013. (Mr. Landgraf was also an Abbott corporate officer from 2000 until February 2013, and retired from Abbott at the end of March 2013. Mr. Landgraf returned to Abbott in October 2013.)

Heather L. Mason, 54

2014 to present — Executive Vice President, Nutritional Products, Global Commercial Operations.

2008 to 2014 — Senior Vice President, Diabetes Care.

Elected Corporate Officer — 2001.

Michael J. Warmuth, 52

2012 to present — Executive Vice President, Established Pharmaceuticals.

2010 to 2012 — Senior Vice President, Established Products, Pharmaceutical Products Group.

2008 to 2010 — Senior Vice President, Diagnostics.

Elected Corporate Officer — 2007.

Jaime Contreras, 58

2013 to present — Senior Vice President, Core Laboratory Diagnostics, Commercial Operations.

2008 to 2013 — Vice President, Diagnostics, Global Commercial Operations.

Elected Corporate Officer — 2003.

Georges H. De Vos, 55

2013 to present — Senior Vice President, Established Pharmaceuticals, Emerging Markets.

2011 to 2013 — Managing Director, Limestone NV (a healthcare consulting firm).

2009 to 2011 — Global Chief Operating Officer, Omega Pharma NV (a Belgian-based pharmaceutical company).

Elected Corporate Officer — 2013.

Charles D. Foltz, 54

2013 to present — Senior Vice President, Abbott Vascular.

2006 to 2013 — Vice President, Vascular Product Operations.

Elected Corporate Officer — 2006.

Robert Ford, 41

2014 to present — Senior Vice President, Diabetes Care.

2008 to 2014 — Vice President, Diabetes Care, Commercial Operations.

Elected Corporate Officer — 2008.

Jean-Yves F. Pavee, 51

2013 to present — Senior Vice President, Established Pharmaceuticals, Developed Markets.

2011 to 2013 — Divisional Vice President, Established Pharmaceuticals, EMEA East.

2008 to 2011 — Divisional Vice President, Europe South.

Elected Corporate Officer — 2013.

Daniel Salvadori, 36

2014 to present — Senior Vice President, Established Pharmaceuticals, Latin America.

2013 to 2014 — Chief Executive Officer, Latin America, CFR Pharmaceuticals S.A. (a Latin American pharmaceutical company).

2012 to 2013 — Executive President, Complex Therapeutics Division, CFR Pharmaceuticals S.A.

2010 to 2012 — Head of Sales and Marketing, Latin America, Sandoz Pharmaceuticals, Novartis AG (a Swiss multinational pharmaceutical company).

2009 to 2010 — Director of Global Strategy and Mergers and Acquisitions, Sandoz Pharmaceuticals, Novartis AG.

Elected Corporate Officer — 2014.

Murthy V. Simhambhatla, 49

2013 to present — Senior Vice President, Abbott Medical Optics.

2012 — Divisional Vice President and General Manager, Abbott Medical Optics.

2011 to 2012 — Divisional Vice President and General Manager, Ibis.

2008 to 2011 — General Manager, Australia and New Zealand, Vascular.

Elected Corporate Officer — 2013.

J. Scott White, 47

2013 to present — Senior Vice President, International Nutrition.

2010 to 2013 — Senior Vice President, U.S. Nutrition.

Elected Corporate Officer — 2010.

Robert E. Funck, 53

2013 to present — Vice President, Controller.

2009 to 2013 — Vice President, Chief Ethics and Compliance Officer.

Elected Corporate Officer — 2005.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Principal Market

The principal market for Abbott's common shares is the New York Stock Exchange. Shares are also listed on the Chicago Stock Exchange and traded on various regional and electronic exchanges. Outside the United States, Abbott's shares are listed on the London Stock Exchange and the SIX Swiss Exchange.

	Market Price Per Share			
	2014		2013	
	high	low	high	low
First Quarter	$ 40.49	$ 35.65	$ 35.34	$ 31.64
Second Quarter	41.30	36.65	38.77	34.69
Third Quarter	44.20	40.92	37.16	32.70
Fourth Quarter	46.50	39.28	38.81	32.75

Shareholders

There were 55,171 shareholders of record of Abbott common shares as of December 31, 2014.

Dividends

Abbott declared quarterly dividends of $.22 per share on common shares in the first, second, and third quarters of 2014. In the fourth quarter of 2014, Abbott declared a quarterly dividend of $.24 per share on common shares.

Abbott declared quarterly dividends of $.14 per share on common shares in the first, second, and third quarters of 2013. In the fourth quarter of 2013, Abbott declared a quarterly dividend of $.22 per share on common shares.

On January 1, 2013, Abbott distributed the issued and outstanding common stock of AbbVie to Abbott's shareholders. Abbott's shareholders of record as of the close of business on December 12, 2012, the record date for the distribution, received one share of AbbVie common stock for each Abbott common share held as of the record date. Abbott shareholders received cash in lieu of any fractional shares of AbbVie common stock.

Tax Information for Shareholders

In 2001, the Illinois Department of Commerce and Economic Opportunity designated Abbott as an Illinois High Impact Business ("HIB") for a period not to exceed twenty years. Dividends paid by a corporation that is designated as a HIB and conducts business in a foreign trade zone may be eligible for a subtraction from base income for Illinois income tax purposes. Abbott certified that the HIB requirements were met for the calendar year ending December 31, 2014.

If you have any questions, please contact your tax advisor.

Issuer Purchases of Equity Securities

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
October 1, 2014 — October 31, 2014	11,999(1)	$ 42.654	0	$ 3,511,537,561(2)
November 1, 2014 — November 30, 2014	51,522(1)	$ 44.059	0	$ 3,511,537,561(2)
December 1, 2014 — December 31, 2014	41,308(1)	$ 45.361	0	$ 3,511,537,561(2)
Total	104,829(1)	$ 44.411	0	$ 3,511,537,561(2)

(1) These shares include:

(i) the shares deemed surrendered to Abbott to pay the exercise price in connection with the exercise of employee stock options — 11,999 in October, 21,022 in November, and 31,308 in December; and

(ii) the shares purchased on the open market for the benefit of participants in the Abbott Laboratories, Limited Employee Stock Purchase Plan — 0 in October, 30,500 in November, and 10,000 in December.

These shares do not include the shares surrendered to Abbott to satisfy tax withholding obligations in connection with the vesting of restricted stock or restricted stock units.

(2) On June 14, 2013, Abbott announced that its board of directors approved the purchase of up to $3 billion of its common shares, from time to time (the "2013 Plan"). On September 11, 2014, Abbott announced that its board of directors approved the purchase of up to $3 billion of its common shares, from time to time (the "2014 Plan"). The 2014 Plan is in addition to the unused portion of the 2013 Plan of $512 million.

ITEM 6. SELECTED FINANCIAL DATA

	Year Ended December 31				
	2014	2013	2012	2011	2010
		(dollars in millions, except per share data)			
Net sales (1)	$ 20,247	$ 19,657	$ 19,050	$ 18,663	$ 16,923
Earnings from continuing operations(1)	1,721	1,988	237	676	120
Net earnings	2,284	2,576	5,963	4,728	4,626
Basic earnings per common share from continuing operations(1)	1.13	1.27	0.15	0.43	0.08
Basic earnings per common share	1.50	1.64	3.76	3.03	2.98
Diluted earnings per common share from continuing operations(1)	1.12	1.26	0.15	0.43	0.08
Diluted earnings per common share	1.49	1.62	3.72	3.01	2.96
Total assets	41,275	42,953	67,235	60,277	60,574
Long-term debt, including current portion	3,463	3,397	18,394	13,067	14,568
Cash dividends declared per common share	0.90	0.64	1.67(2)	1.92	1.76

(1) Amounts have been adjusted to reflect the presentation of Abbott's developed markets branded generics pharmaceuticals, animal health and former research-based pharmaceuticals business as discontinued operations.

(2) The $1.67 dividend for 2012 reflects a quarterly dividend of $.14 per share in the fourth quarter of 2012, which contemplated the impact of the separation of AbbVie. On January 4, 2013, AbbVie reported that its board of directors had declared a quarterly dividend of $.40 per share of AbbVie common stock.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Financial Review

Abbott's revenues are derived primarily from the sale of a broad line of health care products under short-term receivable arrangements. Patent protection and licenses, technological and performance features, and inclusion of Abbott's products under a contract most impact which products are sold; price controls, competition and rebates most impact the net selling prices of products; and foreign currency translation impacts the measurement of net sales and costs. Abbott's primary products are nutritional products, branded generic pharmaceuticals, diagnostic testing products and vascular products. Sales in international markets comprise approximately 70 percent of consolidated net sales.

In July 2014, Abbott announced that it will sell its developed markets branded generics pharmaceuticals business to Mylan Inc. (Mylan) for 110 million shares of a newly formed publically traded entity that will combine Mylan's existing business and Abbott's developed markets pharmaceuticals business. The sale of this business closed on February 27, 2015. In November 2014, Abbott entered into an agreement to sell its animal health business to Zoetis Inc. The sale of this business closed on February 10, 2015. On January 1, 2013, Abbott completed the separation of AbbVie Inc. (AbbVie), which was formed to hold Abbott's research-based proprietary pharmaceuticals business. The historical operating results of these businesses prior to disposition are excluded from Earnings from Continuing Operations and are presented on the Earnings from Discontinued Operations line in Abbott's Consolidated Statement of Earnings. Any assets or liabilities related to these businesses are being reported as held for sale in Abbott's Consolidated Balance Sheet at December 31, 2014. The cash flows of these businesses up through the date of disposition or separation are included in its Consolidated Statements of Cash Flows for all periods presented.

Over the last three years, sales growth and margin improvement was driven primarily by the nutritional and diagnostics businesses. Sales in emerging markets, which represent nearly 50 percent of total company sales, increased 12.5 percent in 2014 and 10.8 percent in 2013, excluding the impact of foreign exchange. (Emerging markets include all countries except the United States, Western Europe, Japan, Canada, Australia and New Zealand.) Abbott expanded its operating margin by 200 basis points in 2014 and 380 basis points in 2013. Abbott's sales, costs, and financial position over the same period were impacted by a challenging economic and fiscal environment in several emerging economies and the strengthening of the U.S. dollar relative to several international currencies during 2013 and 2014.

In Abbott's worldwide nutritional products business, sales over the last three years were positively impacted by demographics such as an aging population and an increasing rate of chronic disease in developed markets and the rise of a middle class in many emerging markets, as well as by numerous new product introductions that leveraged Abbott's strong brands. At the same time, manufacturing and distribution process changes and other cost reductions drove margin improvements across the business. Operating margins for this business increased from 15.7 percent in 2012 to 21.0 percent in 2014.

In the second half of 2013 and the first two quarters of 2014, sales growth in International Pediatric Nutrition was affected by a product recall initiated in August 2013 in China and two other markets for certain pediatric nutritional products supplied to Abbott by a third-party manufacturer. While there were no health issues associated with the recalled products, and the supplier subsequently determined that the products had been safe for consumption, the recall created significant disruption in these markets. As a result, International Pediatric Nutrition sales were significantly lower than Abbott's previous expectations for this business for the second half of 2013. Abbott initiated investments in the third quarter of 2013 in these markets to rebuild consumer confidence and this business had recovered from this disruption by the beginning of the third quarter of 2014.

In 2014, Abbott increased the local presence of its nutrition business in various countries by investing in its global infrastructure. Abbott opened three new manufacturing plants, one in China, one in India, and one in the United States to meet the demand for its products, and formed a strategic alliance with Fonterra, the world's largest dairy cooperative, to develop a proposed dairy farm hub in China.

In Abbott's worldwide diagnostics business, margin improvement continued to be a key focus in 2014. Operating margins increased from 19.2 percent of sales in 2012 to 22.9 percent in 2014 as the business continued to execute on efficiency initiatives in the manufacturing and supply chain functions. In addition to continued margin improvement, unit growth across geographical regions positively impacted worldwide diagnostic sales. Worldwide sales for this business increased 6.4 percent in 2014 and 8.3 percent in 2013, excluding foreign exchange.

In the Established Pharmaceutical Products segment, Abbott announced in July 2014 that it will sell its developed markets branded generics pharmaceuticals business to Mylan Inc. As a result, the current and prior year operating results of the developed markets branded generics business are reported as part of discontinued operations. Following the close of this transaction, the Established Pharmaceuticals business will operate entirely in emerging markets. On September 26, 2014, Abbott completed its acquisition of a controlling interest in CFR Pharmaceuticals S.A. (CFR). The acquisition of CFR more than doubles Abbott's branded generics pharmaceutical presence in Latin America and further expands its presence in emerging markets. On December 12, 2014, Abbott acquired control of Veropharm, a leading Russian pharmaceutical company. Through this acquisition, Abbott establishes a manufacturing footprint in Russia and obtains a portfolio of medicines that is well aligned with Abbott's current pharmaceutical therapeutic areas of focus.

The growth in Established Pharmaceuticals sales from continuing operations accelerated over the course of 2014 after macroeconomic and market pressures in certain emerging markets impacted this business in 2013. For the year in total, 2014 sales increased 14.9 percent excluding the effect of foreign exchange.

In the vascular business, over the last three years, Abbott has continued to develop its worldwide market-leading *XIENCE* drug-eluting stent (DES) franchise. The *XIENCE* franchise includes *XIENCE V, Prime, nano, Pro, ProX, Xpedition*, and *Alpine*. Abbott Vascular Products' latest product introduction, *XIENCE Alpine*, was launched in the U.S. late in the fourth quarter of 2014 and is the only product on the market in the U.S. with an indication to treat chronic total inclusions (CTO). The *XIENCE* franchise maintained its market-leading global position in 2014. In 2014 and 2013, while *MitraClip, Absorb*, and the endovascular franchise contributed to sales growth, total vascular sales were flat, excluding the unfavorable effect of exchange, as volume increases were almost entirely offset by pricing pressures primarily related to DES and other coronary products as well as lower DES market share in the U.S. Operating margins improved from 33.2 percent in 2012 to 36.5 percent in 2014 as cost improvement initiatives were executed across the business.

Abbott's short- and long-term debt totaled $7.8 billion at December 31, 2014. At December 31, 2014, Abbott's long-term debt rating was A+ by Standard and Poor's Corporation and A1 by Moody's Investors Service. In the fourth quarter of 2014, Abbott extinguished approximately $500 million of long-term debt that was assumed as part of the acquisition of CFR and incurred a charge of $18.3 million related to the early repayment of this debt. In the fourth quarter of 2012, Abbott extinguished $7.7 billion of long-term debt and incurred a charge of $1.35 billion related to the early repayment, net of gains from the unwinding of interest rate swaps related to the debt.

Abbott declared dividends of $0.90 per share in 2014 compared to $0.64 per share in 2013, a 40% increase. Dividends paid were $1.342 billion in 2014 compared to $882 million in 2013. The year-over-year change in dividends reflects the impact of the increase in the dividend rate. In December 2014, Abbott increased the company's quarterly dividend to $0.24 per share from $0.22 per share, effective with the dividend paid in February 2015.

In 2015, Abbott will focus on several key initiatives. In the nutritional business, Abbott will continue to build its product portfolio with the introduction of new science-based products, expand in high-growth emerging markets and implement additional margin improvement initiatives. In the established pharmaceuticals business, Abbott will continue to focus on obtaining additional product approvals across numerous countries and increasing its penetration of emerging markets. In the diagnostics business, Abbott will focus on the development of next-generation instrument platforms and other advanced technologies, expansion in emerging markets, and further improvements in the segment's operating margin. In the vascular business, Abbott will continue to focus on marketing products in the coronary and endovascular franchises, and increasing *MitraClip* sales, as well as further clinical development of *ABSORB*, its bioresorbable vascular scaffold (BVS) device and a further penetration of *ABSORB* in numerous countries. In Abbott's other segments, Abbott will focus on developing differentiated technologies in higher growth markets.

Critical Accounting Policies

Sales Rebates — In 2014, approximately 43 percent of Abbott's consolidated gross revenues were subject to various forms of rebates and allowances that Abbott recorded as reductions of revenues at the time of sale. Most of these rebates and allowances in 2014 are in the Nutritional Products and Diabetes Care segments. Abbott provides rebates to state agencies that administer the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), wholesalers, group purchasing organizations, and other government agencies and private entities. Rebate amounts are usually based upon the volume of purchases using contractual or statutory prices for a product. Factors used in the rebate calculations include the identification of which products have been sold subject to a rebate, which customer or government agency price terms apply, and the estimated lag time between sale and payment of a rebate. Using historical trends, adjusted for current changes, Abbott estimates the amount of the rebate that will be paid, and records the liability as a reduction of gross sales when Abbott records its sale of the product. Settlement of the rebate generally occurs from one to six months after sale. Abbott regularly analyzes the historical rebate trends and makes adjustments to reserves for changes in trends and terms of rebate programs. Rebates and chargebacks charged against gross sales in 2014, 2013 and 2012 amounted to approximately $2.1 billion, $1.9 billion and $1.8 billion, respectively, or 19.2 percent, 18.4 percent and 18.3 percent, respectively, based on gross sales of approximately $10.7 billion, $10.5 billion and $9.8 billion, respectively, subject to rebate. A one-percentage point increase in the percentage of rebates to related gross sales would decrease net sales by approximately $107 million in 2014. Abbott considers a one-percentage point increase to be a reasonably likely increase in the percentage of rebates to related gross sales. Other allowances charged against gross sales were approximately $138 million, $146 million and $144 million for cash discounts in 2014, 2013 and 2012, respectively, and $210 million, $208 million and $198 million for returns in 2014, 2013 and 2012, respectively. Cash discounts are known within 15 to 30 days of sale, and therefore can be reliably estimated. Returns can be reliably estimated because Abbott's historical returns are low, and because sales returns terms and other sales terms have remained relatively unchanged for several periods.

Management analyzes the adequacy of ending rebate accrual balances each quarter. In the domestic nutritional business, management uses both internal and external data available to estimate the level of inventory in the distribution channel. Management has access to several large customers' inventory management data, and for other customers, utilizes data from a third party that measures time on the retail shelf. These sources allow management to make reliable estimates of inventory in the distribution channel. Except for a transition period before or after a change in the supplier for the WIC business in a state, inventory in the distribution channel does not vary substantially. Management also estimates the states' processing lag time based on claims data. In addition, internal processing time is a factor in estimating the accrual. In the WIC business, the state where the sale is made, which is the determining factor for the applicable price, is reliably determinable. Estimates are required for the amount of WIC sales within each state where Abbott has the WIC business. External data sources utilized for that estimate

are participant data from the U.S. Department of Agriculture (USDA), which administers the WIC program, participant data from some of the states, and internally administered market research. The USDA has been making its data available for many years. Internal data includes historical redemption rates and pricing data. At December 31, 2014, Abbott had WIC business in 23 states.

Historically, adjustments to prior years' rebate accruals have not been material to net income. Abbott employs various techniques to verify the accuracy of claims submitted to it, and where possible, works with the organizations submitting claims to gain insight into changes that might affect the rebate amounts. For government agency programs, the calculation of a rebate involves interpretations of relevant regulations, which are subject to challenge or change in interpretation.

Income Taxes — Abbott operates in numerous countries where its income tax returns are subject to audits and adjustments. Because Abbott operates globally, the nature of the audit items are often very complex, and the objectives of the government auditors can result in a tax on the same income in more than one country. Abbott employs internal and external tax professionals to minimize audit adjustment amounts where possible. In accordance with the accounting rules relating to the measurement of tax contingencies, in order to recognize an uncertain tax benefit, the taxpayer must be more likely than not of sustaining the position, and the measurement of the benefit is calculated as the largest amount that is more than 50 percent likely to be realized upon resolution of the benefit. Application of these rules requires a significant amount of judgment. In the U.S., Abbott's federal income tax returns through 2011 are settled except for four items, and the income tax returns for years after 2011 are open. Abbott does not record deferred income taxes on earnings reinvested indefinitely in foreign subsidiaries.

Pension and Post-Employment Benefits — Abbott offers pension benefits and post-employment health care to many of its employees. Abbott engages outside actuaries to assist in the determination of the obligations and costs under these programs. Abbott must develop long-term assumptions, the most significant of which are the health care cost trend rates, discount rates and the expected return on plan assets. The discount rates used to measure liabilities were determined based on high-quality fixed income securities that match the duration of the expected retiree benefits. The health care cost trend rates represent Abbott's expected annual rates of change in the cost of health care benefits and is a forward projection of health care costs as of the measurement date. A difference between the assumed rates and the actual rates, which will not be known for decades, can be significant in relation to the obligations and the annual cost recorded for these programs. Low interest rates have significantly increased actuarial losses for these plans. At December 31, 2014, pretax net actuarial losses and prior service costs and (credits) recognized in Accumulated other comprehensive income (loss) for Abbott's defined benefit plans and medical and dental plans were losses of $3.2 billion and $161 million, respectively. Actuarial losses and gains are amortized over the remaining service attribution periods of the employees under the corridor method, in accordance with the rules for accounting for post-employment benefits. Differences between the expected long-term return on plan assets and the actual annual return are amortized over a five-year period. Note 13 to the consolidated financial statements describes the impact of a one-percentage point change in the health care cost trend rate; however, there can be no certainty that a change would be limited to only one percentage point.

Valuation of Intangible Assets — Abbott has acquired and continues to acquire significant intangible assets that Abbott records at fair value. Transactions involving the purchase or sale of intangible assets occur with some frequency between companies in the health care field and valuations are usually based on a discounted cash flow analysis. The discounted cash flow model requires assumptions about the timing and amount of future net cash flows, risk, cost of capital, terminal values and market participants. Each of these factors can significantly affect the value of the intangible asset. Abbott engages independent valuation experts who review Abbott's critical assumptions and calculations for acquisitions of significant intangibles. Abbott reviews definite-lived intangible assets for impairment each quarter using an undiscounted net cash flows approach. If the undiscounted cash flows of an intangible asset are less than

the carrying value of an intangible asset, the intangible asset is written down to its fair value, which is usually the discounted cash flow amount. Where cash flows cannot be identified for an individual asset, the review is applied at the lowest group level for which cash flows are identifiable. Goodwill and indefinite-lived intangible assets, which relate to in-process research and development acquired in a business combination, are reviewed for impairment annually or when an event that could result in impairment occurs. At December 31, 2014, goodwill amounted to $10.1 billion and intangibles amounted to $6.2 billion, and amortization expense in continuing operations for intangible assets amounted to $555 million in 2014, $588 million in 2013 and $595 million in 2012. There were no impairments of goodwill in 2014, 2013 or 2012. In 2012, Abbott recorded impairment charges of $69 million for certain research and development assets due to changes in the projected development and regulatory timelines for the projects.

Litigation — Abbott accounts for litigation losses in accordance with FASB Accounting Standards Codification No. 450, "Contingencies." Under ASC No. 450, loss contingency provisions are recorded for probable losses at management's best estimate of a loss, or when a best estimate cannot be made, a minimum loss contingency amount is recorded. These estimates are often initially developed substantially earlier than the ultimate loss is known, and the estimates are refined each accounting period as additional information becomes known. Accordingly, Abbott is often initially unable to develop a best estimate of loss, and therefore the minimum amount, which could be zero, is recorded. As information becomes known, either the minimum loss amount is increased, resulting in additional loss provisions, or a best estimate can be made, also resulting in additional loss provisions. Occasionally, a best estimate amount is changed to a lower amount when events result in an expectation of a more favorable outcome than previously expected. Abbott estimates the range of possible loss to be from approximately $70 million to $85 million for its legal proceedings and environmental exposures. Accruals of approximately $80 million have been recorded at December 31, 2014 for these proceedings and exposures. These accruals represent management's best estimate of probable loss, as defined by FASB ASC No. 450, "Contingencies."

Results of Operations

Sales

The following table details the components of sales growth by reportable segment for the last three years:

	Total % Change	Components of % Change		
		Price	Volume	Exchange
Total Net Sales				
2014 vs. 2013	3.0	(1.4)	6.9	(2.5)
2013 vs. 2012	3.2	(0.6)	5.9	(2.1)
Total U.S.				
2014 vs. 2013	(1.4)	(3.9)	2.5	—
2013 vs. 2012	(0.5)	(0.8)	0.3	—
Total International				
2014 vs. 2013	5.0	(0.2)	8.9	(3.7)
2013 vs. 2012	5.0	(0.6)	8.7	(3.1)
Established Pharmaceutical Products Segment				
2014 vs. 2013	9.0	2.1	12.8	(5.9)
2013 vs. 2012	3.3	0.8	6.7	(4.2)
Nutritional Products Segment				
2014 vs. 2013	3.2	0.8	4.2	(1.8)
2013 vs. 2012	4.3	3.2	2.2	(1.1)
Diagnostic Products Segment				
2014 vs. 2013	3.9	(0.9)	7.3	(2.5)
2013 vs. 2012	5.9	(2.5)	10.8	(2.4)
Vascular Products Segment				
2014 vs. 2013	(0.9)	(6.4)	6.9	(1.4)
2013 vs. 2012	(1.9)	(6.2)	6.2	(1.9)

The increases in Total Net Sales in 2014 and 2013 reflect unit growth, partially offset by the impact of unfavorable foreign exchange. The price declines related to Vascular Products sales in 2014 and 2013 primarily reflect pricing pressure on drug eluting stents and other coronary products as a result of market competition in the U.S. and other major markets. The impact of reimbursement reductions by the Centers for Medicare and Medicaid Services on Abbott's Diabetes Care business also contributed to the overall 3.9% price decline in the U.S. in 2014.

A comparison of significant product and product group sales is as follows. Percent changes are versus the prior year and are based on unrounded numbers.

(dollars in millions)	2014	Total Change	Impact of Exchange	Total Change Excl. Exchange
Total Established Pharmaceuticals				
Key Emerging Markets	$ 2,308	1%	(7)%	8%
Other Emerging Markets	810	39	(4)	43
Nutritionals —				
International Pediatric Nutritionals	2,357	5	(2)	7
U.S. Pediatric Nutritionals	1,521	(1)	—	(1)
International Adult Nutritionals	1,761	10	(4)	14
U.S. Adult Nutritionals	1,314	(3)	—	(3)
Diagnostics —				
Immunochemistry	3,614	5	(2)	7
Vascular Products (1) —				
Drug Eluting Stents (DES) and Bioresorbable Vascular Scaffold (BVS) products	1,463	(6)	(1)	(5)
Other Coronary Products	580	—	(1)	1
Endovascular	527	11	(1)	12

(1) Other Coronary Products include primarily guidewires and balloon catheters. Endovascular includes vessel closure, carotid stents and other peripheral products.

(dollars in millions)	2013	Total Change	Impact of Exchange	Total Change Excl. Exchange
Total Established Pharmaceuticals				
Key Emerging Markets	$ 2,281	1%	(5)%	6%
Other Emerging Markets	581	13	(1)	14
Nutritionals —				
International Pediatric Nutritionals	2,257	9	(1)	10
U.S. Pediatric Nutritionals	1,532	2	—	2
International Adult Nutritionals	1,601	8	(3)	11
U.S. Adult Nutritionals	1,350	(3)	—	(3)
Diagnostics —				
Immunochemistry	3,458	5	(3)	8
Vascular Products (2) —				
Drug Eluting Stents (DES) and Bioresorbable Vascular Scaffold (BVS) products	1,563	(2)	(3)	1
Other Coronary Products	579	(3)	(1)	(2)
Endovascular	475	5	—	5

(2) Other Coronary Products include primarily guidewires and balloon catheters. Endovascular includes vessel closure, carotid stents and other peripheral products.

Excluding the unfavorable effect of exchange, total Established Pharmaceutical Products sales increased 14.9 percent in 2014 and 7.5 percent in 2013. The Established Pharmaceutical Products segment is focused on several key emerging markets including India, Russia, China and Brazil. Excluding the effect of exchange, sales in these key emerging markets increased 7.7 percent in 2014 and 6.0 percent in 2013. Excluding the effect of exchange, sales in Established Pharmaceuticals' other emerging markets increased 43.1 percent in 2014 and increased 14.4 percent in 2013. The increase in 2014 includes the impact of the acquisition of CFR Pharmaceuticals in September 2014. Excluding sales from CFR and the effects of exchange, revenues increased 7.9% in 2014.

Excluding the unfavorable effect of exchange, total Nutritional Products sales increased 5.0 percent in 2014 and 5.4 percent in 2013. International Pediatric Nutritional sales increased in 2014 and 2013 due primarily to volume growth in developing countries. A supplier's recall of product in August 2013 in certain international markets negatively impacted International Pediatric Nutritional sales in the third and fourth quarters of 2013, as well as the first two quarters of 2014. While there were no health issues associated with this supplier recall and the supplier subsequently determined that the product had been safe for consumption, this event created significant disruption in these markets. The decline in 2014 U.S. Pediatric Nutritional sales primarily reflects lower infant formula revenue. U.S. Pediatric sales were flat in 2013 due to lower formula share, partially offset by higher sales of toddler products.

The 2014 and 2013 increases in International Adult Nutritional sales are due primarily to volume growth in developing countries and were negatively impacted by the effect of the relatively stronger U.S. dollar. The decrease in 2014 U.S. Adult Nutritional sales reflects a decline in performance nutrition, as well as weakness in the institutional market segment. The 3.1 percent decline in 2013 U.S. Adult Nutritional sales reflects Abbott's exit from certain non-core business lines as part of the business' margin improvement initiative; most of the sales decline resulting from this exit was offset by higher *Ensure* revenues.

Excluding the unfavorable effect of exchange, total Diagnostic Products sales increased 6.4 percent in 2014 and 8.3 percent in 2013. The sales increases reflect unit growth across geographical regions. 2014 and 2013 sales of immunochemistry products, the largest category in this segment, reflect continued execution of Abbott's strategy to deliver integrated solutions to large healthcare customers.

Excluding the unfavorable effect of exchange, total Vascular Products sales were virtually flat in 2014 and 2013. In 2014, growth of Abbott's *Mitraclip* structural heart product and Endovascular business, including *Supera* peripheral stent, as well as increased penetration of the *Absorb* bioresorbable vascular scaffold in various international markets, was offset by decline in sales of DES products due to year-over-year decreases in the U.S. DES market and in market share. In 2013, growth in international markets, driven by continued share gains in key geographies of *XIENCE Xpedition* and *Absorb*, was offset by declines in the U.S. market due to the negative impact of pricing pressure and a decline in procedures due to market conditions, as well as the expected decline of certain royalty revenues.

Abbott has periodically sold product rights to non-strategic products and has recorded the related gains in net sales in accordance with Abbott's revenue recognition policies as discussed in Note 1 to the consolidated financial statements. Related net sales were not significant in 2014, 2013 and 2012.

The expiration of licenses and patent protection can affect the future revenues and operating income of Abbott. There are currently no significant patent or license expirations in the next three years that are expected to affect Abbott.

Operating Earnings

Gross profit margins were 51.7 percent of net sales in 2014, 50.2 percent in 2013 and 50.2 percent in 2012. The gross profit margin improvement in 2014 reflects higher margins in the Nutritional, Diagnostics, and Vascular Products segments. The gross profit margin in 2013 remained relatively unchanged versus the

prior year as improved margins in the Nutritional and Diagnostics Products segments were offset by margin declines in Established Pharmaceuticals and Vascular Products due to pricing pressures and product mix as well as the impact of unfavorable foreign exchange across segments.

In the U.S., states receive price rebates from manufacturers of infant formula under the federally subsidized Special Supplemental Nutrition Program for Women, Infants, and Children. There are also rebate programs for pharmaceutical products in numerous countries. These rebate programs continue to have a negative effect on the gross profit margins of the Nutritional and Established Pharmaceutical Products segments.

Research and development expense was $1.345 billion in 2014, $1.371 billion in 2013, and $1.461 billion in 2012 and represented a 1.9 percent decrease in 2014, and a 6.2 percent decrease in 2013. The 2014 decrease in research and development expenses primarily reflects lower investment due to the completion of several programs in the Vascular business. In 2014, research and development expenditures totaled $268 million for the Vascular Products segment, $432 million for the Diagnostics Products segment, $129 million for the Established Pharmaceutical Products segment, and $191 million for the Nutritional Products segment.

Selling, general and administrative expenses increased 2.5 percent in 2014 and decreased 5.4 percent in 2013 versus the respective prior year. The 2014 increase reflects an increase in restructuring costs associated with cost reduction initiatives and deal and other expenses related to recent acquisitions, partially offset by continued prudent cost management. The 2013 decrease reflects the transfer of certain 2012 corporate costs to AbbVie in the separation as well as certain information technology and other back office support costs that were charged to AbbVie in 2013 under transition services agreements. Prudent cost management and a reduction in restructuring costs also contributed to the decrease.

Business Acquisitions

In September, 2014, Abbott completed the acquisition of the controlling interest in CFR Pharmaceuticals S.A. (CFR) for approximately $2.9 billion in cash ($2.8 billion net of CFR cash on hand at closing). Including the assumption of approximately $570 million of debt, the total cost of the acquisition was $3.4 billion. The acquisition of CFR more than doubles Abbott's branded generics pharmaceutical presence in Latin America and further expands its presence in emerging markets. CFR's financial results are included in Abbott's financial statements beginning on September 26, 2014, the date that Abbott acquired control of this business. Abbott owns 99.9% of the outstanding ordinary shares of CFR. The fair value of the non-controlling interest at the acquisition date was approximately $3 million. The acquisition was funded with cash and cash equivalents and short-term investments. The preliminary allocation of the fair value of the acquisition is shown in the table below. The allocation of the fair value of the acquisition will be finalized when the valuation is completed.

(in billions)	
Acquired intangible assets, non-deductible	$ 1.80
Goodwill, non-deductible	1.59
Acquired net tangible assets	0.07
Deferred income taxes recorded at acquisition	(0.54)
Total preliminary allocation of fair value	$ 2.92

Acquired intangible assets consist primarily of product rights for currently marketed products and are amortized over 12 to 16 years (average of 15 years). The goodwill is primarily attributable to intangible assets that do not qualify for separate recognition. The goodwill is identifiable to the Established Pharmaceutical Products segment. The acquired tangible assets consist primarily of cash and cash equivalents of approximately $94 million, trade accounts receivable of approximately $179 million, inventory of approximately $177 million, other current assets of approximately $51 million, property and

equipment of approximately $214 million, and other long-term assets of approximately $138 million. Assumed liabilities consist of borrowings of approximately $570 million, trade accounts payable and other current liabilities of approximately $192 million and other noncurrent liabilities of approximately $15 million.

Annualized net sales for CFR Pharmaceuticals are expected to total approximately $800 million. Had the acquisition of CFR Pharmaceuticals taken place on January 1, 2013, the consolidated net sales and earnings of Abbott would not have been significantly different from the reported amounts.

In December 2014, Abbott acquired control of Veropharm, a leading Russian pharmaceutical company for approximately $315 million excluding assumed debt. Through this acquisition, Abbott establishes a manufacturing footprint in Russia and obtains a portfolio of medicines that is well aligned with Abbott's current pharmaceutical therapeutic areas of focus. Abbott acquired control of Veropharm through its purchase of Limited Liability Company Garden Hills, the holding company that owns approximately 98 percent of Veropharm. Including the assumption of approximately $90 million of debt and a minority interest with a fair value of $5 million, the total value of the acquired business was approximately $410 million. The preliminary allocation of the fair value of the acquisition resulted in definite lived intangible assets of approximately $120 million, goodwill of approximately $60 million, and net deferred tax liabilities of approximately $35 million. The goodwill is identifiable to the Established Pharmaceutical Products segment. Additionally, Abbott acquired property, plant, and equipment of approximately $185 million, accounts receivable of approximately $45 million, inventory of approximately $25 million, and other assets of approximately $10 million. Acquired intangible assets consist of developed technology and are being amortized over 16 years.

In December 2014, Abbott completed the acquisition of Topera, Inc. for approximately $250 million in cash, plus additional payments up to $300 million to be made upon completion of certain regulatory and sales milestones. The acquisition of Topera provides Abbott a foundational entry in the electrophysiology market. The preliminary allocation of the fair value of the acquisition resulted in non-deductible acquired in-process research and development of approximately $20 million, which is accounted for as an indefinite-lived intangible asset until regulatory approval or discontinuation, non-deductible definite-lived intangibles assets of approximately $325 million, non-deductible goodwill of approximately $190 million, net deferred tax liabilities of approximately $120 million, and contingent consideration of approximately $165 million. The preliminary fair value of the contingent consideration was determined based on an independent appraisal. Acquired intangible assets consist of developed technology and trademarks, and are being amortized over 16 years.

The preliminary allocations of the fair value of these acquisitions will be finalized when valuations are completed. Had the aggregate of the above acquisitions taken place on January 1, 2013, consolidated net sales and income would not have been significantly different from reported amounts.

In August 2013, Abbott acquired 100 percent of IDEV Technologies, net of debt, for $310 million, in cash. The acquisition of IDEV Technologies expands Abbott's endovascular portfolio. The final allocation of the fair value of the acquisition resulted in non-deductible acquired in-process research and development of approximately $170 million which is accounted for as an indefinite-lived intangible asset until regulatory approval or discontinuation, non-deductible definite-lived intangible assets of approximately $66 million, non-deductible goodwill of approximately $112 million and net deferred tax liabilities of $47 million. Acquired intangible assets consist of developed technology and are being amortized over 11 years.

In August 2013, Abbott acquired 100 percent of OptiMedica for $260 million, in cash, plus additional payments up to $150 million to be made upon completion of certain development, regulatory and sales milestones. The acquisition of OptiMedica provides Abbott with an immediate entry point into the laser assisted cataract surgery market. The final allocation of the fair value of the acquisition resulted in non-deductible definite-lived intangible assets of approximately $160 million, non-deductible acquired

in-process research and development of approximately $60 million which is accounted for as an indefinite-lived intangible asset until regulatory approval or discontinuation, non-deductible goodwill of approximately $130 million, net deferred tax liabilities of $49 million and contingent consideration of approximately $70 million. The fair value of the contingent consideration was determined based on an independent appraisal. Acquired intangible assets consist primarily of developed technology that is being amortized over 18 years.

Restructurings

In 2014, Abbott management approved plans to streamline operations in order to reduce costs and improve efficiencies in various Abbott businesses including nutritional and established pharmaceuticals businesses. Abbott recorded employee related severance and other charges of approximately $164 million in 2014. Approximately $20 million is recognized in Cost of products sold, $53 million is recognized in Research and development and approximately $91 million is recognized in Selling, general and administrative expense. Additional charges of approximately $39 million in 2014 were also recorded primarily for accelerated depreciation.

In 2014 and 2013, Abbott management approved plans to reduce costs and improve efficiencies across various functional areas as well as a plan to streamline certain manufacturing operations in order to reduce costs and improve efficiencies in Abbott's established pharmaceuticals business. In addition, in 2012, Abbott management approved plans to streamline various commercial operations in order to reduce costs and improve efficiencies in Abbott's core diagnostics, established pharmaceutical and nutritionals businesses. Abbott recorded employee related severance charges of approximately $125 million in 2014, $78 million in 2013 and $167 million in 2012. Approximately $7 million in 2014, $14 million in 2013 and $48 million in 2012 are recognized in Cost of products sold, $6 million is recognized in Research and development in 2014, and approximately $112 million in 2014, $32 million in 2013 and $48 million in 2012 recognized as Selling, general and administrative expense. The remaining charges of $32 million in 2013 and $71 million in 2012 are related to Abbott's developed market established pharmaceutical business and are being recognized in the results of discontinued operations. Additional charges of approximately $4 million in 2013 and $22 million in 2012 were also recorded primarily for accelerated depreciation.

In 2013 and prior years, Abbott management approved plans to realign its worldwide pharmaceutical and vascular manufacturing operations and selected domestic and international commercial and research and development operations in order to reduce costs. In 2013, Abbott recorded employee severance charges of approximately $11 million. Approximately $11 million in 2013 is classified as Cost of products sold. An additional $41 million and $110 million were recorded in 2013 and 2012, respectively, relating to these restructurings, primarily for accelerated depreciation.

In 2012 and 2010, Abbott management approved restructuring plans primarily related to the acquisition of Solvay's pharmaceuticals business. These plans streamline operations, improve efficiencies and reduce costs in certain Solvay sites and functions as well as in certain Abbott and Solvay commercial organizations in various countries. In 2012, Abbott recorded a charge of approximately $150 million for employee severance and contractual obligations, primarily related to the exit from a research and development facility. These charges are related to businesses transferred to AbbVie and are being recognized in the results of discontinued operations. The accrued restructuring reserves of $115 million at December 31, 2012 related to these actions were transferred to AbbVie on January 1, 2013 as part of the separation. As such, there are no remaining accruals being reported in Abbott's balance sheet as of December 31, 2013.

Interest expense and Interest (income)

In 2014, interest expense increased due to a higher level of short-term borrowings during the year. In 2013, interest expense decreased due to a lower level of borrowings, which resulted from the transfer of

approximately $14.6 billion of debt to AbbVie as part of the separation. In 2012, interest expense included bridge facility fees related to the separation of AbbVie from Abbott. Interest income increased in 2014 due to a higher return earned on short-term investments during the year, while in 2013 interest income increased as a result of a higher level of investments.

Other (income) expense, net

Other (income) expense, net, for 2014 includes charges associated with the impairment of certain equity investments partially offset by gains on sales of investments; 2013 includes gains on sales of investments; and 2012 includes approximately $40 million of income from the resolution of a contractual agreement.

Net Loss on Extinguishment of Debt

In 2014, Abbott extinguished approximately $500 million of long-term debt assumed as part of the CFR Pharmaceuticals acquisition and incurred a cost of $18.3 million to extinguish this debt. In 2012, Abbott extinguished $7.7 billion of long-term debt and incurred a cost of $1.35 billion to extinguish this debt, net of gains from the unwinding of interest rate swaps related to the debt.

Taxes on Earnings

The income tax rates on earnings from continuing operations were 31.6 percent in 2014, 2.6 percent in 2013 and 207.7 percent in 2012. In 2014, taxes on earnings from continuing operations include $440 million of tax expense associated with a one-time repatriation of 2014 non-U.S. earnings partially offset by $125 million of tax benefits related to the resolution of various tax positions and the adjustment of tax uncertainties from prior years. 2013 taxes on earnings from continuing operations include $230 million of tax benefit related to the resolution of various tax positions from previous years. In addition, as a result of the American Taxpayer Relief Act of 2012 signed into law in January 2013, Abbott recorded a tax benefit to taxes on continuing operations of approximately $103 million in 2013 for the retroactive extension of the research tax credit and the look-through rules of section 954(c)(6) of the Internal Revenue Code to the beginning of 2012. Taxes on earnings from continuing operations in 2012 reflect the $472 million effect of the tax rate applied to Abbott's net debt extinguishment loss, as well as the recognition of $212 million of tax benefits as a result of the favorable resolution of various tax positions pertaining to a prior year. Exclusive of these discrete items, tax expense in 2013 and 2012 were favorably impacted by lower tax rates and tax exemptions on foreign income primarily derived from operations in Puerto Rico, Switzerland, Ireland, the Netherlands, and Singapore. Abbott benefits from a combination of favorable statutory tax rules, tax rulings, grants, and exemptions in these tax jurisdictions. See Note 14 to the consolidated financial statements for a full reconciliation of the effective tax rate to the U.S. federal statutory rate.

Abbott has accrued U.S. taxes on approximately $2.2 billion of 2014 earnings generated outside the U.S. in connection with a repatriation of these earnings. In addition to the $440 million of tax expense discussed above, the repatriation resulted in $82 million of additional tax expense in Abbott's 2014 income from discontinued operations. Abbott expects to accelerate the utilization of deferred tax assets and therefore cash taxes due in the U.S. on this repatriation are not expected to be material.

Discontinued Operations and Separation of AbbVie Inc.

On November 28, 2012, Abbott's board of directors declared a special dividend distribution of all of the outstanding shares of common stock of AbbVie Inc. (AbbVie), the company formed to hold Abbott's research-based proprietary pharmaceuticals business. For each Abbott common share held at the close of business on December 12, 2012, Abbott shareholders received one share of AbbVie stock on January 1, 2013. Abbott has received a ruling from the Internal Revenue Service that the separation qualifies as a tax-free distribution to Abbott and its U.S. shareholders for U.S. federal income tax purposes.

The historical operating results of the research-based proprietary pharmaceuticals business prior to separation are excluded from Earnings from Continuing Operations and are presented on the Earnings from Discontinued Operations line. Discontinued operations include the results of AbbVie's business except for certain corporate overhead costs and certain costs associated with transition services that will be provided by Abbott to AbbVie. Discontinued operations also include other costs incurred by Abbott to separate AbbVie as well as an allocation of interest assuming a uniform ratio of consolidated debt to equity for all of Abbott's historical operations. The assets, liabilities, and cash flows of the research-based proprietary pharmaceuticals business are included in Abbott's Consolidated Balance Sheet and its Consolidated Statements of Cash Flows for periods prior to January 1, 2013.

Net assets of $2.7 billion were transferred to AbbVie as part of the separation on January 1, 2013. In addition, approximately $1 billion of accumulated other comprehensive losses, net of income taxes, primarily related to the pension and other benefit plan net liabilities as well as foreign translation was transferred to AbbVie.

In 2013, discontinued operations includes a favorable adjustment to tax expense of $193 million as a result of the resolution of various tax positions pertaining to 2010 related to AbbVie's operations.

Abbott and AbbVie entered into transitional services agreements prior to the separation pursuant to which Abbott and AbbVie are providing various services to each other on an interim transitional basis. Transition services may be provided for up to 24 months with an option for a one-year extension by the recipient. Services being provided by Abbott include certain information technology and back office support. Billings by Abbott under these transitional services agreements are recorded as a reduction of the costs to provide the respective service in the applicable expense category in the Consolidated Statement of Earnings. This transitional support will enable AbbVie to establish its stand-alone processes for various activities that were previously provided by Abbott and does not constitute significant continuing support of AbbVie's operations.

For a small portion of AbbVie's operations, the legal transfer of AbbVie's assets (net of liabilities) did not occur with the separation of AbbVie on January 1, 2013 due to the time required to transfer marketing authorizations and other regulatory requirements in each of these countries. Under the terms of the separation agreement with Abbott, AbbVie is subject to the risks and entitled to the benefits generated by these operations and assets. The majority of these operations were transferred to AbbVie in 2013 and 2014 with the remainder expected to be transferred in 2015. These assets and liabilities have been presented as held for disposition in the Consolidated Balance Sheet. At December 31, 2014, the assets and liabilities held for disposition consist of trade accounts receivable of $79 million, inventories of $45 million, equipment of $3 million, other assets of $30 million, trade accounts payable and accrued liabilities of $277 million. Abbott's obligation to transfer the net liabilities held for disposition to AbbVie of $120 million is included in other prepaid assets.

Abbott has retained all liabilities for all U.S. federal and foreign income taxes on income prior to the separation, as well as certain non-income taxes attributable to AbbVie's business. AbbVie generally will be liable for all other taxes attributable to its business. In connection with the separation, Abbott has adjusted its employee stock compensation awards and separated its defined benefit programs for pensions and post-employment medical and dental benefit plans. See notes 9 and 13 for additional information.

In July 2014, Abbott announced that it will sell its developed markets branded generics pharmaceuticals business to Mylan Inc. (Mylan) for equity ownership of a newly formed entity that will combine Mylan's existing business and Abbott's developed markets pharmaceuticals business, and will be publicly traded. Historically, this business was included in Abbott's Established Pharmaceutical Products segment. Abbott will retain its branded generics pharmaceuticals business in emerging markets. At the close of this transaction, Abbott and Mylan entered into transitional services agreements pursuant to which Abbott and Mylan will provide various back office support services to each other on an interim transitional basis. Transition services may be provided for up to 2 years. Charges by Abbott under these transitional

services agreements will be recorded as a reduction of the costs to provide the respective service in the applicable expense category in the Consolidated Statement of Earnings. This transitional support will not constitute significant continuing support of Mylan's operations. Abbott also entered into manufacturing supply agreements with Mylan related to certain products, with the supply term ranging from 3 to 10 years and requiring a 2 year notice prior to termination. The cash flows associated with these transitional service and manufacturing supply agreements are not expected to be significant.

In November 2014, Abbott entered into an agreement to sell its animal health business to Zoetis Inc. This transaction closed on February 10, 2015.

As a result of the disposition of the above businesses and the separation of AbbVie, the current and prior years operating results of these businesses are reported as part of discontinued operations on the Earnings from Discontinued Operations, net of tax line in the Consolidated Statement of Earnings. Discontinued operations include an allocation of interest expense assuming a uniform ratio of consolidated debt to equity for all of Abbott's historical operations.

The operating results of Abbott's developed markets branded generics pharmaceuticals and animal health businesses and as well as the businesses transferred to Abbvie noted above, which are being reported as discontinued operations are as follows:

	Year Ended December 31		
(in millions)	2014	2013	2012
Net Sales			
Developed markets generics pharmaceuticals and animal health businesses	$ 2,076	$ 2,191	$ 2,444
AbbVie	—	—	18,380
Total	$ 2,076	$ 2,191	$ 20,824
Earnings Before Tax			
Developed markets generics pharmaceuticals and animal health businesses	$ 505	$ 480	$ 525
AbbVie	—	—	5,958
Total	$ 505	$ 480	$ 6,483
Net Earnings			
Developed markets generics pharmaceuticals and animal health businesses	$ 397	$ 395	$ 342
AbbVie	166	193	5,384
Total	$ 563	$ 588	$ 5,726

The year-over-year decline in net sales related to the developed markets branded generics pharmaceuticals business was driven primarily by the impact of declining prices and the unfavorable impact of changes in foreign currency exchange rates.

Research and Development Programs

Abbott currently has numerous pharmaceutical, medical devices, diagnostic and nutritional products in development.

Research and Development Process

In the Established Pharmaceuticals segment, the development process focuses on the geographic expansion and continuous improvement of the segment's existing products to provide benefits to patients

and customers. As Established Pharmaceuticals does not actively pursue primary research, development usually begins with work on existing products or after the acquisition of an advanced stage licensing opportunity.

Depending upon the product, the phases of development may include:

- Drug product development.
- Phase I bioequivalence studies to compare a future Established Pharmaceutical's brand with an already marketed compound with the same active pharmaceutical ingredient (API).
- Phase II studies to test the efficacy of benefits in a small group of patients.
- Phase III studies to broaden the testing to a wider population that reflects the actual medical use.
- Phase IV and other post-marketing studies to obtain new clinical use data on existing products within approved indications.

The specific requirements (e.g. scope of clinical trials) for obtaining regulatory approval vary across different countries and geographic regions. The process may range from one year for a bioequivalence study project to 6 or more years for complex formulations, new indications, or geographic expansion in specific countries, such as China.

In the Diagnostics segment, the phases of the research and development process include:

- Discovery which focuses on identification of a product that will address a specific therapeutic area, platform, or unmet clinical need.
- Concept/Feasibility during which the materials and manufacturing processes are evaluated, testing may include product characterization and analysis is performed to confirm clinical utility.
- Development during which extensive testing is performed to demonstrate that the product meets specified design requirements and that the design specifications conform to user needs and intended uses.

The regulatory requirements for diagnostic products vary across different countries and geographic regions. In the U.S., the FDA classifies diagnostic products into classes (I, II, or III) and the classification determines the regulatory process for approval. While the Diagnostics segment has products in all three classes, the vast majority of its products are categorized as Class I or Class II. Submission of a separate regulatory filing is not required for Class I products. Class II devices typically require pre-market notification to the FDA through a regulatory filing known as a 510(k) submission. Most Class III products are subject to the FDA's Pre-Marketing Approval (PMA) requirements. Other Class III products, such as those used to screen blood, require the submission and approval of a Biological License Application (BLA).

In the EU, diagnostic products are also categorized into different categories and the regulatory process, which is governed by the European InVitro Diagnostic Medical Device Directive, depends upon the category. Certain product categories require review and approval by an independent company, known as a Notified Body, before the manufacturer can affix a CE mark to the product to show compliance with the Directive. Other products only require a self-certification process.

In the Vascular segment, the research and development process begins with research on a specific technology that is evaluated for feasibility and commercial viability. If the research program passes that hurdle, it moves forward into development. The development process includes evaluation and selection of a product design, completion of clinical trials to test the product's safety and efficacy, and validation of the manufacturing process to demonstrate its repeatability and ability to consistently meet pre-determined specifications.

Similar to the diagnostic products discussed above, in the U.S., vascular products are classified as Class I, II, or III. Most of Abbott's vascular products are classified as Class II devices that follow the 510(k) regulatory process or Class III devices that are subject to the PMA process.

In the EU, vascular products are also categorized into different classes and the regulatory process, which is governed by the European Medical Device Directive, varies by class. Each product must bear a CE mark to show compliance with the Directive. Some products require submission of a design dossier to the appropriate regulatory authority for review and approval prior to CE marking of the device. For other products, the company is required to prepare a technical file which includes testing results and clinical evaluations but can self-certify its ability to apply the CE mark to the product. Outside the U.S. and the EU, the regulatory requirements vary across different countries and regions.

After approval and commercial launch of some vascular products, post-market trials may be conducted either due to a conditional requirement of the regulatory market approval or with the objective of proving product superiority.

In the Nutritional segment, the research and development process generally focuses on identifying and developing ingredients and products that address the nutritional needs of particular populations (e.g., infants, athletes) or patients (e.g., people with diabetes). Depending upon the country and/or region, if claims regarding a product's efficacy will be made, clinical studies typically must be conducted.

In the U.S., the FDA requires that it be notified of proposed new formulations and formulation or packaging changes related to infant formula products. Prior to the launch of an infant formula or product packaging change, the company is required to obtain the FDA's confirmation that it has no objections to the proposed product or packaging. For other nutrition products, notification or pre-approval from the FDA is not required unless the product includes a new food additive. In some countries, regulatory approval may be required for certain nutritional products, including infant formula and medical nutritional products.

Areas of Focus

In 2015 and beyond, Abbott's significant areas of therapeutic focus will include the following:

Established Pharmaceuticals — Abbott focuses on building country specific portfolios made up of global and local pharmaceutical brands that best meet the needs of patients in each country. More than 300 branded generic development projects are active for one or several emerging markets. Over the next several years, Established Pharmaceuticals plans to expand its product portfolio in its key markets through the development and launch of new branded generics with the aim to be among the first to market with a new branded generic for a particular pharmaceutical product, further geographic expansion of existing brands, new product enhancements, and strategic licensing activities. Abbott is also actively working on development plans for several key brands such as Creon, Duphaston and Influvac. Depending on the product, the development activities focus on new data, markets, formulations, combinations or indications.

Vascular — Ongoing projects in the pipeline include:

- *XIENCE Alpine*, our newest drug-eluting stent (DES), received US FDA approval in September 2014 and is the only DES with an indication for chronic total occlusions (CTOs). *XIENCE Alpine* was also approved for sale in Europe, Japan and parts of Latin America in 2014.

- *Absorb*, the world's first drug eluting bioresorbable vascular scaffold (BVS) device for the treatment of coronary artery disease that is gradually resorbed into the vessel wall. In 2014, Abbott completed enrollment of patients in clinical trials for regulatory approval in the US and China, and enrollment for trials in Japan was completed in the fourth quarter of 2013. Abbott initiated a trial with the objective of demonstrating that Absorb is more cost-effective and provides the patient a higher

quality of life than a permanent, metallic drug eluting stent. Abbott is also actively working on the development of future generations of BVS technologies.

- *MitraClip* device for the treatment of mitral regurgitation (MR). *MitraClip* is available in the U.S., Europe, parts of Asia, the Middle East and Latin America for patients with significant symptomatic degenerative MR who are at prohibitive risk for mitral valve surgery. Abbott continued clinical development of the *MitraClip* therapy including the COAPT trial, a prospective, randomized trial in the United States that will evaluate the impact of *MitraClip* treatment on the progression of heart failure. In addition, Abbott continues to work on the development of the next generation system for the treatment of MR.

- *Supera* self-expanding nitinol stent system which was acquired as part of the acquisition of IDEV Technologies in August 2013. With its proprietary interwoven wire technology, *Supera* is designed based on biomimetic principles to mimic the body's natural movement. *Supera* received US FDA approval in March 2014 for treatment of the superficial femoral and proximal popliteal arteries, which are the main arteries in the thigh that supply blood to lower extremities. *Supera* is also available in Europe, parts of Asia, the Middle East and Latin America for the treatment of blockages in blood vessels due to peripheral artery disease (PAD). Abbott continues to work on the development of *Supera* 's size matrix and next generation delivery system.

- Coronary and endovascular guide wires. Abbott's *Versaturn* guide wire received CE regulatory approval in July 2014 and 510(k) clearance in the US in August 2014.

Medical Optics — Abbott is developing a number of new products which are designed to improve patient outcomes for patients undergoing cataract and LASIK surgery. In 2014, Abbott launched the TECNIS® Symfony intraocular lens (IOL) in Europe. TECNIS® Symfony provides an extended continuous range of high-quality vision, including distance, intermediate and near vision, with visual side effects similar to a standard monofocal IOL. A toric version of TECNIS® Symfony that corrects a patient's astigmatism was approved and launched in Europe. In late 2014, Abbott received approval for two new TECNIS® Multifocal Low Add products in the US. The new TECNIS® Multifocal IOLs allow the surgeon to customize treatment based on the patient's vision needs and lifestyle. The TECNIS® OptiBlue Toric IOL was approved in Japan in both standard and preloaded options for treatment of cataract patients with astigmatism. The Compact Intuitiv phacoemulsification system for removing cataract was approved in the US and Europe. Abbott received approval in the US and Europe for cOS 3.0, a new software upgrade, and LOI-12, a new disposable patient interface, for its CATALYS precision femtosecond laser cataract system that together improve surgeon efficiency.

In 2015, Abbott will continue to work to develop and introduce new products including the TECNIS-1 Monofocal IOL in a preloaded insertion system, an upgrade to its Signature phacoemulsification system for cataract removal, an upgrade to its CATALYS laser cataract system that helps surgeons to identify a cataract patient's axis of astigmatism and iDesign, its advanced vision diagnostic and LASIK treatment planning system.

Molecular Diagnostics — Various new molecular in vitro diagnostic (IVD) products and next generation instrument systems are in various stages of development and commercialization. In December 2014, *IRIDICA*, an instrument used to rapidly identify a broad range of infection causing pathogens, including bacteria, fungi, and viruses in critically ill patients, became available in Europe and other CE-Mark recognized countries. Abbott's companion diagnostic program continues to expand and includes collaborative efforts with multiple major pharmaceutical companies.

Core Laboratory Diagnostics — Abbott is working on the development of next-generation blood screening, hematology, and immunochemistry instrument systems, as well as assays in various areas including infectious disease, cardiac care, metabolics, oncology, and automation solutions to increase efficiency in laboratories.

Diabetes Care — In the third quarter of 2014, Abbott received CE Mark in Europe for its FreeStyle Libre Flash Glucose Monitoring System. The system eliminates the need for routine finger pricks by reading glucose levels through a sensor that can be worn on the back of the upper arm for up to 14 days. The FreeStyle Libre System also requires no finger pricks for calibration.

Nutrition — Abbott is focusing its research and development spend on six platforms that span the pediatric, adult and performance nutrition areas: immunity, cognition, lean body mass, inflammation, metabolism and tolerance. Numerous new products that build on advances in these platforms are currently under development, including clinical outcome testing, and are expected to be launched over the coming years.

Given the diversity of Abbott's business, its intention to remain a broad-based healthcare company and the numerous sources for potential future growth, no individual project is expected to be material to cash flows or results of operations over the next five years. Factors considered included research and development expenses projected to be incurred for the project over the next year relative to Abbott's total research and development expenses as well as qualitative factors, such as marketplace perceptions and impact of a new product on Abbott's overall market position. There were no delays in Abbott's 2014 research and development activities that are expected to have a material impact on operations.

While the aggregate cost to complete the numerous projects currently in development is expected to be material, the total cost to complete will depend upon Abbott's ability to successfully complete each project, the rate at which each project advances, and the ultimate timing for completion. Given the potential for significant delays and the high rate of failure inherent in the development of pharmaceutical, medical device and diagnostic products and technologies, it is not possible to accurately estimate the total cost to complete all projects currently in development. Abbott plans to manage its portfolio of projects to achieve research and development spending equal to approximately 6 percent to 7 percent of sales each year. Abbott does not regularly accumulate or make management decisions based on the total expenses incurred for a particular development phase in a given period.

Goodwill

At December 31, 2014, goodwill recorded as a result of business combinations totaled $10.1 billion. Goodwill is reviewed for impairment annually in the third quarter or when an event that could result in an impairment occurs. The results of the last impairment test indicated that the fair value of each reporting unit was substantially in excess of its carrying value except for the Medical Optics unit. While the fair value of the Medical Optics business exceeds its carrying value, extended economic pressure on government-reimbursed cataract procedures in Europe and on the global LASIK surgery business as well as longer regulatory approval timelines for products currently under development, the integration of OptiMedica and the negative impact of foreign currency movements could result in a valuation in the future where the fair value of the Medical Optics unit has declined below its carrying value, thereby triggering the requirement to estimate the implied fair value of the goodwill and measure for impairment.

Financial Condition

Cash Flow

Net cash from operating activities amounted to $3.7 billion, $3.3 billion and $9.3 billion in 2014, 2013 and 2012, respectively. The increase in Net cash from operating activities in 2014 was due to an improvement in operating results as well as lower cash contributions to pension plans. The decrease in cash from operating activities from 2012 to 2013 was due to the separation of AbbVie on January 1, 2013. Net cash from operating activities in 2013 reflects approximately $435 million of one-time net cash outflows related to the separation of AbbVie and $724 million of contributions to defined benefit pension plans. The income tax component of operating cash flow in 2014, 2013 and 2012 includes $268 million, $427 million and $408 million, respectively, of noncash tax benefits primarily related to the favorable

resolution of various tax positions pertaining to prior years and 2013 also includes a $103 million tax benefit for the retroactive impact of U.S. tax law changes, which is expected to be realized in future years. Trade accounts payable and other liabilities in Net cash from operating activities in 2012 includes the payment of approximately $1.5 billion related to a litigation accrual recorded in 2011 related to the business operations of AbbVie. This was partially offset by increases in other liabilities, primarily restructuring reserves.

While over 85% of the cash and cash equivalents at December 31, 2014, is considered reinvested indefinitely in foreign subsidiaries, Abbott does not expect such reinvestment to affect its liquidity and capital resources. If these funds were needed for operations in the U.S., Abbott may be required to accrue and pay U.S. income taxes to repatriate these funds. Abbott believes that it has sufficient sources of liquidity to support its assumption that the disclosed amount of undistributed earnings at December 31, 2014 can be considered to be reinvested indefinitely.

Abbott funded $393 million in 2014, $724 million in 2013 and $379 million in 2012 to defined benefit pension plans. Abbott expects pension funding of approximately $585 million in 2015 for its pension plans, of which approximately $470 million relates to its main domestic pension plans. Abbott expects to fund cash dividends, capital expenditures, and its other investments in its businesses with cash flow from operating activities, cash on hand, short-term investments, and borrowings.

Debt and Capital

At December 31, 2014, Abbott's long-term debt rating was A+ by Standard & Poor's Corporation and A1 by Moody's Investors Service. Abbott has readily available financial resources, including unused lines of credit of $5.0 billion that support commercial paper borrowing arrangements which expire in 2019.

In 2014, Abbott redeemed approximately $500 million of long-term notes that were assumed as part of the acquisition of CFR Pharmaceuticals. In 2012, Abbott redeemed $7.7 billion of long-term notes in preparation for the separation of AbbVie from Abbott and repaid $1 billion of long-term notes that were due in 2012. In addition, AbbVie Inc., a wholly owned subsidiary of Abbott, issued $14.7 billion of long-term notes that were guaranteed by Abbott until AbbVie's separation from Abbott on January 1, 2013.

In September 2014, the board of directors authorized the repurchase of up to $3 billion of Abbott's common shares from time to time. The new authorization is in addition to the $512 million unused portion of a previous program announced in June 2013. Under the program announced in June 2013, the board of directors authorized the purchase of up to $3.0 billion of Abbott's common shares. Under this program, Abbott repurchased 54.6 million shares at a cost of $2.1 billion in 2014 and 10.5 million shares at a cost of $388 million in the last six months of 2013, leaving $512 million unused under this program. In the first six months of 2013, 33.0 million shares were purchased at a cost of approximately $1.2 billion, which was under a previous share repurchase authorization.

Abbott declared dividends of $0.90 per share in 2014 compared to $0.64 per share in 2013, a 40% increase. Dividends paid were $1.342 billion in 2014 compared to $882 million in 2013. The year-over-year change in dividends reflects the impact of the increase in the dividend rate.

Working Capital

The increase of cash and cash equivalents from $3.5 billion at December 31, 2013 to $4.1 billion at December 31, 2014 reflects the increase in cash generated by operating activities as well as the proceeds from the sale of investment securities. Working capital was $4.7 billion at December 31, 2014 and $9.7 billion at December 31, 2013. The decrease in working capital in 2014 was due to a decline in short-term investments and an increase in short-term borrowings primarily to fund recent acquisitions and share repurchases.

Substantially all of Abbott's trade receivables in Italy, Spain, Portugal, and Greece are with governmental health systems. The collection of outstanding receivables in these countries improved in 2014. As a result, governmental receivables in these four countries accounted for less than 1 percent of Abbott's total assets and 9 percent of total net trade receivables as of December 31, 2014, down from 12 percent as of December 31, 2013.

With the exception of Greece, Abbott historically has collected almost all of the outstanding receivables in these countries. Abbott continues to monitor the credit worthiness of customers located in these and other geographic areas and establishes an allowance against a trade receivable when it is probable that the balance will not be collected. In addition to closely monitoring economic conditions and budgetary and other fiscal developments in these countries, Abbott regularly communicates with its customers regarding the status of receivable balances, including their payment plans and obtains positive confirmation of the validity of the receivables. Abbott also monitors the potential for and periodically has utilized factoring arrangements to mitigate credit risk although the receivables included in such arrangements have historically not been a material amount of total outstanding receivables. If government funding were to become unavailable in these countries or if significant adverse changes in their reimbursement practices were to occur, Abbott may not be able to collect the entire balance.

Foreign Currency Developments

Since January 2010, Venezuela has been designated as a highly inflationary economy under U.S. GAAP. In 2014, the government of Venezuela operated multiple mechanisms to exchange bolivars into U.S. dollars. In 2014, Abbott continued to use the official rate of 6.3 Venezuelan bolivars to the U.S. dollar to report the results, financial position, and cash flows related to its operations in Venezuela since Abbott continued to qualify for this exchange rate to pay for the import of various products into Venezuela. Abbott cannot predict whether there will be a devaluation of the Venezuelan bolivar or whether it will continue to be able to exchange bolivars at the 6.3 rate. As of December 31, 2014, Abbott had net monetary assets that are subject to revaluation in Venezuela of approximately $240 million. In 2014, revenue from operations in Venezuela represented approximately 2% of Abbott's total net sales.

Capital Expenditures

Capital expenditures of $1.1 billion in 2014 and 2013 and $1.8 billion in 2012 were principally for upgrading and expanding manufacturing and research and development facilities and equipment in various segments, investments in information technology, and laboratory instruments placed with customers.

Contractual Obligations

The table below summarizes Abbott's estimated contractual obligations as of December 31, 2014.

	Payments Due By Period				
	Total	2015	2016-2017	2018-2019	2020 and Thereafter
			(in millions)		
Long-term debt, including current maturities	$ 3,463	$ 14	$ 59	$ 1,003	$ 2,387
Interest on debt obligations	2,805	180	353	313	1,959
Operating lease obligations	639	161	219	114	145
Capitalized auto lease obligations	41	14	27	—	—
Purchase commitments (a)	2,709	2,089	204	218	198
Other long-term liabilities	1,300	—	792	368	140
Total (b)	$ 10,957	$ 2,458	$ 1,654	$ 2,016	$ 4,829

(a) Purchase commitments are for purchases made in the normal course of business to meet operational and capital expenditure requirements.

(b) Unrecognized tax benefits totaling approximately $1.3 billion are excluded from the table above as Abbott is unable to reasonably estimate the period of cash settlement with the respective taxing authorities on such items. See Note 14 — Taxes on Income for further details. The company has employee benefit obligations consisting of pensions and other postemployment benefits, including medical and life, which have been excluded from the table. A discussion of the company's pension and postretirement plans, including funding matters is included in Note 13 — Post-employment Benefits.

Contingent Obligations

Abbott has periodically entered into agreements with other companies in the ordinary course of business, such as assignment of product rights, which has resulted in Abbott becoming secondarily liable for obligations that Abbott was previously primarily liable. Since Abbott no longer maintains a business relationship with the other parties, Abbott is unable to develop an estimate of the maximum potential amount of future payments, if any, under these obligations. Based upon past experience, the likelihood of payments under these agreements is remote. In addition, Abbott periodically acquires a business or product rights in which Abbott agrees to pay contingent consideration based on attaining certain thresholds or based on the occurrence of certain events.

Legislative Issues

Abbott's primary markets are highly competitive and subject to substantial government regulations throughout the world. Abbott expects debate to continue over the availability, method of delivery, and payment for health care products and services. It is not possible to predict the extent to which Abbott or the health care industry in general might be adversely affected by these factors in the future. A more complete discussion of these factors is contained in Item 1, Business, and Item 1A, Risk Factors, to the Annual Report on Form 10-K.

Recently Issued Accounting Standards

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers*, which provides a single comprehensive model for accounting for revenue from contracts with customers and will supersede most existing revenue recognition guidance. Early adoption is not permitted. The standard becomes effective for Abbott in the first quarter of 2017. Abbott is currently evaluating the effect, if any, that the standard will have on its consolidated financial statements and related disclosures.

Private Securities Litigation Reform Act of 1995 — A Caution Concerning Forward-Looking Statements

Under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, Abbott cautions investors that any forward-looking statements or projections made by Abbott, including those made in this document, are subject to risks and uncertainties that may cause actual results to differ materially from those projected. Economic, competitive, governmental, technological and other factors that may affect Abbott's operations are discussed in Item 1A, Risk Factors, to the Annual Report on Form 10-K.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Financial Instruments and Risk Management

Market Price Sensitive Investments

Abbott holds available-for-sale equity securities from strategic technology acquisitions. The fair value of these investments was approximately $9 million and $26 million as of December 31, 2014 and 2013, respectively. The decrease is due to the sale of securities. Abbott monitors these investments for other than temporary declines in market value, and charges impairment losses to income when an other than temporary decline in value occurs. A hypothetical 20 percent decrease in the share prices of these investments would decrease their fair value at December 31, 2014 by approximately $1 million. (A 20 percent decrease is believed to be a reasonably possible near-term change in share prices.)

Non-Publicly Traded Equity Securities

Abbott holds equity securities from strategic technology acquisitions that are not traded on public stock exchanges. The carrying value of these investments was approximately $100 million and $67 million as of December 31, 2014 and 2013, respectively. No individual investment is recorded at a value in excess of $25 million. Abbott monitors these investments for other than temporary declines in market value, and charges impairment losses to income when an other than temporary decline in estimated value occurs.

Interest Rate Sensitive Financial Instruments

At December 31, 2014 and 2013, Abbott had interest rate hedge contracts totaling $1.5 billion to manage its exposure to changes in the fair value of debt. The effect of these hedges is to change the fixed interest rate to a variable rate for the portion of the debt that is hedged. Abbott does not use derivative financial instruments, such as interest rate swaps, to manage its exposure to changes in interest rates for its investment securities. At December 31, 2014, Abbott had $3.9 billion of domestic commercial paper outstanding with an average annual interest rate of 0.12% with an average remaining life of 36 days. The fair value of long-term debt at December 31, 2014 and 2013 amounted to $4.1 billion and $3.9 billion, respectively (average interest rates of 5.3% and 5.3% as of December 31, 2014 and 2013, respectively) with maturities through 2040. At December 31, 2014 and 2013, the fair value of current and long-term investment securities amounted to approximately $626 million and $4.7 billion, respectively. A hypothetical 100-basis point change in the interest rates would not have a material effect on cash flows, income or fair values. (A 100-basis point change is believed to be a reasonably possible near-term change in rates.)

Foreign Currency Sensitive Financial Instruments

Certain Abbott foreign subsidiaries enter into foreign currency forward exchange contracts to manage exposures to changes in foreign exchange rates for anticipated intercompany purchases by those subsidiaries whose functional currencies are not the U.S. dollar. These contracts are designated as cash flow hedges of the variability of the cash flows due to changes in foreign currency exchange rates and are marked-to-market with the resulting gains or losses reflected in Accumulated other comprehensive income (loss). Gains or losses will be included in Cost of products sold at the time the products are sold, generally within the next twelve to eighteen months. At December 31, 2014 and 2013, Abbott held $1.5 billion and $137 million, respectively, of such contracts. Contracts held at December 31, 2014 will mature in 2015 or 2016 depending upon the contract. Contracts held at December 31, 2013 matured in 2014.

Abbott enters into foreign currency forward exchange contracts to manage its exposure to foreign currency denominated intercompany loans and trade payables and third-party trade payables and receivables. The contracts are marked-to-market, and resulting gains or losses are reflected in income and are generally offset by losses or gains on the foreign currency exposure being managed. At December 31,

2014 and 2013, Abbott held $14.1 billion and $13.8 billion, respectively, of such contracts, which generally mature in the next twelve months.

Abbott has designated foreign denominated short-term debt of approximately $445 million and approximately $505 million as of December 31, 2014 and 2013, respectively, as a hedge of the net investment in a foreign subsidiary. Accordingly, changes in the fair value of this debt due to changes in exchange rates are recorded in Accumulated other comprehensive income (loss), net of tax.

The following table reflects the total foreign currency forward contracts outstanding at December 31, 2014 and 2013:

	2014			2013		
(in millions)	Contract Amount	Weighted Average Exchange Rate	Fair and Carrying Value Receivable/ (Payable)	Contract Amount	Weighted Average Exchange Rate	Fair and Carrying Value Receivable/ (Payable)
Receive primarily U.S. Dollars in exchange for the following currencies:						
Euro	$ 7,574	1.2458	$ 19	$ 6,208	1.3735	$ (4)
British Pound	1,295	1.5790	9	1,181	1.6240	1
Japanese Yen	2,258	115.0311	56	1,865	99.0000	12
Canadian Dollar	371	1.1197	13	191	1.0600	1
All other currencies	4,064	N/A	31	4,446	N/A	(1)
Total	$ 15,562		$ 128	$ 13,891		$ 9

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Abbott Laboratories and Subsidiaries

Consolidated Statement of Earnings
(in millions except per share data)

	Year Ended December 31		
	2014	2013	2012
Net Sales	$ 20,247	$ 19,657	$ 19,050
Cost of products sold, excluding amortization of intangible assets	9,218	9,193	8,899
Amortization of intangible assets	555	588	595
Research and development	1,345	1,371	1,461
Selling, general and administrative	6,530	6,372	6,735
Total Operating Cost and Expenses	17,648	17,524	17,690
Operating Earnings	2,599	2,133	1,360
Interest expense	150	145	320
Interest income	(77)	(67)	(59)
Net loss on extinguishment of debt	18	—	1,351
Net foreign exchange (gain) loss	(24)	46	(31)
Other (income) expense, net	14	(32)	(1)
Earnings (Loss) from Continuing Operations Before Taxes	2,518	2,041	(220)
Taxes on Earnings (Loss) from Continuing Operations	797	53	(457)
Earnings from Continuing Operations	1,721	1,988	237
Earnings from Discontinued Operations, net of tax	563	588	5,726
Net Earnings	$ 2,284	$ 2,576	$ 5,963
Basic Earnings Per Common Share —			
Continuing Operations	$ 1.13	$ 1.27	$ 0.15
Discontinued Operations	0.37	0.37	3.61
Net Earnings	$ 1.50	$ 1.64	$ 3.76
Diluted Earnings Per Common Share —			
Continuing Operations	$ 1.12	$ 1.26	$ 0.15
Discontinued Operations	0.37	0.36	3.57
Net Earnings	$ 1.49	$ 1.62	$ 3.72
Average Number of Common Shares Outstanding Used for Basic Earnings Per Common Share	1,516	1,558	1,575
Dilutive Common Stock Options and Awards	11	16	17
Average Number of Common Shares Outstanding Plus Dilutive Common Stock Options and Awards	1,527	1,574	1,592
Outstanding Common Stock Options Having No Dilutive Effect	1	1	1

The accompanying notes to consolidated financial statements are an integral part of this statement.

Abbott Laboratories and Subsidiaries

Consolidated Statement of Comprehensive Income
(in millions)

	Year Ended December 31		
	2014	2013	2012
Net Earnings	$ 2,284	$ 2,576	$ 5,963
Foreign currency translation (loss) adjustments	(2,206)	(239)	(7)
Net actuarial gains (losses) and prior service cost and credits and amortization of net actuarial losses and prior service cost and credits, net of taxes of $(459) in 2014, $393 in 2013 and $(276) in 2012	(917)	882	(865)
Unrealized (losses) gains on marketable equity securities, net of taxes of $(7) in 2014, $(10) in 2013 and $(4) in 2012	(12)	(18)	(7)
Net gains (losses) on derivative instruments designated as cash flow hedges, net of taxes of $24 in 2014, $(13) in 2013 and $(29) in 2012	94	(53)	(118)
Other Comprehensive Income (Loss)	(3,041)	572	(997)
Comprehensive Income (Loss)	$ (757)	$ 3,148	$ 4,966
Supplemental Accumulated Other Comprehensive Income Information, net of tax as of December 31:			
Cumulative foreign currency translation (loss) adjustments	$ (2,924)	$ (718)	$ (79)
Net actuarial (losses) and prior service (cost) and credits	(2,229)	(1,312)	(3,596)
Cumulative unrealized gains on marketable equity securities	1	13	31
Cumulative gains on derivative instruments designated as cash flow hedges	99	5	50

The accompanying notes to consolidated financial statements are an integral part of this statement.

Abbott Laboratories and Subsidiaries

Consolidated Statement of Cash Flows
(in millions)

	Year Ended December 31		
	2014	2013	2012
Cash Flow From (Used in) Operating Activities:			
Net earnings	$ 2,284	$ 2,576	$ 5,963
Adjustments to reconcile earnings to net cash from operating activities —			
Depreciation	918	928	1,363
Amortization of intangible assets	630	791	1,419
Share-based compensation	246	262	433
Acquired in-process and collaborations research and development	—	—	288
Investing and financing (gains) losses, net	69	4	356
Net loss on extinguishment of debt	18	—	1,351
Trade receivables	(195)	(113)	36
Inventories	(297)	(154)	(417)
Prepaid expenses and other assets	30	131	(35)
Trade accounts payable and other liabilities	(225)	(436)	(134)
Income taxes	197	(665)	(1,309)
Net Cash From Operating Activities	3,675	3,324	9,314
Cash Flow From (Used in) Investing Activities:			
Acquisitions of property and equipment	(1,077)	(1,145)	(1,795)
Acquisitions of businesses and technologies, net of cash acquired	(3,317)	(580)	(706)
Purchases of investment securities	(1,507)	(10,064)	(11,998)
Proceeds from sales of investment securities	5,624	7,839	8,936
Other	75	21	3
Net Cash (Used in) Investing Activities	(202)	(3,929)	(5,560)
Cash Flow From (Used in) Financing Activities:			
Proceeds from issuance of (repayments of) short-term debt and other	1,343	2,086	784
Proceeds from issuance of long-term debt and debt with maturities over 3 months	—	9	14,700
Repayments of long-term debt and debt with maturities over 3 months	(577)	(303)	(11,071)
Acquisition and contingent consideration payments related to business acquisitions	(400)	(495)	(521)
Transfer of cash and cash equivalents to AbbVie Inc.	—	(5,901)	—
Purchases of common shares	(2,195)	(1,605)	(2,364)
Proceeds from stock options exercised, including income tax benefit	429	395	1,850
Dividends paid	(1,342)	(882)	(3,183)
Net Cash (Used in) From Financing Activities	(2,742)	(6,696)	195
Effect of exchange rate changes on cash and cash equivalents	(143)	(26)	40
Net (Decrease) Increase in Cash and Cash Equivalents	588	(7,327)	3,989
Cash and Cash Equivalents, Beginning of Year	3,475	10,802	6,813
Cash and Cash Equivalents, End of Year	$ 4,063	$ 3,475	$ 10,802
Supplemental Cash Flow Information:			
Income taxes paid	$ 448	$ 1,039	$ 1,367
Interest paid	182	148	576

The accompanying notes to consolidated financial statements are an integral part of this statement.

Abbott Laboratories and Subsidiaries

Consolidated Balance Sheet
(dollars in millions)

	December 31	
	2014	2013
Assets		
Current Assets:		
Cash and cash equivalents	$ 4,063	$ 3,475
Investments, primarily bank time deposits and U.S. treasury bills	397	4,623
Trade receivables, less allowances of — 2014: $310; 2013: $312	3,586	3,986
Inventories:		
Finished products	1,807	1,866
Work in process	278	349
Materials	558	478
Total inventories	2,643	2,693
Deferred income taxes	1,705	2,528
Other prepaid expenses and receivables	1,975	1,504
Current assets held for disposition	892	438
Total Current Assets	15,261	19,247
Investments	229	119
Property and Equipment, at Cost:		
Land	457	502
Buildings	2,968	2,994
Equipment	8,480	8,506
Construction in progress	727	868
	12,632	12,870
Less: accumulated depreciation and amortization	6,697	6,965
Net Property and Equipment	5,935	5,905
Intangible Assets, net of amortization	6,198	5,735
Goodwill	10,067	9,772
Deferred Income Taxes and Other Assets	1,651	2,109
Non-current Assets Held for Disposition	1,934	66
	$ 41,275	$ 42,953

Abbott Laboratories and Subsidiaries

Consolidated Balance Sheet
(dollars in millions)

	December 31	
	2014	2013
Liabilities and Shareholders' Investment		
Current Liabilities:		
Short-term borrowings	$ 4,382	$ 3,164
Trade accounts payable	1,064	1,026
Salaries, wages and commissions	776	906
Other accrued liabilities	2,943	3,500
Dividends payable	362	341
Income taxes payable	270	175
Current portion of long-term debt	55	9
Current liabilities held for disposition	680	386
Total Current Liabilities	10,532	9,507
Long-term Debt	3,408	3,388
Post-employment Obligations and other long-term liabilities	5,588	4,784
Non-current liabilities held for disposition	108	7
Commitments and Contingencies		
Shareholders' Investment:		
Preferred shares, one dollar par value Authorized — 1,000,000 shares, none issued	—	—
Common shares, without par value Authorized — 2,400,000,000 shares Issued at stated capital amount — Shares: 2014: 1,694,929,949; 2013: 1,685,827,096	12,383	12,048
Common shares held in treasury, at cost — Shares: 2014: 186,894,515; 2013: 137,728,810	(8,678)	(6,844)
Earnings employed in the business	22,874	21,979
Accumulated other comprehensive income (loss)	(5,053)	(2,012)
Total Abbott Shareholders' Investment	21,526	25,171
Noncontrolling Interests in Subsidiaries	113	96
Total Shareholders' Investment	21,639	25,267
	$ 41,275	$ 42,953

The accompanying notes to consolidated financial statements are an integral part of this statement.

Abbott Laboratories and Subsidiaries

Consolidated Statement of Shareholders' Investment
(in millions except shares and per share data)

	Year Ended December 31		
	2014	2013	2012
Common Shares:			
Beginning of Year			
Shares: 2014: 1,685,827,096; 2013: 1,675,930,484; 2012: 1,638,870,201	$ 12,048	$ 11,755	$ 9,817
Issued under incentive stock programs			
Shares: 2014: 9,102,853; 2013: 9,896,612; 2012: 37,060,283	404	393	1,854
Share-based compensation	245	261	435
Issuance of restricted stock awards	(314)	(361)	(351)
End of Year			
Shares: 2014: 1,694,929,949; 2013: 1,685,827,096; 2012: 1,675,930,484	$ 12,383	$ 12,048	$ 11,755
Common Shares Held in Treasury:			
Beginning of Year			
Shares: 2014: 137,728,810; 2013: 99,262,992; 2012: 68,491,382	$ (6,844)	$ (5,591)	$ (3,688)
Issued under incentive stock programs			
Shares: 2014: 5,818,599; 2013: 5,718,575; 2012: 6,691,748	283	310	363
Purchased			
Shares: 2014: 54,984,304; 2013: 44,184,393; 2012: 37,463,358	(2,117)	(1,563)	(2,266)
End of Year			
Shares: 2014: 186,894,515; 2013: 137,728,810; 2012: 99,262,992	$ (8,678)	$ (6,844)	$ (5,591)
Earnings Employed in the Business:			
Beginning of Year	$ 21,979	$ 24,151	$ 20,907
Net earnings	2,284	2,576	5,963
Separation of AbbVie Inc.	—	(3,735)	—
Cash dividends declared on common shares (per share — 2014: $0.90; 2013: $0.64; 2012: $1.67)	(1,363)	(1,002)	(2,650)
Effect of common and treasury share transactions	(26)	(11)	(69)
End of Year	$ 22,874	$ 21,979	$ 24,151
Accumulated Other Comprehensive Income (Loss):			
Beginning of Year	$ (2,012)	$ (3,594)	$ (2,597)
Separation of AbbVie Inc.	—	1,010	—
Other comprehensive income (loss)	(3,041)	572	(997)
End of Year	$ (5,053)	$ (2,012)	$ (3,594)
Noncontrolling Interests in Subsidiaries:			
Beginning of Year	$ 96	$ 92	$ 86
Noncontrolling Interests' share of income, business combinations, net of distributions and share repurchases	17	4	6
End of Year	$ 113	$ 96	$ 92

The accompanying notes to consolidated financial statements are an integral part of this statement.

Note 1 — Summary of Significant Accounting Policies

NATURE OF BUSINESS — Abbott's principal business is the discovery, development, manufacture and sale of a broad line of health care products.

CHANGES IN PRESENTATION — On January 1, 2013, Abbott completed the separation of AbbVie Inc., which was formed to hold Abbott's research-based proprietary pharmaceuticals business. The historical operating results of the research-based proprietary pharmaceuticals business prior to separation are excluded from Earnings from Continuing Operations and are presented on the Earnings from Discontinued Operations line in Abbott's Consolidated Statement of Earnings. The assets, liabilities, and cash flows of the research-based proprietary pharmaceuticals business are included in Abbott's Consolidated Balance Sheet and its Consolidated Statements of Cash Flows for periods prior to January 1, 2013. See Note 2 for additional information.

In July 2014, Abbott announced that it will sell its developed markets branded generics pharmaceuticals business to Mylan Inc. (Mylan) for equity ownership of a newly formed entity that will combine Mylan's existing business and Abbott's developed markets pharmaceuticals business, and will be publicly traded. The sale of this business closed on February 27, 2015. In November 2014, Abbott entered into an agreement to sell its animal health business to Zoetis Inc. The sale of this business closed on February 10, 2015. The historical operating results of these businesses are excluded from Earnings from Continuing Operations and are presented on the Earnings from Discontinued Operations line in Abbott's Consolidated Statement of Earnings. The assets and liabilities of these businesses are being reported as held for sale in Abbott's Consolidated Balance Sheet at December 31, 2014. The cash flows of these businesses are included in its Consolidated Statements of Cash Flows for all periods presented. See Note 3 — Discontinued Operations for additional information.

BASIS OF CONSOLIDATION — The consolidated financial statements include the accounts of the parent company and subsidiaries, after elimination of intercompany transactions.

USE OF ESTIMATES — The financial statements have been prepared in accordance with generally accepted accounting principles in the United States and necessarily include amounts based on estimates and assumptions by management. Actual results could differ from those amounts. Significant estimates include amounts for sales rebates; income taxes; pension and other post-employment benefits, including certain asset values that are based on significant unobservable inputs; valuation of intangible assets; litigation; derivative financial instruments; and inventory and accounts receivable exposures.

FOREIGN CURRENCY TRANSLATION — The statements of earnings of foreign subsidiaries whose functional currencies are other than the U.S. dollar are translated into U.S. dollars using average exchange rates for the period. The net assets of foreign subsidiaries whose functional currencies are other than the U.S. dollar are translated into U.S. dollars using exchange rates as of the balance sheet date. The U.S. dollar effects that arise from translating the net assets of these subsidiaries at changing rates are recorded in the foreign currency translation adjustment account, which is included in equity as a component of *accumulated other comprehensive income (loss)*. Transaction gains and losses are recorded in earnings and were not significant for any of the periods presented.

REVENUE RECOGNITION — Revenue from product sales is recognized upon passage of title and risk of loss to customers. Provisions for discounts, rebates and sales incentives to customers, and returns and other adjustments are provided for in the period the related sales are recorded. Sales incentives to customers are not material. Historical data is readily available and reliable, and is used for estimating the amount of the reduction in gross sales. Revenue from the launch of a new product, from an improved

Note 1 — Summary of Significant Accounting Policies (Continued)

version of an existing product, or for shipments in excess of a customer's normal requirements are recorded when the conditions noted above are met. In those situations, management records a returns reserve for such revenue, if necessary. In certain of Abbott's businesses, primarily within diagnostics and medical optics, Abbott participates in selling arrangements that include multiple deliverables (e.g., instruments, reagents, procedures, and service agreements). Under these arrangements, Abbott recognizes revenue upon delivery of the product or performance of the service and allocates the revenue based on the relative selling price of each deliverable, which is based primarily on vendor specific objective evidence. Sales of product rights for marketable products are recorded as revenue upon disposition of the rights. Revenue from license of product rights, or for performance of research or selling activities, is recorded over the periods earned.

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers*, which provides a single comprehensive model for accounting for revenue from contracts with customers and will supersede most existing revenue recognition guidance. Early adoption is not permitted. The standard becomes effective for Abbott in the first quarter of 2017. Abbott is currently evaluating the effect, if any, that the standard will have on its consolidated financial statements and related disclosures.

INCOME TAXES — Deferred income taxes are provided for the tax effect of differences between the tax bases of assets and liabilities and their reported amounts in the financial statements at the enacted statutory rate to be in effect when the taxes are paid. U.S. income taxes are provided on those earnings of foreign subsidiaries which are intended to be remitted to the parent company. Deferred income taxes are not provided on undistributed earnings reinvested indefinitely in foreign subsidiaries as working capital and plant and equipment. Interest and penalties on income tax obligations are included in taxes on income.

EARNINGS PER SHARE — Unvested restricted stock that contain non-forfeitable rights to dividends are treated as participating securities and are included in the computation of earnings per share under the two-class method. Under the two-class method, net earnings are allocated between common shares and participating securities. Earnings from Continuing Operations allocated to common shares in 2014, 2013 and 2012 were $1.713 billion, $1.979 billion and $236 million, respectively. Net earnings allocated to common shares in 2014, 2013 and 2012 were $2.273 billion, $2.558 billion and $5.917 billion, respectively.

PENSION AND POST-EMPLOYMENT BENEFITS — Abbott accrues for the actuarially determined cost of pension and post-employment benefits over the service attribution periods of the employees. Abbott must develop long-term assumptions, the most significant of which are the health care cost trend rates, discount rates and the expected return on plan assets. Differences between the expected long-term return on plan assets and the actual return are amortized over a five-year period. Actuarial losses and gains are amortized over the remaining service attribution periods of the employees under the corridor method.

FAIR VALUE MEASUREMENTS — For assets and liabilities that are measured using quoted prices in active markets, total fair value is the published market price per unit multiplied by the number of units held without consideration of transaction costs. Assets and liabilities that are measured using significant other observable inputs are valued by reference to similar assets or liabilities, adjusted for contract restrictions and other terms specific to that asset or liability. For these items, a significant portion of fair value is derived by reference to quoted prices of similar assets or liabilities in active markets. For all remaining assets and liabilities, fair value is derived using a fair value model, such as a discounted cash flow

Note 1 — Summary of Significant Accounting Policies (Continued)

model or Black-Scholes model. Purchased intangible assets are recorded at fair value. The fair value of significant purchased intangible assets is based on independent appraisals. Abbott uses a discounted cash flow model to value intangible assets. The discounted cash flow model requires assumptions about the timing and amount of future net cash flows, risk, the cost of capital, terminal values and market participants. Intangible assets, goodwill and indefinite-lived intangible assets are reviewed for impairment at least on a quarterly and annual basis, respectively.

SHARE-BASED COMPENSATION — The value of stock options and restricted stock awards and units are amortized over their requisite service period, which could be shorter than the vesting period if an employee is retirement eligible, with a charge to compensation expense.

LITIGATION — Abbott accounts for litigation losses in accordance with FASB ASC No. 450, "Contingencies." Under ASC No. 450, loss contingency provisions are recorded for probable losses at management's best estimate of a loss, or when a best estimate cannot be made, a minimum loss contingency amount is recorded. Legal fees are recorded as incurred.

CASH, CASH EQUIVALENTS AND INVESTMENTS — Cash equivalents consist of bank time deposits and U.S. treasury bills with original maturities of three months or less. Investments in two publicly traded companies, with a carrying value of approximately $95 million, are accounted for under the equity method of accounting. All other investments in marketable equity securities are classified as available-for-sale and are recorded at fair value with any unrealized holding gains or losses, net of tax, included in Accumulated other comprehensive income (loss). Investments in equity securities that are not traded on public stock exchanges are recorded at cost. Investments in debt securities are classified as held-to-maturity, as management has both the intent and ability to hold these securities to maturity, and are reported at cost, net of any unamortized premium or discount. Income relating to these securities is reported as interest income.

Abbott reviews the carrying value of investments each quarter to determine whether an other than temporary decline in fair value exists. Abbott considers factors affecting the investee, factors affecting the industry the investee operates in and general equity market trends. Abbott considers the length of time an investment's fair value has been below carrying value and the near-term prospects for recovery to carrying value. When Abbott determines that an other than temporary decline has occurred, the investment is written down with a charge to Other (income) expense, net.

TRADE RECEIVABLE VALUATIONS — Accounts receivable are stated at their net realizable value. The allowance against gross trade receivables reflects the best estimate of probable losses inherent in the receivables portfolio determined on the basis of historical experience, specific allowances for known troubled accounts and other currently available information. Accounts receivable are charged off after all reasonable means to collect the full amount (including litigation, where appropriate) have been exhausted.

INVENTORIES — Inventories are stated at the lower of cost (first-in, first-out basis) or market. Cost includes material and conversion costs.

Note 1 — Summary of Significant Accounting Policies (Continued)

PROPERTY AND EQUIPMENT — Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the assets. The following table shows estimated useful lives of property and equipment:

Classification	Estimated Useful Lives
Buildings	10 to 50 years (average 27 years)
Equipment	3 to 20 years (average 11 years)

PRODUCT LIABILITY — Abbott accrues for product liability claims when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated based on existing information. The liabilities are adjusted quarterly as additional information becomes available. Receivables for insurance recoveries for product liability claims are recorded as assets, on an undiscounted basis, when it is probable that a recovery will be realized. Product liability losses are self-insured.

RESEARCH AND DEVELOPMENT COSTS — Internal research and development costs are expensed as incurred. Clinical trial costs incurred by third parties are expensed as the contracted work is performed. Where contingent milestone payments are due to third parties under research and development arrangements, the milestone payment obligations are expensed when the milestone results are achieved.

ACQUIRED IN-PROCESS AND COLLABORATIONS RESEARCH AND DEVELOPMENT (IPR&D) — The initial costs of rights to IPR&D projects obtained in an asset acquisition are expensed as IPR&D unless the project has an alternative future use. These costs include initial payments incurred prior to regulatory approval in connection with research and development collaboration agreements that provide rights to develop, manufacture, market and/or sell pharmaceutical products. The fair value of IPR&D projects acquired in a business combination are capitalized and accounted for as indefinite-lived intangible assets until completed and are then amortized over the remaining useful life. Collaborations are not significant for continuing operations.

CONCENTRATION OF RISK AND GUARANTEES — Due to the nature of its operations, Abbott is not subject to significant concentration risks relating to customers, products or geographic locations. Governmental accounts in Italy, Spain, Greece and Portugal accounted for 9 percent and 12 percent of total net trade receivables as of December 31, 2014 and 2013, respectively. Product warranties are not significant.

Abbott has no material exposures to off-balance sheet arrangements; no special purpose entities; nor activities, that include non-exchange-traded contracts accounted for at fair value. Abbott has periodically entered into agreements in the ordinary course of business, such as assignment of product rights, with other companies, which has resulted in Abbott becoming secondarily liable for obligations that Abbott was previously primarily liable. Since Abbott no longer maintains a business relationship with the other parties, Abbott is unable to develop an estimate of the maximum potential amount of future payments, if any, under these obligations. Based upon past experience, the likelihood of payments under these agreements is remote. Abbott periodically acquires a business or product rights in which Abbott agrees to pay contingent consideration based on attaining certain thresholds or based on the occurrence of certain events.

Note 2 — Separation of AbbVie Inc.

On January 1, 2013, Abbott completed the separation of AbbVie Inc. (AbbVie), which was formed to hold Abbott's research-based proprietary pharmaceuticals business. Abbott and AbbVie entered into transitional services agreements prior to the separation pursuant to which Abbott and AbbVie are providing to each other, on an interim transitional basis, various services. Transition services may be provided for up to 24 months with an option for a one-year extension by the recipient. Services being provided by Abbott include certain information technology and back office support. Billings by Abbott under these transitional services agreements are recorded as a reduction of the costs to provide the respective service in the applicable expense category in the Consolidated Statement of Earnings. This transitional support will enable AbbVie to establish its stand-alone processes for various activities that were previously provided by Abbott and does not constitute significant continuing support of AbbVie's operations.

For a small portion of AbbVie's operations, the legal transfer of AbbVie's assets (net of liabilities) did not occur with the separation of AbbVie on January 1, 2013 due to the time required to transfer marketing authorizations and other regulatory requirements in each of these countries. Under the terms of the separation agreement with Abbott, AbbVie is subject to the risks and entitled to the benefits generated by these operations and assets. The majority of these operations were transferred to AbbVie in 2013 and 2014 with the remainder expected to be transferred in 2015. These assets and liabilities have been presented as held for disposition in the Consolidated Balance Sheet. At December 31, 2014, the assets and liabilities held for disposition consist of trade accounts receivable of $79 million, inventories of $45 million, equipment of $3 million, other assets of $30 million, and trade accounts payable and accrued liabilities of $277 million. Abbott's obligation to transfer the net liabilities held for disposition to AbbVie of $120 million is included in Other prepaid assets.

Abbott has retained all liabilities for all U.S. federal and foreign income taxes on income prior to the separation, as well as certain non-income taxes attributable to AbbVie's business. AbbVie generally will be liable for all other taxes attributable to its business.

Earnings from discontinued operations include the recognition of $166 million and $193 million of net tax benefits in 2014 and 2013, respectively, primarily as a result of the resolution of various tax positions related to AbbVie's operations for years prior to the separation.

Note 3 — Discontinued Operations

In July 2014, Abbott announced that it will sell its developed markets branded generics pharmaceuticals business to Mylan Inc. (Mylan) for 110 million shares of a newly formed entity that will combine Mylan's existing business and Abbott's developed markets branded generics pharmaceuticals business, and will be publicly traded. Historically, this business was included in Abbott's Established Pharmaceutical Products segment. Abbott will retain its branded generics pharmaceuticals business in emerging markets. At the close of this transaction Abbott and Mylan entered into transitional services agreements pursuant to which Abbott and Mylan will provide various back office support services to each other on an interim transitional basis. Transition services may be provided for up to 2 years. Charges by Abbott under these transitional services agreements will be recorded as a reduction of the costs to provide the respective service in the applicable expense category in the Consolidated Statement of Earnings. This transitional support will not constitute significant continuing support of Mylan's operations. Abbott also entered into manufacturing supply agreements with Mylan related to certain products, with the supply term ranging from 3 to 10 years and requiring a 2 year notice prior to termination. The cash flows

Note 3 — Discontinued Operations (Continued)

associated with these transitional service and manufacturing supply agreements are not expected to be significant. The transaction closed on February 27, 2015.

In November 2014, Abbott entered into an agreement to sell its animal health business to Zoetis Inc. This transaction closed on February 10, 2015.

As a result of the disposition of the above businesses and the separation of AbbVie, the current and prior year operating results of these businesses are reported as part of discontinued operations on the Earnings from Discontinued Operations, net of tax line in the Consolidated Statement of Earnings. Discontinued operations include an allocation of interest expense assuming a uniform ratio of consolidated debt to equity for all of Abbott's historical operations.

The operating results of Abbott's developed markets branded generics pharmaceuticals, animal health and AbbVie businesses, which are being reported as discontinued operations are as follows:

	Year Ended December 31		
(in millions)	2014	2013	2012
Net Sales			
Developed markets generics pharmaceuticals and animal health businesses	$ 2,076	$ 2,191	$ 2,444
AbbVie	—	—	18,380
Total	$ 2,076	$ 2,191	$ 20,824
Earnings Before Tax			
Developed markets generics pharmaceuticals and animal health businesses	$ 505	$ 480	$ 525
AbbVie	—	—	5,958
Total	$ 505	$ 480	$ 6,483
Net Earnings			
Developed markets generics pharmaceuticals and animal health businesses	$ 397	$ 395	$ 342
AbbVie	166	193	5,384
Total	$ 563	$ 588	$ 5,726

Income tax expense (benefit) included in discontinued operations totaled $(58) million in 2014, $(108) million in 2013 and $757 million in 2012.

The assets of the operations held for disposition and the liabilities to be assumed in the disposition related to the businesses noted above, as well as the AbbVie assets and liabilities discussed in Note 2 are classified as held for disposition in the Consolidated Balance Sheet as of December 31, 2014. Prior period balance sheets are not adjusted when a business is designated as being held for sale. The cash flows associated with the developed markets branded generics pharmaceuticals businesses will be included in

Note 3 — Discontinued Operations (Continued)

Abbott's Consolidated Statement of Cash Flows up through the date of disposition. The following is a summary of the assets and liabilities held for disposition:

(in millions)	December 31, 2014	December 31, 2013
Trade receivables, net	$ 498	$ 163
Total inventories	254	243
Prepaid expenses, deferred income taxes, and other receivables	140	32
Current assets held for disposition	892	438
Net property and equipment	125	28
Intangible assets, net of amortization	804	—
Goodwill	950	—
Deferred income taxes and other assets	55	38
Non-current assets held for disposition	1,934	66
Total assets held for disposition	2,826	504
Trade accounts payable	423	285
Salaries, wages, commissions and other accrued liabilities	257	101
Current liabilities held for disposition	680	386
Post-employment obligations, deferred income taxes and other long-term liabilities	108	7
Total liabilities held for disposition	$ 788	$ 393

Note 4 — Supplemental Financial Information

Other (income) expense, net, for 2014 primarily relates to impairment charges related to non-publically traded equity securities partially offset by gains from the sales of equity securities. The loss on the extinguishment of debt of $18 million in 2014 and $1.35 billion in 2012 relates to the early redemption of approximately $500 million and $7.7 billion of long-term notes, respectively. The loss in 2012 consists of the premium paid on the notes and the write off of deferred financing costs totaling $1.83 billion and was partially offset by a gain of $479 million related to the unwinding of interest rate swaps related to a portion of the debt. The detail of various balance sheet components is as follows:

	2014	2013
	(in millions)	
Long-term Investments:		
Equity securities	$ 212	$ 93
Other	17	26
Total	$ 229	$ 119

Note 4 — Supplemental Financial Information (Continued)

The increase in long-term investments from December 31, 2013 to December 31, 2014 is due primarily to the acquisition of CFR Pharmaceuticals in 2014.

	2014	2013
	(in millions)	
Other Accrued Liabilities:		
Accrued rebates payable to government agencies	$ 88	$ 136
Accrued other rebates (a)	239	220
All other (b)	2,616	3,144
Total	$ 2,943	$ 3,500

(a) Accrued wholesaler chargeback rebates of $50 million and $90 million at December 31, 2014 and 2013, respectively, are netted in trade receivables because Abbott's customers are invoiced at a higher catalog price but only remit to Abbott their contract price for the products.

(b) 2013 includes acquisition consideration payable of approximately $400 million related primarily to the acquisition of Piramal Healthcare Limited's Healthcare Solutions business.

	2014	2013
	(in millions)	
Post-employment Obligations and Other Long-term Liabilities:		
Defined benefit pension plans and post-employment medical and dental plans for significant plans	$ 2,875	$ 1,818
Deferred income taxes	860	466
All other (c)	1,853	2,500
Total	$ 5,588	$ 4,784

(c) 2014 includes $1.3 billion of gross unrecognized tax benefits, as well as approximately $220 million of acquisition consideration payable. 2013 includes $1.3 billion of gross unrecognized tax benefits, as well as $70 million of acquisition consideration payable.

Since January 2010, Venezuela has been designated as a highly inflationary economy under U.S. GAAP. In 2014, the government of Venezuela operated multiple mechanisms to exchange bolivars into U.S. dollars. In 2014, Abbott continued to use the official rate of 6.3 Venezuelan bolivars to the U.S. dollar to report the results, financial position, and cash flows related to its operations in Venezuela since Abbott continued to qualify for this exchange rate to pay for the import of various products into Venezuela. Abbott cannot predict whether there will be a devaluation of the Venezuelan bolivar or whether it will continue to be able to exchange bolivars at the 6.3 rate. As of December 31, 2014, Abbott had net monetary assets that are subject to revaluation in Venezuela of approximately $240 million. In 2014, revenue from operations in Venezuela represented approximately 2% of Abbott's total net sales.

Note 5 — Accumulated Other Comprehensive Income

The components of the changes in accumulated other comprehensive income from continuing operations, net of income taxes, are as follows: (*in millions*)

	Cumulative Foreign Currency Translation Adjustments	Net Actuarial Losses and Prior Service Costs and Credits	Cumulative Unrealized Gains on Marketable Equity Securities	Cumulative Gains on Derivative Instruments Designated as Cash Flow Hedges	Total
Balance at December 31, 2012	$ (79)	$ (3,596)	$ 31	$ 50	$ (3,594)
Separation of AbbVie	(400)	1,402	—	8	1,010
Other comprehensive income (loss) before reclassifications	(239)	771	22	(23)	531
Income (loss) amounts reclassified from accumulated other comprehensive income (a)	—	111	(40)	(30)	41
Net current period comprehensive income (loss)	(239)	882	(18)	(53)	572
Balance at December 31, 2013	(718)	(1,312)	13	5	(2,012)
Other comprehensive income (loss) before reclassifications	(2,206)	(970)	4	106	(3,066)
Income (loss) amounts reclassified from accumulated other comprehensive income (a)	—	53	(16)	(12)	25
Net current period comprehensive income (loss)	(2,206)	(917)	(12)	94	(3,041)
Balance at December 31, 2014	$ (2,924)	$ (2,229)	$ 1	$ 99	$ (5,053)

(a) Reclassified amounts for foreign currency translation are recorded in the Consolidated Statement of Earnings as Net Foreign exchange loss (gain); gains on marketable equity securities are recorded as Other (income) expense and gains/losses related to cash flow hedges are recorded as Cost of product sold. Net actuarial losses and prior service cost is included as a component of net periodic benefit plan cost — see Note 13 for additional information.

Note 6 — Business Acquisitions

In September 2014, Abbott completed the acquisition of the controlling interest in CFR Pharmaceuticals S.A. (CFR) for approximately $2.9 billion in cash ($2.8 billion net of CFR cash on hand at closing). Including the assumption of approximately $570 million of debt, the total cost of the acquisition was $3.4 billion. The acquisition of CFR more than doubles Abbott's branded generics pharmaceutical presence in Latin America and further expands its presence in emerging markets. CFR's financial results are included in Abbott's financial statements beginning on September 26, 2014, the date that Abbott acquired control of this business. The impact of the acquired operations on Abbott's operating results was not significant for 2014. Abbott owns 99.9% of the outstanding ordinary shares of CFR. The fair value of the non-controlling interest at the acquisition date was approximately $3 million. The acquisition was funded with cash and cash equivalents and short-term investments. The preliminary allocation of the fair

Note 6 — Business Acquisitions (Continued)

value of the acquisition is shown in the table below. The allocation of the fair value of the acquisition will be finalized when the valuation is completed.

(in billions)	
Acquired intangible assets, non-deductible	$ 1.80
Goodwill, non-deductible	1.59
Acquired net tangible assets	0.07
Deferred income taxes recorded at acquisition	(0.54)
Total preliminary allocation of fair value	$ 2.92

Acquired intangible assets consist primarily of product rights for currently marketed products and are amortized over 12 to 16 years (average of 15 years). The goodwill is primarily attributable to intangible assets that do not qualify for separate recognition. The goodwill is identifiable to the Established Pharmaceutical Products segment. The acquired tangible assets consist primarily of cash and cash equivalents of approximately $94 million, trade accounts receivable of approximately $179 million, inventory of approximately $177 million, other current assets of approximately $51 million, property and equipment of approximately $214 million, and other long-term assets of approximately $138 million. Assumed liabilities consist of borrowings of approximately $570 million, trade accounts payable and other current liabilities of approximately $192 million and other noncurrent liabilities of approximately $15 million.

Annualized net sales for CFR Pharmaceuticals are expected to total approximately $800 million. Had the acquisition of CFR Pharmaceuticals taken place on January 1, 2013, the consolidated net sales and earnings of Abbott would not have been significantly different from the reported amounts.

In December 2014, Abbott acquired control of Veropharm, a leading Russian pharmaceutical company for approximately $315 million excluding assumed debt. Through this acquisition, Abbott establishes a manufacturing footprint in Russia and obtains a portfolio of medicines that is well aligned with Abbott's current pharmaceutical therapeutic areas of focus. Abbott acquired control of Veropharm through its purchase of Limited Liability Company Garden Hills, the holding company that owns approximately 98 percent of Veropharm. Including the assumption of approximately $90 million of debt and a minority interest with a fair value of $5 million, the total value of the acquired business was approximately $410 million. The preliminary allocation of the fair value of the acquisition resulted in definite-lived non-deductible intangible assets of approximately $120 million, non-deductible goodwill of approximately $60 million, and net deferred tax liabilities of approximately $35 million. Non-deductible goodwill is identifiable with the Established Pharmaceutical Products segment. Additionally, Abbott acquired property, plant, and equipment of approximately $185 million, accounts receivable of approximately $45 million, inventory of approximately $25 million, and other assets of approximately $10 million. Acquired intangible assets consist of developed technology and are being amortized over 16 years.

In December 2014, Abbott completed the acquisition of Topera, Inc. for approximately $250 million in cash, plus additional payments up to $300 million to be made upon completion of certain regulatory and sales milestones. The acquisition of Topera provides Abbott a foundational entry in the electrophysiology market. The allocation of the fair value of the acquisition resulted in non-deductible acquired in-process research and development of approximately $20 million, which is accounted for as an indefinite-lived

Note 6 — Business Acquisitions (Continued)

intangible asset until regulatory approval or discontinuation, non-deductible definite-lived intangibles assets of approximately $325 million, non-deductible goodwill of approximately $190 million, net deferred tax liabilities of approximately $120 million, and contingent consideration of approximately $165 million. The fair value of the contingent consideration was determined based on an independent appraisal. Acquired intangible assets consist of developed technology and trademarks, and are being amortized over 16 years.

The preliminary allocations of fair value of the above acquisitions will be finalized when valuations are completed. Had the aggregate of the above acquisitions taken place on January 1, 2013, consolidated net sales and earnings would not have been significantly different from reported amounts.

In August 2013, Abbott acquired 100 percent of IDEV Technologies, net of debt, for $310 million, in cash. The acquisition of IDEV Technologies expands Abbott's endovascular portfolio. The final allocation of the fair value of the acquisition resulted in non-deductible acquired in-process research and development of approximately $170 million which is accounted for as an indefinite-lived intangible asset until regulatory approval or discontinuation, non-deductible definite-lived intangible assets of approximately $66 million, non-deductible goodwill of approximately $112 million and net deferred tax liabilities of $47 million. Acquired intangible assets consist of developed technology and are being amortized over 11 years.

In August 2013, Abbott acquired 100 percent of OptiMedica for $260 million, in cash, plus additional payments up to $150 million to be made upon completion of certain development, regulatory and sales milestones. The acquisition of OptiMedica provides Abbott with an immediate entry point into the laser assisted cataract surgery market. The final allocation of the fair value of the acquisition resulted in non-deductible definite-lived intangible assets of approximately $160 million; non-deductible acquired in-process research and development of approximately $60 million, which is accounted for as an indefinite-lived intangible asset until regulatory approval or discontinuation; non-deductible goodwill of approximately $130 million, net deferred tax liabilities of $49 million and contingent consideration of approximately $70 million. The fair value of the contingent consideration was determined based on an independent appraisal. Acquired intangible assets consist primarily of developed technology that is being amortized over 18 years.

Note 7 — Goodwill and Intangible Assets

In 2014, Abbott recorded goodwill of approximately $1.8 billion related to the acquisitions of CFR Pharmaceuticals, Veropharm and Topera; recognized purchase price allocation adjustments associated with other recent acquisitions decreased goodwill by approximately $30 million; and approximately $950 million of goodwill was moved to Non-current assets held for disposition due to the planned disposition of the developed markets branded generics pharmaceuticals business. The goodwill related to the acquisitions of CFR and Veropharm was allocated to the Established Pharmaceuticals segment. Abbott recorded goodwill of approximately $274 million in 2013 related to the acquisitions of IDEV Technologies and OptiMedica. Goodwill related to the IDEV acquisition was allocated to the Vascular Products segment and goodwill related to OptiMedica was allocated to a non-reportable segment. Foreign currency translation and other adjustments decreased goodwill in 2014 and 2013 by $566 million and $168 million, respectively, and increased goodwill in 2012 by $69 million. In addition, in connection with the separation of AbbVie on January 1, 2013, Abbott transferred approximately $6.1 billion of goodwill to AbbVie. The amount of goodwill related to reportable segments at December 31, 2014 was $3.3 billion for the

Note 7 — Goodwill and Intangible Assets (Continued)

Established Pharmaceutical Products segment, $286 million for the Nutritional Products segment, $445 million for the Diagnostic Products segment, and $2.9 billion for the Vascular Products segment. Other than the effects of the separation of AbbVie, there were no reductions of goodwill relating to the disposal of all or a portion of a business. There was no reduction of goodwill relating to impairments.

The gross amount of amortizable intangible assets, primarily product rights and technology was $11.0 billion and $12.2 billion as of December 31, 2014 and 2013, respectively, and accumulated amortization was $4.9 billion and $6.8 billion as of December 31, 2014 and 2013, respectively. Indefinite-lived intangible assets, which relate to in-process research and development acquired in a business combination, were approximately $134 million and $265 million at December 31, 2014 and 2013, respectively. In 2014, the acquisition of CFR Pharmaceuticals increased intangible assets by approximately $1.8 billion. Approximately $804 million of net intangible assets related to the developed markets branded generics pharmaceuticals businesses was reclassified to Non-current assets held for disposition due to the planned disposition of this business. Gross amortizable intangible assets, accumulated amortization and indefinite-lived intangible assets of $5.7 billion, $3.8 billion and $417 million, respectively, were transferred to AbbVie as part of the separation on January 1, 2013. In 2012, Abbott recorded an impairment charge of $69 million for certain research and development assets due to changes in the projected development and regulatory timelines for the projects. The charges relate to non-reportable segments. Discounted cash flow analysis was used to analyze fair value and the charges are included in research and development expenses.

The estimated annual amortization expense for intangible assets recorded at December 31, 2014 is approximately $696 million in 2015, $676 million in 2016, $657 million in 2017, $557 million in 2018 and $484 million in 2019. Amortizable intangible assets are amortized over 2 to 20 years (average 12 years).

Note 8 — Restructuring Plans

In 2014, Abbott management approved plans to streamline operations in order to reduce costs and improve efficiencies in various Abbott businesses including nutritional and established pharmaceuticals businesses. Abbott recorded employee related severance and other charges of approximately $164 million in 2014. Approximately $20 million is recognized in Cost of products sold, $53 million is recognized in Research and development and approximately $91 million is recognized in Selling, general and administrative expense. Additional charges of approximately $39 million in 2014 were also recorded primarily for accelerated depreciation.

The following summarizes the activity for these restructurings: *(in millions)*

Restructuring charges recorded in 2014	$ 164
Payments and other adjustments	(46)
Accrued balance at December 31, 2014	$ 118

In 2014 and 2013, Abbott management approved plans to reduce costs and improve efficiencies across various functional areas as well as a plan to streamline certain manufacturing operations in order to reduce costs and improve efficiencies in Abbott's established pharmaceuticals business. In addition, in 2012, Abbott management approved plans to streamline various commercial operations in order to reduce costs and improve efficiencies in Abbott's core diagnostics, established pharmaceutical and nutritionals businesses. Abbott recorded employee related severance charges of approximately $125 million in 2014, $78 million in 2013 and $167 million in 2012. Approximately $7 million in 2014, $14 million in 2013 and

Note 8 — Restructuring Plans (Continued)

$48 million in 2012 are recognized in Cost of products sold, $6 million is recognized in Research and development in 2014, and approximately $112 million in 2014, $32 million in 2013 and $48 million in 2012 recognized as Selling, general and administrative expense. The remaining charges of $32 million in 2013 and $71 million in 2012 are related to Abbott's developed market established pharmaceutical business and are being recognized in the results of discontinued operations. Additional charges of approximately $4 million in 2013 and $22 million in 2012 were also recorded primarily for accelerated depreciation.

The following summarizes the activity for these restructurings: *(in millions)*

Restructuring charges recorded in 2012	$ 167
Restructuring charges recorded in 2013	78
Payments and other adjustments	(97)
Accrued balance at December 31, 2013	148
Restructuring charges recorded in 2014	125
Payments and other adjustments	(138)
Accrued balance at December 31, 2014	$ 135

In 2013 and prior years, Abbott management approved plans to realign its worldwide pharmaceutical and vascular manufacturing operations and selected domestic and international commercial and research and development operations in order to reduce costs. In 2013, Abbott recorded employee severance charges of approximately $11 million. In 2011, Abbott recorded charges reflecting the impairment of manufacturing facilities and other assets, employee severance and other related charges. Approximately $11 million in 2013 is classified as Cost of products sold. An additional $41 million and $110 million were recorded in 2013 and 2012, respectively, relating to these restructurings, primarily for accelerated depreciation.

The following summarizes the activity for these restructurings: *(in millions)*

Accrued balance at December 31, 2011	$ 177
Payments, impairments and other adjustments	(48)
Accrued balance at December 31, 2012	129
Transfer of liability to AbbVie	(62)
Restructuring charges	11
Payments and other adjustments	(58)
Accrued balance at December 31, 2013	20
Payments and other adjustments	(2)
Accrued balance at December 31, 2014	$ 18

In 2012 and 2010, Abbott management approved restructuring plans primarily related to the acquisition of Solvay's pharmaceuticals business. These plans streamline operations, improve efficiencies and reduce costs in certain Solvay sites and functions as well as in certain Abbott and Solvay commercial organizations in various countries. In 2012, Abbott recorded a charge of approximately $150 million for employee severance and contractual obligations, primarily related to the exit from a research and development facility. These charges are related to businesses transferred to AbbVie and are being recognized in the results of discontinued operations. The accrued restructuring reserves of $115 million at

Note 8 — Restructuring Plans (Continued)

December 31, 2012 related to these actions were transferred to AbbVie on January 1, 2013 as part of the separation. As such, there are no remaining accruals being reported in Abbott's balance sheet as of December 31, 2013.

In 2011 and 2008, Abbott management approved plans to streamline global manufacturing operations, reduce overall costs, and improve efficiencies in Abbott's core diagnostic business and recorded charges for severance and other related costs. In addition, charges of approximately $16 million were recorded in 2012, primarily for accelerated depreciation and product transfer costs.

The following summarizes the activity for these restructurings: *(in millions)*

Accrued balance at December 31, 2011	$ 79
Payments and other adjustments	(23)
Accrued balance at December 31, 2012	56
Payments and other adjustments	(15)
Accrued balance at December 31, 2013	41
Payments and other adjustments	(20)
Accrued balance at December 31, 2014	$ 21

Note 9 — Incentive Stock Program

The 2009 Incentive Stock Program authorizes the granting of nonqualified stock options, restricted stock awards, restricted stock units, performance awards, foreign benefits and other share-based awards. Stock options and restricted stock awards and units comprise the majority of benefits that have been granted and are currently outstanding under this program and a prior program. In 2014, Abbott granted 3,905,076 stock options, 584,354 restricted stock awards and 5,434,799 restricted stock units under this program.

The purchase price of shares under option must be at least equal to the fair market value of the common stock on the date of grant, and the maximum term of an option is 10 years. Options generally vest equally over three years. Restricted stock awards generally vest between 3 and 5 years and for restricted stock awards that vest over 5 years, no more than one-third of the award vests in any one year upon Abbott reaching a minimum return on equity target. Restricted stock units vest over three years and upon vesting, the recipient receives one share of Abbott stock for each vested restricted stock unit. The aggregate fair market value of restricted stock awards and units is recognized as expense over the requisite service period. Restricted stock awards and settlement of vested restricted stock units are issued out of treasury shares. Abbott generally issues new shares for exercises of stock options. As a policy, Abbott does not purchase its shares relating to its share-based programs.

In connection with the separation of AbbVie on January 1, 2013, Abbott modified its outstanding equity awards granted under incentive stock programs for its employees. The awards were generally modified such that immediately following the separation; the awardees held the same number of awards in Abbott stock and an equal number of awards in AbbVie stock. The exercise price on outstanding Abbott options was adjusted and the exercise price on the AbbVie options granted under this modification was established with the intention of generally preserving the value of the awards immediately prior to the separation. This modification did not result in additional compensation expense.

Note 9 — Incentive Stock Program (Continued)

At December 31, 2014, approximately 110 million shares were reserved for future grants.

The number of restricted stock awards and units outstanding and the weighted-average grant-date fair value at December 31, 2014 and December 31, 2013 was 12,671,328 and $35.48 and 14,385,221 and $30.13, respectively. The number of restricted stock awards and units, and the weighted-average grant-date fair value, that were granted, vested and lapsed during 2014 were 6,235,730 and $39.20, 7,204,498 and $28.13 and 745,125 and $34.31, respectively. The fair market value of restricted stock awards and units vested in 2014, 2013 and 2012 was $281 million, $274 million and $385 million, respectively.

	Options Outstanding			Exercisable Options		
	Shares	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)	Shares	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)
December 31, 2013	42,757,340	$ 26.15	4.0	36,185,039	$ 25.02	3.1
Granted	3,905,076	39.20				
Exercised	(9,645,856)	24.85				
Lapsed	(219,860)	33.97				
December 31, 2014	36,796,700	$ 27.83	4.1	29,276,499	$ 25.60	3.0

The aggregate intrinsic value of options outstanding and exercisable at December 31, 2014 was $634 million and $570 million, respectively. The total intrinsic value of options exercised in 2014, 2013 and 2012 was $152 million, $120 million and $528 million, respectively. The total unrecognized compensation cost related to all share-based compensation plans at December 31, 2014 amounted to approximately $150 million, which is expected to be recognized over the next three years.

Total non-cash stock compensation expense charged against income from continuing operations in 2014, 2013 and 2012 for share-based plans totaled approximately $239 million, $254 million and $278 million, respectively, and the tax benefit recognized was approximately $79 million, $82 million and $85 million, respectively. Stock compensation cost capitalized as part of inventory is not significant.

The fair value of an option granted in 2014, 2013 and 2012 was $6.39, $5.77, and $6.80, respectively. The fair value of an option grant was estimated using the Black-Scholes option-pricing model with the following assumptions:

	2014	2013	2012
Risk-free interest rate	1.9%	1.1%	1.2%
Average life of options (years)	6.0	6.0	6.0
Volatility	20.0%	20.0%	21.0%
Dividend yield	2.2%	1.6%	3.6%

The risk-free interest rate is based on the rates available at the time of the grant for zero-coupon U.S. government issues with a remaining term equal to the option's expected life. The average life of an option is based on both historical and projected exercise and lapsing data. Expected volatility is based on implied volatilities from traded options on Abbott's stock and historical volatility of Abbott's stock over the expected life of the option. Dividend yield is based on the option's exercise price and annual dividend rate at the time of grant.

Note 10 — Debt and Lines of Credit

The following is a summary of long-term debt at December 31: (*in millions*)

	2014	2013
5.125% Notes, due 2019	$ 947	$ 947
4.125% Notes, due 2020	597	597
6.15% Notes, due 2037	547	547
6.0% Notes, due 2039	515	515
5.3% Notes, due 2040	694	694
Other, including fair value adjustments relating to interest rate hedge contracts designated as fair value hedges	108	88
Total, net of current maturities	3,408	3,388
Current maturities of long-term debt	55	9
Total carrying amount	$ 3,463	$ 3,397

In 2014, Abbott extinguished approximately $500 million of long-term debt assumed as part of the CFR Pharmaceuticals acquisition and incurred a cost of $18.3 million to extinguish this debt. In 2012, Abbott redeemed $7.7 billion of its outstanding notes. Abbott incurred a cost of $1.35 billion to extinguish this debt, net of gains from the unwinding of interest rate swaps related to the debt. In 2012, AbbVie Inc., a wholly owned subsidiary of Abbott, issued $14.7 billion of long-term debt with maturities ranging from 3 to 30 years. The debt issued by AbbVie Inc. was guaranteed by Abbott with the guarantee expiring when AbbVie Inc. separated from Abbott on January 1, 2013.

Principal payments required on long-term debt outstanding at December 31, 2014 are $55 million in 2015, $8 million in 2016, $11 million in 2017, $2 million in 2018, $1.0 billion in 2019 and $2.4 billion in 2020 and thereafter.

At December 31, 2014, Abbott's long-term debt rating was A+ by Standard & Poor's Corporation and A1 by Moody's Investors Service. Abbott has readily available financial resources, including unused lines of credit of $5.0 billion that support commercial paper borrowing arrangements which expire in 2019. Abbott's weighted-average interest rate on short-term borrowings was 0.2% at December 31, 2014 and 2013 and 0.4% at December 31, 2012.

Note 11 — Financial Instruments, Derivatives and Fair Value Measures

Certain Abbott foreign subsidiaries enter into foreign currency forward exchange contracts to manage exposures to changes in foreign exchange rates for anticipated intercompany purchases by those subsidiaries whose functional currencies are not the U.S. dollar. These contracts, totaling $1.5 billion at December 31, 2014, and $137 million at December 31, 2013, are designated as cash flow hedges of the variability of the cash flows due to changes in foreign exchange rates and are recorded at fair value. Contracts totaling $1.0 billion were transferred to AbbVie as part of the separation on January 1, 2013. Accumulated gains and losses as of December 31, 2014 will be included in Cost of products sold at the time the products are sold, generally through the next twelve to eighteen months. The amount of hedge ineffectiveness was not significant in 2014, 2013 and 2012.

Abbott enters into foreign currency forward exchange contracts to manage currency exposures for foreign currency denominated third-party trade payables and receivables, and for intercompany loans and

Note 11 — Financial Instruments, Derivatives and Fair Value Measures (Continued)

trade accounts payable where the receivable or payable is denominated in a currency other than the functional currency of the entity. For intercompany loans, the contracts require Abbott to sell or buy foreign currencies, primarily European currencies and Japanese yen, in exchange for primarily U.S. dollars and other European currencies. For intercompany and trade payables and receivables, the currency exposures are primarily the U.S. dollar, European currencies and Japanese yen. At December 31, 2014, 2013 and 2012, Abbott held $14.1 billion, $13.8 billion and $18.2 billion, respectively, of such foreign currency forward exchange contracts. Contracts totaling $4.3 billion were transferred to AbbVie as part of the separation on January 1, 2013.

Abbott has designated foreign denominated short-term debt as a hedge of the net investment in a foreign subsidiary of approximately $445 million, $505 million and $615 million as of December 31, 2014, 2013 and 2012, respectively. Accordingly, changes in the fair value of this debt due to changes in exchange rates are recorded in Accumulated other comprehensive income (loss), net of tax.

Abbott is a party to interest rate hedge contracts totaling $1.5 billion at December 31, 2014 and December 31, 2013, and $9.5 billion at December 31, 2012, to manage its exposure to changes in the fair value of fixed-rate debt. $8.0 billion of the contracts outstanding at December 31, 2012 related to debt issued by AbbVie Inc. in the fourth quarter of 2012 and were transferred to AbbVie as part of the separation on January 1, 2013. These contracts are designated as fair value hedges of the variability of the fair value of fixed-rate debt due to changes in the long-term benchmark interest rates. The effect of the hedge is to change a fixed-rate interest obligation to a variable rate for that portion of the debt. Abbott records the contracts at fair value and adjusts the carrying amount of the fixed-rate debt by an offsetting amount. No hedge ineffectiveness was recorded in income in 2014, 2013 and 2012 for these hedges.

Gross unrealized holding gains (losses) on available-for-sale equity securities totaled $3 million, $22 million and $51 million at December 31, 2014, 2013 and 2012, respectively.

The following table summarizes the amounts and location of certain derivative financial instruments as of December 31:

	Fair Value — Assets			Fair Value — Liabilities		
	2014	2013	Balance Sheet Caption	2014	2013	Balance Sheet Caption
			(in millions)			
Interest rate swaps designated as fair value hedges	$ 101	$ 87	Deferred income taxes and other assets	$ —	$ —	Post-employment obligations and other long-term liabilities
Foreign currency forward exchange contracts — Hedging instruments	107	14	Other prepaid expenses and receivables	—	—	Other accrued liabilities
Others not designated as hedges	150	70		130	75	
Debt designated as a hedge of net investment in a foreign subsidiary	—	—	n/a	445	505	Short-term borrowings
	$ 358	$ 171		$ 575	$ 580	

Note 11 — Financial Instruments, Derivatives and Fair Value Measures (Continued)

The following table summarizes the activity for foreign currency forward exchange contracts designated as cash flow hedges, debt designated as a hedge of net investment in a foreign subsidiary and the amounts and location of income (expense) and gain (loss) reclassified into income and for certain other derivative financial instruments. The amount of hedge ineffectiveness was not significant in 2014, 2013 and 2012 for these hedges.

	Gain (loss) Recognized in Other Comprehensive Income (loss)			Income (expense) and Gain (loss) Reclassified into Income			
	2014	2013	2012	2014	2013	2012	Income Statement Caption
	(in millions)						
Foreign currency forward exchange contracts designated as cash flow hedges	$ 105	$ 35	$ 13	$ 11	$ 44	$ 113	Cost of products sold
Debt designated as a hedge of net investment in a foreign subsidiary	(60)	110	65	—	—	—	n/a
Interest rate swaps designated as fair value hedges	n/a	n/a	n/a	14	(98)	62	Interest expense
Foreign currency forward exchange contracts not designated as hedges	n/a	n/a	n/a	122	84	125	Net foreign exchange (gain) loss

The interest rate swaps are designated as fair value hedges of the variability of the fair value of fixed-rate debt due to changes in the long-term benchmark interest rates. The hedged debt is marked to market, offsetting the effect of marking the interest rate swaps to market.

The carrying values and fair values of certain financial instruments as of December 31 are shown in the table below. The carrying values of all other financial instruments approximate their estimated fair values. The counterparties to financial instruments consist of select major international financial institutions. Abbott does not expect any losses from nonperformance by these counterparties.

	2014		2013	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	(in millions)			
Long-term Investment Securities:				
Equity securities	$ 212	$ 212	$ 93	$ 93
Other	17	17	26	24
Total Long-term Debt	(3,463)	(4,113)	(3,397)	(3,930)
Foreign Currency Forward Exchange Contracts:				
Receivable position	263	263	84	84
(Payable) position	(135)	(135)	(75)	(75)
Interest Rate Hedge Contracts:				
Receivable position	101	101	87	87

Note 11 — Financial Instruments, Derivatives and Fair Value Measures (Continued)

The following table summarizes the bases used to measure certain assets and liabilities at fair value on a recurring basis in the balance sheet:

		Basis of Fair Value Measurement		
	Outstanding Balances	Quoted Prices in Active Markets	Significant Other Observable Inputs	Significant Unobservable Inputs
	(in millions)			
December 31, 2014:				
Equity securities	$ 9	$ 9	$ —	$ —
Interest rate swap financial instruments	101	—	101	—
Foreign currency forward exchange contracts	263	—	263	—
Total Assets	$ 373	$ 9	$ 364	$ —
Fair value of hedged long-term debt	$ 1,637	$ —	$ 1,637	$ —
Foreign currency forward exchange contracts	135	—	135	—
Contingent consideration related to business combinations	243	—	—	243
Total Liabilities	$ 2,015	$ —	$ 1,772	$ 243
December 31, 2013:				
Equity securities	$ 26	$ 26	$ —	$ —
Interest rate swap financial instruments	87	—	87	—
Foreign currency forward exchange contracts	84	—	84	—
Total Assets	$ 197	$ 26	$ 171	$ —
Fair value of hedged long-term debt	$ 1,623	$ —	$ 1,623	$ —
Foreign currency forward exchange contracts	75	—	75	—
Contingent consideration related to business combinations	208	—	—	208
Total Liabilities	$ 1,906	$ —	$ 1,698	$ 208

The fair value of the debt was determined based on the face value of the debt adjusted for the fair value of the interest rate swaps, which is based on a discounted cash flow analysis using significant other observable inputs.

The fair value of the contingent consideration was determined based on independent appraisals adjusted for the time value of money, exchange and other changes in fair value. The contingent consideration results from two acquisitions and the maximum amount due is $450 million, which is dependent upon attaining certain sales thresholds or based on the occurrence of certain events, such as regulatory approvals. The increase in contingent consideration during the current year is due to a recent acquisition partially offset by the payment of contingent consideration.

Note 12 — Litigation and Environmental Matters

Abbott has been identified as a potentially responsible party for investigation and cleanup costs at a number of locations in the United States and Puerto Rico under federal and state remediation laws and is

Note 12 — Litigation and Environmental Matters (Continued)

investigating potential contamination at a number of company-owned locations. Abbott has recorded an estimated cleanup cost for each site for which management believes Abbott has a probable loss exposure. No individual site cleanup exposure is expected to exceed $4 million, and the aggregate cleanup exposure is not expected to exceed $15 million.

Abbott is involved in various claims and legal proceedings, and Abbott estimates the range of possible loss for its legal proceedings and environmental exposures to be from approximately $70 million to $85 million. The recorded accrual balance at December 31, 2014 for these proceedings and exposures was approximately $80 million. This accrual represents management's best estimate of probable loss, as defined by FASB ASC No. 450, "Contingencies." Within the next year, legal proceedings may occur that may result in a change in the estimated loss accrued by Abbott. While it is not feasible to predict the outcome of all such proceedings and exposures with certainty, management believes that their ultimate disposition should not have a material adverse effect on Abbott's financial position, cash flows, or results of operations.

Note 13 — Post-Employment Benefits

Retirement plans consist of defined benefit, defined contribution and medical and dental plans. Information for Abbott's major defined benefit plans and post-employment medical and dental benefit plans is as follows:

	Defined Benefit Plans		Medical and Dental Plans	
(in millions)	2014	2013	2014	2013
Projected benefit obligations, January 1	$ 6,432	$ 11,322	$ 1,297	$ 1,889
Service cost — benefits earned during the year	269	303	33	43
Interest cost on projected benefit obligations	317	276	63	59
(Gains) losses, primarily changes in discount rates, plan design changes, law changes and differences between actual and estimated health care costs	1,554	(650)	187	(156)
Benefits paid	(222)	(185)	(57)	(60)
Separation of AbbVie Inc.	—	(4,654)	—	(450)
Other, including foreign currency translation	(5)	20	(112)	(28)
Projected benefit obligations, December 31	$ 8,345	$ 6,432	$ 1,411	$ 1,297
Plan assets at fair value, January 1	$ 6,123	$ 7,949	$ 462	$ 417
Actual return on plans' assets	529	727	32	61
Company contributions	393	724	41	40
Benefits paid	(222)	(185)	(50)	(56)
Separation of AbbVie Inc.	—	(3,107)	—	—
Other, including foreign currency translation	(69)	15	—	—
Plan assets at fair value, December 31	$ 6,754	$ 6,123	$ 485	$ 462
Projected benefit obligations greater than plan assets, December 31	$ (1,591)	$ (309)	$ (926)	$ (835)
Long-term assets	$ 374	$ 685	$ —	$ —
Short-term liabilities	(15)	(11)	(1)	—
Long-term liabilities	(1,950)	(983)	(925)	(835)
Net liability	$ (1,591)	$ (309)	$ (926)	$ (835)
Amounts Recognized in Accumulated Other Comprehensive Income (loss):				
Actuarial losses, net	$ 3,187	$ 1,791	$ 509	$ 334
Prior service cost (credits)	1	20	(348)	(252)
Total	$ 3,188	$ 1,811	$ 161	$ 82

In connection with separation of AbbVie on January 1, 2013, Abbott transferred to AbbVie Accumulated other comprehensive income (loss), net of income taxes, of approximately $1.4 billion. The projected benefit obligations for non-U.S. defined benefit plans was $2.5 billion and $2.0 billion at December 31, 2014 and 2013, respectively. The accumulated benefit obligations for all defined benefit plans were $7.3 billion and $5.5 billion at December 31, 2014 and 2013, respectively.

Note 13 — Post-Employment Benefits (Continued)

For plans where the accumulated benefit obligations exceeded plan assets at December 31, 2014 and 2013, the aggregate accumulated benefit obligations, the projected benefit obligations and the aggregate plan assets were as follows:

(in millions)	2014	2013
Accumulated benefit obligation	$ 4,315	$ 408
Projected benefit obligation	5,133	505
Fair value of plan assets	3,170	—

The components of the net periodic benefit cost were as follows:

	Defined Benefit Plans			Medical and Dental Plans		
	2014	2013	2012	2014	2013	2012
	(in millions)					
Service cost — benefits earned during the year	$ 269	$ 303	$ 389	$ 33	$ 43	$ 61
Interest cost on projected benefit obligations	317	276	460	63	59	81
Expected return on plans' assets	(458)	(396)	(611)	(40)	(36)	(33)
Amortization of actuarial losses	103	169	244	16	34	34
Amortization of prior service cost (credits)	2	3	2	(39)	(35)	(42)
Total cost	233	355	484	33	65	101
Less: Discontinued operations	(1)	(3)	(209)	—	—	(48)
Net cost — continuing operations	$ 232	$ 352	$ 275	$ 33	$ 65	$ 53

Other comprehensive income (loss) for each respective year includes the amortization of actuarial losses and prior service costs (credits) as noted in the previous table. Other comprehensive income (loss) for each respective year also includes: net actuarial gains and prior service credits of $1.6 billion for defined benefit plans and $57 million for medical and dental plans in 2014; net actuarial gains and prior service credits of $995 million for defined benefit plans and $201 million for medical and dental plans in 2013; and net actuarial losses of $1.2 billion for defined benefit plans and net actuarial losses of $134 million for medical and dental plans in 2012. The actuarial (loss) for 2012 related to the businesses transferred to AbbVie as part of the separation was $167 million; prior service costs were not significant.

The pretax amount of actuarial losses and prior service cost (credits) included in Accumulated other comprehensive income (loss) at December 31, 2014 that is expected to be recognized in the net periodic benefit cost in 2015 is $191 million and nil of expense, respectively, for defined benefit pension plans and $33 million of expense and $49 million of income, respectively, for medical and dental plans.

The weighted average assumptions used to determine benefit obligations for defined benefit plans and medical and dental plans are as follows:

	2014	2013	2012
Discount rate	3.9%	4.9%	4.3%
Expected aggregate average long-term change in compensation	4.3%	5.0%	5.3%

Note 13 — Post-Employment Benefits (Continued)

The weighted average assumptions used to determine the net cost for defined benefit plans and medical and dental plans are as follows:

	2014	2013	2012
Discount rate	4.9%	4.2%	5.0%
Expected return on plan assets	7.5%	7.8%	8.0%
Expected aggregate average long-term change in compensation	4.9%	5.0%	5.3%

The assumed health care cost trend rates for medical and dental plans at December 31 were as follows:

	2014	2013	2012
Health care cost trend rate assumed for the next year	8%	7%	7%
Rate that the cost trend rate gradually declines to	5%	5%	5%
Year that rate reaches the assumed ultimate rate	2025	2019	2019

The discount rates used to measure liabilities were determined based on high-quality fixed income securities that match the duration of the expected retiree benefits. The health care cost trend rate represent Abbott's expected annual rates of change in the cost of health care benefits and is a forward projection of health care costs as of the measurement date. A one-percentage point increase/(decrease) in the assumed health care cost trend rate would increase/(decrease) the accumulated post-employment benefit obligations as of December 31, 2014, by $208 million/$(168) million, and the total of the service and interest cost components of net post-employment health care cost for the year then ended by approximately $16 million/$(12) million.

Note 13 — Post-Employment Benefits (Continued)

The following table summarizes the bases used to measure the defined benefit and medical and dental plan assets at fair value:

		Basis of Fair Value Measurement		
	Outstanding Balances	Quoted Prices in Active Markets	Significant Other Observable Inputs	Significant Unobservable Inputs
		(in millions)		
December 31, 2014:				
Equities:				
U.S. large cap (a)	$ 1,615	$ 757	$ 858	$ —
U.S. mid cap (b)	433	142	291	—
International (c)	1,353	445	908	—
Fixed income securities:				
U.S. government securities (d)	449	10	439	—
Corporate debt instruments (e)	573	130	443	—
Non-U.S. government securities (f)	697	286	411	—
Other (g)	130	35	95	—
Absolute return funds (h)	1,631	203	895	533
Commodities (i)	165	10	69	86
Other (j)	193	115	29	49
	$ 7,239	$ 2,133	$ 4,438	$ 668
December 31, 2013:				
Equities:				
U.S. large cap (a)	$ 1,618	$ 741	$ 877	$ —
U.S. mid cap (b)	409	134	275	—
International (c)	1,319	608	711	—
Fixed income securities:				
U.S. government securities (d)	453	61	392	—
Corporate debt instruments (e)	378	108	270	—
Non-U.S. government securities (f)	536	305	231	—
Other (g)	77	69	8	—
Absolute return funds (h)	1,474	197	791	486
Commodities (i)	170	6	97	67
Other (j)	151	149	—	2
	$ 6,585	$ 2,378	$ 3,652	$ 555

(a) A mix of index funds that track the S&P 500 (50 percent in 2014 and 60 percent in 2013) and separate actively managed equity accounts that are benchmarked to the Russell 1000 (50 percent in 2014 and 40 percent in 2013).

(b) A mix of index funds (70 percent in 2014 and 2013) and separate actively managed equity accounts (30 percent in 2014 and 2013) that track or are benchmarked to the S&P 400 midcap index.

Note 13 — Post-Employment Benefits (Continued)

(c) A mix of index funds (20 percent in 2014 and 0 percent in 2013) and separate actively managed pooled investment funds (80 percent in 2014 and 100 percent in 2013) that track or are benchmarked to the MSCI EAFE and MSCI emerging market indices.

(d) A mix of index funds that track the Barclays U.S. Gov't Aggregate (65 percent in 2014 and 50 percent in 2013) and separate actively managed accounts (35 percent in 2014 and 50 percent in 2013) that are benchmarked to Barclays U.S. Long Gov't/Corp Index or the Barclays Global Aggregate.

(e) A mix of index funds that track the Barclays U.S. Gov't Aggregate (15 percent in 2014 and 40 percent in 2013) and separate actively managed accounts (85 percent in 2014 and 60 percent in 2013) that are benchmarked to Barclays U.S. Long Gov't/Corp Index or the Barclays Global Aggregate.

(f) Primarily United Kingdom, Japan, Netherlands and Irish government-issued bonds.

(g) Primarily mortgage backed securities (40 percent in 2014 and 100 percent in 2013) and an actively managed, diversified fixed income vehicle benchmarked to the one-month Libor / Euribor (60 percent in 2014 and 0 percent in 2013).

(h) Primarily funds invested by managers that have a global mandate with the flexibility to allocate capital broadly across a wide range of asset classes and strategies including, but not limited to equities, fixed income, commodities, interest rate futures, currencies and other securities to outperform an agreed upon benchmark with specific return and volatility targets.

(i) Primarily investments in liquid commodity future contracts and private energy funds.

(j) Primarily cash and cash equivalents (75 percent in 2014 and 100 percent in 2013) and investment in real estate funds (25 percent in 2014 and 0 percent in 2013).

Equities that are valued using quoted prices are valued at the published market prices. Equities in a common collective trust or a registered investment company that are valued using significant other observable inputs are valued at the net asset value (NAV) provided by the fund administrator. The NAV is based on the value of the underlying assets owned by the fund minus its liabilities. Fixed income securities that are valued using significant other observable inputs are valued at prices obtained from independent financial service industry-recognized vendors. Absolute return funds and commodities are valued at the NAV provided by the fund administrator. Private energy funds are valued at the NAV provided by the partnership on a one-quarter lag adjusted for known cash flows and significant events through the reporting date.

Note 13 — Post-Employment Benefits (Continued)

The following table summarizes the change in the value of assets that are measured using significant unobservable inputs:

	2014	2013
	(in millions)	
January 1	$ 555	$ 783
Transfers in (out of) from other categories	—	6
Separation of AbbVie Inc.	—	(165)
Actual return on plan assets:		
Assets on hand at year end	25	29
Assets sold during the year	21	51
Purchases, sales and settlements, net	67	(149)
December 31	$ 668	$ 555

The investment mix of equity securities, fixed income and other asset allocation strategies is based upon achieving a desired return, balancing higher return, more volatile equity securities, and lower return, less volatile fixed income securities. Investment allocations are made across a range of markets, industry sectors, capitalization sizes, and in the case of fixed income securities, maturities and credit quality. The plans do not directly hold any securities of Abbott. There are no known significant concentrations of risk in the plans' assets. Abbott's medical and dental plans' assets are invested in a similar mix as the pension plan assets. The actual asset allocation percentages at year end are consistent with the company's targeted asset allocation percentages.

The plans' expected return on assets, as shown above is based on management's expectations of long-term average rates of return to be achieved by the underlying investment portfolios. In establishing this assumption, management considers historical and expected returns for the asset classes in which the plans are invested, as well as current economic and capital market conditions.

Abbott funds its domestic pension plans according to IRS funding limitations. International pension plans are funded according to similar regulations. Abbott funded $393 million in 2014 and $724 million in 2013 to defined pension plans. Abbott expects to contribute approximately $585 million to its pension plans in 2015, of which approximately $470 million relates to its main domestic pension plan.

Total benefit payments expected to be paid to participants, which includes payments funded from company assets, as well as paid from the plans, are as follows:

(in millions)	Defined Benefit Plans	Medical and Dental Plans
2015	$ 212	$ 70
2016	225	71
2017	240	72
2018	259	73
2019	278	74
2020 to 2024	1,735	407

Note 13 — Post-Employment Benefits (Continued)

The Abbott Stock Retirement Plan is the principal defined contribution plan. Abbott's contributions to this plan were $85 million in 2014, $86 million in 2013 and $150 million in 2012. The contribution amount in 2012 included amounts associated with the businesses transferred to AbbVie.

Note 14 — Taxes on Earnings from Continuing Operations

Taxes on earnings from continuing operations reflect the annual effective rates, including charges for interest and penalties. Deferred income taxes reflect the tax consequences on future years of differences between the tax bases of assets and liabilities and their financial reporting amounts.

In 2014, taxes on earnings from continuing operations reflect the recognition of $440 million of tax expense associated with a one-time repatriation of 2014 non-U.S. earnings, partially offset by the favorable resolution of various tax positions and adjustments of tax uncertainties pertaining to prior years. Earnings from discontinued operations in 2014 include the recognition of $166 million of tax benefits as a result of the resolution of various tax positions related to AbbVie's operations prior to the separation. In 2013, taxes on earnings from continuing operations reflect the recognition of $230 million of tax benefits as a result of the favorable resolution of various tax positions pertaining to prior years. Earnings from discontinued operations in 2013 include the recognition of $193 million of tax benefits as a result of the resolution of various tax positions related to AbbVie's operations prior to the separation. In addition, as a result of the American Taxpayer Relief Act of 2012 signed into law in January 2013, Abbott recognized a tax benefit in the tax provision related to continuing operations of approximately $103 million for the retroactive extension of the research tax credit and the look-through rules of section 954(c)(6) of the Internal Revenue Code to the beginning of 2012. The $1.58 billion domestic loss before taxes in 2012 includes $1.29 billion of net loss on the early extinguishment of debt.

U.S. income taxes are provided on those earnings of foreign subsidiaries which are intended to be remitted to the parent company. Abbott does not record deferred income taxes on earnings reinvested indefinitely in foreign subsidiaries. Undistributed earnings reinvested indefinitely in foreign subsidiaries as working capital and plant and equipment aggregated $23.0 billion at December 31, 2014. It is not practicable to determine the amount of deferred income taxes not provided on these earnings. In the U.S., Abbott's federal income tax returns through 2011 are settled except for four items, and the income tax returns for years after 2011 are open. There are numerous other income tax jurisdictions for which tax returns are not yet settled, none of which are individually significant. Reserves for interest and penalties are not significant.

Earnings from continuing operations before taxes, and the related provisions for taxes on earnings from continuing operations, were as follows:

(in millions)	2014	2013	2012
Earnings (Loss) From Continuing Operations Before Taxes:			
Domestic	$ 392	$ 496	$ (1,581)
Foreign	2,126	1,545	1,361
Total	$ 2,518	$ 2,041	$ (220)

Note 14 — Taxes on Earnings from Continuing Operations (Continued)

(in millions)	2014	2013	2012
Taxes on Earnings (Losses) From Continuing Operations:			
Current:			
Domestic	$ 27	$ 4	$ (44)
Foreign	468	482	819
Total current	495	486	775
Deferred:			
Domestic	298	(308)	(572)
Foreign	4	(125)	(660)
Total deferred	302	(433)	(1,232)
Total	$ 797	$ 53	$ (457)

Differences between the effective income tax rate and the U.S. statutory tax rate were as follows:

	2014	2013	2012
Statutory tax rate on earnings from continuing operations	35.0%	35.0%	35.0%
Impact of foreign operations	0.7	(18.5)	105.1
Resolution of certain tax positions pertaining to prior years	(4.2)	(11.3)	96.2
Effect of retroactive legislation	—	(5.0)	—
State taxes, net of federal benefit	(0.5)	2.1	(4.6)
All other, net	0.6	0.3	(24.0)
Effective tax rate on earnings from continuing operations	31.6%	2.6%	207.7%

Impact of foreign operations is primarily derived from operations in Puerto Rico, Switzerland, Ireland, Singapore, and the Netherlands. In 2014, this benefit was more than offset by the tax expense accrued as a result of Abbott's one-time repatriation of its current year foreign earnings.

Note 14 — Taxes on Earnings from Continuing Operations (Continued)

The tax effect of the differences that give rise to deferred tax assets and liabilities were as follows:

(in millions)	2014	2013
Deferred tax assets:		
Compensation and employee benefits	$ 1,239	$ 862
Other, primarily reserves not currently deductible, and NOL's and credit carryforwards	2,759	2,908
Trade receivable reserves	146	155
Inventory reserves	152	137
Deferred intercompany profit	330	274
State income taxes	178	196
Total deferred tax assets	4,804	4,532
Deferred tax liabilities:		
Depreciation	(93)	(72)
Other, primarily the excess of book basis over tax basis of intangible assets	(2,491)	(1,774)
Total deferred tax liabilities	(2,584)	(1,846)
Total net deferred tax assets	$ 2,220	$ 2,686

Abbott has incurred losses in a foreign jurisdiction where realization of the future economic benefit is so remote that the benefit is not reflected as a deferred tax asset. Valuation allowances for recorded deferred tax assets were not significant.

The following table summarizes the gross amounts of unrecognized tax benefits without regard to reduction in tax liabilities or additions to deferred tax assets and liabilities if such unrecognized tax benefits were settled:

(in millions)	2014	2013
January 1	$ 1,965	$ 2,257
Increase due to current year tax positions	220	244
Increase due to prior year tax positions	153	152
Decrease due to prior year tax positions	(856)	(541)
Lapse of statute	—	(23)
Settlements	(79)	(124)
December 31	$ 1,403	$ 1,965

The total amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate is approximately $1.3 billion. Abbott believes that it is reasonably possible that the recorded amount of gross unrecognized tax benefits may decrease by $525 million to $635 million, including cash adjustments, within the next twelve months as a result of concluding various domestic and international tax matters.

Note 15 — Segment and Geographic Area Information

Abbott's principal business is the discovery, development, manufacture and sale of a broad line of health care products. Abbott's products are generally sold directly to retailers, wholesalers, hospitals, health care facilities, laboratories, physicians' offices and government agencies throughout the world. As a result of the separation of AbbVie, Abbott no longer has a Proprietary Pharmaceutical Products segment and this business has been removed from the 2012 historical information presented below. In July 2014, Abbott announced that it will sell its developed markets branded generics pharmaceuticals business to Mylan. This business was previously included in the Established Pharmaceutical Products segment. The segment information below, including prior period amounts, has been adjusted to reflect the classification of the developed markets branded generics pharmaceuticals business as part of discontinued operations in the Consolidated Statement of Earnings. Abbott's reportable segments are as follows:

Established Pharmaceutical Products — International sales of a broad line of branded generic pharmaceutical products.

Nutritional Products — Worldwide sales of a broad line of adult and pediatric nutritional products.

Diagnostic Products — Worldwide sales of diagnostic systems and tests for blood banks, hospitals, commercial laboratories and alternate-care testing sites. For segment reporting purposes, the Core Laboratories Diagnostics, Molecular Diagnostics, Point of Care and Ibis diagnostic divisions are aggregated and reported as the Diagnostic Products segment.

Vascular Products — Worldwide sales of coronary, endovascular, structural heart, vessel closure and other medical device products.

Non-reportable segments include the Diabetes Care and Medical Optics segments.

Abbott's underlying accounting records are maintained on a legal entity basis for government and public reporting requirements. Segment disclosures are on a performance basis consistent with internal management reporting. The cost of some corporate functions and the cost of certain employee benefits are charged to segments at predetermined rates that approximate cost. Remaining costs, if any, are not allocated to segments. In addition, intangible asset amortization is not allocated to operating segments, and intangible assets and goodwill are not included in the measure of each segment's assets. The following segment information has been prepared in accordance with the internal accounting policies of Abbott, as

Note 15 — Segment and Geographic Area Information (Continued)

described above, and are not presented in accordance with generally accepted accounting principles applied to the consolidated financial statements.

(in millions)	Net Sales to External Customers (a)			Operating Earnings (a)		
	2014	2013	2012	2014	2013	2012
Established Pharmaceuticals	$ 3,118	$ 2,862	$ 2,769	$ 624	$ 551	$ 531
Nutritionals	6,953	6,740	6,461	1,459	1,263	1,020
Diagnostics	4,721	4,545	4,292	1,079	1,008	825
Vascular	2,986	3,012	3,071	1,091	962	1,020
Total Reportable Segments	17,778	17,159	16,593	$ 4,253	$ 3,784	$ 3,396
Other	2,469	2,498	2,457			
Total	$ 20,247	$ 19,657	$ 19,050			

(a) Net sales and operating earnings were unfavorably affected by the relatively stronger U.S. dollar in 2014, 2013 and 2012.

	2014	2013	2012
		(in millions)	
Total Reportable Segment Operating Earnings	$ 4,253	$ 3,784	$ 3,396
Corporate functions and benefit plans costs	(342)	(514)	(593)
Non-reportable segments	439	430	449
Net interest expense	(73)	(78)	(261)
Net loss on extinguishment of debt	(18)	—	(1,351)
Share-based compensation	(239)	(254)	(278)
Amortization of intangible assets	(555)	(588)	(595)
Other, net (b)	(947)	(739)	(987)
Earnings (Loss) from Continuing Operations before Taxes	$ 2,518	$ 2,041	$ (220)

(b) Other, net includes: charges for cost reduction initiatives of approximately $290 million in 2014, $350 million in 2013 and charges of $430 million in 2012.

(in millions)	Depreciation (c)			Additions to Long-term Assets			Total Assets		
	2014	2013	2012	2014	2013	2012	2014	2013	2012
Established Pharmaceuticals	$ 72	$ 63	$ 135	$ 136	$ 128	$ 237	$ 2,244	$ 1,445	$ 1,382
Nutritionals	173	190	175	174	340	428	3,435	3,518	3,211
Diagnostics	314	368	295	349	394	349	2,964	3,312	3,286
Vascular	84	122	76	28	62	69	1,529	1,711	1,834
Total Reportable Segments	643	743	681	687	924	1,083	$ 10,172	$ 9,986	$ 9,713
Other	275	185	682	4,603	981	902			
Total	$ 918	$ 928	$ 1,363	$ 5,290	$ 1,905	$ 1,985			

(c) Amounts in Other include depreciation related to discontinued operations.

Note 15 — Segment and Geographic Area Information (Continued)

	2014	2013	2012
		(in millions)	
Total Reportable Segment Assets	$ 10,172	$ 9,986	$ 9,713
Cash, investments and restricted funds (d)	4,689	8,217	15,448
Current deferred income taxes (d)	1,705	2,528	2,986
Non-reportable segments	1,211	1,153	1,141
Goodwill and intangible assets (d)	16,265	15,507	24,362
All other (d) (e)	7,233	5,562	13,585
Total Assets	$ 41,275	$ 42,953	$ 67,235

(d) In 2012, the reported amounts include assets associated with the businesses transferred to AbbVie as part of the separation.

(e) Includes amounts related to developed markets established pharmaceuticals and animal health.

	Net Sales to External Customers (f)			Long-term Assets		
	2014	2013	2012	2014	2013	2012 (g)
			(in millions)			
United States	$ 6,123	$ 6,208	$ 6,242	$ 7,103	$ 7,884	$ 15,244
China	1,321	1,083	859	366	356	259
India	1,009	922	919	2,987	3,080	3,467
Germany	978	963	837	887	1,040	6,173
Japan	968	1,042	1,221	786	902	1,169
The Netherlands	788	960	1,107	569	560	532
Switzerland	707	792	693	2,067	1,117	1,214
Russia	536	525	485	159	30	37
Brazil	508	470	448	197	216	200
France	488	480	453	302	213	220
Canada	462	493	471	196	368	352
United Kingdom	447	395	396	1,301	1,380	1,345
Italy	436	457	412	83	100	222
Spain	310	276	283	281	326	314
All Other Countries	5,166	4,591	4,224	8,730	6,134	5,164
Consolidated	$ 20,247	$ 19,657	$ 19,050	$ 26,014	$ 23,706	$ 35,912

(f) Sales by country are based on the country that sold the product.

(g) Amounts reported in 2012 include assets associated with businesses transferred to AbbVie as part of the separation.

Note 16 — Quarterly Results (Unaudited)

(in millions except per share data)

	2014	2013
First Quarter		
Continuing Operations:		
Net Sales	$ 4,755	$ 4,847
Gross Profit	2,354	2,479
Earnings from Continuing Operations	224	464
Basic Earnings per Common Share	0.15	0.29
Diluted Earnings per Common Share	0.14	0.29
Net Earnings	375	545
Basic Earnings Per Common Share (a)	0.24	0.35
Diluted Earnings Per Common Share (a)	0.24	0.34
Market Price Per Share-High	40.49	35.34
Market Price Per Share-Low	35.65	31.64
Second Quarter		
Continuing Operations:		
Net Sales	$ 5,057	$ 4,933
Gross Profit	2,636	2,429
Earnings from Continuing Operations	425	397
Basic Earnings per Common Share	0.28	0.25
Diluted Earnings per Common Share	0.28	0.25
Net Earnings	466	476
Basic Earnings Per Common Share (a)	0.30	0.30
Diluted Earnings Per Common Share (a)	0.30	0.30
Market Price Per Share-High	41.30	38.77
Market Price Per Share-Low	36.65	34.69
Third Quarter		
Continuing Operations:		
Net Sales	$ 5,079	$ 4,805
Gross Profit	2,628	2,417
Earnings from Continuing Operations	438	644
Basic Earnings per Common Share	0.29	0.41
Diluted Earnings per Common Share	0.29	0.41
Net Earnings	538	966
Basic Earnings Per Common Share (a)	0.36	0.62
Diluted Earnings Per Common Share (a)	0.36	0.61
Market Price Per Share-High	44.20	37.16
Market Price Per Share-Low	40.92	32.70
Fourth Quarter		
Continuing Operations:		
Net Sales	$ 5,356	$ 5,072
Gross Profit	2,856	2,551
Earnings from Continuing Operations	634	483
Basic Earnings per Common Share	0.42	0.31
Diluted Earnings per Common Share	0.41	0.31
Net Earnings	905	589
Basic Earnings Per Common Share (a)	0.59	0.38
Diluted Earnings Per Common Share (a)	0.59	0.37
Market Price Per Share-High	46.50	38.81
Market Price Per Share-Low	39.28	32.75

(a) The sum of the four quarters of earnings per share for 2014 and 2013 may not add to the full year earnings per share amount due to rounding and/or the use of quarter-to-date weighted average shares to calculate the earnings per share amount in each respective quarter.

Management Report on Internal Control Over Financial Reporting

The management of Abbott Laboratories is responsible for establishing and maintaining adequate internal control over financial reporting. Abbott's internal control system was designed to provide reasonable assurance to the company's management and board of directors regarding the preparation and fair presentation of published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Abbott's management assessed the effectiveness of the company's internal control over financial reporting as of December 31, 2014. In making this assessment, it used the criteria set forth in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. As allowed by SEC guidance, management excluded from its assessment the September 2014 acquisition of the controlling interest in CFR Pharmaceuticals S.A. which accounted for approximately 10% of Abbott's total assets and 1% of Abbott's total net sales from continuing operations as of and for the year ended December 31, 2014. Based on our assessment, we believe that, as of December 31, 2014, the company's internal control over financial reporting was effective based on those criteria.

Abbott's independent registered public accounting firm has issued an audit report on their assessment of the effectiveness of the company's internal control over financial reporting. This report appears on page 88.

Miles D. White
Chairman of the Board and Chief Executive Officer

Thomas C. Freyman
Executive Vice President, Finance and Chief Financial Officer

Robert E. Funck
Vice President, Controller

February 27, 2015

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders of Abbott Laboratories:

We have audited the accompanying consolidated balance sheet of Abbott Laboratories and subsidiaries as of December 31, 2014, and the related consolidated statements of earnings, comprehensive income, shareholders' investment and cash flows for the year ended December 31, 2014. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Abbott Laboratories and subsidiaries at December 31, 2014, and the consolidated results of their operations and their cash flows for the year ended December 31, 2014, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Abbott Laboratories and subsidiaries' internal control over financial reporting as of December 31, 2014, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 27, 2015 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Chicago, Illinois
February 27, 2015

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders of Abbott Laboratories:

We have audited Abbott Laboratories and subsidiaries' internal control over financial reporting as of December 31, 2014, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). Abbott Laboratories and subsidiaries' management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As indicated in the accompanying Management Report on Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of the acquired CFR Pharmaceuticals S.A. business, which is included in the 2014 consolidated financial statements of Abbott Laboratories and subsidiaries and constituted approximately 10% of consolidated total assets as of December 31, 2014 and 1% of consolidated net sales for the year then ended. Our audit of internal control over financial reporting of Abbott Laboratories and subsidiaries also did not include an evaluation of the internal control over financial reporting of CFR Pharmaceuticals S.A.

In our opinion, Abbott Laboratories and subsidiaries maintained, in all material respects, effective internal control over financial reporting as of December 31, 2014, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of Abbott Laboratories and subsidiaries as of December 31, 2014, and the related consolidated statements of earnings, comprehensive income, shareholders' investment and cash flows for the year ended December 31, 2014 of Abbott Laboratories and subsidiaries and our report dated February 27, 2015 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Chicago, Illinois
February 27, 2015

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Abbott Laboratories:

We have audited the accompanying consolidated balance sheet of Abbott Laboratories and subsidiaries (the "Company") as of December 31, 2013, and the related consolidated statements of earnings, comprehensive income, shareholders' investment, and cash flows for each of the two years in the period ended December 31, 2013. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2013, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2013, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3 to the consolidated financial statements, the accompanying 2013 and 2012 financial statements have been retrospectively adjusted to reflect the developed markets branded generics pharmaceuticals and the animal health businesses as discontinued operations. In addition, as discussed in Note 2 to the consolidated financial statements, on January 1, 2013, the Company distributed all of the outstanding shares of AbbVie Inc., which encompasses the Company's research-based pharmaceuticals business, to the Company's shareholders.

/s/ Deloitte & Touche LLP

Chicago, Illinois
February 21, 2014
(February 27, 2015 as to Note 3)

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Evaluation of disclosure controls and procedures. The Chief Executive Officer, Miles D. White, and the Chief Financial Officer, Thomas C. Freyman, evaluated the effectiveness of Abbott Laboratories' disclosure controls and procedures as of the end of the period covered by this report, and concluded that Abbott Laboratories' disclosure controls and procedures were effective to ensure that information Abbott is required to disclose in the reports that it files or submits with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the Exchange Act) is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and to ensure that information required to be disclosed by Abbott in the reports that it files or submits under the Exchange Act is accumulated and communicated to Abbott's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Internal Control Over Financial Reporting

Management's annual report on internal control over financial reporting. Management's report on Abbott's internal control over financial reporting is included on page 86 hereof. The report of Abbott's independent registered public accounting firm related to their assessment of the effectiveness of internal control over financial reporting is included on page 88 hereof.

Changes in internal control over financial reporting. During the quarter ended December 31, 2014, there were no changes in Abbott's internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that have materially affected, or are reasonably likely to materially affect, Abbott's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Incorporated herein by reference are "Nominees for Election as Directors," "Committees of the Board of Directors," "Section 16(a) Beneficial Ownership Reporting Compliance," and "Procedure for Recommendation and Nomination of Directors and Transaction of Business at Annual Meeting" to be included in the 2015 Abbott Laboratories Proxy Statement. The 2015 Proxy Statement will be filed on or about March 13, 2015. Also incorporated herein by reference is the text found under the caption, "Executive Officers of the Registrant" on pages 17 through 19 hereof.

Abbott has adopted a code of ethics that applies to its principal executive officer, principal financial officer, and principal accounting officer and controller. That code is part of Abbott's code of business conduct which is available free of charge through Abbott's investor relations website (*www.abbottinvestor.com*). Abbott intends to include on its website any amendment to, or waiver from, a provision of its code of ethics that applies to Abbott's principal executive officer, principal financial officer, and principal accounting officer and controller that relates to any element of the code of ethics definition enumerated in Item 406(b) of Regulation S-K.

ITEM 11. EXECUTIVE COMPENSATION

The material to be included in the 2015 Proxy Statement under the headings "2014 Director Compensation," and "Executive Compensation," and "Compensation Committee Report" is incorporated herein by reference. The 2015 Proxy Statement will be filed on or about March 13, 2015.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

(a) *Equity Compensation Plan Information*.

The following table presents information as of December 31, 2014 about our compensation plans under which Abbott common shares have been authorized for issuance.

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted-average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders (1)	36,796,700	$ 27.83	116,345,486
Equity compensation plans not approved by security holders	0	—	0
Total (1)	36,796,700	$ 27.83	116,345,486

(1) (i) *Abbott Laboratories 1996 Incentive Stock Program*. Benefits under the 1996 Program include stock options intended to qualify for special tax treatment under Section 422 of the Internal Revenue Code ("incentive stock options"), stock options that do not qualify for that special tax treatment ("non-qualified stock options"), restricted stock, restricted stock units, stock appreciation rights, performance awards, and foreign qualified benefits. The shares that remain available for issuance under the 1996 Program may be issued in connection with any one of these benefits and may be either authorized but unissued shares or treasury shares (except that restricted stock awards may be satisfied only from treasury shares).

If there is a lapse, expiration, termination, forfeiture or cancellation of any benefit granted under the 1996 Program without the issuance of shares or payment of cash thereunder, the shares subject to or reserved for that benefit, or so reacquired, may again be used for new stock options, rights, or awards of any type authorized under the 1996 Program. If shares are issued under any benefit under the 1996 Program and thereafter are reacquired by Abbott pursuant to rights reserved upon their issuance, or pursuant to the payment of the purchase price of shares under stock options by delivery of other common shares of Abbott, the shares subject to or reserved for that benefit, or so reacquired, may not again be used for new stock options, rights, or awards of any type authorized under the 1996 Program.

In April 2009, the 1996 Program was replaced by the Abbott Laboratories 2009 Incentive Stock Program. No further awards will be granted under the 1996 Program.

(ii) *Abbott Laboratories 2009 Incentive Stock Program.* Benefits under the 2009 Program include stock options that do not qualify for special tax treatment under Section 422 of the Internal Revenue Code ("non-qualified stock options"), restricted stock, restricted stock units, performance awards, other share-based awards (including stock appreciation rights, dividend equivalents and recognition awards), awards to non-employee directors, and foreign benefits. The shares that remain available for issuance under the 2009 Program may be issued in connection with any one of these benefits and may be either authorized but unissued shares or treasury shares (except that restricted stock awards are satisfied from treasury shares).

If there is a lapse, expiration, termination, forfeiture or cancellation of any benefit granted under the 2009 Program without the issuance of shares or payment of cash thereunder, the shares subject to or reserved for that benefit, or so reacquired, may again be used for new stock options, rights, or awards of any type authorized under the 2009 Program. If shares are issued under any benefit under the 2009 Program and thereafter are reacquired by Abbott pursuant to rights reserved upon their issuance, or pursuant to the payment of the purchase price of shares under stock options by delivery of other common shares of Abbott, the shares subject to or reserved for that benefit, or so reacquired, may not again be used for new stock options, rights, or awards of any type authorized under the 2009 Program.

(iii) *Abbott Laboratories 2009 Employee Stock Purchase Plan for Non-U.S. Employees.* Eligible employees of participating non-U.S. affiliates of Abbott may participate in this plan. An eligible employee may authorize payroll deductions at the rate of 1% to 10% of eligible compensation (in multiples of one percent) subject to a limit of US $12,500 during any purchase cycle.

Purchase cycles are generally six months long and usually begin on August 1 and February 1. On the last day of each purchase cycle, Abbott uses participant contributions to acquire Abbott common shares. The shares acquired come from treasury shares. The purchase price is 85% of the lower of the fair market value of the shares on that date or on the first day of that purchase cycle.

(iv) *Advanced Medical Optics, Inc. Plans.* In 2009, in connection with its acquisition of Advanced Medical Optics, Inc., Abbott assumed options outstanding under the AMO's 2004 Stock Incentive Plan, as amended and restated, and the Advanced Medical Optics, Inc. 2005 Incentive Compensation Plan. As of December 31, 2014, 686,420 options remained outstanding under the plans. These options have a weighted average purchase price of $42.19. No further awards will be granted under the plans.

For additional information concerning the Abbott Laboratories 1996 Incentive Stock Program, the Abbott Laboratories 2009 Incentive Stock Program, and the Abbott Laboratories 2009 Employee Stock Purchase Plan for Non-U.S. Employees, see the discussion in Note 8 entitled "Incentive Stock Program" of the Notes to Consolidated Financial Statements included under Item 8, "Financial Statements and Supplementary Data."

(b) *Information Concerning Security Ownership.* Incorporated herein by reference is the material under the heading "Security Ownership of Executive Officers and Directors" in the 2015 Proxy Statement. The 2015 Proxy Statement will be filed on or about March 13, 2015.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The material to be included in the 2015 Proxy Statement under the headings "The Board of Directors," "Committees of the Board of Directors," "Leadership Structure," "Director Selection," "Board Diversity," "Corporate Governance Materials," and "Approval Process for Related Person Transactions" is incorporated herein by reference. The 2015 Proxy Statement will be filed on or about March 13, 2015.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The material to be included in the 2015 Proxy Statement under the headings "Audit Fees and Non-Audit Fees" and "Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of the Independent Auditor" is incorporated herein by reference. The 2015 Proxy Statement will be filed on or about March 13, 2015.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) *Documents filed as part of this Form 10-K.*

(1) *Financial Statements:* See Item 8, "Financial Statements and Supplementary Data," on page 46 hereof, for a list of financial statements.

(2) *Financial Statement Schedules:* The required financial statement schedules are found on the pages indicated below. These schedules should be read in conjunction with the Consolidated Financial Statements of Abbott Laboratories:

(3) *Exhibits Required by Item 601 of Regulation S-K:* The information called for by this paragraph is incorporated herein by reference to the Exhibit Index on pages 100 through 105 of this Form 10-K.

(b) *Exhibits filed (see Exhibit Index on pages 100 through 105).*

(c) *Financial Statement Schedule filed (page 97).*

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Abbott Laboratories has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ABBOTT LABORATORIES

By /s/ MILES D. WHITE

Miles D. White
Chairman of the Board and
Chief Executive Officer

Date: February 27, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of Abbott Laboratories on February 27, 2015 in the capacities indicated below.

/s/ MILES D. WHITE

Miles D. White
Chairman of the Board, Chief Executive Officer
and Director of Abbott Laboratories
(principal executive officer)

/s/ THOMAS C. FREYMAN

Thomas C. Freyman
Executive Vice President, Finance and Chief
Financial Officer (principal financial officer)

/s/ ROBERT E. FUNCK

Robert E. Funck
Vice President and Controller
(principal accounting officer)

/s/ ROBERT J. ALPERN

Robert J. Alpern, M.D.
Director of Abbott Laboratories

/s/ ROXANNE S. AUSTIN

Roxanne S. Austin
Director of Abbott Laboratories

/s/ SALLY E. BLOUNT

Sally E. Blount, Ph.D.
Director of Abbott Laboratories

/s/ W. JAMES FARRELL

W. James Farrell
Director of Abbott Laboratories

/s/ EDWARD M. LIDDY

Edward M. Liddy
Director of Abbott Laboratories

/s/ NANCY MCKINSTRY

Nancy McKinstry
Director of Abbott Laboratories

/s/ PHEBE N. NOVAKOVIC

Phebe N. Novakovic
Director of Abbott Laboratories

/s/ WILLIAM A. OSBORN

William A. Osborn
Director of Abbott Laboratories

/s/ SAMUEL C. SCOTT III

Samuel C. Scott III
Director of Abbott Laboratories

/s/ GLENN F. TILTON

Glenn F. Tilton
Director of Abbott Laboratories

ABBOTT LABORATORIES AND SUBSIDIARIES
SCHEDULE II VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 2014, 2013 AND 2012
(in millions of dollars)

Allowances for Doubtful Accounts and Product Returns	Balance at Beginning of Year	Provisions/ Charges to Income	Amounts Charged Off and Other Deductions	Balance at End of Year
2014	$ 312	$ 220	$ (222)	$ 310
2013	406	163	(257)(1)	312
2012	421	343	(358)	406

(1) Includes $178 million transferred to AbbVie as part of the separation on January 1, 2013.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders of Abbott Laboratories:

We have audited the consolidated financial statements of Abbott Laboratories and subsidiaries as of and for the year ended December 31, 2014, and have issued our report thereon dated February 27, 2015 (included elsewhere in this Annual Report on Form 10-K). Our audit also included the financial statement schedule listed in Item 15(a)(2) of this Annual Report on Form 10-K. This schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on this schedule based on our audit.

In our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, present fairly in all material respects the information set forth therein.

/s/ Ernst & Young LLP

Chicago, Illinois
February 27, 2015

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Abbott Laboratories:

We have audited the consolidated financial statements of Abbott Laboratories and subsidiaries (the "Company") as of December 31, 2013, and for each of the two years in the period ended December 31, 2013, and have issued our reports thereon dated February 21, 2014 (February 27, 2015 as to Note 3), which report relating to the consolidated financial statements expresses an unqualified opinion and includes an explanatory paragraph regarding the retrospective adjustment to reflect the developed markets branded generics pharmaceuticals and the animal health businesses as discontinued operations and the distribution of the shares of AbbVie Inc. to the Company's shareholders; such reports are included elsewhere in this Form 10-K. Our audits also included the consolidated financial statement schedule of the Company listed in Item 15 for the years ended December 31, 2013 and 2012. This consolidated financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such consolidated financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ Deloitte & Touche LLP

Chicago, Illinois
February 21, 2014

EXHIBIT INDEX
ABBOTT LABORATORIES
ANNUAL REPORT
FORM 10-K
2014

Exhibits 32.1 and 32.2 are furnished herewith and should not be deemed to be "filed under the Securities Exchange Act of 1934."

10-K Exhibit Table Item No.	
2.1	*Amendment No. 2 to Business Transfer Agreement dated January 29, 2011, by and among Abbott Healthcare Private Limited, Abbott Laboratories, Piramal Healthcare Limited ("Piramal") and certain shareholders of Piramal, filed as Exhibit 2 to the Abbott Laboratories Quarterly Report on Form 10-Q for the quarter ended March 31, 2011.
2.2	*Separation and Distribution Agreement, dated as of November 28, 2012, by and between Abbott Laboratories and AbbVie Inc., filed as Exhibit 2.1 to the Abbott Laboratories Current Report on Form 8-K dated November 28, 2012.
2.3	*Amended and Restated Business Transfer Agreement and Plan of Merger, dated as of November 4, 2014, between and among Abbott Laboratories, Mylan Inc., New Moon B.V. and Moon of PA Inc., filed as Exhibit 2.1 to the Abbott Laboratories Quarterly Report on Form 10-Q for the quarter ended September 30, 2014.
2.4	*Transaction Agreement, dated as of May 15, 2014, by and between Abbott Investments Luxembourg S.Á R.L. and Positron Limited, filed as Exhibit 2.1 to the Abbott Laboratories Quarterly Report on Form 10-Q for the quarter ended June 30, 2014. Certain schedules and exhibits have been omitted from these filings pursuant to Item 601(b)(2) of Regulation S-K. Abbott will furnish supplemental copies of any such schedules or exhibits to the U.S. Securities and Exchange Commission upon request.
3.1	*Articles of Incorporation, Abbott Laboratories, filed as Exhibit 3.1 to the Abbott Laboratories Quarterly Report on Form 10-Q for the quarter ended March 31, 1998.
3.2	*By-Laws of Abbott Laboratories, as amended and restated effective April 27, 2012, filed as Exhibit 3.1 to the Abbott Laboratories Current Report on Form 8-K dated February 17, 2012.
4.1	*Indenture dated as of February 9, 2001, between Abbott Laboratories and The Bank of New York Mellon Trust Company, N.A. (as successor to J.P. Morgan Trust Company, National Association, successor to Bank One Trust Company, N.A.) (including form of Security), filed as Exhibit 4.1 to the Abbott Laboratories Registration Statement on Form S-3 dated February 12, 2001.
4.2	*Supplemental Indenture dated as of February 27, 2006, between Abbott Laboratories and The Bank of New York Mellon Trust Company, N.A. (as successor to J.P. Morgan Trust Company, National Association), filed as Exhibit 4.2 to the Abbott Laboratories Registration Statement on Form S-3 dated February 28, 2006.
4.3	*Form of $1,000,000,000 6.150% Note due 2037, filed as Exhibit 99.6 to the Abbott Laboratories Current Report on Form 8-K dated November 6, 2007.

10-K Exhibit Table Item No.	
4.4	*Actions of the Authorized Officers with respect to Abbott's 5.150% Notes due 2012, 5.600% Notes due 2017 and 6.150% Notes due 2037, filed as Exhibit 99.3 to the Abbott Laboratories Current Report on Form 8-K dated November 6, 2007.
4.5	*Form of $2,000,000,000 5.125% Note due 2019, filed as Exhibit 99.4 to the Abbott Laboratories Current Report on Form 8-K dated February 26, 2009.
4.6	*Form of $1,000,000,000 6.000% Note due 2039, filed as Exhibit 99.5 to the Abbott Laboratories Current Report on Form 8-K dated February 26, 2009.
4.7	*Actions of the Authorized Officers with respect to Abbott's 5.125% Note due 2019 and 6.000% Note due 2039, filed as Exhibit 99.3 to the Abbott Laboratories Current Report on Form 8-K dated February 26, 2009.
4.8	*Form of 2020 Note, filed as Exhibit 99.5 to the Abbott Laboratories Current Report on Form 8-K dated May 27, 2010.
4.9	*Form of 2040 Note, filed as Exhibit 99.6 to the Abbott Laboratories Current Report on Form 8-K dated May 27, 2010.
4.10	*Actions of the Authorized Officers with respect to Abbott's 2.70% Notes, 4.125% Notes and 5.30% Notes, filed as Exhibit 99.3 to the Abbott Laboratories Current Report on Form 8-K dated May 27, 2010.
	Other debt instruments are omitted in accordance with Item 601(b)(4)(iii)(A) of Regulation S-K. Copies of such agreements will be furnished to the Securities and Exchange Commission upon request.
10.1	*Supplemental Plan Abbott Laboratories Extended Disability Plan, filed as an exhibit (pages 50-51) to the 1992 Abbott Laboratories Annual Report on Form 10-K.**
10.2	Abbott Laboratories Deferred Compensation Plan, as amended.**
10.3	*Abbott Laboratories 401(k) Supplemental Plan, as amended and restated, filed as Exhibit 10.3 to the 2012 Abbott Laboratories Annual Report on Form 10-K.**
10.4	Abbott Laboratories Supplemental Pension Plan, as amended and restated.**
10.5	The 1986 Abbott Laboratories Management Incentive Plan, as amended and restated.**
10.6	1998 Abbott Laboratories Performance Incentive Plan, as amended.**
10.7	*Rules for the 1998 Abbott Laboratories Performance Incentive Plan, as amended and restated, filed as Exhibit 10.7 to the 2012 Abbott Laboratories Annual Report on Form 10-K.**
10.8	*The Abbott Laboratories 1996 Incentive Stock Program, as amended and restated through the 6th Amendment February 20, 2009, filed as Exhibit 10.11 to the Abbott Laboratories Quarterly Report on Form 10-Q for the quarter ended March 31, 2009.**
10.9	Abbott Laboratories 2009 Incentive Stock Program, as amended and restated.**
10.10	*Abbott Laboratories Non-Employee Directors' Fee Plan, as amended and restated, filed as Exhibit 10.10 to the 2012 Abbott Laboratories Annual Report on Form 10-K.**
10.11	*Form of Non-Employee Director Stock Option Agreement under the Abbott Laboratories 1996 Incentive Stock Program granted on or after February 18, 2005, filed as Exhibit 10.7 to the Abbott Laboratories Current Report on Form 8-K dated February 18, 2005.**

10-K Exhibit Table Item No.	
10.12	*Form of Non-Employee Director Restricted Stock Unit Agreement under Abbott Laboratories 1996 Incentive Stock Program, filed as Exhibit 10.2 to the Abbott Laboratories Current Report on Form 8-K dated December 10, 2004.**
10.13	*Form of Employee Stock Option Agreement for a Non-Qualified Stock Option granted with an Incentive Stock Option under the Abbott Laboratories 1996 Incentive Stock Program on or after February 18, 2005, filed as Exhibit 10.1 to the Abbott Laboratories Current Report on Form 8-K dated February 18, 2005.**
10.14	*Form of Employee Stock Option Agreement for a new Non-Qualified Stock Option under the Abbott Laboratories 1996 Incentive Stock Program granted on or after February 18, 2005, filed as Exhibit 10.2 to the Abbott Laboratories Current Report on Form 8-K dated February 18, 2005.**
10.15	*Form of Employee Stock Option Agreement for an Incentive Stock Option granted with a Non-Qualified Stock Option under the Abbott Laboratories 1996 Incentive Stock Program on or after February 18, 2005, filed as Exhibit 10.3 to the Abbott Laboratories Current Report on Form 8-K dated February 18, 2005.**
10.16	*Form of Employee Stock Option Agreement for an Incentive Stock Option under the Abbott Laboratories 1996 Incentive Stock Program granted on or after February 18, 2005, filed as Exhibit 10.4 to the Abbott Laboratories Current Report on Form 8-K dated February 18, 2005.**
10.17	*Form of Non-Qualified Stock Option Agreement for an award of non-qualified stock options under the Abbott Laboratories 1996 Incentive Stock Program granted on or after February 17, 2006, filed as Exhibit 10.4 to the Abbott Laboratories Current Report on Form 8-K dated February 16, 2006.**
10.18	*Form of Non-Qualified Stock Option Agreement for an award of non-qualified stock options under the Abbott Laboratories 1996 Incentive Stock Program granted on or after February 20, 2009, filed as Exhibit 10.3 to the Abbott Laboratories Current Report on Form 8-K dated February 20, 2009.**
10.19	*Form of Non-Employee Director Non-Qualified Stock Option Agreement, filed as Exhibit 10.2 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**
10.20	*Form of Non-Employee Director Restricted Stock Unit Agreement, filed as Exhibit 10.3 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**
10.21	*Form of Non-Qualified Stock Option Agreement (ratably vested), filed as Exhibit 10.5 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**
10.22	*Form of Performance Restricted Stock Agreement, filed as Exhibit 10.7 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**
10.23	*Form of Restricted Stock Agreement (ratably vested), filed as Exhibit 10.8 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**
10.24	*Form of Restricted Stock Agreement (cliff vested), filed as Exhibit 10.9 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**
10.25	*Form of Performance Restricted Stock Agreement (annual performance based), filed as Exhibit 10.10 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**

10-K Exhibit Table Item No.	
10.26	*Form of Performance Restricted Stock Agreement (interim performance based), filed as Exhibit 10.11 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**
10.27	*Form of Restricted Stock Unit Agreement (cliff vested), filed as Exhibit 10.12 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**
10.28	*Form of Restricted Stock Unit Agreement (ratably vested), filed as Exhibit 10.13 to the Abbott Laboratories Current Report on Form 8-K dated April 24, 2009.**
10.29	*Form of Restricted Stock Unit Agreement (ratably vested), filed as Exhibit 10.37 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.30	*Form of Restricted Stock Unit Agreement for foreign employees (ratably vested), filed as Exhibit 10.38 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.31	*Form of Performance Restricted Stock Unit Agreement for foreign employees (annual performance based), filed as Exhibit 10.39 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.32	*Form of Performance Restricted Stock Unit Agreement for foreign executive officers (annual performance based), filed as Exhibit 10.40 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.33	*Form of Performance Restricted Stock Unit Agreement for foreign employees (interim performance based), filed as Exhibit 10.41 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.34	*Form of Performance Restricted Stock Unit Agreement for foreign executive officers (interim performance based), filed as Exhibit 10.42 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.35	*Form of Restricted Stock Unit Agreement (cliff vested), filed as Exhibit 10.43 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.36	*Form of Restricted Stock Unit Agreement for executive officers (cliff vested), filed as Exhibit 10.44 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.37	*Form of Restricted Stock Unit Agreement for foreign employees (cliff vested), filed as Exhibit 10.45 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.38	*Form of Restricted Stock Unit Agreement for foreign executive officers (cliff vested), filed as Exhibit 10.46 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.39	*Form of Non-Employee Director Restricted Stock Unit Agreement, filed as Exhibit 10.47 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.40	*Form of Non-Employee Director Restricted Stock Unit Agreement for foreign non-employee directors, filed as Exhibit 10.48 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.41	*Form of Restricted Stock Unit Agreement for Participants in France, filed as Exhibit 10.49 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.42	*Form of Restricted Stock Agreement (ratably vested), filed as Exhibit 10.50 to the 2013 Abbott Laboratories Annual Report on Form 10-K.

10-K Exhibit Table Item No.	
10.43	*Form of Restricted Stock Agreement for executive officers (ratably vested), filed as Exhibit 10.51 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.44	*Form of Performance Restricted Stock Agreement (annual performance based), filed as Exhibit 10.52 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.45	*Form of Performance Restricted Stock Agreement for executive officers (annual performance based), filed as Exhibit 10.53 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.46	*Form of Performance Restricted Stock Agreement (interim performance based), filed as Exhibit 10.54 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.47	*Form of Performance Restricted Stock Agreement for executive officers (interim performance based), filed as Exhibit 10.55 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.48	*Form of Restricted Stock Agreement (cliff vested), filed as Exhibit 10.56 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.49	*Form of Restricted Stock Agreement for executive officers (cliff vested), filed as Exhibit 10.57 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.50	*Form of Non-Qualified Stock Option Agreement, filed as Exhibit 10.58 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.51	*Form of Non-Qualified Stock Option Agreement for executive officers, filed as Exhibit 10.59 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.52	*Form of Non-Qualified Stock Option Agreement for foreign employees, filed as Exhibit 10.60 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.53	*Form of Non-Qualified Stock Option Agreement for foreign executive officers, filed as Exhibit 10.61 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.54	*Form of Non-Employee Director Non-Qualified Stock Option Agreement, filed as Exhibit 10.64 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.55	*Form of Non-Employee Director Non-Qualified Stock Option Agreement for foreign non-employee directors, filed as Exhibit 10.65 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.56	*Form of UK Option Award Agreement, filed as Exhibit 10.66 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.57	*Form of UK Option Award Agreement for executive officers, filed as Exhibit 10.67 to the 2013 Abbott Laboratories Annual Report on Form 10-K.
10.58	*Form of Agreement Regarding Change in Control by and between Abbott Laboratories and its named executive officers (other than Mr. White), filed as Exhibit 10.1 to the Abbott Laboratories Current Report on Form 8-K dated November 30, 2012.**
10.59	Form of Extension of Agreement Regarding Change in Control by and between Abbott Laboratories and its named executive officers (other than Mr. White), extending the agreement term to December 31, 2016.

10-K Exhibit Table Item No.	
10.60	*Form of Time Sharing Agreement between Abbott Laboratories, Inc. and M.D. White and T.C. Freyman, filed as Exhibit 10.6 to the Abbott Laboratories Quarterly Report on Form 10-Q for the quarter ended June 30, 2006.**
10.61	*2004 Stock Incentive Plan, as amended and restated, filed as Exhibit 4.5 to the Abbott Laboratories Registration Statement on Form S-8 dated March 20, 2009.**
10.62	*Advanced Medical Optics, Inc. 2005 Incentive Compensation Plan, filed as Exhibit 4.6 to the Abbott Laboratories Registration Statement on Form S-8 dated March 20, 2009.**
12	Computation of Ratio of Earnings to Fixed Charges.
21	Subsidiaries of Abbott Laboratories.
23.1	Consent of Independent Registered Public Accounting Firm.
23.2	Consent of Independent Registered Public Accounting Firm.
31.1	Certification of Chief Executive Officer Required by Rule 13a-14(a) (17 CFR 240.13a-14(a)).
31.2	Certification of Chief Financial Officer Required by Rule 13a-14(a) (17 CFR 240.13a-14(a)).
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial statements and notes from the Abbott Laboratories Annual Report on Form 10-K for the year ended December 31, 2014 filed on February 27, 2015, formatted in XBRL: (i) Consolidated Statement of Earnings; (ii) Consolidated Statement of Cash Flows; (iii) Consolidated Balance Sheet; (iv) Consolidated Statement of Shareholders' Investment; and (v) the notes to the consolidated financial statements.

The 2015 Abbott Laboratories Proxy Statement will be filed with the Securities and Exchange Commission under separate cover on or about March 13, 2015.

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* Incorporated herein by reference. Commission file number 1-2189.

** Denotes management contract or compensatory plan or arrangement required to be filed as an exhibit hereto.

Abbott will furnish copies of any of the above exhibits to a shareholder upon written request to the Secretary, Abbott Laboratories, 100 Abbott Park Road, Abbott Park, Illinois 60064-6400.

ABBOTT LABORATORIES

DEFERRED COMPENSATION PLAN

ARTICLE I

Introduction

Section 1.1 Purpose. The Plan is designed to assist the Employers in attracting and retaining key employees by providing those employees with the opportunity to defer the receipt of a portion of their compensation and to have that deferred compensation treated as if it were invested pending its distribution by the Plan.

Section 1.2 ERISA. The Plan is intended to be exempt from Parts 2, 3, and 4 of Title I of ERISA and, therefore, participation in the Plan is limited to a select group of management and highly compensated employees, within the meaning of Sections 201(2), 301(a)3 and 401(a)(1) of ERISA.

Section 1.3 Employers.

(a) After the Effective Date, any Subsidiary of the Company that is not then an Employer may adopt the Plan with the Company's consent as described in **Section 13.12**.

(b) Each Employer shall be liable to the Company for an amount equal to the Plan benefits earned by its Eligible Employees. Where an Eligible Employee has been employed by more than one Employer, the Plan Administrator shall allocate the liability to the Company associated with that Eligible Employee's Plan benefits among his or her Employers. The Plan Administrator shall establish procedures for determining the time at which and manner in which the Employers shall pay this liability to the Company.

Section 1.4 Grandfathered Amounts. Notwithstanding anything in this Plan to the contrary, any amounts under this Plan that were earned and vested before January 1, 2005 (as determined in accordance with Code Section 409A) ("Grandfathered Amounts") shall be subject to the terms and conditions of the Plan as administered and as in effect on October 3, 2004. Amendments made to the Plan pursuant to this amendment and restatement or otherwise shall not affect the Grandfathered Amounts unless expressly provided for in the amendment. The terms and conditions applicable to the Grandfathered Amounts are set forth in Appendix A attached hereto.

Section 1.5 Effective Date. The Plan has been amended and restated, effective as of August 12, 2014.

ARTICLE II

Definitions

When used in this Plan, unless the context clearly requires a different meaning, the following words and terms shall have the meanings set forth below. Whenever appropriate, words used in the singular shall be deemed to include the plural, and *vice versa*, and the masculine gender shall be deemed to include the feminine gender.

Section 2.1 Account. "Account(s)" means the account(s) established for record keeping purposes for each Participant pursuant to **Article VI**.

Section 2.2 Base Compensation. "Base Compensation" means the Participant's total compensation earned in a Plan Year for personal service actually rendered to an Employer, including sales bonuses, sales incentives and sales commissions (excluding Eligible Bonuses, all other bonuses, commissions, relocation expenses, reimbursements, expense allowances, fringe benefits (cash or noncash), welfare benefits (whether or not those amounts are includible in gross income) and other non-regular forms of compensation) before deductions for (i) Deferral Elections made pursuant to **Section 4.1** or (ii) contributions made on the Participant's behalf to any Employer 401(k) Plan or to any cafeteria plan under Section 125 of the Internal Revenue Code of 1986, as amended (the "Code") maintained by an Employer. Notwithstanding the foregoing, the Plan Administrator or its delegate may designate amounts to be included in or excluded from Base Compensation.

Section 2.3 Beneficiary. "Beneficiary" means the person, persons or entity designated by the Participant to receive any benefits payable under the Plan pursuant to **Article IX**.

Section 2.4 Board of Review. "Board of Review" means the Abbott Laboratories Employee Benefit Board of Review appointed and acting under the Abbott Laboratories Annuity Retirement Plan and having the powers and duties described in this Plan.

Section 2.5 Company. "Company" means Abbott Laboratories, its successors, any organization into which or with which Abbott Laboratories may merge or consolidate or to which all or substantially all of its assets may be transferred.

Section 2.6 Deferral Election. "Deferral Election" means an election under the Plan by a Participant to defer the receipt of a portion of his or her Eligible Compensation made on a Deferral Election Form.

Section 2.7 Deferral Election Form. "Deferral Election Form" means the form provided to the Participant by the Plan pursuant to **Section 4.1** on which the Participant makes his or her Deferral Election.

Section 2.8 Deferral Account. "Deferral Account(s)" means the account(s) established for record keeping purposes for each Participant's Deferral Election pursuant to **Section 6.1**.

Section 2.9 Disability. The date of "Disability" of a Participant means that, the date on which the Participant is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, eligible to receive income replacement benefits under the terms of the Abbott Laboratories Extended Disability Plan ("EDP") or, for a Participant whose Employer does not participate in the EDP, such similar accident and health plan, providing income replacement benefits, in which his or her Employer participates, for a period of six months.

Section 2.10 Distribution Election. "Distribution Election" is defined in **Section 4.3(a)**.

Section 2.11 Distribution Election Form. "Distribution Election Form" means the form provided to the Participant by the Plan pursuant to **Section 4.3** on which the Participant specifies the time at which the amounts credited to one of the Participant's Account(s) are to be distributed and their method of payment.

Section 2.12 Effective Date. "Effective Date" is defined in **Section 1.5**.

Section 2.13 Eligibility Date. "Eligibility Date" is defined in **Section 3.1(b)**.

Section 2.14 Eligible Bonus. "Eligible Bonus" means an annual cash incentive bonus for a Plan Year that the Plan Administrator, or its delegate, has designated as being eligible for deferral under the Plan. As of the Effective Date, cash bonuses paid under the Abbott Laboratories Cash Profit Sharing Plan or any Employer's annual incentive bonus plan with a performance period commencing on January 1 and ending on December 31 of the applicable Plan Year are eligible for deferral under the Plan.

Section 2.15 Eligible Compensation. "Eligible Compensation" means the Participant's Base Compensation and Eligible Bonuses.

Section 2.16 Eligible Employee. "Eligible Employee" means any person employed by an Employer who is both

(i) a United States employee or an expatriate who is based and paid in the United States, and

(ii) shown as having a grade level of 20 (or equivalent level of compensation if on a different pay grade system) or higher on his or her Employer's Human Resource System

and who is not (a) both an officer of the Company and eligible to participate in the Abbott Laboratories 401(k) Supplemental Plan, except as contemplated by **Section 3.1** hereof for the Plan Year in which the person is first named an officer, (b) an individual who provides services to an Employer under a contract, arrangement or understanding with either the individual directly or with an agency or leasing organization that treats the individual as either an independent contractor or an employee of such agency or leasing organization, even if such individual is subsequently determined (by an Employer, the Internal Revenue Service, any other governmental agency, judicial action, or otherwise) to have been a common law employee of an

Employer rather than an independent contractor or employee of such agency or leasing organization, or (c) any Employee who is employed by an Employer located in Puerto Rico, other than any person designated as a "U.S. Expatriate" on the records of an Employer.

For all Plan purposes, an individual shall be an "Eligible Employee" for any Plan Year only if during that Plan Year an Employer treats that individual as its employee for purposes of employment taxes and wage withholding for Federal income taxes, even if such individual is subsequently determined (by an Employer, the Internal Revenue Service, any other governmental agency, judicial action, or otherwise) to have been a common law employee of an Employer in that Plan Year.

Section 2.17 Employer. "Employer" shall mean the Company, the participating Employers on the Effective Date, and any Subsidiary of the Company that subsequently adopts the Plan in the manner provided in **Section 13.12**.

Section 2.18 Employer Contribution. "Employer Contribution" means the contribution deemed to have been made by an Employer pursuant to **Section 5.1**.

Section 2.19 Employer Contribution Account. "Employer Contribution Account(s)" means the account(s) established for record keeping purposes for each Participant's Employer Contributions pursuant to **Section 6.1**.

Section 2.20 Employer 401(k) Plan. "Employer 401(k) Plan" means any defined contribution retirement plan that is maintained by an Employer, qualified under Code Section 401(a), and includes a cash or deferred arrangement under Code Section 401(k). The term shall specifically include, but not be limited to, the Abbott Laboratories 401(k) Plan and the Abbott Laboratories Stock Retirement Plan.

Section 2.21 ERISA. "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

Section 2.22 Hardship Distribution. "Hardship Distribution" is defined in **Section 8.5(a)**.

Section 2.23 In-Service Distribution. "In-Service Distribution" is defined in **Section 4.3**.

Section 2.24 Initial Election. "Initial Election" is defined in **Section 4.3(a)**.

Section 2.25 Investment Election. "Investment Election" is defined in **Section 4.2(a)**.

Section 2.26 Investment Election Form. "Investment Election Form" means the form provided to the Participant by the Plan pursuant to **Section 4.2** on which the Participant specifies the Investment Funds in which the Participant's Account(s) are to be deemed to be invested.

Section 2.27 Investment Fund(s). "Investment Fund(s)" means one or more of the funds selected by the Plan Administrator pursuant to **Section 4.2**.

Section 2.28 Investment Fund Subaccounts. "Investment Fund Subaccounts" is defined in **Section 6.1(b)**.

Section 2.29 Matching DCP Deferral. "Matching DCP Deferral" for a Participant for a Plan Year is an amount equal to the total dollar amount of the Participant's deferrals for the Plan Year pursuant to Employee Deferral Elections under Section 4.1(b), but in no event shall a Participant's Matching DCP Deferral for a Plan Year exceed the amount by which (a) the Participant's Base Compensation for the Plan Year up to the limit on compensation as defined in Code Section 401(a)(17) exceeds (b) the Participant's Base Compensation for the Plan Year less the total dollar amount deferred pursuant to Employee Deferral Elections under Section 4.1(b) for the Plan Year.

Section 2.30 Participant. "Participant" means any Eligible Employee who elects to participate in this Plan by filing a Deferral Election, Investment Fund Election, and Distribution Election as provided in **Article IV**.

Section 2.31 Plan. "Plan" means the Abbott Laboratories Deferred Compensation Plan.

Section 2.32 Plan Administrator. "Plan Administrator" means the Board of Review.

Section 2.33 Plan Year. "Plan Year" means a twelve-month period beginning January 1 and ending the following December 31.

Section 2.34 Rate of Return. "Rate of Return" means, for each Investment Fund, an amount equal to the net gain or net loss (expressed as a percentage) on the assets of that Investment Fund.

Section 2.35 Retirement. "Retirement" means a Termination of Employment after having satisfied the age and service requirements of Subsection (a) or (b) below, as applicable:

(a) With respect to Participants covered by the Abbott Laboratories Annuity Retirement Plan:

(i) for the Participant hired before 2004, the date on which the Participant attains age 50 and completes 10 years of "vesting service" (as such term is described in the Abbott Laboratories Annuity Retirement Plan); or

(ii) for the Participant hired after 2003, the date on which the Participant attains age 55 and completes 10 years of vesting service; or age 65.

(b) With respect to Participants covered by the Abbott Laboratories Pension Plan for Former BASF Employees, the date on which the Participant attains age 55 and completes 5 years of vesting service (as such term is described in the Abbott Laboratories Pension Plan for Former BASF Employees).

Section 2.36 Subsequent Election. "Subsequent Election" is defined in **Section 4.2(a)**.

Section 2.37 Subsidiary. "Subsidiary" shall mean any corporation, limited liability company, partnership, joint venture, or business trust organized in the United States 50 percent or more of the voting stock of which is owned, directly or indirectly, by the Company.

Section 2.38 Termination of Employment. "Termination of Employment" means the cessation of a Participant's services as an employee, whether voluntary or involuntary, for any reason other than death; provided, that the Participant shall not be considered to have terminated employment for purposes of the Plan until he or she would be considered to have incurred a "separation from service" from the Employer within the meaning of Code Section 409A.

Section 2.39 Unforeseeable Emergency. "Unforeseeable Emergency" means a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's spouse or a dependent of the Participant, loss of the Participant's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by insurance, for example, not as a result of a natural disaster), or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant as determined by the Plan Administrator.

ARTICLE III

Participation

Section 3.1 Participation.

(a) Except as provided in **Sections 3.1(b) and (c)**, an Eligible Employee may become a Participant by making a Deferral Election, Investment Fund Election, and Distribution Election pursuant to **Article IV** on or before the deadline set by the Plan Administrator pursuant to **Section 4.4**.

(b) A newly hired individual who is an Eligible Employee shall become eligible to participate in the Plan on the first day of the month next following the month after the individual's date of hire (the "Eligibility Date"); provided, that in no event shall such individual begin to participate in the plan later than 90 days following his or her date of hire. Notwithstanding the election requirements of Section 3.1(a), a newly Eligible Employee who was not

eligible to participate in any other plan that would be aggregated with the Plan under Treasury Regulation §1.409A-1(c) may make a Deferral Election, Investment Fund Election and Distribution Election pursuant to **Article IV** within the thirty (30) day period immediately following the Eligibility Date. Any such election shall become effective for Eligible Compensation earned no earlier than the first payroll period commencing after receipt of the election by the Plan Administrator and shall be irrevocable for the remainder of the Plan Year.

(c) An individual who becomes an Eligible Employee as a result of a job promotion or transfer may only make a Deferral Election, Investment Fund Election and Distribution Election pursuant to **Article IV** with respect to Eligible Compensation to be earned in the Plan Year next following the year of such promotion or transfer. Any such election shall be made in accordance with **Article IV** and shall become effective for Eligible Compensation earned in the Plan Year following the year in which the election is made.

Section 3.2 Termination of Participation. A Participant who ceases to be an Eligible Employee due to a Termination of Employment will remain a Participant but (i) may no longer make Deferral Elections with respect to any Plan Year following the year of such termination and (ii) all deferrals under the Plan shall cease as of the date of the Participant's Termination of Employment. A Participant who ceases to be an Eligible Employee due to a job promotion (or demotion) may no longer make Deferral Elections with respect to any Plan Year following the year of such promotion or demotion but the Participant's Deferral Elections for the Plan Year in which such promotion or demotion occurs shall remain irrevocable. A Participant shall remain a Participant until (i) his or her death or (ii) his or her Accounts have been distributed.

ARTICLE IV

Election Forms

Section 4.1 Deferral Elections.

(a) Participants shall make their Deferral Elections annually on a form provided by the Plan Administrator (a "Deferral Election Form"). Each Deferral Election shall apply to only a single Plan Year.

(b) On his or her Deferral Election Form, the Participant shall specify the amount (expressed as a percentage) of his or her Base Compensation and the amount (also expressed as a percentage) of his or her Eligible Bonuses that the Participant elects to defer for that Plan Year together with such other information as the Plan Administrator may, in its sole and absolute discretion, require.

(c) For any Plan Year, a Participant may elect to defer:

(i) between five percent (5%) and seventy-five percent (75%) of his or her Base Compensation (in whole percentage increments), and

(ii) between five percent (5%) and one hundred percent (100%) of his or her Eligible Bonus (in whole percentage increments);

provided, however, that in no event may a Participant elect to defer his or her Eligible Compensation to the extent that his or her remaining compensation would be insufficient to satisfy all applicable withholding taxes and contributions required under Employer sponsored benefit plans in which the Participant participates.

(d) A Participant may not revoke his or her Deferral Election at any time after the deadline for making such Deferral Election set by the Plan Administrator pursuant to **Section 4.4**.

Section 4.2 Investment Elections. The Plan Administrator shall, from time to time, make available investment options (the "Investment Funds") that serve as benchmark funds for the amounts a Participant defers under the Plan. A Participant's Plan deferrals shall not actually be invested in the Investment Funds and the Participant shall not be considered a shareholder of any of the Investment Funds he or she selects by virtue of participation in the Plan. Instead, the Participant's Plan deferrals shall be considered invested in, and his or her Plan Account shall

reflect such Investment Fund's Rate of Return. A Participant's election of investments shall be subject to the following rules:

(a) Participants shall make their investment elections on an Investment Election Form provided by the Plan Administrator (an "Investment Election").

(b) The Investment Election Form completed by the Participant shall apply only to the Eligible Compensation being deferred in a single Plan Year and shall specify the Investment Funds in which the deferrals for each such Plan Year are to be deemed to be invested, and the portion (expressed in whole percentage increments) of the deferrals for such Plan Year that are to be deemed to be invested in each such Investment Fund, and shall continue in effect until revoked or changed as permitted by the Plan Administrator.

Section 4.3 Distribution Elections.

(a) Participants shall make their distribution elections in accordance with the Distribution Election Form provided by the Plan Administrator (a "Distribution Election") as permitted or required by such form. Each Distribution Election (the "Initial Election") shall apply only to the Eligible Compensation being deferred in a single Plan Year and must be made by the deadline set by the Plan Administrator pursuant to **Section 4.4**, at which time the Initial Election shall be irrevocable, subject to **Section 4.3(c)**.

(b) On the Distribution Election Form:

(i) Mandatory Retirement Election. In all cases, the Participant shall select the method of payment from among the methods of payment described in **Section 8.3(a)** to apply in the event payment is made upon Retirement pursuant to this Distribution Election in accordance with **Sections 8.3 or 8.4** or upon Disability in accordance with **Section 8.7**.

(ii) Optional In-Service Distribution Election. The Participant shall also have the option to elect that the Eligible Compensation being deferred for that Plan Year shall be paid to the Participant while he or she is still employed by an Employer (an "In-Service Distribution"). If the Participant elects to receive an In-Service Distribution of the Eligible Compensation being deferred, then the Participant shall also select the year in which the payments are to be made. A Participant may not elect to receive an In-Service Distribution in a Plan Year that is less than two (2) years after the end of the Plan Year in which the Eligible Compensation is earned.

(c) Notwithstanding anything to the contrary in **Section 4.3**, a Participant may change the form of distribution or his or her Distribution Election (a "Subsequent Election") to the extent permitted by the Plan Administrator and Code Section 409A(a)(4)(C), including the requirements that such Subsequent Election:

(i) shall not take effect until at least 12 months after the date on which the Subsequent Election is filed with the Plan Administrator;

(ii) shall result in the first distribution subject to such Subsequent Election being made at least five years after the date such distribution would otherwise have been paid pursuant to the previous election; and

(iii) shall be filed with the Plan Administrator at least 12 months before the date the first scheduled distribution is to be paid pursuant to the previous election.

Section 4.4 Deadline for Submitting Election Forms. The Plan Administrator may set a deadline or deadlines for the receipt of the election forms required under the Plan; provided, however, that, except as provided in **Section 3.1(b)**, such forms must be filed on or before the end of the year immediately preceding the Plan Year for which it is to be effective.

ARTICLE V

Employer Contributions

Section 5.1 Employer Contributions. Each Participant who makes a Deferral Election will be credited with an Employer Contribution equal to 5% of the Participant's Matching DCP Deferral. The Plan Administrator may, however, in his or her discretion, otherwise set the amount of the Employer Contribution, subject to and not in excess of applicable limits imposed by the Internal Revenue Service.

Section 5.2 Allocation of Employer Contributions. A Participant's Employer Contribution for a Plan Year shall be allocated among the same Investment Funds and in the same proportion as the Participant has elected for his or her deferrals for that Plan Year.

Section 5.3 Distribution of Employer Contributions. An Employer Contribution for a Plan Year shall be distributed to the Participant according to the election made by the Participant governing his or her deferrals for that same Plan Year.

ARTICLE VI

Maintenance and Crediting of Accounts

Section 6.1 Maintenance of Accounts.

(a) The Plan shall maintain a separate Account for each Deferral Election (a "Deferral Account") made by and each Employer Contribution (an "Employer Contribution Account") made for a Participant. A Participant's Accounts shall reflect the Participant's Investment Fund Elections and Distribution Elections made pursuant to **Article IV**, any Employer Contributions made on behalf of the Participant pursuant to **Article V**, adjustments to the Account made pursuant to this **Article VI**, and distributions made with respect to the Account pursuant to **Article VIII**. The Accounts shall be used solely as a device for the

measurement and determination of the amounts to be paid to the Participants pursuant to this Plan and shall not constitute or be treated as a trust fund of any kind.

(b) Each Account shall be divided into separate subaccounts ("Investment Fund Subaccounts"), each of which corresponds to the Investment Fund selected by the Participant pursuant to **Section 4.2(b)**.

Section 6.2 Crediting of Accounts.

(a) No later than five (5) business days following the end of each pay period, the Plan shall credit each Participant's Investment Fund Subaccounts to reflect amounts deferred from the Participant's Eligible Compensation during that pay period and the Investment Fund Election made by the Participant with respect to that Eligible Compensation.

(b) At the end of each Plan Year, the Plan shall credit each Participant's Investment Fund Subaccounts to reflect any Employer Contribution deemed to have been made on behalf of the Participant for that Plan Year and the allocation of that contribution among the Investment Funds pursuant to **Section 4.2**.

(c) The Plan Administrator shall adjust each Investment Fund Subaccount to reflect any transfers under the Plan to or from that Investment Fund Subaccount, as of the end of each business day to reflect any distributions under the Plan made with respect to that Investment Fund Subaccount, and the Rate of Return on the related Investment Fund.

Section 6.3 Statement of Accounts. Each Participant shall be issued quarterly statements of his or her Account(s) in such form as the Plan Administrator deems desirable, setting forth the balance to the credit of such Participant in his or her Account(s) as of the end of the most recently completed quarter.

ARTICLE VII

Vesting and Forfeitures

Section 7.1 Deferral Accounts. A Participant's Deferral Accounts shall be one hundred percent (100%) vested and non-forfeitable at all times.

Section 7.2 Employer Contribution Account.

(a) A Participant's Employer Contribution Account shall become one hundred percent (100%) vested and non-forfeitable when the matching contributions made by the Participant's Employer on behalf of the Participant under the Employer 401(k) Plan in which the Participant participates become one hundred percent (100%) vested and non-forfeitable.

(b) If a Participant's employment with the Employers terminates (whether voluntarily or involuntarily) before the matching contributions made by the Participant's Employer on behalf of the Participant under the Employer 401(k) Plan in which the Participant participates become one hundred percent (100%) vested and non-forfeitable, then the Participant shall forfeit his or her related Employer Contribution Account.

ARTICLE VIII

Distribution of Benefits

Section 8.1 Distribution of Benefits in the Event of a Termination of Employment. If a Participant elects to receive his or her Plan benefits as an In-Service Distribution, then in the event of that Participant's Termination of Employment (other than due to Retirement) prior to receiving that In-Service Distribution, the Company shall pay that Participant's Plan benefits in a lump-sum to the Participant within 90 days following his or her Termination of Employment. If a Participant elects to receive his or her Plan benefits upon Retirement, then in the event of that Participant's Termination of Employment prior to the date the Participant attains eligibility for Retirement, the Company shall pay that Participant's Plan benefits in a lump-sum to the Participant within 90 days following his or her Termination of Employment.

Section 8.2 In-Service Distributions. Subject to the provisions of **Section 8.6**, the Company shall pay In-Service Distributions in a lump-sum to the Participant on the first business day in February of the year designated by the Participant on his or her Distribution Election Form.

Section 8.3 Distribution of Benefits in the Event of Retirement.

(a) If, pursuant to **Section 4.3**, a Participant has elected to receive his or her Plan benefits for a Plan Year upon his or her Retirement, then the Company shall pay the Participant his or her Plan benefits commencing on the first business day in February next following the date of the Participant's Retirement in any of the following forms pursuant to the Participant's Initial Election or Subsequent Election, as applicable:

(i) in substantially equal quarterly or annual installments to the Participant over fifteen (15) years; or

(ii) in substantially equal quarterly or annual installments to the Participant over ten (10) years; or

(iii) in substantially equal quarterly or annual installments to the Participant over five (5) years; or

(iv) in a lump-sum; or

(v) if no such election is on file with the Plan Administrator, in substantially equal quarterly installments to the Participant over ten (10) years.

Quarterly installments shall be paid on the first business day of each calendar quarter and annual installments shall be paid on the first business day of each calendar year.

(b) Notwithstanding the foregoing, if the total sum of (i) a Participant's Deferral Accounts (as adjusted for amounts accrued but not yet credited) in this Plan and (ii) deferrals of compensation under any other agreement, method, program or arrangement which must be aggregated with this Plan under Treasury Regulations section 1.409A-1(c)(2), is less than the applicable dollar amount under Code Section 402(g)(1)(B) in effect for the Plan Year in which such date occurs ($17,500 for the 2014 Plan Year), the balance of such Participant's Deferral Accounts in this Plan shall be paid in a single lump sum as soon as administratively practicable following such date. Payment shall terminate and liquidate the Participant's interest in the Plan and any other aggregated agreement, method, program or arrangement.

Section 8.4 Distribution of Benefits on the Earlier to Occur of a Participant's Retirement or a Specified Date.

If a Participant has elected to receive his or her Plan benefits on a specified date pursuant to **Section 4.3(b)(ii)**, if the Participant's Retirement occurs prior to such specified date,

(a) For amounts deferred with respect to Plan Years beginning prior to January 1, 2008, the Company shall pay the Participant his or her Plan benefits in a lump sum on the first business day in February next following the Participant's Retirement; and

(b) For amounts deferred with respect to Plan Years beginning on or after January 1, 2008, the Company shall pay the Participant his or her Plan benefits in accordance with **Section 8.3(a)**, subject to **Section 8.3(b)**.

Section 8.5 Distributions Due to Unforeseeable Emergency.

(a) A Participant may receive the early payment of all or part of the balance in his or her Account(s) in the event of an Unforeseeable Emergency (a "Hardship Distribution") subject to the following restrictions:

(i) The Participant has requested the Hardship Distribution from the Plan Administrator on a form provided by or in the format requested by the Plan Administrator;

(ii) The Plan Administrator has determined that an Unforeseeable Emergency has occurred;

(iii) The Plan Administrator determines the amount of the Hardship Distribution, which amount will be limited to the amount reasonably necessary to satisfy the emergency need (including any amounts necessary to pay any Federal, state, local or foreign income taxes or penalties reasonably anticipated to result from the Hardship Distribution); and

(iv) The Hardship Distribution shall be distributed in a lump-sum within 30 days following determination by the Plan Administrator of the amount of the Hardship Distribution.

(b) The circumstances that would constitute a Unforeseeable Emergency will depend on the facts and circumstances of each case, but, in any case, a Hardship Distribution may not be made to the extent that such hardship may be relieved through (i) reimbursement or compensation by insurance or otherwise, (ii) liquidation of the Participant's assets, to the extent that liquidation of the Participant's assets would not itself cause severe financial hardship, or (iii) by cessation of deferrals under this Plan in compliance with Code Section 409A.

Section 8.6 Distribution of Benefits in the Event of Death. In the event of a Participant's death prior to the complete distribution of his or her Accounts, the Company shall

distribute his or her total Plan benefits to his or her Beneficiary in a lump sum within 90 days after the date of the Participant's death.

Section 8.7 Distribution of Benefits in the Event of Disability.

In the event of a Participant's Disability, the Company shall pay the Participant his or her Plan benefits commencing on the first business day in February next following the date of the Participant's Disability in the form set forth below:

(a) For any Participant who has elected to receive his or her Plan benefits upon Retirement, pursuant to the Participant's Distribution Election to receive his or her Plan benefits in one of the Retirement forms permitted under **Section 8.3(a)**, subject to **Section 8.3(b)**.

(b) For a Participant who has elected to receive his or her Plan benefits as an In-Service Distribution, if the Participant's Disability occurs prior to the date specified in such Distribution Election:

(i) For amounts deferred with respect to Plan Years beginning on or subsequent to January 1, 2008, pursuant to the Participant's Distribution Election to receive his or her Plan benefits in one of the Retirement forms permitted under **Section 8.3(a)**, subject to **Section 8.3(b)**.

(ii) For amounts deferred with respect to all Plan Years beginning prior to January 1, 2008, pursuant to the Participant's Distribution Election to receive his or her Plan benefits in a lump sum under **Section 4.3(b)(ii)**.

Section 8.8 Postponing or Amending Distributions. A Participant may postpone a scheduled distribution or amend the form of distribution specified in **Section 8.2, Section 8.3(a)** or **Section 8.4** only by making a Subsequent Election pursuant to the terms of **Section 4.3(c)**.

Section 8.9 Distribution of Benefits Pursuant to a Domestic Relations Order. The Company shall pay all or a portion of a Participant's Plan benefits in a lump sum to any person other than the Participant pursuant to the terms of a domestic relations order. For this purpose, a domestic relations order means a judgment, decree or order (including approval of a property settlement agreement) which relates to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child or other dependent of the Participant and which is made pursuant to a state domestic relations law (including a community property law).

ARTICLE IX

Beneficiary Designation

Section 9.1 Beneficiary Designation. Each Participant shall have the right, at any time, to designate any person, persons or entity as his or her Beneficiary or Beneficiaries. A Beneficiary designation shall be made, and may be amended, by the Participant by filing a designation with the Plan Administrator, on such form and in accordance with such procedures as the Plan Administrator may establish from time to time.

Section 9.2 Failure to Designate a Beneficiary. If a Participant or Beneficiary fails to designate a Beneficiary as provided above, or if all designated Beneficiaries predecease the Participant or his or her Beneficiary, then the Participant's Beneficiary shall be deemed to be, in the following order:

(i) to the spouse of such person, if any; or

(ii) to the deceased person's estate.

Section 9.3 Facility of Payment. When, in the Plan Administrator's opinion, a Participant or Beneficiary is under a legal disability or is incapacitated in any way so as to be unable to manage his or her financial affairs, the Plan Administrator may make any benefit payments to the Participant or Beneficiary's legal representative, or spouse, or the Plan Administrator may apply the payment for the benefit of the Participant or Beneficiary in any way the Plan Administrator considers advisable, in each case, without subjecting the Participant or Beneficiary to accelerated taxation and/or tax penalties under Code Section 409A.

ARTICLE X

Administration of Plan

Section 10.1 Plan Administrator. The Board of Review, or such person as the Board of Review shall designate pursuant to **Section 10.3**, shall serve as the Plan Administrator of the Plan. The administration of the Plan shall be under the supervision of the Plan Administrator. It shall be a principal duty of the Plan Administrator to see that the Plan is carried out, in accordance with its terms, for the exclusive benefit of persons entitled to participate in the Plan without discrimination among them. Benefits under the Plan shall be paid only if the Plan Administrator decides, in his or her discretion, that the applicant is entitled to them. The Plan Administrator will have full power to administer the Plan in all of its details, subject to applicable requirements of law. For this purpose, the Plan Administrator's powers will include but will not be limited to, the following authority, in addition to all other powers provided by this Plan:

(i) To make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan, including the establishment of any claims procedures that may be required by applicable provisions of law;

(ii) To exercise discretion in interpreting the Plan, any interpretation to be reviewed under the arbitrary and capricious standard;

(iii) To exercise discretion in deciding all questions concerning the Plan and the eligibility of any person to participate in the Plan; such decision to be reviewed under the arbitrary and capricious standard;

(iv) To appoint such agents, counsel, accountants, consultants and other persons as may be required to assist in administering the Plan;

(v) To allocate and delegate its responsibilities under the Plan and to designate other persons to carry out any of its responsibilities under the Plan, any such allocations, delegation or designation to be in writing;

(vi) To determine the amount and type of benefits to which any Participant or Beneficiary shall be entitled hereunder, including the method and date for all valuations under the Plan;

(vii) To receive from the Employers and from Participants such information as shall be necessary for the proper administration of the Plan or any of its programs;

(viii) To maintain or cause to be maintained all the necessary records for the administration of the Plan;

(ix) To receive, review and keep on file (as it deems convenient and proper) reports of benefit payments made by the Plan;

(x) To determine and allocate among the Employers the liability to the Company associated with Plan benefits in accordance with **Section 1.3** and to determine the time at which and manner in which that liability shall be paid to the Company;

(xi) To make, or cause to be made, equitable adjustments for any mistakes or errors made in the administration of the Plan; and

(xii) To do all other acts which the Plan Administrator deems necessary or proper to accomplish and implement its responsibilities under the Plan.

Section 10.2 Reliance on Tables, etc. In administering the Plan, the Plan Administrator will be entitled to the extent permitted by law to rely conclusively on all tables, valuations, certificates, opinions and reports which are furnished by, or in accordance with the instructions of accountants, counsel, or other experts employed or engaged by the Plan Administrator.

Section 10.3 Delegation. The Board of Review shall have the authority to appoint another corporation or one or more other persons to serve as the Plan Administrator hereunder, in which event such corporation or person (or persons) shall exercise all of the powers, duties, responsibilities, and obligations of the Plan Administrator hereunder.

Section 10.4 Operations. The day to day operation of the Plan will be handled by the person or persons designated by the Plan Administrator.

Section 10.5 Uniform Rules. The Plan Administrator shall administer the Plan on a reasonable and nondiscriminatory basis and shall apply uniform rules to all similarly situated Participants.

Section 10.6 Plan Administrator's Decisions Final. Any interpretation of the provisions of the Plan (including but not limited to the provisions of any of its Programs) and any decision on any matter within the discretion of the Plan Administrator made by the Plan Administrator in good faith shall be binding on all persons. A misstatement or other mistake of fact shall be corrected when it becomes known and the Plan Administrator shall make such adjustment on

account thereof as it considers equitable and practicable. Neither the Plan Administrator nor any Employer shall be liable in any manner for any determination of fact made in good faith.

ARTICLE XI

Claims for Benefits

Section 11.1 Claims and Review Procedures. The Plan Administrator shall adopt procedures for the filing and review of claims in accordance with Section 503 of ERISA.

ARTICLE XII

Amendment and Termination of Plan

Section 12.1 Amendment. The Company may amend this Plan, in whole or in part, at any time provided, however, that no amendment shall be effective to decrease the balance in any Account as accrued at the time of such amendment. Any amendment which would allow officers of the Company to participate in the Plan shall require the approval of the Abbott Laboratories Board of Directors. Any amendment which increases the total cost of the Plan to the Employers in excess of $250,000 in each of the three full calendar years next following the date of the amendment shall be approved by the Board of Review. The Executive Vice President, Human Resources of the Company shall approve all other amendments to the Plan and the extension of the Plan to any division or Subsidiary of the Company.

Section 12.2 Termination. The Board of Review may at any time terminate the Plan with respect to future Deferral Elections. The Board of Review may also terminate and liquidate the Plan in its entirety; provided that such termination and liquidation are consistent with the provisions of Code Section 409A. Upon any such termination, the Company shall pay to the Participant the benefits the Participant is entitled to receive under the Plan, determined as of the termination date, in compliance with Code Section 409A.

ARTICLE XIII

Miscellaneous

Section 13.1 Unfunded Plan. This Plan is intended to be an unfunded plan maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees, within the meaning of Sections 201, 301 and 401 of ERISA and therefore meant to be exempt from Parts 2, 3 and 4 of Title I of ERISA. All payments pursuant to the Plan shall be made from the general funds of the Company and no special or separate fund shall be established or other segregation of assets made to assure payment. No Participant or other person shall have under any circumstances any interest in any particular property or assets of the Company as a result of participating in the Plan.

Section 13.2 Nonassignability. Except as specifically set forth in the Plan with respect to the designation of Beneficiaries, neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate or convey in advance of actual receipt the amounts, if any, payable hereunder, or

any part thereof, which are, and all rights to which are, expressly declared to be unassignable and non-transferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, nor be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency.

Section 13.3 Validity and Severability. The invalidity or unenforceability of any provision of this Plan shall not affect the validity or enforceability of any other provision of this Plan, which shall remain in full force and effect, and any prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 13.4 Governing Law. The validity, interpretation, construction and performance of this Plan shall in all respects be governed by the laws of the State of Illinois, without reference to principles of conflict of law, except to the extent preempted by federal law.

Section 13.5 Employment Status. This Plan does not constitute a contract of employment or impose on the Participant or the Company any obligation for the Participant to remain an employee of the Company or change the status of the Participant's employment or the policies of the Company and its affiliates regarding termination of employment.

Section 13.6 Underlying Incentive Plans and Programs. Nothing in this Plan shall prevent the Company from modifying, amending or terminating the compensation or the incentive plans and programs pursuant to which Eligible Bonuses or Eligible Compensation are earned and which are deferred under this Plan.

Section 13.7 Successors of the Company. The rights and obligations of the Company under the Plan shall inure to the benefit of, and shall be binding upon, the successors and assigns of the Company.

Section 13.8 Waiver of Breach. The waiver by the Company of any breach of any provision of the Plan by the Participant shall not operate or be construed as a waiver of any subsequent breach by the Participant.

Section 13.9 Notice. Any notice or filing required or permitted to be given to the Company under the Plan shall be sufficient if in writing and hand-delivered, or sent by first class mail to the principal office of the Company, directed to the attention of the Plan Administrator. Such notice shall be deemed given as of the date of delivery, or, if delivery is made by mail, as of the date shown on the postmark.

Section 13.10 Waiver of Notice. Any notice required under the Plan may be waived by the person entitled to such notice.

Section 13.11 Evidence. Evidence required of anyone under the Plan may be by certificate, affidavit, document or other information which the person acting on it considers pertinent and reliable, and signed, made or presented by the proper party or parties.

Section 13.12 Additional Employers. Subject to the consent of the Board of Review, any Subsidiary of the Company may adopt the Plan by filing a written instrument to that effect with the Company.

Section 13.13 Separation and Distribution Agreement of 2004. The provisions of this **Section 13.13** shall apply to an Eligible Employee who is a Participant in the Plan and who transfers from employment with the Company or an Employer to Hospira, Inc. or to a subsidiary of Hospira, Inc. (collectively, the "Hospira Companies") as a result of the transactions contemplated by that certain Separation and Distribution Agreement by and between Abbott Laboratories and Hospira, Inc., dated as of April 12, 2004 (the "Distribution Agreement"), and such transfer of employment is made in accordance with and subject to the terms of the Employee Benefits Agreement as described in the Distribution Agreement (each such transferred Participant referred to herein as a "Transferred Hospira Participant").

(a) A Transferred Hospira Participant's transfer of employment to the Hospira Companies will not be considered as a termination of employment as a result of Termination of Employment, Retirement or Disability for purposes of determining eligibility for distributions under **Article VII** of the Plan. Such Transferred Hospira Participant's termination of employment resulting from Termination of Employment, Retirement or Disability shall occur only upon his or her subsequent termination of employment from the Hospira Companies (and Termination of Employment, Retirement and Disability with respect to such Transferred Hospira Participants shall mean such events in relation to the Hospira Companies rather than in relation to the Company and the Employers);

(b) Following his or her transfer to employment with the Hospira Companies, a Transferred Hospira Participant will remain a participant but will not be eligible to make Deferral Elections. A Transferred Hospira Participant shall remain a Participant until (i) his or her death or (ii) his or her Accounts have been distributed in accordance with the Plan and in accordance with the Transferred Hospira Participant's elections regarding the manner of distribution of such Accounts.

Section 13.14 Section 409A. To the extent applicable, it is intended that the Plan comply with the provisions of Code Section 409A. The Plan will be administered and interpreted in a manner consistent with this intent, and any provision that would cause the Plan to fail to satisfy Code Section 409A will have no force and effect until amended to comply therewith (which amendment may be retroactive to the extent permitted by Code Section 409A). Notwithstanding anything contained herein to the contrary, to the extent required to avoid accelerated taxation and/or tax penalties under Code Section 409A and applicable guidance issued thereunder, amounts that would otherwise be payable pursuant to the Plan during the six-month period immediately following the Participant's Termination of Employment or Retirement shall instead be paid on the first business day after the date that is six months following the Participant's Termination of Employment or Retirement (or upon the Participant's death, if earlier), plus, to the extent subject to a six-month delay, a return equal to the Rate of Return that would be achieved if such amounts were invested in accordance with the Participant's Investment Elections under Section 4.2 from the respective dates on which such amounts would otherwise have been paid until the actual date of payment.

SUPPLEMENT B

TRANSFER OF LIABILITIES FROM THE
ABBOTT DEFERRED COMPENSATION PLAN FOR FORMER EMPLOYEES OF SOLVAY

B-1. Purpose and Effect. The purpose of this Supplement B is to provide for the transfer of liabilities from the Abbott Deferred Compensation Plan for Former Employees of Solvay, as it may be amended (the "Solvay DCP"), to this Plan with respect to certain Abbott Retained Employees and Abbott LTD Participants as set forth in the EMA (the "Solvay DCP Participants"). The Solvay DCP is not open to new contributions, so the purpose of this Supplement B is to facilitate the administration of any Abbott Retained Employee and Abbott LTD Participant accounts that are transferred into the Plan (the "Deferred Compensation Accounts") from the Solvay DCP until such time as they are fully distributed. Except as specifically provided in this Supplement B to document certain benefits, rights and features of the Solvay DCP Plan, the Plan terms shall apply to the Deferred Compensation Accounts.

B-2. Transfer of Liabilities from Solvay DCP. As soon as practicable on or after January 1, 2013, and subject to such terms and conditions as the Plan Administrator may establish, all liabilities attributable to the Solvay DCP Participants shall be transferred from the Solvay DCP to this Plan. The Plan shall credit each such Solvay DCP Participant's account with (a) the amount deferred by such individual into the Solvay DCP as of the applicable transfer date, plus (b) any employer contributions, whether vested or unvested, deemed to have been made in relation to the amount described in (a), including, in each case, any earnings thereon.

B-3. Distribution Elections. Distribution elections made under the Solvay DCP with respect to transferred amounts described in Section B-2 above shall be recognized, implemented and honored by the Plan and such amounts shall be distributable to the applicable Solvay DCP Participant in accordance with such elections. Elections with respect to amounts deferred under this Plan on or after January 1, 2013 shall be in accordance with Article IV and other applicable provisions of this Plan.

B-4. Earnings Equivalents. Earnings equivalents shall be credited to each Deferred Compensation Account on the basis determined by the Plan Administrator from time to time. A Solvay DCP Participant's election for the deemed investment of the amounts in his or her Deferred Compensation

Account shall be made in accordance with such rules and procedures as the Plan Administrator may adopt from time to time.

B-5. Vesting and Forfeiture.

(a) A Solvay DCP Participant's right to future payment of his or her Deferred Compensation Account attributable to deferral contributions, together with the earnings equivalents thereon, shall always be 100% vested and nonforfeitable. Subject to paragraph (b) below, a Solvay DCP Participant's right to future payment of his or her Deferred Compensation Account attributable to employer contributions, together with the earnings equivalents thereon, shall be vested and nonforfeitable based on his or her service with Abbott Laboratories.

(b) If a Solvay DCP Participant is terminated for cause, including but not limited to conviction of a felony, acts involving moral turpitude, offensive personal conduct, dishonesty, disloyalty, disorderly conduct, vandalism, violation of the rules of the Company, revealing trade secrets, insubordination, interference with production, or any other act or course of action deemed detrimental to the Company by the Plan Administrator, then the only amount which the Solvay DCP Participant will receive will be that amount attributable to his or her deferral contributions and the earnings equivalents attributable thereto. This amount, valued as of the most recent valuation date administratively practicable before the distribution, will be distributed in accordance with the provisions of the Plan. The balance of his or her Deferred Compensation Account will be forfeited concurrent with the distribution.

B-6. Distributions.

(a) Unless otherwise provided in the Plan or in paragraph (b) below, in the event that a Solvay DCP Participant has a Termination of Employment, he or she shall receive, in the form of a lump sum distribution 75 days after the date of Termination of Employment, an amount equal to the value of his or her vested Deferred Compensation Account as of the most recent valuation date administratively practicable before the distribution. Notwithstanding the foregoing, but subject to the Plan terms and paragraph (b) below, the Solvay DCP Participant may elect to receive the value of his or her vested Deferred Compensation Account in any one of the following alternative forms:

(1) a lump sum distribution 75 days after the date of Termination of Employment or, if later, January 1 of the calendar year following the calendar year in which he or she has a Termination of Employment;

(2) annual installments over a five year period beginning 75 days after the date of Termination of Employment; or

(3) annual installments over a ten year period beginning 75 days after the date of Termination of Employment.

Any election (or any change or revocation of an election) shall not be effective unless it is accepted by the Plan Administrator at least 12 months prior to the date of Termination of Employment and results in a further deferral of payment (or the commencement of payment) of the Solvay DCP Participant's Deferred Compensation Account of at least five years (unless payment is on account of death). In the event the value of a Deferred Compensation Account is not distributed in a lump sum within 75 days after a Solvay DCP Participant's Termination of Employment, the amounts credited to such Deferred Compensation Account shall continue to be credited for earnings equivalents in accordance with Section B-4 until the latest valuation date administratively practicable before such amounts are distributed;

(b) In the event that there is a change of control of the Company, as defined under Code Section 409A, then each Solvay DCP Participant shall receive, in the form of a lump sum distribution made 75 days after the change of control occurs, an amount equal to the value of his or her vested Deferred Compensation Account as of the most recent valuation date administratively practicable before distribution. Notwithstanding the foregoing, accelerated

distributions under this paragraph (b) shall be limited to the extent necessary to prevent the Solvay DCP Participant from receiving any "excess parachute payment" as described in Code Section 280 or any successor section thereto, provided that the determination of what shall constitute an "excess parachute payment" shall be made by the Plan Administrator, and provided further that such limitation may be applied by the Plan Administrator only if and to the extent such limitation of acceleration does not cause a violation of Code Section 409A. In the event that a portion of the benefit otherwise payable under this paragraph (b) may not be accelerated pursuant to the limitations of the immediately preceding sentence, the payments which would be due latest in time shall be accelerated first, to the extent required to comply with Code Section 409A.

B-7. Use of Terms. Terms used in this Supplement B have the meanings of those terms as set forth in the Plan, unless they are defined in this Supplement B. All of the terms and provisions of the Plan shall apply to this Supplement B except that where the terms of the Plan and this Supplement B conflict, the terms of this Supplement B shall govern.

1. The Plan shall otherwise remain unchanged and in full force and effect.

Exhibit 10.4

Amended and Restated
effective December 31, 2014

ABBOTT LABORATORIES SUPPLEMENTAL PENSION PLAN

Section 1
INTRODUCTION

1-1. On September 9, 1977, December 14, 1979 and February 10, 1984 the Board of Directors of Abbott Laboratories ("Abbott") adopted certain resolutions providing for payment of (i) pension benefits calculated under the Abbott Laboratories Annuity Retirement Plan ("Annuity Plan") in excess of those which may be paid under that plan under the limits imposed by Section 415 of the U.S. Internal Revenue Code, as amended, and the Employee Retirement Income Security Act ("ERISA") and (ii) the additional pension benefits that would be payable under the Annuity Plan if deferred awards under the Abbott Laboratories Management Incentive Plan and the Abbott Laboratories Performance Incentive Plan were included in "final earnings" as defined in the Annuity Plan. The ABBOTT LABORATORIES SUPPLEMENTAL PENSION PLAN (this "Supplemental Plan") clarified, restated and superseded the prior resolutions, was amended and restated in accordance with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Code Section 409A") effective January 1, 2008 and is hereby amended and restated effective January 1, 2013, except as expressly provided herein.

1-2. The Supplemental Plan shall apply to employees of Abbott and its subsidiaries and affiliates existing as of the date of adoption of the Supplemental Plan or thereafter created or acquired. (Abbott and each of such subsidiaries and affiliates are hereinafter referred to as an "employer" and collectively as the "employers").

1-3. All benefits provided under the Supplemental Plan shall be provided from the general assets of the employers and not from any trust fund or other designated asset. All participants in the Supplemental Plan shall be general creditors of the employers with no priority over other creditors.

1-4. The Supplemental Plan shall be administered by the Abbott Laboratories Employee Benefit Board of Review appointed and acting under the Annuity Plan ("Board of Review"). Except as stated below, the Board of Review shall perform all powers and duties with respect to the Supplemental Plan, including the power to direct payment of benefits, allocate costs among employers, adopt amendments and determine questions of interpretation. The Board of Directors of Abbott (the "Board of Directors") shall have the sole authority to terminate the Supplemental Plan.

1-5. Notwithstanding anything in the Supplemental Plan to the contrary, any amounts under the Supplemental Plan that were earned and vested before January 1, 2005 (as determined in accordance with Code Section 409A) with respect to participants who retired before January 1, 2005 ("Grandfathered Amounts") shall be subject to the terms and conditions of the Supplemental Plan as administered and as in effect on December 31, 2004. Amendments made to the Supplemental Plan pursuant to this amendment and restatement or otherwise shall not affect the Grandfathered Amounts unless expressly provided for in the amendment. The terms and conditions applicable to the Grandfathered Amounts are set forth in Exhibit A attached hereto.

1-6. Except as expressly provided in Section 9, the provisions of the Supplemental Plan as they were in effect immediately prior to the January 1, 2013 amendment and restatement shall continue to apply to any participant who retired or terminated employment prior to January 1, 2013.

Section 2
ERISA ANNUITY PLAN SUPPLEMENTAL BENEFIT

2-1. The benefits described in this Section 2 shall apply to all participants in the Annuity Plan who retire, or terminate with a vested pension under that plan, on or after September 9, 1977.

2-2. Each Annuity Plan participant whose retirement or vested pension under that plan would otherwise be limited by Section 415, Internal Revenue Code, shall receive a supplemental pension under this Supplemental Plan in an amount, which, when added to his or her Annuity Plan pension (calculated as if such pension had been payable based on the distribution rules established hereunder and the pension form selected by the participant as permitted by subsections 8-3 and 8-4), will equal the amount the participant would be entitled to under the Annuity Plan as in effect from time to time, calculated as if such pension had been payable based on the distribution rules established hereunder and the pension form selected by the participant as permitted by subsections 8-3 and 8-4, without regard to the limitations imposed by Section 415, Internal Revenue Code.

Section 3
1986 TAX REFORM ACT SUPPLEMENTAL BENEFIT

3-1. The benefits described in this Section 3 shall apply to all participants in the Annuity Plan who retire, or terminate with a vested pension under that plan, after December 31, 1988.

3-2. Each Annuity Plan participant shall receive a supplemental pension under this Supplemental Plan in an amount determined as follows:

(a) The supplemental pension shall be the difference, if any, between:

i. the hypothetical monthly benefit that would have been payable under the Annuity Plan based on the distribution rules established hereunder and the pension form selected by the participant as permitted by subsections 8-3 and 8-4 plus any supplement provided by Section 2; and

ii. the hypothetical monthly benefit that would have been payable under the Annuity Plan, calculated based on the distribution rules established hereunder and the pension form selected by the participant as permitted by subsections 8-3 and 8-4, (without regard to the limits imposed by Section 415, Internal Revenue Code) if the participant's "final earnings", as defined in the Annuity

Plan, had included compensation in excess of the limits imposed by Section 401(a)(17), Internal Revenue Code, and any "pre-tax contributions" made by the participant under the Abbott Laboratories Supplemental 401(k) Plan.

Section 4
DEFERRED COMPENSATION PLAN ANNUITY PLAN SUPPLEMENTAL BENEFIT

4-1. The benefits described in this Section 4 shall apply to all participants in the Annuity Plan who retire, or terminate with a vested pension, under that plan, on or after January 1, 2002 and who made a Deferral Election under the Abbott Laboratories Deferred Compensation Plan (the "Deferred Compensation Plan") with respect to any calendar month during the one hundred twenty consecutive calendar months immediately preceding retirement or termination of employment.

4-2. Each Annuity Plan participant shall receive a supplemental pension under this Supplemental Plan in an amount determined as follows:

(a) The supplemental pension shall be the difference, if any, between:

i. the hypothetical monthly benefit that would have been payable under the Annuity Plan based on the distribution rules established hereunder and the pension form selected by the participant as permitted by subsections 8-3 and 8-4 plus any supplement provided by Section 2 and Section 3; and

ii. the hypothetical monthly benefit that would have been payable under the Annuity Plan, calculated based on the distribution rules established hereunder and the pension form selected by the participant as permitted by subsections 8-3 and 8-4, (without regard to the limits imposed by Section 415, Internal Revenue Code) if the participant's "base earnings", as defined in the Annuity Plan, included deferrals made under the Deferred Compensation Plan and any compensation in excess of the limits imposed by Section 401(a)(17), Internal Revenue Code.

Section 5
DEFERRED MIP ANNUITY PLAN SUPPLEMENTAL BENEFIT

5-1. The benefits described in this Section 5 shall apply to all participants in the Annuity Plan who retire, or terminate with a vested pension, under that plan, on or after December 14, 1979 and who were awarded Management Incentive Plan awards for any calendar year during the ten consecutive calendar years ending with the year of retirement or termination of employment.

5-2. Each Annuity Plan participant shall receive a supplemental pension under this Supplemental Plan in an amount determined as follows:

(a) The supplemental pension shall be the difference, if any, between:

i. the hypothetical monthly benefit that would have been payable under the Annuity Plan based on the distribution rules established hereunder and the pension form selected by the participant as permitted by subsections 8-3 and 8-4 plus any supplement provided by Section 2, Section 3, and Section 4; and

ii. the hypothetical monthly benefit that would have been payable under the Annuity Plan, calculated based on the distribution rules established hereunder and the pension form selected by the participant as permitted by subsections 8-3 and 8-4, (without regard to the limits imposed by Section 415, Internal Revenue Code) if the participant's "final earnings", as defined in the Annuity Plan, were one-sixtieth of the sum of:

A. the participant's total "basic earnings" (excluding any payments under the Management Incentive Plan or any Division Incentive Plan) received in the sixty consecutive calendar months for which his basic earnings (excluding any payments under the Management Incentive Plan or any Division Incentive Plan) were highest within the last one hundred twenty consecutive calendar months immediately preceding his retirement or termination of employment; and

B. the amount of the participant's total awards under the Management Incentive Plan and any Division Incentive Plan (whether paid immediately or deferred) made for the five consecutive calendar years during the ten consecutive calendar years ending with the year of retirement or termination for which such amount is the greatest and (for participants granted Management Incentive Plan awards for less than five consecutive calendar years during such ten year period) which include all Management Incentive Plan awards granted for consecutive calendar years within such ten year period.

(b) That portion of any Management Incentive Plan award which the Compensation Committee of the Board of Directors of Abbott ("Committee") has determined shall be excluded from the participant's "basic earnings" shall be excluded from the calculation of "final earnings" for purposes of this subsection 5-2. "Final earnings" for purposes of this subsection 5-2 shall include any compensation in excess of the limits imposed by Section 401(a)(17), Internal Revenue Code.

(c) In the event the period described in subsection 5-2(a)(ii)(B) is the final five calendar years of employment and a Management Incentive Plan award is made to the participant subsequent to retirement for the participant's final calendar year of employment, the supplemental pension shall be adjusted by adding such new award and subtracting a portion of the earliest Management Incentive Plan award included in the calculation, from the amount determined under subsection 5-2(a)(ii)(B). The portion subtracted shall be equal to that portion of the participant's final calendar year of employment during which the participant was employed by Abbott.

Section 6
CORPORATE OFFICER ANNUITY PLAN SUPPLEMENTAL BENEFIT

6-1. The benefits described in this Section 6 shall apply to all participants in the Annuity Plan who are corporate officers of Abbott as of September 30, 1993 or who become corporate officers thereafter, and who retire, or terminate with a vested pension under that plan on or after September 30, 1993. The term "corporate officer" for purposes of this Supplemental Plan shall mean an individual elected an officer of Abbott by its Board of Directors (or designated as such for purposes of this Section 6 by the Compensation Committee), but shall not include assistant officers.

6-2. Subject to the limitations and adjustments described below, each participant described in subsection 6-1 shall receive a monthly supplemental pension under this Supplemental Plan commencing on the date determined in accordance with subsection 8-2 and payable as a life annuity, equal to 6/10 of 1 percent (.006) of the participant's final earnings (as determined under subsection 5-2) for each of the first twenty years of the participant's benefit service (as defined in the Annuity Plan) occurring after the participant's attainment of age 35.

6-3. In no event shall the sum of (a) the participant's aggregate percentage of final earnings calculated under subsection 6-2 and (b) of the participant's aggregate percentage of final earnings calculated under subsection 5-1 of the Annuity Plan, excluding 5-1(a)(ii)(B), exceed the maximum aggregate percentage of final earnings allowed under subsection 5-1 (also excluding 5-1(a)(ii)(B)) of the Annuity Plan (without regard to any limits imposed by the Internal Revenue Code), as in effect on the date of the participant's retirement or termination. In the event the limitation described in this subsection 6-3 would be exceeded for any participant, the participant's aggregate percentage calculated under subsection 6-2 shall be reduced until the limit is not exceeded.

6-4. Benefit service occurring between the date a participant ceases to be a corporate officer of Abbott and the date the participant again becomes a corporate officer of Abbott shall be disregarded in calculating the participant's aggregate percentage under subsection 6-2.

6-5. Any supplemental pension otherwise due a participant under this Section 6 shall be reduced by the amount (if any) by which:

(a) the hypothetical benefits that would be payable to such participant under the Annuity Plan, based on the distribution rules established hereunder and the pension form selected by the participant as permitted by subsections 8-3 and 8-4, and this Supplemental Plan exceeds

(b) the hypothetical maximum benefit that would be payable to the participant under the Annuity Plan, calculated based on the distribution rules established hereunder and the pension form selected by the participant as permitted by subsections 8-3 and 8-4, (without regard to the limits imposed by Section 415, Internal Revenue Code) based on the participant's final earnings (as determined under subsection 5-2), if the participant had accrued the maximum benefit service recognized by the Annuity Plan.

6-6. Any supplemental pension due a participant under this Section 6 shall be actuarially adjusted as provided in the Annuity Plan to reflect the pension form selected by the participant as permitted by subsections 8-3 and 8-4 and the participant's age at commencement of the pension as provided in Section 7.

Section 7
CORPORATE OFFICER ANNUITY PLAN
SUPPLEMENTAL EARLY RETIREMENT BENEFIT

7-1. The benefits described in this Section 7 shall apply to all persons described in subsection 6-1.

7-2. The supplemental pension due under Sections 2, 3, 4, 5 and 6 to each participant described in subsection 7-1 (other than the Chairman and Chief Executive Officer of Abbott on December 31, 2014 (the "CEO")) shall be reduced in accordance with the rules provided in subsections 5-3 and 5-6 of the Annuity Plan for each month by which its commencement date precedes the last day of the month in which the participant will attain age 60; no reduction will be made for the period between the last day of the months in which the participant will attain age 60 and age 62.

The supplemental pension due under Sections 2, 3, 4, 5 and 6 to the CEO shall be reduced in accordance with the rules provided in subsections 5-3 and 5-6 of the Annuity Plan for each month by which its commencement date precedes the last day of the month in which the CEO will attain age 62; provided, however, that any such supplemental pension due the CEO shall not be less than the difference between (A) the sum of the normal retirement benefit payable under this Supplemental Plan and the Annuity Plan as of December 31, 2014, reduced for early commencement as of the date of commencement in accordance with the terms of this Supplemental Plan as in effect immediately prior to December 31, 2014, less (B) the benefit payable from the Annuity Plan as of the date of commencement of the benefit under this Supplemental Plan.

7-3. Each participant described in subsection 7-1, other than the CEO, shall receive a monthly supplemental pension under this Supplemental Plan equal to any hypothetical reduction made in such participant's Annuity Plan pension in accordance with the rules provided in subsections 5-3 or 5-6 of the Annuity Plan for the period between the last day of the months in which the participant will attain age 60 and age 62, calculated as if the participant had commenced receipt of the participant's Annuity Plan pension on the same date on which the participant commences receipt of the participant's supplemental pension based on the distribution rules established hereunder and the pension form selected by the participant as permitted by subsections 8-3 and 8-4.

Section 8
MISCELLANEOUS

8-1. For purposes of this Supplemental Plan, the term "Management Incentive Plan" shall mean the Abbott Laboratories 1971 Management Incentive Plan, the Abbott Laboratories 1981 Management Incentive Plan and all successor plans to those plans.

8-2. The monthly vested supplemental pension described in Sections 2, 3, 4, 5, 6 and 7 shall commence to be paid to the participant or his or her beneficiary on the last day of the month following the month in which:

(a) For the participant hired before 2004, the later of the date on which such participant attains age 50 and the date such participant's employment is terminated; or

(b) For the participant hired after 2003, the later of the date on which such participant attains age 55 and the date such participant's employment is terminated.

Notwithstanding the foregoing provisions of subsection 8-2, any participant eligible to make an election under Section 9 may make such election with respect to any accruals for services performed in the year following the year such election is made.

Notwithstanding the foregoing provisions of subsection 8-2, in the event that the present value of participant's supplemental pension under Sections 2, 3, 4, 5, 6 and 7 does not exceed in the aggregate $25,000 as of the commencement date of the pension payable to such participant or his or her beneficiary, and payment of such supplemental pension has not been previously made under Section 9, the present value of such supplemental pension shall be paid to such participant in a lump-sum on such commencement date.

8-3. Except as otherwise specifically provided, payment of the monthly vested supplemental pension described in Sections 2, 3, 4, 5, 6, and 7 shall be made to a participant as follows:

(a) Life Annuity. A participant who is not legally married on the date as of which such payments commence shall receive a monthly retirement income or monthly deferred vested benefit in accordance with the plan payable on a life annuity basis, with the last payment to be made for the month in which his or her death occurs.

(b) 50% Joint and Survivor Annuity. A participant who is legally married on the date as of which such payments commence shall receive a 50% joint and survivor annuity which is actuarially equivalent to the amount of monthly retirement income or monthly deferred vested benefit otherwise payable to him or her in accordance with the plan on a life annuity basis. Such joint and survivor annuity shall consist of a reduced monthly retirement income or monthly deferred vested benefit continuing during the participant's lifetime, and if the participant's spouse is living at the date of the participant's death, payment of one-half of such reduced monthly retirement income or monthly deferred vested benefit to such spouse until the spouse's death occurs, with the last payment to be made for the month of the death of the last to die of the participant and his or her spouse. The joint and survivor annuity payable hereunder to or with respect to a participant who retires on a late retirement date shall be computed as if such participant had retired on his or her normal retirement date using for the age of his or her spouse as of his or her late retirement date, that spouse's age as of his or her normal retirement date.

8-4. In lieu of the form and amount of supplemental pension benefit specified in subsection 8-3, a participant may elect, prior to commencement, a supplemental pension benefit, which is actuarially equivalent to the form of payment specified in subsection 8-3(a), in the annuity forms permitted by the Board of Review, provided that the scheduled date for the first annuity payment is not changed as a result of such election. For purposes of this provision, the term "actuarially equivalent" shall have the meaning provided by Treasury Regulation §1.409A-2(b)(2)(ii)(A), applying reasonable actuarial methods and assumptions, which must be the same for each annuity payment option and otherwise comply with the rules provided by Treasury Regulation §1.409A-2(b)(2)(ii)(D).

An election under this subsection 8-4 must be in writing, signed by the participant, and filed with the Board of Review at such time and in such manner as the Board of Review shall determine; and will be effective only if the participant's spouse, if any, consents to the election in writing, and such consent acknowledges the effect of the election and is witnessed by a plan representative or a notary public. In any case where a participant elects an optional form of benefit,

the option shall be designed so that more than 50 percent of the actuarial reserve required to provide the participant's monthly vested supplemental pension benefit in the normal form will be applied to provide the participant's benefits under the option during the period of the participant's life expectancy. Payment of an optional form of benefit will commence no later than the date on which the participant's monthly supplemental pension benefit would otherwise commence. An election under this subs 8-4 may not be changed after payment of the participant's supplemental pension benefit has commenced.

8-5. Notwithstanding any other provision of this Supplemental Plan, if a participant terminates employment within two (2) years following the occurrence of a Change in Control, the present value of his or her supplemental pension under Sections 2, 3, 4 and 5, but excluding any amounts with respect to which an election under Section 9 has been made, whether or not then payable or vested) shall be paid to such participant in a lump sum, calculated using reasonable actuarial assumptions and methods, within thirty (30) days following the date of such termination of employment; provided that the event constituting a Change in Control is also a "change in control event", as such term is defined in Treasury Regulation § 1.409A-3(i)(5). The supplemental pension under Section 2 shall be computed using as the applicable limit under Section 415 of the Internal Revenue Code, such limit as is in effect on the termination date and based on the assumption that the participant will receive his or her supplemental pension in the form of a straight life annuity with no ancillary benefits. The present values of the supplemental pensions under Sections 2, 3, 4 and 5 shall be computed as of the date of payment using an interest rate equal to the Pension Benefit Guaranty Corporation interest rate applicable to an immediate annuity, as in effect on the date of payment.

8-6. For purposes of subsection 8-5, a "Change in Control" shall be deemed to have occurred on the earliest of the following dates:

(a) the date any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of Abbott (not including in the securities beneficially owned by such Person any securities acquired directly from Abbott or its Affiliates) representing 20% or more of the combined voting power of Abbott's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (i) of paragraph (c) below; or

(b) the date the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board of Directors and any new director (other than a director whose initial assumption of office is in

connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of Abbott) whose appointment or election by the Board of Directors or nomination for election by Abbott's shareholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

(c) the date on which there is consummated a merger or consolidation of Abbott or any direct or indirect subsidiary of Abbott with any other corporation or other entity,

other than (i) a merger or consolidation (A) immediately following which the individuals who comprise the Board of Directors immediately prior thereto constitute at least a majority of the Board of Directors of Abbott, the entity surviving such merger or consolidation or, if Abbott or the entity surviving such merger or consolidation is then a subsidiary, the ultimate parent thereof and (B) which results in the voting securities of Abbott outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of Abbott or any subsidiary of Abbott, at least 50% of the combined voting power of the securities of Abbott or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (ii) a merger or consolidation effected to implement a recapitalization of Abbott (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of Abbott (not including in the securities Beneficially Owned by such Person any securities acquired directly from Abbott or its Affiliates) representing 20% or more of the combined voting power of Abbott's then outstanding securities; or

(d) the date the shareholders of Abbott approve a plan of complete liquidation or dissolution of Abbott or there is consummated an agreement for the sale or disposition by Abbott of all or substantially all of Abbott's assets, other than a sale or disposition by Abbott of all or substantially all of Abbott's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by shareholders of Abbott, in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of Abbott or any subsidiary of Abbott, in substantially the same proportions as their ownership of Abbott immediately prior to such sale.

Notwithstanding the foregoing, a "Change in Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the common stock of Abbott immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of Abbott immediately following such transaction or series of transactions.

For purposes of this Supplemental Plan: "Affiliate" shall have the meaning set forth in Rule 12b-2 promulgated under Section 12 of the Exchange Act; "Beneficial Owner" shall have the meaning set forth in Rule 13d-3 under the Exchange Act; "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time; and "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) Abbott or any of its subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of Abbott or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the

shareholders of Abbott in substantially the same proportions as their ownership of stock of Abbott.

8-7. POTENTIAL CHANGE IN CONTROL. A "Potential Change in Control" shall exist during any period in which the circumstances described in paragraphs (a), (b), (c) or (d), below, exist (provided, however, that a Potential Change in Control shall cease to exist not later than the occurrence of a Change in Control):

(a) Abbott enters into an agreement, the consummation of which would result in the occurrence of a Change in Control, provided that a Potential Change in Control described in this paragraph (a) shall cease to exist upon the expiration or other termination of all such agreements.

(b) Any Person (without regard to the exclusions set forth in subsections (i) through (iv) of such definition) publicly announces an intention to take or to consider taking actions the consummation of which would constitute a Change in Control; provided that a Potential Change in Control described in this paragraph (b) shall cease to exist upon the withdrawal of such intention, or upon a determination by the Board of Directors that there is no reasonable chance that such actions would be consummated.

(c) Any Person becomes the Beneficial Owner, directly or indirectly, of securities of Abbott representing 10% or more of either the then outstanding shares of common stock of Abbott or the combined voting power of Abbott's then outstanding securities (not including any securities beneficially owned by such Person which are or were acquired directly from Abbott or its Affiliates).

(d) The Board of Directors adopts a resolution to the effect that, for purposes of this Agreement, a Potential Change in Control exists; provided that a Potential Change in Control described in this paragraph (d) shall cease to exist upon a determination by the Board of Directors that the reasons that gave rise to the resolution providing for the existence of a Potential Change in Control have expired or no longer exist.

8-8. The provisions of subsections 8-5, 8-6, 8-7 and this subsection 8-8 may not be amended or deleted, nor superseded by any other provision of this Supplemental Plan, (i) during the pendency of a Potential Change in Control and (ii) during the period beginning on the date of a Change in Control and ending on the date five (5) years following such Change in Control.

8-9. All benefits due under this Supplemental Plan shall be paid by Abbott and Abbott shall be reimbursed for such payments by the employee's employer. In the event the employee is employed by more than one employer, each employer shall reimburse Abbott in proportion to the period of time the

employee was employed by such employer, as determined by the Board of Review in its sole discretion.

8-10. The benefits under the Supplemental Plan are not in any way subject to the debts or other obligations of the persons entitled to benefits and may not be voluntarily or involuntarily sold, transferred or assigned.

8-11. Nothing contained in this Supplemental Plan shall confer on any employee the right to be retained in the employ of Abbott or any of its subsidiaries or affiliates.

8-12. Upon adoption of this Supplemental Plan, the prior resolutions shall be deemed rescinded.

8-13. A participant shall not become vested in the participant's supplemental pension under Sections 2, 3, 4, 5, 6 and 7 until the participant has attained sixty (60) months of vesting service. For purposes of the Supplemental Plan, beginning January 1, 1987, a participant shall be entitled to $1/12^{th}$ of a year of vesting service for each calendar month (or portion thereof) during which the participant is employed by an employer; provided, however, that a participant employed by an employer on December 31, 1986 shall receive the greater of vesting service calculated in accordance with the terms of the Annuity Plan in effect on December 31, 1986 or vesting service calculated in accordance with the rule immediately above, for service with an employer after 1986. The payments required by Section 8 or Section 9 of the Supplemental Plan shall, in each case, relate only to the vested portion of a participant's supplemental pension.

8-14. To the extent applicable, it is intended that the Supplemental Plan comply with the provisions of Code Section 409A. The Supplemental Plan will be administered and interpreted in a manner consistent with this intent, and any provision that would cause the Supplemental Plan to fail to satisfy Code Section 409A will have no force and effect until amended to comply therewith (which amendment may be retroactive to the extent permitted by Code Section 409A). Notwithstanding anything contained herein to the contrary, a participant shall not be considered to have terminated employment with Abbott or any employer hereunder for purposes of the Supplemental Plan and no payments shall be due under Supplemental Plan which are payable upon the participant's termination of employment unless the participant would be considered to have incurred a "separation from service" from Abbott within the meaning of Section 409A. To the extent required to avoid accelerated taxation and/or tax penalties under Code Section 409A and applicable guidance issued thereunder, amounts that would otherwise be payable pursuant to the Supplemental Plan during the six-month period immediately following the participant's termination of employment shall instead be paid on the first business day after the date that is six months following the participant's termination of employment (or upon the participant's death, if earlier), plus interest thereon, at a rate equal to the applicable "Federal short-term rate" (as defined in Section 1274(d) of the Code) for the month in which such termination of employment occurs (to the extent that such interest is not already provided to the participant under subsection 9.10), from the respective dates on which such amounts would otherwise have been paid until the actual date of payment. With respect to expenses eligible for reimbursement under the terms of the Supplemental Plan, (i) the amount of such expenses eligible for reimbursement in any taxable year shall not affect the expenses eligible for reimbursement in another taxable year and (ii) any reimbursements of such expenses shall be made no later than the end of the calendar year following the calendar year in which the related expenses were incurred, except, in each case, to the extent that the right to reimbursement does not provide for a "deferral of compensation" within the meaning of Code Section 409A.

8-15. In accordance with Treasury Regulation 1.409A-3(j)(4)(ii), distributions shall be made to an individual (other than to the participant) pursuant to the terms of a "domestic relations order" (as defined in Internal Revenue Code Section 414(p)(1)(B)), as determined and

administered by the Senior Vice President, Human Resources of Abbott or his or her delegate, provided, that such order (a) does not require the plan to provide any type or form of benefit, or any option not otherwise provided under the plan, (b) does not require the plan to provide increased benefits, and (c) does not require the payment of benefits to an alternate payee which are required to be paid to another alternate payee under another order.

Section 9
ALTERNATE PAYMENT OF SUPPLEMENTAL PENSIONS

9-1. A participant who is actively employed by Abbott as a corporate officer as of December 31 of his or her first year as a corporate officer shall be entitled to receive payment of the present value of the vested supplemental pension described in Sections 2, 3, 4, 5, 6 and 7 which accrues with respect to the year and shall elect to receive such payment by either of the following methods: (a) current payment in cash directly to the participant, or (b) current payment of a portion of such present value in cash for the participant directly to a Grantor Trust established by the participant, determined to be substantially similar to the form of Grantor Trust attached hereto as Exhibit B, and current payment of the balance of such present value in cash paid directly to or withheld on behalf of the participant equal to the aggregate federal, state and local individual income and employment taxes owed with respect to the gross payment (as determined in accordance with subsection 9-10). The payment of any amount provided under this subsection 9-1 shall be made to the Grantor Trust established by the participant within the thirty (30)-day period beginning April 1 of the year following the year in which such present value is accrued.

9-2. For each year subsequent to the year in which a participant becomes a corporate officer, if the present value of a participant's vested and accrued supplemental pension has been paid to the participant (including amounts paid to the participant's Grantor Trust) pursuant to subsection 9-1 (either as in effect prior to January 1, 2005 that applied to corporate officers with a present value in excess of $100,000, or as currently in effect for all corporate officers who are participants as of the applicable December 31) then, with respect to each subsequent year of active participation, as of that December 31, a participant shall be entitled to a payment in an amount equal to (i) the present value (as of that December 31) of the participant's vested supplemental pension described in Sections 2, 3, 4, 5, 6 and 7, less (ii) the current value (as of that December 31) of the payments previously made to the participant under subsections 9-1 and 9-2 (if any). Each year a participant who is a corporate officer may elect to receive payment of the amounts described in subparagraphs (i) and (ii) above for the year by either of the following methods: (a) current payment in cash directly to the participant, or (b) current payment of such amount in cash for the participant directly to a Grantor Trust established by the participant (less the aggregate federal, state and local individual income and employment taxes paid to or withheld on behalf of the participant (as determined in accordance with subsection 9-10). The payment of any amount provided under this subsection 9-2 shall be made to the Grantor Trust established by the participant within the thirty (30)-day period beginning April 1 of the year following the year in which such present value is accrued. No payments shall be made under this subsection 9-2 as of any December 31 after the calendar year in which the participant retires or otherwise terminates employment with Abbott.

9-3. Present values for the purposes of subsections 9-1 and 9-2 shall be determined using reasonable actuarial assumptions specified for this purpose by Abbott and consistently

applied in accordance with the requirements of Treasury Regulation §1.409A-2(b)(2)(ii)(D). The 'current value' of the payments previously made to a participant under subsection 9-2 means the aggregate amount of such payments, with interest thereon (at the rate specified in subsection 9-7).

9-4. Abbott, as the administrator of the participant's Grantor Trust, may direct the trustee to distribute to the participant from the income of such Grantor Trust an amount sufficient to pay the taxes on the Grantor Trust earnings for such year, to the extent a sufficient sum of money has not been paid to, or withheld on behalf of, the participant pursuant to subsection 9-8. The taxes shall be determined in accordance with subsection 9-10.

9-5. Except as provided in subsection 9-9, a participant shall be deemed to have irrevocably waived and shall be foreclosed from any right to receive any supplemental pension benefits on that portion of the supplemental pension that the participant elects to be paid in cash under subsection 9-1 or 9-2. A participant, who has elected to receive a payment under subsection 9-1 or 9-2 to a Grantor Trust, must establish such trust in a form which Abbott determines to be substantially similar to the trust attached to this Supplemental Plan as Exhibit B. If a participant fails to make an election under subsection 9-1 or 9-2, or if a participant makes an election under subsection 9-1 or 9-2 to receive payment in a Grantor Trust but fails to establish a Grantor Trust, then payment shall be made in cash directly to the participant.

9-6. Abbott will establish and maintain a separate Supplemental Pension Account in the name of each participant, a separate After-Tax Supplemental Pension Account in the name of each participant, and a separate Tax Payment Account in the name of each participant. The Supplemental Pension Account shall reflect any amounts: (i) paid to, or withheld on behalf of, a participant to satisfy the aggregate federal, state and local individual income and employment taxes (including amounts paid to a participant's Grantor Trust) pursuant to subsections 9-1 and 9-2; (ii) credited to such Account pursuant to subsection 9-7; and (iii) disbursed to a participant for supplemental pension benefits (or which would have been disbursed to a participant if the participant had not elected to receive a cash disbursement pursuant to subsections 9-1 and 9-2). The After-Tax Supplemental Pension Account shall also reflect such amounts but shall be maintained on an after-tax basis. Prior to January 1, 2013, the Tax Payment Account reflected all amounts disbursed to the Grantor Trust or to a participant pursuant to subsections 9-4, 9-5 and 9-8, as such subsections were then in effect. Effective as of January 1, 2013, the Tax Payment Account shall reflect any amounts disbursed to a participant for the payment of taxes pursuant to subsection 9-4. The accounts established pursuant to this subsection 9-6 are for the convenience of the administration of the Plan and no trust relationship with respect to such accounts is intended or should be implied.

9-7. As of the end of each calendar year, a participant's Supplemental Pension Account shall be credited with interest calculated at the rate of eight percent (8%) per year. Any amount so credited shall be referred to as a participant's "Interest Accrual." The calculation of the Interest Accrual shall be based on the balance of the payments made pursuant to subsections 9-1 and 9-2 and any Interest Accrual thereon from previous years. As of the end of each calendar year a participant's After-Tax Supplemental Pension Account shall be credited with interest which shall be referred to as the After-Tax Interest Accrual. The "After-Tax Interest Accrual" shall be an amount equal to the product of (a) the Interest Accrual credited to the participant's Supplemental Pension Account for such year multiplied by (b) one minus the aggregate of the federal, state, and

local individual income tax rates and employment tax rate (determined in accordance with subsection 9-10).

9-8. In addition to any payment made to a participant for a calendar year pursuant to subsections 9-1 and 9-2, a participant shall also be entitled to a payment (an "Interest Payment") for each year in which the Grantor Trust is in effect. Prior to January 1, 2013, the Interest Payment equaled the excess, if any, of the participant's Net Interest Accrual (as defined below) over the net earnings of the participant's Grantor Trust for the year (the "Pre-Amendment Amount") and was paid to the participant's Grantor Trust within the thirty (30)-day period beginning April 1 of the following fiscal year. Effective as of January 1, 2013, the Interest Payment shall equal the excess of the gross amount of the participant's Interest Accrual (as defined in subsection 9-7), over the net income of the participant's Grantor Trust for the year, as adjusted by the amounts described in Schedule A, and shall be paid within the thirty (30)-day period beginning April 1 of the following fiscal year. A portion of such Interest Payment, equal to the excess, if any, of the Net Interest Accrual over the net earnings of the participant's Grantor Trust (i.e., the Pre-Amendment Amount), shall be deposited in the participant's Grantor Trust, with the balance paid to, or withheld on behalf of, the Participant; provided, however, in the event that the net earnings of the participant's Grantor Trust exceeds the Net Interest Accrual, a distribution from the Grantor Trust shall be required in accordance with subsection 9-4. A participant's Net Interest Accrual for a year is an amount equal to the After-Tax Interest Accrual credited to the participant's After-Tax Supplemental Pension Account for that year in accordance with subsection 9-7. No payments shall be made under this subsection 9-8 for any year following the year in which the participant dies, retires or otherwise terminates employment with Abbott.

9-9. In addition and notwithstanding the payments made to a participant's Grantor Trust under subsections 9-1 and 9-2 and subject only to the subsequent election requirements of Treasury Regulation § 1.409A-2(b), Abbott shall make the monthly vested supplemental pension payments that would have been payable to the participant had no payments been made to the participant's Grantor Trust under subsections 9-1 and 9-2 in the form provided by subsection 8-3. The monthly vested supplemental pension payments hereunder shall commence on the first business day of February following the sixth anniversary of the participant's termination of employment and ending with the month of the participant's (or surviving spouse's) death. By way of example, (i) if a participant terminated employment on June 1, 2008, the commencement date would be the first business day in February, 2015 and (ii) if a participant terminated employment on January 15, 2008, the commencement date would be the first business day in February, 2014. For purposes of determining the commencement date under this subsection 9-9, a participant who retired prior to January 1, 2009 but after December 31, 2004 shall be deemed to have terminated employment on March 1, 2008. Payments under this subsection 9-9 shall be made by the employers (in such proportions as Abbott shall designate) directly from their general corporate assets. Payment of the annuity required by this subsection 9-9 may be deferred by Abbott in compliance with the subsequent election requirements of Treasury Regulation § 1.409A-2(b). Any election to defer payment hereunder shall not take effect until at least 12 months after the election is made; shall be made not less than 12 months before the annuity commencement date; and shall require payment to be deferred for a period of no less than five years from such annuity commencement date.

9-10. For purposes of this Supplemental Plan, a participant's federal income tax rate shall be deemed to be the highest marginal rate of federal individual income tax in effect in the calendar year in which a calculation under this Supplemental Plan is to be made; state and local tax rates shall be deemed to be the highest marginal rates of individual income tax in effect in the state and locality of the participant's residence in the calendar year for which such a calculation is to be made; and a participant's employment tax rate shall be deemed to be the highest marginal rate of Federal Insurance Contributions Act tax in effect in the calendar year for which such a calculation is to be made, net of any federal tax benefits without a benefit for any net capital losses. Any employer shall be entitled, if necessary or desirable, to pay, or withhold the amount of any federal, state or local tax, attributable to any amounts payable by it under the Supplemental Plan, and may require payment or indemnification from the participant in an amount necessary to satisfy such taxes prior to remitting such taxes.

9-11. Each participant's Grantor Trust assets shall be invested solely in the instruments specified by investment guidelines established by the Committee. Such investment guidelines, once established, may be changed by the Committee, provided that any change shall not take effect until the year following the year in which the change is made and provided further that the instruments specified shall be consistent with the provisions of Section 3(b) of the form of Grantor Trust attached hereto as Exhibit B.

9-12. Notwithstanding anything contained in the Supplemental Plan to the contrary, effective as of January 1, 2005, (a) with respect to each participant who is actively employed by Abbott as a corporate officer, the Grantor Trust funding threshold of $100,000 formerly referenced in subsections 8-2, 9-1 and 9-2 of the Plan shall no longer be applied or have any force or effect and (b) the Grantor Trusts established by the participants under the Supplemental Plan shall be funded in accordance with the requirements of Code Section 409A.

9-13. Notwithstanding anything contained in the Supplemental Plan to the contrary, pursuant to Q&A-20 of Internal Revenue Service Notice 2005-1 (the "Notice"), Abbott shall cause the present value of accrued benefits under the Supplemental Plan for the periods ended on or prior to December 31, 2005 for each participant who has made a Grantor Trust election under Section 9-1, to the extent not previously paid to a Grantor Trust established by the participant, to be deposited in such Grantor Trust on or prior to December 31, 2005. Such payment is intended to result in a partial termination of participation in the Supplemental Plan as permitted by the Notice. Each participant who has established a Grantor Trust and who receives such payment shall include the full amount of such payment to the Grantor Trust in the participant's income in 2005.

9-14. Notwithstanding anything contained in the Supplemental Plan to the contrary, with respect to each participant who (a) has made a Grantor Trust election under Section 9-1 and (b) first became a corporate officer in 2006, 2007 or 2008, Abbott shall cause such participant's Pre-Officer Benefit (as defined below) to be deposited in the Grantor Trust established by the participant in 2009, to the extent not previously subject to an election under Section 9-1 and paid to such Grantor Trust. For purposes of the Supplemental Plan, "Pre-Officer Benefit" means the present value of such participant's accrued supplemental pension benefits which (i) accrued prior to 2007 in the case of a participant who first became a corporate officer in 2006; (ii) accrued prior to 2008 in the case of a participant who first became a corporate officer in 2007; or (iii) accrued prior to 2009 in the case of a participant who first became a corporate officer in 2008. The

foregoing amendment is made in accordance with and pursuant to Q&A-19(c) of the Notice and the guidance extending the same for the transition period ending on December 31, 2008 For the avoidance of doubt, the amounts deposited in the participant's Grantor Trusts hereunder shall no longer be payable pursuant to subsection 8-2, as such amounts will have been distributed to the respective participants pursuant to the transition relief described in the preceding sentence.

Exhibit A

ABBOTT LABORATORIES SUPPLEMENTAL PENSION PLAN

[Abbott Laboratories Supplemental Pension Plan, as amended, as filed as Exhibit 10.2 to the Abbott Laboratories Current Report on Form 8-K dated December 9, 2005.]

Exhibit B

SUPPLEMENTAL BENEFIT
GRANTOR TRUST

THIS AGREEMENT, made this day of , 20 , by and between , (the "grantor"), and The Northern Trust Company, located at Chicago, Illinois, as trustee (the "trustee"),

WITNESSETH THAT:

WHEREAS, the grantor desires to establish and maintain a trust to hold certain benefits received by the grantor under the Abbott Laboratories Supplemental Pension Plan, as it may be amended from time to time.

NOW, THEREFORE, IT IS AGREED as follows:

ARTICLE I
Introduction

I-1 Name. This agreement and the trust hereby evidenced (the "trust") may be referred to as the " Supplemental Benefit Grantor Trust."

I-2 The Trust Fund. The "trust fund" as at any date means all property then held by the trustee under this agreement.

I-3 Status of the Trust. The trust shall be irrevocable. The trust is intended to constitute a grantor trust under Sections 671-678 of the Internal Revenue Code, as amended, and shall be construed accordingly.

I-4 The Administrator. Abbott Laboratories ("Abbott") shall act as the "administrator" of the trust, and as such shall have certain powers, rights and duties under this agreement as described below. Abbott will certify to the trustee from time to time the person or persons authorized to act on behalf of Abbott as the administrator. The trustee may rely on the latest certificate received without further inquiry or verification.

I-5 Acceptance. The trustee accepts the duties and obligations of the "trustee" hereunder, agrees to accept funds delivered to it by the grantor or the administrator, and agrees to hold such funds (and any proceeds from the investment of such funds) in trust in accordance with this agreement.

ARTICLE II
Distribution of the Trust Fund

II-1 Supplemental Pension Account. The administrator shall maintain a "supplemental pension account" under the trust. As of the end of each calendar year, the administrator shall

charge the account with all distributions made from the account during that year; and credit the account with its share of trust income and realized gains and charge the account with its share of trust expenses and realized losses for the year.

II-2 Distributions Prior to the Grantor's Death. Principal and accumulated income shall not be distributed from the trust prior to the grantor's retirement or other termination of employment with Abbott or a subsidiary of Abbott (the grantor's "settlement date"); provided that, each year the administrator may direct the trustee to distribute to the grantor a portion of the income of the trust fund for that year, with the balance of such income to be accumulated in the trust. The administrator shall inform the trustee of the grantor's settlement date. Thereafter, the trustee shall distribute the amounts from time to time credited to the supplemental pension account to the grantor, if then living, in the same manner, at the same time and over the same period as the pension payable to the grantor under Abbott Laboratories Annuity Retirement Plan.

II-3 Distributions After the Grantor's Death. The grantor, from time to time may name any person or persons (who may be named contingently or successively and who may be natural persons or fiduciaries) to whom the principal of the trust fund and all accrued or undistributed income thereof shall be distributed upon the grantor's death. The grantor may direct that such amounts be distributed in a lump sum or, if the beneficiary is the grantor's spouse (or a trust (a "Trust") for which the grantor's spouse is the sole income beneficiary), in the same manner, at the same time and over the same period as the pension payable to the grantor's surviving spouse under the Abbott Laboratories Annuity Retirement Plan. If the grantor directs the same method of distribution as the pension payable to the surviving spouse under the Abbott Laboratories Annuity Retirement Plan to the spouse as beneficiary, any amounts remaining at the death of the spouse beneficiary shall be distributed in a lump sum to the executor or administrator of the spouse beneficiary's estate. If the grantor directs the same method of distribution as the pension payable to the surviving spouse under the Abbott Laboratories Annuity Retirement Plan to a Trust for which the grantor's spouse is the sole income beneficiary, any amounts remaining at the death of the spouse shall be distributed in a lump sum to such Trust. Despite the foregoing, if (i) the beneficiary is a Trust for which the grantor's spouse is the sole income beneficiary, (ii) payments are being made pursuant to this paragraph II-3 other than in a lump sum and (iii) income earned by the trust fund for the year exceeds the amount of the annual installment payment, then such Trust may elect to withdraw such excess income by written notice to the trustee. Each designation shall revoke all prior designations, shall be in writing and shall be effective only when filed by the grantor with the administrator during the grantor's lifetime. If the grantor fails to direct a method of distribution, the distribution shall be made in a lump sum. If the grantor fails to designate a beneficiary as provided above, then on the grantor's death, the trustee shall distribute the balance of the trust fund in a lump sum to the executor or administrator of the grantor's estate."

II-4 Facility of Payment. When a person entitled to a distribution hereunder is under legal disability, or, in the trustee's opinion, is in any way incapacitated so as to be unable to manage his or her financial affairs, the trustee may make such distribution to such person's legal representative, or to a relative or friend of such person for such person's benefit. Any distribution made in accordance with the preceding sentence shall be a full and complete discharge of any liability for such distribution hereunder.

II-5 Perpetuities. Notwithstanding any other provisions of this agreement, on the day next preceding the end of 21 years after the death of the last to die of the grantor and the grantor's descendants living on the date of this instrument, the trustee shall immediately distribute any remaining balance in the trust to the beneficiaries then entitled to distributions hereunder.

ARTICLE III
Management of the Trust Fund

III-1 General Powers. The trustee shall, with respect to the trust fund, have the following powers, rights and duties in addition to those provided elsewhere in this agreement or by law:

(a) Subject to the limitations of subparagraph (b) next below, to sell, contract to sell, purchase, grant or exercise options to purchase, and otherwise deal with all assets of the trust fund, in such way, for such considerations, and on such terms and conditions as the trustee decides.

(b) To invest and reinvest the trust fund, without distinction between principal and income, in obligations of the United States Government and its agencies or which are backed by the full faith and credit of the United States Government and in any mutual funds, common trust funds or collective investment funds which invest solely in such obligations, provided that to the extent practicable no more than Ten Thousand Dollars ($10,000) shall be invested in such mutual funds, common trust funds or collective investment funds at any time; and any such investment made or retained by the trustee in good faith shall be proper despite any resulting risk or lack of diversification or marketability.

(c) To deposit cash in any depositary (including the banking department of the bank acting as trustee) without liability for interest, in amounts not in excess of those reasonably necessary to make distributions from the trust.

(d) To borrow from anyone, with the administrator's approval, such sum or sums from time to time as the trustee considers desirable to carry out this trust, and to mortgage or pledge all or part of the trust fund as security.

(e) To retain any funds or property subject to any dispute without liability for interest and to decline to make payment or delivery thereof until final adjudication by a court of competent jurisdiction or until an appropriate release is obtained.

(f) To begin, maintain or defend any litigation necessary in connection with the administration of this trust, except that the trustee shall not be obliged or required to do so unless indemnified to the trustee's satisfaction.

(g) To compromise, contest, settle or abandon claims or demands.

(h) To give proxies to vote stocks and other voting securities, to join in or oppose (alone or jointly with others) voting trusts, mergers, consolidations, foreclosures, reorganizations, liquidations, or other changes in the financial structure of any corporation, and to exercise or sell stock subscription or conversion rights.

(i) To hold securities or other property in the name of a nominee, in a depositary, or in any other way, with or without disclosing the trust relationship.

(j) To divide or distribute the trust fund in undivided interests or wholly or partly in kind.

(k) To pay any tax imposed on or with respect to the trust; to defer making payment of any such tax if it is indemnified to its satisfaction in the premises; and to require before making any payment such release or other document from any lawful taxing authority and such indemnity from the intended payee as the trustee considers necessary for its protection.

(l) To deal without restriction with the legal representative of the grantor's estate or the trustee or other legal representative of any trust created by the grantor or a trust or estate in which a beneficiary has an interest, even though the trustee, individually, shall be acting in such other capacity, without liability for any loss that may result.

(m) Upon the prior written consent of the administrator, to appoint or remove by written instrument any bank or corporation qualified to act as successor trustee, wherever located, as special trustee as to part or all of the trust fund, including property as to which the trustee does not act, and such special trustee, except as specifically limited or provided by this or the appointing instrument, shall have all of the rights, titles, powers, duties, discretions and immunities of the trustee, without liability for any action taken or omitted to be taken under this or the appointing instrument.

(n) To appoint or remove by written instrument any bank, wherever located, as custodian of part or all of the trust fund, and each such custodian shall have such rights, powers, duties and discretions as are delegated to it by the trustee.

(o) To employ agents, attorneys, accountants or other persons, and to delegate to them such powers as the trustee considers desirable, and the trustee shall be protected in acting or refraining from acting on the advice of persons so employed without court action.

(p) To perform any and all other acts which in the trustee's judgment are appropriate for the proper management, investment and distribution of the trust fund.

III-2 Principal and Income. Any income earned on the trust fund which is not distributed as provided in Article II shall be accumulated and from time to time added to the principal of the trust. The grantor's interest in the trust shall include all assets or other property held by the trustee hereunder, including principal and accumulated income.

III-3 Statements. The trustee shall prepare and deliver monthly to the administrator and annually to the grantor, if then living, otherwise to each beneficiary then entitled to distributions under this agreement, a statement (or series of statements) setting forth (or which taken together set forth) all investments, receipts, disbursements and other transactions effected by the trustee during the reporting period; and showing the trust fund and the value thereof at the end of such period.

III-4 Compensation and Expenses. All reasonable costs, charges and expenses incurred in the administration of this trust, including compensation to the trustee, any compensation to agents, attorneys, accountants and other persons employed by the trustee, and expenses incurred in connection with the sale, investment and reinvestment of the trust fund shall be paid from the trust fund.

ARTICLE IV
General Provisions

IV-1 Interests Not Transferable. The interests of the grantor or other persons entitled to distributions hereunder are not subject to their debts or other obligations and may not be voluntarily or involuntarily sold, transferred, alienated, assigned or encumbered.

IV-2 Disagreements as to Acts. If there is a disagreement between the trustee and anyone as to any act or transaction reported in any accounting, the trustee shall have the right to a settlement of its account by any court.

IV-3 Trustee's Obligations. No power, duty or responsibility is imposed on the trustee except as set forth in this agreement. The trustee is not obliged to determine whether funds delivered to or distributions from the trust are proper under the trust, or whether any tax is due or payable as a result of any such delivery or distribution. The trustee shall be protected in making any distribution from the trust as directed pursuant to Article II without inquiring as to whether the distributee is entitled thereto; the trustee shall not be liable for any distribution made in good faith without written notice or knowledge that the distribution is not proper under the terms of this agreement; and the trustee shall not be liable for any action taken because of the specific direction of the administrator.

IV-4 Good Faith Actions. The trustee's exercise or non-exercise of its powers and discretions in good faith shall be conclusive on all persons. No one shall be obliged to see to the application of any money paid or property delivered to the trustee. The certificate of the trustee that it is acting according to this agreement will fully protect all persons dealing with the trustee.

IV-5 Waiver of Notice. Any notice required under this agreement may be waived by the person entitled to such notice.

IV-6 Controlling Law. The laws of the State of Illinois shall govern the interpretation and validity of the provisions of this agreement and all questions relating to the management, administration, investment and distribution of the trust hereby created.

IV-7 Successors. This agreement shall be binding on all persons entitled to distributions hereunder and their respective heirs and legal representatives, and on the trustee and its successors.

ARTICLE V
Changes in Trustee

V-1 Resignation or Removal of Trustee. The trustee may resign at any time by giving thirty days' advance notice to the administrator and the grantor. The administrator may remove a trustee by written notice to the trustee and the grantor.

V-2 Appointment of Successor Trustee. The administrator shall fill any vacancy in the office of trustee as soon as practicable by written notice to the successor trustee; and shall give prompt written notice thereof to the grantor, if then living, otherwise to each beneficiary then entitled to payments or distributions under this agreement. A successor trustee shall be a bank (as defined in Section 581 of the Internal Revenue Code, as amended).

V-3 Duties of Resigning or Removed Trustee and of Successor Trustee. A trustee that resigns or is removed shall furnish promptly to the administrator and the successor trustee an account of its administration of the trust from the date of its last account. Each successor trustee shall succeed to the title to the trust fund vested in its predecessor without the signing or filing of any instrument, but each predecessor trustee shall execute all documents and do all acts necessary to vest such title of record in the successor trustee. Each successor trustee shall have all the powers conferred by this agreement as if originally named trustee. No successor trustee shall be personally liable for any act or failure to act of a predecessor trustee. With the approval of the administrator, a successor trustee may accept the account furnished and the property delivered by a predecessor trustee without incurring any liability for so doing, and such acceptance will be complete discharge to the predecessor trustee.

ARTICLE VI
Amendment and Termination

VI-1 Amendment. With the consent of the administrator, this trust may be amended from time to time by the grantor, if then living, otherwise by a majority of the beneficiaries then entitled to payments or distributions hereunder, except as follows:

(a) The duties and liabilities of the trustee cannot be changed substantially without its consent.

(b) This trust may not be amended so as to make the trust revocable.

VI-2 Termination. This trust shall not terminate, and all rights, titles, powers, duties, discretions and immunities imposed on or reserved to the trustee, the administrator, the grantor and the beneficiaries shall continue in effect, until all assets of the trust have been distributed by the trustee as provided in Article II.

* * *

IN WITNESS WHEREOF, the grantor and the trustee have executed this agreement as of the day and year first above written.

_____
Grantor

The Northern Trust Company, as Trustee

By _____

Its _____

Exhibit 10.5

Amended and Restated
effective October 9, 2014

1986 ABBOTT LABORATORIES MANAGEMENT INCENTIVE PLAN

SECTION 1
INTRODUCTION

1.1 BACKGROUND AND PURPOSES. This 1986 ABBOTT LABORATORIES MANAGEMENT INCENTIVE PLAN (the "Plan") is a successor Plan to the 1961, 1971 and 1981 Management Incentive Plans (the "Predecessor Plans"). This Plan is being established by ABBOTT LABORATORIES ("Abbott") for the following purposes:

(a) To provide greater incentive for participants in the Plan to attain and maintain the highest standards of managerial performance by rewarding them for services rendered with compensation, in addition to their base salaries, in proportion to the success of Abbott and to the participants' respective contribution to such success; and

(b) To attract and retain in the employ of Abbott and its subsidiaries persons of outstanding competence.

1.2 EFFECTIVE DATE AND FISCAL YEAR. The Plan became effective as of January 1, 1986, was subsequently amended and restated as of January 1, 2008, in accordance with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Code Section 409A"), and is hereby amended and restated as of January 1, 2013. Except as expressly provided herein, the provisions of the Plan as they were in effect immediately prior to the January 1, 2013 amendment and restatement shall continue to apply to any participant who retired or terminated employment prior to January 1, 2013. The term "fiscal year," as used in this Plan, means the fiscal period from time to time employed by Abbott for the purpose of reporting earnings to shareholders.

1.3 ADMINISTRATION. The Plan will be administered by the Compensation Committee (the "Committee") appointed by the Board of Directors of Abbott (the "Board of Directors").

1.4 GRANDFATHERED AMOUNTS. Notwithstanding anything in the Plan to the contrary, any amounts under the Plan that were earned and vested before January 1, 2005 (as determined in accordance with Code Section 409A) with respect to participants who retired before January 1, 2005 ("Grandfathered Amounts") shall be subject to the terms and conditions of the Plan as administered and as in effect on December 31, 2004. Amendments made to the Plan pursuant to this amendment and restatement or otherwise shall not affect the Grandfathered Amounts unless expressly provided for in the amendment. The terms and conditions applicable to the Grandfathered Amounts are set forth in Exhibit A attached hereto.

1.5 RECOUPMENT OF FUNDS. Any award granted pursuant to this Plan is subject to the terms and conditions of the Abbott Laboratories Recoupment Policy, which will become effective as of January 1, 2015, as amended from time to time (the "Policy"), solely in its application to an employee whom the Company has determined, in accordance with its regular practice, is an "officer" as defined under Section 16 of the Securities Exchange Act of 1934, as amended, and rules and regulations promulgated thereunder.

1.6 GOVERNING LAW/JURISDICTION/LEGAL FEES. The Plan and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of Illinois without giving effect to the conflict of laws principles thereof. Each participant hereby consents to the exclusive jurisdiction of the federal courts in and state courts of the State of Illinois in any dispute concerning or relating to the application of the Policy to the Plan or any awards granted thereunder. If the Company prevails in all material respects in any such dispute, the Company shall be entitled to recover its reasonable legal fees and expenses incurred in connection with such dispute.

SECTION 2
ELIGIBILITY AND PARTICIPATION

2.1 PERSONS ELIGIBLE FOR PARTICIPATION. Participation in the Plan will be limited to those Officers and managerial employees of Abbott and its subsidiaries who, from time to time, shall be selected as participants by the Committee.

2.2 PARTICIPANTS. The term "participant," as used in the Plan, shall include both active participants and inactive participants.

2.3 ACTIVE PARTICIPANTS. For each fiscal year, there shall be a group of active participants which, except as provided below, shall not exceed forty-five persons and shall consist of those persons eligible for participation who shall have been designated as active participants and notified of that fact by the Committee. If, as a result of the growth of Abbott and its subsidiaries or changes in Abbott's organization, the Board of Directors deems it appropriate, the Board of Directors may, in its discretion, from time to time, increase the number of persons who may be designated as active participants for any fiscal year beyond the limit of forty-five persons provided for above. Selection as an active participant for any fiscal year shall not confer upon any person a right to be an active participant in any subsequent fiscal year, nor shall it confer upon him the right to receive any allocation under the Plan, other than amounts allocated to him by the Committee pursuant to the Plan, and all such allocations shall be subject to all of the terms and conditions of the Plan.

2.4 INACTIVE PARTICIPANTS. Inactive participants shall consist of those persons, including beneficiaries of deceased participants, if any, for whom an allocation shall have been made for a prior fiscal year under this Plan or a Predecessor Plan, the payment of which was deferred and remains unpaid. Status as an inactive participant shall not preclude a person from also being an active participant during any fiscal year.

SECTION 3
MANAGEMENT INCENTIVE PLAN FUND

3.1 DETERMINATION OF MANAGEMENT INCENTIVE PLAN AMOUNT FOR ANY YEAR.

(a) For each fiscal year, the Committee shall determine a tentative amount as the Management Incentive Plan Amount for that year, which tentative amount shall not exceed an amount which equals 200 percent of the aggregate base salaries of all active participants for such year. For purposes of the Plan, "base salary" means the amount of salary paid to each active participant by Abbott and its subsidiaries for such year and does not included bonuses, other awards or any other compensation of any kind.

(b) Following determination of the tentative Management Incentive Plan Amount described in (a) above, the Committee shall report in writing the amount of such tentative amount to the Board of

Directors. At the meeting of the Board of Directors coincident with or next following receipt by it of the Committee's determination, the Board of Directors shall have the power to approve or reduce, but not to increase, the tentative amount reported to it by the Committee. The amount approved by the Board of Directors shall be the Management Incentive Plan Amount for such year.

3.2 THE MANAGEMENT INCENTIVE PLAN FUND. The Management Incentive Plan Fund at any time shall consist of an amount equal to the aggregate of the Management Incentive Plan Amounts established pursuant to subsection 3.1 (or the applicable predecessor subsection) of this Plan for all fiscal years during which this Plan shall have been operative, plus the amounts established as Management Incentive Plan Amounts for any prior fiscal year pursuant to a Predecessor Plan, reduced by an amount equal to the aggregate of the amounts of awards which shall have been allocated to participants in accordance with this Plan or a Predecessor Plan.

SECTION 4
ALLOCATION OF MANAGEMENT INCENTIVE FUND

4.1 ANNUAL ALLOCATION OF MANAGEMENT INCENTIVE FUND. As soon as practicable after the close of each fiscal year, part or all of the amount then in the Management Incentive Plan Fund (including the Management Incentive Plan Amount for such fiscal year) will be allocated by the Committee among active participants in the Plan for such fiscal year, having due regard for the purposes for which the Plan was established, in the following manner and order:

(a) First, if the Chairman of the Board of Abbott shall be an active participant for such year, the members of the Committee, other than the Chairman of the Board, shall determine the amount, if any, to be allocated to the Chairman of the Board from such Fund for such year; and

(b) Next, all or a part of the balance of such Fund may be allocated among the active participants (other than the Chairman of the Board) for such year, in such amounts and proportions as the Committee shall determine provided, however, that the amount allocated to any active participant for any year shall not exceed 200 percent of such participant's base salary for that year.

4.2 COMMITTEE'S DISCRETION IN ALLOCATIONS. In making any allocations in accordance with subsection 4.1 for any year, the discretion of the Committee shall be absolute, and no active participants for any year, by reason of their designation as such, shall be entitled to any particular amounts or any amount whatsoever.

SECTION 5
PAYMENT OF AMOUNTS ALLOCATED TO PARTICIPANTS

5.1 TIME OF PAYMENT. For fiscal years beginning after December 31, 1988, a participant shall direct the payment or deferral of an allocation made to him pursuant to subsection 4.1 (a "Plan Award") at the time specified in subsection 5.2 (subject to such conditions relating to the right of the participant to receive payment of such amount as established by the Committee) by one or more of the following methods:

(a) current payment in cash to the participant, which payment shall be made no later than the last day of the "applicable 2½ month period", as such term is defined in Treasury Regulation § 1.409A-1(b)(4)(i)(A);

(b) current payment of a portion in cash and deposited to a grantor trust (the "Grantor Trust") established by the participant (in a form which the Committee determines is substantially similar to the trust in Exhibit B) and the balance withheld on behalf of the participant to satisfy the participant's aggregate federal, state and local individual income and employment taxes (determined in accordance with subsections 6.6 and 6.7); provided that all payments or contributions to the Grantor Trust and participant contemplated by this subsection 5.1(b) shall be made no later than the last day of the "applicable 2½ month period," as such term is defined in Treasury Regulation § 1.409A-1(b)(4)(i)(A); or

(c) deferral of payment until such time and in such manner as determined in accordance with subsection 5.14.

5.2 TIME OF ELECTION.

(a) A participant must make the election described in subsection 5.1 by filing it with the Committee or its delegate on or before December 31 of the year prior to the fiscal year during which the incentive compensation is earned under the Plan.

(b) Notwithstanding the timing requirements described above, an individual who newly becomes eligible to participate in the Plan by being designated as a participant under subsection 2.1 (and who was not eligible to participate in any other plan that would be aggregated with the Plan under Treasury Regulation §1.409A-1(c)) may make an initial deferral election as described in subsection 5.1 by filing it with the Committee or its delegate within the thirty (30) day period immediately following the date he or she first is

designated as participant, provided that the compensation deferred pursuant to such election relates solely to services performed after the date of such election. For this purpose, an election shall be deemed to apply

to compensation paid for services performed after the election if the election applies to no more than the amount prescribed by Treasury Regulation §1.409A-2(a)(7)(i).

(c) Any election described in subsection 5.1 shall be irrevocable for the fiscal year to which the election applies.

5.3 SEPARATE ACCOUNTS. The Committee shall establish accounts for participants who have made elections pursuant to subsection 5.1(b) or 5.1(c) as follows.

(a) The Committee will maintain a "Deferred Account" in the name of each participant who has elected to defer payment of all or a portion of his or her Plan Award under subsection 5.1(c). The Deferred Account shall consist of allocations deferred according to subsection 5.1(c) and any adjustments made in accordance with subsection 5.4.

(b) The Committee will maintain two separate Accounts, a "Pre-Tax Account" and an "After-Tax Account," in the name of each participant who has elected to have a portion of his or her Plan Award deposited in cash to a Grantor Trust according to subsection 5.1(b). The Pre-Tax Account shall consist of the aggregate of all allocations contemplated by subsection 5.1(b), whether deposited to the participant's Grantor Trust or made in cash to the participant, and any adjustments made in accordance with subsection 5.5. The After-Tax Account shall consist of after-tax allocations deposited to the participant's Grantor Trust in cash according to subsection 5.1(b) and any adjustments made in accordance with subsection 5.6.

5.4 ADJUSTMENT OF DEFERRED ACCOUNTS. As of the end of each fiscal year, each participant's Deferred Account shall be adjusted by the Committee as follows:

(a) FIRST, reduced by an amount equal to any distributions made to the participant during that year pursuant to subsections 5.14 or 5.15;

(b) NEXT, increased by an amount equal to the Plan Award for that year that is deferred pursuant to subsection 5.1(c); and

(c) FINALLY, increased by an amount equal to the interest earned for that year according to subsection 5.7.

5.5 ADJUSTMENT OF PRE-TAX ACCOUNTS. As of the end of each fiscal year, each participant's Pre-Tax Account shall be adjusted by the Committee as follows:

(a) FIRST, reduced, in any year in which the participant receives a distribution from his or her Grantor Trust, by an amount equal to the distribution that would have been made to the participant if the

aggregate amounts allocated according to subsection 5.1(b) had instead been deferred under subsection 5.1(c);

(b) NEXT, increased by an amount equal to any Plan Award for that year that is withheld on behalf of the participant to satisfy the participant's aggregate federal, state and local individual income and employment taxes (including the amount deposited in the participant's Grantor Trust) according to subsection 5.1(b); and

(c) FINALLY, increased by an amount equal to the pre-tax interest earned for that year according to subsection 5.7(a) and (c).

5.6 ADJUSTMENT OF AFTER-TAX ACCOUNTS. As of the end of each fiscal year, each participant's After-Tax Account shall be adjusted by the Committee as follows:

(a) FIRST, reduced, in any year in which the participant receives a benefit distribution from his or her Grantor Trust, by an amount calculated as provided in subsection 5.19 which represents the distribution for such year;

(b) NEXT, increased by an amount equal to the Plan Award for that year that is deposited in the participant's Grantor Trust according to subsection 5.1(b); and

(c) FINALLY, increased by an amount equal to the after-tax interest earned for that year according to subsection 5.7(b) and (c).

5.7 INTEREST ACCRUALS ON ACCOUNTS.

(a) As of the end of each fiscal year, a participant's Deferred Account or Pre-Tax Account, as applicable, shall be credited with interest ("Interest") at the following rate:

(i) the average of the "prime rate" of interest published by the Wall Street Journal (Mid-West Edition) or comparable successor quotation service on the first business day of January and the last business day of each month of the fiscal year;

(ii) plus two hundred twenty-five (225) basis points.

(b) As of the end of each fiscal year, a participant's After-Tax Account shall be credited with the amount of Interest provided above, multiplied by (one minus the aggregate of the applicable federal, state and local individual income tax rates and employment tax rate determined in accordance with subsections 6.6 and 6.7) (the "After-Tax Interest").

(c) This Interest and After-Tax Interest, as applicable, shall be credited on the conditions established by the Committee, provided that any award allocation shall be considered to have been made and credited to a participant's Account as of the first day of the fiscal year in which the award is made.

5.8 INTEREST PAYMENTS. In addition to any Plan Award made to a participant for any fiscal year in accordance with subsection 5.1(b), Abbott shall also make a payment (an "Interest Payment") with respect to each participant who has established a Grantor Trust for each year in which the Grantor Trust is in effect. Prior to January 1, 2013, the Interest Payment equaled the excess, if any, of the participant's Net Interest Accrual (as defined below) over the net earnings of the participant's Grantor Trust for the year (the "Pre-Amendment Amount") and was paid to the participant's Grantor Trust within the thirty (30)-day period beginning April 1 of the following fiscal year. Effective as of January 1, 2013, the Interest Payment shall equal the excess, if any, of the pre-tax Interest credited to the participant's Pre-Tax Account pursuant to subsection 5.5(c), over the net earnings of the participant's Grantor Trust for the year, as adjusted by the amounts described in Schedule A, and shall be paid within the thirty (30)-day period beginning April 1 of the following fiscal year. A portion of such Interest Payment, equal to the excess, if any, of the Net Interest Accrual over the net earnings of the participant's Grantor Trust (i.e., the Pre-Amendment Amount), shall be deposited in the participant's Grantor Trust, with the balance paid to, or withheld on behalf of, the Participant; provided, however, in the event that the net earnings of the participant's Grantor Trust exceeds the Net Interest Accrual, a distribution from the Grantor Trust shall be required in accordance with Section 6.9. A participant's Net Interest Accrual for the year is an amount equal to the After-Tax Interest credited to the participant's After-Tax Account for that year in accordance with subsection 5.7.

5.9 GRANTOR TRUST ASSETS. Each participant's Grantor Trust assets shall be invested solely in the instruments specified by investment guidelines established by the Committee. Such investment guidelines, once established, may be changed by the Committee, provided that any change shall not take effect until the year following the year in which the change is made and provided further that the instruments specified shall be consistent with the provisions of subsection 3(b) of the form of Grantor Trust attached hereto as Exhibit B.

5.10 DESIGNATION OF BENEFICIARIES. Subject to the conditions and limitations set forth below, each participant, and after a participant's death, each primary beneficiary designated by a participant in accordance with the provisions of this subsection 5.10, shall have the right from time to time to designate a primary beneficiary or beneficiaries and successive or contingent beneficiary or beneficiaries to receive unpaid amounts from the participant's Deferred Account under the Plan and the Predecessor Plans. A beneficiary may be a natural person or persons or a fiduciary, such as a trustee of a trust or the legal representative of an estate. Any such designation shall take effect upon the death of the participant or such beneficiary, as the case may be, or in the case of any fiduciary beneficiary, upon the termination of all of its duties (other than the duty to dispose of the right to receive amounts remaining to be paid under the Plan or a

Predecessor Plan). The conditions and limitations relating to the designation of beneficiaries are as follows:

(a) A nonfiduciary beneficiary shall have the right to designate a further beneficiary or beneficiaries only if the original participant or the next preceding primary beneficiary, as the case may be, shall have expressly so provided in writing; and

(b) A fiduciary beneficiary shall designate as a further beneficiary or beneficiaries only those persons or other fiduciaries who are entitled to receive the amounts payable from the participant's account under the trust or estate of which it is a fiduciary.

Any beneficiary designation or grant of any power to any beneficiary under this subsection may be exercised only by an instrument in writing, executed by the person making the designation or granting such power and filed with the Secretary of Abbott during such person's lifetime or prior to the termination of a fiduciary's duties. If a deceased participant or a deceased nonfiduciary beneficiary who had the right to designate a beneficiary as provided above dies without having designated a further beneficiary, or if no beneficiary designated as provided above is living or qualified and acting, the Committee, in its discretion, may direct distribution of the amount remaining from time to time to either:

(i) any one or more or all of the next of kin (including the surviving spouse) of the participant or the deceased beneficiary, as the case may be, and in such proportions as the Committee determines; or

(ii) the legal representative of the estate of the deceased participant or deceased beneficiary as the case may be.

5.11 STATUS OF BENEFICIARIES. Following a participant's death, the participant's beneficiary or beneficiaries will be considered and treated as an inactive participant for all purposes of this Plan.

5.12 NON-ASSIGNABILITY AND FACILITY OF PAYMENT. Amounts payable to participants and their beneficiaries under the Plan are not in any way subject to their debts and other obligations, and may not be voluntarily or involuntarily sold, transferred or assigned; provided that the preceding provisions of this subsection shall not be construed as restricting in any way a designation right granted to a beneficiary pursuant to the terms of subsection 5.10. When a participant or the beneficiary of a participant is under legal disability, or in the Committee's opinion is in any way incapacitated so as to be unable to manage his or her financial affairs, the Committee may direct that payments shall be made to the participant's or beneficiary's legal representative, or to a relative or friend of the participant or beneficiary for the benefit of the participant or beneficiary, or the Committee may direct the payment or distribution for the benefit of the participant or beneficiary in any manner that the Committee determines.

5.13 PAYER OF AMOUNTS ALLOCATED TO PARTICIPANTS. Any amount allocated to a participant in the Plan and any interest credited thereto will be paid by the employer (or such employer's successor) by whom the participant was employed during the fiscal year for which any amount was allocated, and for that purpose, if a participant shall have been employed by two or more employers during any fiscal year the amount allocated under this Plan for that year shall be an obligation of each of the respective employers in proportion to the respective amounts of base salary paid by each of them in that fiscal year.

5.14 MANNER OF PAYMENT OF DEFERRED ACCOUNTS. Subject to subsection 5.15, a participant shall elect to receive payment of his Deferred Account in substantially equal annual installments over a minimum period of ten years, or a longer period, at the time of his deferral election under subsection 5.1(c). Payment of a participant's Deferred Account shall commence on the first business day of January of the year following the year in which the participant incurs a termination of employment.

5.15 PAYMENTS UPON TERMINATION FOLLOWING CHANGE IN CONTROL. Notwithstanding any other provision of the Plan or the provisions of any award made under the Plan, if a participant incurs a termination of employment with Abbott and its subsidiaries for any reason within two (2) years following the date of a Change in Control, provided that the event constituting a Change in Control is also a "change in control event", as such term is defined in Treasury Regulation § 1.409A-3(i)(5): (a) with respect to a participant whose allocations under the Plan are deferred in accordance with subsection 5.1(c), the aggregate unpaid balance of the participant's Deferred Account shall be paid to such participant in a lump sum within thirty (30) days following the date of such termination of employment, and (b) with respect to a participant whose Plan Awards are made pursuant to subsection 5.1(b), (i) the aggregate of the participant's unpaid Plan Award under subsection 5.1(b) (if any) for the fiscal year in which the termination occurs and (ii) a pro rata portion of the unpaid Guaranteed Rate Payment under subsection 5.8 attributable to the portion of the year elapsed prior to the date of termination, shall be paid to such participant's Grantor Trust in a lump sum within thirty (30) days following the date of such termination of employment.

5.16 CHANGE IN CONTROL. A "Change in Control" shall be deemed to have occurred on the earliest of the following dates:

(a) the date any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of Abbott (not including in the securities beneficially owned by such Person any securities acquired directly from Abbott or its Affiliates) representing 20% or more of the combined voting power of Abbott's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (i) of paragraph (c) below; or

(b) the date the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who,

on the date hereof, constitute the Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of Abbott) whose appointment or election by the Board of Directors or nomination for election by Abbott's shareholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

(c) the date on which there is consummated a merger or consolidation of Abbott or any direct or indirect subsidiary of Abbott with any other corporation or other entity, other than (i) a merger or consolidation (A) immediately following which the individuals who comprise the Board of Directors immediately prior thereto constitute at least a majority of the Board of Directors of Abbott, the entity surviving such merger or consolidation or, if Abbott or the entity surviving such merger or consolidation is then a subsidiary, the ultimate parent thereof and (B) which results in the voting securities of Abbott outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of Abbott or any subsidiary of Abbott, at least 50% of the combined voting power of the securities of Abbott or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (ii) a merger or consolidation effected to implement a recapitalization of Abbott (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of Abbott (not including in the securities Beneficially Owned by such Person any securities acquired directly from Abbott or its Affiliates) representing 20% or more of the combined voting power of Abbott's then outstanding securities; or

(d) the date the shareholders of Abbott approve a plan of complete liquidation or dissolution of Abbott or there is consummated an agreement for the sale or disposition by Abbott of all or substantially all of Abbott's assets, other than a sale or disposition by Abbott of all or substantially all of Abbott's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by shareholders of Abbott, in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of Abbott or any subsidiary of

Abbott, in substantially the same proportions as their ownership of Abbott immediately prior to such sale.

Notwithstanding the foregoing, a "Change in Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the common stock of Abbott immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of Abbott immediately following such transaction or series of transactions.

For purposes of this Plan: "Affiliate" shall have the meaning set forth in Rule 12b-2 promulgated under Section 12 of the Exchange Act; "Beneficial Owner" shall have the meaning set forth in Rule 13d3 under the Exchange Act; "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time; and "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and

14(d) thereof, except that such term shall not include (i) Abbott or any of its subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of Abbott or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the shareholders of Abbott in substantially the same proportions as their ownership of stock of Abbott.

5.17 POTENTIAL CHANGE IN CONTROL. A "Potential Change in Control" shall exist during any period in which the circumstances described in paragraphs (a), (b), (c) or (d), below, exist (provided, however, that a Potential Change in Control shall cease to exist not later than the occurrence of a Change in Control):

(a) Abbott enters into an agreement, the consummation of which would result in the occurrence of a Change in Control, provided that a Potential Change in Control described in this paragraph (a) shall cease to exist upon the expiration or other termination of all such agreements.

(b) Any Person (without regard to the exclusions set forth in subsections (i) through (iv) of such definition) publicly announces an intention to take or to consider taking actions the consummation of which would constitute a Change in Control; provided that a Potential Change in Control described in this paragraph (b) shall cease to exist upon the withdrawal of such intention, or upon a determination by the Board of Directors that there is no reasonable chance that such actions would be consummated.

(c) Any Person becomes the Beneficial Owner, directly or indirectly, of securities of Abbott representing 10% or more of either the then outstanding shares of common stock of Abbott or the combined voting power of Abbott's then outstanding securities (not including

any securities beneficially owned by such Person which are or were acquired directly from Abbott or its Affiliates).

(d) The Board of Directors adopts a resolution to the effect that, for purposes of this Agreement, a Potential Change in Control exists; provided that a Potential Change in Control described in this paragraph (d) shall cease to exist upon a determination by the Board of Directors that the reasons that gave rise to the resolution providing for the existence of a Potential Change in Control have expired or no longer exist.

5.18 PROHIBITION AGAINST AMENDMENT. The provisions of subsections 5.15, 5.16, 5.17 and this subsection 5.18 may not be amended or deleted, nor superseded by any other provision of this Plan, (i) during the pendency of a Potential Change in Control and (ii) during the period beginning on the date of a Change in Control and ending on the date five (5) years following such Change in Control.

5.19 ADMINISTRATOR'S CALCULATION OF GRANTOR TRUST DISTRIBUTIONS. The Administrator shall calculate the amount to be distributed from a participant's Grantor Trust in any year in which the participant is entitled to a benefit distribution by multiplying (i) the amount of the reduction determined in accordance with subsection 5.5(a), by (ii) a fraction, the numerator of which is the balance in the participant's After-Tax Account as of the end of the prior fiscal year and the denominator of which is the balance of the participant's Pre-Tax Account as of that same date.

SECTION 6
MISCELLANEOUS

6.1 RULES. The Committee may establish such rules and regulations as it may consider necessary or desirable for the effective and efficient administration of the Plan.

6.2 MANNER OF ACTION BY COMMITTEE. A majority of the members of the Committee qualified to act on any particular question may act by meeting or by writing signed without meeting, and may execute any instrument or document required or delegate to one of its members authority to sign. The Committee from time to time may delegate the performance of certain ministerial functions in connection with the Plan, such as the keeping of records, to such person or persons as the Committee may select. Except as otherwise expressly provided in the Plan, the costs of administration of the Plan will be paid by Abbott. Any notice required to be given to, or any document required to be filed with the Committee, will be properly given or filed if mailed or delivered in writing to the Secretary of Abbott.

6.3 RELIANCE UPON ADVICE. The Board of Directors and the Committee may rely upon any information or advice furnished to it by any Officer of Abbott or by Abbott's independent auditors, or other consultants, and shall be fully protected in relying upon such information or advice. No member of the Board of Directors or the Committee shall be liable for any act or failure to act on their part, excepting only any acts done or

omitted to be done in bad faith, nor shall they be liable for any act or failure to act of any other member.

6.4 TAXES. Any employer shall be entitled, if necessary or desirable, to pay or withhold the amount of any federal, state or local tax attributable to any amounts payable by it under the Plan, and may require payment or indemnification from the participant in an amount necessary to satisfy such taxes prior to remitting such taxes.

6.5 RIGHTS OF PARTICIPANTS. Employment rights of participants with Abbott and its subsidiaries shall not be enlarged or affected by reason of establishment of or inclusion as a participant in the Plan. Nothing contained in the Plan shall require Abbott or any subsidiary to segregate or earmark any assets, funds or property for the purpose of payment of any amounts which may have been deferred. The Deferred Account, Pre-Tax Account and After-Tax Account with respect to any participant established pursuant to subsection 5.2 are for the convenience of the administration of the Plan and no trust relationship with respect to such Accounts is intended or should be implied. Participant's rights shall be limited to payment to them at the time or times and in such amounts as are contemplated by the Plan. Any decision made by the Board of Directors or the Committee, which is within the sole and uncontrolled discretion of either, shall be conclusive and binding upon the other and upon all other persons whomsoever.

6.6 EMPLOYMENT TAX ASSUMPTION. For purposes of Sections 5 and 6, a participant's employment tax rate shall be deemed to be the highest marginal rate of Federal Insurance Contributions Act tax in effect in the calendar year in which a calculation under those Sections is to be made.

6.7 INCOME TAX ASSUMPTIONS. For purposes of Sections 5 and 6, a participant's federal income tax rate shall be deemed to be the highest marginal rate of federal income individual tax in effect in the calendar year in which a calculation under those Sections is to be made, and state and local tax rates shall be deemed to be the highest marginal rates of individual income tax in effect in the state and locality of the participant's residence on the date such a calculation is made, net of any federal tax benefits without a benefit for any net capital losses.

6.8 CODE SECTION 409A. To the extent applicable, it is intended that the Plan comply with the provisions of Code Section 409A. The Plan will be administered and interpreted in a manner consistent with this intent, and any provision that would cause the Plan to fail to satisfy Code Section 409A will have no force and effect until amended to comply therewith (which amendment may be retroactive to the extent permitted by Code Section 409A). Notwithstanding anything contained herein to the contrary, for all purposes of the Plan, a participant shall not be deemed to have had a termination of employment until the participant has incurred a separation from service as defined in Treasury Regulation §1.409A-1(h) and, to the extent required to avoid accelerated taxation and/or tax penalties under Code Section 409A and applicable guidance issued thereunder, payment of the amounts payable under the Plan that would otherwise be payable during the six-month period after the date of termination shall instead be paid on the first business day after the expiration of such six-month period, plus interest thereon, at a rate equal to the

rate specified in subsection 5.7 (to the extent that such interest is not already provided to the participant under subsection 5.6), from the respective dates on which such amounts would otherwise have been paid until the actual date of payment. In addition, for purposes of the Plan, each amount to be paid and each installment payment shall be construed as a separate identified payment for purposes of Code Section 409A.

6.9 DOMESTIC RELATIONS ORDER. In accordance with Treasury Regulation 1.409A-3(j)(4)(ii), distributions shall be made to an individual (other than to the participant) pursuant to the terms of a "domestic relations order" (as defined in Internal Revenue Code Section 414(p)(1)(B)), as determined and administered by the Senior Vice President, Human Resources of Abbott or his or her delegate, provided, that such order (a) does not require the plan to provide any type or form of benefit, or any option not otherwise provided under the plan, (b) does not require the plan to provide increased benefits, and (c) does not require the payment of benefits to an alternate payee which are required to be paid to another alternate payee under another order.

6.10 GRANTOR TRUSTS. Abbott, as the administrator of the participant's Grantor Trust, may direct the trustee to distribute to the participant from the income of such Grantor Trust an amount sufficient to pay the taxes on the Grantor Trust earnings for such year, to the extent a sufficient sum of money has not been paid to, or withheld on behalf of, the participant pursuant to Section 5.8. The taxes shall be determined in accordance with Sections 6.6 and 6.7.

SECTION 7
AMENDMENT, TERMINATION AND CHANGE OF CONDITIONS RELATING TO PAYMENTS

7.1 AMENDMENT AND TERMINATION. The Plan will be effective from its effective date until terminated by the Board of Directors. During the fifth year after the Plan's effective date and during every fifth year thereafter, the Committee may recommend to the Board of Directors whether the Plan should be amended or terminated. The Board of Directors reserves the right to amend the Plan from time to time and to terminate the Plan at any time, except that no such amendment or any termination of the Plan shall reduce any fixed or contingent obligations which shall have arisen under the Plan prior to the date of such amendment or termination, or change the terms and conditions of payment of any allocation theretofore made without the consent of the participant concerned.

7.2 CHANGE OF CONDITIONS RELATING TO PAYMENTS. No change to the time or payment or the time of commencement of payment and any period over which payment shall be made shall be effected except in strict compliance with the subsequent election requirements of Treasury Regulation § 1.409A-2(b) to the extent subject thereto.

SCHEDULE A

EXHIBIT A

1986 ABBOTT LABORATORIES MANAGEMENT INCENTIVE PLAN

[The 1986 Abbott Laboratories Management Incentive Plan, as amended, as filed as Exhibit 10.5 to the Abbott Laboratories Quarterly Report for the quarter ended June 30, 2003 on Form 10-Q.]

EXHIBIT B

IRREVOCABLE GRANTOR TRUST AGREEMENT

THIS AGREEMENT, made this day of , 20 , by and between of , Illinois (the "grantor"), and The Northern Trust Company located at Chicago, Illinois, as trustee (the "trustee"),

WITNESSETH THAT:

WHEREAS, the grantor desires to establish and maintain a trust to hold certain benefits received by the grantor under the 1986 Abbott Laboratories Management Incentive Plan, as it may be amended from time to time;

NOW, THEREFORE, IT IS AGREED as follows:

ARTICLE I
INTRODUCTION

I-1 NAME. This agreement and the trust hereby evidenced (the "trust") may be referred to as the " 20 Grantor Trust".

I-2 THE TRUST FUND. The "trust fund" as at any date means all property then held by the trustee under this agreement.

I-3 STATUS OF THE TRUST. The trust shall be irrevocable. The trust is intended to constitute a grantor trust under Sections 671-678 of the Internal Revenue Code, as amended, and shall be construed accordingly.

I-4 THE ADMINISTRATOR. Abbott Laboratories ("Abbott") shall act as the "administrator" of the trust, and as such shall have certain powers, rights and duties under this agreement as described below. Abbott will certify to the trustee from time to time the person or persons authorized to act on behalf of Abbott as the administrator. The trustee may rely on the latest certificate received without further inquiry or verification.

I-5 ACCEPTANCE. The trustee accepts the duties and obligations of the "trustee" hereunder, agrees to accept funds delivered to it by the grantor or the administrator, and agrees to hold such funds (and any proceeds from the investment of such funds) in trust in accordance with this agreement.

ARTICLE II
DISTRIBUTION OF THE TRUST FUND

II-1 SEPARATE ACCOUNTS. The administrator shall maintain two separate accounts under the trust, a "rollout account" and a "deferred account." Funds delivered to the trustee shall be allocated between the accounts by the trustee as directed by the administrator. As of the end of each calendar year, the administrator shall charge each account with all distributions made from such account during that year; and credit each account with its share of income and

realized gains and charge each account with its share of expenses and realized losses for the year. The trustee shall not be required to make any separate investment of the trust fund for the accounts, and may administer and invest all funds delivered to it under the trust as one trust fund.

II-2 DISTRIBUTIONS FROM THE ROLLOUT ACCOUNT PRIOR TO THE GRANTOR'S DEATH. The trustee shall distribute principal and accumulated income credited to the rollout account to the grantor, if then living, at such times and in such amounts as the administrator shall direct.

II-3 DISTRIBUTIONS FROM THE DEFERRED ACCOUNT PRIOR TO THE GRANTOR'S DEATH. Principal and accumulated income credited to the deferred account shall not be distributed from the trust prior to the grantor's retirement or other termination of employment with Abbott or a subsidiary of Abbott (the grantor's "settlement date"); provided that, each year the administrator may direct the trustee to distribute to the grantor a portion of the income of the deferred account for that year, with the balance of such income to be accumulated in that account. The administrator shall inform the trustee of the grantor's settlement date. Thereafter, the trustee shall distribute the amounts from time to time credited to the deferred account to the grantor, if then living, in a series of annual installments, with the amount of each installment computed by one of the following methods:

(a) The amount of each installment shall be equal to the sum of: (i) the amount credited to the deferred account as of the end of the year in which the grantor's settlement date occurs, divided by the number of years over which installments are to be distributed; plus (ii) the net earnings credited to the deferred account for the preceding year (excluding the year in which the grantor's settlement date occurs).

(b) The amount of each installment shall be determined by dividing the amount credited to the deferred account as of the end of the preceding year by the difference between (i) the total number of years over which installments are to be distributed, and (ii) the number of annual installment distributions previously made from the deferred account.

(c) Each installment (after the first installment) shall be approximately equal, with the amount comprised of the sum of: (i) the amount of the first installment, plus interest thereon at the rate determined under the 1986 Abbott Laboratories Management Incentive Plan, compounded annually; and (ii) the net earnings credited to the deferred account for the preceding year.

Notwithstanding the foregoing, the final installment distribution made to the grantor under this paragraph II-3 shall equal the total principal and accumulated income then held in the trust fund. The grantor, by writing filed with the trustee and the administrator on or before the end of the calendar year in which the grantor's settlement date occurs (or the end of the calendar year in which this trust is established, if the grantor's settlement date has already occurred), may select both the period (which may not be less than ten years from the end of the calendar year in which the grantor's settlement date occurred) over which the installment distributions are to be made and the method of computing the amount of each installment. In the absence of such a written direction by the grantor, installment distributions shall be made over a period of ten years, and the amount of each installment

shall be computed by using the method described in subparagraph (a) next above. Installment distributions under this Paragraph II-3 shall be made as of January 1 of each year, beginning with the calendar year following the year in which the grantor's settlement date occurs. The administrator shall inform the

trustee of the amount of each installment distribution under this paragraph II-3, and the trustee shall be fully protected in relying on such information received from the administrator.

II-4 DISTRIBUTIONS FROM THE TRUST FUND AFTER THE GRANTOR'S DEATH. The grantor, from time to time, may name any person or persons (who may be named contingently or successively and who may be natural persons or fiduciaries) to whom the principal of the trust fund and all accrued or undistributed income therefrom shall be distributed in a lump sum or, if the beneficiary is the grantor's spouse (or a trust for which the grantor's spouse is the sole income beneficiary), in installments, as directed by the grantor, upon the grantor's death. If the grantor directs an installment method of distribution to the spouse as beneficiary, any amounts remaining at the death of the spouse beneficiary shall be distributed in a lump sum to the executor or administrator of the spouse beneficiary's estate. If the grantor directs an installment method of distribution to a trust for which the grantor's spouse is the sole income beneficiary, any amounts remaining at the death of the spouse shall be distributed in a lump sum to such trust. Despite the foregoing, if (i) the beneficiary is a trust for which the grantor's spouse is the sole income beneficiary, (ii) payments are being made pursuant to this paragraph II-4 other than in a lump sum and (iii) income earned by the trust fund for the year exceeds the amount of the annual installment payment, then such trust may elect to withdraw such excess income by written notice to the trustee. Each designation shall revoke all prior designations, shall be in writing and shall be effective only when filed by the grantor with the administrator during the grantor's lifetime. If the grantor fails to direct a method of distribution, the distribution shall be made in a lump sum. If the grantor fails to designate a beneficiary as provided above, then on the grantor's death, the trustee shall distribute the balance of the trust fund in a lump sum to the executor or administrator of the grantor's estate.

II-5 FACILITY OF PAYMENT. When a person entitled to a distribution hereunder is under legal disability, or, in the trustee's opinion, is in any way incapacitated so as to be unable to manage his or her financial affairs, the trustee may make such distribution to such person's legal representative, or to a relative or friend of such person for such person's benefit. Any distribution made in accordance with the preceding sentence shall be a full and complete discharge of any liability for such distribution hereunder.

II-6 PERPETUITIES. Notwithstanding any other provisions of this agreement, on the day next preceding the end of 21 years after the death of the last to die of the grantor and the grantor's descendants living on the date of this instrument, the trustee shall immediately distribute any remaining balance in the trust to the beneficiaries then entitled to distributions hereunder.

ARTICLE III
MANAGEMENT OF THE TRUST FUND

III-1 GENERAL POWERS. The trustee shall, with respect to the trust fund, have the following powers, rights and duties in addition to those provided elsewhere in this agreement or by law:

(a) Subject to the limitations of subparagraph (b) next below, to sell, contract to sell, purchase, grant or exercise options to purchase, and otherwise deal with all assets of the trust fund, in such way, for such considerations, and on such terms and conditions as the trustee decides.

(b) To retain in cash such amounts as the trustee considers advisable; and to invest and reinvest the balance of the trust fund, without distinction between principal and income, in obligations of the United States Government and its agencies or which are backed by the full faith and credit of the United States Government or in any mutual fund, common trust fund or collective investment fund which invests solely in such obligations; and any such investment made or retained by the trustee in good faith shall be proper despite any resulting risk or lack of diversification or marketability.

(c) To deposit cash in any depositary (including the banking department of the bank acting as trustee) without liability for interest, and to invest cash in savings accounts or time certificates of deposit bearing a reasonable rate of interest in any such depositary.

(d) To invest, subject to the limitations of subparagraph (b) above, in any common or commingled trust fund or funds maintained or administered by the trustee solely for the investment of trust funds.

(e) To borrow from anyone, with the administrator's approval, such sum or sums from time to time as the trustee considers desirable to carry out this trust, and to mortgage or pledge all or part of the trust fund as security.

(f) To retain any funds or property subject to any dispute without liability for interest and to decline to make payment or delivery thereof until final adjudication by a court of competent jurisdiction or until an appropriate release is obtained.

(g) To begin, maintain or defend any litigation necessary in connection with the administration of this trust, except that the trustee shall not be obliged or required to do so unless indemnified to the trustee's satisfaction.

(h) To compromise, contest, settle or abandon claims or demands.

(i) To give proxies to vote stocks and other voting securities, to join in or oppose (alone or jointly with others) voting trusts, mergers, consolidations, foreclosures, reorganizations, liquidations, or other changes in the financial structure of any corporation, and to exercise or sell stock subscription or conversion rights.

(j) To hold securities or other property in the name of a nominee, in a depositary or in any other way, with or without disclosing the trust relationship.

(k) To divide or distribute the trust fund in undivided interests or wholly or partly in kind.

(l) To pay any tax imposed on or with respect to the trust; to defer making payment of any such tax if it is indemnified to its satisfaction in the premises; and to require before

making any payment such release or other document from any lawful taxing authority and such indemnity from the intended payee as the trustee consider necessary for its protection.

(m) To deal without restriction with the legal representative of the grantor's estate or the trustee or other legal representative of any trust created by the grantor or a trust or estate in which a beneficiary has an interest, even though the trustee, individually, shall be acting in such other capacity without liability for any loss that may result.

(n) To appoint or remove by written instrument any bank or corporation qualified to act as successor trustee, wherever located, as special trustee as to part or all of the trust fund, including property as to which the trustee does not act, and such special trustee, except as specifically limited or provided by this or the appointing instrument, shall have all of the rights, titles, powers, duties, discretions and immunities of the trustee, without liability for any action taken or omitted to be taken under this or the appointing instrument.

(o) To appoint or remove by written instrument any bank, wherever located, as custodian of part or all of the trust fund, and each such custodian shall have such rights, powers, duties and discretions as are delegated to it by the trustee.

(p) To employ agents, attorneys, accountants or other persons, and to delegate to them such powers as the trustee considers desirable, and the trustee shall be protected in acting or refraining from acting on the advice of persons so employed without court action.

(q) To perform any and all other acts which in the trustee's judgment are appropriate for the proper management, investment and distribution of the trust fund.

III-2 PRINCIPAL AND INCOME. Any income earned on the trust fund which is not distributed as provided in Article II shall be accumulated and from time to time added to the principal of the trust. The grantor's interest in the trust shall include all assets or other property held by the trustee hereunder, including principal and accumulated income.

III-3 STATEMENTS. The trustee shall prepare and deliver monthly to the administrator and annually to the grantor, if then living, otherwise to each beneficiary then entitled to distributions under this agreement, a statement (or series of statements) setting forth (or which taken together set forth) all investments, receipts, disbursements and other transactions effected by the trustee during the reporting period; and showing the trust fund and the value thereof at the end of such period.

III-4 COMPENSATION AND EXPENSES. All reasonable costs, charges and expenses incurred in the administration of this trust, including compensation to the trustee, any compensation to agents, attorneys, accountants and other persons employed by the trustee, and expenses incurred in connection with the sale, investment and reinvestment of the trust fund shall be paid from the trust fund.

ARTICLE IV
GENERAL PROVISIONS

IV-1 INTERESTS NOT TRANSFERABLE. The interests of the grantor or other persons entitled to distributions hereunder are not subject to their debts or other obligations and may not be voluntarily or involuntarily sold, transferred, alienated, assigned or encumbered.

IV-2 DISAGREEMENT AS TO ACTS. If there is a disagreement between the trustee and anyone as to any act or transaction reported in any accounting, the trustee shall have the right to a settlement of its account by any proper court.

IV-3 TRUSTEE'S OBLIGATIONS. No power, duty or responsibility is imposed on the trustee except as set forth in this agreement. The trustee is not obliged to determine whether funds delivered to or distributions from the trust are proper under the trust, or whether any tax is due or payable as a result of any such delivery or distribution. The trustee shall be protected in making any distribution from the trust as directed pursuant to Article II without inquiring as to whether the distributee is entitled thereto; and the trustee shall not be liable for any distribution made in good faith without written notice or knowledge that the distribution is not proper under the terms of this agreement.

IV-4 GOOD FAITH ACTIONS. The trustee's exercise or non-exercise of its powers and discretions in good faith shall be conclusive on all persons. No one shall be obliged to see to the application of any money paid or property delivered to the trustee. The certificate of the trustee that it is acting according to this agreement will fully protect all persons dealing with the trustee.

IV-5 WAIVER OF NOTICE. Any notice required under this agreement may be waived by the person entitled to such notice.

IV-6 CONTROLLING LAW. The laws of the State of Illinois shall govern the interpretation and validity of the provisions of this agreement and all questions relating to the management, administration, investment and distribution of the trust hereby created.

IV-7 SUCCESSORS. This agreement shall be binding on all persons entitled to distributions hereunder and their respective heirs and legal representatives, and on the trustee and its successors.

ARTICLE V
CHANGES IN TRUSTEE

V-1 RESIGNATION OR REMOVAL OF TRUSTEE. The trustee may resign at any time by giving thirty (30) days' advance written notice to the administrator and the grantor. The administrator may remove a trustee by written notice to the trustee and the grantor.

V-2 APPOINTMENT OF SUCCESSOR TRUSTEE. The administrator shall fill any vacancy in the office of trustee as soon as practicable by written notice to the successor trustee; and shall give prompt written notice thereof to the grantor, if then living, otherwise to each beneficiary then entitled to payments or distributions under this agreement. A successor trustee shall be a bank (as defined in Section 581 of the Internal Revenue Code, as amended).

V-3 DUTIES OF RESIGNING OR REMOVED TRUSTEE AND OF SUCCESSOR TRUSTEE. A trustee that resigns or is removed shall furnish promptly to the administrator and the successor trustee an account of its administration of the trust from the date of its last account. Each successor trustee shall succeed to the title to the trust fund vested in its predecessor without the signing or filing of any instrument, but each predecessor trustee shall execute all documents and do all acts necessary to vest such title of record in the successor trustee. Each successor trustee shall have all the powers conferred by this agreement as if originally named trustee. No successor trustee shall be personally liable for any act or failure to act of a predecessor trustee. With the approval of the administrator, a successor trustee may accept the account furnished and the property delivered by a predecessor trustee without incurring any liability for so doing, and such acceptance will be complete discharge to the predecessor trustee.

ARTICLE VI
AMENDMENT AND TERMINATION

VI-1 AMENDMENT. With the consent of the administrator, this trust may be amended from time to time by the grantor, if then living, otherwise by a majority of the beneficiaries then entitled to payments or distributions hereunder, except as follows:

(a) The duties and liabilities of the trustee cannot be changed substantially without its consent.

(b) This trust may not be amended so as to make the trust revocable.

VI-2 TERMINATION. This trust shall not terminate, and all rights, titles, powers, duties, discretions and immunities imposed on or reserved to the trustee, the administrator, the grantor and the beneficiaries shall continue in effect, until all assets of the trust have been distributed by the trustee as provided in Article II.

* * *

IN WITNESS WHEREOF, the grantor and the trustee have executed this agreement as of the day and year first above written.

Grantor

The Northern Trust Company as Trustee

By

Its

Exhibit 10.6

Amended effective October 9, 2014

1998 ABBOTT LABORATORIES PERFORMANCE INCENTIVE PLAN

SECTION 1. ESTABLISHMENT AND PURPOSES

1.1 ESTABLISHMENT OF THE PLAN. Abbott Laboratories ("Abbott") established the "1998 Abbott Laboratories Performance Incentive Plan" (the "Plan") as set forth in this document.

The Plan became effective as of January 1, 1998 (the "Effective Date") with the approval of Abbott's shareholders at the 1998 Annual Meeting of the Shareholders, and shall remain in effect as provided in Section 6.1 hereof. The Plan was amended and restated for documentary compliance with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), as of January 1, 2008. Notwithstanding anything in the Plan to the contrary, any amounts under the Plan that were earned and vested before January 1, 2005 (as determined in accordance with Code Section 409A) with respect to participants who retired before January 1, 2005 ("Grandfathered Amounts") shall be subject to the terms and conditions of the Plan as administered and as in effect on December 31, 2004. Amendments made to the Plan pursuant to this amendment and restatement or otherwise shall not affect the Grandfathered Amounts unless expressly provided for in the amendment. The terms and conditions applicable to the Grandfathered Amounts are set forth in Exhibit A attached hereto. Furthermore, any award granted pursuant to this Plan is subject to the terms and conditions of the Abbott Laboratories Recoupment Policy, which will become effective as of January 1, 2015, as amended from time to time (the "Policy"), solely in its application to an employee whom the Company has determined, in accordance with its regular practice, is an "officer" as defined under Section 16 of the Securities Exchange Act of 1934, as amended, and rules and regulations promulgated thereunder.

1.2 PURPOSES OF THE PLAN. The purposes of the Plan are to:

(a) Prove flexibility to Abbott in its ability to attract, motivate, and retain the services of participants in the Plan ("Participants") who make significant contributions to Abbott's success and to allow Participants to share in the success of Abbott.

(b) Optimize the profitability and growth of Abbott through incentives which are consistent with Abbott's goals and which link the performance objectives of Participants to those of Abbott's shareholders; and

(c) Provide Participants with an incentive for excellence in individual performance.

SECTION 2. ADMINISTRATION

2.1 GENERAL. The Plan shall be administered by the Compensation Committee (the "Committee") appointed by the Board of Directors of Abbott (the "Board").

2.2 AUTHORITY OF THE COMMITTEE. The Committee will have full authority to administer the Plan, including the authority to interpret and construe any provision of the Plan, and all rules, regulations and interpretations shall be conclusive and binding on all persons. The Committee has sole responsibility for selecting Participants, establishing performance objectives, setting award targets, and determining award amounts.

2.3 DELEGATION BY THE COMMITTEE. The Committee from time to time may delegate the performance of certain ministerial functions in connection with the Plan, such as the

2.4 GOVERNING LAW/JURISDICTION/LEGAL FEES. The Plan and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of Illinois without giving effect to the conflict of laws principles thereof. Each participant hereby consents to the exclusive jurisdiction of the federal courts in and state courts of the State of Illinois in any dispute concerning or relating to the application of the Policy to the Plan or any awards granted thereunder. If the Company prevails in all material respects in any such dispute, the Company shall be entitled to recover its reasonable legal fees and expenses incurred in connection with such dispute.

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keeping of records, to such person or persons as the Committee may select. The cost of administration of the Plan will be paid by Abbott.

SECTION 3. ELIGIBILITY AND PARTICIPATION

3.1 ELIGIBILITY AND PARTICIPATION. Eligibility for participation in the Plan shall be limited to senior officers of Abbott and its subsidiaries. Participants in the Plan will be determined annually by the Committee from those senior officers eligible to participate in the Plan.

SECTION 4. PERFORMANCE OBJECTIVES

4.1 PERFORMANCE OBJECTIVES. The Plan's performance objectives (the "Performance Objectives") shall be determined with reference to Abbott's consolidated net earnings prepared in accordance with generally accepted accounting principles.

4.2 INDIVIDUAL BASE AWARD ALLOCATION--DEFINED. The base award allocation for the Chief Executive Officer, if a Participant for such fiscal year, shall be .0015 of the consolidated net earnings of Abbott for that fiscal year. The base award allocation for the Chief Operating Officer, if a Participant for such fiscal year, shall be .0010 of the consolidated net earnings of Abbott for that fiscal year. The base award allocation for any other Participant shall be .00075 of the consolidated net earnings of Abbott for that fiscal year. Each such base award will be increased by interest, at prevailing market rates, accrued on awards deferred or paid to grantor trusts.

SECTION 5. FINAL AWARDS

5.1 FINAL AWARD ALLOCATION. As soon as practical after the close of each fiscal year, a Participant's final award allocation will be determined solely on the basis of the Performance Objectives. In determining a Participant's final award allocation, the Committee will have the discretion to reduce but not increase a Participant's base award allocation (as increased by the last sentence of Section 4.2), provided that a Participant's individual performance will be considered by the Committee in exercising that discretion.

5.2 PAYMENT OF AWARDS. A Participant's final award allocation will be paid or deferred in accordance with rules adopted by the Committee which, with respect to amounts other than Grandfathered Amounts, comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended.

SECTION 6. DURATION, AMENDMENT, AND TERMINATION

6.1 DURATION OF THE PLAN. The Plan shall commence on the Effective Date, as described in Section 1.1 hereof, and shall remain in effect until terminated by the Board.

6.2 AMENDMENT AND TERMINATION. The Board, in its sole discretion, may modify or amend any or all of the provisions of the Plan at any time and, without notice, may suspend or terminate it entirely. However, no such modification may, without the consent of the

Participant, reduce the right of a Participant to a payment or distribution to which the Participant is entitled by reason of an outstanding award allocation.

SECTION 7. SUCCESSORS

7.1 OBLIGATIONS. All obligations of Abbott under the Plan with respect to awards granted hereunder shall be binding on any successor to Abbott, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of Abbott.

Exhibit A

1998 ABBOTT LABORATORIES PERFORMANCE INCENTIVE PLAN

[1998 Abbott Laboratories Performance Incentive Plan, as filed as Exhibit 10.1 to the Abbott Laboratories Quarterly Report for the quarter ended March 31, 1998 on Form 10-Q; and, Rules for the 1998 Abbott Laboratories Performance Incentive Plan, as filed as Exhibit 10.17 to the 2004 Abbott Laboratories Annual Report on Form 10-K.]

Exhibit 10.9

Amended and Restated
effective October 9, 2014

ABBOTT LABORATORIES

2009 INCENTIVE STOCK PROGRAM

1. PURPOSE. The purpose of the Abbott Laboratories 2009 Incentive Stock Program is to attract and retain outstanding directors, officers and other employees of Abbott Laboratories and its Subsidiaries, and to furnish incentives to such persons by providing opportunities to acquire common shares of the Company, or monetary payments based on the value of such shares or the financial performance of the Company, or both, on advantageous terms as herein provided and to further align such persons' interests with those of the Company's other shareholders through compensation that is based on the value of the Company's common shares.

2. ADMINISTRATION. The Program will be administered by the Committee. For purposes of the Program, the "Committee" shall be a committee of at least two persons which shall be either the Compensation Committee of the Board or such other committee comprised entirely of persons who are both: (i) "disinterested persons" as defined in Rule 16b-3 of the Securities and Exchange Commission; and (ii) "outside directors" as defined under Code Section 162(m). The Compensation Committee of the Board shall serve as the Committee administering the Program until such time as the Board designates a different Committee.

The Committee has the following powers, which it may exercise in its sole discretion, subject to and not inconsistent with the express provisions of the Program: (i) to administer the Program; (ii) to exercise all the power and authority either specifically granted to it under the Program or necessary or advisable in the administration of the Program; (iii) to grant Benefits; (iv) to determine the persons to whom and the time or times at which Benefits shall be granted, (v) to determine the type and number of Benefits to be granted, the number of Shares to which a Benefit may relate and the terms, conditions, restrictions and Performance Goals relating to any Benefit; (vi) to determine whether, to what extent, and under what circumstances a Benefit may be settled, canceled, forfeited, accelerated, exchanged, deferred (in accordance with the requirements of Code Section 409A) or surrendered; provided that, except as described in Section 5, the Committee shall neither lower the exercise price or base price of an outstanding option or Stock Appreciation Right nor grant any Benefit or provide cash in replacement of a canceled option or Stock Appreciation Right which had been granted at a higher exercise price or base price without the prior approval of the Company's shareholders; (vii) to make adjustments in the terms and conditions (including Performance Goals) applicable to Benefits; (viii) to construe and interpret the Program and any Benefit; (ix) to prescribe, amend and rescind rules and regulations relating to the Program, including any sub-Program contemplated by Section 10; (x) to determine the terms and provisions of any Benefit Agreement (which need not be identical for each Grantee); and (xi) to make all other determinations deemed necessary or advisable for the administration of the Program. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Program or in any Benefit Agreement in the manner and to the extent it shall deem necessary or advisable to carry the Program into effect and shall be the sole and final judge of such necessity or advisability.

A majority of the members of the Committee shall constitute a quorum and all determinations of the Committee shall be made by a majority of its members. Any determination of the Committee under the Program may be made without notice of a meeting of the Committee by a writing signed by all of the Committee members. The decision of the Committee as to all questions of interpretation, application and administration of the Program shall be final, binding and conclusive on all persons.

The Committee may, from time to time, delegate any or all of its duties, powers and authority to any officer or officers of the Company, except to the extent such delegation would be inconsistent with Rule 16b-3 of the Securities and Exchange Commission or other applicable law, rule or regulation. The Chief Executive Officer of the Company may grant Benefits under the Program other than to persons subject to Section 16(b) of the Exchange Act with respect to transactions involving equity securities of the Company at the time that delegated authority is exercised. All such grants by the Chief Executive Officer shall be reported annually to the Committee, however, the Committee is not required to take any action with respect to such grants. No Committee member or delegate thereof shall be liable for any action taken or determination made, or which the Committee member or delegate fails to take or make, in good faith with respect to the Program or any Benefit.

Any award granted pursuant to this Program is subject to the terms and conditions of the Abbott Laboratories Recoupment Policy, which will become effective as of January 1, 2015, as amended from time to time (the "Policy"), solely in its application to an employee whom the Company has determined, in accordance with its regular practice, is an "officer" as defined under Section 16 of the Securities Exchange Act of 1934, as amended, and rules and regulations promulgated thereunder.

3. PARTICIPANTS. Participants in the Program shall consist of the employees of the Company or any of its Subsidiaries who the Committee in its sole discretion may designate from time to time to receive Benefits, optionees who are eligible to receive replacement options with respect to options originally granted under the Prior Program or the Program that include a replacement option feature, and, solely for purposes of receiving Benefits under Section 11 and Section 12, Non-Employee Directors of the Company. The Committee's designation of a person to receive a Benefit in any year shall not require the Committee to designate such person to receive a Benefit in any other year. The Committee shall consider such factors as it deems pertinent in selecting participants and in determining the type and amount of their respective Benefits, including without limitation (i) the financial condition of the Company; (ii) anticipated profits for the current or future years; (iii) contributions of participants to the profitability and development of the Company; (iv) prior awards to participants; and (v) other compensation provided to participants.

4. SHARES RESERVED UNDER THE PROGRAM AND ADJUSTMENTS. Subject to adjustment as provided in this Section 4, the maximum number of Shares available for issuance under the Program is 175,000,000 Shares plus: (i) the number of shares previously reserved under the Prior Program in excess of the number of shares as to which Benefits have been granted under the Prior Program as of the Effective Date, and (ii) the number of Shares subject to outstanding awards as of the Effective Date under the Prior Program that on or after the Effective Date cease for any reason to be subject to such awards (other than by reason of exercise or settlement of the awards to the extent they are exercised for or settled in vested and non-forfeitable Shares) (the "Share Limit"); provided that each Share issued under the Program pursuant to a Full Value Award shall be counted against the foregoing Share Limit as three shares for every one share actually issued in connection with such award. Such Shares may, in whole or in part, be authorized but unissued Shares or Shares that shall have been or may be reacquired by the Company in the open market, in private transactions or otherwise. Any Shares

as to which Benefits granted under the Prior Program may lapse, expire, terminate or be canceled after the Effective Date, shall also be reserved and available for issuance under this Program. No Benefits shall be granted under the Prior Program after the date of shareholder approval of this Program.

If there is a lapse, expiration, termination, forfeiture or cancellation of any Benefit without the issuance of Shares or payment of cash thereunder, the Shares reserved for such Benefit may again be used for the grant of new Benefits of any type authorized under this Program; provided, however, that in no event may the number of Shares issued under this Program exceed the total number of Shares reserved for issuance hereunder. Shares that are issued under any Benefit and thereafter reacquired by the Company pursuant to rights reserved upon the issuance thereof, or pursuant to the payment of the exercise price of Shares under options by delivery of other Shares, or Shares under options or stock-settled Stock Appreciation Rights that were not issued upon the net exercise or net settlement of such options or Stock Appreciation Rights, or Shares repurchased by the Company with the proceeds collected in connection with the exercise of outstanding options, and Shares that are exchanged by a Grantee or withheld by the Company to satisfy tax withholding requirements in connection with any Program Benefit shall not be available for subsequent awards of Program Benefits. Upon the exercise of any Benefit granted in tandem with any other Benefits, such related Benefits shall be canceled to the extent of the number of Shares as to which the Benefit is exercised and, notwithstanding the foregoing, such number of shares shall no longer be available for Program Benefits. Benefits that may be settled only in cash shall not reduce the number of Shares available for subsequent awards of Benefits.

The maximum number of Shares with respect to which Non-Qualified Stock Options under Section 6 and Stock Appreciation Rights under Section 9(a) may be granted to any one participant, in the aggregate in any one calendar year, shall be two million (2,000,000) Shares. Determinations made in respect of the limitation set forth in this paragraph shall be made in a manner consistent with Code Section 162(m).

Except as provided in a Benefit Agreement or as otherwise provided in the Program, if the Committee determines that any special dividend or other distribution (whether in the form of cash, Shares, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, spin-off, combination, repurchase, or share exchange, or other similar corporate transaction or event, affects the Shares such that an equitable change or adjustment relating to the Program or Program Benefits is appropriate, then the Committee shall make any such equitable changes or adjustments as it deems necessary or appropriate, including by way of illustration, changes or adjustments to any or all of (i) the number and kind of Shares or other property (including cash) that may thereafter be issued in connection with Benefits, including the Share Limit, (ii) the number and kind of Shares or other property issued or issuable in respect of outstanding Benefits, (iii) the exercise price, grant price or purchase price relating to any Benefit, (iv) the Performance Goals and (v) the individual and other limitations applicable to Benefits; provided that no such adjustment shall cause any Benefit hereunder which is or becomes subject to Code Section 409A to fail to comply with the requirements of such section; and provided further that, unless otherwise determined by the Committee, any additional Shares or other securities or property issued with respect to Shares covered by awards granted under the Program

as a result of any stock split, combination, stock dividend, recapitalization or other adjustment event described in this Section 4 shall be subject to the restrictions and other provisions of the original Benefit awarded under the Program.

5. TYPES OF BENEFITS. The following Benefits, alone or in combination, may be granted under the Program: (i) Nonqualified Stock Options, (ii) Restricted Stock Awards, (iii) Restricted Stock Units, (iv) Performance Awards, (v) Other Share-Based Awards (including Stock Appreciation Rights, dividend equivalents and recognition awards), (vi) awards to Non-Employee Directors, and (vii) Foreign Benefits, all as described below.

6. OPTIONS.

(a) In General. The Committee may grant Nonqualified Stock Options to Grantees which may be subject to such restrictions, terms and conditions, as the Committee shall determine in its sole discretion and as shall be evidenced by the applicable Benefit Agreement (provided that any such Benefit is subject to the vesting requirements described herein).

The Committee shall determine the exercise price for each Share purchasable under an option, but in no event shall the exercise price per Share be less than the Fair Market Value of a Share on the option's date of grant. The exercise price shall be paid in full at the time of exercise; payment may be made as determined by the Committee, including (1) in cash, which may be paid by check, or other instrument acceptable to the Company; (2) unless otherwise provided in the Benefit Agreement, in Shares having a then market value equal to the aggregate exercise price (including by withholding Shares that otherwise would be distributed to the Grantee upon exercise of the option); (3) delivery of a properly executed exercise notice, together with irrevocable instructions to a broker to deliver promptly to the Company the amount of sales proceeds from the option Shares or loan proceeds to pay the exercise price and any withholding taxes due to the Company; or (4) by any other method permitted by the Committee. Any amount necessary to satisfy applicable federal, state or local tax withholding requirements (or corresponding requirements under applicable laws in non-U.S. jurisdictions) shall be paid promptly upon notification of the amount due. The amount of tax withholding may be paid in Shares having a then market value equal to the amount required to be withheld (including by withholding Shares that otherwise would be distributed to the Grantee upon exercise of the option), or a combination of cash and Shares.

An option shall be exercisable over its term (which shall not exceed ten years from the date of grant), at such times and upon such conditions as the Committee may determine, as reflected in the Benefit Agreement. An option may be exercised to the extent of any or all full Shares as to which the option has become exercisable, by giving written notice of such exercise to the Committee or its designated agent, in such form as the Committee may prescribe. Notwithstanding the foregoing, no option granted pursuant to this Section 6 shall be exercisable earlier than six (6) months from its date of grant.

Except as otherwise provided in the applicable Benefit Agreement, (i) in the event of termination of employment for any reason other than retirement, disability or death, the right of the optionee to exercise an option shall terminate upon the earlier of the end of the original term of the option or three (3) months after the optionee's last day of work for the Company or its Subsidiaries; (ii) in the event of termination of employment due to retirement or disability, or if

the optionee should die while employed, the right of the optionee or his or her successor in interest to exercise an option shall terminate upon the end of the original term of the option; and (iii) if the optionee should die within three (3) months after termination of employment for any reason other than retirement or disability, the right of his or her successor in interest to exercise an option shall terminate upon the earlier of the end of the original term of the option or three (3) months after the date of such death.

(b) Replacement Options. Options are outstanding under the Prior Program that provide for the grant of replacement options if all or any portion of the exercise price or taxes incurred in connection with the exercise of the original option are paid by delivery of other Shares (or, in the case of payment of taxes, by withholding of Shares). The Committee may only grant replacement options ("replacement options") under the Program to the extent required with respect to such options granted under the Prior Program and with respect to replacement options granted with a replacement option feature. Any replacement options granted under the Program shall be Nonqualified Stock Options. In addition, any such replacement options shall (i) cover the number of Shares surrendered to pay the exercise price plus the number of Shares surrendered or withheld to satisfy the optionee's tax liability, (ii) have an exercise price equal to one hundred percent (100%) of the Fair Market Value of such Shares on the date such replacement option is granted, (iii) first be exercisable six months from the date such replacement option is granted, (iv) have an expiration date identical to the expiration date of the original option, and (v) contain a similar replacement option feature.

7. RESTRICTED STOCK AWARDS AND RESTRICTED STOCK UNITS.

(a) Restricted Stock Awards. The Committee may grant Restricted Stock Awards, subject to such restrictions, terms and conditions, as the Committee shall determine in its sole discretion and as shall be evidenced by the applicable Benefit Agreement (provided that any such Benefit is subject to the vesting requirements described herein). The vesting of a Restricted Stock Award may be conditioned upon the completion of a specified period of employment or service with the Company or any Subsidiary, upon the attainment of specified Performance Goals, and/or upon such other criteria as the Committee may determine in its sole discretion.

Except as provided in the applicable Benefit Agreement, no Shares underlying a Restricted Stock Award may be sold, assigned, transferred, or otherwise encumbered or disposed of by the Grantee until such Shares have vested in accordance with the terms of such Benefit. Subject to such other restrictions as are imposed by the Committee, the Shares covered by an award of Restricted Stock to a participant who is subject to Section 16 of the Exchange Act may be sold or otherwise disposed of only after six (6) months from the grant date (unless such sale would not affect the exemption under Rule 16b-3 of the Securities and Exchange Commission).

If and to the extent that the applicable Benefit Agreement may so provide, a Grantee shall have the right to vote and receive dividends on Restricted Stock granted under the Program. Unless otherwise provided in the applicable Benefit Agreement, any Shares received as a dividend on or in connection with a stock split of the Shares underlying a Restricted Stock Award awarded under this Section shall be subject to the same restrictions as the Shares underlying such Restricted Stock Award.

Upon the termination of a Grantee's employment or service with the Company and its Subsidiaries, the Restricted Stock granted to such Grantee shall be subject to the terms and conditions specified in the applicable Benefit Agreement.

(b) Restricted Stock Units. The Committee may grant Restricted Stock Units, subject to such restrictions, terms and conditions, as the Committee shall determine in its sole discretion and as shall be evidenced by the applicable Benefit Agreement (provided that any such Restricted Stock Unit is subject to the vesting requirements described herein). The vesting of a Restricted Stock Unit granted under the Program may be conditioned upon the completion of a specified period of employment or service with the Company or any Subsidiary, upon the attainment of specified Performance Goals, and/or upon such other criteria as the Committee may determine in its sole discretion.

Unless otherwise provided in a Benefit Agreement, upon the vesting of a Restricted Stock Unit there shall be delivered to the Grantee, as soon as practicable following the date on which such Benefit (or any portion thereof) vests (but in no event later than two and one-half (2 ½) months following the end of the calendar year in which such Restricted Stock Unit vests), subject to Section 13, that number of Shares equal to the number of Restricted Stock Units that have vested (or the cash equivalent thereof in the case of a cash-settled award).

Except as provided in the applicable Benefit Agreement, a Restricted Stock Unit may not be sold, assigned, transferred or otherwise encumbered or disposed of by the Grantee. Subject to the requirements of Code Section 409A, Restricted Stock Units may provide the Grantee with the right to receive dividend equivalent payments with respect to Shares subject to the Benefit (both before and after the Benefit is earned or vested), which payments may be either made currently or credited to an account for the participant, and may be settled in cash or Shares, as determined by the Committee. Any such settlements and any such crediting of dividend equivalents may be subject to such conditions, restrictions and contingencies as the Committee shall establish, including the reinvestment of such credited amounts in Share equivalents.

Upon the termination of a Grantee's employment or service with the Company and its Subsidiaries, the Restricted Stock Units granted to such Grantee shall be subject to the terms and conditions specified in the applicable Benefit Agreement.

8. PERFORMANCE AWARDS. The Committee may grant Benefits including Restricted Stock, Restricted Stock Units and Other Share-Based Awards, which may be earned in whole or in part based on the attainment of performance goals established by the Committee, which shall be based on one or more of the following criteria: earnings per share, return on equity, return on assets, return on net assets, return on investment, total shareholder return, net operating income, cash flow, increase in revenue, economic value added, increase in share price or cash flow return on investment, and any combination of, or a specified increase in, any of the foregoing (the "Performance Goals"). Where applicable, the Performance Goals may be expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Company, a Subsidiary, or a division or strategic business unit of the Company, or may be applied to the performance of the Company relative to a market index, a group of other companies or a

combination thereof, all as determined by the Committee. The Performance Goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur), and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur). In addition, partial achievement of Performance Goals may result in payment or vesting corresponding to the degree of achievement of the Performance Goal. Where necessary to satisfy the requirements of Code Section 162(m), each of the foregoing Performance Goals shall be determined in accordance with generally accepted accounting principles or such other objective standards satisfying the requirements of Code Section 162(m), and shall be subject to written certification by the Committee; provided that, to the extent a Benefit is intended to satisfy the performance-based compensation exception to the limits of Code Section 162(m) and then to the extent consistent with such exception, the Committee may make equitable adjustments to the Performance Goals in recognition of unusual or non-recurring events affecting the Company or any Subsidiary or the financial statements of the Company or any Subsidiary, in response to changes in applicable laws or regulations, or to account for items of gain, loss or expense determined to be extraordinary or unusual in nature or infrequent in occurrence or related to the disposal of a segment of a business or related to a change in accounting principles. No payment shall be made to a Covered Employee prior to the written certification by the Committee that the Performance Goals have been attained. The Committee may establish such other rules applicable to Benefits intended to be qualified performance-based compensation to the extent consistent with Code Section 162(m).

The maximum amount which may be granted under this Section 8 for any one year for any one participant shall be $15 million, determined by multiplying the number of shares or units granted under the Benefit by the Fair Market Value of a Share on the date of grant. For any performance period in excess of one year, such maximum value shall be determined by multiplying $15 million by a fraction, the numerator of which is the number of months in the performance period and the denominator of which is twelve.

Payments earned in respect of any Benefit may be decreased or, with respect to any Grantee who is not a Covered Employee, increased in the sole discretion of the Committee based on such factors as it deems appropriate. Notwithstanding the foregoing, any Benefits may be adjusted in accordance with Section 4.

9. OTHER SHARE-BASED AWARDS AND RECOGNITION AWARDS.

(a) Other Share-Based Awards. The Committee may grant Other Share-Based Awards, including Stock Appreciation Rights, under terms and conditions specified by the Committee in the applicable Benefit Agreement, which may include the attainment of Performance Goals; provided, however, that with respect to a Stock Appreciation Right, in no event shall (i) the base price per Share be less than the Fair Market Value of a Share on the Stock Appreciation Right's date of grant nor (ii) the term of such Stock Appreciation Right exceed ten years from the date of grant. Such terms and conditions shall be consistent with the terms of the Program. Shares or other securities or property delivered pursuant to a Benefit in the nature of a purchase right granted under this Section 9 shall be purchased for such consideration, paid for at such times, by such methods, and in such forms, including, without limitation, Shares, other Benefits, notes or other property, as the Committee shall determine, subject to any required corporate action.

(b) Recognition Awards. In addition to Restricted Stock Awards governed by Section 7(a), the Committee may grant fully vested Shares to employees of the Company, its Subsidiaries, in recognition of the employee's contribution to the Company; provided that the aggregate value of such recognition awards granted in any fiscal year to any single individual shall not exceed one thousand (1,000) Shares.

10. FOREIGN BENEFITS. The Committee may grant Benefits to employees of the Company and its Subsidiaries who reside in foreign jurisdictions. Notwithstanding anything in the Program to the contrary, each of the Committee and, to the extent permitted under applicable law, the Senior Vice President, Human Resources, may, in its or his sole discretion: (a) amend or vary the terms of the Program in order to conform such terms with the requirements of each jurisdiction where a Subsidiary is located; (b) amend or vary the terms of the Program in each jurisdiction where a Subsidiary is located as it or he considers necessary or desirable to take into account or to mitigate or reduce the burden of taxation and social security contributions for Participants and/or the Subsidiary; or (c) amend or vary the terms of the Program in a jurisdiction where the Subsidiary is located as it or he considers necessary or desirable to meet the goals and objectives of the Program. Each of the Committee and, to the extent permitted under applicable law, the Senior Vice President, Human Resources, may, where it deems appropriate in its or his sole discretion, establish one or more sub-Programs for these purposes. The Committee and, to the extent permitted under applicable law, the Senior Vice President, Human Resources, may, in its or his sole discretion, establish administrative rules and procedures to facilitate the operation of the Program in such jurisdictions. The terms and conditions contained herein which are subject to variation in a jurisdiction shall be reflected in a written attachment to the Program for each Subsidiary in such jurisdiction. To the extent permitted under applicable law, the Committee may delegate its authority and responsibilities under this Section 10 to one or more officers of the Company. In this regard and to the extent permitted under applicable law, the Committee hereby delegates its authority and responsibilities under this Section 10 to the Senior Vice President, Human Resources.

11. NONQUALIFIED STOCK OPTIONS TO NON-EMPLOYEE DIRECTORS. Each Non-Employee Director may elect to receive any or all of his or her fees earned under Section 3 of the Abbott Laboratories Non-Employee Directors' Fee Plan (the "Directors' Fee Plan") in the form of Nonqualified Stock Options under this Section. Each such election shall be irrevocable,

and must be made in writing and filed with the Secretary of the Company by December 31 of the calendar year preceding the period in which such fees are earned. A Non-Employee Director may file a new election each calendar year applicable to fees earned in the immediately succeeding calendar year, provided that a new election to receive benefits in the form of options shall not be effective until the period covered by the Non-Employee Director's current election has ended. If no new election is received by December 31 of any calendar year, the election, if any, then in effect shall continue in effect until a new election is made and has become effective. If a director does not elect to receive his or her fees in the form of Nonqualified Stock Options, the fees due such director shall be paid or deferred as provided in the Directors' Fee Plan and any applicable election thereunder by the director.

Each Nonqualified Stock Option due to a director under this Program pursuant to an election shall be granted annually, on the date of the annual shareholders meeting. Except as otherwise provided, each such Nonqualified Stock Option shall be (A) subject to the terms and conditions of Section 6, (B) immediately exercisable and non-forfeitable and (C) exercisable until the expiration of ten years from the date of grant. Non-Employee Directors who hold replacement options granted under the Prior Program shall also receive replacement options consistent with the provisions of Section 6(b).

12. RESTRICTED STOCK UNITS TO NON-EMPLOYEE DIRECTORS. Each year, on the date of the annual shareholders meeting, each person who is elected a Non-Employee Director at the annual shareholders meeting shall be awarded Restricted Stock Units covering the number of Shares set by the Board in its sole discretion, upon recommendation by the Committee; provided, however that the Fair Market Value of the Shares on the date of the award shall not exceed $250,000.

The Restricted Stock Units granted to Non-Employee Directors shall be fully vested on the date of the award and shall be awarded and/or issued or paid in a manner that will comply with Code Section 409A. Subject to the requirements of Code Section 409A, the Non-Employee Director receiving the Restricted Stock Units shall be entitled to receive one Share for each Restricted Stock Unit upon the earliest of (A) the director's "separation from service" (within the meaning of Code Section 409A); (B) the date the director dies; or (C) the date of occurrence of a Change in Control that also qualifies as a "change in control event" (within the meaning of Treasury Regulation Section 1.409A-3(i)(5)).

Subject to the requirements of Code Section 409A, the Non-Employee Director receiving the Restricted Stock Units shall be entitled to receive cash payments equal to the dividends and distributions paid on the Shares (other than dividends or distributions of securities of the Company which may be issued with respect to its shares by virtue of any stock split, combination, stock dividend or recapitalization) to the same extent as if each Restricted Stock Unit was a Share, and those shares were not subject to the restrictions imposed by this Program, provided that the record date with respect to such dividend or distribution occurs within the period commencing with the date of grant of the Benefit and ending upon the earliest of (A) the date of the director's death, (B) the date of the director's "separation from service" (within the meaning of Code Section 409A), or (C) the date of the occurrence of a Change in Control that

also qualifies as a "change in control event" (within the meaning of Treasury Regulation Section 1.409A-3(i)(5)).

While outstanding, the Restricted Stock Units may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of except by will or the laws of descent and distribution.

Except in the event of conflict, all provisions of the Program shall apply to this Section 12. In the event of any conflict between the provisions of the Program and this Section 12, this Section 12 shall control.

13. CHANGE IN CONTROL PROVISIONS.

(a) Notwithstanding any other provision of this Program or the Prior Program, the following provisions shall apply upon the occurrence of a Change in Control unless otherwise provided in a Benefit Agreement:

(i) All options then outstanding under this Program or the Prior Program shall become fully vested and exercisable as of the date of the Change in Control, whether or not then otherwise vested or exercisable;

(ii) All Stock Appreciation Rights and Other Share-Based Awards then outstanding shall become fully vested and exercisable as of the date of the Change in Control, whether or not then otherwise vested or exercisable;

(iii) All terms and conditions of all Restricted Stock Awards then outstanding shall be deemed satisfied and all restrictions on those Restricted Stock Awards will lapse as of the date of the Change in Control;

(iv) All terms and conditions of all Restricted Stock Units then outstanding shall be deemed satisfied and all restrictions on those Restricted Stock Units will lapse as of the date of the Change in Control; and

(v) All performance criteria shall be deemed to have been attained and all Performance Awards then outstanding shall be deemed to have been fully earned and to be immediately payable as of the date of the Change in Control.

Notwithstanding the foregoing, with respect to each Benefit that is subject to Code Section 409A, if a Change in Control would have occurred under the Program but such Change in Control does not also qualify as a "change in control event" (within the meaning of Treasury Regulation Section 1.409A-3(i)(5)), then each such Benefit shall become vested and non-forfeitable; provided, however, that the Grantee shall not be able to exercise the Benefit, and the Benefit shall not become payable, except in accordance with the terms of such Benefit or until such earlier time as the exercise and/or payment complies with Code Section 409A.

(b) A "Change in Control" shall be deemed to have occurred on the earliest of the following dates:

(i) The date any Person is or becomes the Beneficial Owner (as defined below), directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates) representing 20% or more of the combined voting power of the Company's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (a) of paragraph (iii) below; or

(ii) The date the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's shareholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

(iii) The date on which there is consummated a merger or consolidation of the Company or any direct or indirect Subsidiary of the Company with any other corporation or other entity, other than (a) a merger or consolidation (I) immediately following which the individuals who comprise the Board immediately prior thereto constitute at least a majority of the board of directors of the Company, the entity surviving such merger or consolidation or, if the Company or the entity surviving such merger is then a Subsidiary, the ultimate parent thereof and (II) which results in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, at least 50% of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (b) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing 20% or more of the combined voting power of the Company's then outstanding securities; or

(iv) The date the shareholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by shareholders of the Company, in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit

plan of the Company or any Subsidiary, in substantially the same proportions as their ownership of the Company immediately prior to such sale.

Notwithstanding the foregoing, a Change in Control shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the common shares of the Company immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions.

For purposes of this Program: "Affiliate" shall have the meaning set forth in Rule 12b-2 under Section 12 of the Exchange Act; "Beneficial Owner" shall have the meaning set forth in Rule 13d-3 under the Exchange Act; "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and as used in Section 13(d) and 14(d) thereof and the rules thereunder, except that such term shall not include (1) the Company or any of its Subsidiaries, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary, (3) an underwriter temporarily holding securities pursuant to an offering of such securities, or (4) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of shares of the Company; and "Subsidiary" shall mean any corporation, partnership, joint venture or business trust, fifty percent (50%) or more of the control of which is owned, directly or indirectly, by the Company.

(c) In the event that, in connection with a Change in Control, outstanding options under the Program or Prior Program are either assumed or converted into substituted options consistent with Section 5, each such assumed or substituted option shall continue to be subject to the same terms and conditions (including, without limitation, with respect to any right to receive replacement options upon option exercise) to which it was subject immediately prior to the transaction resulting in the assumption or substitution.

(d) Upon a Change in Control in which the outstanding Shares are changed into, or exchanged for, property (including cash) other than solely stock or securities of the Company or another corporation (disregarding, for this purpose, cash paid in lieu of fractional shares), each Grantee may elect to receive, immediately following such Change in Control in exchange for cancellation of any stock option or Stock Appreciation Right held by such Grantee immediately prior to the Change in Control, a cash payment, with respect to each Share subject to such option or right, equal to the difference between the value of consideration (as determined by the Committee) received by the shareholders for a Share in the Change in Control, less any applicable purchase price.

14. GENERAL PROVISIONS.

(a) Nontransferability, Deferrals and Settlements. Unless otherwise determined by the Committee or provided in a Benefit Agreement, Benefits shall not be transferable by a Grantee except by will or the laws of descent and distribution and shall be exercisable during the lifetime of a Grantee only by such Grantee or his guardian or legal representative. Notwithstanding the foregoing, any transfer of Benefits to independent third parties for cash consideration without shareholder approval is prohibited. Any Benefit shall be null and void and without effect upon any attempted assignment or transfer, except as herein

provided, including without limitation any purported assignment, whether voluntary or by operation of law, pledge, hypothecation or other disposition, attachment, divorce, trustee process or similar process, whether legal or equitable, upon such Benefit. With respect to Benefits other than options, the Committee may require or permit Grantees to elect to defer the issuance of Shares (with settlement in cash or Shares as may be determined by the Committee or elected by the Grantee in accordance with procedures established by the Committee), or the settlement of Benefits in cash under such rules and procedures as established under the Program to the extent that such deferral complies with Code Section 409A and any regulations or guidance promulgated thereunder. It may also provide that such deferred settlements include the payment or crediting of interest, dividends or dividend equivalents on the deferral amounts.

(b) No Right to Continued Employment, etc. Nothing in the Program or in any Benefit granted or any Benefit Agreement or other agreement entered into pursuant hereto shall confer upon any Grantee the right to continue in the employ or service of the Company, any Subsidiary or to be entitled to any remuneration or benefits not set forth in the Program or such Benefit Agreement or other agreement or to interfere with or limit in any way the right of the Company or any such Subsidiary to terminate such Grantee's employment or service.

(c) Sale of Subsidiary. For all purposes hereunder, except as otherwise provided by the Committee, a Grantee's employment or service with a Subsidiary shall be deemed to be terminated on the day such entity ceases to be a Subsidiary of the Company.

(d) Taxes. The Company shall be entitled to withhold, or require a participant to remit to the Company, the amount of any tax attributable to any amount payable or shares deliverable under the Program. The Company may defer making payment or delivery if any such tax may be pending unless and until indemnified to its satisfaction, and the Company shall have no liability to any participant for exercising the foregoing right. The Committee may, in its sole discretion and subject to such rules as it may adopt, permit or require a Grantee to pay all or a portion of the federal, state and local taxes (under U.S. or non-U.S. jurisdictions), including social security and Medicare withholding tax, arising in connection with the receipt or exercise of any Benefit; by (i) having the Company withhold Shares, (ii) tendering Shares received in connection with such Benefit back to the Company or (iii) delivering other previously acquired Shares having a Fair Market Value approximately equal to the amount to be withheld.

(e) Amendment and Termination. The Program may be amended or terminated at any time by action of the Board. However, no amendment may, without shareholder approval: (i) increase the aggregate number of shares available for Benefits (except to reflect an event described in Section 4); (ii) extend the term of the Program; or (iii) change or add a category or categories of individuals who are eligible to participate in the Program. If the Program is not, within twelve months of the Effective Date, approved by a majority of the shares voted at a regular or special meeting of the Company's shareholders, the Program will terminate and all Benefits made under it will be canceled. No amendment or termination of the Program (other than termination under Section 14(f) below) may materially and adversely modify any person's rights under the express terms and conditions of an outstanding Benefit without such person's written consent.

(f) Duration of Program. Unless earlier terminated by the Board pursuant to the provisions of the Program, the Program shall expire on the tenth anniversary of its Effective Date. No Benefits shall be granted under the Program after such date.

(g) No Rights to Benefits; No Shareholder Rights. No individual shall have any claim to be granted any Benefit under the Program, and there is no obligation for uniformity of treatment of Grantees. No individual shall have any right to a Benefit or to payment or settlement under any Benefit unless and until the Committee or its designee shall have determined that a Benefit or payment or settlement is to be made. Except as provided specifically herein, a Grantee or a transferee of a Benefit shall have no rights as a shareholder with respect to any Shares covered by the Benefit until the date of the issuance of such Shares.

(h) Unfunded Status of Benefits. The Program is intended to constitute an "unfunded" plan for purposes of incentive and deferred compensation. With respect to any payments not yet made to a Grantee pursuant to a Benefit, nothing contained in the Program or any Benefit shall give any such Grantee any rights that are greater than those of a general creditor of the Company.

(i) No Fractional Shares. No fractional Shares shall be issued or delivered pursuant to the Program or any Benefit. The Committee shall determine whether cash, other Benefits, or other property shall be issued or paid in lieu of such fractional shares or whether such fractional shares or any rights thereto shall be forfeited or otherwise eliminated.

(j) Regulations and Other Approvals. The obligation of the Company to sell or deliver Shares with respect to any Program Benefit shall be subject to all applicable laws, rules and regulations, including all applicable securities laws, and the obtaining of all such approvals by governmental agencies as may be deemed necessary or appropriate by the Committee.

(k) Listing, Registration or Qualification of Shares. Each Benefit is subject to the requirement that, if at any time the Committee determines, in its sole discretion, that the listing, registration or qualification of Shares issuable pursuant to the Program is required by any securities exchange or under any state or federal law (or corresponding requirements under applicable laws in non-U.S. jurisdictions), or the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with, the grant of a Benefit or the issuance of Shares, no such Benefit shall be granted or payment made or Shares issued, in whole or in part, unless listing, registration, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Committee.

(l) Restricted Securities. If the disposition of Shares acquired pursuant to the Program is not covered by a then current registration statement under the Securities Act of 1933 (the "Securities Act"), and is not otherwise exempt from such registration, then such Shares shall be restricted against transfer to the extent required by the Securities Act or regulations thereunder and the Committee may require a Grantee receiving Shares pursuant to the Program, as a condition precedent to receipt of such Shares, to represent to the Company in writing that the Shares acquired by such Grantee is acquired for investment only and not with a view to distribution.

(m) Section 409A. Notwithstanding any provision of the Program, to the extent that any Benefit would be subject to Code Section 409A, no such Benefit may be granted if it would fail to comply with the requirements set forth in Code Section 409A. To the extent that the Committee determines that the Program or any Benefit is subject to Code Section 409A and fails to comply with the requirements of Code Section 409A, notwithstanding anything to the contrary contained in the Program or in any Benefit Agreement, the Committee reserves the right to amend or terminate the Program and/or amend, restructure, terminate or replace the Benefit, without the consent of the Grantee, to cause the Benefit to either not be subject to Code Section 409A or to comply with the applicable provisions of such section. In addition, for each Benefit subject to Code Section 409A, a termination of employment or service with the Company and its Subsidiaries shall be deemed to have occurred under the Program with respect to such award on the first day on which an individual has experienced a "separation from service" within the meaning of Code Section 409A.

(n) Governing Law. The Program and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of Illinois without giving effect to the conflict of laws principles thereof. Each participant hereby consents to the exclusive jurisdiction of the federal courts in and the state courts of the State of Illinois in any dispute concerning or relating to the application of the Policy to the Program or any awards granted

thereunder. If the Company prevails in all material respects in any such dispute, the Company shall be entitled to recover its reasonable legal fees and expenses incurred in connection with such dispute.

(o) Construction. Any reference in the Program to any law, statute, rule, regulation, or official guidance thereunder, shall be construed as a reference to such law, statute, rule, regulation, or official guidance, as the same may be amended, from time to time, or any successor provision to such law, statute, rule, regulation or official guidance.

(p) Effective Date. This Program shall become effective as of April 24, 2009 (the "Effective Date"), subject to the approval of the shareholders of the Company.

15. DEFINITIONS. For purposes of the Program, the following terms shall be defined as set forth below:

(a) "Benefit" means a grant under the Program of any of the types of awards described in Section 5.

(b) "Benefit Agreement" means any written agreement, contract, or other instrument or document evidencing the terms and conditions of a Benefit.

(c) "Board" means the Board of Directors of the Company.

(d) "Change in Control" has the meaning ascribed to it in Section 13.

(e) "Code" means the Internal Revenue Code of 1986.

(f) "Committee" has the meaning ascribed to it in Section 2.

(g) "Company" or "Abbott" means Abbott Laboratories, a corporation organized under the laws of the State of Illinois, or any successor corporation.

(h) "Covered Employee" has the meaning ascribed to it in Code Section 162(m)(3).

(i) "Effective Date" has the meaning ascribed to it in Section 14(p).

(j) "Exchange Act" means the Securities Exchange Act of 1934.

(k) "Fair Market Value" means, with respect to Shares or other property, the fair market value of such Share or other property determined by such methods or procedures as shall be established from time to time by the Committee.

(l) "Full Value Award" means any Benefit, other than an option or Stock Appreciation Right, which Benefit is settled in Shares.

(m) "Grantee" means a person who, as a Non-Employee Director of the Company or an employee of the Company or a Subsidiary of the Company, or a beneficiary or estate of such person, has been granted a Program Benefit.

(n) "Non-Employee Director" means a member of the Board who is not a full-time employee of the Company or any of its Subsidiaries.

(o) "Nonqualified Stock Option" means any option that is not intended to be designated as an incentive stock option within the meaning of Code Section 422.

(p) "option" means a contractual right, granted to a Grantee under the Program, to purchase Shares at a specified price.

(q) "optionee" means a person who, as a Non-Employee Director of the Company or an employee of the Company or a Subsidiary of the Company, or a beneficiary or estate of such person, has been granted an option.

(r) "Other Share-Based Award" means a Benefit granted to a Grantee pursuant to Section 9, which may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Shares.

(s) "Performance Goals" has the meaning ascribed to it in Section 8.

(t) "Prior Program" means the Abbott Laboratories 1996 Incentive Stock Program.

(u) "Program" means this Abbott Laboratories 2009 Incentive Stock Program, as amended from time to time.

(v) "replacement options" has the meaning ascribed to it in Section 6(b).

(w) "Restricted Stock" or "Restricted Stock Award" means Shares awarded to a Grantee under Section 7(a), without payment, as compensation for services to the Company or its Subsidiaries, that are subject to vesting restrictions, which may include the attainment of specified Performance Goals.

(x) "Restricted Stock Unit" means a contractual right to receive a number of Shares or an amount of cash equal to the value of that number of Shares corresponding to the number of units granted to a Grantee, without payment, as compensation for services to the Company or its Subsidiaries, which right may be subject to vesting restrictions including the attainment of Performance Goals.

(y) "Senior Vice President, Human Resources" means the Company's Senior Vice President, Human Resources, or the individual holding the equivalent duties and responsibilities.

(z) "Shares" means common shares of the Company.

(aa) "Stock Appreciation Right" means an Other Share-Based Award, payable in cash or Shares, that entitles a Grantee upon exercise to the excess of the Fair Market Value of the Shares underlying the Benefit over a base price established by the Committee in respect of such Shares.

(bb) "Subsidiary" has the meaning ascribed to it in Section 13(b).

(cc) "Treasury Regulations" means the Federal tax regulations promulgated by the United States Department of Treasury.

Exhibit 10.59

[Date]

To: [Executive]

Re: Change in Control Agreement — Notification of Extension

You are hereby notified that your current Change in Control Agreement, which was set to expire on December 31, 2014, has been extended to December 31, 2016.

Please retain a copy of this Notification of Extension with your important records.

Exhibit 12

Abbott Laboratories
Computation of Ratio of Earnings to Fixed Charges
(Unaudited)
(dollars in millions)

	2014	2013	2012	2011	2010
EARNINGS FROM CONTINUING OPERATIONS ADD (DEDUCT)	$ 1,721	$ 1,988	$ 237	$ 676	$ 120
Taxes on earnings from continuing operations	797	53	(457)	(20)	241
Amortization of capitalized interest, net of capitalized interest	(3)	(6)	(3)	(2)	—
Noncontrolling interest	13	13	12	10	9
EARNINGS FROM CONTINUING OPERATIONS AS ADJUSTED	$ 2,528	$ 2,048	$ (211)	$ 664	$ 370
FIXED CHARGES					
Interest on long-term and short-term debt	150	145	320	326	520
Capitalized interest cost	13	15	12	10	8
Rental expense representative of an interest factor	87	90	100	96	86
TOTAL FIXED CHARGES	$ 250	$ 250	$ 432	$ 432	$ 614
TOTAL ADJUSTED EARNINGS FROM CONTINUING OPERATIONS AVAILABLE FOR PAYMENT OF FIXED CHARGES	$ 2,778	$ 2,298	$ 221	$ 1,096	$ 984
RATIO OF EARNINGS FROM CONTINUING OPERATIONS TO FIXED CHARGES	11.1	9.2	0.5	2.5	1.6

NOTE: For the purpose of calculating this ratio, (i) earnings from continuing operations have been calculated by adjusting earnings from continuing operations for taxes on earnings from continuing operations; interest expense; amortization of capitalized interest, net of capitalized interest; noncontrolling interest; and the portion of rentals representative of the interest factor, (ii) Abbott considers one-third of rental expense to be the amount representing return on capital, and (iii) fixed charges comprise total interest expense, including capitalized interest and such portion of rentals.

QuickLinks

Exhibit 21

SUBSIDIARIES OF ABBOTT LABORATORIES

The following is a list of subsidiaries of Abbott Laboratories. Abbott Laboratories is not a subsidiary of any other corporation. Where ownership of a subsidiary is less than 100% by Abbott Laboratories or an Abbott Laboratories' subsidiary, such has been noted by designating the percentage of ownership.

Domestic Subsidiaries	Incorporation
Abbott Biologicals, LLC	Delaware
Abbott Cardiovascular Inc.	Delaware
Abbott Cardiovascular Systems Inc.	California
Abbott Delaware Inc.	Delaware
Abbott Diabetes Care Inc.	Delaware
Abbott Diabetes Care Sales Corporation	Delaware
Abbott Equity Investments LLC	Delaware
Abbott Health Products, LLC	Delaware
Abbott Informatics Corporation	Florida
Abbott International LLC	Delaware
Abbott Laboratories Inc.	Delaware
Abbott Laboratories International LLC	Illinois
Abbott Laboratories Pacific Ltd.	Illinois
Abbott Laboratories Residential Development Fund, Inc.	Illinois
Abbott Laboratories Services Corp.	Illinois
Abbott Management LLC	Delaware
Abbott Medical Optics Inc.	Delaware
Abbott Molecular Inc.	Delaware
Abbott Nutrition Manufacturing Inc.	Delaware
Abbott Point of Care Inc.	Delaware
Abbott Procurement LLC	Delaware
Abbott Products Operations, LLC	Delaware
Abbott Resources Inc.	Delaware
Abbott Resources International Inc.	Delaware
Abbott Universal LLC	Delaware
Abbott Vascular Inc.	Delaware
Abbott Vascular Solutions Inc.	Indiana
Abbott Ventures Inc.	Delaware
AMO Development, LLC	Delaware
AMO Holdings, Inc.	Delaware
AMO Manufacturing USA, LLC	Delaware
AMO Nominee Holdings, LLC	Delaware

AMO Sales and Service, Inc.	Delaware
AMO Spain Holdings, LLC	Delaware
AMO U.K. Holdings, LLC	Delaware
AMO US Holdings, Inc.	Delaware
AMO USA Sales Holdings, Inc.	Delaware
AMO USA, LLC	Delaware
AMO WaveFront Sciences, LLC	New Mexico
Bioabsorbable Vascular Solutions, Inc.	Delaware
Biohealth LLC	Delaware
CMM Transportation, Inc.	Delaware
CynoGen Inc.	Delaware
Evalve International, Inc.	Delaware
Evalve, Inc.	Delaware
Fournier Pharma Corp.	Delaware
Ibis Biosciences, Inc.	Delaware
IDEV Technologies, Inc.	Delaware
IMTC Technologies, Inc.	Delaware
Integrated Vascular Systems, Inc.	Delaware
Lake Forest Investments LLC	Delaware
Midwest Properties LLC	Delaware
Murex Diagnostics, Inc.	Delaware
Natural Supplement Association, Incorporated	Colorado
North Shore Properties, Inc.	Delaware
OptiMedica Corporation	Delaware
PDD II, LLC	Delaware

PDD, LLC	Delaware
Quest Vision Technology, Inc.	California
Swan-Myers, Incorporated	Indiana
Tobal Products Incorporated	Illinois
Topera, Inc.	Delaware
Visiogen, Inc.	Delaware
X Technologies Inc.	Delaware
ZonePerfect Nutrition Company	Delaware

Foreign Subsidiaries	**Incorporation**
Abbott Products Algerie EURL	Algeria
Abbott Laboratories Argentina Sociedad Anonima	Argentina

Atlas Farmaceutica S.A.	Argentina	
Laboratorio Internacional Argentino S.A.	Argentina	
Metropolitana Farmacéutica S.A.	Argentina	
Murex Argentina S.A.	Argentina	(65%)
Novamedi S.A.	Argentina	(99%)
Polygon Labs S.A.	Argentina	
Abbott Australasia Pty Ltd	Australia	
Abbott Informatics Australia Pty Limited	Australia	
AMO Australia Pty Limited	Australia	
IDEV Medical Technologies Pty Ltd	Australia	
Abbott Gesellschaft m.b.H.	Austria	
Normann Pharma GmbH	Austria	
W&R Phama Handels GmbH	Austria	
Abbott Bahamas Overseas Businesses Corporation	Bahamas	
Abbott Holdings Limited	Bahamas	
Abbott Laboratories (Bangladesh) Limited	Bangladesh	
Murex Diagnostics International Inc.	Barbados	
Abbott Belgian Investments SPRL	Belgium	
Abbott Belgian Pension Fund A.S.B.L.	Belgium	

Abbott S.A.	Belgium	
Abbott Vascular International BVBA	Belgium	
Abbott Bermuda Holding Ltd.	Bermuda	
Abbott Diagnostics International, Ltd	Bermuda	
Abbott Healthcare (Puerto Rico) Ltd.	Bermuda	
Abbott International Holdings Limited	Bermuda	
Abbott Ireland	Bermuda	
Abbott Strategic Opportunities Limited	Bermuda	
Pharmatech Boliviana S.A.	Bolivia	
Abbott društvo sa ogranicenom odgovornošcu za trgovinu i usluge	Bosnia	
Abbott Laboratorios do Brasil Ltda.	Brazil	
Abbott Produtos Oticos Ltda.	Brazil	
Farmacologia Em Aquicultura Veterinaria Ltda.	Brazil	
American Pharmacist Inc.	British Virgin Islands	
Abbott (Cambodia) LLC	Cambodia	
Abbott Informatics Canada, Inc.	Canada	
Abbott International Corporation	Canada	
Abbott Laboratories, Limited/Laboratoires Abbott, Limitee	Canada	

Abbott Point of Care Canada Limited	Canada	
Abbott Products Canada Inc.	Canada	
Abbott Products Inc.	Canada	
AMO Canada Company	Canada	
AMO Global Holdings	Cayman Islands	
AMO Ireland	Cayman Islands	
AMO Puerto Rico Manufacturing, Inc.	Cayman Islands	
VISX	Cayman Islands	
Abbott Laboratories (Chile) Holdco (Dos) SpA	Chile	
Abbott Laboratories (Chile) Holdco SpA	Chile	
Abbott Laboratories de Chile Limitada	Chile	
Antares S.A.	Chile	(51%)
Aquagestion Capacitación S.A.	Chile	
Aquagestion S.A.	Chile	
Banco de Vida S.A.	Chile	(50%)
Bioalgae S.A.	Chile	(71.97%)
CFR Chile S.A.	Chile	
CFR International SpA	Chile	
CFR Inversiones SpA	Chile	
CFR Pharmaceuticals S.A.	Chile	
Consorico Tecnológico en Biomedicina Clinico-Molecular S.A.	Chile	
Dextech S.A.	Chile	(58.29%)
Espirit de Vie S.A.	Chile	
Farmacología en Aquacultura Veterinaria FAV S.A.	Chile	
Igloo Zone Chile S.A.	Chile	
Instituto de Criopreservación de Chile S.A.	Chile	(50%)
Inversiones K2 SpA	Chile	
Laboratorios Lafi Limitada	Chile	
Laboratorios Recalcine S.A.	Chile	
Novasalud S.A.	Chile	
Receben Xenerics Famacéutica Limitada	Chile	
Talpiot Investments SpA	Chile	
Vida Cell S.A.	Chile	(50%)
Abbott Laboratories de Colombia, S.A.	Colombia	
American Generics S.A.S.	Colombia	
Distribuciones Uquifa S.A.S.	Colombia	
Focus Pharmaceutical S.A.	Colombia	

Laboratorio Synthesis S.A.S.	Colombia
Laboratorio Franco Colombiano Lafrancol S.A.S.	Colombia
Laboratorios Naturmedik S.A.S.	Colombia
Laboratorios Pauly Pharmacuetical S.A.S.	Colombia
LaFrancol Internacional S.A.S.	Colombia
Abbott Healthcare Costa Rica, S.A.	Costa Rica
Abbott Vascular Limitada	Costa Rica
Gynopharm S.A.	Costa Rica
Abbott Laboratories d.o.o.	Croatia
Abbott Overseas Subsidiary Holding (Cyprus) Limited	Cyprus

Arvis Investments Limited	Cyprus
Abbott Laboratories, s.r.o.	Czech Republic
Abbott Laboratories A/S	Denmark
AMO Denmark	Denmark
Inversiones Komodo, S.R.L.	Dominican Republic
Lafrancol Dominicana, S.A.S.	Dominican Republic
Abbott Laboratorios del Ecuador Cia. Ltda.	Ecuador
Fadapharma del Ecuador S.A.	Ecuador
Farmacología en Aquacultura Veterinaria FAV Ecuador S.A.	Ecuador
Laboratorio Franco Colombiano del Ecuador S.A.	Ecuador
Laboratorios Transpharm S.A.	Ecuador
Nutravida S.A.	Ecuador
Western Pharmaceuticals S.A.	Ecuador
Abbott Healthcare LLC	Egypt
Abbott Limited Egypt LLC	Egypt
Abbott Products Egypt LLC	Egypt
Abbott Products Limited	Egypt
Abbott, S.A. de C.V.	El Salvador
CFR El Salvador, S.A. de C.V.	El Salvador
Abbott Oy	Finland
Abbott France S.A.S.	France
AMO France S.A.S.	France
Fournier Industrie et Sante	France
Laboratoires Fournier S.A.S.	France
STARLIMS France S.A.S.	France
Vivasol SNC	France

Abbott Diagnostics GmbH	Germany	
Abbott GmbH & Co. KG	Germany	
Abbott Holding GmbH	Germany	
Abbott Informatics Germany GmbH	Germany	
Abbott Laboratories GmbH	Germany	
Abbott Management GmbH	Germany	
Abbott Vascular Deutschland GmbH	Germany	
Abbott Vascular Instruments Deutschland GmbH	Germany	
AMO Germany GmbH	Germany	
Fournier Pharma GmbH	Germany	
Topera GmbH	Germany	
IDEV Technologies GmbH	Germany	
Abbott Established Products Holdings (Gibraltar) Limited	Gibraltar	
Abbott Holding (Gibraltar) Limited	Gibraltar	
Abbott Holding Subsidiary (Gibraltar) Limited	Gibraltar	
Abbott Laboratories (Hellas) S.A.	Greece	
Abbott Laboratorios, S.A.	Guatemala	
Lafrancol Guatemala S.A.	Guatemala	
Negocios Denia, Sociedad Anónimo	Guatemala	
Comercializadora y Distribuidora CFR Interamericas Honduras S.A.	Honduras	
Abbott Healthcare Private Limited	India	
Abbott India Limited	India	(74.99%)
Abbott Medical Optics Private Limited	India	
Abbott Truecare Pharma Private Limited	India	
Abind Healthcare Pvt. Ltd.	India	
PT. Abbott Indonesia	Indonesia	(99%)
PT. Abbott Products Indonesia	Indonesia	
Abbott Healthcare Products Limited	Ireland	
Abbott Ireland Limited	Ireland	
Abbott Laboratories Vascular Enterprises	Ireland	
Abbott Laboratories, Ireland, Limited	Ireland	
Abbott Mature Products International Limited	Ireland	
Abbott Mature Products Management Limited	Ireland	
Abbott Nutrition Limited	Ireland	
Abbott Products	Ireland	
AMO International Holdings	Ireland	
AMO Ireland Export Ltd.	Ireland	

AMO Ireland Finance	Ireland	
AMO Regional Holdings	Ireland	
Salviac Limited	Ireland	
Abbott Informatics Technologies LTD	Israel	
Abbott Medical Laboratories LTD	Israel	
L.I.M.S. Management Systems	Israel	
L.I.M.S. Holdings 2000 Ltd.	Israel	
Abbott S.r.l.	Italy	
Abbott Vascular Knoll-Ravizza S.p.A.	Italy	
AMO Italy Srl	Italy	
Autonomous Employee Welfare Fund for Abbott S.p.A. Dirigenti	Italy	
Abbott West Indies Limited	Jamaica	(51%)
Abbott Japan Co., Ltd.	Japan	
Abbott Vascular Japan Co., Ltd.	Japan	
AMO Japan K.K.	Japan	
Abbott Korea Limited	Korea, South	
Limited Liability Partnership “Veropharm”	Kazakhstan	
Abbott Laboratories Baltics SIA	Latvia	
Abbott Middle East S.A.R.L.	Lebanon	
UAB “Abbott Laboratories”	Lithuania	
Abbott Healthcare Luxembourg S.ar.l.	Luxembourg	
Abbott Holding Subsidiary (Gibraltar) Limited Luxembourg S.C.S.	Luxembourg	
Abbott International Luxembourg S.ar.l.	Luxembourg	
Abbott Investments Luxembourg S.à.r.l.	Luxembourg	
Abbott Overseas Luxembourg S.a r.l.	Luxembourg	
Abbott Products Luxembourg S.a r.l.	Luxembourg	
Abbott South Africa Luxembourg S.ar.l.	Luxembourg	
Abbott Laboratories (Malaysia) Sdn. Bhd.	Malaysia	
Abbott Manufacturing Malaysia Sdn. Bhd.	Malaysia	
AMO Malta	Malta	
Yissum Holding Limited	Malta	
Abbott Laboratories de Mexico, S.A. de C.V.	Mexico	
Abbott Laboratories (Mozambique), Limitada	Mozambique	
Abbott B.V.	Netherlands	
Abbott Biologicals B.V.	Netherlands	

Abbott Healthcare B.V.	Netherlands	
Abbott Healthcare Products B.V.	Netherlands	
Abbott Holdings B.V.	Netherlands	
Abbott Informatics Netherlands B.V.	Netherlands	
Abbott Knoll Investments B.V.	Netherlands	
Abbott Laboratories B.V.	Netherlands	
Abbott Logistics B.V.	Netherlands	
Abbott Nederland C.V.	Netherlands	
Abbott Netherlands Investments B.V.	Netherlands	
Abbott PR Holdings B.V.	Netherlands	
Abbott Vascular Netherlands B.V.	Netherlands	
AbbVie Venezuela B.V.*	Netherlands	
AMO Groningen B.V.	Netherlands	
AMO Netherlands B.V.	Netherlands	
Brandex Europe C.V.	Netherlands	
Duphar International Research B.V.	Netherlands	
EAS International B.V.	Netherlands	
IDEV Technologies B.V.	Netherlands	
IMTC Finance B.V.	Netherlands	
IMTC Holdings B.V.	Netherlands	
Nether Pharma N.P. C.V.	Netherlands	
Abbott Informatics New Zealand Limited	New Zealand	
Abbott Laboratories NZ Limited	New Zealand	
CFR Interamericas Nicaragua S.A.	Nicaragua S.A.	
Abbott Norge AS	Norway	
AMO Norway AS	Norway	
Abbott Laboratories (Pakistan) Limited	Pakistan	(77.90%)
Abbott Laboratories, C.A.	Panama	
Abbott Overseas, S.A.	Panama	
Andland Overseas S.A.	Panama	
Caripharm Inc.	Panama	
CFR Interamericas Panamá S.A.	Panama	

DoraI lnvestments International lnc.	Panama	
Forestcreek Overseas S.A.	Panama	
Golnorth Investments S.A.	Panama	
Gynopharm de Centroamérica S.A.	Panama	
Peggy International S.A.	Panama	

Ramses Business Corp.	Panama
Saboya Enterprises Corporation	Panama
Sundelight Corp	Panama
Fada Pharma Paraguay S.A.	Paraguay
Pharma International S.A.	Paraguay
Abbott (Guangzhou) Nutritionals Co., Ltd.	People’s Republic of China
Abbott (Jiaxing) Nutrition Co. Ltd.	People’s Republic of China
Abbott Informatics Asia Pacific Limited	People’s Republic of China
Abbott Laboratories Limited	People’s Republic of China
Abbott Laboratories Trading (Shanghai) Co., Ltd.	People’s Republic of China
Abbott Medical Devices Trading (Shanghai) Co., Ltd.	People’s Republic of China
AMO (Hangzhou) Co., Ltd.	People’s Republic of China
AMO (Shanghai) Medical Devices Trading Co., Ltd.	People’s Republic of China
AMO Asia Limited	People’s Republic of China
Lung Fung Hong (China) Limited	People’s Republic of China
Shanghai Abbott Pharmaceutical Co., Ltd.	People’s Republic of China
Shanghai Si Fa Pharmaceutical Co., Ltd.	People’s Republic of China
Abbott Laboratorios S.A.	Peru
Farmindustria S.A.	Peru
Inmobiliara Naknek S.A.C	Peru
Lafrancol Perú S.R.L.	Peru
Neosalud S.A.C	Peru
Abbott Laboratories (Philippines)	Philippines
Abbott Products (Philippines) Inc.	Philippines
Abbott Laboratories Poland Sp z.o.o.	Poland
Abbott Laboratorios, Limitada	Portugal
Premier - Promocao de Produtos Farmaceuticos, L^{da}	Portugal
Abbott Laboratories (Puerto Rico) Incorporated	Puerto Rico

Abbott Products Romania S.R.L.	Romania
Abbott Products Limited Liability Company	Russia
LLC “Garden Hills”	Russia
LLC “LENS-Pharm”	Russia
LLC “VeroInPharm”	Russia
OJSC “Voronezhkhimpharm”	Russia
PSC “VEROPHARM”	Russia
Limited Liability Company “Abbott Laboratories”	Russia

3A Pharma Singapore Pte. Limited	Singapore
Abbott Informatics Singapore Pte. Limited	Singapore
Abbott Laboratories (Singapore) Private Limited	Singapore
Abbott Manufacturing Singapore Private Limited	Singapore
AMO Singapore Pte. Limited	Singapore
Abbott Laboratories Slovakia s.r.o.	Slovakia
Abbott Laboratories druzba za farmacijo in diagnostiko d.o.o.	Slovenia
Abbott Laboratories South Africa (Pty) Ltd.	South Africa
Abbott Laboratories, S.A.	Spain
AMO Manufacturing Spain, S.L.	Spain
Famaceutica Mont Blanc, S.L.	Spain
Igloo Zone, S.L.	Spain
Kalo Pharma Internacional, S.L.U.	Spain
STARLIMS Ibérica, S.A.	Spain
Abbott Medical Optics Norden AB	Sweden
Abbott Scandinavia AB	Sweden
AMO Uppsala AB	Sweden
Abbott AG	Switzerland
Abbott Finance Company SA	Switzerland
Abbott Laboratories SA	Switzerland
Abbott Products Operations AG	Switzerland
AMO Switzerland GmbH	Switzerland
Abbott Fund Tanzania Limited	Tanzania
Abbott Laboratories Ltd.	Thailand
Abbott Laboratuarlari Ithalat Ihracat Ve Ticaret Limited Sirketi	Turkey

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Limited Liability Company “Abbott Ukraine”	Ukraine
Veropharm LLC	Ukraine
Abbott (UK) Finance Limited	United Kingdom
Abbott (UK) Holdings Limited	United Kingdom
Abbott Asia Holdings Limited	United Kingdom
Abbott Asia Investments Limited	United Kingdom
Abbott Australasia Holdings Limited	United Kingdom
Abbott Capital India Limited	United Kingdom
Abbott Diabetes Care Limited	United Kingdom
Abbott Equity Holdings Unlimited	United Kingdom
Abbott Healthcare Products Ltd.	United Kingdom
Abbott Iberian Investments (2) Limited	United Kingdom

Abbott Iberian Investments Limited	United Kingdom
Abbott Informatics Europe Limited	United Kingdom
Abbott Laboratories Limited	United Kingdom
Abbott Laboratories Trustee Company Limited	United Kingdom
Abbott Vascular Devices (2) Limited	United Kingdom
Abbott Vascular Devices Limited	United Kingdom
Allergy Therapeutics (Holdings) Limited	United Kingdom
Allergy Therapeutics (UK) Limited	United Kingdom
AMO United Kingdom Limited	United Kingdom
British Colloids	United Kingdom
Experimental and Applied Sciences UK Limited	United Kingdom
Fournier Pharmaceuticals Limited	United Kingdom
Gynocare Limited	United Kingdom
Knoll (UK) Investments Unlimited	United Kingdom
Mansbridge Pharmaceuticals Ltd.	United Kingdom
Murex Biotech Limited	United Kingdom
Abbott Laboratories Uruguay S.A.	Uruguay
Bosque Bonito S.A.	Uruguay
European Services S.A.	Uruguay
Fernwood Investment S.A.	Uruguay
Kangshenyunga S.A.	Uruguay
Pharmaceutical Technologies (Pharmatech) S.A.	Uruguay
Tremora S.A.	Uruguay
Tuenir S.A.	Uruguay
Abbott Laboratories C.A.	Venezuela
AbbVie Pharmaceuticals SCA*	Venezuela
Gynopharm de Venezuela, C.A.	Venezuela
3A Nutrition (Vietnam) Company Limited	Vietnam
Abbott Trading Company, Inc.	Virgin Islands

* Indicates subsidiary will be distributed to AbbVie Inc. in 2015 or thereafter

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Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

1) Registration Statement No. 333-158782 on Form S-8 for the Abbott Laboratories 2009 Incentive Stock Program;

2) Registration Statement Nos. 333-09071, 333-43381, 333-69547, 333-93253, 333-52768, 333-74228, 333-102178, 333-109250, 333-124850, and 333-158782 on Form S-8 for the Abbott Laboratories 1996 Incentive Stock Program;

3) Registration Statement Nos. 333-74220, 333-102179, 333-124851, 333-153200, and 333-169886 on Form S-8 for the Abbott Laboratories Deferred Compensation Plan;

4) Registration Statement Nos. 33-26685, 33-50452, 33-51585, 33-56897, 33-65127, 333-19511, 333-43383, 333-69579, 333-93257, 333-74224, 333-102180, 333-109253, 333-124849, 333-141116, 333-153198, and 333-169888 on Form S-8 for the Abbott Laboratories Stock Retirement Program and Trusts; and

5) Registration Statement No. 333-158124 on Form S-8 for the Amended and Restated Advanced Medical Optics, Inc. 2002 Incentive Compensation Plan, as amended, the 2004 Stock Incentive Plan, as amended and restated, the Advanced Medical Optics, Inc. 2005 Incentive Compensation Plan, the VISX, Incorporated 2001 Nonstatutory Stock Option Plan, the VISX, Incorporated 2000 Stock Plan, the VISX, Incorporated 1995 Director Option and Stock Deferral Plan, as amended and restated, and the VISX, Incorporated 1995 Stock Plan, as amended

of our reports dated February 27, 2015, with respect to the consolidated financial statements and schedule of Abbott Laboratories and subsidiaries, and the effectiveness of internal control over financial reporting of Abbott Laboratories and subsidiaries, included in this Annual Report (Form 10-K) of Abbott Laboratories and subsidiaries for the year ended December 31, 2014.

/s/ Ernst & Young LLP

Chicago, Illinois
February 27, 2015

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Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-158782 on Form S-8 for the Abbott Laboratories 2009 Incentive Stock Program; Registration Statement Nos. 333-09071, 333-43381, 333-69547, 333-93253, 333-52768, 333-74228, 333-102178, 333-109250, 333-124850, and 333-158782 on Form S-8 for the Abbott Laboratories 1996 Incentive Stock Program; Registration Statement Nos. 333-74220, 333-102179, 333-124851, 333-153200, and 333-169886 on Form S-8 for the Abbott Laboratories Deferred Compensation Plan; Registration Statement Nos. 33-26685, 33-50452, 33-51585, 33-56897, 33-65127, 333-19511, 333-43383, 333-69579, 333-93257, 333-74224, 333-102180, 333-109253, 333-124849, 333-141116, 333-153198, and 333-169888 on Form S-8 for the Abbott Laboratories Stock Retirement Program and Trusts; and Registration Statement No. 333-158124 on Form S-8 for the Amended and Restated Advanced Medical Optics, Inc. 2002 Incentive Compensation Plan, as amended, the 2004 Stock Incentive Plan, as amended and restated, the Advanced Medical Optics, Inc. 2005 Incentive Compensation Plan, the VISX, Incorporated 2001 Nonstatutory Stock Option Plan, the VISX, Incorporated 2000 Stock Plan, the VISX, Incorporated 1995 Director Option and Stock Deferral Plan, as amended and restated, and the VISX, Incorporated 1995 Stock Plan, as amended of our reports dated February 21, 2014 (February 27, 2015 as to Note 3), relating to the financial statements and financial statement schedule of Abbott Laboratories and subsidiaries (the "Company"), as of and for each of the two years in the period ended December 31, 2013 (which reports express an unqualified opinion and include an explanatory paragraph regarding the retrospective adjustment to reflect the developed markets branded generics pharmaceuticals and the animal health businesses as discontinued operations and the distribution of the shares of AbbVie Inc. to the Company's shareholders), appearing in this Annual Report on Form 10-K of the Company for the year ended December 31, 2014.

/s/ Deloitte & Touche LLP

Chicago, Illinois
February 27, 2015

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Exhibit 31.1

Certification of Chief Executive Officer
Required by Rule 13a-14(a) (17 CFR 240.13a-14(a))

I, Miles D. White, certify that:

1. I have reviewed this annual report on Form 10-K of Abbott Laboratories;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of Abbott as of, and for, the periods presented in this report;

4. Abbott's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for Abbott and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to Abbott, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of Abbott's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in Abbott's internal control over financial reporting that occurred during Abbott's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, Abbott's internal control over financial reporting; and

5. Abbott's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to Abbott's auditors and the audit committee of Abbott's board of directors:

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect Abbott's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in Abbott's internal control over financial reporting.

/s/ MILES D. WHITE

Miles D. White,
Chairman of the Board and
Chief Executive Officer

Date: February 27, 2015

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Exhibit 31.2

Certification of Chief Financial Officer
Required by Rule 13a-14(a) (17 CFR 240.13a-14(a))

I, Thomas C. Freyman, certify that:

1. I have reviewed this annual report on Form 10-K of Abbott Laboratories;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of Abbott as of, and for, the periods presented in this report;

4. Abbott's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for Abbott and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to Abbott, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of Abbott's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in Abbott's internal control over financial reporting that occurred during Abbott's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, Abbott's internal control over financial reporting; and

5. Abbott's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to Abbott's auditors and the audit committee of Abbott's board of directors:

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect Abbott's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in Abbott's internal control over financial reporting.

/s/ THOMAS C. FREYMAN

Thomas C. Freyman,
Executive Vice President, Finance
and Chief Financial Officer

Date: February 27, 2015

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Exhibit 32.1

Certification Pursuant To
18 U.S.C. Section 1350
As Adopted Pursuant To
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of Abbott Laboratories (the "Company") on Form 10-K for the period ended December 31, 2014 as filed with the Securities and Exchange Commission (the "Report"), I, Miles D. White, Chairman of the Board and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ MILES D. WHITE

Miles D. White,
Chairman of the Board and
Chief Executive Officer

Date: February 27, 2015

A signed original of this written statement required by Section 906 has been provided to Abbott Laboratories and will be retained by Abbott Laboratories and furnished to the Securities and Exchange Commission or its staff upon request.

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Exhibit 32.2

Certification Pursuant To
18 U.S.C. Section 1350
As Adopted Pursuant To
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of Abbott Laboratories (the "Company") on Form 10-K for the period ended December 31, 2014 as filed with the Securities and Exchange Commission (the "Report"), I, Thomas C. Freyman, Executive Vice President, Finance and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ THOMAS C. FREYMAN

Thomas C. Freyman,
Executive Vice President, Finance
and Chief Financial Officer

Date: February 27, 2015

A signed original of this written statement required by Section 906 has been provided to Abbott Laboratories and will be retained by Abbott Laboratories and furnished to the Securities and Exchange Commission or its staff upon request.

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