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

FORM 10-K

(MARK ONE)

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

OR

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

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1999 COMMISSION FILE NUMBER 1-2189

[LOGO] ABBOTT LABORATORIES

AN ILLINOIS CORPORATION	36-0698440 (I.R.S. employer identification number)
100 ABBOTT PARK ROAD ABBOTT PARK, ILLINOIS 60064-6400	(847) 937-6100 (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 (including Preferred Stock Purchase Rights)	New York Stock Exchange Chicago Stock Exchange Pacific Exchange

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 _X_ NO ____

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. [X]

THE AGGREGATE MARKET VALUE OF THE 1,439,038,517 SHARES OF VOTING STOCK HELD BY NONAFFILIATES OF THE REGISTRANT, COMPUTED BY USING THE CLOSING PRICE AS REPORTED ON THE CONSOLIDATED TRANSACTION REPORTING SYSTEM FOR ABBOTT LABORATORIES COMMON SHARES WITHOUT PAR VALUE ON JANUARY 31, 2000, WAS APPROXIMATELY $46,858,691,709. ABBOTT HAS NO NON-VOTING COMMON EQUITY.

NUMBER OF COMMON SHARES OUTSTANDING AS OF JANUARY 31, 2000: 1,547,694,358.

DOCUMENTS INCORPORATED BY REFERENCE

PORTIONS OF THE ABBOTT LABORATORIES ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 1999 ARE INCORPORATED BY REFERENCE INTO PARTS I, II, AND IV.

PORTIONS OF THE 2000 ABBOTT LABORATORIES PROXY STATEMENT ARE INCORPORATED BY REFERENCE INTO PART III.

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 and services.

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

Incorporated herein by reference is the Note entitled "Segment and Geographic Area Information" of the Notes to Consolidated Financial Statements in the Abbott Laboratories Annual Report for the year ended December 31, 1999 (1999 Annual Report), filed as an exhibit to this report.

NARRATIVE DESCRIPTION OF BUSINESS

Abbott has five reporting revenue segments: Pharmaceutical Products, Diagnostic Products, Hospital Products, Ross Products, and International. Abbott also has a 50 percent owned joint venture, TAP Holdings Inc.

PHARMACEUTICAL PRODUCTS

This segment's products include a broad line of adult and pediatric pharmaceuticals which are sold primarily on the prescription or recommendation of physicians.

The principal products included in this segment are the anti-infectives clarithromycin, sold in the United States under the trademark Biaxin-Registered Trademark-, and various forms of erythromycin, sold primarily as PCE-Registered Trademark- or polymer coated erythromycin, Erythrocin-Registered Trademark-, and E.E.S.-Registered Trademark-; agents for the treatment of epilepsy, migraine, and bipolar disorder, including Depakote-Registered Trademark- and Gabitril-Registered Trademark-; a broad line of urology products, including Flomax-Registered Trademark- for the treatment of benign prostatic hyperplasia; Abbokinase-Registered Trademark-, a thrombolytic drug; TriCor-Registered Trademark- for the treatment of elevated triglycerides; and the anti-viral Norvir-Registered Trademark-, a protease inhibitor for the treatment of HIV infection. In addition, this segment co-promotes the proton pump inhibitor Prevacid-Registered Trademark- (lansoprazole) for the short-term treatment of duodenal ulcers, gastric ulcers, and erosive esophagitis, under an agreement with TAP Pharmaceuticals Inc.

This segment markets its products in the United States. These products are generally sold directly to wholesalers, government agencies, health care facilities, and independent retailers from Abbott-owned distribution centers and public warehouses. Primary marketing efforts for pharmaceutical products are directed toward securing the prescription of Abbott's brand of products by physicians. Managed care purchasers (for example, health maintenance organizations and pharmacy benefit managers) are increasingly important customers.

Competition is generally from other broad line pharmaceutical companies. A significant aspect of competition is the search for technological innovations. The introduction of new products by competitors and changes in medical practices and procedures can result in product obsolescence. Price can also be a factor. In addition, the substitution of generic drugs for the brand prescribed has increased competitive pressures on pharmaceutical products which are off-patent.

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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.

DIAGNOSTIC PRODUCTS

This segment's products include diagnostic systems and tests for blood banks, hospitals, commercial laboratories, alternate-care testing sites, and consumers.

The principal products included in this segment are systems and reagents used to perform immunoassay tests including Architect-Registered Trademark-, AxSYM-Registered Trademark-, IMx-Registered Trademark-, Abbott Quantum-TM-; Commander-Registered Trademark-, and Abbott PRISM-Registered Trademark- lines of instruments and chemical reagents; screening tests for hepatitis B, HTLV-I/II, hepatitis B core, and hepatitis C; tests for detection of HIV antibodies and antigens, and other infectious disease detection systems; tests for determining levels of abused drugs; physiological diagnostic tests; cancer monitoring tests including tests for prostate specific antigen; therapeutic drug monitoring tests and systems such as TDx-Registered Trademark- and TDxFlx-Registered Trademark-; the Murex-Registered Trademark- line of microtiter-based immunoassay test kits; the LCx-Registered Trademark- amplified probe system and reagents; the Abbott TestPack-Registered Trademark- and Determine-Registered Trademark- systems for rapid diagnostic testing; clinical chemistry systems such as Abbott Spectrum-Registered Trademark-, Aeroset-Registered Trademark-, Alcyon-Registered Trademark-, and Abbott Vision-Registered Trademark-; a full line of hematology systems and reagents known as the Cell-Dyn-Registered Trademark- series; the MediSense-Registered Trademark- line of blood glucose monitoring meters and test strips for diabetics including Precision Xtra-Registered Trademark-, Precision Q.I.D.-Registered Trademark-,the ExacTech-Registered Trademark-, the MediSense II-TM-, the ExacTech RSG-Registered Trademark-, Precision G-Registered Trademark- and Precision PCx-Registered Trademark- hospital systems; and the Fact Plus-Registered Trademark- and Fact Plus-Registered Trademark- One Step pregnancy tests. In addition, this segment distributes the i-STAT-Registered Trademark- point-of-care testing system through an exclusive long-term sales and marketing alliance with i-STAT Corporation.

This segment markets its products worldwide. These products are generally marketed and sold directly to hospitals, laboratories, and physicians' offices 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. Blood glucose monitoring meters and test strips for diabetics and the Fact Plus-Registered Trademark- and Fact Plus-Registered Trademark- One Step pregnancy tests are sold over the counter to consumers.

This 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. Abbott has benefitted from technological advantages of certain of its current products; however, these advantages may be reduced or eliminated as competitors introduce new products. For a specified period, certain of this segment's products are subject to restrictions on their sale in the United States. These restrictions are discussed in Regulation on page 7.

HOSPITAL PRODUCTS

This segment's products include drugs and drug delivery systems, perioperative and intensive care products, cardiovascular products, renal products, oncology products, intravenous and irrigation solutions, related manual and electronic administration equipment, and diagnostic imaging products for hospitals and alternate-care sites.

The principal products included in this segment are hospital injectables including Carpuject-Registered Trademark- and FirstChoice-Registered Trademark- generics; premixed intravenous drugs in various containers; ADD-Vantage-Registered Trademark- and Nutrimix-Registered Trademark- drug and nutritional delivery systems; anesthetics, including Pentothal-Registered Trademark-, Amidate-Registered Trademark-, Ultane-Registered Trademark-, isoflurane, and enflurane; products for anxiety, nausea and pain associated with surgery; cardiovascular products including Techstar-Registered Trademark-, Prostar-Registered Trademark-, and The Closer-TM- vessel closure products, Opticath-Registered Trademark- and OptiQ-TM- advanced sensor catheters, Transpac-Registered Trademark- for hemodynamic monitoring, peripheral wires, catheters, and other specialty cardiac products; Calcijex-Registered Trademark- and Zemplar-TM-, injectable agents for treatment of bone disease in hemodialysis patients; intravenous solutions and related administration equipment sold as the LifeCare-Registered Trademark- line of products, LifeShield-Registered Trademark- needleless products, and Venoset-Registered Trademark- products; irrigating fluids; parenteral nutritionals such as Aminosyn-Registered Trademark- and Liposyn-Registered Trademark-; Plum-Registered Trademark-, Omni-Flow-Registered Trademark-, and Abbott AIM-Registered Trademark- electronic drug delivery systems; Abbott Pain Manager-Registered Trademark-; patient-controlled analgesia systems; venipuncture products; diagnostic imaging products used in MRI (magnetic resonance imaging) and CT (computed tomography) imaging;

and Faultless-Registered Trademark- rubber sundry products. In the fourth quarter of 1999, Abbott acquired all of the outstanding shares of Perclose, Inc., a company that designs, manufactures, and markets less invasive medical devices that automate the surgical closure or connection of blood vessels.

This segment markets its products in the United States. They are generally distributed to wholesalers and directly to hospitals from Abbott-owned distribution centers and public warehouses. This segment also develops and manufactures products for other companies.

This segment's products are subject to competition in technological innovation, price, convenience of use, instrument warranty provisions, 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. Abbott has benefitted from technological advantages of certain of its current products; however, these advantages may be reduced or eliminated as competitors introduce new products.

ROSS PRODUCTS

This segment's products include a broad line of adult and pediatric nutritionals. These products are sold primarily on the recommendation of physicians or other health care professionals. The segment also includes specialty pharmaceuticals and consumer products.

Principal nutritional products include various forms of prepared infant formula, including Similac-Registered Trademark-, Isomil-Registered Trademark-, Alimentum-Registered Trademark-, and NeoSure-Registered Trademark-; and other adult and pediatric products, including Ensure-Registered Trademark-, Ensure Plus-Registered Trademark-, Ensure-Registered Trademark- High Protein, Ensure-Registered Trademark-Light, Jevity-Registered Trademark-, Glucerna-Registered Trademark-, PediaSure-Registered Trademark-, Pedialyte-Registered Trademark-, and Pulmocare-Registered Trademark-. Principal consumer products include the dandruff shampoo Selsun Blue-Registered Trademark-; Murine-Registered Trademark- eye care and ear care products; and Tronolane-Registered Trademark- hemorrhoid medication. The principal pharmaceutical product is Survanta-Registered Trademark-. In addition, this segment co-promotes Synagis-Registered Trademark- under an agreement with MedImmune Incorporated.

This segment markets its products in the United States. Nutritional products are generally sold directly to retailers, wholesalers, health care facilities, and government agencies. In most cases, they are distributed from Abbott-owned distribution centers or public warehouses. Primary marketing efforts for nutritional products are directed toward securing the recommendation of Abbott's brand of products by physicians or other health care professionals. Competition is generally from other broad line and specialized health care manufacturers. Nutritional products are subject to competition in price, formulation, scientific innovation, and promotional initiatives.

This segment's pharmaceutical products are generally sold directly to physicians, retailers, wholesalers, health care facilities, and government agencies. In most cases, they are distributed from Abbott-owned distribution centers or public warehouses. Primary marketing efforts for pharmaceutical products are directed at securing the prescription of Abbott's brand of products by physicians. Competition is generally from other broad line pharmaceutical companies. A significant aspect of competition is the search for technological innovations. The introduction of new products by competitors and changes in medical practices and procedures can result in product obsolescence. Price can also be a factor. In addition, the substitution of generic drugs for the brand prescribed has increased competitive pressures on pharmaceutical products which are off-patent.

Consumer products and Ensure-Registered Trademark- retail products are promoted directly to the public by consumer advertising. These products are generally sold directly to retailers and wholesalers. Competitive products are sold by other diversified consumer and health care companies. Competitive factors include consumer advertising, formulation, scientific innovation, price, and availability of generic product forms.

Ensure-Registered Trademark- is the leading adult nutritional and Similac-Registered Trademark- is a leading infant formula in the United States. (Source: A. C. Nielsen Co.)

INTERNATIONAL

This segment's products include a broad line of hospital, pharmaceutical, and adult and pediatric nutritional products marketed and primarily manufactured outside the United States. These products are sold primarily on the prescription or recommendation of physicians and other health care professionals. This segment also includes consumer products.

This segment's principal products include the anti-infectives clarithromycin, sold under the trademarks Biaxin-Registered Trademark-, Klacid-Registered Trademark- and Klaricid-Registered Trademark-, tosufloxacin, sold in Japan under the trademark Tosuxacin-Registered Trademark-, and various forms of the antibiotic erythromycin, sold primarily as PCE-Registered Trademark- or polymer coated erythromycin, Erythrocin-Registered Trademark-, and E.E.S.-Registered Trademark-; the anti-viral Norvir-Registered Trademark-, a protease inhibitor for the treatment of HIV infection; Lupron-Registered Trademark-, also marketed as Lucrin-Registered Trademark-, used for the palliative treatment of advanced prostate cancer, treatment of endometriosis and central precocious puberty and for the preoperative treatment of patients with anemia caused by uterine fibroids; Prevacid-Registered Trademark- (lansoprazole), a proton pump inhibitor for the short-term treatment of duodenal ulcers, gastric ulcers, and erosive esophagitis; various cardiovascular products, including Loftyl-Registered Trademark-, a vasoactive agent; Hytrin-Registered Trademark-, also marketed as Hitrin-Registered Trademark- and Flotrin-Registered Trademark-, used as an anti-hypertensive and for the treatment of benign prostatic hyperplasia, and candesartan, sold under the trademarks Blopress-TM- and Tiadyl-TM-, an angiotension 2 antagonist; meloxicam, a preferential COX-2 inhibitor; various forms of infant formulas and follow-on formulas, including Similac Advance-Registered Trademark-, Gain-Registered Trademark-, and Abbott Grow-TM-; various adult medical nutritionals, including Ensure-Registered Trademark-, Glucerna-Registered Trademark-, and Jevity-Registered Trademark-; and a broad line of hospital products, including the anesthesia products sevoflurane (sold outside of the United States primarily under the trademark Sevorane-Registered Trademark- and in a few other markets as Ultane-Registered Trademark-), isoflurane, and enflurane; specialty injectables such as Calcijex-Registered Trademark- and Survanta-Registered Trademark-; and electronic drug delivery systems sold in selective international markets.

This segment's pharmaceutical and nutritional products are generally sold directly to government agencies, retailers, wholesalers, and health care facilities. In most cases, they are distributed from Abbott-owned distribution centers. Certain products are co-marketed with other companies. Some of these products are marketed and distributed through distributors. Primary marketing efforts for pharmaceutical products are directed toward securing the prescription of Abbott's brand of products by physicians. Competition is generally from other broad line and specialized pharmaceutical companies. A significant aspect of competition is the search for technological innovations. The introduction of new products by competitors and changes in medical practices and procedures can result in product obsolescence. Price can also be a factor. In addition, the substitution of generic drugs for the brand prescribed has increased competitive pressures on pharmaceutical products. Primary marketing efforts for nutritional products are directed toward securing the recommendation of Abbott's brand of products by physicians or other health care professionals. Competition is generally from other broad line and specialized health care manufacturers and food companies. Nutritional products are subject to competition in price, scientific innovation, formulation, and promotional initiatives.

This segment's hospital products are generally distributed to wholesalers and directly to hospitals from distribution centers maintained by Abbott. This segment is subject to competition in technological innovation, price, convenience of use, instrument warranty provisions, service, product performance, long-term supply contracts, and product potential for overall cost effectiveness and productivity gains. Products in this segment can be subject to rapid product obsolescence. Abbott has benefitted from technological advantages of certain of its current products; however, these advantages may be reduced or eliminated as competitors introduce new products.

TAP HOLDINGS INC.

Under an agreement between Abbott and Takeda Chemical Industries, Ltd. of Japan (Takeda), TAP Holdings Inc. (owned 50 percent by Abbott and 50 percent by an affiliate of Takeda), together with its subsidiary, TAP Pharmaceuticals Inc. (TAP), develops and markets pharmaceutical products for the

United States and Canada. TAP markets Lupron-Registered Trademark-, an LH-RH analog, and Lupron Depot-Registered Trademark-, a sustained release form of Lupron-Registered Trademark-, in the United States. Lupron-Registered Trademark- and Lupron Depot-Registered Trademark- are used principally for the palliative treatment of advanced prostate cancer and the treatment of endometriosis. TAP also markets Prevacid-Registered Trademark- (lansoprazole), a proton pump inhibitor, and has a co-promotion arrangement with Abbott for Prevacid-Registered Trademark-. Its principal indications are for heartburn and other symptoms associated with gastroesophageal reflux disease (GERD), erosive esophagitis, short-term treatment of duodenal ulcers, the maintenance of healed erosive esophagitis and duodenal ulcers. Abbott has marketing rights to certain Takeda products in select Latin American markets. Abbott also markets Lupron-Registered Trademark-, Lupron Depot-Registered Trademark-, Lucrin-Registered Trademark-, Lupron Depot-Ped-Registered Trademark-, and Prevacid-Registered Trademark- in select markets outside the United States.

TAP's products are generally sold directly to physicians, retailers, wholesalers, health care facilities, and government agencies. In most cases, they are distributed from Abbott-owned distribution centers. Primary marketing efforts for pharmaceutical products are directed toward securing the prescription of TAP's brand of products by physicians. Managed care purchasers, for example, health maintenance organizations (HMOs) and pharmacy benefit managers, are increasingly important customers. Competition is generally from other pharmaceutical companies. A significant aspect of competition is the search for technological innovations. The introduction of new products by competitors and changes in medical practices and procedures can result in product obsolescence. Price can also be a factor. In addition, the substitution of generic drugs for the brand prescribed has increased competitive pressures on pharmaceutical products which are off-patent.

INFORMATION WITH RESPECT TO ABBOTT'S BUSINESS IN GENERAL

SOURCES AND AVAILABILITY OF RAW MATERIALS

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

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 all countries of major marketing interest to Abbott. Abbott owns, has applications pending for, and is licensed under a substantial number of patents. Principal trademarks and the products they cover are discussed in the Narrative Description of Business on pages 1 through 5. These, and various patents which expire during the period 2000 to 2020, in the aggregate, are believed to be of material importance in the operation of Abbott's business. Abbott believes that no single patent, license, trademark (or related group of patents, licenses, or trademarks), except for those related to clarithromycin (which is sold under the trademarks Biaxin-Registered Trademark-, Klacid-Registered Trademark- and Klaricid-Registered Trademark-), are material in relation to Abbott's business as a whole. The original United States compound patent covering clarithromycin is licensed from Taisho Pharmaceutical Co., Ltd. of Tokyo, Japan, and will expire in 2005. In addition, the patents, licenses, and trademarks related to divalproex sodium (which is sold under the trademark Depakote-Registered Trademark-) are significant for Abbott's Pharmaceutical Products segment. The original United States compound patents covering divalproex sodium will expire in 2008. Litigation involving Abbott's patents covering divalproex sodium is discussed in Legal Proceedings on pages 10 and 11.

SEASONAL ASPECTS, CUSTOMERS, BACKLOG, AND RENEGOTIATION

There are no significant seasonal aspects to Abbott's business. The incidence of certain infectious diseases which occur at various times in different areas of the world does, however, affect the demand for Abbott's anti-infective products. Orders for Abbott's products are generally filled on a current basis, and order backlog is not material to Abbott's business. No single customer accounted for sales equaling

10 percent or more of Abbott's consolidated net sales. No material portion of Abbott's business is subject to renegotiation of profits or termination of contracts at the election of the government.

RESEARCH AND DEVELOPMENT

Abbott spent $1,193,963,000 in 1999, $1,228,777,000 in 1998, and $1,307,362,000 in 1997 on research to discover and develop new products and processes and to improve existing products and processes. Abbott continues to concentrate research expenditures on pharmaceutical and diagnostic products.

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 1999 were approximately $20 million and $54 million, respectively. Capital and operating expenditures for pollution control are estimated to approximate $19 million and $57 million, respectively, in 2000.

Abbott has been identified as one of many potentially responsible parties in investigations and/or remediations at twenty-four locations in the United States including Puerto Rico under the Comprehensive Environmental Response, Compensation, and Liability Act, commonly known as Superfund. The aggregate costs of remediation at these sites by all identified parties are uncertain but have been subject to widely ranging estimates totaling as much as several hundred million dollars. In many cases, Abbott believes that the actual costs will be lower than these estimates, and the fraction for which Abbott may be responsible is anticipated to be considerably less and will be paid out over a number of years. Abbott may participate in the investigation or cleanup at these sites. Abbott is also voluntarily investigating potential contamination at two Abbott-owned sites, and has initiated remediation at four sites, in cooperation with the Environmental Protection Agency (EPA) or similar state agencies.

While it is not feasible to predict with certainty the costs related to the previously described investigation and cleanup 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 57,100 persons as of December 31, 1999.

REGULATION

In late 1998, the United States Food and Drug Administration (FDA) suspended its approval of the release of production lots of Abbott's pharmaceutical product Abbokinase-Registered Trademark- due to current Good Manufacturing Practice concerns raised by the FDA following inspections of Abbott and its raw material supplier. In January 1999, after Abbott revised the product's labeling to add additional warnings and the FDA issued a health care provider information sheet, the FDA released certain lots that were under its review. No lots have been released since January 1999. Abbott submitted a letter to the FDA on October 7, 1999, responding to the FDA's concerns and committing to meet all outlined criteria for the release of Abbokinase. On December 10, 1999, Abbott met with the FDA to review Abbott's plan for the qualification of new raw materials and reinitiation of manufacturing. The FDA concurred with Abbott's strategy. In the future, Abbott will sell only Abbokinase that is manufactured with new raw materials that meet the FDA's criteria. Abbott cannot predict, however, whether it will be successful in qualifying new raw material sources or the effect of this matter on future sales of Abbokinase. Sales of Abbokinase were approximately $47 million and $277 million in 1999 and 1998, respectively.

On September 28, 1999, Abbott announced that it had been notified by the United States government of alleged noncompliance with the FDA's Quality System Regulation at the Lake County, Illinois facilities of Abbott's Diagnostic Products division. On November 4, 1999, a consent decree was entered in the United States District Court for the Northern District of Illinois which settles the issues involving Abbott's diagnostic manufacturing operations in Lake County, Illinois. The decree required Abbott to make a payment of $100 million to the United States government and to ensure its diagnostic manufacturing processes in Lake County, Illinois conform with the FDA's current Quality System Regulation. The consent decree does not represent an admission by Abbott of any violation of the Federal Food, Drug and Cosmetic Act or its regulations. The decree allows for the continued manufacture and distribution of medically necessary diagnostic products made in Lake County, Illinois, such as certain assays for hepatitis, retrovirus, cardiovascular disease, cancer, thyroid disorders, fertility, drug monitoring, and congenital and respiratory conditions. However, Abbott is prohibited from manufacturing or distributing certain other diagnostic products until Abbott ensures the processes in its Lake County, Illinois diagnostics manufacturing operations conform with the current Quality System Regulation. Under the terms of the consent decree, among other actions, Abbott has submitted to the FDA proposed master compliance and validation plans to ensure its processes conform with the current Quality System Regulation. The decree requires Abbott to ensure its facilities are in conformance with the current Quality System Regulation within one year. The consent decree does not affect Abbott's MediSense, i-STAT, hematology or Murex products; the clinical chemistry products Abbott Spectrum-Registered Trademark-, Aeroset-Registered Trademark-, and Alcyon-Registered Trademark-; or any other Abbott divisions or their products. The consent decree allows Abbott to export diagnostic products and components for sale and distribution outside the United States if they meet the export requirements of the Federal Food, Drug and Cosmetic Act.

The development, manufacture, sale, and distribution of Abbott's products are subject to comprehensive government regulation. Government regulation by various federal, state, and local agencies, which includes detailed inspection of and controls over research and laboratory procedures, clinical investigations, and manufacturing, marketing, sampling, distribution, record keeping, storage, and disposal practices, substantially increases the time, difficulty, and costs incurred in obtaining and maintaining the approval to market newly developed and existing products. Government regulatory actions can result in delay in the release of products, seizure or recall of products, suspension or revocation of the authority necessary for their production and sale, and other civil or criminal sanctions.

Continuing studies of the utilization, safety, and efficacy of health care products and their components are being conducted by industry, government agencies, and others. Such studies, which employ increasingly sophisticated methods and techniques, can call into question the utilization, safety, and efficacy of previously marketed products and in some cases have resulted, and may in the future result, in the discontinuance of marketing of such products and may give rise to claims for damages from persons who believe they have been injured as a result of their use.

The cost of human health care products continues to be a subject of investigation and action by governmental agencies, legislative bodies, and private organizations in the United States and other countries. In the United States, most states have enacted generic substitution legislation requiring or permitting a dispensing pharmacist to substitute a different manufacturer's version of a pharmaceutical product for the one prescribed. Federal and state governments continue to press efforts to reduce costs of Medicare and Medicaid programs, including restrictions on amounts agencies will reimburse for the use of products. In addition, the federal government follows a diagnosis-related group (DRG) payment system for certain institutional services provided under Medicare or Medicaid and is implementing 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 diagnosis 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. Manufacturers must pay certain statutorily-prescribed rebates on Medicaid purchases for reimbursement on prescription drugs under state Medicaid plans. The

Veterans Health Care Act of 1992 requires manufacturers to extend additional discounts on pharmaceutical products to various federal agencies, including the Department of Veterans Affairs, Department of Defense, and Public Health Service entities and institutions.

In the United States, governmental cost-containment efforts have extended to the federally funded Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). All states participate in WIC and have sought and obtained rebates from manufacturers of infant formula whose products are used in the program. Over the last five years, all of the states have conducted competitive bidding for infant formula contracts which require the use of specific infant formula products by the state WIC program. The Child Nutrition and WIC Reauthorization Act of 1989 requires all states participating in WIC to engage in competitive bidding or to use any other cost containment measure that yields savings equal to or greater than the savings generated by a competitive bidding system.

Governmental regulatory agencies require prescription drug manufacturers to pay fees. The FDA imposes substantial fees on various aspects of the approval, manufacture, and sale of proprietary prescription drugs. The FDA's authority to impose these fees was reauthorized by the Food and Drug Administration Modernization Act of 1997.

Abbott expects debate to continue during 2000 at both the federal and the state level over the availability, method of delivery, and payment for health care products and services. Abbott believes that if legislation is enacted, it could have the effect of reducing prices, or reducing the rate of price increases, for medical products and services.

International operations are also subject to a significant degree of government regulation. Many countries, directly or indirectly through reimbursement limitations, control the selling price of most health care products. Furthermore, many developing countries limit the importation of raw materials and finished products. International regulations also are having an impact on United States regulations. The International Organization for Standardization (ISO) provides the criteria for meeting the regulations for medical devices within the European Union. Abbott has made significant strides in gaining ISO 9000 and European Norm 46000 certification for facilities that manufacture devices for European markets. The FDA recently adopted regulations governing the manufacture of medical devices that appear to encompass and exceed the ISO's approach to regulating medical devices. The FDA's adoption of the ISO's approach to regulation and other changes to the manner in which the FDA regulates medical devices will increase the cost of compliance with those regulations.

Efforts to reduce health care costs are also being made in the private sector. Health care providers have responded by instituting various cost reduction and containment measures.

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

Abbott markets products in approximately 130 countries 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.

ITEM 2. PROPERTIES

Abbott's corporate offices are located at 100 Abbott Park Road, Abbott Park, Illinois 60064-6400. The locations of Abbott's principal plants are listed below.

LOCATION	REPORTABLE REVENUE SEGMENTS OF PRODUCTS PRODUCED
Abbott Park, Illinois	Pharmaceutical Products, Diagnostic Products, and Hospital Products
Abingdon, England	Diagnostic Products
Altavista, Virginia	Ross Products
Ashland, Ohio	Hospital Products
Austin, Texas	Hospital Products
Barceloneta, Puerto Rico	Pharmaceutical Products and Diagnostic Products
Bedford, Massachusetts	Diagnostic Products
Brockville, Canada	International
Campoverde, Italy	International
Casa Grande, Arizona	Ross Products
Columbus, Ohio	Ross Products
Dartford, England	Diagnostic Products
Delkenheim, Germany	Diagnostic Products
Haina, San Cristoba, Dominican Republic	Hospital Products
Irving, Texas	Diagnostic Products
Laurinburg, North Carolina	Hospital Products
McPherson, Kansas	Hospital Products
Montreal, Canada	International
Morgan Hill, California	Hospital Products
North Chicago, Illinois	Pharmaceutical Products and Hospital Products
Queenborough, England	International
Rocky Mount, North Carolina	Hospital Products
Salt Lake City, Utah	Hospital Products
Santa Clara, California	Diagnostic Products
Sligo/Donegal/Cootehill/Finisklin, Ireland	Diagnostic Products and International
Sturgis, Michigan	Ross Products
St. Remy, France	International
Tokyo, Japan	Diagnostic Products
Zwolle, The Netherlands	International

In addition to the above, Abbott has manufacturing facilities in six other locations in the United States, including Puerto Rico. Outside the United States manufacturing facilities are located in 15 other countries. Abbott's facilities are deemed suitable, provide adequate productive capacity, and are utilized at normal and acceptable levels.

In the United States, including Puerto Rico, Abbott owns 11 distribution centers. Abbott also has 14 United States research and development facilities located at: Abbott Park, Illinois; Ashland, Ohio; Bedford, Massachusetts; Columbus, Ohio (two locations); Irving, Texas; Long Grove, Illinois; Madera, California; McPherson, Kansas; Morgan Hill, California; North Chicago, Illinois; Redwood City, California; Santa Clara, California; and San Diego, California. Outside the United States, Abbott has research and development facilities in Argentina, Australia, Canada, France, Germany, Ireland, Japan, The Netherlands, South Africa, Spain, and the United Kingdom.

The corporate offices, and those principal plants in the United States that are 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 and legal proceedings, including (as of January 31, 2000), 130 antitrust lawsuits and two investigations in connection with Abbott's pricing of prescription pharmaceuticals, two cases involving Abbott's patents for divalproex sodium, a drug that Abbott sells under the trademark Depakote-Registered Trademark-, 13 antitrust lawsuits, two antitrust investigations, and one patent infringement lawsuit involving Abbott's patents for terazosin hydrochloride, a drug that Abbott sells under the trademark Hytrin-Registered Trademark-, and 18 cases involving Abbott's alleged noncompliance with the United States Food and Drug Administration's Quality System Regulation at Abbott's Diagnostic Products division facilities in Lake County, Illinois.

As of January 31, 2000, 116 prescription pharmaceutical pricing antitrust cases were pending in federal court and 14 were pending in state courts. The prescription pharmaceutical pricing antitrust suits allege that various pharmaceutical manufacturers and pharmaceutical wholesalers have conspired to fix prices for prescription pharmaceuticals and/or to discriminate in pricing to retail pharmacies by providing discounts to mail-order pharmacies, institutional pharmacies, and HMOs in violation of state and federal antitrust laws. The suits have been brought on behalf of individual consumers and retail pharmacies and name both Abbott and certain other pharmaceutical manufacturers and pharmaceutical wholesalers and at least one mail-order pharmacy company as defendants. The cases seek treble damages, civil penalties, and injunctive and other relief. Abbott has filed or intends to file a response to each of the complaints denying all substantive allegations. The federal cases are pending in the United States District Court for the Northern District of Illinois under the Multidistrict Litigation Rules as In re: Brand Name Prescription Drug Antitrust Litigation, MDL 997. The state cases are pending in the following state courts: Clarke County, Alabama; Monterey County, California; San Francisco County, California (five cases); San Joaquin County, California; Prentiss County, Mississippi; Burleigh County, North Dakota; San Miguel, County, New Mexico; Hughes County, South Dakota; Cocke County, Tennessee; and, Marshall County, West Virginia. Abbott entered and the courts have approved settlement agreements in the consumer lawsuits that were previously pending in the following jurisdictions: Kansas, North Carolina, and Tennessee. The investigations are being conducted by the Attorney General of Illinois and the Federal Trade Commission.

As of January 31, 2000, two cases were pending involving Abbott's patents for divalproex sodium, a drug that Abbott sells under the trademark Depakote-Registered Trademark-. On October 24, 1997, after having been notified that TorPharm, a division of Apotex, Inc. ("TorPharm") had applied to the Federal Food and Drug Administration (the "FDA") for approval for a generic version of divalproex sodium, Abbott sued TorPharm in the United States District Court for the Northern District of Illinois alleging patent

infringement. TorPharm contends that its product does not infringe Abbott's patents and that, in any event, the patents are invalid and unenforceable. A trial is scheduled for July 17, 2000. On August 28, 1992, after having been notified that Alra Laboratories, Inc. ("Alra") had applied to the FDA for approval for a generic version of divalproex sodium, Abbott sued Alra in the United States District Court for the Northern District of Illinois alleging patent infringement. Alra filed counterclaims alleging that Abbott fraudulently delayed Alra's entry into the market for divalproex sodium and seeking money damages. Alra contended that its product did not infringe Abbott's patents and that, in any event, those patents were invalid and unenforceable. Alra filed motions for summary judgment on the issues of infringement and validity. Abbott filed a motion for summary judgment on the issue of infringement. On October 20, 1997, the court granted Abbott's motion for summary judgment and found that Alra's product infringes Abbott's patents. The court denied Alra's motions for summary judgment on the issues of infringement and patent invalidity and dismissed the lawsuit. Alra filed a motion for reconsideration of the court's ruling. That motion was granted in part and denied in part. On November 23, 1999, the court re-affirmed its prior rulings granting Abbott summary judgment. Alra has appealed.

As of January 31, 2000, one case involving Abbott's patents for terazosin hydrochloride, a drug that Abbott sells under the trademark Hytrin-Registered Trademark-, was pending. Five cases had been filed in the United States District Court for the Northern District of Illinois alleging infringement of Abbott's terazosin hydrochloride form IV patent. The other parties to these cases were Geneva Pharmaceuticals, Inc. ("Geneva"), Novopharm Limited ("Novopharm"), Invamed, Inc. ("Invamed"), Mylan Pharmaceuticals, Inc. ("Mylan"), and Warner Chilcott, Inc. ("Warner Chilcott"). Abbott sued each of these five corporations alleging patent infringement after learning that they had applied to the FDA for approval for a generic version of terazosin hydrochloride. Each of these corporations contended that Abbott's patent which covers their version of terazosin hydrochloride is invalid and unenforceable. The Geneva, Invamed, and Novopharm cases were all pending before the same judge, who, on September 1, 1998, entered a judgment in each of those cases ruling that the Abbott patent at issue in those cases is invalid. Abbott appealed this ruling and on July 1, 1999, the appellate court affirmed the lower court's decision. Abbott filed a petition for a writ of certiorari in the United States Supreme Court, which was denied on January 10, 2000. On October 4, 1999, Mylan's motion in the appellate court for Summary Affirmance, based on the September 1, 1998 ruling in the Geneva case, was granted. Abbott filed a petition for a writ of certiorari in the United States Supreme Court, which is pending. On November 24, 1999, Warner Chilcott's motion in the appellate court for Summary Affirmance, based on the September 1, 1998 ruling in the Geneva case, was granted and is now final.

In April 1996, Zenith Laboratories, Inc. ("Zenith") sued Abbott in the United States District Court for the District of New Jersey alleging that Abbott had engaged in unfair competition, abuse of process, tortious interference with prospective economic advantage, and fraud in attempting to protect Hytrin from generic competition. Zenith sought money damages and a declaration that certain of Abbott's patents covering terazosin hydrochloride are invalid. Abbott filed counterclaims alleging patent infringement. On March 31, 1998, Abbott and Zenith reached an agreement that resolved the patent litigation and the litigation of other claims between the parties. In the settlement, Zenith acknowledged the validity of Abbott's terazosin hydrochloride patents and agreed to refrain from selling a generic version of terazosin hydrochloride until the expiration of one of Abbott's patents for terazosin hydrochloride (U.S. Patent No. 4,251,532). On April 1, 1998, Abbott and Geneva reached an agreement under which Geneva would not market its Food and Drug Administration approved generic terazosin hydrochloride products until resolution of the pending patent litigation between the parties. Abbott agreed to make quarterly payments to Zenith and monthly payments to Geneva until the date on which they could enter the market for terazosin hydrochloride under their agreements. Under the agreements, both Zenith and Geneva would have been free to enter the market for terazosin hydrochloride in the United States if certain of Abbott's patents for terazosin hydrochloride were determined to be invalid and if another company legally entered the generic market in the United States. On August 12, 1999, Abbott and Geneva terminated their

April 1, 1998 agreement, and Geneva returned to Abbott a portion of the payments held in escrow under the agreement. On August 13, 1999, Geneva entered the market with its product.

As of January 31, 2000, 13 cases were pending relating to Abbott's agreements with Geneva and Zenith and/or its conduct with respect to its patents for terazosin hydrochloride. Nine cases were pending in federal court. Four were pending in state court. Each alleges Abbott violated antitrust and/or consumer protection laws. Generally, each seeks actual damages, treble damages, civil penalties, and other relief. Abbott has sought or intends to seek to have the state cases removed to federal court and has requested or intends to request the Judicial Panel for Multidistrict Litigation to transfer the cases to the United States District Court for the Southern District of Florida for coordinated pre-trial proceedings. Abbott has filed or intends to file a response to each complaint denying all substantive allegations.

As noted above, as of January 31, 2000, 9 cases are pending in federal court. On December 18, 1998, Louisiana Wholesale Drug Co. sued Abbott, Geneva and Zenith. On August 30, 1999, Valley Drug Co. sued Abbott and Geneva. Both cases were filed in in the United States District Court for the Southern District of Florida. On October 19, 1999, Char-Mar Pharmacy, Inc. sued Abbott, Geneva, and Zenith in the United States District Court for the Eastern District of New York. On August 19, 1999, Drug Mart Pharmacy Corp. sued Abbott, Geneva, and Zenith in the Supreme Court of New York, Kings County. The case is now pending in the United States District Court for the Southern District of Florida. On October 5, 1999, United Wisconsin Services, Inc., Blue Cross & Blue Shield of Wisconsin, Inc., Compare Health Insurance Corp., Unity Health Plans Insurance Corp., and Valley Health Plan Inc. sued Abbott in the Circuit Court of Cook County. The case is now pending in the United States District Court for the Northern District of Illinois. On October 29, 1999, Ewald and Lavera Grosskrueger sued Abbott in the Circuit Court of Cook County, Illinois. The case is now pending in the United States District Court for the Northern District of Illinois. On November 29, 1999, Maxicare Health Plans, Inc. sued Abbott in the Superior Court of the State of California for the City and County of San Francisco. The case is now pending in the United States District Court for the Northern District of California. Each of the 7 preceding cases purports to be a class action. In addition, on July 12, 1999, Walgreen Co. and five other retail pharmacy chains sued Abbott, Geneva, and Zenith and on December 29, 1999, CVS Meridian, Inc. and Rite Aid Corp. sued Abbott, Geneva, and Zenith. Both cases were filed in the United States District Court for the Southern District of Florida.

As of January 31, 2000, 4 cases were pending in state court. Each purports to be a class action. On December 30, 1999, Victor Scafani sued Abbott, Geneva, and Zenith in the Superior Court of California for the County of San Mateo. On January 7, 2000, Mermel J. Valentine sued Abbott, Geneva, and Zenith in the Circuit Court of Tennessee, Cocke County. On November 8, 1999, Aaron Asher and New Utrecht Pharmacy, Inc., sued Abbott, Geneva, and Zenith in the Supreme Court of New York for the County of New York. On November 18, 1999, Joseph Lisanti sued Abbott, Geneva, and Zenith in the Supreme Court of New York for the County of Nassau.

On April 19, 1999, Abbott received a subpoena and a civil investigation demand from the Federal Trade Commission regarding Abbott's agreements with Geneva and Zenith. On December 29, 1999, Abbott received a civil investigative demand from the State of Florida, Office of the Attorney General, regarding Abbott's agreements with Geneva and Zenith.

As of January 31, 2000, eighteen cases, including five shareholder derivative suits, were pending relating to Abbott's alleged noncompliance with the Food and Drug Administration's Quality System Regulation at Abbott's Diagnostic Products division facilities in Lake County, Illinois. (This matter is discussed in greater detail in "Regulation" on page 7 and is incorporated herein by this reference.)

Thirteen of these lawsuits allege that Abbott and Miles White, its Chief Executive Officer, and in some cases, Thomas Brown, Abbott's Senior Vice President, Diagnostic Operations, violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 by misrepresenting or omitting material information about the alleged regulatory noncompliance. On October 20, 1999, Tom Anderson sued

Abbott and Mr. White. Abbott and Mr. White were also sued by Adele Brody on October 26, 1999; Solomon Glazer on October 26, 1999; Deborah Isaac on October 26, 1999; Feivel Alter on November 3, 1999; George Ehlert and Georgeanne Ehlert on November 26, 1999; Albert Pats on November 26, 1999; James Bresnahan on December 16, 1999; and, also on December 16, 1999 by Robert Corwin. In addition, in their lawsuits against Abbott and Mr. White, the following individuals also sued Mr. Brown: James Brannon on November 5, 1999; Scott Mustin on December 3, 1999; Bethany Gill Revocable Trust on December 7, 1999; and, also on December 7, 1999, Joseph Rabinovits. These lawsuits were filed in the United States District Court for the Northern District of Illinois. Each of these cases (a) purports to be a class action brought on behalf of purchasers of Abbott stock between March 17, 1999, and September 29, 1999 (or, in the case brought by Tom Anderson on behalf of purchasers of Abbott stock between March 17, 1999 and November 2, 1999), and (b) seeks unspecified monetary damages and other relief. On February 2, 2000, the United States District Court consolidated all thirteen cases, which will now be known as, "IN RE ABBOTT LABORATORIES SECURITIES LITIGATION." Abbott denies all of the substantive allegations of these lawsuits and will vigorously defend against them.

The five shareholder derivative suits name as defendants each of Abbott's current directors, certain former directors and, nominally, Abbott, and claim that the directors breached their fiduciary duties by, among other things, (a) allowing the alleged regulatory noncompliance, (b) failing to publicly disclose the alleged regulatory noncompliance in supposed violation of federal securities law, (c) misusing or permitting the misuse of corporate information for the personal profit of corporate insiders in supposed violation of federal and state law, and (d) causing Abbott to pay $100 million to the federal government and withdraw certain medical diagnostics kits from the U.S. market. In the United States District Court for the Northern District of Illinois, Leo Farrell sued on November 5, 1999; Leonard Bronstein sued on November 8, 1999; and Carpenters Pension Fund of Arkansas and David Kaufman sued on December 15, 1999 (and also name Thomas Hodgson, a former director and officer, as a defendant). In the Circuit Court of Cook County, Illinois, F. David Seinfeld sued on December 2, 1999. In the Circuit Court for the Nineteenth Judicial Circuit, Lake County, Illinois, Craig Heneghan and Marjory Motiaytis sued on December 14, 1999 (and also names K. Frank Austen, a former director, and Duane Burnham, a former director and officer, as defendants). In each case, the plaintiffs request unspecified monetary damages to be paid to Abbott, that the directors indemnify Abbott for all fines, penalties or damages paid by Abbott in connection with the alleged regulatory noncompliance, reimbursement of their legal fees and costs, and various forms of other relief. The Bronstein, Farrell, and Carpenters cases have been consolidated and are now known as IN RE ABBOTT LABORATORIES DERIVATIVE SHAREHOLDER LITIGATION. Abbott has filed motions to dismiss the Seinfeld and Heneghan cases. Abbott intends to deny all of the substantive allegations of these suits. Abbott will vigorously defend these suits.

Abbott has previously reported that four lawsuits, all purporting to be class action lawsuits filed on behalf of a class of holders of ALZA Corporation ("ALZA") stock as of August 16, 1999, were pending in the United States District Court for the Northern District of Illinois. The plaintiffs in these cases were Gayle Stahl, Galina Mikhailova, Ted Dellas, and Sylvia Piven. Each of these cases alleged the defendants violated Sections 14(a) and 20(a) of the Securities Exchange Act of 1934 by soliciting the approval of ALZA's shareholders for a merger of ALZA with Abbott by means of a proxy statement/prospectus, which the plaintiffs allege contained materially false and misleading statements or omissions concerning Abbott's alleged noncompliance with the Food and Drug Administration's Quality System Regulation. On January 19, 2000, the court dismissed these cases with prejudice.

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 dispositions should not have a material adverse effect on Abbott's financial position, cash flows, or results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

EXECUTIVE OFFICERS OF THE REGISTRANT

Officers of Abbott are elected annually by the board of directors at the first meeting held after the annual shareholders meeting. Each officer holds office until a successor has been duly elected and qualified or until the officer's death, resignation, or removal. Vacancies may be filled at any meeting of the board. Any officer may be removed by the board of directors when, in its judgment, removal would serve the best interests of Abbott.

Current corporate officers, and their ages as of March 1, 2000, are listed below. The officers' principal occupations and employment from January 1995 to March 1, 2000 and the dates of their first election as officers of Abbott are also shown. Unless otherwise stated, employment was by Abbott for the period indicated. There are no family relationships between any corporate officers or directors.

MILES D. WHITE**, 44

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

1998 to 1999 -- Executive Vice President and Director.

1995 to 1998 -- Senior Vice President, Diagnostic Operations.

Elected Corporate Officer -- 1993.

ROBERT L. PARKINSON JR.,** 49

1999 to present -- President and Chief Operating Officer, and Director.

1998 to 1999 -- Executive Vice President and Director.

1995 to 1998 -- Senior Vice President, International Operations.

1995 -- Senior Vice President, Chemical and Agricultural Products.

Elected Corporate Officer -- 1989.

JOY A. AMUNDSON**, 45

1998 to present -- Senior Vice President, Ross Products.

1995 to 1998 -- Senior Vice President, Chemical and Agricultural Products.

1995 -- Vice President, Abbott HealthSystems.

Elected Corporate Officer -- 1990.

CHRISTOPHER B. BEGLEY**, 47

1999 to present -- Senior Vice President, Chemical and Agricultural Products.

1998 to 1999 -- Vice President, Abbott HealthSystems.

1996 to 1998 -- Vice President, MediSense Operations.

1995 to 1996 -- Vice President, Hospital Products Business Sector.

Elected Corporate Officer -- 1993.

THOMAS D. BROWN**, 51

1998 to present -- Senior Vice President, Diagnostic Operations.

1995 to 1998 -- Vice President, Diagnostic Commercial Operations.

Elected Corporate Officer -- 1993.

GARY P. COUGHLAN**, 56

1995 to present -- Senior Vice President, Finance and Chief Financial Officer.

Elected Corporate Officer -- 1990.

JOSE M. DE LASA**, 58

1995 to present -- Senior Vice President, Secretary and General Counsel.

Elected Corporate Officer -- 1994.

WILLIAM G. DEMPSEY **, 48

1999 to present -- Senior Vice President, International Operations.

1998 to 1999 -- Senior Vice President, Chemical and Agricultural Products.

1996 to 1998 -- Vice President, Hospital Products Business Sector.

1995 to 1996 -- Divisional Vice President, Hospital Products Business Sector Sales.

1995 -- Divisional Vice President and General Manager, Abbott Critical Care Systems.

Elected Corporate Officer -- 1996.

RICHARD A. GONZALEZ**, 46

1998 to present -- Senior Vice President, Hospital Products.

1995 to 1998 -- Vice President, Abbott HealthSystems.

1995 -- Divisional Vice President and General Manager, U.S. and Canada, Diagnostic Products.

Elected Corporate Officer -- 1995.

ARTHUR J. HIGGINS**, 43

1998 to present -- Senior Vice President, Pharmaceutical Operations.

1996 to 1998 -- Vice President, Pacific, Asia, and Africa Operations.

1995 to 1996 -- Divisional Vice President, Pacific, Asia, and Africa Operations.

1995 -- Divisional Vice President, Commercial Operations, Abbott International Division.

Elected Corporate Officer -- 1996.

THOMAS M. WASCOE**, 53

1999 to present -- Senior Vice President, Human Resources.

1995 to 1999 -- Divisional Vice President, Human Resources, Diagnostic Products.

Elected Corporate Officer -- 1999.

CATHERINE V. BABINGTON, 47

1995 to present -- Vice President, Investor Relations and Public Affairs.

1995 -- Director, Corporate Communications.

Elected Corporate Officer -- 1995.

PATRICK J. BALTHROP, 43

1998 to present -- Vice President, Diagnostic Commercial Operations.

1996 to 1998 -- Vice President, Diagnostic Operations, U.S. and Canada.

1995 to 1996 -- Divisional Vice President and General Manager, U.S. and Canada, Diagnostic Products.

1995 -- Divisional Vice President and Sector General Manager, Diagnostic Products.

Elected Corporate Officer -- 1996.

MARK E. BARMAK, 58

2000 to present -- Vice President, Government Affairs.

1995 to 2000 -- Vice President, Litigation and Government Affairs.

1995 -- Divisional Vice President and Associate General Counsel, Litigation.

Elected Corporate Officer -- 1995.

MICHAEL G. BEATRICE, 52

1999 to present -- Vice President, Corporate Regulatory and Quality Science.

1996 to 1999 -- Executive Vice President and General Manager, Quintiles Strategic Product Development Consulting Services (global regulatory and quality systems consultation service organization).

1995 to 1996 -- Deputy Director, Center for Biologics Evaluation and Research, United States Food and Drug Administration.

Elected Corporate Officer -- 1999.

CHRISTOPHER A. BLECK, 42

1999 to present -- Vice President, Pediatrics, Ross Products.

1997 to 1999 -- Divisional Vice President and President and General Manager, Canada, Abbott International Division.

1995 to 1997 -- Divisional Vice President, Business Development, Abbott International Division.

Elected Corporate Officer -- 1999.

DOUGLAS C. BRYANT, 42

1998 to present -- Vice President, Diagnostic Operations, Asia and Pacific.

1997 to 1998 -- Commercial Director, Asia and Pacific, Diagnostic Products.

1995 to 1997 -- General Manager, United Kingdom and Ireland, Diagnostic Products.

1995 -- Regional Sales Manager, Diagnostic Products.

Elected Corporate Officer -- 1998.

GARY R. BYERS, 58

1995 to present -- Vice President, Internal Audit.

Elected Corporate Officer -- 1993.

THOMAS F. CHEN, 50

1998 to present -- Vice President, Pacific, Asia, and Africa Operations.

1996 to 1998 -- Regional Director, Taiwan and People's Republic of China.

1995 to 1996 -- General Manager, Taiwan and People's Republic of China Task Force.

Elected Corporate Officer -- 1998.

EDWARD J. FIORENTINO, 41

1998 to present -- Vice President, Pharmaceutical Products, Marketing and Sales.

1995 to 1998 -- Divisional Vice President, Marketing, Pharmaceutical Products.

Elected Corporate Officer -- 1998.

GARY L. FLYNN**, 50

1999 to present -- Vice President and Controller.

1995 to 1999 -- Divisional Vice President and Controller, Ross Products.

Elected Corporate Officer -- 1999.

THOMAS C. FREYMAN, 45

1999 to present -- Vice President, Hospital Products Controller.

1995 to 1999 -- Vice President and Treasurer.

Elected Corporate Officer -- 1991.

STEPHEN R. FUSSELL, 42

1999 to present -- Vice President, Compensation and Development.

1996 to 1999 -- Divisional Vice President, Compensation and Benefits.

1995 to 1996 -- Vice President, Total Compensation, Nestle USA (diversified food company).

Elected Corporate Officer -- 1999.

DAVID B. GOFFREDO, 45

1998 to present -- Vice President, European Operations.

1995 to 1998 -- Vice President, Pharmaceutical Products, Marketing and Sales.

1995 -- Divisional Vice President, Pharmaceutical Products Sales and Marketing.

Elected Corporate Officer -- 1995.

ROBERT B. HANCE, 40

1999 to present -- Vice President, Diagnostic Operations, Europe, Africa and Middle East.

1997 to 1999 -- Divisional Vice President, European Region, Diagnostic Products.

1996 to 1997 -- Area Business Development Director, Europe, Middle East and Africa, Diagnostic Products.

1995 to 1996 -- Director, Marketing, IPLS and Clinical Chemistry, Diagnostic Products.

Elected Corporate Officer -- 1999.

GUILLERMO A. HERRERA, 46

1998 to present -- Vice President, Latin America and Canada Operations.

1996 to 1998 -- Vice President, Latin America Operations.

1995 to 1996 -- Area Vice President, Latin America.

Elected Corporate Officer -- 1996.

JAMES J. KOZIARZ, 51

1995 to present -- Vice President, Diagnostic Products Research and Development.

Elected Corporate Officer -- 1993.

ELAINE R. LEAVENWORTH, 40

1999 to present -- Vice President, Abbott HealthSystems.

1997 to 1999 -- Divisional Vice President, Licensing and New Business Development, Abbott International Division.

1996 to 1997 -- Director, Licensing and Acquisitions, Abbott International Division.

1995 to 1996 -- Director, Nutritionals, Abbott International Division.

Elected Corporate Officer -- 1999.

JOHN M. LEONARD, 42

1999 to present -- Vice President, Pharmaceutical Development.

1997 to 1999 -- Divisional Vice President, Pharmaceutical Development, Pharmaceutical Products Research and Development.

1996 to 1997 -- Therapeutic Area Venture Head, Pharmaceutical Products Research and Development.

1995 to 1996 -- Venture Head, Pharmaceutical Products Research and Development.

Elected Corporate Officer -- 1999.

GREG W. LINDER, 43

1999 to present -- Vice President and Treasurer.

1996 to 1999 -- Divisional Vice President and Controller, Hospital Products.

1995 to 1996 -- Assistant Controller, Corporate Finance.

Elected Corporate Officer -- 1999.

JOHN F. LUSSEN, 58

1995 to present -- Vice President, Taxes.

Elected Corporate Officer -- 1985.

EDWARD L. MICHAEL, 43

1999 to present -- Vice President, Diagnostic Assays and Systems.

1997 to 1999 -- Vice President, Diagnostic Operations, Europe, Africa, and Middle East.

1995 to 1997 -- Director, Area Operations and Scientific Development.

Elected Corporate Officer -- 1997.

KAREN L. MILLER, 46

2000 to present -- Vice President, Information Technology.

1997 to 2000 -- Divisional Vice President, Information Systems, Diagnostic Products.

1995 to 1997 -- Director, Business Systems, Diagnostic Products.

Elected Corporate Officer -- 2000.

DANIEL W. NORBECK, 41

1999 to present -- Vice President, Pharmaceutical Discovery.

1998 to 1999 -- Divisional Vice President, Discovery, Pharmaceutical Products Research and Development.

1995 to 1998 -- Divisional Vice President, Area Head, Pharmaceutical Products Research and Development.

1995 -- Senior Project Leader, Pharmaceutical Products Research and Development.

Elected Corporate Officer -- 1999.

EDWARD A. OGUNRO, 47

1999 to present -- Vice President, Hospital Products Research and Development, Medical and Regulatory Affairs.

1995 to 1999 -- Divisional Vice President, Immunodiagnostics and Chemistry, Diagnostic Products.

Elected Corporate Officer -- 1999.

WILLIAM H. STADTLANDER, 54

1995 to present -- Vice President, Ross Medical Nutritional Products.

Elected Corporate Officer -- 1993.

MARCIA A. THOMAS, 52

1999 to present -- Vice President, Diagnostic Quality Assurance, Regulatory Affairs and Compliance.

1996 to 1999 -- Vice President, Quality Assurance and Regulatory Affairs.

1995 to 1996 -- Divisional Vice President, Quality Assurance and Regulatory Affairs, Diagnostic Products.

1995 -- Divisional Vice President and General Manager, Infectious Diseases Diagnostics.

Elected Corporate Officer -- 1996.

STEVEN J. WEGER JR., 55

1996 to present -- Vice President, Corporate Planning and Development.

1995 to 1996 -- Divisional Vice President, Strategic Planning and Technology Assessment, Diagnostic Products.

Elected Corporate Officer -- 1996.

SUSAN M. WIDNER, 43

1998 to present -- Vice President, Diagnostic Operations, U.S. and Canada.

1996 to 1998 -- Divisional Vice President, Worldwide Marketing, Diagnostic Products.

1995 to 1996 -- Director, Venture Marketing, Diagnostic Products.

1995 -- Business Unit Manager, Diagnostic Products.

Elected Corporate Officer -- 1998.

LANCE B. WYATT, 55

1995 to present -- Vice President, Corporate Engineering.

1995 -- Divisional Vice President, Quality Assurance and Regulatory Affairs, Pharmaceutical Products.

Elected Corporate Officer -- 1995.

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** Pursuant to Item 401(b) of Regulation S-K, Abbott has identified these persons as "executive officers" within the meaning of Item 401(b).

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

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 the Pacific Exchange and are traded on the Boston, Cincinnati, and Philadelphia Exchanges. Outside the United States, Abbott's shares are listed on the London Stock Exchange and the Swiss Stock Exchange.

	MARKET PRICE PER SHARE			
	1999		1998	
	HIGH	LOW	HIGH	LOW
First Quarter	51 7/16	43	39 7/16	32 1/2
Second Quarter	53 5/16	41 15/16	42 11/16	34 7/8
Third Quarter	45 7/8	36 5/16	45 11/16	36 5/8
Fourth Quarter	42 7/8	33	50 1/16	39

Market prices are as reported by the New York Stock Exchange composite transaction reporting system. Pre-split prices have been adjusted to reflect the May 1998 stock split.

SHAREHOLDERS

There were 106,766 shareholders of record of Abbott common shares as of December 31, 1999.

DIVIDENDS

Quarterly dividends of $.17 per share and $.15 per share were declared on common shares in 1999 and 1998, respectively, after reflecting the May 1998 stock split.

ITEM 6. SELECTED FINANCIAL DATA

Incorporated herein by reference for the years 1995 through 1999 are the applicable portions of the section captioned "Summary of Selected Financial Data" of the 1999 Annual Report.

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

Incorporated herein by reference is management's discussion and analysis of financial condition and results of operations for the years 1999, 1998, and 1997 found under the section captioned "Financial Review" of the 1999 Annual Report.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Incorporated herein by reference is the section captioned "Financial Instruments and Risk Management" of the 1999 Annual Report.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Incorporated herein by reference are the portions of the 1999 Annual Report captioned "Consolidated Statement of Earnings and Comprehensive Income," "Consolidated Statement of Cash Flows," "Consolidated Balance Sheet," "Consolidated Statement of Shareholders' Investment," "Notes to Consolidated Financial Statements," and "Report of Independent Public Accountants" (which contains the related report of Arthur Andersen LLP dated January 17, 2000 (except with respect to the matter discussed in the third paragraph of Note 12, as to which the date is January 20, 2000)). Data relating to quarterly results are found in Note 10.

ITEM 9. DISAGREEMENTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Incorporated herein by reference are "Committees of the Board of Directors" and "Information Concerning Nominees for Directors" found in the 2000 Abbott Laboratories Proxy Statement. Also incorporated herein by reference is the text found under the caption, "Executive Officers of The Registrant" on pages 14 through 21.

ITEM 11. EXECUTIVE COMPENSATION

The material in the 2000 Proxy Statement under the heading "Executive Compensation," other than the Report of the Compensation Committee and the Performance Graph, is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Incorporated herein by reference is the text found under the caption "Information Concerning Security Ownership" and the material under the heading "Security Ownership of Executive Officers and Directors" in the 2000 Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) DOCUMENTS FILED AS PART OF THIS FORM 10-K.

1. FINANCIAL STATEMENTS: The Consolidated Financial Statements for the years ended December 31, 1999, 1998, and 1997 and the related report of Arthur Andersen LLP dated January 17, 2000 (except with respect to the matter discussed in the third paragraph of Note 12, as to which the date is January 20, 2000), appearing under the portions of the 1999 Annual Report captioned "Consolidated Statement of Earnings and Comprehensive Income," "Consolidated Statement of Cash Flows," "Consolidated Balance Sheet," "Consolidated Statement of Shareholders' Investment," "Notes to Consolidated Financial Statements," and "Report of Independent Public Accountants," respectively, are incorporated by reference in response to Item 14(a)1. With the exception of the portions of the 1999 Annual Report specifically incorporated herein by reference, such Report shall not be deemed filed as part of this Annual Report on Form 10-K or otherwise deemed subject to the liabilities of Section 18 of the Securities Exchange Act of 1934.

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 in the 1999 Annual Report:

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 30, 31 and 32 of this Form 10-K.

(b) REPORTS ON FORM 8-K DURING THE QUARTER ENDED DECEMBER 31, 1999:

Four reports on Form 8-K were filed during the quarter ended December 31, 1999. In a Form 8-K dated November 2, 1999, Abbott reported that a consent decree was entered in the United States District Court for the Northern District of Illinois which settles the issues involving Abbott's diagnostic manufacturing operations in Lake County, Illinois. In a report dated November 10, 1999, Abbott reported that, on November 10, 1999, the Board of Directors of Abbott adopted a shareholder rights plan and declared a dividend of one Preferred Stock Purchase Right for each outstanding share of Abbott common stock to be distributed to the shareholders of record of Abbott as of the close of business on December 1, 1999. In a report dated November 11, 1999, Abbott reported that, on November 11, 1999, Abbott and BankBoston, N.A., as Rights Agent, executed a Rights Agreement relating to the Preferred Stock Purchase Rights to be distributed to the shareholders of record of Abbott as of the close of business on December 1, 1999. In a report dated December 7, 1999, Abbott reported that on December 7, 1999 Abbott and BankBoston, N.A., as Rights Agent, executed an Amendment Number 1 to the Rights Agreement between Abbott and BankBoston, N.A., as Rights Agent dated November 11, 1999.

(c) EXHIBITS FILED (SEE EXHIBIT INDEX ON PAGES 30, 31 AND 32).

(d) FINANCIAL STATEMENT SCHEDULES FILED (PAGE 27).

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 11, 2000

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 11, 2000 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/ ROBERT L. PARKINSON JR.
Robert L. Parkinson Jr.
President, Chief Operating Officer
and Director of Abbott Laboratories

/s/ GARY P. COUGHLAN
Gary P. Coughlan
Senior Vice President, Finance and
Chief Financial Officer
(principal financial officer)

/s/ GARY L. FLYNN
Gary L. Flynn
Vice President and Controller
(principal accounting officer)

/s/ H. LAURANCE FULLER
H. Laurance Fuller
Director of Abbott Laboratories

/s/ DAVID A. JONES
David A. Jones
Director of Abbott Laboratories

/s/ JEFFREY M. LEIDEN
Jeffrey M. Leiden, M.D.
Director of Abbott Laboratories

/s/ DAVID A. L. OWEN
David A. L. Owen
Director of Abbott Laboratories

/s/ BOONE POWELL JR.
Boone Powell Jr.
Director of Abbott Laboratories

/s/ A. BARRY RAND
A. Barry Rand
Director of Abbott Laboratories

/s/ W. ANN REYNOLDS
W. Ann Reynolds
Director of Abbott Laboratories

/s/ ROY S. ROBERTS
- ----------
Roy S. Roberts
Director of Abbott Laboratories

/s/ WILLIAM D. SMITHBURG
- ----------
William D. Smithburg
Director of Abbott Laboratories

/s/ JOHN R. WALTER
- ----------
John R. Walter
Director of Abbott Laboratories

/s/ WILLIAM L. WEISS
- ----------
William L. Weiss
Director of Abbott Laboratories

ABBOTT LABORATORIES AND SUBSIDIARIES
SCHEDULE II -- VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 1999, 1998, AND 1997

ALLOWANCES FOR DOUBTFUL ACCOUNTS AND SALES DEDUCTIONS	BALANCE AT BEGINNING OF YEAR	PROVISIONS CHARGED TO INCOME(A)	AMOUNTS CHARGED OFF NET OF RECOVERIES	BALANCE AT END OF YEAR
1999	191,352	67,645	(20,041)	238,956
1998	167,592	41,655	(17,895)	191,352
1997	153,615	28,188	(14,211)	167,592

(a) Represents provisions related to allowances for doubtful accounts and net change in the allowances for sales deductions.

SUPPLEMENTAL REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To Abbott Laboratories:

We have audited in accordance with generally accepted auditing standards, the financial statements included in Abbott's Annual Report incorporated by reference in this Form 10-K, and have issued our report thereon dated January 17, 2000 (except with respect to the matter discussed in the third paragraph of Note 12, as to which the date is January 20, 2000). Our audits were made for the purpose of forming an opinion on those statements taken as a whole. Schedule II is the responsibility of Abbott's management, is presented for purposes of complying with the Securities and Exchange Commission's rules, and is not part of the basic financial statements. This schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, fairly states in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

ARTHUR ANDERSEN LLP

Chicago, Illinois
January 17, 2000
(except with respect to the matter
discussed in the third paragraph
of Note 12, as to which the date
is January 20, 2000)

EXHIBIT INDEX
ABBOTT LABORATORIES
ANNUAL REPORT
FORM 10-K
1999

10-K EXHIBIT TABLE ITEM NO.	
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. (see also Exhibit 4.23, below.)
3.2	* Corporate By-Laws-Abbott Laboratories filed as Exhibit 3.1 to the Abbott Laboratories Quarterly Report on Form 10-Q for the quarter ended September 30, 1999.
4.1	* Indenture dated as of October 1, 1993, between Abbott Laboratories and Harris Trust and Savings Bank, filed as Exhibit 4.1 to the Abbott Laboratories Quarterly Report for the Quarter ended September 30, 1993, on Form 10-Q.
4.2	* Form of 5.6% Note issued pursuant to the Indenture filed as Exhibit 4.2 to the Abbott Laboratories Quarterly Report for the Quarter ended September 30, 1993, on Form 10-Q.
4.3	* Form of Medium-Term Note, Series A (Fixed Rate) to be issued pursuant to the Indenture filed as Exhibit 4.3 to the Abbott Laboratories Quarterly Report for the Quarter ended September 30, 1993, on Form 10-Q.
4.4	* Form of Medium-Term Note, Series A (Floating Rate) to be issued pursuant to the Indenture filed as Exhibit 4.4 to the Abbott Laboratories Quarterly Report for the Quarter ended September 30, 1993, on Form 10-Q.
4.5	* Resolution of Abbott's Board of Directors filed as Exhibit 4.5 to the Abbott Laboratories Quarterly Report for the Quarter ended September 30, 1993, on Form 10-Q.
4.6	* Actions of the Authorized Officers with respect to Abbott's $200,000,000 5.6% Notes filed as Exhibit 4.6 to the Abbott Laboratories Quarterly Report for the Quarter ended September 30, 1993, on Form 10-Q.
4.7	* Actions of the Authorized Officers with respect to Abbott's Medium-Term Notes, Series A filed as Exhibit 4.7 to the Abbott Laboratories Quarterly Report for the Quarter ended September 30, 1993, on Form 10-Q.
4.8	* Officers' Certificate and Company Order with respect to Abbott's $200,000,000 5.6% Notes filed as Exhibit 4.8 to the Abbott Laboratories Quarterly Report for the Quarter ended September 30, 1993, on Form 10-Q.
4.9	* Form of 6.8% Note issued pursuant to Indenture filed as Exhibit 4.9 to the 1995 Abbott Laboratories Annual Report on Form 10-K.
4.10	* Actions of Authorized Officers with respect to Abbott's $150,000,000 6.8% Notes filed as Exhibit 4.10 to the 1995 Abbott Laboratories Annual Report on Form 10-K.
4.11	* Officers' Certificate and Company Order with respect to Abbott's $150,000,000 6.8% Notes filed as Exhibit 4.11 to the 1995 Abbott Laboratories Annual Report on Form 10-K.
4.12	* Resolution of Abbott's Board of Directors relating to the 6.4% Notes filed as Exhibit 4.12 to the 1996 Abbott Laboratories Annual Report on Form 10-K.
4.13	* Form of $50,000,000 6.4% Note issued pursuant to Indenture filed as Exhibit 4.13 to the 1996 Abbott Laboratories Annual Report on Form 10-K.

10-K EXHIBIT TABLE ITEM NO.	
4.14	* Form of $200,000,000 6.4% Note issued pursuant to Indenture filed as Exhibit 4.14 to the 1996 Abbott Laboratories Annual Report on Form 10-K.
4.15	* Actions of Authorized Officers with respect to Abbott's 6.4% Notes filed as Exhibit 4.15 to the 1996 Abbott Laboratories Annual Report on Form 10-K.
4.16	* Officers' Certificate and Company Order with respect to Abbott's 6.4% Notes filed as Exhibit 4.16 to the 1996 Abbott Laboratories Annual Report on Form 10-K.
4.17	* Form of $200,000,000 6.0% Note issued pursuant to Indenture filed as Exhibit 4.2 to the Abbott Laboratories Quarterly Report for the Quarter ended June 30, 1998, on Form 10-Q.
4.18	* Actions of Authorized Officers with respect to Abbott's 6.0% Note filed as Exhibit 4.3 to the Abbott Laboratories Quarterly Report for the Quarter ended June 30, 1998, on Form 10-Q.
4.19	* Officers' Certificate and Company Order with respect to Abbott's 6.0% Note filed as Exhibit 4.4 to the Abbott Laboratories Quarterly Report for the Quarter ended June 30, 1998, on Form 10-Q.
4.20	* Form of $200,000,000 5.40% Note issued pursuant to Indenture filed as Exhibit 4.2 to the Abbott Laboratories Quarterly Report for the Quarter ended September 30, 1998, on Form 10-Q.
4.21	* Actions of Authorized Officers with respect to Abbott's 5.40% Note filed as Exhibit 4.3 to the Abbott Laboratories Quarterly Report for the Quarter ended September 30, 1998, on Form 10-Q.
4.22	* Officers' Certificate and Company Order with respect to Abbott's 5.40% Note filed as Exhibit 4.4 to the Abbott Laboratories Quarterly Report for the Quarter ended September 30, 1998, on Form 10-Q.
4.23	* Certificate of Designations, Preferences and Rights of the Series A Junior Participating Preferred Stock, filed as Exhibit 4.1 to the Abbott Laboratories Current Report on Form 8-K filed on November 15, 1999.
4.24	* Rights Agreement, dated as of November 11, 1999, between Abbott Laboratories and BankBoston, N.A., as Rights Agent, filed as Exhibit 99.1 to the Abbott Laboratories Current Report on Form 8-K filed on November 15, 1999.
4.25	* Amendment No. 1 to Rights Agreement, dated as of December 7, 1999, between Abbott Laboratories and BankBoston, N.A., as Rights Agent, filed as Exhibit 99.1 to the Abbott Laboratories Current Report on Form 8-K filed on December 20, 1999.
	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	* The Abbott Laboratories 1986 Incentive Stock Program filed as Exhibit 10.2 to the 1997 Abbott Laboratories Annual Report on Form 10-K.**
10.3	* The Abbott Laboratories 1991 Incentive Stock Program filed as Exhibit 10.3 to the 1997 Abbott Laboratories Annual Report on Form 10-K.**
10.4	* Abbott Laboratories 401(k) Supplemental Plan, filed as Exhibit 10.7 to the Abbott Laboratories 1993 Annual Report on Form 10-K.**

10-K EXHIBIT TABLE ITEM NO.	
10.5	* Abbott Laboratories Supplemental Pension Plan filed as Exhibit 10.1 to the Abbott Laboratories Quarterly Report on Form 10-Q for the quarter ended June 30, 1998.**
10.6	* The 1986 Abbott Laboratories Management Incentive Plan filed as Exhibit 10.1 to the Abbott Laboratories Quarterly Report on Form 10-Q for the quarter ended June 30, 1997.**
10.7	* Abbott Laboratories Non-Employee Directors' Fee Plan filed as Exhibit 10.8 to the 1998 Abbott Laboratories Annual Report on Form 10-K.**
10.8	* The Abbott Laboratories 1996 Incentive Stock Program filed as Exhibit 10.9 to the 1997 Abbott Laboratories Annual Report on Form 10-K.**
10.9	* 1998 Abbott Performance Incentive Plan filed as Exhibit 10.1 to the Abbott Laboratories Quarterly Report on Form 10-Q for the quarter ended March 31, 1998. **
10.10	Form of Agreement Between Abbott Laboratories and each of M. D. White, R. L. Parkinson Jr., G. P. Coughlan, J. A. Amundson, and R. P. Gonzalez regarding Change in Control.
12	Computation of Ratio of Earnings to Fixed Charges.
13	The portions of the Abbott Laboratories Annual Report for the year ended December 31, 1999 captioned "Consolidated Statement of Earnings and Comprehensive Income," "Consolidated Statement of Cash Flows," "Consolidated Balance Sheet," "Consolidated Statement of Shareholders' Investment," "Notes to Consolidated Financial Statements," "Report of Independent Public Accountants," "Financial Instruments and Risk Management," "Financial Review," and the applicable portions of the section captioned "Summary of Selected Financial Data" for the years 1995 through 1999.
21	Subsidiaries of Abbott Laboratories.
23	Consent of Independent Public Accountants.
27.1	Financial Data Schedule.
27.2	Financial Data Schedule.
27.3	Financial Data Schedule.
99.1	Cautionary Statement Regarding Forward-Looking Statements.

The 2000 Abbott Laboratories Proxy Statement will be filed with the Securities and Exchange Commission under separate cover on or about March 14, 2000.

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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 Corporate Secretary, Abbott Laboratories, 100 Abbott Park Road, Abbott Park, Illinois 60064-6400.

Exhibit 10.10

AGREEMENT REGARDING
CHANGE IN CONTROL

THIS AGREEMENT ("Agreement"), made and entered into as of the 1st day of January, 2000 (the "Effective Date"), by and between Abbott Laboratories (the "Company") and _____ (the "Executive");

WITNESSETH THAT:

WHEREAS, the Company considers it essential to the best interests of its shareholders to foster the continuous employment of key management personnel, and the Board of Directors of the Company (the "Board") recognizes that, as is the case with many publicly held corporations, a change in control might occur and that such possibility, and the uncertainty and questions which it may raise among management, may result in the departure or distraction of management personnel to the detriment of the Company and its shareholders; and

WHEREAS, the Board has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of members of the Company's management, including the Executive, to their assigned duties without distraction in the face of potentially disturbing circumstances arising from the possibility of a change in control of the Company;

NOW, THEREFORE, to induce the Executive to remain in the employ of the Company and in consideration of the premises and mutual covenants set forth herein, IT IS HEREBY AGREED by and between the parties as follows:

1. AGREEMENT TERM. The initial "Agreement Term" shall begin on the Effective Date and shall continue through December 31, 2002. As of December 31, 2000, and as of each December 31 thereafter, the Agreement Term shall extend automatically to the third anniversary thereof unless the Company gives notice to the Executive prior to the date of such extension that the Agreement Term will not be extended. Notwithstanding the foregoing, if a Change in Control (as defined in Section 7 below), occurs during the Agreement Term, the Agreement Term shall continue through and terminate on the second anniversary of the date on which the Change in Control occurs.

2. ENTITLEMENT TO CHANGE IN CONTROL BENEFITS. The Executive shall be entitled to the Change in Control Benefits described in Section 3 hereof if the Executive's employment by the Company is terminated during the Agreement Term but after a Change in Control (i) by the Company for any reason other than Permanent Disability or Cause, or (ii) by the Executive for Good Reason. For purposes of this Agreement:

(a) A termination of the Executive's employment shall be treated as a termination by reason of "Permanent Disability" only if, due to a mental or physical disability, the Executive is absent from the full time performance of duties with the Company for a period of at least twelve consecutive months and fails to return to the full time performance of duties within 30 days after receipt of a demand by the Company to do so.

(b) The term "Cause" shall mean the willful engaging by the Executive in illegal conduct or gross misconduct which is demonstrably and materially injurious to the Company. For purposes of this Agreement, no act, or failure to act, on the Executive's part shall be deemed "willful" unless done, or omitted to be done, by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company. Notwithstanding the foregoing, the Executive shall not be deemed to have been terminated for Cause unless and until the Company delivers to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice to the Executive and an opportunity for the Executive, together with counsel, to be heard before the Board) finding that, in the good faith opinion of the Board, the Executive was guilty of conduct set forth above and specifying the particulars thereof in detail.

(c) The term "Good Reason" shall mean the occurrence of any of the following circumstances without the Executive's express written consent:

(i) a significant adverse change in the nature, scope or status of the Executive's position, authorities or duties from those in effect immediately prior to the Change in Control;

(ii) the failure by the Company to pay the Executive any portion of the Executive's current compensation, or to pay the Executive any portion of any installment of deferred compensation under any deferred compensation program of the Company, within seven days of the date such compensation is due;

(iii) a reduction in the Executive's annual base salary (or a material change in the frequency of payment) as in effect immediately prior to the Change in Control as the same may be increased from time to time;

(iv) the failure by the Company to award the Executive an annual bonus in any year which is at least equal to the annual bonus, awarded to the Executive under the annual bonus plan of the Company for the year immediately preceding the year of the Change in Control;

(v) the failure by the Company to award the Executive equity-based incentive compensation (such as stock options, shares of restricted stock, or other equity-

based compensation) on a periodic basis consistent with the Company's practices with respect to timing, value and terms prior to the Change in Control;

(vi) the failure by the Company to continue to provide the Executive with the welfare benefits, fringe benefits and perquisites enjoyed by the Executive immediately prior to the Change in Control under any of the Company's plans or policies, including, but not limited to, those plans and policies providing pension, life insurance, medical, health and accident, disability, vacation, executive automobile, executive tax or financial advice benefits or club dues;

(vii) the relocation of the Company's principal executive offices to a location more than thirty-five miles from the location of such offices immediately prior to the Change in Control or the Company requiring the Executive to be based anywhere other than the Company's principal executive offices except for required travel to the Company's business to an extent substantially consistent with the Executive's business travel obligations immediately prior to the Change in Control; or

(viii) the failure of the Company to obtain a satisfactory agreement from any successor to the Company to assume and agree to perform this Agreement as contemplated by Section 16.

3. CHANGE IN CONTROL BENEFITS. In the event of a termination of employment entitling the Executive to benefits in accordance with Section 2, the Executive shall receive the following:

(a) The Executive shall be entitled to receive the following employee welfare benefits: medical, accident, dental, prescription, and life insurance coverage for the Executive (and, where applicable under the Company's welfare benefit plans, the Executive's family) through the third anniversary of the Executive's date of termination of employment, or, if earlier, the date on which the Executive becomes employed by another employer. The benefits provided by the Company shall be no less favorable in terms of coverage and cost to the Executive than those provided under the Company's welfare benefit plans applicable to the Executive (and, where applicable, the Executive's family) prior to the Change in Control, determined as if the Executive remained in the employ of the Company through such third anniversary. For purposes of determining eligibility of the Executive for retiree welfare benefits, the Executive shall be considered to have remained in the employ of the Company through such third anniversary.

(b) If the Executive's date of termination occurs after the end of a performance period applicable to an annual incentive (bonus) award, and prior to the payment of the award for the period, the Executive shall be entitled to a lump sum payment in cash no later than twenty (20) business days after the date of termination equal to the greatest of (i) the Executive's annual incentive (bonus) award for that period, as determined under the terms of that incentive award arrangement, (ii) the Executive's annual incentive (bonus) award for that period, with the determination of the amount of such award based on an

assumption that the target level of performance had been achieved or (iii) the Participant's average annual incentive (bonus) award for the three annual performance periods preceding that period (provided that if the Participant was not a participant in the incentive award arrangement for any of those three prior years, the averaging period shall be reduced from three years to the number of years during the three year period in which the Participant was a participant; and further provided that if the Participant's award for any such year was reduced because the Participant was not a participant for the full year, such amount shall be annualized for purposes of the computation in this clause (iii)).

(c) For any annual incentive (bonus) plan or arrangement in which the Executive participates for the performance period in which the Executive's termination of employment occurs, the Executive shall be entitled to a lump sum payment in cash no later than twenty (20) business days after the date of termination equal to the greater of (i) the Executive's annual incentive (bonus) award for the performance period that includes the date of termination, with the determination of the amount of such award based on an assumption that the target level of performance has been achieved or (ii) the Executive's average annual incentive (bonus) award for the three annual performance periods preceding the performance period that includes the date of termination (provided that if the Executive was not a participant in the incentive award arrangement for any of those three prior years, the averaging period shall be reduced from three years to the number of years during the three year period in which the Executive was a participant; and further provided that if the Executive's award for any such year was reduced because the Executive was not a participant for the full year, such amount shall be annualized for purposes of the computation in this clause (ii)); provided that such payment shall be subject to a pro-rata reduction to reflect the number of days in the performance period following the date of termination. The amount payable under this paragraph (c) shall be in lieu of any amounts that may otherwise be due to the Executive with respect to any annual incentive (bonus) plan or arrangement in which the Executive participates for the performance period in which the Executive's date of termination occurs.

(d) The Executive shall be entitled to a lump sum payment in cash no later than twenty business days after the Executive's date of termination equal to the sum of:

(i) an amount equal to three times the Executive's annual salary rate in effect on the date of the Change in Control or, or if greater, as in effect immediately prior to the date of termination; plus

(ii) an amount equal to three times the greater of (x) the Executive's annual incentive (bonus) award for the performance period that includes the date of the Executive's termination of employment, with the determination of the amount of such award based on an assumption that the target level of performance has been achieved or (y) the Executive's average annual incentive (bonus) award for the three annual performance periods preceding the performance period that includes the date of termination (provided that if the Executive was not a participant in the incentive

award arrangement for any of those three prior years, the averaging period shall be reduced from three years to the number of years during the three year period in which the Executive was a participant; and further provided that if the Executive's award for any such year was reduced because the Executive was not a participant for the full year, such amount shall be annualized for purposes of the computation in this subparagraph (ii)).

The amount payable under this paragraph (d) shall be inclusive of the amounts, if any, to which the Executive would otherwise be entitled as severance pay under any severance pay plan, or by law and shall be in addition to (and not inclusive of) any amount payable under any written agreement(s) directly between the Executive and the Company or any of its subsidiaries.

(e) The Executive shall be entitled to benefits under the Abbott Laboratories Supplemental Pension Plan (the "Supplemental Plan") which shall be determined as if the Executive had been credited for benefit accrual purposes with three additional years of service and three additional years of eligible earnings at the higher of the Executive's eligible earnings on the date of termination or the Executive's eligible earnings on the date of the Change in Control and, for purposes of determining the Executive's eligibility for subsidized early retirement benefits, determined as if the Executive were three years older than the Executive's actual age on the date of termination. For purposes of this paragraph (e), "eligible earnings" shall include salary, annual incentive (bonus) awards and all other forms of compensation used to calculate benefits under the Supplemental Plan. The amounts of the annual incentive (bonus) awards shall be calculated in accordance with this paragraph (e) and, to the extent applicable, paragraphs (b) and (c) above. The Executive's benefits under the Supplemental Plan shall be determined, paid and administered without regard to any termination or amendment (including any amendment affecting actuarial factors) of such plan or of any other plan, which is adopted on or after a Change in Control or in contemplation of a Change in Control and, subject to paragraph (f) below, shall be paid in accordance with the terms of that plan and the Executive's elections under that plan. Within twenty (20) days of Executive's date of termination, the Company shall provide the Executive with all forms, elections and materials required in connection with the funding or payment of the Executive's benefits under that plan. Within twenty (20) days of the Company's receipt of properly executed and completed forms, elections and other required materials from the Executive, the Company shall fund the additional benefits to the extent provided by the terms of such plan.

(f) The Executive shall be entitled to elect that all or any portion of the amounts payable under paragraphs 3(b) and 3(c) and subparagraph 3(d)(ii) above (less applicable tax withholding) be paid directly to a grantor trust established by the Executive to the same extent as bonuses payable under the 1986 Abbott Laboratories Management Incentive Plan, the 1998 Abbott Laboratories Performance Incentive Plan, or any successor plans thereto with all of the rights and entitlements attendant thereto.

If the Executive is a participant in the 1998 Abbott Laboratories Performance Incentive Plan or any successor thereto, the Executive's annual incentive (bonus) award for the performance period which includes the date of termination under paragraphs (c) and (d)(ii) above and, if applicable, for the period preceding the date of termination under paragraph (b) shall, be determined under the bonus levels communicated in writing to the Executive by the Company for such year and shall not be the Executive's individual base award allocation as defined in Section 4.2 of the 1998 Abbott Laboratories Performance Incentive Plan (or any corresponding provision of any successor plan).

4. MITIGATION. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise. Except as set forth in paragraph 3(a) with respect to benefits, the Company shall not be entitled to set off against the amounts payable to the Executive under this Agreement any amounts owed to the Company by the Executive, any amounts earned by the Executive in other employment after the Executive's termination of employment with the Company, or any amounts which might have been earned by the Executive in other employment had the Executive sought such other employment.

5. MAKE-WHOLE PAYMENTS. If any payment or benefit to which the Executive (or any person on account of the Executive) is entitled, whether under this Agreement or otherwise, in connection with a Change in Control or the Executive's termination of employment (a "Payment") constitutes a "parachute payment" within the meaning of section 280G of the Internal Revenue Code of 1986, as amended (the "Code"), and as a result thereof the Executive is subject to a tax under section 4999 of the Code, or any successor thereto, (an "Excise Tax"), the Company shall pay to the Executive an additional amount (the "Make-Whole Amount") which is intended to make the Executive whole for such Excise Tax, other than the portion thereof that is attributable solely to equity-based compensation. The Make-Whole Amount shall be equal to (x) minus (y) where (x) is equal to (i) the amount of the Excise Tax, plus (ii) the aggregate amount of any interest, penalties, fines or additions to any tax which are imposed in connection with the imposition of such Excise Tax, plus (iii) all income, excise and other applicable taxes imposed on the Executive under the laws of any Federal, state or local government or taxing authority by reason of the payments required under clauses (i) and (ii) and this clause (iii), and (y) is the amount that would be determined under such clauses (i), (ii), and (iii) if the only parachute payments received by the Executive were equity-based Payments, including but not limited to the accelerated vesting of stock options, shares of restricted stock, or any other equity based award.

(a) For purposes of determining the Make-Whole Amount, the Executive shall be deemed to be taxed at the highest marginal rate under all applicable local, state, federal and foreign income tax laws for the year in which the Make-Whole Amount is paid. The Make-Whole Amount payable with respect to an Excise Tax shall be paid by the Company coincident with the Payment with respect to which such Excise Tax relates.

(b) All calculations under this Section 5 shall be made initially by the Company and the Company shall provide prompt written notice thereof to the Executive to enable the Executive to timely file all applicable tax returns. Upon request of the Executive, the Company shall provide the Executive with sufficient tax and compensation data to enable the Executive or the Executive's tax advisor to independently make the calculations described in subparagraph (a) above and the Company shall reimburse the Executive for reasonable fees and expenses incurred for any such verification.

(c) If the Executive gives written notice to the Company of any objection to the results of the Company's calculations within 60 days of the Executive's receipt of written notice thereof, the dispute shall be referred for determination to independent tax counsel selected by the Company and reasonably acceptable to the Executive ("Tax Counsel"). The Company shall pay all fees and expenses of such Tax Counsel. Pending such determination by Tax Counsel, the Company shall pay the Executive the Make-Whole Amount as determined by it in good faith. The Company shall pay the Executive any additional amount determined by Tax Counsel to be due under this Section 5 (together with interest thereon at a rate equal to 120% of the Federal short-term rate determined under section 1274(d) of the Code) promptly after such determination.

(d) The determination by Tax Counsel shall be conclusive and binding upon all parties unless the Internal Revenue Service, a court of competent jurisdiction, or such other duly empowered governmental body or agency (a "Tax Authority") determines that the Executive owes a greater or lesser amount of Excise Tax with respect to any Payment than the amount determined by Tax Counsel.

(e) If a Taxing Authority makes a claim against the Executive which, if successful, would require the Company to make a payment under this Section 5, the Executive agrees to contest the claim with counsel reasonably satisfactory to the Company, on request of the Company subject to the following conditions:

(i) The Executive shall notify the Company of any such claim within 10 days of becoming aware thereof. In the event that the Company desires the claim to be contested, it shall promptly (but in no event more than 30 days after the notice from the Executive or such shorter time as the Taxing Authority may specify for responding to such claim) request the Executive to contest the claim. The Executive shall not make any payment of any tax which is the subject of the claim before the Executive has given the notice or during the 30-day period thereafter unless the Executive receives written instructions from the Company to make such payment together with an advance of funds sufficient to make the requested payment plus any amounts payable under this Section 5 determined as if such advance were an Excise Tax, in which case the Executive will act promptly in accordance with such instructions.

(ii) If the Company so requests, the Executive will contest the claim by either paying the tax claimed and suing for a refund in the appropriate court or contesting the claim in the United States Tax Court or other appropriate court, as directed by the Company; PROVIDED, HOWEVER, that any request by the Company for the Executive to pay the tax shall be accompanied by an advance from the Company to the Executive of funds sufficient to make the requested payment plus any amounts payable under this Section 5 determined as if such advance were an Excise Tax. If directed by the Company in writing the Executive will take all action necessary to compromise or settle the claim, but in no event will the Executive compromise or settle the claim or cease to contest the claim without the written consent of the Company; PROVIDED, HOWEVER, that the Executive may take any such action if the Executive waives in writing the Executive's right to a payment under this Section 5 for any amounts payable in connection with such claim. The Executive agrees to cooperate in good faith with the Company in contesting the claim and to comply with any reasonable request from the Company concerning the contest of the claim, including the pursuit of administrative remedies, the appropriate forum for any judicial proceedings, and the legal basis for contesting the claim. Upon request of the Company, the Executive shall take appropriate appeals of any judgment or decision that would require the Company to make a payment under this Section 5. Provided that the Executive is in compliance with the provisions of this section, the Company shall be liable for and indemnify the Executive against any loss in connection with, and all costs and expenses, including attorneys' fees, which may be incurred as a result of, contesting the claim, and shall provide to the Executive within 30 days after each written request therefor by the Executive cash advances or reimbursement for all such costs and expenses actually incurred or reasonably expected to be incurred by the Executive as a result of contesting the claim.

(f) Should a Tax Authority finally determine that an additional Excise Tax is owed, then the Company shall pay an additional Make-Whole Amount to the Executive in a manner consistent with this Section 5 with respect to any additional Excise Tax and any assessed interest, fines, or penalties. If any Excise Tax as calculated by the Company or Tax Counsel, as the case may be, is finally determined by a Tax Authority to exceed the amount required to be paid under applicable law, then the Executive shall repay such excess to the Company within 30 days of such determination; provided that such repayment shall be reduced by the amount of any taxes paid by the Executive on such excess which is not offset by the tax benefit attributable to the repayment.

6. TERMINATION DURING POTENTIAL CHANGE IN CONTROL. If a Potential Change in Control (as defined in Section 8) occurs during the Agreement Term, and the Company terminates the Executive's employment for reasons other than Permanent Disability or Cause during such Potential Change in Control, the Executive shall be entitled to receive the benefits that the Executive would have received under Section 3, such benefits to be calculated based upon the

Executive's compensation prior to the actual termination of employment but paid within 20 business days of the date of such termination.

7. CHANGE IN CONTROL. For purposes of this Agreement, a "Change in Control" shall be deemed to have occurred on the earliest of the following dates:

(a) the date any entity or person (including a "group" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934 (the "Exchange Act")) shall have become the beneficial owner of, or shall have obtained voting control over, twenty percent (20%) or more of the outstanding common shares of the Company;

(b) the date on which the Company (i) merges or consolidates with or into another corporation, or merges another corporation into the Company, in which the Company is not the continuing or surviving corporation or pursuant to which any common shares of the Company are converted into cash, securities of another corporation, or other property, other than a merger or consolidation of the Company in which holders of common shares immediately prior to the merger have the same proportionate ownership of common stock of the surviving corporation or its parent corporation immediately after the merger as immediately before, or (ii) sells or otherwise disposes of substantially all of the assets of the Company; or

(c) the date there shall have been a change in a majority of the Board of Directors of the Company within a twelve (12) month period unless the nomination for election by the Company's shareholders of each new director was approved by the vote of two-thirds of the directors then still in office who were in office at the beginning of the twelve (12) month period.

8. 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) The Company 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 (including the Company) 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 reasonable determination by the Board that there is no reasonable chance that such actions would be consummated.

(c) The acquisition by any person (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934) of beneficial ownership of 10 percent or more of the then outstanding shares of common stock of the Company; but excluding, for this purpose, any such acquisition by:

(i) the Company, any subsidiary, any employee benefit plan (or related trust, or a fiduciary of the plan or trust) maintained by the Company or any Subsidiary, or any person who satisfies the requirements set forth in Rule 13d-1(b)(1)(i) and (ii) promulgated under the Securities Exchange Act of 1934; or

(ii) any corporation with respect to which, following such acquisition, more than 50 percent of the then outstanding shares of common stock of such corporation is then beneficially owned by all or substantially all of the individuals and entities who were the beneficial owners of common stock of the Company immediately prior to such acquisition, and in substantially the same proportion as their ownership, immediately prior to such acquisition, of the then outstanding shares of common stock of the Company.

(d) The Board 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 reasonable determination by the Board 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.

9. STOCK AND OPTION AWARDS. With respect to any award granted the Executive after the date of execution of this Agreement (and not the Effective Date) under the Company's 1996 Incentive Stock Program or any successor thereto that includes a provision substantially similar to the provision contained on Appendix A, after a Change in Control no forfeiture shall be effected pursuant to such provision unless the Executive shall have been terminated for "Cause" pursuant to the provisions of paragraph 2(b) above.

10. WITHHOLDING. All payments to the Executive under this Agreement will be subject to withholding of applicable taxes. The Company shall withhold the applicable taxes in an amount calculated at the minimum statutory rate and shall pay the amount so withheld to the appropriate tax authority.

11. NONALIENATION. The interests of the Executive under this Agreement are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Executive or the Executive's beneficiary.

12. AMENDMENT. This Agreement may be amended or canceled only by mutual agreement of the parties in writing without the consent of any other person. So long as the Executive lives, no person, other than the parties hereto, shall have any rights under or interest in this Agreement or the subject matter hereof.

13. APPLICABLE LAW. The provisions of this Agreement shall be construed in accordance with the laws of the State of Illinois, without regard to the conflict of law provisions of any state.

14. SEVERABILITY. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, and this Agreement will be construed as if such invalid or unenforceable provision were omitted (but only to the extent that such provision cannot be appropriately reformed or modified).

15. WAIVER OF BREACH. No waiver by any party hereto of a breach of any provision of this Agreement by any other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party of any similar or dissimilar provisions and conditions at the same or any prior or subsequent time. The failure of any party hereto to take any action by reason of such breach will not deprive such party of the right to take action at any time while such breach continues.

16. SUCCESSORS, ASSUMPTION OF CONTRACT. This Agreement shall be binding upon and inure to the benefit of the Company and any successor of the Company. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no succession had taken place. This Agreement is personal to the Executive and may not be assigned by the Executive without the written consent of the Company. However, to the extent that rights or benefits under this Agreement otherwise survive the Executive's death, the Executive's heirs and estate shall succeed to such rights and benefits pursuant to the Executive's will or the laws of descent and distribution; provided that the Executive shall have the right at any time and from time to time, by notice delivered to the Company, to designate or to change the beneficiary or beneficiaries with respect to such benefits.

17. NOTICES. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid (provided that international mail shall be sent via overnight or two-day delivery), or sent by facsimile or prepaid overnight courier to the parties at the addresses set forth below. Such notices, demands, claims and other communications shall be deemed given:

(a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery;

(b) in the case of certified or registered U.S. mail, five days after deposit in the U.S. mail; or

(c) in the case of facsimile, the date upon which the transmitting party received confirmation of receipt by facsimile, telephone or otherwise;

provided, however, that in no event shall any such communications be deemed to be given later than the date they are actually received. Communications that are to be delivered by the U.S. mail or by overnight service or two-day delivery service are to be delivered to the addresses set forth below:

to the Company:

Senior Vice President, Human Resources
Abbott Laboratories
100 Abbott Park Road
Abbott Park, Illinois 60064

with a copy (which shall not constitute notice) to:

General Counsel and Secretary
Abbott Laboratories
100 Abbott Park Road
Abbott Park, Illinois 60064

or to the Executive:

_____

_____

_____

Each party, by written notice furnished to the other party, may modify the applicable delivery address, except that notice of change of address shall be effective only upon receipt.

18. RESOLUTION OF ALL DISPUTES. Any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by alternative dispute resolution procedures in accordance with Appendix B hereto.

19. LEGAL AND ENFORCEMENT COSTS. The provisions of this Section 19 shall apply if it becomes necessary or desirable for the Executive to retain legal counsel or incur other costs and expenses in connection with enforcing any and all rights under this Agreement:

(a) The Executive shall be entitled to recover from the Company reasonable attorneys' fees, costs and expenses incurred in connection with such enforcement or defense.

(b) Payments required under this Section 19 shall be made by the Company to the Executive (or directly to the Executive's attorney) promptly following submission to the Company of appropriate documentation evidencing the incurrence of such attorneys' fees, costs, and expenses.

(c) The Executive shall be entitled to select legal counsel; provided, however, that such right of selection shall not affect the requirement that any costs and expenses reimbursable under this Section 19 be reasonable.

(d) The Executive's rights to payments under this Section 19 shall not be affected by the final outcome of any dispute with the Company.

20. SURVIVAL OF AGREEMENT. Except as otherwise expressly provided in this Agreement, the rights and obligations of the parties to this Agreement shall survive the termination of the Executive's employment with the Company.

21. ENTIRE AGREEMENT. Except as otherwise provided herein, this Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior or contemporaneous agreements, if any, between the parties relating to the subject matter hereof; provided, however, that nothing in this Agreement shall be construed to limit any policy or agreement that is otherwise applicable relating to confidentiality, rights to inventions, copyrightable material, business and/or technical information, trade secrets, solicitation of employees, interference with relationships with other businesses, competition, and other similar policies or agreement for the protection of the business and operations of the Company and the subsidiaries.

22. COUNTERPARTS. This Agreement may be executed in two or more counterparts, any one of which shall be deemed the original without reference to the others.

IN WITNESS THEREOF, the Executive has hereunto set his hand, and the Company has caused these presents to be executed in its name and on its behalf, and its corporate seal to be hereunto affixed on this ____ day of _____, 2000, all as of the Effective Date.

EXECUTIVE

ABBOTT LABORATORIES

By ---

Its ---

ATTEST:

- ---

(Seal)

APPENDIX A

AGREEMENT REGARDING CHANGE IN CONTROL
FORFEITURE PROVISION REFERENCED IN SECTION 9

Notwithstanding paragraphs (x*), (y*) and (z*), these options (this restricted stock award, etc.) shall immediately terminate (be forfeited), if in the sole opinion and discretion of the Compensation Committee or its delegate, the employee (a) engages in a material breach of the company's Code of Business Conduct; (b) commits an act of fraud, embezzlement or theft in connection with the employee's duties or in the course of employment; or (c) wrongfully discloses secret processes or confidential information of the company or its subsidiaries.

* Provisions contained in the agreements pertaining to nonforfeiture for death, disability, etc.

AGREEMENT REGARDING CHANGE IN CONTROL
ALTERNATIVE DISPUTE RESOLUTION PROCEDURES

The parties to the Agreement Regarding Change in Control dated as of the 1st day of January, 2000 (the "Agreement") recognize that a bona fide dispute as to certain matters may arise from time to time during the term of the Agreement which relates to either party's rights and/or obligations. To have such a dispute resolved by this Alternative Dispute Resolution ("ADR") provision, a party first must send written notice of the dispute to the other party for attempted resolution by good faith negotiations between the Executive and the Company within twenty-eight (28) days after such notice is received (all references to "days" in the ADR provision are to calendar days).

If the matter has not been resolved within twenty-eight (28) days of the notice of dispute, or if the parties fail to meet within such twenty-eight (28) days, either party may initiate an ADR proceeding as provided herein. The parties shall have the right to be represented by counsel in such a proceeding.

1. To begin an ADR proceeding, a party shall provide written notice to the other party of the issues to be resolved by ADR. Within fourteen (14) days after its receipt of such notice, the other party may, by written notice to the party initiating the ADR, add additional issues to be resolved within the same ADR.

2. Within twenty-one (21) days following receipt of the original ADR notice, the parties shall select a mutually acceptable neutral to preside in the resolution of any disputes in this ADR proceeding. If the parties are unable to agree on a mutually acceptable neutral within such period, either party may request the President of the CPR Institute for Dispute Resolution ("CPR"), 366 Madison Avenue, 14th Floor, New York, New York 10017, to select a neutral pursuant to the following procedures:

   (a) The CPR shall submit to the parties a list of not less than five (5) candidates within fourteen (14) days after receipt of the request, along with a CURRICULUM VITAE for each candidate. No candidate shall be an employee, director or shareholder of either party or any of their subsidiaries or affiliates.

   (b) Such list shall include a statement of disclosure by each candidate of any circumstances likely to affect his or her impartiality.

   (c) Each party shall number the candidates in order of preference (with the number one (1) signifying the greatest preference) and shall deliver the list to the CPR within seven (7) days following receipt of the list of candidates. If a party

believes a conflict of interest exists regarding any of the candidates, that party shall provide a written explanation of the conflict to the CPR along with its list showing its order of preference for the candidates. Any party failing to return a list of preferences on time shall be deemed to have no order of preference.

(d) If the parties collectively have identified fewer than three (3) candidates deemed to have conflicts, the CPR immediately shall designate as the neutral the candidate for whom the parties collectively have indicated the greatest preference. If a tie should result between two candidates, the CPR may designate either candidate. If the parties collectively have identified three (3) or more candidates deemed to have conflicts, the CPR shall review the explanations regarding conflicts and, in its sole discretion, may either (i) immediately designate as the neutral the candidate for whom the parties collectively have indicated the greatest preference, or (ii) issue a new list of not less than five (5) candidates, in which case the procedures set forth in subparagraphs 2(a)-2(d) shall be repeated.

3. No earlier than twenty-eight (28) days or later than fifty-six (56) days after selection, the neutral shall hold a hearing to resolve each of the issues identified by the parties. The ADR proceeding shall take place at a location agreed upon by the parties. If the parties cannot agree, the neutral shall designate a location other than the principal place of business of either party or any of the subsidiaries or affiliates.

4. At least seven (7) days prior to the hearing, each party shall submit the following to the other party and the neutral:

(a) a copy of all exhibits on which such party intends to rely in any oral or written presentation to the neutral;

(b) a list of any witnesses such party intends to call at the hearing, and a short summary of the anticipated testimony of each witness;

(c) a proposed ruling on each issue to be resolved, together with a request for a specific damage award or other remedy for each issue. The proposed rulings and remedies shall not contain any recitation of the facts or any legal arguments and shall not exceed one (1) page per issue.

(d) a brief in support of such party's proposed rulings and remedies, provided that the brief shall not exceed twenty (20) pages. This page limitation shall apply regardless of the number of issues raised in the ADR proceeding.

Except as expressly set forth in subparagraphs 4(a) - 4(d), no discovery shall be required or permitted by any means, including deposition, interrogatories, requests for admissions or production of documents.

5. The hearing shall be conducted on two (2) consecutive days and shall be governed by the following rules:

   (a) Each party shall be entitled to five (5) hours of hearing time to present its case. The neutral shall determine whether each party has had the five (5) hours to which it is entitled.

   (b) Each party shall be entitled, but not required, to make an opening statement, to present regular or rebuttal testimony, documents or other evidence, to cross-examine witnesses and to make a closing argument. Cross-examination of witnesses shall occur immediately after their direct testimony, and cross-examination time shall be charged against the party conducting the cross-examination.

   (c) The party initiating the ADR shall begin the hearing and, if it chooses to make an opening statement, shall address not only issues it raised, but also any issues raised by the responding party. The responding party, if it chooses to make an opening statement, also shall address all issues raised in the ADR. Thereafter, the presentation of regular and rebuttal testimony and documents, other evidence and closing arguments shall proceed in the same sequence.

   (d) Except when testifying, witnesses shall be excluded from the hearing until closing arguments.

   (e) Settlement negotiations, including any statements made therein, shall not be admissible under any circumstances. Affidavits prepared for purposes of the ADR hearing also shall not be admissible. As to all other matters, the neutral shall have sole discretion regarding the admissibility of any evidence.

6. Within seven (7) days following completion of the hearing, each party may submit to the other party and the neutral a post-hearing brief in support of its proposed rulings and remedies, provided that such brief shall not contain or discuss any new evidence and shall not exceed ten (10) pages. This page limitation shall apply regardless of the number of issues raised in the ADR proceeding.

7. The neutral shall rule on each disputed issue within fourteen (14) days following completion of the hearing. Such ruling shall adopt in its entirety the proposed ruling and remedy of one of the parties on each disputed issue but may adopt one party's proposed rulings and remedies on some issues and the other party's proposed rulings and remedies on other issues. The neutral shall not issue any written opinion or otherwise explain the basis of the ruling.

8. The neutral shall be paid a reasonable fee plus expenses by the Company. The Company shall bear its own fees and expenses. The Executive's fees and expenses shall be paid or reimbursed by the Company to the extent provided by the Agreement.

9. The rulings of the neutral and the allocation of fees and expenses shall be binding, non-reviewable, and non-appealable, and may be entered as a final judgment in any court having jurisdiction.

10. Except as provided in Section 9 or as required by law, the existence of the dispute, any settlement negotiations, the ADR hearing, any submissions (including exhibits, testimony, proposed rulings, and briefs), and the rulings shall be deemed Confidential Information. The neutral shall have the authority to impose sanctions for unauthorized disclosure of Confidential Information.

EXHIBIT 12

Abbott Laboratories and Subsidiaries

CALCULATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Unaudited)

(dollars in millions except ratios)

	Year Ended December 31				
	1999	1998	1997	1996	1995
Net Earnings	$2,446	$2,334	$2,079	$1,874	$1,680
Add (deduct):					
Income taxes	951	908	856	788	707
Capitalized interest cost, net of amortization	(1)	1	(1)	(4)	(7)
Equity in earnings of 20%-49% owned companies, less dividends received	0	0	0	0	2
Minority interest	8	7	11	16	18
Net earnings as adjusted	$3,404	$3,250	$2,945	$2,674	$2,400
Fixed Charges:					
Interest on long-term and short-term debt	$ 145	$ 160	$ 135	$ 96	$ 70
Capitalized interest cost	13	14	14	16	19
Rental expense representative of an interest factor	44	40	29	26	26
Total Fixed Charges	202	214	178	138	115
Total adjusted earnings available for payment of fixed charges	$3,606	$3,464	$3,123	$2,812	$2,515
Ratio of earnings to fixed charges	17.9	16.2	17.5	20.4	21.9

NOTE: For the purpose of calculating this ratio, (i) earnings have been calculated by adjusting net earnings for taxes on earnings; interest expense; capitalized interest cost, net of amortization; minority interest; and the portion of rentals representative of the interest factor, (ii) the Company 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.

Exhibit 13

The portions of the Abbott Laboratories Annual Report for the year ended December 31, 1999 captioned Consolidated Statement of Earnings and Comprehensive Income, Consolidated Statement of Cash Flows, Consolidated Balance Sheet, Consolidated Statement of Shareholders' Investment, Notes to Consolidated Financial Statements, Report of Independent Public Accountants, Financial Instruments and Risk Management, Financial Review, and the applicable portions of the section captioned Summary of Selected Financial Data for the years 1995 through 1999.

Abbott Laboratories and Subsidiaries
Consolidated Statement of Earnings and Comprehensive Income

(dollars and shares in thousands except per share data)

Year Ended December 31	1999	1998	1997
Net Sales	$13,177,625	$12,512,734	$11,889,283
Cost of products sold	5,977,183	5,406,635	5,052,313
Research and development	1,193,963	1,228,777	1,307,362
Selling, general and administrative	2,857,104	2,759,757	2,695,758
Total Operating Cost and Expenses	10,028,250	9,395,169	9,055,433
Operating Earnings	3,149,375	3,117,565	2,833,850
Net interest expense	81,765	102,540	85,543
Income from TAP Holdings Inc. joint venture	(390,152)	(266,347)	(189,497)
Net foreign exchange (gain) loss	26,238	31,158	(9,048)
Other (income) expense, net	34,636	8,349	12,267
Earnings Before Taxes	3,396,888	3,241,865	2,934,585
Taxes on earnings	951,129	907,512	855,484
Net Earnings	$ 2,445,759	$ 2,334,353	$ 2,079,101
Basic Earnings Per Common Share	$1.59	$1.52	$1.34
Diluted Earnings Per Common Share	$1.57	$1.50	$1.32
Average Number of Common Shares Outstanding Used for Basic Earnings Per Common Share	1,536,762	1,537,242	1,552,811
Dilutive Common Stock Options	20,893	23,716	22,261
Average Number of Common Shares Outstanding Plus Dilutive Common Stock Options	1,557,655	1,560,958	1,575,072
Outstanding Common Stock Options Having No Dilutive Effect	1,807	657	2,216
Comprehensive Income:			
Foreign currency translation adjustments	$ (172,517)	$ 1,504	$ (183,886)
Tax benefit related to foreign currency translation adjustments	1,286	441	--
Unrealized gains (loss)on marketable equity securities	(10,548)	1,000	3,067
Tax benefit (expense) related to unrealized gains (loss) on marketable equity securities	4,171	(396)	(1,210)
Other comprehensive income (loss), net of tax	(177,608)	2,549	(182,029)
Net Earnings	2,445,759	2,334,353	2,079,101
Comprehensive Income	$ 2,268,151	$ 2,336,902	$ 1,897,072
Supplemental Comprehensive Income Information:			
Cumulative foreign currency translation loss adjustments, net of tax	$ 431,942	$ 260,711	$ 262,656
Cumulative unrealized (gains) on marketable equity securities, net of tax	(26,641)	(33,018)	(32,414)

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

Abbott Laboratories and Subsidiaries
Consolidated Statement of Cash Flows

(dollars in thousands)

Year Ended December 31	1999	1998	1997
Cash Flow From (Used in) Operating Activities:			
Net earnings	$ 2,445,759	$ 2,334,353	$ 2,079,101
Adjustments to reconcile net earnings to net cash from operating activities--			
Depreciation and amortization	828,006	786,380	729,143
Exchange (gains) losses, net	(10,011)	(14,176)	31,005
Investing and financing (gains) losses, net	93,723	90,798	113,999
Trade receivables	(176,347)	(147,489)	(222,189)
Inventories	(147,778)	(112,692)	(99,400)
Prepaid expenses and other assets	(542,306)	(191,249)	(446,489)
Trade accounts payable and other liabilities	299,048	179,653	485,618
Income taxes payable	147,427	(145,379)	(10,700)
Net Cash From Operating Activities	2,937,521	2,780,199	2,660,088
Cash Flow From (Used in) Investing Activities:			
Acquisition of certain assets of Glaxo Wellcome Inc.'s U.S. anesthesia business in 1999, International Murex in 1998 and Sanofi's parenteral products businesses in 1997, net of cash acquired	(217,000)	(249,177)	(200,475)
Acquisitions of property, equipment and other businesses	(987,098)	(993,555)	(1,009,096)
Purchases of investment securities	(175,694)	(343,453)	(91,273)
Proceeds from sales of investment securities	169,356	96,757	67,726
Other	12,187	18,034	(8,209)
Net Cash Used in Investing Activities	(1,198,249)	(1,471,394)	(1,241,327)
Cash Flow From (Used in) Financing Activities:			
Proceeds from (repayments of) commercial paper, net	(864,000)	42,000	402,000
Proceeds from issuance of long-term debt	--	400,000	--
Other borrowing transactions, net	6,286	(59,640)	15,294
Purchases of common shares	--	(876,264)	(1,054,512)
Proceeds from issuance of common shares	329,490	--	19,417
Proceeds from stock options exercised	104,693	152,399	138,392
Dividends paid	(1,003,295)	(891,661)	(809,554)
Net Cash Used in Financing Activities	(1,426,826)	(1,233,166)	(1,288,963)
Effect of exchange rate changes on cash and cash equivalents	(19,587)	(143)	(2,782)
Net Increase in Cash and Cash Equivalents	292,859	75,496	127,016
Cash and Cash Equivalents, Beginning of Year	315,238	239,742	112,726
Cash and Cash Equivalents, End of Year	$ 608,097	$ 315,238	$ 239,742
Supplemental Cash Flow Information:			
Income taxes paid	$ 882,957	$ 1,060,479	$ 922,242
Interest paid	145,055	153,891	132,689

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

Abbott Laboratories and Subsidiaries
Consolidated Balance Sheet

(dollars in thousands)

December 31	1999	1998	1997
Assets			
Current Assets:			
Cash and cash equivalents	$ 608,097	$ 315,238	$ 239,742
Investment securities	115,199	95,827	52,816
Trade receivables, less allowances of -- 1999: $238,956; 1998: $191,352; 1997: $167,592	2,055,839	1,955,866	1,784,115
Inventories--			
Finished products	772,478	697,974	667,617
Work in process	338,818	347,150	287,880
Materials	384,148	367,616	325,491
Total inventories	1,495,444	1,412,740	1,280,988
Prepaid income taxes	918,617	847,154	800,591
Other prepaid expenses and receivables	1,226,558	962,936	917,695
Total Current Assets	6,419,754	5,589,761	5,075,947
Investment Securities	954,778	967,819	764,253
Property and Equipment, at Cost:			
Land	202,858	165,474	152,791
Buildings	1,882,439	1,860,265	1,746,956
Equipment	7,339,578	7,104,805	6,490,599
Construction in progress	372,692	272,949	404,303
	9,797,567	9,403,493	8,794,649
Less: accumulated depreciation and amortization	5,027,508	4,660,555	4,222,690
Net Property and Equipment	4,770,059	4,742,938	4,571,959
Net Intangible Assets	1,574,851	1,349,822	1,112,126
Deferred Charges, Investments in Joint Ventures and Other Assets	751,602	609,579	577,540
	$14,471,044	$13,259,919	$12,101,825

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

Abbott Laboratories and Subsidiaries
Consolidated Balance Sheet

(dollars in thousands)

December 31	1999	1998	1997
Liabilities and Shareholders' Investment			
- ----------			
Current Liabilities:			
Short-term borrowings and current portion of long-term debt	$ 896,271	$ 1,759,145	$ 1,781,563
Trade accounts payable	1,226,854	1,057,417	1,001,572
Salaries, wages and commissions	383,552	375,804	333,843
Other accrued liabilities	1,433,424	1,379,953	1,407,578
Dividends payable	263,000	227,400	201,450
Income taxes payable	313,610	166,183	311,562
Total Current Liabilities	4,516,711	4,965,902	5,037,568
Long-Term Debt	1,336,789	1,339,694	937,983
Deferred Income Taxes	23,779	108,964	136,514
Other Liabilities and Deferrals	1,166,170	1,091,768	953,426
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: 1999: 1,564,670,440; 1998: 1,548,382,682; 1997: 1,560,865,737	1,939,673	1,310,500	985,575
Common shares held in treasury, at cost-- Shares: 1999: 17,650,834; 1998: 17,710,838; 1997: 18,280,398	(257,756)	(46,735)	(48,238)
Unearned compensation-- restricted stock awards	(23,028)	(25,796)	(26,187)
Earnings employed in the business	6,174,007	4,743,315	4,355,426
Accumulated other comprehensive loss	(405,301)	(227,693)	(230,242)
Total Shareholders' Investment	7,427,595	5,753,591	5,036,334
	$14,471,044	$13,259,919	$12,101,825

Abbott Laboratories and Subsidiaries
Consolidated Statement of Shareholders' Investment

(dollars in thousands except per share data)

Year Ended December 31	1999	1998	1997
Common Shares:			
Beginning of Year			
Shares: 1999: 1,548,382,682;			
1998: 1,560,865,737; 1997: 1,580,928,032.....	$ 1,310,500	$ 985,575	$ 751,619
Issued shares: 1999: 9,000,000; 1997: 1,350,000.....	329,490	--	19,417
Issued under incentive stock programs			
Shares: 1999: 11,476,536; 1998: 13,929,668;			
1997: 15,463,343.....	240,897	259,058	179,208
Tax benefit from option shares and vesting of			
restricted stock awards (no share effect).....	62,458	85,070	53,866
Retired -- Shares: 1999: 4,188,778;			
1998: 26,412,723; 1997: 36,875,638.....	(3,672)	(19,203)	(18,535)
End of Year			
Shares: 1999: 1,564,670,440;			
1998: 1,548,382,682; 1997: 1,560,865,737.....	$ 1,939,673	$ 1,310,500	$ 985,575
Common Shares Held in Treasury:			
Beginning of Year			
Shares: 1999: 17,710,838; 1998: 18,280,398;			
1997: 19,177,264.....	$ (46,735)	$ (48,238)	$ (50,605)
Private transaction in 1999			
Shares purchased: 5,099,720			
Shares issued: 4,985,475.....	(211,822)	--	--
Issued under incentive stock programs			
Shares: 1999: 174,249; 1998: 569,560;			
1997: 896,866.....	801	1,503	2,367
End of Year			
Shares: 1999: 17,650,834; 1998: 17,710,838;			
1997: 18,280,398.....	$ (257,756)	$ (46,735)	$ (48,238)
Unearned Compensation -- Restricted Stock Awards:			
Beginning of Year.....	$ (25,796)	$ (26,187)	$ (7,804)
Issued at market value--			
Shares: 1999: 106,500; 1998: 554,000;			
1997: 888,000.....	(7,186)	(20,584)	(26,879)
Lapses-- Shares: 1998: 22,000.....	--	705	--
Amortization.....	9,954	20,270	8,496
End of Year.....	$ (23,028)	$ (25,796)	$ (26,187)
Earnings Employed in the Business:			
Beginning of Year.....	$ 4,743,315	$ 4,355,426	$ 4,207,409
Net earnings.....	2,445,759	2,334,353	2,079,101
Cash dividends declared on common shares			
(per share-- 1999: $.68; 1998: $.60; 1997: $.54)....	(1,038,895)	(917,611)	(825,138)
Cost of common shares retired			
in excess of stated capital amount.....	(194,990)	(1,048,500)	(1,129,757)
Cost of treasury shares issued below market value...	218,818	19,647	23,811
End of Year.....	$ 6,174,007	$ 4,743,315	$ 4,355,426
Accumulated Other Comprehensive Loss:			
Beginning of Year.....	$ (227,693)	$ (230,242)	$ (48,213)
Other comprehensive income (loss).....	(177,608)	2,549	(182,029)
End of Year.....	$ (405,301)	$ (227,693)	$ (230,242)

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

Abbott Laboratories and Subsidiaries
Notes to Consolidated Financial Statements

Note 1 -- Summary of Significant Accounting Policies

NATURE OF BUSINESS AND CONCENTRATION OF RISK -- Abbott's principal business is the discovery, development, manufacture and sale of a broad line of health care products and services. Due to the nature of its operations, Abbott is not subject to significant concentration risks relating to customers, products or geographic locations.

BASIS OF CONSOLIDATION -- The consolidated financial statements include the accounts of the parent company and subsidiaries, after elimination of intercompany transactions. The accounts of foreign subsidiaries are consolidated as of November 30, due to the time needed to consolidate these subsidiaries. No events occurred related to these foreign subsidiaries in December 1999, 1998 and 1997 that materially affected the financial position or results of operations.

Certain prior year equity security amounts have been reclassified from deferred charges and other assets to long-term investment securities to conform with the 1999 presentation.

USE OF ESTIMATES -- The financial statements have been prepared in accordance with generally accepted accounting principles and necessarily include amounts based on estimates and assumptions by management. Actual results could differ from those amounts. Significant estimates include amounts for litigation, income taxes, sales rebates, and inventory and accounts receivable exposures.

CASH, CASH EQUIVALENTS AND INVESTMENT SECURITIES -- Cash equivalents consist of time deposits and certificates of deposit with original maturities of three months or less. 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 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 a component of interest income.

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

LONG-LIVED ASSETS -- 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	Expected Useful Lives
Buildings	10 to 50 years (average 29 years)
Equipment	3 to 20 years (average 11 years)

Intangible assets, primarily purchased intangible assets and goodwill resulting from business acquisitions, are amortized on a straight-line basis over up to 40 years. Accumulated amortization as of December 31, 1999, 1998, and 1997, was $228 million, $163 million, and $98 million, respectively.

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable based on projected undiscounted cash flows associated with the affected assets. If the fair value is less than the carrying amount of the asset, a loss is recognized for the difference. Fair value is determined based on market quotes, if available, or is based on valuation techniques.

PRODUCT LIABILITY -- Provisions are made for the portions of probable losses that are not covered by product liability insurance.

TRANSLATION ADJUSTMENTS -- For foreign operations in highly inflationary economies, translation gains and losses are included in net foreign exchange (gain) loss. For remaining foreign operations, translation adjustments are included as a component of accumulated other comprehensive income (loss).

REVENUE RECOGNITION -- Revenue from product sales is recognized upon shipment to customers. Provisions for discounts and rebates to customers, and returns and other adjustments are provided for in the period the related sales are recorded.

RESEARCH AND DEVELOPMENT -- Internal research and development costs are expensed as incurred. Third-party research and development costs are expensed when the contracted work has been performed or as milestone results have been achieved.

Note 2 -- Supplemental Financial Information
(dollars in thousands)

Other prepaid expenses and receivables	1999	1998	1997
Receivables purchased from TAP Holdings Inc. under a factoring agreement	$ 431,801	$ 310,993	$ 344,979
All other	794,757	651,943	572,716
Total	$1,226,558	$ 962,936	$ 917,695
Other liabilities and deferrals			
Accrued post-employment costs	$ 537,309	$ 477,417	$ 409,169
All other	628,861	614,351	544,257
Total	$1,166,170	$1,091,768	$ 953,426
Net interest expense			
Interest expense	$ 144,689	$ 159,986	$ 134,625
Interest income	(62,924)	(57,446)	(49,082)
Total	$ 81,765	$ 102,540	$ 85,543

Note 3 -- Taxes on Earnings
(dollars in thousands)

Deferred income taxes reflect the tax consequences on future years of temporary differences between the tax bases of assets and liabilities and their financial reporting amounts. U.S. income taxes are provided on those earnings of foreign subsidiaries and subsidiaries operating in Puerto Rico under tax incentive grants, which are intended to be remitted to the parent company. Undistributed earnings reinvested indefinitely in foreign subsidiaries as working capital and plant and equipment aggregated $1,980,122 at December 31, 1999. Deferred income taxes not provided on these earnings would be approximately $469,258.

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

Earnings Before Taxes	1999	1998	1997
Domestic	$2,505,060	$2,520,985	$2,221,032
Foreign	891,828	720,880	713,553
Total	$3,396,888	$3,241,865	$2,934,585

Taxes on Earnings	1999	1998	1997
Current:			
U.S. Federal and Possessions	$ 785,709	$ 744,124	$ 717,156
State	70,376	49,869	71,447
Foreign	235,459	184,100	171,259
Total current	1,091,544	978,093	959,862
Deferred:			
Domestic	(112,398)	(92,681)	(130,634)
Foreign	(30,215)	25,219	26,836
Enacted tax rate changes	2,198	(3,119)	(580)
Total deferred	(140,415)	(70,581)	(104,378)
Total	$ 951,129	$ 907,512	$ 855,484

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

	1999	1998	1997
Statutory tax rate	35.0%	35.0%	35.0%
Benefit of tax exemptions in Puerto Rico, the Dominican Republic, Ireland, the Netherlands, and Italy	(5.2)	(4.9)	(6.1)
State taxes, net of federal benefit	1.4	1.0	1.6
Domestic dividend exclusion	(3.2)	(2.3)	(1.8)
All other, net	--	(0.8)	0.4
Effective tax rate	28.0%	28.0%	29.1%

As of December 31, 1999, 1998, and 1997, total deferred tax assets were $1,364,867, $1,286,341, and $1,161,085, respectively, and total deferred tax liabilities were $441,404, $487,207, and $461,943, respectively. Valuation allowances for deferred tax assets were not significant. The temporary differences that give rise to deferred tax assets and liabilities were as follows:

	1999	1998	1997
Compensation and employee benefits.....	$ 293,893	$ 254,026	$ 205,423
Trade receivable reserves.....	178,157	173,525	176,070
Inventory reserves.....	150,100	115,693	119,398
Deferred intercompany profit.....	184,687	177,515	135,211
State income taxes.....	46,964	26,585	32,442
Depreciation.....	(174,396)	(197,832)	(196,233)
Other, primarily other accruals and reserves not currently deductible, and the excess of book basis over tax basis of intangible assets.....	215,433	188,678	191,766
Total.....	$ 894,838	$ 738,190	$ 664,077

Note 4 -- Investment Securities
(dollars in thousands)

The following is a summary of investment securities at December 31:

Current Investment Securities	1999	1998	1997
Time deposits and certificates of deposit.....	$ 95,000	$ 50,000	$ 25,700
Other, primarily debt obligations issued or guaranteed by various governments or government agencies.....	20,199	45,827	27,116
Total.....	$115,199	$ 95,827	$ 52,816

Long-Term Investment Securities	1999	1998	1997
Time deposits and certificates of deposit, maturing through 2003.....	$391,500	$486,500	$406,500
Corporate debt obligations, maturing through 2008.....	73,037	112,320	82,143
Debt obligations issued or guaranteed by various governments or government agencies, maturing through 2023.....	183,184	185,022	142,324
Equity securities.....	307,057	183,977	133,286
Total.....	$954,778	$967,819	$764,253

Abbott has both the intent and ability to hold the above marketable non-equity investment securities until maturity, and therefore, they are classified as held-to-maturity securities. The equity securities are classified as available-for-sale and are marked-to-market with the resulting unrealized gains or losses recorded as a component of accumulated other comprehensive income (loss). All investment securities classified as current as of December 31, 1999, mature in 2000.

Of the investment securities listed above, $742,610, $858,809, and $656,634 were held at December 31, 1999, 1998, and 1997, respectively, by subsidiaries operating in Puerto Rico under tax incentive grants expiring from 2002 through 2007. In addition, these subsidiaries held cash equivalents of $11,900, $74,900, and $81,100 at December 31, 1999, 1998, and 1997, respectively.

Note 5 -- Post-Employment Benefits
(dollars in thousands)

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		
	1999	1998	1997	1999	1998	1997
Projected benefit obligations, January 1	$2,348,620	$2,000,329	$1,771,191	$ 714,946	$ 646,448	$ 599,631
Service cost-- benefits earned during the year	131,670	108,754	97,272	31,933	30,664	28,274
Interest cost on projected benefit obligations	157,004	140,287	128,404	44,297	43,770	42,167
Losses (gains), primarily changes in discount rate, plan design changes and lower than estimated health care costs	(283,135)	182,829	95,495	(124,269)	18,057	(5,389)
Benefits paid	(97,399)	(85,722)	(77,722)	(31,207)	(23,993)	(18,235)
Other, primarily translation	2,981	2,143	(14,311)	--	--	--
Projected benefit obligations, December 31	$2,259,741	$2,348,620	$2,000,329	$ 635,700	$ 714,946	$ 646,448
Plans' assets at fair value, January 1, principally listed securities	$2,550,971	$2,192,486	$1,828,989	$ 82,528	$ 86,600	$ 87,719
Actual return on plans' assets	608,805	426,023	373,405	23,407	18,656	17,009
Company contributions	24,623	18,945	76,083	3,021	1,265	107
Benefits paid	(97,399)	(85,722)	(77,722)	(31,207)	(23,993)	(18,235)
Other, primarily translation	13,222	(761)	(8,269)	--	--	--
Plans' assets at fair value, December 31	$3,100,222	$2,550,971	$2,192,486	$ 77,749	$ 82,528	$ 86,600
Projected benefit obligations less than (greater than) plans' assets, December 31	$ 840,481	$ 202,351	$ 192,157	$(557,951)	$(632,418)	$(559,848)
Unrecognized actuarial (gains) losses, net	(837,234)	(143,876)	(78,522)	63,324	137,701	133,379
Unrecognized prior service cost	3,210	6,134	9,053	(68,682)	--	--
Unrecognized transition obligation	(10,486)	(21,015)	(32,085)	--	--	--
Prepaid (accrued) benefit cost	$ (4,029)	$ 43,594	$ 90,603	$(563,309)	$(494,717)	$(426,469)
Service cost-- benefits earned during the year	$ 131,670	$ 108,754	$ 97,272	$ 31,933	$ 30,664	$ 28,274
Interest cost on projected benefit obligations	157,004	140,287	128,404	44,297	43,770	42,167
Expected return on plans' assets	(200,260)	(179,194)	(148,250)	(6,813)	(7,211)	(7,035)
Net amortization	(3,082)	(7,728)	(7,154)	1,396	2,290	3,288
Net cost	$ 85,332	$ 62,119	$ 70,272	$ 70,813	$ 69,513	$ 66,694

The projected benefit obligations for certain foreign defined benefit plans that do not have plan assets were $63,904, $62,719, and $52,841 at December 31, 1999, 1998, and 1997, respectively.

Assumptions used for major benefit plans as of December 31 include:

	1999	1998	1997
Discount rate for determining obligations and interest cost.....	7 3/4%	6 3/4%	7 1/4%
Expected aggregate average long-term change in compensation.....	5%	5%	5%
Expected long-term rate of return on assets.....	9 1/2%	9 1/2%	9 1/2%

A five percent annual rate of increase in the per capita cost of covered health care benefits is assumed.

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, 1999, by approximately $109,354/$(84,312), and the total of the service and interest cost components of net post-employment health care cost for the year then ended by approximately $17,385/$(14,376).

The Abbott Stock Retirement Plan is the principal defined contribution plan. Company contributions to this plan were $76,000 in 1999, $66,911 in 1998, and $60,838 in 1997, equal to 7.33 percent of dividends declared, as provided under the plan.

Abbott provides certain other post-employment benefits, primarily salary continuation plans, to qualifying domestic employees, and accrues for the related cost over the service lives of the employees.

Note 6 -- Financial Instruments and Derivatives

Abbott enters into foreign currency forward exchange contracts to hedge intercompany loans and trade accounts payable where the receivable or payable is denominated in a currency other than the functional currency of the entity. Such contracts are also used to hedge foreign currency denominated third-party trade payables and receivables. For intercompany loans, the contracts require Abbott to sell 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 currencies hedged are primarily the U.S. dollar, European currencies and Japanese yen. At December 31, 1999, 1998, and 1997, Abbott held $1.4 billion, $1.6 billion, and $1.3 billion, respectively, of foreign currency forward exchange contracts. The contracts outstanding at December 31, 1999, mature in 2000. These contracts are marked-to-market each month. The resulting gains or losses are reflected in income and are generally offset by losses or gains on the exposures being hedged.

Abbott's foreign subsidiaries purchase U.S. dollar call options as a hedge of anticipated intercompany purchases by these subsidiaries whose functional currency is not the U.S. dollar. These contracts give Abbott the right, but not the requirement, to purchase U.S. dollars in exchange for foreign currencies, primarily European currencies and Japanese yen, at predetermined exchange rates. At December 31, 1999, 1998, and 1997, Abbott held $85 million, $406 million, and $461 million, respectively, of U.S. dollar call option contracts. The contracts outstanding at December 31, 1999, mature in 2000. Realized and unrealized gains and losses on contracts that qualify as hedges of anticipated purchases by foreign subsidiaries are recognized in the same period that the foreign currency exposure is recognized. Contracts that do not qualify for hedge accounting are marked-to-market each month, and the resulting gains or losses are reflected in income.

Abbott purchases foreign currency put options as a hedge against the effect of exchange rate fluctuations on income. These contracts give Abbott the right, but not the requirement, to sell foreign currencies, primarily European currencies and Japanese yen, in exchange for U.S. dollars at predetermined exchange rates. These contracts are marked-to-market each month. The resulting gains or losses are reflected in income and are generally offset by losses or gains on the exposures being hedged. There were no such contracts outstanding at December 31, 1999, 1998, and 1997.

Net unrealized losses on foreign currency forward exchange contracts are included in other prepaid expenses and receivables, and net unrealized gains are included in other accrued liabilities. Gains and losses are classified as net foreign exchange (gain) loss. For U.S. dollar call options, net unrealized gains and losses and unamortized premiums are included in other prepaid expenses and receivables, and for foreign currency put options and U.S. dollar call options that do not qualify for hedge accounting, gains and losses are included as net foreign exchange (gain) loss. For U.S. dollar call options that qualify for hedge accounting treatment, gains and losses are included in cost of products sold at the time the products are sold.

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities." This statement requires the recognition of the fair value of derivatives as either assets or liabilities. The statement is effective for fiscal years beginning after June 15, 2000. Adoption of the provisions of this statement will not have a material effect on the financial statements of Abbott.

The gross unrealized holding gains (losses) on current and long-term held-to-maturity investment securities totaled $1.1 million and $(29.9) million, respectively, at December 31, 1999; $3.7 million and $(9.6) million, respectively, at December 31, 1998; and $4.1 million and $(10.2) million, respectively, at December 31, 1997. The gross unrealized holding gains (losses) on available-for-sale equity securities totaled $49.3 million and $(4.7) million, respectively, at December 31, 1999, and $61.7 million and $(6.7) million, respectively, at December 31, 1998. The gross unrealized holding gain at December 31, 1997, was $54.0 million.

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. Fair value is the quoted market price of the instrument held or the quoted market price of a similar instrument. The counterparties to financial instruments consist of select major international financial institutions. Abbott does not expect any losses from nonperformance by these counterparties.

(dollars in millions)	1999		1998		1997	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Investment Securities:						
Current	$ 115.2	$ 114.4	$ 95.8	$ 96.4	$ 52.8	$ 52.9
Long-Term:						
Held-to-Maturity	647.7	619.7	783.8	777.3	631.0	624.8
Available-for-Sale	307.1	307.1	184.0	184.0	133.3	133.3
Total Long-Term Debt	(1,337.0)	(1,280.2)	(1,340.8)	(1,400.9)	(940.6)	(946.0)
Foreign Currency Forward Exchange Contracts:						
(Payable) position	(23.9)	(23.9)	(14.2)	(14.2)	(6.2)	(6.2)
Receivable position	35.8	35.8	21.7	21.7	24.1	24.1
Foreign Currency Option Contracts	3.5	--	14.4	3.6	14.8	15.3

Note 7 -- Incentive Stock Program

The 1996 Incentive Stock Program authorizes the granting of stock options, replacement stock options, stock appreciation rights, limited stock appreciation rights, restricted stock awards, performance units, and foreign qualified benefits. Stock options, replacement stock options, limited stock appreciation rights, restricted stock awards, and foreign qualified benefits have been granted and are currently outstanding under this program and prior programs. 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 granted in 1999, 1998 and 1997 vest equally over three or four years except for replacement options, which generally vest in six months.

Limited stock appreciation rights have been granted to certain holders of stock options and can be exercised, by surrendering the related stock options, only upon a change in control of Abbott. At December 31, 1999, 3.8 million options, with a weighted average exercise price of $25.77 per share, were subject to limited stock appreciation rights. Upon a change in control of Abbott, all outstanding stock options become fully exercisable, and all terms and conditions of all restricted stock awards are deemed satisfied.

At January 1, 2000, 18.2 million shares were reserved for future grants under the 1996 Program. Subsequent to year end, the Board of Directors granted approximately 16.6 million stock options from this reserve.

	Options Outstanding		Exercisable Options	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
January 1, 1997	61,997,616	$15.94		
Granted	14,871,702	29.15		
Exercised	(15,433,076)	11.29		
Lapsed	(880,570)	22.85		
December 31, 1997	60,555,672	20.27	34,269,232	$16.36
Granted	21,346,846	33.76		
Exercised	(13,892,080)	18.04		
Lapsed/Cancelled	(3,405,409)	20.22		
December 31, 1998	64,605,029	25.20	35,990,189	19.90
Granted	18,682,834	44.68		
Exercised	(11,428,496)	20.74		
Lapsed	(837,026)	32.16		
December 31, 1999	71,022,341	$30.96	42,410,885	$25.42

	Options Outstanding at December 31, 1999			Exercisable Options at December 31, 1999	
Range of Exercise Prices	Shares	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
$ 1 to $25	26,723,056	4.5	$17.64	25,656,178	$17.82
26 to 42	25,052,784	7.8	33.83	11,873,858	32.84
43 to 53	19,246,501	9.1	45.74	4,880,849	47.32
$ 1 to $53	71,022,341	6.9	$30.96	42,410,885	$25.42

Abbott measures compensation cost using the intrinsic value-based method of accounting. Had compensation cost been determined using the fair market value-based accounting method, pro forma net income and earnings per share amounts would have been as follows:

	1999	1998	1997
Pro Forma Net Income (in billions).....	$ 2.3	$ 2.2	$ 2.0
Pro Forma Basic EPS.....	1.51	1.45	1.30
Pro Forma Diluted EPS.....	1.49	1.44	1.28

For purposes of fair market value disclosures, the fair market value of an option grant was estimated using the Black-Scholes option pricing model with the following assumptions:

	1999	1998	1997
Risk-Free Interest Rate.....	5.1%	5.4%	6.0%
Average Life of Options (years).....	5.3	5.5	5.2
Volatility.....	24.0%	30.0%	27.0%
Dividend Yield.....	1.4%	1.3%	1.8%

Note 8 -- Debt and Lines of Credit
(dollars in thousands)

The following is a summary of long-term debt at December 31:

	1999	1998	1997
6.5% debentures, due 2001.....	$ 250,000	$ 250,000	$ 250,000
5.6% debentures, due 2003.....	200,000	200,000	200,000
6.8% debentures, due 2005.....	150,000	150,000	150,000
6.4% debentures, due 2006.....	250,000	250,000	250,000
6.0% debentures, due 2008.....	200,000	200,000	--
5.4% debentures, due 2008.....	200,000	200,000	--
Other.....	86,789	89,694	87,983
Total, net of current maturities.....	$1,336,789	$1,339,694	$ 937,983

Payments required on long-term debt outstanding at December 31, 1999, are $167 in 2000, $259,111 in 2001, $1,069 in 2002, $200,069 in 2003, and $0 in 2004.

At December 31, 1999, Abbott had $2,505,000 of unused domestic lines of credit, which support domestic commercial paper borrowing arrangements. Related compensating balances, which are subject to withdrawal by Abbott at its option, and commitment fees are not material. Abbott's weighted average interest rate on short-term borrowings was 5.7%, 5.5%, and 6.0% at December 31, 1999, 1998, and 1997, respectively.

Abbott may issue up to $521,000 of securities in the future under a registration statement filed with the Securities and Exchange Commission in 1999. Of the $521,000 total, Abbott may issue up to $271,000 either in the form of debt securities or common shares without par value. The remaining $250,000 may only be issued in the form of debt securities.

Note 9 -- Equity Method Investments
(dollars in millions)

Abbott's 50 percent owned joint venture, TAP Holdings Inc. (TAP), is accounted for under the equity method of accounting. Abbott's share of TAP's income was $390, $266, and $189 in 1999, 1998, and 1997, respectively. The investment in TAP was $521, $368, and $311 at December 31, 1999, 1998, and 1997, respectively. Dividends received from TAP were $237, $209, and $63 in 1999, 1998, and 1997, respectively. Summarized financial information for TAP is as follows:

Year Ended December 31	1999	1998	1997
Net Sales	$2,927.5	$2,062.7	$1,565.8
Cost of products sold	686.4	426.5	321.1
Income before income taxes	1,240.4	836.3	612.4
Net income	780.3	532.7	379.0

December 31	1999	1998	1997
Current assets	$1,595.4	$1,088.8	$ 727.5
Total assets	1,850.2	1,251.1	847.9
Current liabilities	759.1	514.2	223.2

Undistributed earnings of investments accounted for under the equity method amounted to $498 as of December 31, 1999.

Note 10 -- Quarterly Results (Unaudited)
(dollars in millions except per share data)

	1999	1998	1997
First Quarter			
Net Sales	$3,313.3	$3,050.7	$3,000.8
Gross Profit	1,860.3	1,768.4	1,672.3
Net Earnings	668.7	588.0	531.7
Basic Earnings Per Common Share	.44	.38	.34
Diluted Earnings Per Common Share	.43	.38	.33
Second Quarter			
Net Sales	$3,259.2	$3,075.1	$2,901.6
Gross Profit	1,844.0	1,774.1	1,683.1
Net Earnings	645.0	585.9	517.5
Basic Earnings Per Common Share	.42	.38	.33
Diluted Earnings Per Common Share	.41	.38	.33
Third Quarter			
Net Sales	$3,137.2	$3,044.9	$2,866.4
Gross Profit	1,547.0	1,666.6	1,622.7
Net Earnings	468.1	532.5	467.1
Basic Earnings Per Common Share	.30	.35	.30
Diluted Earnings Per Common Share	.30	.34	.30
Fourth Quarter			
Net Sales	$3,467.9	$3,342.0	$3,120.5
Gross Profit	1,949.1	1,897.0	1,858.9
Net Earnings	664.0	628.0	562.8
Basic Earnings Per Common Share	.43	.41	.37
Diluted Earnings Per Common Share	.43	.40	.36

Note 11 -- Stock Purchase Rights

Common shares outstanding are subject to stock purchase rights. The rights, which are exercisable only under certain conditions, entitle the holder to purchase common shares at prices specified in the Rights Agreement. The rights were not exercisable at December 31, 1999.

Note 12 -- Business Combinations and Divestiture

On November 19, 1999, Abbott completed a merger transaction with Perclose, Inc., which was accounted for as a pooling-of-interests transaction. Abbott issued approximately 15.1 million common shares to Perclose shareholders and Perclose's outstanding stock options were converted into options to purchase approximately 2.9 million Abbott common shares. Merger-related charges of approximately $16.2 million are included in selling, general and administrative expenses. Abbott's consolidated financial statements for prior periods have been restated to include Perclose and are not significantly different than previously reported amounts.

In 1999, Abbott acquired certain assets of Glaxo Wellcome Inc.'s U.S. anesthesia business for approximately $217 million in cash. A substantial portion of the purchase price was allocated to intangible assets, which will be amortized on a straight-line basis over 15 years. In 1998, Abbott acquired the common stock of International Murex Technologies Corporation, a manufacturer of medical diagnostic products, for approximately $234 million in cash. A substantial portion of the purchase price was allocated to goodwill, which will be amortized on a straight-line basis over 20 years. In 1997, Abbott acquired certain parenteral products businesses of Sanofi Pharmaceuticals, Inc., for approximately $200 million in cash. A substantial portion of the purchase price was allocated to goodwill, which will be amortized on a straight-line basis over 15 years. Had these acquisitions taken place on January 1 of the previous years, consolidated sales and income would not have been significantly different from reported amounts.

On January 20, 2000, Abbott sold its agricultural products business to Sumitomo Chemical Co., Ltd. Under the transaction, Sumitomo acquired research and development, sales, marketing, and support operations for Abbott's entire line of naturally occurring biopesticides, plant growth regulators and other products for agriculture, public health and forestry. Bulk active ingredient manufacturing rights were retained by Abbott.

Note 13 -- Segment and Geographic Area Information
(dollars in millions)

REVENUE SEGMENTS -- Abbott's principal business is the discovery, development, manufacture and sale of a broad line of health care products and services. Abbott's products are generally sold directly to retailers, wholesalers, hospitals, health care facilities, laboratories, physicians' offices and government agencies throughout the world. Segments are identified as those revenue divisions that report directly to the chief operating officer of Abbott. Abbott's reportable segments are as follows:

PHARMACEUTICAL PRODUCTS -- U.S. sales of a broad line of pharmaceuticals.

DIAGNOSTIC PRODUCTS -- Worldwide sales of diagnostic systems for blood banks, hospitals, consumers, commercial laboratories and alternate-care testing sites.

HOSPITAL PRODUCTS -- U.S. sales of intravenous and irrigation fluids and related administration equipment, drugs and drug-delivery systems, anesthetics, critical care products, and other medical specialty products for hospitals and alternate-care sites.

ROSS PRODUCTS -- U.S. sales of a broad line of adult and pediatric nutritional products, pediatric pharmaceuticals and consumer products.

INTERNATIONAL -- Non-U.S. sales of all of Abbott's pharmaceutical, hospital and nutritional products. Products sold by International are manufactured by domestic segments and by international manufacturing locations.

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. Intersegment transfers of inventory are recorded at standard cost and are not a measure of segment operating earnings. The cost of some corporate functions and the cost of certain employee benefits are sold to segments at predetermined rates which approximate cost. Remaining costs, if any, are not allocated to revenue segments. The following segment information has been prepared in accordance with the internal accounting policies of Abbott, as described above, and may not be presented in accordance with generally accepted accounting principles.

	Net Sales to External Customers			Operating Earnings		
	1999	1998	1997	1999	1998	1997
Pharmaceutical	$ 2,444	$ 2,601	$ 2,475	$ 1,214	$ 1,402	$ 1,242
Diagnostics (a)(b) .	3,039	2,790	2,613	529	448	433
Hospital (c)	2,203	1,925	1,695	495	369	261
Ross	1,928	1,820	1,850	628	540	528
International (a) ..	3,204	3,001	2,912	671	605	637
Total Reportable Segments	12,818	12,137	11,545	$ 3,537	$ 3,364	$ 3,101
Other	360	376	344			
Net Sales	$13,178	$12,513	$11,889			

	Depreciation and Amortization			Additions to Long-Term Assets			Total Assets		
	1999	1998	1997	1999	1998	1997	1999	1998	1997
Pharmaceutical	$ 46	$ 40	$ 37	$ 177	$ 54	$ 53	$ 1,528	$ 1,315	$ 1,362
Diagnostics (a)(b) .	253	245	234	313	541	391	3,512	3,480	3,006
Hospital (c)	134	120	110	374	161	296	1,926	1,579	1,530
Ross	71	72	68	50	65	85	878	919	935
International (a) ..	107	98	97	180	309	150	2,631	2,504	2,140
Total Reportable Segments	$ 611	$ 575	$ 546	$ 1,094	$ 1,130	$ 975	$10,475	$ 9,797	$ 8,973
Other									
Net Sales									

	1999	1998	1997
Total Segment Operating Earnings .	$ 3,537	$ 3,364	$ 3,101
Corporate functions	118	114	102
Benefit plans costs	109	94	113
Non-reportable segments	(64)	(86)	(60)

Net interest expense	82	103	86
Income from TAP Holdings Inc.	(390)	(266)	(189)
Net foreign exchange (gain) loss .	26	31	(9)
Other expenses, net (d)	259	132	123
Consolidated Earnings Before Taxes	$ 3,397	$ 3,242	$ 2,935
Total Segment Assets	$10,475	$ 9,797	$ 8,973
Cash and investments	1,678	1,379	1,057
Investment in TAP Holdings Inc. ..	521	368	311
Prepaid income taxes	919	847	801
Non-reportable segments	417	421	472
All other, net	461	448	488
Total Assets	$14,471	$13,260	$12,102

	Net Sales to External Customers (e)			Long-Term Assets		
	1999	1998	1997	1999	1998	1997
United States.....	$ 8,291	$ 7,954	$ 7,478	$6,820	$6,431	$5,949
Japan.....	664	528	586	164	133	121
Germany.....	452	446	438	164	186	167
Canada.....	374	345	329	49	64	44
Italy.....	335	328	305	97	106	91
The Netherlands.....	309	292	245	62	51	38
All Other Countries.....	2,753	2,620	2,508	695	699	616
Consolidated.....	$13,178	$12,513	$11,889	$8,051	$7,670	$7,026

(a) Net sales and operating earnings were unfavorably affected by the relatively stronger U.S. dollar in each year presented.
(b) In 1998, Abbott acquired the common stock of International Murex Technologies Corporation.
(c) In 1999, Abbott acquired certain assets of Glaxo Wellcome Inc.'s U.S. anesthesia business.
(d) 1999 includes charges of $168 relating to the FDA consent decree, as described in Note 15.
(e) Sales by country are based on the country that sold the product or service.

The classes of products that contributed at least 10 percent to consolidated net sales in at least one of the last three years were:

	1999	1998	1997
Anti-Infectives.....	$1,431	$1,415	$1,510
Adult Nutritionals.....	1,357	1,257	1,240

Note 14 -- Litigation and Environmental Matters

Abbott is involved in various claims and legal proceedings including numerous antitrust suits and investigations in connection with the pricing of prescription pharmaceuticals. These suits and investigations allege that various pharmaceutical manufacturers have conspired to fix prices for prescription pharmaceuticals and/or to discriminate in pricing to retail pharmacies by providing discounts to mail-order pharmacies, institutional pharmacies and HMOs in violation of state and federal antitrust laws. The suits have been brought on behalf of individuals and retail pharmacies and name both Abbott and certain other pharmaceutical manufacturers and pharmaceutical wholesalers and at least one mail-order pharmacy company as defendants. The cases seek treble damages, civil penalties, and injunctive and other relief. During 1998, settlements were reached in the federal class action lawsuit, whereby Abbott paid $57 million, and 13 other separate actions. Abbott has filed or intends to file a response to each of the remaining complaints denying all substantive allegations.

In addition, there are several lawsuits and two investigations pending in connection with the sales of HYTRIN. These suits and investigations allege that Abbott violated state or federal antitrust laws and, in some cases, unfair competition laws by signing separate agreements with Geneva Pharmaceuticals, Inc. and Zenith Laboratories, Inc. Those agreements related to pending patent infringement lawsuits between

Abbott and the two companies. Some of the suits also allege that Abbott violated various state or federal laws by filing frivolous patent infringement lawsuits to protect HYTRIN from generic competition. The cases seek treble damages, civil penalties and other relief. Abbott has filed or intends to file a response to each of the complaints denying all substantive allegations.

Abbott has also 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 investigating potential contamination at a number of Company-owned locations.

Abbott expects that within the next year, legal proceedings will occur that may result in a change in the estimated reserves recorded by Abbott. While it is not feasible to predict the outcome of such pending claims, proceedings, investigations and remediation activities with certainty, management is of the opinion that their ultimate disposition should not have a material adverse effect on Abbott's financial position, cash flows, or results of operations.

Note 15 -- U.S. Food and Drug Administration Consent Decree

In November 1999, Abbott reached agreement with the U.S. Food and Drug Administration to have a consent decree entered to settle issues involving Abbott's diagnostics manufacturing operations in Lake County, Ill. The decree requires Abbott to ensure its diagnostics manufacturing processes in Lake County, Ill., conform with the FDA's current Quality System Regulation. The decree allows for the continued manufacture and distribution of medically necessary diagnostic products made in Lake County, Ill. However, Abbott is prohibited from manufacturing or distributing certain diagnostic products until Abbott ensures the processes in its Lake County, Ill., diagnostics manufacturing operations conform with the current Quality System Regulation. Under the terms of the consent decree, among other actions, Abbott has submitted to the FDA a proposed master compliance and validation plan to ensure its processes conform with the current Quality System Regulation. The decree requires Abbott to ensure its facilities are in conformance with the current Quality System Regulation within one year. The consent decree allows Abbott to export diagnostic products and components for sale and distribution outside the United States if they meet the export requirements of the Federal Food, Drug and Cosmetic Act. As a result of the consent decree, Abbott recorded a one-time charge of $168 million, including a $100 million payment to the U.S. Government, and charges of $44 million for contractual obligations and inventory exposures and $24 million for long-term asset impairments. At December 31, 1999, a reserve of approximately $39 million remained, primarily for contractual obligations.

Abbott Laboratories and Subsidiaries
Reports of Auditors, Audit Committee and Management

Report of Independent Public Accountants
To the Shareholders of Abbott Laboratories:

We have audited the accompanying consolidated balance sheet of Abbott Laboratories (an Illinois corporation) and Subsidiaries as of December 31, 1999, 1998, and 1997, and the related consolidated statements of earnings and comprehensive income, shareholders' investment, and cash flows for the years then ended. These financial statements are the responsibility of Abbott's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. 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, the financial statements referred to above present fairly, in all material respects, the financial position of Abbott Laboratories and Subsidiaries as of December 31, 1999, 1998, and 1997, and the results of their operations and their cash flows for the years then ended in conformity with generally accepted accounting principles.

Chicago, Illinois Arthur Andersen LLP
January 17, 2000

(except with respect to the matter discussed in the third paragraph of Note 12, as to which the date is January 20, 2000)

Audit Committee Chairman's Report

The Audit Committee of the Board of Directors is composed of six non-employee directors. The Audit Committee oversees Abbott's financial reporting process on behalf of the Board of Directors. The Committee held two meetings during 1999. In fulfilling its responsibility, the Committee recommended to the Board of Directors, subject to shareholder approval, the selection of Abbott's independent public accountants. The Audit Committee discussed with the internal auditors and the independent public accountants the overall scope and specific plans for their respective audits. The Committee also discussed Abbott's consolidated financial statements and the adequacy of Abbott's internal controls. During the Audit Committee meetings, the Committee met with the internal auditors and independent public accountants, without management present, to discuss the results of their audits, their evaluations of Abbott's internal controls, and the overall quality of Abbott's financial reporting. The meetings also were designed to facilitate any private communication with the Committee desired by the internal auditors or independent public accountants.

W. Ann Reynolds, Ph.D.
CHAIRMAN, AUDIT COMMITTEE

Management Report on Financial Statements

Management has prepared, and is responsible for, Abbott's consolidated financial statements and related notes. They have been prepared in accordance with generally accepted accounting principles and necessarily include amounts based on judgments and estimates by management. All financial information in this annual report is consistent with the consolidated financial statements.

Abbott maintains internal accounting control systems and related policies and procedures designed to provide reasonable assurance that assets are safeguarded, that transactions are executed in accordance with management's authorization and properly recorded, and that accounting records may be relied upon for the preparation of consolidated financial statements and other financial information. The design, monitoring and revision of internal accounting control systems involve, among other things, management's judgment

with respect to the relative cost and expected benefits of specific control measures. Abbott also maintains an internal auditing function that evaluates and formally reports on the adequacy and effectiveness of internal accounting controls, policies and procedures.

Abbott's consolidated financial statements have been audited by independent public accountants who have expressed their opinion with respect to the fairness of these statements.

Miles D. White
CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER

Gary P. Coughlan
SENIOR VICE PRESIDENT, FINANCE AND CHIEF FINANCIAL OFFICER

Gary L. Flynn
VICE PRESIDENT AND CONTROLLER

Abbott Laboratories and Subsidiaries
Financial Instruments and Risk Management

(Unaudited)

Interest Rate Sensitive Financial Instruments

Abbott does not currently use derivative financial instruments, such as interest rate swaps, to manage its exposure to changes in interest rates for its debt instruments and investment securities. As of December 31, 1999, and 1998, Abbott had $0.9 billion and $1.7 billion, respectively, of domestic commercial paper outstanding with an average interest rate of 5.8% and 5.4%, respectively, and with an average remaining life of 13 days and 9 days, respectively. The fair market value of long-term debt at December 31, 1999, and 1998 amounted to $1.3 billion and $1.4 billion, respectively, and consisted primarily of fixed rate (average of 6.1%) debt with maturities through 2023. As of December 31, 1999, and 1998, the fair market value of current and long-term investment securities maturing through 2023 amounted to $734 million and $874 million, respectively. Approximately 15 percent and 19 percent of these investments as of December 31, 1999, and 1998, respectively, have fixed interest rates (average of 7.1%), while the remaining investments have variable rates. A hypothetical 100-basis point change in the interest rates would not have a material effect on cash flows, income or market values. (A 100-basis point change is a reasonably possible near-term change in rates.)

Market Price Sensitive Financial Instruments

Abbott maintains a portfolio of available-for-sale equity securities from strategic technology acquisitions. The market value of these investments was approximately $282 million and $98 million, respectively, as of December 31, 1999, and 1998. A hypothetical 20 percent decrease in the share prices of these investments would decrease the fair value by approximately $56 million. (A 20 percent decrease is a reasonably possible near-term change in share prices.)

Foreign Currency Sensitive Financial Instruments -- Purchased U.S. Dollar Call Options

Abbott's foreign subsidiaries purchase U.S. dollar call options as a hedge of anticipated intercompany purchases by these foreign subsidiaries whose functional currency, primarily European currencies and Japanese yen, is not the U.S. dollar. At December 31, 1999, and 1998, Abbott held $85 million and $406 million, respectively, of these contracts. Unamortized premiums for these contracts amounted to $3.5 million as of December 31, 1999, which represents the maximum potential loss exposure.

Foreign Currency Forward Exchange Contracts

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 hedged. At December 31, 1999, and 1998, Abbott held $1.4 billion and $1.6 billion, respectively, of such contracts which all mature in the next calendar year. The following table reflects the contracts outstanding at December 31, 1999, and 1998:

(dollars in millions)	1999 Contract Amount	1999 Average Exchange Rate	1999 Fair and Carrying Value	1998 Contract Amount	1998 Average Exchange Rate	1998 Fair and Carrying Value
Receive U.S. Dollars in exchange for the following currencies:						
German Deutsche Mark	$ 62	1.82	$ 2.8	$ 299	1.67	$1.9
Spanish Peseta	77	139.6	13.8	172	140.6	4.3
Japanese Yen	242	103.2	(4.8)	137	120.0	3.2
Euro	293	1.03	1.6	--	--	--
Dutch Guilder	180	2.02	7.6	133	1.88	2.1
British Pound	219	0.6	2.1	160	0.6	0.3
Canadian Dollar	56	1.47	0.1	38	1.54	(0.3)
Australian Dollar	39	1.56	0.3	36	1.60	0.0
Taiwan Dollar	26	32.0	(0.3)	30	34.0	(0.6)
All other currencies	154	N/A	(9.6)	334	N/A	(0.9)
	1,348		13.6	1,339		10.0
Receive Dutch Guilders in exchange for the following currencies:						
British Pound	71	0.46	(0.7)	92	0.32	(1.4)
Taiwan Dollar	8	15.2	(0.4)	8	17.6	(0.3)
All other currencies	4	N/A	0.0	124	N/A	(0.2)
	83		(1.1)	224		(1.9)
All other	8	N/A	(0.6)	8	N/A	(0.6)
Total	$1,439		$11.9	$1,571		$7.5

Results of Operations

Sales

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

Total Net Sales	Total % Change	Components of Change % Price	Volume	Exchange
1999 vs. 1998	5.3	(0.1)	6.1	(0.7)
1998 vs. 1997	5.2	0.6	7.4	(2.8)
1997 vs. 1996	7.9	0.5	10.4	(3.0)
Total U.S.				
1999 vs. 1998	4.8	(0.5)	5.3	--
1998 vs. 1997	6.4	1.0	5.4	--
1997 vs. 1996	10.0	0.8	9.2	--
Total International				
1999 vs. 1998	6.1	0.6	7.4	(1.9)
1998 vs. 1997	3.4	(0.1)	10.7	(7.2)
1997 vs. 1996	4.8	--	12.2	(7.4)
Pharmaceutical Products Segment				
1999 vs. 1998	(6.0)	--	(6.0)	--
1998 vs. 1997	5.1	3.8	1.3	--
1997 vs. 1996	20.3	3.4	16.9	--
Diagnostic Products Segment				
1999 vs. 1998	8.9	(1.2)	10.7	(0.6)
1998 vs. 1997	6.8	(2.1)	12.9	(4.0)
1997 vs. 1996	1.6	(0.6)	7.7	(5.5)
Hospital Products Segment				
1999 vs. 1998	14.4	(1.8)	16.2	--
1998 vs. 1997	13.6	(1.5)	15.1	--
1997 vs. 1996	14.5	(1.8)	16.3	--
Ross Products Segment				
1999 vs. 1998	6.0	0.9	5.1	--
1998 vs. 1997	(1.6)	0.9	(2.5)	--
1997 vs. 1996	(2.5)	(0.4)	(2.1)	--
International Segment				
1999 vs. 1998	6.8	1.8	7.4	(2.4)
1998 vs. 1997	3.1	1.4	9.5	(7.8)
1997 vs. 1996	6.4	0.4	12.8	(6.8)

Sales of new products in 1999 are estimated to be $888 million, led by the International, Hospital and Diagnostic segments. Increases, as disclosed in Note 13, in adult nutritionals in all three years and in anti-infectives in 1999 and 1997 were primarily due to unit increases. The decrease in anti-infectives for 1998 was due primarily to unit decreases.

Operating Earnings

Gross profit margins (sales less cost of products sold, including freight and distribution expenses) were 54.6 percent of net sales in 1999, 56.8 percent in 1998, and 57.5 percent in 1997. Excluding the

charges described in Note 15 relating to the FDA consent decree, the gross profit margin for 1999 would have been 55.8 percent. Gross profit margins in 1999 and 1998 were affected by unfavorable product mix, primarily lower sales of pharmaceuticals, and the negative effect of the relatively stronger U.S. dollar. The increase in the gross profit margin in 1997 was due primarily to favorable product mix, primarily higher sales of pharmaceuticals, partially offset by the negative effect of the relatively stronger U.S. dollar. Gross profit margins in all years were affected by productivity improvements, partially offset by higher project expenses for new products, higher manufacturing capacity costs for anticipated unit growth, and the effects of inflation and competitive pricing pressures in some product lines. In the U.S., states receive price rebates from manufacturers of infant formula under the federally subsidized Special Supplemental Food Program for Women, Infants, and Children (WIC). There are also rebate programs for pharmaceutical products. These rebate programs continue to have a negative effect on the gross profit margins of the Ross and Pharmaceutical products segments.

In late 1998, the U.S. Food and Drug Administration (FDA) suspended its approval of the release of production lots of Abbott's pharmaceutical product ABBOKINASE due to Current Good Manufacturing Practice concerns raised by the FDA following inspections of Abbott and its raw material supplier. On December 10, 1999, Abbott met with the FDA to review Abbott's plan for the qualification of new raw materials and reinitiation of manufacturing. In the future, Abbott will sell only ABBOKINASE that is manufactured with new raw materials that meet the FDA's criteria. Abbott cannot predict, however, whether it will be successful in qualifying new raw material sources or the effect of this matter on future sales of ABBOKINASE. It is anticipated, however, that sales of ABBOKINASE will resume after 2000. Sales of ABBOKINASE were approximately $47 million and $277 million in 1999 and 1998, respectively.

In August 1999, Geneva Pharmaceuticals, Inc. began shipments of generic HYTRIN in the United States, which has adversely impacted Abbott's HYTRIN sales. Sales of HYTRIN in the United States amounted to $466 million, $542 million and $518 million in 1999, 1998, and 1997, respectively.

As a result of the consent decree entered into with the U.S. Food and Drug Administration in 1999, as discussed in Note 15, Abbott is prohibited from manufacturing or distributing certain diagnostic products until Abbott ensures the processes in its Lake County, Ill., diagnostics manufacturing operations conform with the current Quality System Regulation. The consent decree resulted in a one-time charge of $168 million. In addition, Abbott believes that 2000 sales may be negatively impacted up to $250 million and earnings per share may be negatively impacted up to 10 cents per share.

Research and development expense was $1.2 billion in 1999 and represented 9.1 percent of net sales in 1999, compared to 9.8 percent of net sales in 1998, and 11.0 percent of net sales in 1997. The decrease in research and development expenses in 1999 was concentrated primarily in the Diagnostic and Ross segments. Research and development expenditures continue to be concentrated on pharmaceutical and diagnostic products.

Selling, general and administrative expenses increased 3.5 percent in 1999, net of the favorable effect of the relatively stronger U.S. dollar of 1.2 percent, compared to increases of 2.4 percent in 1998, and 9.4 percent in 1997. The net increases, exclusive of exchange impact, reflect inflation and additional selling and marketing support primarily in the Diagnostic, International and Hospital segments. In addition, 1999 and 1998 reflect litigation charges and 1999 includes merger costs of approximately $16.2 million.

Interest (Income) Expense, Net

Net interest expense decreased in 1999 due primarily to lower borrowings as a result of the termination of the common share purchase program. Net interest expense increased in 1998 and 1997 due primarily to a higher level of borrowings as a result of business acquisitions.

Taxes on Earnings

The effective income tax rates were 28.0 percent in 1999 and 1998 and 29.1 percent in 1997. The tax rates for 1999 and 1998 were reduced primarily due to the extension of the research and development tax credit. In addition, all three years' tax rates were unfavorably impacted by the reduction in tax incentive grants for Puerto Rico operations.

Financial Condition

Cash Flow

Abbott expects positive cash flow from operating activities to continue to approximate or exceed Abbott's capital expenditures and cash dividends.

Debt and Capital

Abbott has maintained its favorable bond ratings (AAA by Standard & Poor's Corporation and Aa1 by Moody's Investors Service) and continues to have readily available financial resources, including unused domestic lines of credit of $2.5 billion at December 31, 1999. These lines of credit support domestic commercial paper borrowing arrangements.

Abbott may issue up to $521 million of securities in the future under a registration statement filed with the Securities and Exchange Commission in 1999. Of the $521 million, Abbott may issue up to $271 million either in the form of debt securities or common shares without par value. The remaining $250 million may only be issued in the form of debt securities.

In 1998 and 1997, Abbott purchased 55,487,000 of its common shares at a cost of $1.9 billion. In December 1998, Abbott terminated purchases of its common shares and currently has no plans to resume purchases.

Working Capital

At December 31, 1999, 1998, and 1997 working capital was $1.9 billion, $624 million and $38 million, respectively.

Capital Expenditures

Capital expenditures of $987 million in 1999, $994 million in 1998, and $1.0 billion in 1997 were principally for upgrading and expanding manufacturing, research and development, and administrative support facilities in all segments and for laboratory instruments and hospital equipment placed with customers. This level of capital expenditures is expected to continue, with an increased proportion dedicated to the Hospital, International and Diagnostic segments.

Legislative Issues

Abbott's primary markets are highly competitive and subject to substantial government regulation. Abbott expects debate to continue at both the federal and state levels over the availability, method of delivery, and payment for health care products and services. If legislation is enacted, it could have the effect of reducing prices, or reducing the rate of price increases for medical products and services. International operations are also subject to a significant degree of government regulation. 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, in the Annual Report on Form 10-K, which is available upon request.

Business Combinations and Divestiture

On November 19, 1999, Abbott completed a merger transaction with Perclose, Inc., which was accounted for as a pooling-of-interests transaction. Abbott issued approximately 15.1 million common shares to Perclose shareholders, and Perclose's outstanding stock options were converted into options to purchase approximately 2.9 million Abbott common shares. Merger-related charges of approximately $16.2 million are included in selling, general and administrative expenses. Abbott's consolidated financial statements for prior periods have been restated to include Perclose and are not significantly different than previously reported amounts.

In 1999, Abbott acquired certain assets of Glaxo Wellcome Inc.'s U.S. anesthesia business for approximately $217 million in cash. A substantial portion of the purchase price was allocated to intangible assets, which will be amortized on a straight-line basis over 15 years. In 1998, Abbott acquired the common stock of International Murex Technologies Corporation, a manufacturer of medical diagnostic products, for approximately $234 million in cash. A substantial portion of the purchase price was allocated to goodwill, which will be amortized on a straight-line basis over 20 years. In 1997, Abbott acquired certain parenteral products businesses of Sanofi Pharmaceuticals, Inc., for approximately $200 million in cash. A substantial portion of the purchase price was allocated to goodwill, which will be amortized on a straight-line basis over 15 years. Had these acquisitions taken place on January 1 of the previous years, consolidated sales and income would not have been significantly different from reported amounts.

On January 20, 2000, Abbott sold its agricultural products business to Sumitomo Chemical Co., Ltd. Under the transaction, Sumitomo acquired research and development, sales, marketing, and support operations for Abbott's entire line of naturally occurring biopesticides, plant growth regulators and other products for agriculture, public health and forestry. Bulk active ingredient manufacturing rights were retained by Abbott. In 1999, Abbott recorded approximately $102 million in sales from this business.

Recently Issued Accounting Standard

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities." This statement requires the recognition of the fair value of derivatives as either assets or liabilities. The statement is effective for fiscal years beginning after June 15, 2000. Adoption of the provisions of this statement will not have a material effect on the financial statements of Abbott.

Year 2000

The Year 2000 ("Y2K") issue results from the inability of some computer programs to identify the year 2000 properly, potentially leading to errors or system failure. Abbott did not incur any significant problems relating to the Y2K issue. In addition, the Y2K issue did not cause a significant acceleration of sales into 1999, and Abbott does not expect to incur significant expenses to remediate small Y2K operating issues.

Euro Conversion

On January 1, 1999, the European Economic and Monetary Union took effect and introduced the euro as the official single currency of the 11 participating member countries. On that date, the currency exchange rates of the participating countries were fixed against the euro. There will be a three-year transition to the euro, and at the end of 2001, the legacy currencies will be eliminated. In 1997, Abbott organized an internal cross-functional task force to address the euro issues and expects to be ready for the full conversion to the euro. Costs required to prepare for the euro are not material to Abbott's financial position, results of operations or cash flows. The impact, if any, of the euro on Abbott's competitive position is unknown.

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 Exhibit 99.1 to the Annual Report on Form 10-K.

Abbott Laboratories and Subsidiaries
Summary of Selected Financial Data

(dollars in millions except per share data)

Year Ended December 31	1999	1998	1997	1996
Summary of Operations:				
Net Sales	$ 13,177.6	12,512.7	11,889.3	11,018.0
Cost of products sold	$ 5,977.2	5,406.6	5,052.3	4,736.8
Research and development	$ 1,194.0	1,228.8	1,307.4	1,209.3
Selling, general and administrative	$ 2,857.1	2,759.8	2,695.8	2,464.8
Operating earnings	$ 3,149.4	3,117.6	2,833.9	2,607.2
Interest expense	$ 144.7	160.0	134.6	95.6
Interest income	$ (62.9)	(57.4)	(49.1)	(46.4)
Other (income) expense, net	$ (329.3)	(226.8)	(186.3)	(103.4)
Earnings before taxes	$ 3,396.9	3,241.9	2,934.6	2,661.4
Taxes on earnings	$ 951.1	907.5	855.5	787.5
Net earnings	$ 2,445.8	2,334.4	2,079.1	1,873.8
Basic earnings per common share	$ 1.59	1.52	1.34	1.19
Diluted earnings per common share	$ 1.57	1.50	1.32	1.18
Financial Position:				
Working capital	$ 1,903.0	623.9	38.4	167.7
Long-term investment securities	$ 954.8	967.8	764.3	752.9
Net property and equipment	$ 4,770.1	4,742.9	4,572.0	4,462.9
Total assets	$ 14,471.0	13,259.9	12,101.8	11,161.1
Long-term debt	$ 1,336.8	1,339.7	938.0	933.1
Shareholders' investment	$ 7,427.6	5,753.6	5,036.3	4,852.4
Return on shareholders' investment	% 37.1	43.3	42.0	40.3
Book value per share	$ 4.80	3.76	3.26	3.11
Other Statistics:				
Gross profit margin	% 54.6	56.8	57.5	57.0
Research and development to net sales	% 9.1	9.8	11.0	11.0
Net cash from operating activities	$ 2,937.5	2,780.2	2,660.1	2,373.9
Capital expenditures	$ 987.1	993.6	1,009.1	950.3
Cash dividends declared per common share	$ .68	.60	.54	.48
Common shares outstanding (in thousands)	1,547,020	1,530,672	1,542,585	1,561,751
Number of common shareholders	106,766	109,864	104,881	101,113
Number of employees	57,100	56,510	54,685	52,949
Sales per employee (in dollars)	$ 230,782	221,425	217,414	208,087
Market price per share - high	$ 53 5/16	50 1/16	34 5/8	28 11/16
Market price per share - low	$ 33	32 1/2	24 7/8	19 1/16
Market price per share - close	$ 36 5/16	49	32 3/4	25 3/8

Abbott Laboratories and Subsidiaries
Summary of Selected Financial Data

(dollars in millions except per share data)

Year Ended December 31	1995	1994	1993	1992
Summary of Operations:				
Net Sales	$ 10,013.7	9,156.2	8,407.8	7,851.9
Cost of products sold	$ 4,330.2	3,995.9	3,684.8	3,505.3
Research and development	$ 1,076.1	966.6	882.6	773.9
Selling, general and administrative	$ 2,233.9	2,056.7	1,989.1	1,834.2
Operating earnings	$ 2,373.4	2,137.0	1,921.3	1,523.5
Interest expense	$ 69.7	49.7	54.3	53.0
Interest income	$ (52.3)	(37.1)	(37.8)	(42.3)
Other (income) expense, net	$ (30.2)	(35.3)	(35.7)	48.5
Earnings before taxes	$ 2,386.2	2,159.7	1,940.5	1,736.3
Taxes on earnings	$ 706.6	650.0	544.1	499.7
Net earnings	$ 1,679.6	1,509.7	1,396.4	1,236.6
Basic earnings per common share	$ 1.05	.93	.84	.73
Diluted earnings per common share	$ 1.04	.92	.84	.73
Financial Position:				
Working capital	$ 475.9	407.3	495.6	450.5
Long-term investment securities	$ 439.2	330.7	221.8	270.6
Net property and equipment	$ 4,250.5	3,923.7	3,511.8	3,099.4
Total assets	$ 9,455.2	8,534.6	7,695.0	6,942.8
Long-term debt	$ 435.7	287.1	306.8	110.0
Shareholders' investment	$ 4,437.1	4,058.4	3,680.6	3,349.1
Return on shareholders' investment	% 39.5	39.0	39.7	37.7
Book value per share	$ 2.80	2.52	2.24	2.00
Other Statistics:				
Gross profit margin	% 56.8	56.4	56.2	55.4
Research and development to net sales	% 10.7	10.6	10.5	9.9
Net cash from operating activities	$ 1,956.5	2,205.2	1,844.2	1,386.3
Capital expenditures	$ 947.5	930.5	952.7	1,007.5
Cash dividends declared per common share	$ .42	.38	.34	.30
Common shares outstanding (in thousands)	1,587,404	1,614,898	1,642,260	1,672,104
Number of common shareholders	89,867	86,349	82,947	75,703
Number of employees	50,330	49,534	49,709	48,161
Sales per employee (in dollars)	$ 198,991	184,843	169,141	163,035
Market price per share - high	$ 22 3/8	17	15 7/16	17 1/16
Market price per share - low	$ 15 5/16	12 11/16	11 5/16	13 1/16
Market price per share - close	$ 20 13/16	16 5/16	14 13/16	15 3/16

Abbott Laboratories and Subsidiaries
Summary of Selected Financial Data

(dollars in millions except per share data)

Year Ended December 31		1991	1990	1989
Summary of Operations:				
Net Sales	$	6,876.6	6,158.7	5,379.8
Cost of products sold	$	3,140.0	2,910.1	2,556.7
Research and development	$	666.3	567.0	501.8
Selling, general and administrative	$	1,513.3	1,275.6	1,100.2
Operating earnings	$	1,557.0	1,406.0	1,221.1
Interest expense	$	63.8	91.4	74.4
Interest income	$	(45.1)	(51.6)	(73.8)
Other (income) expense, net	$	(5.9)	15.5	26.3
Earnings before taxes	$	1,544.2	1,350.7	1,194.2
Taxes on earnings	$	455.5	384.9	334.4
Net earnings	$	1,088.7	965.8	859.8
Basic earnings per common share	$	.64	.56	.48
Diluted earnings per common share	$	.63	.55	.47
Financial Position:				
Working capital	$	661.7	460.0	719.2
Long-term investment securities	$	340.2	314.0	300.0
Net property and equipment	$	2,662.1	2,375.8	2,090.2
Total assets	$	6,255.3	5,563.2	4,851.6
Long-term debt	$	125.1	134.8	146.7
Shareholders' investment	$	3,203.0	2,833.6	2,726.4
Return on shareholders' investment	%	36.1	34.7	33.1
Book value per share	$	1.88	1.65	1.54
Other Statistics:				
Gross profit margin	%	54.3	52.7	52.5
Research and development to net sales	%	9.7	9.2	9.3
Net cash from operating activities	$	1,453.2	1,200.9	959.9
Capital expenditures	$	732.8	629.5	501.5
Cash dividends declared per common share	$	.25	.21	.17
Common shares outstanding (in thousands)		1,701,060	1,716,564	1,769,916
Number of common shareholders		56,541	49,827	45,361
Number of employees		45,694	43,770	40,929
Sales per employee (in dollars)	$	150,492	140,706	131,441
Market price per share - high	$	17 3/8	11 9/16	8 13/16
Market price per share - low	$	9 13/16	7 13/16	5 3/4
Market price per share - close	$	17 3/16	11 1/4	8 1/2

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 Chemicals Plant, Inc.	Puerto Rico
Abbott Fermentation Products de Puerto Rico, Inc.	Puerto Rico
Abbott Health Products, Inc.	Delaware
Abbott Home Infusion Services of New York, Inc.	New York
Abbott International Ltd.	Delaware
Abbott International Ltd. of Puerto Rico	Puerto Rico
Abbott Laboratories Inc.	Delaware
Abbott Laboratories International Co.	Illinois
Abbott Laboratories Pacific Ltd.	Illinois
Abbott Laboratories (Puerto Rico) Incorporated	Puerto Rico
Abbott Laboratories Residential Development Fund, Inc.	Illinois
Abbott Laboratories Services Corp.	Illinois
Abbott Trading Company, Inc.	Virgin Islands
Abbott Universal Ltd.	Delaware
AC Merger Sub Inc.	Delaware
CMM Transportation, Inc.	Delaware
Corporate Alliance, Inc.	Delaware
Fuller Research Corporation	Delaware 40%

IMTC Technologies, Inc.	Delaware	
Laser Surgery Partnership	Illinois	40%
M & D Sales Corporation d/b/a "Nutra/Balance Products"	Indiana	
Medlase Holding Corporation	Delaware	40%
Murex Diagnostics, Inc.	Delaware	
North Shore Properties, Inc.	Delaware	
Oximetrix de Puerto Rico, Inc.	Delaware	
Perclose, Inc.	Delaware	
Solartek Products, Inc.	Delaware	
Sorenson Research Co., Inc.	Utah	
Swan-Myers, Incorporated	Indiana	
TAP Finance Inc.	Delaware	
TAP Holdings Inc.	Delaware	50%
TAP Pharmaceuticals Inc.	Delaware	50%*
Tobal Products Incorporated	Illinois	

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* TAP Pharmaceuticals Inc. is a wholly-owned subsidiary of TAP Holdings, Inc.

FOREIGN SUBSIDIARIES	COUNTRY IN WHICH ORGANIZED
Abbott Laboratories Argentina, S.A.	Argentina
Abbott Australasia Pty. Limited	Australia
Abbott Laboratories Executive Superannuation Pty. Limited	Australia
Abbott Laboratories Superannuation Pty. Limited	Australia
MediSense Australia Pty. Ltd.	Australia
Abbott Gesellschaft m.b.H.	Austria
Abbott Hospitals Limited	Bahamas
Abbott Laboratories de Costa Rica Ltd.	Bahamas
Abbott Laboratories (Bangladesh) Ltd.	Bangladesh 85%
Murex Diagnostics International, Inc.	Barbados
Abbott, S.A.	Belgium
Abbott Ireland Hamilton, Bermuda	Bermuda
Abbott Laboratorios do Brasil Ltda.	Brazil
Abbott Laboratories Limited	Canada
International Murex Technologies Corporation	Canada
Abbott Laboratories de Chile Limitada	Chile
Ningbo Asia-Pacific Biotechnology, Ltd.	China 25%
Abbott Laboratories de Colombia, S.A.	Colombia
Abbott Laboratories s.r.o.	Czech Republic
Murex Diagnostica, Spol. s.r.o.	Czech Republic
Abbott Laboratories A/S	Denmark
Murex Diagnostics A/S	Denmark
Abbott Laboratorios del Ecuador, S.A.	Ecuador

Abbott, S.A. de C.V.	El Salvador
Abbott Investments Limited	England
Abbott Laboratories Limited	England
Abbott (UK) Holdings Limited	England
Abbott Laboratories Trustee Company Limited	England
IMTC Holdings (UK) Limited	England
MediSense Britain, Ltd.	England
MediSense UK Ltd.	England
Murex Biotech Limited (UK)	England
Specialist Diagnostica Limited	England
Abbott OY	Finland
Abbott France S.A.	France
Alcyon Analyzer S.A.	France
MediSense France SARL	France
Murex Diagnostics (France) S.A.	France
Abbott G.m.b.H.	Germany
Abbott Diagnostics G.m.b.H	Germany
Murex Diagnostica GmbH	Germany
Abbott Laboratories (Hellas) S.A.	Greece
Abbott Grenada Limited	Grenada
Abbott Laboratorios, S.A.	Guatemala
Abbott Laboratories Limited	Hong Kong
Abbott Laboratories (Hungary) Ltd.	Hungary
Abbott Laboratories (India) Ltd.	India 51%
Abind Healthcare Private Limited	India
P. T. Abbott Indonesia	Indonesia 97%
Abbott Laboratories, Ireland,	Ireland

Limited	
Abbott Ireland Ltd.	Ireland
Murex Medical Research Limited	Isle of Mann
Technology License Company Limited	Isle of Mann
Abbott S.p.A.	Italy
Murex Diagnostici S.p.A.	Italy
Abbott West Indies Limited	Jamaica 51%
Consolidated Laboratories Limited	Jamaica
Abbott Japan K.K.	Japan
Dainabot Co., Ltd.	Japan 73%
Abbott Korea Limited	Korea
Abbott Middle East S.A.R.L.	Lebanon
Abbott Laboratories (Malaysia) Sdn. Bhd.	Malaysia
Abbott Laboratories de Mexico, S.A. de C.V.	Mexico
Abbott Laboratories (Mozambique) Limitada	Mozambique
Edisco B.V.	The Netherlands
Abbott B.V.	The Netherlands
Abbott Laboratories B.V.	The Netherlands
Abbott Finance B.V.	The Netherlands
Abbott Holdings B.V.	The Netherlands
MediSense Europe B.V.	The Netherlands
MediSense Netherlands, B.V.	The Netherlands
IMTC Holdings B.V.	The Netherlands
IMTC Finance B.V.	The Netherlands
Murex Diagnostics Benelux B.V.	The Netherlands

Abbott Laboratories (N.Z.) Limited	New Zealand
Abbott Laboratories Nigeria Limited	Nigeria 40%
Abbott Norge A S	Norway
Abbott Laboratories (Pakistan) Limited	Pakistan 83.42%
Abbott Laboratories, C.A.	Panama
Abbott Overseas, S.A.	Panama
Abbott Laboratorios S.A.	Peru
Abbott Laboratories	Philippines
102 E. de los Santos	Philippines 40%
Union-Madison Realty Company, Inc.	Philippines 40%
Abbott Laboratories Sp. z.o.o.	Poland
Abbott Laboratorios, Limitada	Portugal
Abbott Laboratories (Singapore) Private Limited	Singapore
Abbott Laboratories South Africa (Pty.) Limited	South Africa
Abbott Laboratories, S.A.	Spain
Abbott Cientifica, S.A.	Spain
Abbott Scandinavia A.B.	Sweden
Abbott A.G.	Switzerland
Abbott Laboratories S.A.	Switzerland
Abbott Finance Company S.A.	Switzerland
Abbott Laboratories Taiwan Limited	Taiwan
Abbott Laboratories Limited	Thailand
Abbott Laboratuarlari Ithalat Ihracat Ve Tecaret Limited Sirketi	Turkey
Abbott Laboratories Uruguay Limitada	Uruguay
Abbott Laboratories, C.A.	Venezuela
Medicamentos M & R, S.A.	Venezuela

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference of the following into Abbott's previously filed Form S-8 Registration Statements 33-4368 for the Abbott Laboratories 1986 Incentive Stock Program, 33-39798 for the Abbott Laboratories 1991 Incentive Stock Program, 333-09071, 333-43381, 333-69547, and 333-93253 for the Abbott Laboratories 1996 Incentive Stock Program, 333-13091 for the Abbott Laboratories Ashland Union 401(k) Plan and Trust, and 33-26685, 33-51585, 33-56897, 33-65127, 333-19511, 333-43383, 333-69579, and 333-93257 for the Abbott Laboratories Stock Retirement Plan and Trust; Abbott's previously filed post-effective Amendment No. 1 to Registration Statement on Form S-8 333-85867 for the Perclose, Inc. 1992 Stock Plan, Perclose, Inc. 1995 Director Option Plan, Perclose, Inc. 1997 Stock Plan and Perclose, Inc. 1995 Employee Stock Purchase Plan; and into Abbott's previously filed S-3 Registration Statements 33-50253, 333-06155, 333-63481, 333-65601, and 333-83647:

1. Our supplemental report dated January 17, 2000 (except with respect to the matter discussed in the third paragraph of Note 12, as to which the date is January 20, 2000) included in this Annual Report on Form 10-K for the year ended December 31, 1999; and

2. Our report dated January 17, 2000 (except with respect to the matter discussed in the third paragraph of Note 12, as to which the date is January 20, 2000) incorporated by reference in this Annual Report on Form 10-K for the year ended December 31, 1999.

ARTHUR ANDERSEN LLP

Chicago, Illinois
March 14, 2000

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED STATEMENT OF EARNINGS AND COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 1999, AND THE CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 1999, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

YEAR	
	DEC-31-1999
	JAN-01-1999
	DEC-31-1999
	608,097
	115,199
	2,294,795
	238,956
	1,495,444
	6,419,754
	9,797,567
	5,027,508
	14,471,044
	4,516,711
	1,336,789
	0
	0
	1,939,673
	5,487,922
	14,471,044
	13,177,625
	13,177,625
	5,977,183
	5,977,183
	1,193,963
	67,045
	144,689
	3,396,888
	951,129
	2,445,759
	0
	0
	0
	2,445,759
	1.59
	1.57

OTHER EXPENSES CONSISTS OF RESEARCH AND DEVELOPMENT EXPENSE.

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THESE RESTATED SCHEDULES CONTAIN SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED STATEMENTS OF EARNINGS AND COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 1997 AND THE THREE, SIX, AND NINE MONTH PERIODS ENDED MARCH 31, JUNE 30 AND SEPTEMBER 30, 1998, RESPECTIVELY, AND THE CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 1997, AND MARCH 31, JUNE 30 AND SEPTEMBER 30, 1998.

1,000

YEAR	3-MOS	6-MOS	9-MOS
DEC-31-1997	DEC-31-1998	DEC-31-1998	DEC-31-1998
JAN-01-1997	JAN-01-1998	JAN-01-1998	JAN-01-1998
DEC-31-1997	MAR-31-1998	JUN-30-1998	SEP-30-1998
239,742	238,776	262,860	236,807
52,816	87,750	90,488	67,089
1,951,707	1,888,665	1,961,103	1,920,924
167,592	183,978	197,457	183,916
1,280,988	1,345,810	1,431,246	1,396,021
5,075,947	5,219,087	5,212,336	5,102,852
8,794,649	8,905,574	9,124,617	9,206,803
4,222,690	4,316,422	4,455,468	4,558,255
12,101,825	12,155,553	12,725,472	12,644,918
5,037,568	4,730,084	5,003,529	4,667,424
937,983	1,139,720	1,141,258	1,340,845
0	0	0	0
0	0	0	0
985,575	1,077,037	1,133,584	1,194,532
4,050,759	4,101,617	4,213,908	4,217,932
12,101,825	12,155,553	12,725,472	12,644,918
11,889,283	3,050,751	6,125,868	9,170,758
11,889,283	3,050,751	6,125,868	9,170,758
5,052,313	1,282,373	2,583,333	3,961,613
5,052,313	1,282,373	2,583,333	3,961,613
1,307,362	281,423	590,184	884,145
28,188	16,619	31,782	27,339
134,625	38,416	79,256	120,708
2,934,585	817,273	1,630,856	2,370,152
855,484	229,286	457,021	663,841
2,079,101	587,987	1,173,835	1,706,311
0	0	0	0
0	0	0	0
0	0	0	0
2,079,101	587,987	1,173,835	1,706,311
1.34	.38	.76	1.11
1.32	.38	.76	1.10

OTHER EXPENSES CONSISTS OF RESEARCH AND DEVELOPMENT EXPENSE.

5

THESE RESTATED SCHEDULES CONTAIN SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED STATEMENTS OF EARNINGS AND COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 1998 AND THE THREE, SIX, AND NINE MONTH PERIODS ENDED MARCH 31, JUNE 30 AND SEPTEMBER 30, 1999, RESPECTIVELY, AND THE CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 1998, AND MARCH 31, JUNE 30 AND SEPTEMBER 30, 1999.

1,000

YEAR	3-MOS	6-MOS	9-MOS	
DEC-31-1998	DEC-31-1999	DEC-31-1999	DEC-31-1999	
JAN-01-1998	JAN-01-1999	JAN-01-1999	JAN-01-1999	
DEC-31-1998	MAR-31-1999	JUN-30-1999	SEP-30-1999	
315,238	359,095	351,694	540,384	
95,827	67,915	81,097	122,366	
2,147,218	2,180,328	2,109,862	2,080,032	
191,352	189,208	190,547	185,898	
1,412,740	1,378,120	1,426,459	1,420,730	
5,589,761	5,812,496	5,592,739	5,926,494	
9,403,493	9,407,612	9,509,595	9,665,310	
4,660,555	4,717,922	4,803,448	4,941,703	
13,259,919	13,366,547	13,199,512	13,632,323	
4,965,902	4,713,870	4,175,330	4,334,310	
1,339,694	1,339,524	1,337,566	1,336,425	
0	0	0	0	
0	0	0	0	
1,310,500	1,445,508	1,551,671	1,600,557	
4,443,091	4,661,645	4,937,220	5,121,661	
13,259,919	13,366,547	13,199,512	13,632,323	
12,512,734	3,313,320	6,572,531	9,709,689	
12,512,734	3,313,320	6,572,531	9,709,689	
5,406,635	1,453,016	2,868,204	4,458,360	
5,406,635	1,453,016	2,868,204	4,458,360	
1,228,777	269,497	587,400	866,111	
41,655	5,658	13,500	10,413	
159,986	40,348	76,840	111,842	
3,241,865	928,754	1,824,553	2,474,663	
907,512	260,052	510,876	692,906	
2,334,353	668,703	1,313,677	1,781,757	
0	0	0	0	
0	0	0	0	
0	0	0	0	
2,334,353	668,703	1,313,677	1,781,757	
1.52	.44	.86	1.16	
1.50	.43	.84	1.14	

OTHER EXPENSES CONSISTS OF RESEARCH AND DEVELOPMENT EXPENSE.

Exhibit 99.1

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

The Financial Review, incorporated herein by reference, and other sections of this Form 10-K contain forward-looking statements that are based on management's current expectations, estimates and projections. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," variations of these words and similar expressions are intended to identify these forward-looking statements. Certain factors, including but not limited to those listed below, may cause actual results to differ materially from current expectations, estimates, projections and from past results.

- Economic factors including changes in the rate of inflation, business conditions, interest rates and foreign currency exchange rates.

- Competitive factors, including: (i) pricing pressures, both in the United States and abroad, primarily from managed care groups and government agencies, (ii) the development of new products by competitors having lower prices or superior performance or that are otherwise competitive with Abbott's current products, (iii) generic competition when Abbott's products lose their patent protection, (iv) technological advances and patents obtained by competitors and (v) problems with licensors, suppliers and distributors.

- Difficulties and delays inherent in the development, manufacturing, marketing, or sale of products including: (i) efficacy or safety concerns, (ii) delays in the receipt of or the inability to obtain required approvals, (iii) the suspension or revocation of the authority necessary for manufacture, marketing, or sale, (iv) the imposition of additional or different regulatory requirements, such as those affecting labeling, (v) seizure or recall of products, (vi) the failure to obtain, the imposition of limitations on the use of, or the loss of patent and other intellectual property rights, and (vii) manufacturing or distribution problems.

- Governmental action including: (i) new laws, regulations and judicial decisions related to health care availability, method of delivery and payment for health care products and services, (ii) changes in the Federal Food and Drug Administration and foreign regulatory approval processes that may delay or prevent the approval of new products and result in lost market opportunity, (iii) new laws, regulations and judicial decisions affecting pricing or marketing and (iv) changes in the tax laws relating to Abbott's operations.

- Changes in accounting standards promulgated by the Financial Accounting Standards Board, the Securities and Exchange Commission or the American Institute of Certified Public Accountants.

- Changes in costs or expenses, including variations resulting from changes in product mix, changes in tax rates both in the United States and abroad, the effects of acquisitions, dispositions or other events occurring in connection with evolving business strategies.

- Costs or difficulties related to the integration of Abbott and Perclose, Inc. may be greater than expected.

- Complying with the consent decree between Abbott and the United States Food and Drug Administration (this consent decree is described in the portion of this Form 10-K captioned "Regulation") and Abbott's ability to return diagnostic products to market successfully.

- Legal difficulties, any of which could preclude commercialization of products or adversely affect profitability, including: claims asserting antitrust violations, claims asserting securities law violations, derivative actions, product liability claims, disputes over intellectual property rights (including patents) and environmental matters.

No assurance can be made that any expectation, estimate or projection contained in a forward-looking statement can be achieved. Readers are cautioned not to place undue reliance on such statements, which speak only as of the date made. Abbott undertakes no obligation to release publicly any revisions to forward-looking statements as the result of subsequent events or developments.