

**Miles D. White**  
**Annual Shareholders' Meeting**  
**April 27, 2018**

2017 was an outstanding year for our company – a watershed year, in fact, in which we not only delivered superb performance, but laid out clear paths to our future growth.

This success is a direct result of the work we do to ensure that Abbott remains responsive to the changes in our environment and relevant to the people we serve.

For years, we've worked continually to build Abbott in very deliberate and strategic ways. We've shaped the company to ensure that it meets a well-defined competitive profile with strength in four critical areas:

First is Balance. We want a complementary portfolio of businesses that multiply our opportunities and minimize our risks.

Next, we seek opportunities that are Global in scope, so we can bring our life-changing technologies to as many people as possible.

Third, we focus where the Opportunity is greatest – on health needs that are serious, that affect significant numbers of people, and where science makes meaningful impact possible.

And all of these characteristics add up to the final and most important one: Leadership. We intend to be number one or number two in the markets in which we compete. And we accomplish this by being a leader scientifically, commercially, and operationally across our businesses and around the world. In the last year, we advanced significantly on all of these strategic fronts.

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The numbers contained herein are non-GAAP measures. For full financial data and reconciliation of non-GAAP measures, please see Abbott's full-year 2017 and first-quarter 2018 results press releases, dated January 24, 2018, and April 18, 2018, respectively, as well as the company's 2018 Proxy Statement. These documents are available online at [www.abbottinvestor.com](http://www.abbottinvestor.com).

Perhaps the most prominent way in which we shape our company over time is by choosing the businesses we'll be in. 2017 was a milestone year for us in this regard, with two major strategic acquisitions to help drive future growth.

First was the addition of St. Jude Medical, which we completed at the beginning of the year and has had an immediate and powerfully positive impact for our business.

In addition to our established position in vascular care, we're now a leader across the spectrum of cardiac-care specialties.

And St. Jude also made us the market leader in an important and fast-growing new field: neuromodulation to treat chronic pain and movement disorders, such as Parkinson's disease.

These expansions of our position have made us one of the world's premier medical-device companies, bringing this business to the same level of strength and leadership that our other businesses have occupied in their markets.

Our second addition was the diagnostics company, Alere. While St. Jude took us from a narrow position to broad leadership, Alere did essentially the opposite: it filled in one of the few areas in diagnostics where we were not already a leader – rapid testing.

With this acquisition, Abbott became the world leader in point-of-care diagnostic testing, with a targeted portfolio of systems and tests focused in three key areas: cardio-metabolic, infectious disease, and toxicology.

Just as important to our long-term success is how we shape the company through internal advancements – namely the new products and technologies that we develop in our labs here at Abbott.

We're enjoying a period of extraordinary R&D success today – as productive as any in our history, with dozens of new product approvals.

Our goal as a company is to help people live their best lives by bringing them life-changing technologies that help them get healthy and stay that way.

We're doing that today – across our businesses, and in multiple dimensions. We're succeeding at creating both breakthrough invention that revolutionizes care, and incremental innovation that continually refines our products and makes them more appealing and useful to customers around the world.

I'll discuss specific innovations in greater detail as I review our individual businesses.

Our success in shaping the company in these critical ways produced outstanding results in 2017.

Adjusting to account for acquisitions, our worldwide sales increased approximately 5 percent on an operational basis, reaching \$27.4 billion. Earnings per share rose by nearly 14 percent, our best performance in several years.

We also delivered a 113 percent increase in free cash flow thanks to focused effort in every one of our businesses. We raised another key financial indicator, EBITDA – or, earnings before interest, taxes, depreciation and amortization – by 43 percent, the best performance in our peer group.

And just last week we announced another outstanding quarter. We delivered ongoing earnings per share growth of almost 23 percent and organic sales growth of approximately 7 percent.

Our performance in 2017 helped produce the best year for Abbott shares in 20 years. Our stock price rose almost 50 percent – two-and-a-half times the growth of the S&P 500 and almost double the Dow Jones Index – hitting 20 all-time highs along the way.

And so far this year, we're again near the top of our peer group – these are the global multinational companies that share similar investment identities and operating characteristics with Abbott; and to which we compare our performance.

These strong results allowed us to return more than \$2 billion to shareholders in the form of dividends and share repurchases.

This performance again makes us a member of the S&P 500 Dividend Aristocrats Index, which recognizes companies that have raised their dividend for at least 25 consecutive years. We've done it every year since 1973.

And, in February, we paid our 376th consecutive quarterly dividend since 1924 – that's almost 95 years in a row.

Those dividends, combined with the growth in our stock price, resulted in a Total Shareholder Return of 52 percent for 2017 – the best in our fundamental peer group by a significant margin.

As I walk you through the highlights from each of our businesses, you'll get a better sense of how these results were achieved, and how we're going to sustain our success going forward.

I'll start with Diagnostics, which remains one of our strongest-performing businesses. It delivered close to 6 percent growth in 2017 and is poised to change the face of its industry over the next several years.

Each segment of this business – Core Laboratory, Molecular testing, Point of Care testing, and Informatics – is growing well. And our sales are balanced geographically, with strong, consistent, above-global-market growth.

Across this business, we're launching new products and establishing new initiatives to help ensure our long-term success.

Most notable among these is the continued rollout of our biggest diagnostics advancement in years, Alinity. This is an integrated family of next-generation diagnostic systems that includes new instruments for clinical chemistry, immunoassay, hematology, point of care testing, blood screening, and molecular diagnostics – essentially the full spectrum of our customers' needs.

Around the world, healthcare systems are being asked to handle unprecedented volumes of tests, on limited budgets, with limited staff, in limited space. Alinity will help them meet these challenges better than any technology available today.

Thus far, we've received European and U.S. regulatory approval for a number of instruments in this series, and we're conducting a global rollout of the entire line over the next few years.

This is an undertaking of unprecedented scope and ambition, and we believe it will be a game changer for diagnostics – not just for our company, but for the industry, worldwide.

It's the first time that any company has developed and launched such a comprehensive, integrated line of systems. And it will help sustain our leadership in medical testing for years to come.

And in our new Rapid Diagnostics business, the products we gained not only let us access new channels – such as doctors' offices, clinics, pharmacies, and the patient's home – they also expand our platforms to include bench-top and rapid strip tests.

So, as you can see, this is a very exciting time for our Diagnostics business.

Next, I'll cover our Established Pharmaceuticals Division – our branded-generics business – which grew by almost 10 percent in 2017, with close to 12 percent growth in our key markets.

This business is built on Abbott's strong reputation. Our customers know that they can count on the quality and effectiveness of the medicines we offer. So they're willing to pay a slight premium versus a standard generic drug from a less-trusted manufacturer.

Key to our success here is that we are powered globally, but driven locally. We have the manufacturing scale and the research infrastructure we need to remain competitive, but we make decisions at the local level, so we're nimble enough to respond quickly and effectively when markets change.

We have a portfolio of more than 1500 products that we're constantly improving, creating new delivery methods and formulations, expanding indications, and improving packaging to create targeted product offerings that meet the specific needs of each market we serve.

Our pharmaceuticals business is unique because we're focused exclusively on emerging economies. These markets are growing rapidly, their populations are aging, their middle-classes are expanding, and their healthcare systems are developing, creating excellent opportunities for long-term growth.

Moving on to our Nutrition business.

Abbott remains the leading pediatric nutrition company here in the U.S. And we're the worldwide leader in adult nutrition – a segment that represents almost half of our sales in this business.

Nutrition continued to face some challenges in 2017 – delivering low single-digit growth for the year. But we saw sequential improvement every quarter.

In our Pediatric business, we're consistently achieving above-market growth in the U.S. And we further strengthened our position with the launch of Similac Pro-Advance and Similac Pro-Sensitive.

These were the first infant formulas in the U.S. to include human milk oligosaccharides, an innovative ingredient that helps strengthen babies' immune systems. This is an important advance in one of our signature products.

And in Adult Nutrition, our growth has been led by Ensure, the world's best-selling product in its category.

Last year, we expanded our impact in this business with two new science-based nutrition drinks for patients undergoing surgery:

Ensure Pre-Surgery Clear is a carbohydrate drink that allows patients to take in nutrition up to two hours before surgery, helping improve outcomes.

Ensure Surgery Immunonutrition is for people to consume in the weeks leading up to and following surgery to provide nutrients to help with immune health and recovery.

And I'll close with Medical Devices, which, as you know, is a diverse group of businesses that share a common focus on leading-edge technological innovation.

With the addition of St. Jude Medical, our Medical Device sales almost doubled, and we now hold number one or number two positions across the spectrum of large and high-growth cardiovascular-device markets.

And, thanks to the technological leadership we acquired with St. Jude, we have one of the most promising new-product pipelines in the medical-device industry.

In Cardiac Rhythm Management – our implantable pacemakers and defibrillators – we received FDA approvals for a number of devices that are safe to use while having an MRI exam, which is important for this patient population. This closes a product gap and has helped us grow market share and accelerate our sales growth in this segment.

In Electrophysiology, we offer tools to diagnose and treat atrial fibrillation, a type of heart-rhythm disorder. This business grew 12 percent on a comparable operational basis last year, driven by products like Ensite Precision, our best-in-class cardiac-mapping system. We also launched our next-generation CONFIRM insertable cardiac monitor in Europe and the U.S.

In Heart Failure treatment, we delivered almost 5 percent growth. In September, we launched HeartMate 3 in the U.S. This life-saving system helps pump blood through the body for advanced heart-failure patients as they await further treatment, such as heart transplant.

We also have an on-going development program to make the HeartMate 3 available as “Destination Therapy” – meaning longer-term use when transplant isn't an option.

And in Neuromodulation, our state-of-the-art products helped us achieve more than 40 percent sales growth and established Abbott as the worldwide leader in non-opioid

technology to relieve chronic pain.

These breakthrough devices use electrical impulses to alter the activity of certain nerve cells – and can make a life-changing difference for people with chronic pain or movement disorders like Parkinson’s disease.

And St. Jude – and what it brought us – is just part of our story in medical devices.

We continue to build on the success of MitraClip, our cutting-edge valve-repair device from our Structural Heart business, which grew almost 12 percent last year.

We had a notable addition to this business earlier this year with the FDA approval of our Masters HP 15 millimeter – the world’s smallest mechanical heart valve. This is a life-saving breakthrough that will help treat newborns and infants with congenital heart defects.

In our Vascular business, we launched Xience Sierra, the newest generation of our leading Xience stent system, in Europe. We anticipate bringing Sierra to the U.S. in the next few months.

And in Diabetes Care, Freestyle Libre, our breakthrough monitoring technology, helped drive sales growth of almost 23 percent. Libre is changing the way people have tested their glucose levels for decades.

People who use this award-winning system don’t have to endure the pain of routine finger-sticks – they can take readings easily using a wireless sensor worn on the arm.

FreeStyle Libre is now available in every major market in the world, having received U.S. FDA approval last year. And more than 20 countries now offer some level of reimbursement, making it even easier for people to access this technology. Today, we have roughly 650,000 Libre users around the world – and we added nearly 150,000 of those just in the first quarter of this year.

To meet this rapidly growing demand, we’re making significant investments to expand our manufacturing capacity. By 2021, we’ll have the capacity to serve several million

Libre users.

As a result of this continued success, our company has received a great deal of positive recognition across all aspects of our operations.

We've been acknowledged as an outstanding employer in a number of categories and countries around the world, as a leading global citizen, and for the quality of our science

And as a result of this success across our operations, Abbott was again named the Most Admired Company in our industry in *Fortune Magazine's* annual ranking.

This is our fifth year in a row at the top of this list, which is one of the world's leading gauges of corporate reputation.

So, as you can see, this is a very good time for our company. 2017 was a landmark year of building for our next leap forward.

Thanks to our continual shaping of the company, Abbott today is in a range of businesses, geographies, and technologies, that will allow us to keep growing, evolving, and succeeding for years to come. We have the pieces in place to build our next great era, and to bring our life-changing technologies to more people than ever before.

Thank you.