

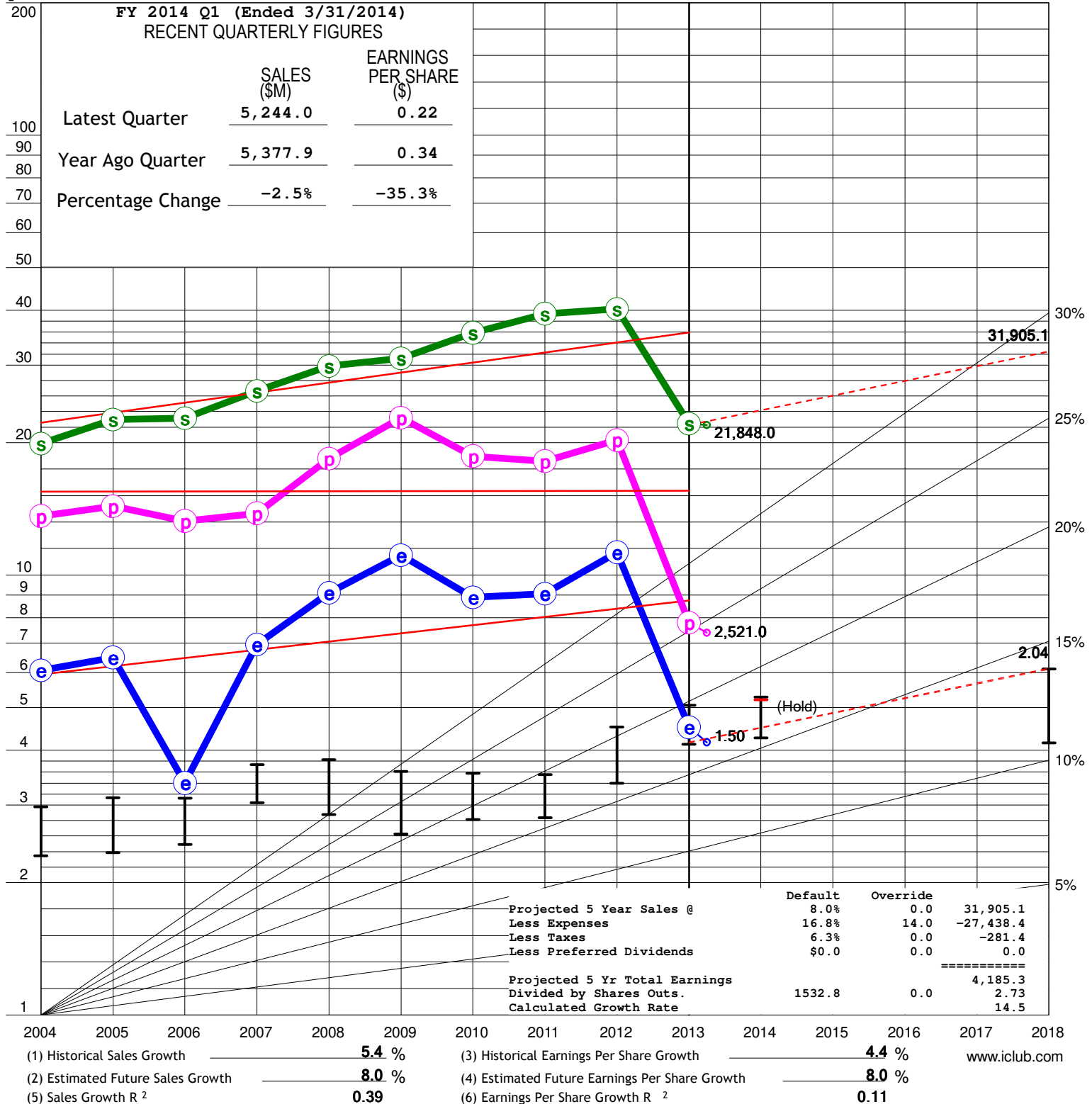


Stock Selection Guide

Company	Abbott Labs RCB 1406	Price Date	06/16/14
Study by	RCB	Data Date	06/16/14
Sector	Healthcare	Last Judgment	06/17/14
Industry	Medical Devices	Data Source	BI
Preferred(\$M)	0.0	Reference	Morningstar
Common(M Shares)	1,532.8	% Insiders	0.2
Debt(\$M)	7,765.0	% Institutions	73.9
% Debt to Tot.Cap.	23.8	Quality	

1 Growth Analysis

NYSE: ABT



2 QUALITY ANALYSIS

Company **Abbott Labs RCB 1406**

(ABT)

06/16/14

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales	22.4	20.8	19.1	17.2	20.2	23.9	17.1	15.1	16.4	11.5	16.8	DOWN
B % ROE (Beginning Yr)	22.4	23.5	12.1	25.2	26.3	32.8	20.1	20.6	24.1	8.9	21.3	DOWN
C % Debt to Equity	33.4	31.7	50.0	53.4	50.0	49.4	55.2	49.7	67.7	13.4	47.1	DOWN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) **39.90 (28.7)** 52-WEEK HIGH (P/E) **40.56 (29.2)** 52-WEEK LOW (P/E) **32.70 (23.5)**

	Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1	2009	27.5	19.8	3.69	7.5	5.4	1.560	42.3	7.9
2	2010	27.2	21.3	2.96	9.2	7.2	1.720	58.1	8.1
3	2011	27.0	21.6	3.02	8.9	7.2	1.880	62.3	8.7
4	2012	34.7	25.8	3.75	9.3	6.9	2.010	53.7	7.8
5	2013	38.8	31.6	1.50	25.9	21.1	0.560	37.3	1.8
6	AVERAGE		24.0		12.2	9.6		50.7	
AVERAGE P/E RATIO		10.9	PROJECTED P/E RATIO		26.6	TTM EPS		1.39	
CURRENT P/E RATIO		28.8	PEG RATIO		3.3	FTM EPS		1.50	
RELATIVE VALUE		264.1	PROJ. RELATIVE VALUE		243.8	AVG TTM + FTM EPS		1.45	

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E ~~12.2~~ **23.0** X Estimated High Earnings/Share **2.04** = Forecast High Price \$ **46.9**

B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Sel. Low P/E ~~9.6~~ **12.2** (as adj.) X Estimated Low Earnings/Share ~~1.50~~ **1.39** = \$ **16.9**
 (b) Average 5-Year Low Price = **24.0**
 (c) Recent Severe Low Price = **25.8**

(d) Price Dividend Will Support = Present Divd. + High Yield = **0.880** + **0.087** = **10.1**

Selected Estimated Low Price = \$ **31.9**

C PRICE RANGES

Forecast High Price **46.9** - Estimated Low Price **31.9** = Range **15.0** 25% of Range = **3.7**

BUY (Lower 25% of Range) = **31.9** to **35.6**
 MAYBE (Middle 50% of Range) = **35.6** to **43.2**
 SELL (Upper 25% of Range) = **43.2** to **46.9**

Current Price **39.900** is in the **Hold** Range

D UPSIDE/DOWNSIDE ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price **46.9** - Current Price **39.900**) + (Current Price **39.900** - Estimated Low Price **31.9**) = **0.9** To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ **0.880** ÷ Current Price of Stock \$ **39.900** = **2.2 %** Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout **50.7** ÷ Forecast High P/E **23.0** = Avg. Yield **2.2**

AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout **50.7** ÷ Forecast Avg P/E **17.6** = Avg. Yield **2.9**

C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E

Average Yield **2.2 %** + Annual Appreciation **3.3 %** = Compound Annual Total Return **5.5 %**

D % PROJECTED AVERAGE RETURN - USING FORECAST AVERAGE P/E

Average Yield **2.9 %** + Annual Appreciation **-2.1 %** = Projected Average Total Return **0.8 %**



Printed: 06/17/14 10:32 PM Prepared by: RCB Using Toolkit 6

PERT-A Graph

Company Abbott Labs RCB 1406 (ABT)

