SECURITIES AND EXCHANGE COMMISSION

FORM 10-K

WASHINGTON, D. C. 20549

(MARK ONE)

/X/ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

OR

/ / TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1994. COMMISSION FILE NUMBER 1-2189

ABBOTT LABORATORIES

[LOGO]

AN ILLINOIS CORPORATION	36-0698440 (I.R.S. employer identification number)
100 ABBOTT PARK ROAD ABBOTT PARK, ILLINOIS 60064-3500	(708) 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	New York Stock Exchange Chicago Stock Exchange Pacific Stock 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, 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 THE REGISTRANT'S KNOWLEDGE, IN THE PROXY STATEMENT INCORPORATED BY REFERENCE IN PART III OF THIS FORM 10-K OR ANY AMENDMENT TO THIS FORM 10-K. [ ]

THE AGGREGATE MARKET VALUE OF THE 733,819,146 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, 1995, WAS APPROXIMATELY $25,958,852,290.

NUMBER OF COMMON SHARES OUTSTANDING AS OF JANUARY 31, 1995: 801,879,751.

DOCUMENTS INCORPORATED BY REFERENCE

PORTIONS OF THE ABBOTT LABORATORIES ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 1994 ARE INCORPORATED BY REFERENCE INTO PARTS I, II, AND IV.

PORTIONS OF THE 1995 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. The Company'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 footnote entitled "Industry Segment and Geographic Area Information" of the Consolidated Financial Statements in the Abbott Laboratories Annual Report for the year ended December 31, 1994 (1994 Annual Report), filed as an exhibit to this report. Also incorporated herein by reference is the text and table of sales by class of similar products included in the section of the 1994 Annual Report captioned "Financial Review."

NARRATIVE DESCRIPTION OF BUSINESS

PHARMACEUTICAL AND NUTRITIONAL PRODUCTS

Included in this segment is a broad line of adult and pediatric pharmaceuticals and nutritionals. These products are sold primarily on the prescription or recommendation of physicians or other health care professionals. The segment also includes agricultural and chemical products, bulk pharmaceuticals, and consumer products.

Principal pharmaceutical and nutritional products include the anti-infectives clarithromycin, sold in the United States under the trademark Biaxin-Registered Trademark- and outside the United States primarily under the trademark Klacid-Registered Trademark-, and tosufloxacin, sold in Japan under the trademark Tosuxacin-TM-; 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-; agents for the treatment of epilepsy, including Depakote-Registered Trademark-; a broad line of cardiovascular products, including Loftyl-Registered Trademark-, a vasoactive agent sold outside the United States; Hytrin-Registered Trademark-, used as an anti-hypertensive and for the treatment of benign prostatic hyperplasia; Abbokinase-Registered Trademark-, a thrombolytic drug; Survanta-Registered Trademark-, a bovine derived lung surfactant; various forms of prepared infant formula, including Similac-Registered Trademark-, Isomil-Registered Trademark-, Alimentum-Registered Trademark-, Toddler's Best-TM-, and NeoCare-TM-; and other medical and pediatric nutritionals, including Ensure-Registered Trademark-, Ensure Plus-Registered Trademark-, Ensure-Registered Trademark- High Protein, Jevity-Registered Trademark-, Glucerna-Registered Trademark-, Advera-Registered Trademark-, PediaSure-Registered Trademark-, Pedialyte-Registered Trademark-, Pulmocare-Registered Trademark- and Gain-Registered Trademark-. Consumer products include the dandruff shampoo Selsun Blue-Registered Trademark-; Murine-Registered Trademark- eye care and ear care products; Tronolane-Registered Trademark- hemorrhoid medication; and Faultless-Registered Trademark- rubber sundry products. Agricultural, animal health, and chemical products include plant growth regulators, including ProGibb-Registered Trademark-; herbicides; larvicides, including VectoBac-Registered Trademark-; and biologically derived insecticides, including DiPel-Registered Trademark- and XenTari-Registered Trademark-.

Pharmaceutical and nutritional products are generally sold directly to retailers, wholesalers, health care facilities, and government agencies. In most cases, they are distributed from Company-owned distribution centers or public warehouses. Certain products are co-marketed with other companies. In certain overseas countries, some of these products are marketed and distributed through distributors. Primary marketing efforts for pharmaceutical and nutritional products are directed toward securing the prescription or recommendation of the Company's brand of products by physicians or other health care professionals. In the United States managed care purchasers, for example health maintenance organizations (HMOs) and pharmacy benefit managers, are becoming increasingly important customers. Competition is generally from other broad line and specialized health care manufacturers. A significant aspect of competition is the search for technological

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* As used throughout the text of this Report, the term "Company" refers to Abbott Laboratories, an Illinois corporation, or Abbott Laboratories and its consolidated subsidiaries, as the context requires.

innovations. The introduction of new products by competitors and changes in medical practices and procedures can result in product obsolescence. In addition, the substitution of generic drugs for the brand prescribed has increased competitive pressures on pharmaceutical products.

Consumer 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, scientific innovation, price, and availability of generic product forms.

Agricultural, animal health and chemical products are generally sold to agricultural distributors, animal health companies and pharmaceutical companies. Competition is primarily from large chemical, animal health and agricultural companies. Competition is based on numerous factors depending on the market served. Competitive factors include product performance, quality, price, and technological advantages.

The Company is the leading worldwide producer of the antibiotic erythromycin. Similac-Registered Trademark- is the leading infant formula product in the United States.

Under an agreement between the Company and Takeda Chemical Industries, Ltd. of Japan (Takeda), TAP Pharmaceuticals Inc. (TAP), owned 50 percent by the Company and 50 percent by Takeda, develops and markets in the United States products based on Takeda research. 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. These agents are used for the treatment of advanced prostatic cancer, endometriosis, and central precocious puberty. The Company also has marketing rights to certain Takeda products in select Latin American markets. The Company also markets Lupron-Registered Trademark-, Lupron Depot-Registered Trademark-, and Lupron Depot-Ped-Registered Trademark- in select markets outside the United States.

HOSPITAL AND LABORATORY PRODUCTS

Hospital and laboratory products include diagnostic systems for blood banks, hospitals, commercial laboratories, and alternate-care testing sites; intravenous and irrigation fluids and related administration equipment, including electronic drug delivery systems; drugs and drug delivery systems; anesthetics; critical care products; and other medical specialty products for hospitals and alternate-care sites.

The principal products included in this segment are parenteral (intravenous or I.V.) 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- and Omni-Flow-Registered Trademark- electronic drug delivery systems; Abbott Pain Manager-Registered Trademark-; patient-controlled analgesia (PCA) systems; venipuncture products; hospital injectables including FirstChoice-Registered Trademark- generics; premixed I.V. drugs in various containers; ADD-Vantage-Registered Trademark- and Nutrimix-Registered Trademark- drug and nutritional delivery systems; Anne-Registered Trademark- anesthetic infusion systems; anesthetics, including Pentothal-Registered Trademark-, isoflurane and enflurane; Calcijex-Registered Trademark-, an injectable agent for treatment of bone disease in hemodialysis patients; critical care products including Opticath-Registered Trademark- for oximetry, Transpac-Registered Trademark- for hemodynamic monitoring, and specialty cardiac products; screening tests for hepatitis B, HTLV-1, hepatitis B core, and hepatitis C; tests for detection of AIDS antibodies and antigens, and other infectious disease detection systems; tests for determining levels of abused drugs with the ADx-Registered Trademark- instrument; physiological diagnostic tests; cancer monitoring tests including tests for prostate specific antigen; laboratory tests and therapeutic drug monitoring systems such as TDx-Registered Trademark-; clinical chemistry systems such as Abbott Spectrum-Registered Trademark-, Abbott Spectrum-Registered Trademark- EPx-Registered Trademark-, Abbott Spectrum-Registered Trademark- CCx-TM-, and Quantum-TM-; AxSym-Registered Trademark-, Commander-Registered Trademark- and IMx-Registered Trademark- lines of diagnostic instruments and chemical reagents used with immunoassay diagnostics; Abbott Vision-Registered Trademark-, a desk-top blood analyzer; the Abbott TestPack-Registered Trademark- system for diagnostic testing; a full line of hematology systems and reagents known as the Cell-Dyn-Registered Trademark- series; and Abbott Maestro-TM-, a data management system.

The Company markets hospital and laboratory products in the United States and many other countries. These products are generally distributed to wholesalers and directly to hospitals, laboratories, and physicians' offices from distribution centers maintained by the Company. Sales are also made in the home infusion services market directly to patients receiving treatment outside the hospital through marketing arrangements with hospitals and other health care providers. Overseas sales are made either directly to customers or through distributors, depending on the market served.

The hospital and laboratory products industry segment is highly competitive, both in the United States and overseas. This segment is 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. Products in this segment can be subject to rapid product obsolescence. The Company has benefitted from technological advantages of certain of its current products; however, these advantages may be reduced or eliminated as competitors introduce new products.

The Company is one of the leading domestic manufacturers of I.V. and irrigating solutions and related administration equipment, parenteral nutritional products, anesthesia products, and drug delivery systems. It is also the worldwide leader in in vitro diagnostic products, including thyroid tests, therapeutic drug monitoring, cancer monitoring tests, diagnostic tests for the detection of hepatitis and AIDS antibodies, and immunodiagnostic instruments.

INFORMATION WITH RESPECT TO THE COMPANY'S BUSINESS IN GENERAL

SOURCES AND AVAILABILITY OF RAW MATERIALS

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

PATENTS, TRADEMARKS, AND LICENSES

The Company is aware of the desirability for patent and trademark protection for its products. The Company owns, has applications pending for, and is licensed under a substantial number of patents. Accordingly, where possible, patents and trademarks are sought and obtained for the Company's products in the United States and all countries of major marketing interest to the Company. Principal trademarks and the products they cover are discussed in the Narrative Description of Business on pages 1, 2 and 3. These, and various patents which expire during the period 1995 to 2015, in the aggregate, are believed to be of material importance in the operation of the Company's business. Although the Company believes that no single patent, license, trademark (or related group of patents, licenses, or trademarks) is material in relation to the Company's business as a whole, clarithromycin is increasingly important to the Company's Pharmaceutical and Nutritional Products industry segment. On December 8, 1994, the President signed the Uruguay Round Agreements Act (P.L. 103-465) implementing the Uruguay Round of the General Agreement on Tariffs and Trade (GATT). Prior to such implementation, the patent on clarithromycin was scheduled to expire in the United States in 2003. The intellectual property provisions of GATT appear to extend this expiration date to 2005.

SEASONAL ASPECTS, CUSTOMERS, BACKLOG, AND RENEGOTIATION

There are no significant seasonal aspects to the Company'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 the Company's anti-infective products. Orders for the Company's products are generally filled on a current basis, and order backlog is not material to the Company's business. No single customer accounted for sales equaling 10 percent or more of the Company's consolidated net sales. No material portion of the Company's business is subject to renegotiation of profits or termination of contracts at the election of the government.

RESEARCH AND DEVELOPMENT

The Company spent $963,516,000 in 1994, $880,974,000 in 1993, and $772,407,000 in 1992 on research to discover and develop new products and processes and to improve existing products and processes. The Company continues to concentrate research expenditures in pharmaceutical and diagnostic products.

ENVIRONMENTAL MATTERS

The Company 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. The Company's capital and operating expenditures for pollution control in 1994 were approximately $20 million and $41 million, respectively. Capital and operating expenditures for pollution control are estimated to approximate $16 million and $38 million, respectively, in 1995.

The Company is participating as one of many potentially responsible parties in investigation and/ or remediation at nine locations in the United States and 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, the Company believes that the actual costs will be lower than these estimates, and the fraction for which the Company may be responsible is anticipated to be considerably less and will be paid out over a number of years. The Company expects to participate in the investigation or cleanup at these sites. The Company is also voluntarily investigating potential contamination at five Company-owned sites, and has initiated voluntary remediation at four Company-owned 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, the Company 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 the Company's financial position, cash flows, or results of operations.

EMPLOYEES

The Company employed 49,464 persons as of December 31, 1994.

REGULATION

The development, manufacture, sale, and distribution of the Company's products are subject to comprehensive government regulation, and the general trend is toward more stringent 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, recordkeeping, 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 the 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 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. Manufacturers must pay certain statutorily-prescribed rebates on Medicaid purchases for reimbursement on prescription drugs under state Medicaid plans. In addition, the Federal government follows a diagnosis-related group (DRG) payment system for certain institutional services provided under Medicare or Medicaid. The DRG system entitles a health care facility to a fixed reimbursement based on discharge diagnoses 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. 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 subsidized Special Supplemental Food 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. All of the states have also conducted competitive bidding for infant formula contracts which require the use of specific infant formula products for 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 now require manufacturers to pay additional fees. Under the Prescription Drug User Fee Act of 1992, the Federal Food and Drug Administration imposes substantial fees on various aspects of the approval, manufacture and sale of prescription drugs. Congress is now considering expanding user fees to medical devices. The Company believes that such legislation, if enacted, will add considerable expense for the Company.

The Company expects debate to continue during 1995 at both the federal and the state level over the availability, method of delivery, and payment for health care products and services. The Company believes that if legislation is enacted, it could have the effect of reducing prices, or reducing the rate of price increases, for health and medical insurance and 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 are having an impact on United States regulations, as well. The International Organization for Standardization ("ISO") provides the voluntary criteria for regulating medical devices within the European Economic Community. The Food and Drug Administration ("FDA") has announced that it will attempt to harmonize its regulation of medical devices with that of the ISO. Recently published changes to the FDA's regulations governing the manufacture of medical devices 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 the Company or the health care industry in general might be affected by the matters discussed above.

INTERNATIONAL OPERATIONS

The Company markets products in approximately 130 countries through affiliates and distributors. Most of the products discussed in the preceding sections of this report are 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

The Company's corporate offices are located at 100 Abbott Park Road, Abbott Park, Illinois 60064-3500. The locations of a number of the Company's principal plants are listed below.

LOCATION	INDUSTRY SEGMENTS OF PRODUCTS PRODUCED
Abbott Park, Illinois	Pharmaceutical and Nutritional Products, and Hospital and Laboratory Products
Altavista, Virginia	Pharmaceutical and Nutritional Products
Austin, Texas	Hospital and Laboratory Products
Barceloneta, Puerto Rico	Pharmaceutical and Nutritional Products, and Hospital and Laboratory Products
Campoverde, Italy	Pharmaceutical and Nutritional Products, and Hospital and Laboratory Products
Casa Grande, Arizona	Pharmaceutical and Nutritional Products
Columbus, Ohio	Pharmaceutical and Nutritional Products
Delkenheim, Germany	Hospital and Laboratory Products
Irving, Texas	Hospital and Laboratory Products
Laurinburg, North Carolina	Pharmaceutical and Nutritional Products, and Hospital and Laboratory Products
Mexico City, Mexico	Pharmaceutical and Nutritional Products, and Hospital and Laboratory Products
Montreal, Canada	Pharmaceutical and Nutritional Products, and Hospital and Laboratory Products
Mountain View, California	Hospital and Laboratory Products
North Chicago, Illinois	Pharmaceutical and Nutritional Products, and Hospital and Laboratory Products
Queenborough, England	Pharmaceutical and Nutritional Products, and Hospital and Laboratory Products
Rocky Mount, North Carolina	Hospital and Laboratory Products
Salt Lake City, Utah	Hospital and Laboratory Products
Santa Clara, California	Hospital and Laboratory Products
Sligo/Donegal/Cootehill/ Finisklin, Ireland	Pharmaceutical and Nutritional Products, and Hospital and Laboratory Products
Sturgis, Michigan	Pharmaceutical and Nutritional Products
St. Remy, France	Pharmaceutical and Nutritional Products, and Hospital and Laboratory Products
Tokyo, Japan	Hospital and Laboratory Products

In addition to the above, the Company has manufacturing facilities in six other locations in the United States and Puerto Rico. Overseas manufacturing facilities are located in 18 other countries. The Company's facilities are deemed suitable, provide adequate productive capacity, and are utilized at normal and acceptable levels.

In the United States and Puerto Rico, the Company owns seven distribution centers. The Company also has eleven United States research and development facilities located at Abbott Park, Illinois; Ashland, Ohio; Columbus, Ohio (2 locations); Irving, Texas; Long Grove, Illinois; Madera, California; Mountain View, California; North Chicago, Illinois; Salt Lake City, Utah; and Santa Clara, California. Overseas, the Company has research and development facilities in Argentina, Australia, Canada, Germany, Italy, Japan, The Netherlands, and the United Kingdom.

The corporate offices, all manufacturing plants, and all other facilities in the United States and overseas are owned or leased by the Company or subsidiaries of the Company.

ITEM 3. LEGAL PROCEEDINGS

The Company is involved in various claims and legal proceedings including (as of January 31, 1995) 24 antitrust suits, one shareholder derivative suit, and 7 investigations in connection with the Company's sale and marketing of infant formula products, 62 antitrust suits in connection with the Company's pricing of prescription pharmaceuticals, and 143 product liability cases that allege injuries to the offspring of women who ingested a synthetic estrogen (DES) during pregnancy. These remaining DES cases are ordinary routine litigation that is incidental to the business of the Company. The Company is also involved in a civil administrative proceeding involving the Resource Conservation and Recovery Act ("RCRA").

The infant formula antitrust suits allege that the Company conspired with one or more of its competitors to fix prices for infant formula and to restrain trade and monopolize the market for infant formula products in violation of state and federal antitrust laws. The suits have been brought on behalf of individuals, the Nestle Food Company, and state government agencies and name the Company, certain other infant formula manufacturers and, in some instances, the American Academy of Pediatrics as defendants. The cases seek treble damages, civil penalties and other relief. The Company has previously reported that cases are pending in each of the following state courts: Calhoun County and Shelby County, Alabama; Boulder County, Colorado; Okaloosa County, Florida; St. Clair County, Illinois; Sedgwick County, Kansas; Parish of West Baton Rouge, Louisiana; Calhoun County, Michigan; Hennepin County, Minnesota; Holmes County, South Dakota; Harrison County and Travis County, Texas (2 cases); Kanwaha, West Virginia; and, Milwaukee County, Wisconsin (2 cases). The cases which were pending in Florida and in Colorado have now been dismissed on defendants' motion. In addition, on October 27, 1994, a case was filed in state court in Jefferson County, Kentucky; on October 28, 1994, a case was filed in state court in Burleigh County, North Dakota; on November 21, 1994, a case was filed in state court in Jackson County, North Carolina; on December 22, 1994, a case was filed in state court in Suffolk County, Massachusetts; and on January 18, 1995, a case was filed in Holmes County, Mississippi by the Mississippi Attorney General. Three of these cases have now been removed to federal court: the Kentucky case is pending in federal court in Louisville, Kentucky, the North Dakota case is pending in federal court in Bismarck, North Dakota, and the Massachusetts case is pending in federal court in Boston, Massachusetts. On November 29, 1994, the Attorney General of Wisconsin sought the court's permission to intervene in both of the cases which are pending in the Wisconsin state courts. Although each of the cases which are pending in state court purports to be a state consumer class action, the court has denied class certification in the case that is pending in Michigan. The case brought by the Nestle Food Company is pending in federal court in Los Angeles, California and is scheduled for trial on May 9, 1995. The plaintiff is seeking treble damages and asserts single damages of $257 million. The remaining cases are pending in federal courts in Birmingham, Alabama, Tallahassee, Florida, Knoxville, Tennessee, and Reno, Nevada and all purport to be state-wide consumer class actions. The Company has filed or intends to file a response to each of the complaints denying all substantive allegations. The shareholder derivative suit is pending in state court in Cook County, Illinois, names all of the Company's present directors (other than Allen F. Jacobson) and a former executive officer as defendants and alleges that the defendants breached their fiduciary duty to the Company by permitting antitrust violations in connection with the Company's sale and marketing of infant formula products. The plaintiffs seek to hold the defendants liable for an amount exceeding $140 million, in connection with the Company's settlement of certain anti-trust litigation arising out of its marketing of infant formula. The investigations are being conducted by the Attorneys General of the states of California, Connecticut, Minnesota, New York, Pennsylvania and Wisconsin and by the Canadian Bureau of Competition Policy. The Canadian investigation is both civil and criminal in its scope.

The prescription pharmaceutical pricing antitrust suits 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 the Company and other pharmaceutical manufacturers as well as pharmaceutical wholesalers and at least one mail-order pharmacy company as defendants. The cases seek treble damages, civil penalties and other relief. The Company has filed or intends to file a response to each of the complaints denying all substantive allegations. On February 4, 1994, all of the then pending prescription pharmaceutical pricing antitrust cases were consolidated in the United States District Court for the Northern District of Illinois under the Multidistrict Litigation Rules. These cases are now known as IN RE: BRAND NAME PRESCRIPTION DRUG ANTITRUST LITIGATION, MDL 997. As of September 30, 1994, the Company was named in 15 federal cases, all of which were consolidated in the MDL 997 litigation and in 13 state cases. Three of these state cases were subsequently dismissed. The 10 other state cases are pending in the following state courts: Greene County, Alabama; San Francisco County, California (7 cases); Dane County, Wisconsin; and Washington County, Wisconsin. One additional purported class action was filed on January 16, 1995, in King County, Washington on behalf of Washington consumers. Thirty-three additional cases have been filed in federal court since September 30, 1994 and have now been or will be consolidated in the MDL 997 litigation. Two of the cases which are pending in the MDL 997 litigation were filed as class actions: one on behalf of retail pharmacies and one on behalf of Alabama consumers. In November the court hearing the MDL 997 litigation certified a nationwide class of retail pharmacies which had purchased prescription drug products from any one or more of the defendants during the period October 1989 to the present and refused to certify a statewide class of Alabama consumers who had purchased the defendant's prescription pharmaceuticals.

On February 23, 1994, the United States Environmental Protection Agency ("the EPA") instituted a civil administrative proceeding by filing a complaint alleging that the Company burned hazardous waste at its North Chicago facility in violation of the RCRA. The complaint seeks penalties of $991,775. The EPA simultaneously issued an Administrative Order requiring the Company to take certain actions to ensure future compliance with the RCRA. The Company filed an answer to the complaint denying all substantive allegations.

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 disposition should not have a material adverse effect on the Company'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 the Company 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 the Company.

Current corporate officers, and their ages as of February 10, 1995, are listed below. The officers' principal occupations and employment from January 1990 to present and the dates of their first election as officers of the Company are also shown. Unless otherwise stated, employment was by the Company for the period indicated. There are no family relationships between any corporate officers or directors.

DUANE L. BURNHAM**, 53

1990 -- Vice Chairman and Chief Executive Officer, and Director.
1990 to present -- Chairman of the Board and Chief Executive Officer, and Director.
Elected Corporate Officer -- 1982.

THOMAS R. HODGSON**, 53

1990 -- Executive Vice President and Director.
1990 to present -- President and Chief Operating Officer, and Director.
Elected Corporate Officer -- 1980.

ROBERT N. BECK**, 54

1990 to 1992 -- Executive Vice President, BankAmerica and Bank of America.
1992 to present -- Senior Vice President, Human Resources.
Elected Corporate Officer -- 1992.

PAUL N. CLARK**, 48

1990 -- Vice President, Pharmaceutical Products.
1990 to present -- Senior Vice President, Pharmaceutical Operations.
Elected Corporate Officer -- 1985.

GARY P. COUGHLAN**, 50

1990 -- Senior Vice President, Finance, Kraft General Foods.
1990 to present -- Senior Vice President, Finance and Chief Financial Officer.
Elected Corporate Officer -- 1990.

JOSE M. DE LASA**, 53

1990 to 1994 -- Vice President and Associate General Counsel, Bristol-Myers Squibb Company.
1994 -- Vice President, Secretary and Associate General Counsel, Bristol-Myers Squibb Company.
1994 to present -- Senior Vice President, Secretary and General Counsel.
Elected Corporate Officer -- 1994.

JOHN G. KRINGEL**, 55

1990 -- Vice President, Hospital Products.
1990 to present -- Senior Vice President, Hospital Products.
Elected Corporate Officer -- 1981.

J. DUNCAN MCINTYRE**, 57

1990 -- Vice President, Europe.
1990 to present -- Senior Vice President, International Operations.
Elected Corporate Officer -- 1987.

THOMAS M. MCNALLY**, 47

1990 -- Vice President, Chemical and Agricultural Products.
1990 to 1993 -- Senior Vice President, Chemical and Agricultural Products.
1993 to present -- Senior Vice President, Ross Products.
Elected Corporate Officer -- 1989.

DAVID V. MILLIGAN**, 54

1990 to 1992 -- Vice President, Diagnostic Products Research and Development.
1992 to 1994 -- Vice President, Pharmaceutical Products Research and Development.
1994 to present -- Senior Vice President, Chief Scientific Officer.
Elected Corporate Officer -- 1984.

ROBERT L. PARKINSON, JR.**, 44

1990 -- Vice President, Corporate Hospital Marketing.
1990 to 1993 -- Vice President, European Operations.
1993 to present -- Senior Vice President, Chemical and Agricultural Products.
Elected Corporate Officer -- 1989.

DAVID A. THOMPSON**, 53

1990 -- Vice President, Diagnostic Operations.
1990 to 1994 -- Senior Vice President, Diagnostic Operations.
1994 to present -- Senior Vice President, Strategic Improvement Processes.
Elected Corporate Officer -- 1982.

MILES D. WHITE**, 39

1990 -- Director of Marketing for the U.S., Abbott Diagnostics Division.
1990 -- Business Unit General Manager, Physiological Diagnostics, Abbott Diagnostics Division and Business Unit General Manager, Cancer Diagnostics.
1990 to 1992 -- Divisional Vice President and General Manager, Hospital Laboratory Sector.
1992 to 1993 -- Divisional Vice President and General Manager, Diagnostic Systems and Operations.
1993 to 1994 -- Vice President, Diagnostic Systems and Operations.
1994 to present -- Senior Vice President, Diagnostic Operations.
Elected Corporate Officer -- 1993.

JOY A. AMUNDSON**, 40

1990 -- General Manager, Alternate Site.
1990 -- Divisional Vice President and General Manager, Hospital Products Business Sector.
1990 to 1994 -- Vice President, Corporate Hospital Marketing.
1994 to present -- Vice President, HealthSystems.
Elected Corporate Officer -- 1990.

CHRISTOPHER B. BEGLEY, 42

1990 -- General Manager, Hospital Products Business Sector.
1990 to 1993 -- Divisional Vice President and General Manager, Hospital Products Business Sector.
1993 to present -- Vice President, Hospital Products Business Sector.
Elected Corporate Officer -- 1993.

THOMAS D. BROWN, 46

1990 to 1992 -- Divisional Vice President, Western Hemisphere.
1992 to 1993 -- Divisional Vice President, Diagnostic Commercial Operations.
1993 to present -- Vice President, Diagnostic Commercial Operations.
Elected Corporate Officer -- 1993.

GARY R. BYERS**, 53

1990 to 1993 -- Divisional Vice President, Corporate Auditing.
1993 to present -- Vice President, Internal Audit.
Elected Corporate Officer -- 1993.

KENNETH W. FARMER**, 49

1990 to present -- Vice President, Management Information Services and Administration.
Elected Corporate Officer -- 1985.

THOMAS C. FREYMAN**, 40

1990 to 1991 -- Treasurer, Abbott International, Ltd. (a subsidiary of the Company).
1991 to present -- Vice President and Treasurer.
Elected Corporate Officer -- 1991.

JAY B. JOHNSTON, 51

1990 to 1992 -- President, Dainabot Co., Ltd. (an affiliate of the Company) and General Manager Asia Pacific, Abbott Diagnostics Division.
1992 -- Divisional Vice President, Business Development.
1992 to 1993 -- Divisional Vice President and General Manager, Diagnostic Assays and Operations.
1993 to present -- Vice President, Diagnostic Assays and Operations.
Elected Corporate Officer -- 1993.

JAMES J. KOZIARZ, 46

1990 -- General Manager, Hepatitis/Retrovirus Business Sector.
1990 to 1992 -- Divisional Vice President and General Manager, Diagnostic Assays.
1992 to 1993 -- Divisional Vice President, Diagnostic Products Research and Development.
1993 to present -- Vice President, Diagnostic Products Research and Development.
Elected Corporate Officer -- 1993.

JOHN F. LUSSEN**, 53

1990 to present -- Vice President, Taxes.
Elected Corporate Officer -- 1985.

RICHARD H. MOREHEAD**, 60

1990 to present -- Vice President, Corporate Planning and Development.
Elected Corporate Officer -- 1985.

THEODORE A. OLSON**, 56

1990 to present -- Vice President and Controller.
Elected Corporate Officer -- 1988.

ANDRE G. PERNET, 50

1990 to 1992 -- Divisional Vice President, Therapeutic Area Ventures, Pharmaceutical Products Division.
1992 to 1994 -- Divisional Vice President, Pharmaceutical Development, Pharmaceutical Products Division.
1994 to present -- Vice President, Pharmaceutical Products Research and Development.
Elected Corporate Officer -- 1994.

CARL A. SPALDING, 49

1990 to 1992 -- Vice President, International, Johnson & Johnson.
1992 to 1993 -- Divisional Vice President/General Manager, Ross Pediatric Products.
1993 to present -- Vice President, Ross Pediatric Products.
Elected Corporate Officer -- 1993.

WILLIAM H. STADTLANDER, 49

1990 to 1992 -- Divisional Vice President, Medical Nutritionals.
1992 to 1993 -- Divisional Vice President and General Manager, Medical Nutritionals.
1993 to present -- Vice President, Ross Medical Nutritional Products.
Elected Corporate Officer -- 1993.

DANIEL O. STRUBLE**, 54

1990 to present -- Vice President, Corporate Engineering.
Elected Corporate Officer -- 1987.

ELLEN M. WALVOORD**, 55

1990 to 1991 -- Director, Corporate Communications.
1991 -- Vice President, Investor Relations.
1991 to present -- Vice President, Investor Relations and Public Affairs.
Elected Corporate Officer -- 1991.

JOSEF WENDLER, 45

1990 -- General Manager, Austria & Switzerland.
1990 to 1992 -- Regional Director, Europe, Diagnostic Division.
1992 to 1993 -- Divisional Vice President, Pacific, Asia, Africa.
1993 to 1995 -- Vice President, Pacific/Asia /Africa Operations.
1995 to present -- Vice President, European Operations.
Elected Corporate Officer -- 1993.

DON G. WRIGHT**, 52

1990 to present -- Vice President, Corporate Quality Assurance and Regulatory Affairs.
Elected Corporate Officer -- 1988.

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** Pursuant to Item 401(b) of Regulation S-K the Company 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 the Company's common shares is the New York Stock Exchange. Shares are also listed on the Chicago and Pacific Stock Exchanges and are traded on the Boston, Cincinnati, and Philadelphia Exchanges. Overseas, the Company's shares are listed on the London Stock Exchange and the Swiss Stock Exchanges of Zurich, Basel, and Geneva.

	MARKET PRICE PER SHARE			
	1994		1993	
	HIGH	LOW	HIGH	LOW
First Quarter	30 5/8	25 5/8	30 7/8	22 5/8
Second Quarter	31 3/8	25 3/8	28 5/8	23 1/4
Third Quarter	32	26 5/8	27 5/8	22 3/4
Fourth Quarter	34	30 1/8	30 1/8	26 1/8

Market prices are as reported by the New York Stock Exchange composite transaction reporting system.

SHAREHOLDERS

There were 86,324 shareholders of record of Abbott common shares as of December 31, 1994.

DIVIDENDS

Quarterly dividends of $.19 per share and $.17 per share were declared on common shares in 1994 and 1993, respectively.

ITEM 6. SELECTED FINANCIAL DATA

Incorporated herein by reference for the years 1990 through 1994 are the applicable portions of the section captioned "Summary of Selected Financial Data" of the 1994 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 1994, 1993, and 1992 found under the section captioned "Financial Review" of the 1994 Annual Report.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Incorporated herein by reference are the portions of the 1994 Annual Report captioned Consolidated Balance Sheet, Consolidated Statement of Earnings, Consolidated Statement of Cash Flows, 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 13, 1995). Data relating to quarterly results is found in Note 8.

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," "Information Concerning Nominees for Directors" and "Compliance with Section 16(a) of The Securities Exchange Act of 1934" found in the 1995 Abbott Laboratories Proxy Statement ("1995 Proxy Statement").

ITEM 11. EXECUTIVE COMPENSATION

The material in the 1995 Proxy Statement under the heading "Executive Compensation," other than the Report of the Compensation Committee, the Performance Graph, and Security Ownership of Officers and Directors are hereby incorporated 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 Officers and Directors" in the 1995 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, 1994, 1993, and 1992 and the related report of Arthur Andersen LLP dated January 13, 1995 appearing under the portions of the 1994 Annual Report captioned Consolidated Balance Sheet, Consolidated Statement of Earnings, Consolidated Statement of Cash Flows, 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 1994 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 1994 Annual Report:

SCHEDULES	PAGE NO.
Valuation and Qualifying Accounts (Schedule II)..................	18
Schedules I, III, IV, and V are not submitted because they are not applicable or not required.	
Supplemental Report of Independent Public Accountants............	19
Individual Financial Statements of the registrant have been omitted pursuant to Rule 3.05, paragraph (1) of Regulation S-X.	

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 16 and 17 of this Form 10-K.

(b) REPORTS ON FORM 8-K DURING THE QUARTER ENDED DECEMBER 31, 1994:

No reports on Form 8-K were filed during the quarter ended December 31, 1994.

(c) EXHIBITS FILED (SEE EXHIBIT INDEX ON PAGES 16 AND 17).

(d) FINANCIAL STATEMENT SCHEDULES FILED (SEE PAGE 18).

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/ DUANE L. BURNHAM
Duane L. Burnham
Chairman of the Board and
Chief Executive Officer

Date: February 10, 1995

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 and in the capacities and on the dates indicated:

/s/ DUANE L. BURNHAM
Duane L. Burnham
Chairman of the Board,
Chief Executive Officer and
Director of Abbott Laboratories
(principal executive officer)
Date: February 10, 1995

/s/ GARY P. COUGHLAN
Gary P. Coughlan
Senior Vice President, Finance and
Chief Financial Officer
(principal financial officer)
Date: February 10, 1995

/s/ THOMAS R. HODGSON
Thomas R. Hodgson
President, Chief Operating Officer
and Director of Abbott Laboratories
Date: February 10, 1995

/s/ THEODORE A. OLSON
Theodore A. Olson
Vice President and Controller
(principal accounting officer)
Date: February 10, 1995

/s/ K. FRANK AUSTEN
K. Frank Austen, M.D.
Director of Abbott Laboratories
Date: February 10, 1995

/s/ H. LAURANCE FULLER
H. Laurance Fuller
Director of Abbott Laboratories
Date: February 10, 1995

/s/ BERNARD J. HAYHOE
Bernard J. Hayhoe
Director of Abbott Laboratories
Date: February 10, 1995

/s/ ALLEN F. JACOBSON
Allen F. Jacobson
Director of Abbott Laboratories
Date: February 10, 1995

/s/ DAVID A. JONES
David A. Jones
Director of Abbott Laboratories
Date: February 10, 1995

/s/ BOONE POWELL, JR.
Boone Powell, Jr.
Director of Abbott Laboratories
Date: February 10, 1995

/s/ A. BARRY RAND
A. Barry Rand
Director of Abbott Laboratories
Date: February 10, 1995

/s/ W. ANN REYNOLDS
W. Ann Reynolds
Director of Abbott Laboratories
Date: February 10, 1995

/s/ WILLIAM D. SMITHBURG
William D. Smithburg
Director of Abbott Laboratories
Date: February 10, 1995

/s/ JOHN R. WALTER
John R. Walter
Director of Abbott Laboratories
Date: February 10, 1995

/s/ WILLIAM L. WEISS
William L. Weiss
Director of Abbott Laboratories
Date: February 10, 1995

EXHIBIT INDEX
ABBOTT LABORATORIES
ANNUAL REPORT
FORM 10-K
1994

REG.S-K EXHIBIT TABLE ITEM NO.		
3.1	*	ARTICLES OF INCORPORATION--ABBOTT LABORATORIES, FILED AS EXHIBIT 3.1 OF THE ABBOTT LABORATORIES QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTER ENDED MARCH 31, 1994.
3.2		CORPORATE BYLAWS--ABBOTT LABORATORIES.
4		INSTRUMENTS DEFINING THE RIGHTS OF SECURITY HOLDERS, INCLUDING INDENTURES.
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 the Company'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 the Company's $200,000,000 5.60% 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 the Company'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' Certificates and Company Order filed as Exhibit 4.7 to the Abbott Laboratories Quarterly Report for the Quarter ended September 30, 1993 on Form 10-Q.
10		MATERIAL CONTRACTS.
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 1981 Incentive Stock Program, filed as an exhibit (pages 52-62) to the 1992 Abbott Laboratories Annual Report on Form 10-K.**
10.3	*	The Abbott Laboratories 1986 Incentive Stock Program, filed as an exhibit (pages 37-59) to the 1989 Abbott Laboratories Annual Report on Form 10-K.**
10.4	*	The Abbott Laboratories 1991 Incentive Stock Program, filed as an exhibit (pages 128-149) to the 1990 Abbott Laboratories Annual Report on Form 10-K.**
10.5	*	Consulting agreement between Abbott Laboratories and K. Frank Austen, M.D. dated September 13, 1991, filed as an exhibit (pages 63-66) to the 1992 Abbott Laboratories Annual Report on Form 10-K.**

REG.S-K EXHIBIT TABLE ITEM NO.		
10.6	*	Abbott Laboratories 401(k) Supplemental Plan, filed as Exhibit 10.7 to the Abbott Laboratories 1993 Annual Report on Form 10-K.**
10.7	*	Abbott Laboratories Supplemental Pension Plan, filed as Exhibit 10.8 to the Abbott Laboratories 1993 Annual Report on Form 10-K.**
10.8	*	The 1986 Abbott Laboratories Management Incentive Plan, filed as Exhibit 10.9 to the Abbott Laboratories 1993 Annual Report on Form 10-K.**
10.9	*	Abbott Laboratories Non-Employee Directors' Fee Plan, filed as Exhibit 10.10 to the Abbott Laboratories 1993 Annual Report on Form 10-K.**
11		CALCULATION OF FULLY DILUTED EARNINGS PER SHARE.
12		COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES.
13		THE PORTIONS OF THE ABBOTT LABORATORIES ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 1994 CAPTIONED FINANCIAL REVIEW, CONSOLIDATED BALANCE SHEET, CONSOLIDATED STATEMENT OF EARNINGS, CONSOLIDATED STATEMENT OF CASH FLOWS, CONSOLIDATED STATEMENT OF SHAREHOLDERS' INVESTMENT, NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS, AND THE APPLICABLE PORTIONS OF THE SECTION CAPTIONED SUMMARY OF FINANCIAL DATA FOR THE YEARS 1990 THROUGH 1994.
21		SUBSIDIARIES OF ABBOTT LABORATORIES.
23		CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS.
27		FINANCIAL DATA SCHEDULE.
		The 1995 Abbott Laboratories Proxy Statement will be filed with the Commission under separate cover on or about March 13, 1995.

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* Incorporated herein by reference.

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

The Company 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 60064-3500.

ABBOTT LABORATORIES AND SUBSIDIARIES
SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 1994, 1993, AND 1992
(DOLLARS IN THOUSANDS)

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
1994	$116,925	$18,123	$ (6,119)	$128,929
1993	$106,857	$29,441	$(19,373)	$116,925
1992	$ 82,244	$41,598	$(16,985)	$106,857

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(a) Represents provisions related to allowances for doubtful accounts and the 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 the Company's Annual Report incorporated by reference in this Form 10-K, and have issued our report thereon dated January 13, 1995. Our audits were made for the purpose of forming an opinion on those statements taken as a whole. Schedule II is the responsibility of the Company'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 13, 1995

BY-LAWS
OF
ABBOTT LABORATORIES

Adopted by the Board of Directors
of Abbott Laboratories at the
Annual Meeting, April 11, 1963
as amended and restated, effective February 10, 1995

BY-LAWS OF ABBOTT LABORATORIES

ARTICLE I

OFFICES

The principal office of the Corporation in the State of Illinois shall be located at the intersection of State Routes 43 and 137 in the County of Lake. The Corporation may have such other offices either within or without the State of Illinois as the business of the Corporation may require from time to time.

The registered office of the Corporation may be, but need not be, identical with the principal office in the State of Illinois. The address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II

SHAREHOLDERS

SECTION 1. ANNUAL MEETING; TRANSACTION OF BUSINESS, NOMINATION OF DIRECTORS. The annual meeting of the shareholders shall be held in the month of April in each year on such date and at such time as the Board of Directors shall provide. The meeting shall be held for the purpose of electing Directors and for the transaction of such other business as is properly brought before the meeting in accordance with these By-Laws. If the election of Directors shall not be held on the day designated for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a meeting of the shareholders as soon thereafter as conveniently may be.

To be properly brought before the meeting, business must be either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors or (c) otherwise properly brought before the meeting by a shareholder. In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a shareholder, the shareholder must have given timely notice thereof in writing to the Secretary. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal office of the Corporation, not earlier than October 1 nor later than February 15 immediately prior to the date of the meeting; PROVIDED, HOWEVER, that in the event that the date of such meeting is not in the month of April and less than sixty-five days' notice or prior public disclosure of the date of the meeting is given or made to shareholders, notice by the shareholder to be timely must be so received not later than the close of business on the fifteenth day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure was made, whichever first occurs. A shareholder's notice to the Secretary shall set forth as to each matter the shareholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) the name and record address of the shareholder proposing such business, (iii) the class and number of shares of the

Corporation which are beneficially owned by the shareholder and (iv) any material interest of the shareholder in such business.

Notwithstanding anything in these By-Laws to the contrary, no business shall be conducted at the annual meeting except in accordance with the procedures set forth in this Section 1, PROVIDED, HOWEVER, that nothing in this Section 1 shall be deemed to preclude discussion by any shareholder of any business properly brought before the annual meeting.

The Chairman of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of this Section 1, and if he should so determine, he shall so declare to the meeting and such business not properly brought before the meeting shall not be transacted.

Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors. Nominations of persons for election to the Board of Directors of the Corporation at the annual meeting may be made at such annual meeting of shareholders by or at the direction of the Board of Directors, by any nominating committee or person appointed by the Board of Directors, or by any shareholder of the Corporation entitled to vote for the election of directors at such meeting who complies with the notice procedures set forth in this Section 1. Such nominations, other than those made by or at the direction of the Board of Directors or by a committee or person appointed by the Board of Directors, shall be made pursuant to timely notice in writing to the Secretary. To be timely, a shareholder's notice shall be delivered to or mailed and received at the principal office of the Corporation not earlier than October 1 nor later than February 15 immediately prior to that date of the meeting; PROVIDED, HOWEVER, that in the event that the date of such meeting is not in the month of April and less than sixty-five days' notice or prior public disclosure of the date of the meeting is given or made to shareholders, notice by the shareholder to be timely must be so received not later than the close of business on the fifteenth day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made, whichever first occurs. Such shareholder's notice to the Secretary shall set forth: (a) as to each person whom the shareholder proposes to nominate for election or re-election as a director, (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class and number of shares of capital stock of the Corporation which are beneficially owned by the person and (iv) any other information relating to the person that is required to be disclosed in solicitations for proxies for election of directors pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended; and (b) as to the shareholder giving the notice, (i) the name and record address of such shareholder and (ii) the class and number of shares of the Corporation which are beneficially owned by such shareholder. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as director of the Corporation. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth herein.

The Chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.

SECTION 2. SPECIAL MEETINGS. Special meetings of the shareholders may be called by the Chairman of the Board, the President, the Board of Directors or by the holders of not less than one-fifth of all the outstanding shares entitled to vote on the matter for which the meeting is called.

SECTION 3. PLACE OF MEETING. The Board of Directors may designate any place, either within or without the State of Illinois, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal office of the Corporation in the State of Illinois.

SECTION 4. NOTICE OF MEETINGS. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than sixty days before the date of the meeting, or in the case of a merger, consolidation, share exchange, dissolution or sale, lease or exchange of assets not less than twenty nor more than sixty days before the meeting, either personally or by mail, by or at the direction of the Chairman of the Board, the President, or the Secretary or the persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his or her address as it appears on the records of the Corporation, with postage thereon prepaid.

SECTION 5. FIXING RECORD DATE. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders, or shareholders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors of the Corporation may fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than sixty days and, for a meeting of shareholders, not less than ten days, or in the case of a merger, consolidation, share exchange, dissolution or sale, lease or exchange of assets not less than twenty days, immediately preceding such meeting.

SECTION 6. VOTING LISTS. The Secretary shall make, or cause to have made, within twenty days after the record date for a meeting of shareholders or ten days before such meeting, whichever is earlier, a complete list of the shareholders entitled to vote at such meeting, arranged in alphabetical order, with the address of and the number of shares held by each, which list, for a period of ten days prior to such meeting, shall be kept on file at the registered office of the Corporation and shall be subject to inspection by any shareholder and to copying at the shareholder's expense, at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting. The original share ledger or transfer book, or a duplicate thereof kept in this State, shall be prima facie evidence as to who are the shareholders entitled to examine such list or share ledger or transfer book or to vote at any meeting of shareholders.

SECTION 7. QUORUM. A majority of the outstanding shares of the Corporation, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders;

provided, that if less than a majority of the shares are represented at said meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. If a quorum is present, the affirmative vote of the majority of the shares represented at the meeting shall be the act of the shareholders, unless the vote of a greater number or voting by classes is required by The Business Corporation Act of 1983 or the Articles of Incorporation.

SECTION 8. PROXIES. A shareholder may appoint a proxy to vote or otherwise act for the shareholder by signing an appropriate form and delivering it to the person so appointed; provided, however, no shareholder may name more than three persons as proxies to attend and to vote the shareholder's shares at any meeting of shareholders. No proxy shall be valid after the expiration of eleven months from the date thereof unless otherwise provided in the proxy. Each proxy continues in full force and effect until revoked by the person executing it prior to the vote pursuant thereto, except as otherwise provided by law. Such revocation may be effected by a writing delivered to the Secretary of the Corporation stating that the proxy is revoked or by a subsequent proxy executed by, or by attendance at the meeting and voting in person by, the person executing the proxy. The dates contained on the forms of proxy presumptively determine the order of execution, regardless of the postmark dates on the envelopes in which they were mailed.

SECTION 9. VOTING OF SHARES. Each outstanding share, regardless of class, shall be entitled to one vote in each matter submitted to a vote at a meeting of shareholders and, in all elections for Directors, every shareholder shall have the right to vote the number of shares owned by such shareholder for as many persons as there are Directors to be elected, or to cumulate such votes and give one candidate as many votes as shall equal the number of Directors multiplied by the number of such shares or to distribute such cumulative votes in any proportion among any number of candidates; provided that, vacancies on the Board of Directors may be filled as provided in Section 9, Article III of these By-Laws. A shareholder may vote either in person or by proxy.

SECTION 10. VOTING OF SHARES BY CERTAIN HOLDERS. Shares of this Corporation held by the Corporation in a fiduciary capacity may be voted and shall be counted in determining the total number of outstanding shares entitled to vote at any given time.

Shares registered in the name of another corporation, domestic or foreign, may be voted by any officer, agent, proxy or other legal representative authorized to vote such shares under the law of incorporation of such corporation.

Shares registered in the name of a deceased person, a minor ward or a person under legal disability may be voted by his or her administrator, executor, or court appointed guardian, either in person or by proxy without a transfer of such shares into the name of such administrator, executor, or court appointed guardian. Shares registered in the name of a trustee may be voted by him or her, either in person or by proxy.

Shares registered in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his or her name if authority so to do is contained in an appropriate order of the court by which such receiver was appointed.

A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

SECTION 11. VOTING BY BALLOT. Voting on any question or in any election may be viva voce unless the presiding officer shall order that voting be by ballot.

SECTION 12. INSPECTORS OF ELECTION. The Board of Directors in advance of any meeting of shareholders may appoint inspectors to act at such meeting or any adjournment thereof. If inspectors of election are not so appointed, the officer or person acting as chairman at any such meeting may, and on the request of any shareholder or his proxy, shall make such appointment. In case any person appointed as inspector shall fail to appear or to act, the vacancy may be filled by appointment made by the Board of Directors in advance of the meeting or at the meeting by the officer or person acting as chairman.

Such inspectors shall ascertain and report the number of shares represented at the meeting, based upon their determination of the validity and effect of proxies; count all votes and report the results; and do such other acts as are proper to conduct the election and voting with impartiality and fairness to all the shareholders.

Each report of an inspector shall be in writing and signed by him or her or by a majority of them if there be more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of shares represented at the meeting and the results of the voting shall be prima facie evidence thereof.

ARTICLE III

DIRECTORS

SECTION l. GENERAL POWERS. The business and affairs of the Corporation shall be managed under the direction of the Board of Directors.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS. The number of Directors of the Corporation shall be thirteen. The terms of all Directors shall expire at the next annual meeting of shareholders following their election. Despite the expiration of a Director's term, he or she shall continue to serve until the next meeting of shareholders at which Directors are elected. Directors need not be residents of Illinois or shareholders of the Corporation.

SECTION 3. REGULAR MEETINGS. A regular annual meeting of the Board of Directors shall be held without other notice than this By-Law, immediately after, and at the same place as, the annual meeting of shareholders. Other regular meetings of the Board of Directors shall be held at the principal office of the Corporation on the second Friday of every month at 9:00 a.m. without other notice than this By-Law. The Board of Directors may provide, by resolution, for the holding of the regular monthly meetings at a different time and place, either within or without the State of Illinois, or for the omission of the regular monthly meeting altogether. Where the Board of Directors has, by resolution, changed or omitted regular meetings, no other notice than such resolution shall be given.

SECTION 4. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, the Chairman of the Executive Committee, the President, or of any four Directors. The persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Illinois, as the place for holding any special meeting of the Board of Directors.

SECTION 5. NOTICE. Notice of any special meeting shall be given at least one day prior thereto if notice is given personally or at least two days prior thereto if notice is given by mail or telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Director at his business address, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram so addressed is delivered to the telegraph company. Any Director may waive notice of any meeting by signing a written waiver of notice either before or after the meeting. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

SECTION 6. QUORUM. A majority of the number of Directors fixed by these By-Laws shall constitute a quorum for transaction of business at any meeting of the Board of Directors; provided, that if less than a majority of such number of Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

SECTION 7. MANNER OF VOTING. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 8. INFORMAL ACTION BY DIRECTORS. Any action required to be taken at a meeting of the Board of Directors, or any other action which may be taken at a meeting of the Board of Directors or a committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof, or by all the members of such committee, as the case may be.

The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more Directors. All the approvals evidencing the consent shall be delivered to the Secretary of the Corporation to be filed in the corporate records. The action taken shall be effective when all the Directors have approved the consent unless the consent specifies a different effective date.

Any such consent signed by all the Directors or all the members of a committee shall have the same effect as a unanimous vote.

SECTION 9. VACANCIES. Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of Directors, may be filled by election at an annual meeting or at a special meeting of shareholders called for that purpose. A Director elected to fill a vacancy shall serve until the next annual meeting of shareholders. A majority of Directors then in office may also fill one or more vacancies arising between meetings of shareholders by reason of an increase in the number of Directors or otherwise, and any Director so selected shall serve until the next annual meeting of shareholders, provided that at no time may the number of Directors selected to fill vacancies in this manner during any interim period between meetings of shareholders exceed 33-1/3 per cent of the total membership of the Board of Directors.

SECTION 10. PRESUMPTION OF ASSENT. A Director of the Corporation who is present at a meeting of the Board of Directors or any committee thereof at which action on any corporate matter is taken is conclusively presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless he or she files his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or forwards such dissent by registered or certified mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

SECTION 11. APPOINTMENT OF AUDITORS. Upon the recommendation of the Audit Committee, the Board of Directors shall appoint annually a firm of independent public accountants as auditors of the Corporation. Such appointment shall be submitted to the shareholders for ratification at the Annual Meeting next following such appointment. Should the holders of a majority of the shares represented at the meeting fail to ratify the appointment of any firm as auditors of the Corporation, or should the Board of Directors for any reason determine that such appointment be terminated, the Board of Directors shall appoint another firm of independent public accountants to act as auditors of the Corporation and such appointment shall be submitted to the shareholders for ratification at the Annual or Special Shareholders Meeting next following such appointment.

ARTICLE IV

COMMITTEES

SECTION 1. APPOINTMENT. A majority of the Board of Directors may create one or more committees and appoint members of the Board to serve on the committee or committees. Each committee shall have three or more members, who serve at the pleasure of the Board. The Board shall designate one member of each committee to be chairman of the committee. The Board shall designate a secretary of each committee who may be, but need not be, a member of the committee or the Board.

SECTION 2. COMMITTEE MEETINGS. A majority of any committee shall constitute a quorum and a majority of the committee is necessary for committee action. A committee may act by unanimous consent in writing without a meeting. Committee meetings may be called by the

Chairman of the Board, the chairman of the committee, or any two of the committee's members. The time and place of committee meetings shall be designated in the notice of such meeting. Notice of each committee meeting shall be given to each committee member. Each Committee shall keep minutes of its proceedings and such minutes shall be distributed to the Board of Directors.

SECTION 3. EXECUTIVE COMMITTEE. The Board shall appoint an Executive Committee. A majority of the members of the Committee shall be selected from those Directors who are not then serving as full-time employees of the Corporation or any of its subsidiaries.

SECTION 4. DUTIES OF THE EXECUTIVE COMMITTEE. The Executive Committee may, when the Board of Directors is not in session, exercise the authority of the Board in the management of the business and affairs of the Corporation; provided, however, the Committee may not:

(1) authorize distributions;

(2) approve or recommend to shareholders any act the Business Corporation Act of 1983 requires to be approved by shareholders;

(3) fill vacancies on the Board or on any of its committees;

(4) elect or remove Officers or fix the compensation of any member of the Committee;

(5) adopt, amend or repeal the By-Laws;

(6) approve a plan of merger not requiring shareholder approval;

(7) authorize or approve reacquisition of shares, except according to a general formula or method prescribed by the Board;

(8) authorize or approve the issuance or sale, or contract for sale, of shares or determine the designation and relative rights, preferences, and limitations of a series of shares, except that the Board may direct the Committee to fix the specific terms of the issuance or sale or contract for sale or the number of shares to be allocated to particular employees under an employee benefit plan; or

(9) amend, alter, repeal, or take action inconsistent with any resolution or action of the Board of Directors when the resolution or action of the Board of Directors provides by its terms that it shall not be amended, altered or repealed by action of the Committee.

SECTION 5. AUDIT COMMITTEE. The Board of Directors shall appoint an Audit Committee. All of the members of the Committee shall be selected from those Directors who are not then serving as full-time employees of the Corporation or any of its subsidiaries.

SECTION 6. DUTIES OF THE AUDIT COMMITTEE. The Audit Committee shall:

(1) recommend to the Board of Directors annually a firm of independent public accountants to act as auditors of the Corporation;

(2) review with the auditors in advance the scope of and fees for their annual audit;

(3) review with the auditors and the management, from time to time, the Corporation's accounting principles, policies, and practices and its reporting policies and practices;

(4) review with the auditors annually the results of their audit; and

(5) review from time to time with the auditors and the Corporation's financial personnel the adequacy of the Corporation's accounting, financial and operating controls.

SECTION 7. COMPENSATION COMMITTEE. The Board of Directors shall appoint a Compensation Committee. The members of the Committee shall be selected from those Directors who are not then serving as full-time employees of the Corporation or any of its subsidiaries and who are "disinterested persons" under Rule 16b-3 promulgated under the Securities Exchange Act of 1934, or any similar successor rule.

SECTION 8. DUTIES OF THE COMPENSATION COMMITTEE. The Compensation Committee shall:

(1) administer the stock option plans of the Corporation;

(2) review, at least annually, the compensation of Directors who are not then serving as full-time employees of the Corporation or any of its subsidiaries and recommend for approval by the Board any change in the compensation of such Directors;

(3) review at least annually, the compensation of all Officers of the Corporation. The committee shall have the authority to approve changes in the base compensation, and any proposed special separation arrangements of Officers, except the Chairman of the Board of Directors and the President, whose base compensation, and any special separation arrangements, shall be subject to approval by the Board of Directors.

SECTION 9. NOMINATIONS COMMITTEE. The Board of Directors shall appoint a Nominations Committee. A majority of the members of the Committee shall be selected from those Directors who are not then serving as full-time employees of the Corporation or any of its subsidiaries.

SECTION 10. DUTIES OF THE NOMINATIONS COMMITTEE. The Nominations Committee shall:

(1) develop general criteria for selection of and qualifications desirable in members of the Board of Directors and Officers of the Corporation and aid the Board in identifying and attracting qualified candidates to stand for election to such positions;

(2) recommend to the Board annually a slate of nominees to be proposed by the Board to the shareholders as nominees for election as Directors, and, from time to time, recommend persons to fill any vacancy on the Board;

(3) review annually, or more often if appropriate, the performance of individual members of the management of the Corporation and the membership and performance of committees of the Board and make recommendations deemed necessary or appropriate to the Board;

(4) recommend to the Board persons to be elected as Officers of the Corporation; and

(5) serve in an advisory capacity to the Board of Directors and Chairman of the Board on matters of organization, management succession plans and major changes in the organizational structure of the Corporation.

SECTION 11. BOARD AFFAIRS COMMITTEE. The Board of Directors shall appoint a Board Affairs Committee. All of the members of the Committee shall be selected from those Directors who are not then serving as full-time employees of the Corporation or any of its subsidiaries.

SECTION 12. DUTIES OF THE BOARD AFFAIRS COMMITTEE. The Board Affairs Committee shall serve in an advisory capacity to the Board of Directors and Chairman of the Board on the conduct of the Board activities.

ARTICLE V

OFFICERS

SECTION 1. NUMBER. The Officers of the Corporation shall be the Chairman of the Board, the President, one or more Executive, Group or Senior Vice Presidents, one or more Vice Presidents, a Treasurer, a Secretary, a Controller, a General Counsel and such Assistant Treasurers and Assistant Secretaries as the Board of Directors may elect. Any two or more offices may be held by the same person.

SECTION 2. ELECTION AND TERM OF OFFICE. The Officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of shareholders. If the election of Officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies or new offices may be filled at any meeting of the Board of Directors. Each Officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided.

SECTION 3. REMOVAL OF OFFICERS. Any Officer may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby.

SECTION 4. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 5. CHAIRMAN OF THE BOARD OF DIRECTORS. The Chairman of the Board of Directors shall be the Chief Executive Officer of the Corporation. The Chairman shall be responsible for the overall management of the Corporation subject to the direction of the Board of Directors. The Chairman shall preside at all meetings of the Board of Directors and the shareholders.

SECTION 6. PRESIDENT. The President shall be the Chief Operating Officer. The President shall perform such duties as may be prescribed by the Board of Directors or by the Chairman.

SECTION 7. EXECUTIVE, GROUP AND SENIOR VICE PRESIDENTS. Each Executive, Group, or Senior Vice President shall be responsible for supervising and coordinating a major area of the Corporation's activities subject to the direction of the Chairman of the Board or the President.

SECTION 8. VICE PRESIDENTS. Each of the Vice Presidents shall be responsible for those activities designated by an Executive, Group, or Senior Vice President, the President, the Chairman of the Board or by the Board of Directors.

SECTION 9. TREASURER. The Treasurer shall administer the investment, financing, insurance and credit activities of the Corporation.

SECTION 10. SECRETARY. The Secretary will be the custodian of the corporate records and of the seal of the Corporation, will countersign certificates for shares of the Corporation, and in general will perform all duties incident to the office of Secretary. The Secretary shall have the authority to certify the By-Laws, resolutions of the shareholders and the Board of Directors and committees thereof, and other documents of the Corporation as true and correct copies thereof.

SECTION 11. CONTROLLER. The Controller will conduct the accounting activities of the Corporation, including the maintenance of the Corporation's general and supporting ledgers and books of account, operating budgets, and the preparation and consolidation of financial statements.

SECTION 12. GENERAL COUNSEL. The General Counsel will be the chief consultant of the Corporation on legal matters. He or she will supervise all matters of legal import concerning the interests of the Corporation.

SECTION 13. ASSISTANT TREASURER. The Assistant Treasurer shall, in the absence or incapacity of the Treasurer, perform the duties and exercise the powers of the Treasurer, and shall perform such other duties as shall from time to time be given to him or her by the Treasurer.

SECTION 14. ASSISTANT SECRETARY. The Assistant Secretary shall, in the absence or incapacity of the Secretary, perform the duties and exercise the powers of the Secretary, and shall perform such other duties as shall from time to time be given to him or her by the Secretary. The Assistant Secretary shall be, with the Secretary, keeper of the books, records, and the seal of the Corporation, and shall have the authority to certify the By-Laws, resolutions and other documents of the Corporation.

SECTION 15. GENERAL POWERS OF OFFICERS. The Chairman of the Board, the President, and any Executive, Group or Senior Vice President, may sign without countersignature any deeds, mortgages, bonds, contracts, reports to public agencies, or other instruments whether or not the Board of Directors has expressly authorized execution of such instruments, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws solely to some other Officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed. Any other Officer of this Corporation may sign contracts, reports to public agencies, or other instruments which are in the regular course of business and within the scope of his or her authority, except where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws to some other Officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed.

ARTICLE VI

CERTIFICATES FOR SHARES AND THEIR TRANSFER

SECTION 1. CERTIFICATES FOR SHARES. Certificates representing shares of the Corporation shall be in such form as may be determined by the Board of Directors. Such certificates shall be signed by any one of the Chairman of the Board, the President or an Executive Vice President, and shall be countersigned by the Secretary or an Assistant Secretary and shall be sealed with the seal, or a facsimile of the seal, of the Corporation. If a certificate is countersigned by a Transfer Agent or Registrar, other than the Corporation itself or its employee, any other signatures or countersignature on the certificate may be facsimiles. In case any Officer of the Corporation, or any officer or employee of the Transfer Agent or Registrar who has signed or whose facsimile signature has been placed upon such certificate ceases to be an Officer of the Corporation, or an officer or employee of the Transfer Agent or Registrar before such certificate is issued, the certificate may be issued by the Corporation with the same effect as if the Officer of the Corporation, or the officer or employee of the Transfer Agent or Registrar had not ceased to be such at the date of its issue. Each certificate representing shares shall state: that the Corporation is organized under the laws of the State of Illinois; the name of the person to whom issued; the number and class of shares; and the designation of the series, if any, which such certificate represents. Each certificate shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of the Corporation. All certificates surrendered to the Corporation for transfer shall be canceled, and no new certificate shall be issued in replacement until the former certificate for a like number of shares shall have been surrendered and canceled, except in the case of lost, destroyed or mutilated certificates.

SECTION 2. TRANSFER AGENT AND REGISTRAR. The Board of Directors may from time to time appoint such Transfer Agents and Registrars in such locations as it shall determine, and may, in its discretion, appoint a single entity to act in the capacity of both Transfer Agent and Registrar in any one location.

SECTION 3. TRANSFERS OF SHARES. Transfers of shares of the Corporation shall be made only on the books of the Corporation at the request of the holder of record thereof or of his attorney, lawfully constituted in writing, and on surrender for cancellation of the certificate for such shares. The person in whose name shares stand on the books of the Corporation shall be deemed the owner thereof for all purposes as regards the Corporation.

SECTION 4. LOST, DESTROYED OR MUTILATED CERTIFICATES. In case of lost, destroyed or mutilated certificates, duplicate certificates shall be issued to the person claiming the loss, destruction or mutilation, provided:

(a) that the claimant furnishes an affidavit stating the facts of such loss, destruction or mutilation so far as known to him or her and further stating that the affidavit is made to induce the Corporation to issue a duplicate certificate or certificates; and that issuance of the duplicate certificate or certificates is approved:

(i) in a case involving a certificate or certificates for more than l,000 shares, by the Chairman of the Board, the President, an Executive Vice President, or the Secretary; or

(ii) in a case involving a certificate or certificates for l,000 shares or less, by the Transfer Agent appointed by the Board of Directors for the transfer of the shares represented by such certificate or certificates,

upon receipt of a bond, with one or more sureties, in the amount to be determined by the party giving such approval; or

(b) that issuance of the said duplicate certificate or certificates is approved by the Board of Directors upon such terms and conditions as it shall determine.

ARTICLE VII

FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of January in each year and end on the last day of December in each year.

ARTICLE VIII

VOTING SHARES OR INTERESTS IN OTHER CORPORATIONS

The Chairman of the Board, the President, an Executive, Group, or Senior Vice President and each of them, shall have the authority to act for the Corporation by voting any shares or exercising any other interest owned by the Corporation in any other corporation or other business association, including wholly or partially owned subsidiaries of the Corporation, such authority to include, but not be limited to, power to attend any meeting of any such corporation or other business association, to vote shares in the election of directors and upon any other matter coming before any such meeting, to waive notice of any such meeting and to consent to the holding thereof without notice, and to appoint a proxy or proxies to represent the Corporation at any such meeting with all the powers that the said Officer would have under this section if personally present.

ARTICLE IX

DISTRIBUTIONS TO SHAREHOLDERS

The Board of Directors may authorize, and the Corporation may make, distributions to its shareholders, subject to any restriction in the Articles of Incorporation and subject also to the limitations prescribed by law.

ARTICLE X

SEAL

The Corporate Seal of the Corporation shall be in the form of a circle in the center of which is the insignia "[stylized Abbott "A" logo]" and shall have inscribed thereon the name of the Corporation and the words "an Illinois Corporation."

ARTICLE XI

WAIVER OF NOTICE

Whenever any notice whatever is required to be given under the provisions of these By-Laws or under the provisions of the Articles of Incorporation or under the provisions of The Business Corporation Act of 1983, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting shall constitute waiver of notice thereof unless the person at the meeting objects to the holding of the meeting because proper notice was not given.

ARTICLE XII

AMENDMENTS

These By-Laws may be made, altered, amended or repealed by the shareholders or the Board of Directors.

ABBOTT LABORATORIES AND SUBSIDIARIES
COMPUTATION OF PER SHARE EARNINGS
(Dollars and shares in millions except per share figures)

		Year Ended December 31,		
		1994	1993	1992
1.	Net earnings	$1,516.7	$1,399.1	$1,239.1
2.	Average number of shares outstanding during the year	812.2	829.0	844.1
3.	Earnings per share based upon average outstanding share (1. DIVIDED BY 2.)	$1.87	$1.69	$1.47
4.	Fully diluted earnings per share:			
	a. Stock options granted and outstanding for which the market price at year-end exceeds the option price.	17.4	18.7	20.1
	b. Aggregate proceeds to the Company from the exercise of options in 4.a.	$317.4	$297.0	$295.1
	c. Market price of the Company's common stock at year-end	$32.63	$29.63	$30.38
	d. Shares which could be repurchased under the treasury stock method (4.b. DIVIDED BY 4.c.)	9.7	10.0	9.7
	e. Addition to average outstanding shares (4.a. - 4.d.)	7.7	8.7	10.4
	f. Shares for fully diluted earnings per share calculation (2. + 4.e.)	819.9	837.7	854.5
	g. Fully diluted earnings per share (1. DIVIDED BY 4.f.)	$1.85	$1.67	$1.45

EXHIBIT 12

ABBOTT LABORATORIES

CALCULATION OF RATIO OF EARNINGS TO FIXED CHARGES

(Unaudited)

(Millions of Dollars Except Ratios)

	Year Ended December 31				
	1994	1993	1992	1991	1990
Net Earnings	$1,517	$1,399	$1,239	$1,089	$ 966
Add (deduct):					
Income taxes	650	544	500	456	385
Capitalized interest cost, net of amortization	(7)	(6)	(14)	(10)	(3)
Equity in earnings of 20%-49% owned companies, less dividends received	...	(1)	...	(9)	(4)
Minority interest	12	13	7	3	(1)
Net earnings as adjusted	$2,172	$1,949	$1,732	$1,529	$1,343
Fixed Charges:					
Interest on long-term and short-term debt	$ 50	$ 54	$ 53	$ 64	$ 91
Capitalized interest cost	18	16	24	18	10
Rental expense representative of an interest factor	26	26	25	20	20
Total Fixed Charges	94	96	102	102	121
Total adjusted earnings available for payment of fixed charges	$2,266	$2,045	$1,834	$1,631	$1,464
Ratio of earnings to fixed charges	24.1	21.3	18.0	16.0	12.1

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, 1994 captioned Financial Review, Consolidated Balance Sheet, Consolidated Statement of Earnings, Consolidated Statement of Cash Flows, Consolidated Statement of Shareholders' Investment, Notes to Consolidated Financial Statements, Report of Independent Public Accountants, and the applicable portions of the section captioned Summary of Financial Data for the Years 1990 through 1994.

Abbott Laboratories and Subsidiaries

CONSOLIDATED BALANCE SHEET
(Dollars in Thousands)

ASSETS

	December 31		
	1994	1993	1992
Current Assets:			
Cash and cash equivalents......................	$ 290,272	$ 300,676	$ 116,576
Investment securities..........................	25,056	78,149	141,601
Trade receivables, less allowances of - 1994: $128,929; 1993: $116,925; 1992: $106,857.	1,468,519	1,336,222	1,244,396
Inventories -			
Finished products............................	514,715	476,548	421,932
Work in process..............................	218,643	216,493	190,163
Materials....................................	284,833	247,492	251,713
Total inventories..........................	1,018,191	940,533	863,808
Prepaid income taxes...........................	549,091	458,026	477,387
Other prepaid expenses and receivables.........	525,199	471,929	387,970
Total Current Assets...........................	3,876,328	3,585,535	3,231,738
Investment Securities Maturing after One Year....	316,195	221,815	270,639
Property and Equipment, at Cost:			
Land...	145,634	137,636	120,617
Buildings......................................	1,349,668	1,261,620	1,064,974
Equipment......................................	4,764,296	4,169,279	3,735,259
Construction in progress.......................	794,006	652,611	576,291
	7,053,604	6,221,146	5,497,141
Less: accumulated depreciation and amortization............................	3,132,754	2,710,155	2,397,903
Net Property and Equipment.....................	3,920,850	3,510,991	3,099,238
Deferred Charges and Other Assets................	410,351	370,228	339,621
	$8,523,724	$7,688,569	$6,941,236

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

Abbott Laboratories and Subsidiaries

CONSOLIDATED BALANCE SHEET

(Dollars in Thousands)

LIABILITIES AND SHAREHOLDERS' INVESTMENT

	December 31		
	1994	1993	1992
Current Liabilities:			
Short-term borrowings and current portion of long-term debt	$ 772,503	$ 843,594	$ 916,263
Trade accounts payable	671,100	638,509	597,226
Salaries, wages and commissions	270,539	215,432	196,259
Other accrued liabilities	1,140,154	933,049	905,877
Dividends payable	152,515	139,600	125,300
Income taxes payable	469,055	324,749	41,583
Total Current Liabilities	3,475,866	3,094,933	2,782,508
Long-Term Debt	287,091	306,840	110,018
Other Liabilities and Deferrals:			
Deferred income taxes	55,597	51,383	321,301
Other	655,770	560,484	379,768
Total Other Liabilities and Deferrals	711,367	611,867	701,069
Shareholders' Investment:			
Preferred shares, one dollar par value Authorized - 1,000,000 shares, none issued	---	---	---
Common shares, without par value Authorized - 1,200,000,000 shares Issued at stated capital amount - 1994: 813,046,602 shares; 1993: 830,941,614 shares; 1992: 846,017,815 shares	505,170	469,828	442,390
Earnings employed in the business	3,652,434	3,364,952	2,990,689
Cumulative translation adjustments	(51,124)	(100,716)	(23,131)
	4,106,480	3,734,064	3,409,948
Less:			
Common shares held in treasury, at cost - 1994: 9,766,880 shares; 1993: 9,811,930 shares; 1992: 9,965,386 shares	51,545	51,783	52,593
Unearned compensation - restricted stock awards	5,535	7,352	9,714
Total Shareholders' Investment	4,049,400	3,674,929	3,347,641
	$8,523,724	$7,688,569	$6,941,236

Abbott Laboratories and Subsidiaries

CONSOLIDATED STATEMENT OF EARNINGS

(Dollars in Thousands Except Per Share Data)

	Year Ended December 31		
	1994	1993	1992
Net Sales	$9,156,009	$8,407,843	$7,851,912
Cost of products sold	3,993,831	3,684,727	3,505,273
Research and development	963,516	880,974	772,407
Selling, general and administrative	2,054,455	1,988,176	1,833,220
Provision for product withdrawal	---	(70,000)	215,000
Total Operating Cost and Expenses	7,011,802	6,483,877	6,325,900
Operating Earnings	2,144,207	1,923,966	1,526,012
Interest expense	49,722	54,283	52,961
Interest and dividend income	(36,907)	(37,821)	(42,250)
Other (income) expense, net	(35,298)	(35,726)	48,534
Gain on sale of investment	---	---	(271,986)
Earnings Before Taxes	2,166,690	1,943,230	1,738,753
Taxes on earnings	650,007	544,104	499,696
Net Earnings	$1,516,683	$1,399,126	$1,239,057
Earnings Per Common Share	$1.87	$1.69	$1.47
Average Number of Common Shares Outstanding	812,236,000	828,988,000	844,122,000

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		
	1994	1993	1992
Cash Flow From (Used in) Operating Activities:			
Net earnings	$1,516,683	$1,399,126	$1,239,057
Adjustments to reconcile net earnings to net cash from operating activities -			
Depreciation and amortization	510,504	484,081	427,782
Exchange (gains) losses, net	8,600	41,795	24,925
Investing and financing (gains) losses, net	21,834	(6,038)	36,511
Trade receivables	(109,623)	(192,451)	(181,085)
Inventories	(52,293)	(91,490)	(109,087)
Prepaid expenses and other assets	(183,705)	(93,759)	(114,009)
Trade accounts payable and other liabilities	360,216	96,095	276,617
Income taxes payable	139,921	279,550	(154,876)
Provision for product withdrawal	---	(70,000)	215,000
Gain on sale of investment	---	---	(271,986)
Net Cash From Operating Activities	2,212,137	1,846,909	1,388,849
Cash Flow From (Used in) Investing Activities:			
Acquisitions of property, equipment and businesses	(929,488)	(952,732)	(1,007,247)
Purchases of investment securities	(226,728)	(335,915)	(178,727)
Proceeds from sales of investment securities	185,268	447,983	496,120
Other	26,863	46,826	22,277
Net Cash Used in Investing Activities	(944,085)	(793,838)	(667,577)
Cash Flow From (Used in) Financing Activities:			
Proceeds from borrowings with original maturities of more than three months	107,868	289,429	196,487
Repayments of borrowings with original maturities of more than three months	(89,977)	(197,090)	(213,833)
Proceeds from (repayments of) other borrowings	(115,725)	30,124	381,848
Purchases of common shares	(615,946)	(465,822)	(607,598)
Proceeds from stock options exercised	36,214	27,536	74,027
Dividends paid	(602,356)	(548,044)	(488,413)
Net Cash Used in Financing Activities	(1,279,922)	(863,867)	(657,482)

Abbott Laboratories and Subsidiaries

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(Dollars in Thousands)

	Year Ended December 31		
	1994	1993	1992
Effect of exchange rate changes on cash and cash equivalents	1,466	(5,104)	(7,609)
Net Increase (Decrease) in Cash and Cash Equivalents	(10,404)	184,100	56,181
Cash and Cash Equivalents, Beginning of Year	300,676	116,576	60,395
Cash and Cash Equivalents, End of Year	$ 290,272	$ 300,676	$ 116,576
Supplemental Cash Flow Information:			
Income taxes paid	$ 571,215	$ 332,834	$ 702,897
Interest paid	50,157	52,477	58,709

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

Abbott Laboratories and Subsidiaries

CONSOLIDATED STATEMENT OF SHAREHOLDERS' INVESTMENT

(Dollars in Thousands Except Per Share Data)

	Year Ended December 31		
	1994	1993	1992
Common Shares:			
Issued at Beginning of Year			
Shares: 1994: 830,941,614; 1993: 846,017,815; 1992: 860,765,782	$ 469,828	$ 442,390	$ 361,008
Issued under incentive stock programs Shares: 1994: 3,247,207; 1993: 2,602,920; 1992: 5,865,601	38,638	29,619	61,683
Tax benefit from sale of option shares and vesting of restricted stock awards (no share effect)	9,800	8,300	29,800
Retired - Shares: 1994: 21,142,219; 1993: 17,679,121; 1992: 20,613,568	(13,096)	(10,481)	(10,101)
Issued at End of Year Shares: 1994: 813,046,602; 1993: 830,941,614; 1992: 846,017,815	$ 505,170	$ 469,828	$ 442,390
Earnings Employed in the Business:			
Balance at Beginning of Year	$3,364,952	$2,990,689	$2,867,857
Net earnings	1,516,683	1,399,126	1,239,057
Cash dividends declared on common shares (per share-1994: $.76; 1993: $.68; 1992: $.60)	(615,271)	(562,344)	(507,416)
Cost of common shares and share rights retired in excess of stated capital amount	(615,074)	(465,724)	(614,953)
Cost of treasury shares issued below market value of restricted stock awards	1,144	3,205	6,144
Balance at End of Year	$3,652,434	$3,364,952	$2,990,689
Cumulative Translation Adjustments:			
Balance at Beginning of Year	$ (100,716)	$ (23,131)	$ 37,621
Translation adjustments	49,592	(77,585)	(60,752)
Balance at End of Year	$ (51,124)	$ (100,716)	$ (23,131)

Abbott Laboratories and Subsidiaries

CONSOLIDATED STATEMENT OF SHAREHOLDERS' INVESTMENT (CONTINUED)

(Dollars in Thousands Except Per Share Data)

	Year Ended December 31		
	1994	1993	1992
Common Shares Held in Treasury:			
Balance at Beginning of Year Shares: 1994: 9,811,930; 1993: 9,965,386; 1992: 10,236,556	$ 51,783	$ 52,593	$ 54,024
Issued under incentive stock programs Shares: 1994: 45,050; 1993: 153,456; 1992: 271,170	(238)	(810)	(1,431)
Balance at End of Year Shares: 1994: 9,766,880; 1993: 9,811,930; 1992: 9,965,386	$ 51,545	$ 51,783	$ 52,593
Unearned Compensation - Restricted Stock Awards:			
Balance at Beginning of Year	$ 7,352	$ 9,714	$ 9,475
Issued at market value - Shares: 1994: 35,000; 1993: 144,000; 1992: 254,000	1,094	3,771	7,079
Lapses - Shares: 1994: 21,600; 1993: 42,800; 1992: 38,000	(575)	(887)	(637)
Amortization	(2,336)	(5,246)	(6,203)
Balance at End of Year	$ 5,535	$ 7,352	$ 9,714

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

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.

CASH AND CASH EQUIVALENTS

Cash equivalents consist of time deposits and certificates of deposit with original maturities of three months or less.

INVENTORIES

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

PROPERTY AND EQUIPMENT

Depreciation and amortization are provided on the straight-line method over the estimated useful lives of the assets.

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 other (income) expense, net. For remaining foreign operations, translation adjustments are included as a component of shareholders' investment.

EARNINGS PER COMMON SHARE

Earnings per common share amounts are computed using the weighted average number of common shares outstanding.

REVENUE RECOGNITION

The Company recognizes revenue from product sales upon shipment to customers. Provisions for discounts and rebates to customers, and returns and other adjustments are provided for in the same period the related sales are recorded.

Note 2 - 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. Prior to 1993, provisions were made for the estimated amount of income taxes on reported earnings which were payable currently and in the future. The effect of this change on income before taxes and net income was not significant, and prior years' financial statements have not been restated.

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 $820,000 at December 31, 1994. Deferred income taxes not provided on these earnings are not significant.

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

Earnings Before Taxes	1994	1993	1992
Domestic	$1,595,279	$1,480,163	$1,418,335
Foreign	571,411	463,067	320,418
Total	$2,166,690	$1,943,230	$1,738,753

Taxes on Earnings	1994	1993	1992
Current:			
U.S. Federal and Possessions	$487,977	$355,813	$347,711
State	56,548	49,222	63,838
Foreign	192,509	175,455	133,065
Total current	737,034	580,490	544,614
Deferred:			
Domestic	(96,679)	(29,461)	(35,739)
Foreign	9,801	2,066	(9,179)
Enacted tax rate changes	(149)	(8,991)	-
Total deferred	(87,027)	(36,386)	(44,918)
Total	$650,007	$544,104	$499,696

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

	1994	1993	1992
Statutory tax rate	35.0%	35.0%	34.0%
Benefit of tax exemptions in Puerto Rico, Italy, The Netherlands and Ireland	(5.1)	(6.7)	(6.1)
State taxes, net of federal benefit	1.7	1.7	2.1
All other, net	(1.6)	(2.0)	(1.3)
Effective tax rate	30.0%	28.0%	28.7%

As of December 31, 1994 and 1993, total deferred tax assets were $767,857 and $632,112, respectively, and total deferred tax liabilities were $263,734 and $211,839, respectively. Valuation allowances for deferred tax assets are not significant. The temporary differences that give rise to deferred tax assets and liabilities are as follows:

	1994	1993
Compensation and employee benefits	$ 157,374	$ 113,927
Accounts receivable reserves	107,320	81,293
Inventory reserves	77,787	81,201
Deferred intercompany profit	78,317	72,129
State income taxes	37,394	30,715
Depreciation	(167,773)	(145,767)
Other, primarily other accruals and reserves not currently deductible	203,075	173,145
Total	$ 493,494	$ 406,643

Note 3 - Financial Instruments

The Company enters into foreign currency forward exchange contracts to hedge intercompany loans and trade accounts payable where the functional currency of the lending and borrowing entities are not the same. Such contracts are also used to hedge foreign currency denominated third party trade payables and receivables. For intercompany loans, the contracts require the Company to sell foreign currencies, primarily Japanese yen and European currencies, in exchange for primarily U.S. dollars. For intercompany and trade payables and receivables, the currencies hedged are primarily the U.S. dollar, Japanese yen and European currencies. At December 31, 1994, 1993, and 1992, the Company held $717 million, $477 million and $400 million, respectively, of foreign currency forward exchange contracts. The contracts outstanding at December 31, 1994 mature in 1995. 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.

The Company purchases U.S. dollar call options as a hedge of anticipated intercompany purchases by foreign subsidiaries whose functional currency is not the U.S. dollar. These contracts give the Company the right, but not the requirement, to purchase U.S. dollars in exchange for foreign currencies, primarily Japanese yen and European currencies, at predetermined exchange rates. At December 31, 1994, 1993, and 1992, the Company held $370 million, $59 million and $28 million, respectively, of U.S. dollar call option contracts. The contracts outstanding at December 31, 1994 mature in 1995. 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.

The Company purchases foreign currency put options as a hedge against the effect of exchange rate fluctuations on income. These contracts give the Company the right, but not the requirement, to sell foreign currencies, primarily Japanese yen and European currencies, 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, 1994, 1993, and 1992.

The Company manages its exposure to short-term interest rate changes by entering into interest rate swap contracts which effectively convert the floating interest rate on a portion of the Company's commercial paper borrowings to fixed rates. At December 31, 1994 and 1993, the Company held a $200 million contract which matures in August, 1995 and at December 31, 1992, held contracts totaling $300 million. For 1994, the average floating rate received was 4.45% and the fixed rate paid was 4.72%. Gains or losses are recognized in income in the same period that the interest rate exposure is recognized.

The gross unrealized holding gains/(losses) on current investment securities and those maturing after one year totalled $2.5 million and $(9.2) million at December 31, 1994, respectively.

The carrying values and fair values of certain of the Company's 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. The Company does not expect any losses from nonperformance by these counterparties.

(dollars in thousands)

	1994		1993		1992	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Current Investment Securities................	$ 25,056	$ 25,160	$ 78,149	$ 78,319	$141,601	$142,887
Investment Securities Maturing after One Year...	316,195	309,362	221,815	231,879	270,639	285,763
Long-Term Debt..............	(308,750)	(276,134)	(308,920)	(304,038)	(117,165)	(115,568)
Foreign Currency Forward Exchange Contracts:						
In a (payable) position.	(1,564)	(1,564)	-	-	-	-
In a receivable position	6,528	6,528	-	-	-	-
In a net receivable position..............	-	-	7,830	7,830	11,572	11,572
Foreign Currency Option Contracts..........	14,660	744	2,014	0	(20,886)	(21,903)
Interest Rate Swaps:						
In a receivable position..	0	3,150	-	-	0	1,700
In a (payable) position...	-	-	0	(2,280)	0	(1,190)

Note 4 - Benefit Plans
(dollars in thousands)

Retirement plans consist of defined benefit, defined contribution, and medical and dental plans.

Pension benefits for the Company's defined benefit plans generally are based on the employee's years of service and compensation near retirement. Certain plan benefits would vest and certain restrictions on the use of plan assets would take effect upon a change in control of the Company.

Net pension cost for the Company's significant defined benefit plans includes the following components:

	1994	1993	1992
Service cost - benefits earned during the year...	$ 67,768	$ 59,381	$ 52,128
Interest cost on projected benefit obligations...	85,414	84,864	76,355
Return on assets................................	915	(128,221)	(46,128)
Net amortization and deferral...................	(125,186)	(729)	(74,779)
Net pension cost................................	$ 28,911	$ 15,295	$ 7,576

The plans' funded status at December 31 was as follows:

	1994	1993	1992
Actuarial present value of benefit obligations -			
Vested benefits................................	$799,425	$791,435	$620,537
Nonvested benefits............................	104,120	97,985	82,557
Accumulated benefit obligations.................	$903,545	$889,420	$703,094
Plans' assets at fair value, principally listed securities.............................	$1,321,051	$1,342,541	$1,244,881
Actuarial present value of projected benefit obligations...........................	1,147,024	1,198,768	951,603
Projected benefit obligations less than plans' assets............................	174,027	143,773	293,278
Unrecognized net transitional asset.............	(63,866)	(74,710)	(85,563)
Unrecognized prior service cost.................	15,274	30,951	32,455
Unrecognized net gain...........................	(101,139)	(57,724)	(199,779)
Net prepaid pension cost........................	$ 24,296	$ 42,290	$ 40,391

Assumptions used for the Company's major defined benefit plan as of December 31 include:

	1994	1993	1992
Discount rate for determining obligations and interest cost	8 1/2%	7 1/4%	9%
Expected aggregate average long-term change in compensation	4%	4%	6%
Expected long-term rate of return on assets	9%	9%	10%

The Stock Retirement Plan is the principal defined contribution plan. Company contributions to this plan were $45,124 in 1994, $41,225 in 1993, and $37,055 in 1992, equal to 7.33 percent of dividends, as provided under the plan.

The Company also provides certain medical and dental benefits to qualifying domestic retirees. Net post-retirement health care cost includes the following components:

	1994	1993	1992
Service cost - benefits earned during the year	$27,605	$16,823	$14,681
Interest cost on accumulated post-retirement benefit obligations	35,578	29,266	25,355
Return on assets	810	(9,239)	(6,489)
Net amortization and deferral	(1,561)	2,393	(583)
Net post-retirement health care cost	$62,432	$39,243	$32,964

The plans' funded status at December 31 was as follows:

	1994	1993	1992
Actuarial present value of benefit obligations -			
Retirees	$ 164,153	$ 171,231	$ 115,463
Fully eligible active participants	113,128	117,158	72,659
Other active participants	186,778	162,219	127,688
Accumulated post-retirement benefit obligations	464,059	450,608	315,810
Plans' assets at fair value, principally listed securities	94,297	100,920	91,778
Accumulated post-retirement benefit obligations in excess of plans' assets	(369,762)	(349,688)	(224,032)
Unrecognized net loss	129,477	161,692	58,125
Accrued post-retirement health care cost	$(240,285)	$(187,996)	$(165,907)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The discount rate and expected long-term rate of return on assets assumptions are identical to those used for the Company's major defined benefit plan. A 9 percent annual rate of increase in the per capita cost of covered health care benefits was assumed for 1995. This rate is assumed to decrease gradually to 5 percent in year 2000 and remain at that level thereafter. A one-percentage-point increase in the assumed health care cost trend rates would increase the accumulated post-retirement benefit obligations as of December 31, 1994 by approximately $82,000 and the total of the service and interest cost components of net post-retirement health care cost for the year then ended by approximately $15,700.

The Company also 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 5 - Investment Securities
(dollars in thousands)

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

Current Investment Securities	1994	1993	1992
Time deposits and certificates of deposit........	$ 8,050	$ 32,350	$ 84,430
Corporate debt obligations.......................	-	40,155	38,285
Debt obligations issued or guaranteed by various governments or government agencies..	17,006	5,644	18,886
Total..	$ 25,056	$ 78,149	$141,601

Investment Securities Maturing after One Year	1994	1993	1992
Time deposits and certificates of deposit, maturing through 1999..........................	$ 66,500	$ 34,500	$ 54,500
Corporate debt obligations, maturing through 2008	104,696	44,703	50,000
Debt obligations issued or guaranteed by various governments or government agencies, maturing through 2006..........................	144,999	142,612	166,139
Total..	$316,195	$221,815	$270,639

The Company generally holds investment securities until maturity. All investment securities classified as current as of December 31, 1994 mature before January 1, 1996.

Of the investment securities listed above, $334,128, $293,888, and $409,105, were held at December 31, 1994, 1993, and 1992, respectively, by subsidiaries operating in Puerto Rico under tax incentive grants expiring from 2002 through 2007. In addition, these subsidiaries held cash equivalents of $164,700, $197,200, and $33,800 at December 31, 1994, 1993, and 1992, respectively.

Note 6 - Incentive Stock Program

The 1991 Incentive Stock Program authorizes the granting of stock options, stock appreciation rights, limited stock appreciation rights, restricted stock awards, performance units, and foreign qualified benefits. 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 the shares under option must be at least 100 percent of the fair market value of the common stock on the date of grant.

Limited stock appreciation rights have been granted to certain holders of stock options and can be exercised, by surrendering related stock options, only upon a change in control of the Company. At December 31, 1994, 4,388,359 options, with purchase prices from $6.31 to $32.69 per share, were subject to limited stock appreciation rights. Upon a change in control of the Company, all outstanding stock options become fully exercisable, and all terms and conditions of all restricted stock awards are deemed satisfied.

At December 31, 1994, 12,116,674 shares were reserved for future grants under the 1991 Program.

Data with respect to stock options under the 1991 Program and prior programs are as follows:

	Options Outstanding	
	Shares	Price per Share
January 1, 1994	30,077,038	$ 5.27 to $33.82
Granted	1,894,815	27.32 to 32.26
Exercised	(3,247,207)	5.27 to 32.69
Lapsed	(436,488)	16.83 to 33.47
December 31, 1994	28,288,158	$ 6.31 to $33.82
Exercisable at December 31, 1994	21,819,935	$ 6.31 to $33.82

Note 7 - Debt and Lines of Credit
(dollars in thousands)

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

	1994	1993	1992
5.6% debentures, due 2003	$200,000	$200,000	$ -
Industrial revenue bonds at various rates of interest, averaging 3.9% at December 31, 1994, and due at various dates through 2023	82,600	82,600	82,600
Other, principally foreign affiliate borrowings at various rates of interest, averaging 3.7% at December 31, 1994, and due at various dates through 1998	4,491	24,240	27,418
Total, net of current maturities	$287,091	$306,840	$110,018
Current maturities of long-term debt	21,659	2,080	7,147
Total	$308,750	$308,920	$117,165

Payments required on long-term debt outstanding at December 31, 1994, are $1,483 in 1996, $4,308 in 1997, $2,500 in 1998, and $800 in 1999.

At December 31, 1994, the Company had $300,000 of unused domestic lines of credit which support domestic commercial paper borrowing arrangements. Related compensating balances, which are subject to withdrawal by the Company at its option, and commitment fees are not material. The Company's weighted average interest rate on short-term borrowings was 6.1%, 4.1%, and 5.0% at December 31, 1994, 1993, and 1992, respectively.

The Company may issue up to $300,000 of senior debt securities in the future under a registration statement filed with the Securities and Exchange Commission in 1993.

Note 8 - Quarterly Results (Unaudited)

(dollars in millions
except per share data)

	1994	1993	1992
FIRST QUARTER			
Net Sales	$2,215.2	$2,045.6	$1,877.9
Gross Profit	1,251.0	1,112.4	1,033.2
Net Earnings	366.2	345.5	294.2
Earnings Per Common Share	.45	.41	.35
SECOND QUARTER			
Net Sales	$2,204.1	$2,073.8	$1,908.7
Gross Profit	1,257.2	1,186.8	1,045.7
Net Earnings	376.6	346.1	317.1
Earnings Per Common Share	.46	.42	.37
THIRD QUARTER			
Net Sales	$2,254.8	$2,060.4	$1,968.8
Gross Profit	1,239.0	1,143.4	1,076.1
Net Earnings	351.3	316.2	278.8
Earnings Per Common Share	.43	.38	.33
FOURTH QUARTER			
Net Sales	$2,481.9	$2,228.0	$2,096.5
Gross Profit	1,415.0	1,280.5	1,191.6
Net Earnings	422.6	391.3	349.0
Earnings Per Common Share	.53	.48	.42

Note 9 - Litigation and Environmental Matters

The Company is involved in various claims and legal proceedings including numerous antitrust suits and investigations in connection with the sale and marketing of infant formula products and the pricing of prescription pharmaceuticals.

The Company is also involved in numerous product liability cases, many of which allege injuries to the offspring of women who ingested a synthetic estrogen (DES) during pregnancy. In addition, the Company has been identified as a potentially responsible party for investigation and cleanup costs at a number of locations in the United States and Puerto Rico under federal remediation laws and is voluntarily investigating potential contamination at a number of Company-owned locations.

The matters above are discussed more fully in Item 1, Business - Environmental Matters, and Item 3, Legal Proceedings, in the Annual Report on Form 10-K, which is available upon request.

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 the Company's financial position, cash flows, or results of operations.

Note 10 - Other Significant Events

In June 1992, the Company voluntarily withdrew from the worldwide market its quinolone anti-infective, temafloxacin, and recorded a charge of $215 million for costs associated with this withdrawal. In the second quarter 1993, the Company resolved various contingencies relative to the temafloxacin withdrawal and recorded a credit of $70 million for these items.

In the first quarter 1993, the Company sold its peritoneal dialysis product line. The gain on the sale is reported in other (income) expense, net. In May 1992, the Company sold its 20 percent investment in Boston Scientific Corporation for a pretax gain of $272 million.

In December, 1994 a United Kingdom subsidiary of the Company purchased the operating assets of the nutritional business of Puleva Union Industrial y Agroganadera, S.A. for $106 million. Had this acquisition taken place on January 1, 1994, consolidated sales and net income would not have been significantly different from reported amounts.

Note 11 - Industry Segment and Geographic Area Information
(dollars in millions)

The Company's principal business is the discovery, development, manufacture, and sale of a broad and diversified line of health care products and services. These products have been classified into the following industry segments:

PHARMACEUTICAL AND NUTRITIONAL PRODUCTS - Included are a broad line of adult and pediatric pharmaceuticals and nutritionals, which are sold primarily on the prescription or recommendation of physicians or other health care professionals; consumer products; agricultural and chemical products; and bulk pharmaceuticals.

HOSPITAL AND LABORATORY PRODUCTS - Included are diagnostic systems for blood banks, hospitals, commercial laboratories and alternate-care testing sites; 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.

In the following tables, net sales by industry segment and geographic area include both sales to customers, as reported in the Consolidated Statement of Earnings, and inter-area sales (for geographic areas) at sales prices which approximate market. Operating profit excludes corporate expenses.

Industry Segments (a)	1994	1993	1992
Net Sales			
Pharmaceutical and nutritional	$4,951	$4,389	$4,025
Hospital and laboratory	4,205	4,019	3,827
Total	$9,156	$8,408	$7,852
Operating Profit			
Pharmaceutical and nutritional (b)	$1,385	$1,211	$ 879
Hospital and laboratory (c)	818	794	703
Operating Profit	2,203	2,005	1,582
Corporate expenses, net (d)	23	46	104
Interest (income) expense, net	13	16	11
Gain on sale of investment	-	-	(272)
Earnings Before Taxes	$2,167	$1,943	$1,739
Identifiable Assets			
Pharmaceutical and nutritional	$3,415	$3,046	$2,616
Hospital and laboratory	3,596	3,296	3,108
General corporate (e)	1,513	1,347	1,217
Total	$8,524	$7,689	$6,941
Capital Expenditures			
Pharmaceutical and nutritional	$ 478	$ 475	$ 502
Hospital and laboratory	447	474	500
General corporate	4	4	5
Total	$ 929	$ 953	$1,007
Depreciation and Amortization			
Pharmaceutical and nutritional	$ 213	$ 189	$ 161
Hospital and laboratory	295	292	264
General corporate	3	3	3
Total	$ 511	$ 484	$ 428

Geographic Areas (a)	1994	1993	1992
Net Sales			
United States:			
Domestic and export customers	$5,758	$5,347	$4,918
Inter-area	1,143	932	930
Total United States	6,901	6,279	5,848
Latin America	490	413	339
Europe, Mideast and Africa	1,662	1,554	1,649
Pacific, Far East and Canada	1,246	1,094	946
Eliminations	(1,143)	(932)	(930)
Total	$9,156	$8,408	$7,852
Operating Profit (b) and (c)			
United States	$1,558	$1,390	$1,114
Latin America	131	106	70
Europe, Mideast and Africa	352	301	260
Pacific, Far East and Canada	182	189	143
Eliminations	(20)	19	(5)
Total	$2,203	$2,005	$1,582
Identifiable Assets, Excluding General Corporate Assets (e)			
United States	$4,809	$4,492	$4,017
Latin America	274	228	188
Europe, Mideast and Africa	1,298	1,096	1,089
Pacific, Far East and Canada	827	703	627
Eliminations	(197)	(177)	(197)
Total	$7,011	$6,342	$5,724

(a) Net sales and operating profit were not significantly impacted by the fluctuations in the U.S. dollar in 1994. In 1993, net sales and operating profit were unfavorably affected by the relatively stronger U.S. dollar, while 1992 was favorably affected by the relatively weaker U.S. dollar.

(b) The 1992 operating profit was unfavorably impacted by the pretax charge of $215 for costs associated with the voluntary withdrawal of temafloxacin from the worldwide market. The 1993 operating profit was favorably impacted by the $70 pretax credit resulting from resolution of various contingencies related to the withdrawal. The operating profit for 1993 was unfavorably impacted by the $104 pretax charge reflecting the settlement of certain claims and legal proceedings in connection with the sale and marketing of infant formula products. In 1994, a similar pretax amount was charged against earnings for other pending and settled litigation.

(c) The 1993 operating profit was favorably impacted by the gain on the sale of the peritoneal dialysis product line.

(d) Corporate expenses not allocated to segments include results from joint ventures, minority interest expenses, net foreign exchange losses, and other general corporate income and expense. Net foreign exchange losses were $30.8 in 1994, $41.3 in 1993, and $93.2 in 1992.

(e) General corporate assets are principally prepaid income taxes, cash and cash equivalents, investment securities, and investments in joint ventures.

Abbott Laboratories and Subsidiaries

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, 1994, 1993, and 1992, and the related consolidated statements of earnings, shareholders' investment, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with 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, 1994, 1993, and 1992, and the results of their operations and their cash flows for the years then ended in conformity with generally accepted accounting principles.

Chicago, Illinois,
January 13, 1995 Arthur Andersen LLP

Abbott Laboratories and Subsidiaries

AUDIT COMMITTEE CHAIRMAN'S REPORT

The Audit Committee of the Board of Directors is composed of six non-employee directors. The Audit Committee oversees the Company's financial reporting process on behalf of the Board of Directors. The Committee held two meetings during 1994. In fulfilling its responsibility, the Committee recommended to the Board of Directors, subject to shareholder approval, the selection of the Company'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 the Company's consolidated financial statements and the adequacy of the Company'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 the Company's internal controls, and the overall quality of the Company'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.

John R. Walter
Chairman, Audit Committee

Abbott Laboratories and Subsidiaries

MANAGEMENT REPORT ON FINANCIAL STATEMENTS

Management has prepared and is responsible for the Company'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.

The Company 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. The Company also maintains an internal auditing function which evaluates and formally reports on the adequacy and effectiveness of internal accounting controls, policies, and procedures.

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

Duane L. Burnham
Chairman and Chief Executive Officer

Gary P. Coughlan
Senior Vice President, Finance and Chief Financial Officer

Theodore A. Olson
Vice President and Controller

Abbott Laboratories and Subsidiaries

FINANCIAL REVIEW

RESULTS OF OPERATIONS

SALES

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

Worldwide Sales	Total % Change	Components of Change (%) Price	Volume	Exchange
Total Worldwide				
1994 vs. 1993..........	8.9	0.8	8.0	0.1
1993 vs. 1992..........	7.1	0.9	8.6	(2.4)
1992 vs. 1991..........	14.2	2.9	10.6	0.7
Domestic				
1994 vs. 1993..........	7.6	1.0	6.6	-
1993 vs. 1992..........	8.7	0.6	8.1	-
1992 vs. 1991..........	13.1	3.5	9.6	-
International				
1994 vs. 1993..........	11.1	0.5	10.4	0.2
1993 vs. 1992..........	4.5	1.4	9.5	(6.4)
1992 vs. 1991..........	16.0	1.8	12.5	1.7
Pharmaceutical and Nutritional Products				
Total Worldwide				
1994 vs. 1993..........	12.8	1.8	11.1	(0.1)
1993 vs. 1992..........	9.0	1.7	9.2	(1.9)
1992 vs. 1991..........	14.6	5.3	9.2	0.1
Domestic				
1994 vs. 1993..........	10.8	1.8	9.0	-
1993 vs. 1992..........	10.2	1.0	9.2	-
1992 vs. 1991..........	14.5	5.6	8.9	-
International				
1994 vs. 1993..........	17.2	1.9	15.6	(0.3)
1993 vs. 1992..........	6.5	3.4	9.2	(6.1)
1992 vs. 1991..........	14.7	3.3	11.0	0.4

Hospital and Laboratory Products	Total % Change	Components of Change (%) Price	Volume	Exchange
Total Worldwide				
1994 vs. 1993..........	4.6	(0.4)	4.7	0.3
1993 vs. 1992..........	5.0	-	8.0	(3.0)
1992 vs. 1991..........	13.7	1.0	11.5	1.2
Domestic				
1994 vs. 1993..........	3.1	(0.2)	3.3	-
1993 vs. 1992..........	6.6	0.1	6.5	-
1992 vs. 1991..........	11.2	1.1	10.1	-
International				
1994 vs. 1993..........	6.5	(0.6)	6.5	0.6
1993 vs. 1992..........	3.0	(0.1)	9.8	(6.7)
1992 vs. 1991..........	17.0	0.8	13.5	2.7

Sales of new products in the pharmaceutical and nutritional segment and the hospital and laboratory segment in 1994 are estimated to be $190 million and $305 million, respectively. Sales in international markets represented approximately 38 percent of worldwide sales.

Abbott Laboratories and Subsidiaries

FINANCIAL REVIEW

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

(dollars in millions)	1994	1993	1992
Infant Formula	$1,180	$1,147	$1,075
Fluids and Equipment	853	836	924
Medical Nutritionals	1,011	864	760
Anti-Infectives	994	784	685

Worldwide sales of infant formula increased in 1994 primarily due to net price increases, and in 1993 primarily due to unit growth. Fluids and equipment sales increased in 1994 primarily due to unit growth, and decreased in 1993 due to the sale of a product line. Increases in medical nutritionals and anti-infectives were primarily due to unit increases.

OPERATING EARNINGS

Gross profit margins (sales less cost of products sold, including freight and distribution expenses) were 56.4 percent of sales in 1994, 56.2 percent in 1993, and 55.4 percent in 1992. Productivity improvements, favorable product mix and net price increases in some product lines offset the impacts of inflation and competitive pricing pressures in other product lines. Fluctuations in the U.S. dollar had an insignificant impact on gross profit margins in 1994. In 1993, gross profit margins were unfavorably impacted by the relatively stronger U.S. dollar while 1992 was favorably affected by the relatively weaker U.S. dollar. 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). The WIC rebate programs continue to have a negative effect on the gross profit margins of this portion of the infant formula business.

Research and development expense increased to $964 million in 1994, and represented 10.5 percent of net sales in 1994 and 1993, and 9.8 percent of net sales in 1992. Research and development expenditures continue to be concentrated on diagnostic and pharmaceutical products.

Selling, general and administrative expenses increased 3.3 percent in 1994, compared to increases of 8.5 percent in 1993, and 21.1 percent in 1992. The 1994 increase reflects a higher level of selling and marketing to support pharmaceutical and nutritional new product launches. The 1993 increase reflects a pretax charge to earnings of approximately $104 million for the settlement of certain claims and legal proceedings in connection with the sale and marketing of infant formula products. A similar amount was charged against earnings in 1994 for other pending and settled litigation. The 1992 increase resulted from higher levels of selling and marketing expenditures for support of pharmaceutical and diagnostic new product launches.

In June 1992, the Company voluntarily withdrew from the worldwide market its quinolone anti-infective, temafloxacin, and recorded a pretax charge of $215 million for costs associated with this withdrawal. In 1993, the Company resolved various contingencies relative to the temafloxacin withdrawal and recorded a pretax credit to earnings of $70 million for these items.

NON-OPERATING (INCOME) EXPENSE

Other (income) expense, net, includes net foreign exchange losses of $30.8 million in 1994, $41.3 million in 1993, and $93.2 million in 1992, including net exchange (gains) losses on foreign currency contracts. These contracts were purchased to manage the Company's exposure to foreign currency rate changes. Other (income) expense, net, also includes the Company's share of the income from joint ventures, primarily TAP Pharmaceuticals Inc., and, in 1993, the gain on the sale of the Company's peritoneal dialysis product line.

In May 1992, the Company sold its 20 percent investment in Boston Scientific Corporation for a pretax gain of $272 million. Net proceeds from the sale were used toward the purchase of eight million shares of the Company's common stock.

TAXES ON EARNINGS

The Company's effective income tax rate for 1994 was 30.0 percent, compared to 28.0 percent for 1993 and 28.7 percent for 1992. The 1994 tax rate was impacted by the reduction in tax incentive grants for Puerto Rico operations. The 1993 tax rate was impacted by the increase in the statutory U.S. Federal income tax rate.

FINANCIAL CONDITION

CASH FLOW

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

DEBT AND CAPITAL

The Company 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 $300 million at December 31, 1994. These lines of credit support domestic commercial paper borrowing arrangements.

In 1993, the Company filed a registration statement with the Securities and Exchange Commission for the issuance of $500 million of senior debt securities and issued $200 million of 5.6% notes due 2003. Net proceeds were used to retire short-term borrowings and for the purchase of the Company's common shares. The Company may issue up to an additional $300 million of debt securities in the future under this registration statement.

During the last three years, the Company purchased 58,080,000 of its common shares at a cost of $1.689 billion, including 6,630,000 shares of the 20,000,000 shares authorized for purchase by the Board of Directors in September 1994.

CAPITAL EXPENDITURES

Capital expenditures of $929 million in 1994, $953 million in 1993, and $1.0 billion in 1992, were principally for upgrading and expanding manufacturing and research and development facilities in both segments and for administrative support facilities. This level of capital expenditures is expected to continue over the next few years, with a relatively equal proportion dedicated to each segment.

BUSINESS ACQUISITION

In December, 1994 a United Kingdom subsidiary of the Company purchased the operating assets of the nutritional business of Puleva Union Industrial y Agroganadera, S.A. for $106 million. This acquisition will allow the Company to strengthen its market position in Spain and in other countries in southern Europe. Had this acquisition taken place on January 1, 1994, consolidated sales and income would not have been significantly different from reported amounts.

LEGISLATIVE ISSUES

The Company's primary markets are highly competitive and subject to substantial government regulation and the trend is toward more stringent regulation. The Company expects debate to continue during 1995 at both the federal and the state level over the availability, method of delivery, and payment for health care products and services. The Company believes that if legislation is enacted, it could have the effect of reducing prices, or reducing the rate of price increases, for health and medical insurance and 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 the Company 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.

Exhibit 13

Abbott Laboratories and Subsidiaries

SUMMARY OF SELECTED FINANCIAL DATA

Year Ended December 31

(Dollars in Millions Except Per Share Data)

	1994	1993	1992	1991	1990
Summary of Operations:					
Net sales	$9,156.0	8,407.8	7,851.9	6,876.6	6,158.7
Cost of products sold	$3,993.8	3,684.7	3,505.3	3,140.0	2,910.1
Research and development	$ 963.5	881.0	772.4	666.3	567.0
Selling, general and administrative	$2,054.5	1,988.2	1,833.2	1,513.3	1,275.6
Operating earnings (1)	$2,144.2	1,924.0	1,526.0	1,557.0	1,406.0
Interest expense	$ 49.7	54.3	53.0	63.8	91.4
Interest and dividend income	$ (36.9)	(37.8)	(42.3)	(45.1)	(51.6)
Other (income) expense, net	$ (35.3)	(35.7)	48.5	(5.9)	15.5
Earnings before taxes (2)	$2,166.7	1,943.2	1,738.8	1,544.2	1,350.7
Taxes on earnings	$ 650.0	544.1	499.7	455.5	384.9
Earnings before extraordinary gain and accounting change (3)	$1,516.7	1,399.1	1,239.1	1,088.7	965.8
Earnings per common share before extraordinary gain and accounting change (3)	$ 1.87	1.69	1.47	1.27	1.11
Financial Position:					
Working capital	$ 400.5	490.6	449.2	661.7	460.0
Investment securities maturing after one year	$ 316.2	221.8	270.6	340.2	314.0
Net property and equipment	$3,920.9	3,511.0	3,099.2	2,662.1	2,375.8
Total assets	$8,523.7	7,688.6	6,941.2	6,255.3	5,563.2
Long-term debt	$ 287.1	306.8	110.0	125.1	134.8
Shareholders' investment	$4,049.4	3,674.9	3,347.6	3,203.0	2,833.6
Return on shareholders' investment	% 39.3	39.8	37.8	36.1	34.7
Book value per share	$ 5.04	4.48	4.00	3.77	3.30
Other Statistics:					
Gross profit margin	% 56.4	56.2	55.4	54.3	52.7
Research and development to net sales	% 10.5	10.5	9.8	9.7	9.2
Capital expenditures	$ 929.5	952.7	1,007.2	732.8	629.5
Cash dividends declared per common share	$ .76	.68	.60	.50	.42
Common shares outstanding (in thousands)	803,280	821,130	836,052	850,530	858,282
Number of common shareholders	86,324	82,947	75,703	56,541	49,827
Number of employees	49,464	49,659	48,118	45,694	43,770
Sales per employee (in dollars)	$185,105	169,312	163,180	150,492	140,706
Market price per share-high	$ 34	30 7/8	34 1/8	34 3/4	23 1/8
Market price per share-low	$ 25 3/8	22 5/8	26 1/8	19 5/8	15 5/8
Market price per share-close	$ 32 5/8	29 5/8	30 3/8	34 3/8	22 1/2

Abbott Laboratories and Subsidiaries

SUMMARY OF SELECTED FINANCIAL DATA (CONTINUED)

Year Ended December 31

(Dollars in Millions Except Per Share Data)

	1989	1988	1987	1986	1985
Summary of Operations:					
Net sales................................	$5,379.8	4,937.0	4,387.9	3,807.6	3,360.3
Cost of products sold....................	$2,556.7	2,353.2	2,101.9	1,868.4	1,694.9
Research and development.................	$ 501.8	454.6	361.3	284.9	240.6
Selling, general and administrative......	$1,100.2	1,027.2	919.0	775.7	687.7
Operating earnings.......................	$1,221.1	1,102.0	1,005.7	878.6	737.1
Interest expense.........................	$ 74.4	85.0	77.6	86.3	98.1
Interest and dividend income.............	$ (73.8)	(69.4)	(56.7)	(63.1)	(76.0)
Other (income) expense, net..............	$ 26.3	30.9	47.7	36.7	20.5
Earnings before taxes....................	$1,194.2	1,055.5	937.1	818.7	694.5
Taxes on earnings........................	$ 334.4	303.5	304.5	278.2	229.2
Earnings before extraordinary gain and accounting change......................	$ 859.8	752.0	632.6	540.5	465.3
Earnings per common share before extra-ordinary gain and accounting change....	$ .96	.83	.69	.58	.48
Financial Position:					
Working capital..........................	$ 719.2	913.3	668.7	585.4	891.9
Investment securities maturing after one year.........................	$ 300.0	285.7	292.9	254.2	281.1
Net property and equipment...............	$2,090.2	1,952.6	1,741.6	1,543.3	1,368.5
Total assets.............................	$4,851.6	4,825.1	4,385.7	3,865.6	3,468.4
Long-term debt...........................	$ 146.7	349.3	271.0	297.4	443.0
Shareholders' investment.................	$2,726.4	2,464.6	2,093.5	1,778.9	1,870.7
Return on shareholders' investment.......	% 33.1	33.0	32.7	29.6	26.8
Book value per share.....................	$ 3.08	2.74	2.31	1.94	1.96
Other Statistics:					
Gross profit margin......................	% 52.5	52.3	52.1	50.9	49.6
Research and development to net sales....	% 9.3	9.2	8.2	7.5	7.2
Capital expenditures.....................	$ 501.5	521.2	432.7	383.4	292.9
Cash dividends declared per common share.	$ .35	.30	.25	.21	.175
Common shares outstanding (in thousands).	884,958	899,384	906,924	915,356	956,764
Number of common shareholders............	45,361	46,324	45,822	40,387	34,923
Number of employees......................	40,929	38,751	37,828	35,754	34,742
Sales per employee (in dollars)..........	$131,441	127,403	115,995	106,495	96,721
Market price per share-high..............	$ 17 5/8	13 1/8	16 3/4	13 3/4	9
Market price per share-low...............	$ 11 1/2	10 3/4	10	7 7/8	5
Market price per share-close.............	$ 17	12	12	11 3/8	8 1/2

Abbott Laboratories and Subsidiaries

SUMMARY OF SELECTED FINANCIAL DATA (CONTINUED)

Year Ended December 31

(Dollars in Millions Except Per Share Data)

	1984
Summary of Operations:	
Net sales	$3,104.0
Cost of products sold	$1,565.4
Research and development	$ 218.7
Selling, general and administrative	$ 643.4
Operating earnings	$ 676.5
Interest expense	$ 94.2
Interest and dividend income	$ (70.5)
Other (income) expense, net	$ 6.6
Earnings before taxes	$ 646.2
Taxes on earnings	$ 243.6
Earnings before extraordinary gain and accounting change	$ 402.6
Earnings per common share before extraordinary gain and accounting change	$ .42
Financial Position:	
Working capital	$ 743.3
Investment securities maturing after one year	$ 327.4
Net property and equipment	$1,236.6
Total assets	$3,170.4
Long-term debt	$ 470.2
Shareholders' investment	$1,602.7
Return on shareholders' investment	% 26.7
Book value per share	$ 1.67
OTHER STATISTICS:	
Gross profit margin	% 49.6
Research and development to net sales	% 7.0
Capital expenditures	$ 334.8
Cash dividends declared per common share	$ .15
Common shares outstanding (in thousands)	961,876
Number of common shareholders	34,963
Number of employees	33,668
Sales per employee (in dollars)	$ 92,193
Market price per share-high	$ 6 1/8
Market price per share-low	$ 4 5/8
Market price per share-close	$ 5 1/8

Abbott Laboratories and Subsidiaries

SUMMARY OF SELECTED FINANCIAL DATA (CONTINUED)

Year Ended December 31

(Dollars in Millions Except Per Share Data)

(1) In 1992, the Company recorded a pretax charge of $215 for costs associated with the voluntary withdrawal of temafloxacin from the worldwide market. In 1993, the Company resolved various contingencies related to the withdrawal and recorded a pretax credit of $70.

(2) In 1992, the Company recorded a pretax gain of $272 on the sale of its investment in Boston Scientific Corporation.

(3) In 1991, the Company realized an after-tax gain of $128, or $.15 per share, on the sale of an investment. The Company also adopted Statement of Financial Accounting Standards No. 106, which resulted in an after-tax transition expense of $128, or $.15 per share.

EXHIBIT 21

SUBSIDIARIES OF ABBOTT LABORATORIES

The following is a list of subsidiaries of the Company. Abbott Laboratories is not a subsidiary of any other corporation.

Domestic Subsidiaries	State of Incorporation
Abbott Biotech, Inc.	Delaware
Abbott Chemicals, Inc.	Delaware
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 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 Manufacturing, Inc.	Delaware

Abbott Trading Company, Inc.	Virgin Islands
Abbott Universal Ltd.	Delaware
CMM Transportation, Inc.	Delaware
Corporate Alliance, Inc.	Delaware
Fuller Research Corporation	Delaware
Laser Surgery Partnership	Illinois
Medlase Holding Corporation	Delaware
North Shore Properties, Inc.	Delaware
Oximetrix de Puerto Rico, Inc.	Delaware
Oximetrix, Inc.	Delaware
Sequoia Turner Corporation	California
Sequoia Turner Export Corporation	California
Solartek Products, Inc.	Delaware
Sorenson Research Co., Inc.	Utah
Swan-Myers, Incorporated	Indiana
TAP Pharmaceuticals Inc.	Delaware
Tobal Products Incorporated	Illinois

Foreign Subsidiaries	Country in Which Organized
Abbott Laboratories Argentina, S.A.	Argentina
Abbott Australian Holdings Pty. Limited	Australia
Abbott Australasia Pty. Limited	Australia
Abbott Gesellschaft m.b.H.	Austria
Abbott Hospitals Limited	Bahamas
Abbott Laboratories (Bangladesh) Ltd.	Bangladesh
Abbott, S.A.	Belgium
Abbott Ireland (formerly Abbott Ireland Limited)	Bermuda
Abbott Laboratorios do Brasil Ltda.	Brazil
Abbott Laboratories Limited	Canada
Abbott Laboratories de Chile Limitada	Chile
Ningbo Asia-Pacific Biotechnology Ltd.	China, People's Republic of
Abbott Laboratories de Colombia, S.A.	Colombia
Abbott Laboratories 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 Laboratories Trustee Company Limited	England
Abbott France S.A.	France
Abbott G.m.b.H.	Germany
Abbott Laboratories (Hellas) S.A.	Greece
FAMAR Panos A. Marinopoulos S.A.	Greece
FAMAR Anonymous Industrial Co. of Pharmaceuticals and Cosmetics	Greece
Abbott Grenada Limited	Grenada
Abbott Laboratorios, S.A.	Guatemala
Abbott Laboratories Limited	Hong Kong
Abbott Laboratories (India) Limited	India
Abind Healthcare Private Limited	India
P. T. Abbott Indonesia	Indonesia
Abbott Laboratories, Ireland, Limited	Ireland
Abbott Ireland Ltd.	Ireland
Abbott S.p.A.	Italy

Laboratori Abbott S.p.A.	Italy
Abbott West Indies Limited	Jamaica
Consolidated Laboratories Limited	Jamaica
Abbott Japan K.K.	Japan
Dainabot K.K.	Japan
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
Abbott B.V.	The Netherlands
Abbott Finance B.V.	The Netherlands
Edisco B.V.	The Netherlands
M & R Laboratoria B.V.	The Netherlands
Abbott Laboratories (N.Z.) Limited	New Zealand
Abbott Laboratories Nigeria Limited	Nigeria
Abbott Laboratories (Pakistan) Limited	Pakistan
Abbott Laboratories, C.A.	Panama

Abbott Overseas, S.A.	Panama
Abbott Laboratorios S.A.	Peru
Abbott Laboratories	Philippines
l02 E. de los Santos Realty Co., Inc.	Philippines
Union-Madison Realty Company, Inc.	Philippines
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 r.l.	Switzerland
Investment Services A.G.	Switzerland
Overseas Services S.A.	Switzerland
Abbott Laboratories Taiwan Limited	Taiwan
Abbott Laboratories Limited	Thailand

Abbott Laboratuarlari Ithalat Ihracat Ve Tecaret Anonim Sirketi	Turkey
Abbott Laboratories Uruguay Limitada	Uruguay
Abbott Laboratories, C.A.	Venezuela
Medicamentos M & R, S.A.	Venezuela

EXHIBIT 23

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference of the following into the Company's previously filed S-8 Registration Statements Numbers 2-79691 for the Abbott Laboratories 1981 Incentive Stock Program, 33-4368 for the Abbott Laboratories 1986 Incentive Stock Program, 33-39798 for the Abbott Laboratories 1991 Incentive Stock Program, and 33-26685, 33-51585 and 33-56897 for the Abbott Laboratories Stock Retirement Plan and Trust and into the Company's previously filed S-3 Registration Statement Number 33-50253:

1. Our supplemental report dated January 13, 1995 included in this Annual Report on Form 10-K for the year ended December 31, 1994; and

2. Our report dated January 13, 1995 incorporated by reference in this Annual Report on Form 10-K for the year ended December 31, 1994.

ARTHUR ANDERSEN LLP

Chicago, Illinois,
March 8, 1995

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM ABBOTT LABORATORIES 1994 FORM 10-K AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FORM 10-K FILING.

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12-MOS
DEC-31-1994
JAN-01-1994
DEC-31-1994
290,272
25,056
1,597,448
128,929
1,018,191
3,876,328
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9,156,009
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1.87
1.85

OTHER EXPENSES CONSIST OF RESEARCH AND DEVELOPMENT EXPENSES.