

ABBOTT LABORATORIES  
Form S-4/A  
August 09, 2016

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As filed with the Securities and Exchange Commission on August 9, 2016

Registration No. 333-212002

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Amendment No. 1  
To  
FORM S-4  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933**

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**ABBOTT LABORATORIES**

(Exact Name of Registrant as Specified in Its Charter)

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**Illinois**  
(State of  
Incorporation)

**2834**  
(Primary Standard Industrial  
Classification Code Number)  
**100 Abbott Park Road**  
**Abbott Park, Illinois 60064-6400**  
**Telephone: (224) 667-6100**

**36-0698440**  
(IRS Employer  
Identification No.)

(Address, including Zip Code, and Telephone Number, including Area Code, of Registrant's Principal Executive Offices)

---

**Hubert L. Allen, Esq.**  
**Executive Vice President, General Counsel and Secretary**  
**100 Abbott Park Road**  
**Abbott Park, Illinois 60064-6400**  
**Telephone: (224) 667-6100**

(Name, Address, including Zip Code, and Telephone Number, including Area Code, of Agent for Service)

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**Approximate date of commencement of proposed sale of the securities to the public:**  
**As soon as practicable after this registration statement is declared effective.**

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, please check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the "Securities Act"), check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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

Large accelerated filer <input type="radio"/>	Accelerated filer <input type="radio"/>	Non-accelerated filer <input type="radio"/>	Smaller reporting company <input type="radio"/>
		(Do not check if a smaller reporting company)	

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ☐

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ☐

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**The information in this proxy statement/prospectus is not complete and may be changed. Abbott Laboratories may not sell the securities offered by this proxy statement/prospectus until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement/prospectus is not an offer to sell these securities, and Abbott Laboratories is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**PRELIMINARY SUBJECT TO COMPLETION, DATED AUGUST 9, 2016**

**MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

[ ], 2016

Dear St. Jude Medical, Inc. Shareholder:

On April 27, 2016, St. Jude Medical, Inc. and Abbott Laboratories entered into an Agreement and Plan of Merger, which we refer to as the merger agreement, that provides for the acquisition of St. Jude Medical by Abbott. Under the terms of the merger agreement, a subsidiary of Abbott will merge with and into St. Jude Medical, with St. Jude Medical surviving the merger as a wholly owned subsidiary of Abbott, which we refer to as the first merger, and, then, St. Jude Medical will merge with and into a second subsidiary of Abbott, with such second subsidiary surviving the merger, which we refer to as the second merger. We refer to these two merger transactions as the "mergers."

If the mergers are completed, you will be entitled to receive \$46.75 in cash, without interest, and 0.8708 of an Abbott share for each St. Jude Medical share that you own at the time the first merger is completed, in each case, less any applicable withholding taxes. This proportion of cash and shares is subject to adjustment in certain limited circumstances. See the section entitled "Proposal 1: The Mergers Per Share Merger Consideration." You will not, however, receive any fractional Abbott shares in the mergers. Instead, you will receive cash in respect of any fraction of an Abbott share to which you otherwise would be entitled to receive. See the section entitled "The Merger Agreement Effective Times, Effects of the Mergers; Organizational Documents of the Surviving Company; Directors and Officers." The implied value of the Abbott share portion of the merger consideration will fluctuate as the market price for Abbott shares fluctuates. You should obtain current stock price quotations for Abbott shares and St. Jude Medical shares before deciding how to vote with respect to approval of the merger agreement. St. Jude Medical shares and the Abbott shares are traded on the New York Stock Exchange under the symbols "STJ" and "ABT," respectively.

You are being asked to vote on the merger agreement and additional matters at St. Jude Medical's 2016 annual meeting of shareholders, which we refer to as the shareholders' meeting. **The St. Jude Medical board of directors unanimously recommends that St. Jude Medical shareholders vote "FOR" Proposal 1 to approve the merger agreement and also "FOR" Proposals 2 through 9 to be considered at the shareholders' meeting and "AGAINST" Proposal 10 to be considered at the shareholders' meeting.**

In considering the recommendation of the St. Jude Medical board of directors with regards to Proposals 1 and 2, you should be aware that certain of the St. Jude Medical directors and executive officers will have interests in the mergers that may be different from, or in addition to, the interests of St. Jude Medical shareholders generally. See the section entitled "Interests of St. Jude Medical's Directors and Executive Officers in the Mergers" of the accompanying proxy statement/prospectus.

**Your vote is important.** The mergers cannot be completed unless St. Jude Medical shareholders holding at least a majority of the St. Jude Medical shares outstanding as of the close of business on [ ], 2016, the record date for the shareholders' meeting, vote in favor of approval of the merger agreement at the shareholders' meeting. **The failure of any shareholder to vote will have the same effect as a vote against approving the merger agreement. Accordingly, whether or not you plan to attend the shareholders' meeting, you are requested to promptly vote your shares by proxy electronically via the Internet, by telephone or by sending in the appropriate paper proxy card as instructed in these materials.**

St. Jude Medical's shareholders' meeting will be held on [ ], 2016, beginning at [ ] (Central Time), at [ ], located at [ ].

This proxy statement/prospectus describes the shareholders' meeting, the mergers, the documents relating to the mergers and other related matters. **Please read carefully the entire proxy statement/prospectus, including the section entitled "Risk Factors" beginning on page 37, for a discussion of the risks relating to the proposed mergers, and the Annexes and documents incorporated by reference.**

Michael T. Rousseau  
*President and*

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*Chief Executive Officer*

St. Jude Medical, Inc.

**Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved the mergers or other transactions described in the attached proxy statement/prospectus or the securities to be issued pursuant to the first merger under the attached proxy statement/prospectus, nor have they determined if the attached proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.**

The accompanying proxy statement/prospectus is dated [ ], 2016 and is first being mailed to St. Jude Medical shareholders on or about [ ], 2016.

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**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

Dear St. Jude Medical Shareholder:

You are cordially invited to attend St. Jude Medical's 2016 annual meeting of shareholders, which we refer to as the shareholders' meeting. The shareholders' meeting will be held on [ ], 2016, at [ ] (Central Time), at [ ], located at [ ], to consider and vote upon the following matters:

- Proposal 1. to approve the Agreement and Plan of Merger, dated as of April 27, 2016, as it may be amended from time to time, by and among Abbott Laboratories, an Illinois corporation, St. Jude Medical, Inc., a Minnesota corporation, Vault Merger Sub, Inc., a Delaware corporation, and Vault Merger Sub, LLC, a Delaware limited liability company, and adopt the plan of merger (as such term is defined in Section 302A.611 of the Minnesota Business Corporation Act) contained therein;
- Proposal 2. to approve, by advisory (non-binding) vote, certain compensation arrangements for St. Jude Medical's named executive officers in connection with the mergers contemplated by the merger agreement;
- Proposal 3. to elect three members to the St. Jude Medical board of directors for terms ending in 2019;
- Proposal 4. to approve, by advisory (non-binding) vote, the compensation of St. Jude Medical's named executive officers in 2015;
- Proposal 5. to approve the St. Jude Medical, Inc. 2016 Stock Incentive Plan;
- Proposal 6. to approve amendments to St. Jude Medical's articles of incorporation and bylaws to declassify the St. Jude Medical board of directors;
- Proposal 7. to approve amendments to St. Jude Medical's bylaws to implement proxy access;
- Proposal 8. to ratify the appointment of Ernst & Young LLP as St. Jude Medical's independent registered public accounting firm for 2016;
- Proposal 9. to adjourn the shareholders' meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the shareholders' meeting to approve the merger agreement;
- Proposal 10. a shareholder proposal regarding supermajority voting if properly presented at the meeting; and any other business that may properly come before the meeting.

The accompanying proxy statement/prospectus further describes the matters to be considered at the shareholders' meeting. A copy of the merger agreement has been included as **Annex A** to the accompanying proxy statement/prospectus.

The record date for the shareholders' meeting is [ ], 2016. Only shareholders of record as of the close of business on [ ], 2016 are entitled to notice of, and to vote at, the shareholders' meeting. All shareholders of record as of that date are cordially invited to attend the shareholders' meeting in person. Attendance at the shareholders' meeting will be limited to St. Jude Medical shareholders as of the close of business on the record date or their authorized representatives, as more fully described under the section entitled "Information About the Shareholders' Meeting." If you wish to attend the meeting in person, you will need to register for the shareholders' meeting and print your admission ticket at [www.proxyvote.com](http://www.proxyvote.com). An admission ticket and a form of valid government-issued photo identification must be presented in order to be admitted to the shareholders' meeting. Please refer to the section entitled "Information About the Shareholders' Meeting" for further information.

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Approval of the proposal to amend St. Jude Medical's articles of incorporation and bylaws to declassify the St. Jude Medical board of directors requires the affirmative vote of the holders of at least 80% of the outstanding shares of St. Jude Medical common stock, which we refer to as St. Jude Medical shares, entitled to vote thereon. Approval of the merger agreement requires the affirmative vote of the holders of at least a majority of the outstanding St. Jude Medical shares entitled to vote thereon. The election of directors requires that the number of votes cast "FOR" a director exceeds the number of votes cast "AGAINST" the election of that director, so long as a quorum is present (unless the number of director nominees exceeds the number of directors to be elected, which we refer to as a contested election, in which case the directors are elected by a plurality of the votes present in person or by proxy and entitled to vote on the election of directors). The approval of each other proposal to be voted on at the shareholders' meeting, as listed above, requires the affirmative vote of a majority of the shares present (in person or by proxy) and entitled to vote on such proposal, so long as the total number of shares voted in favor of such proposal is greater than 25% of the outstanding St. Jude Medical shares entitled to vote thereon and a quorum is present at the outset of the meeting. The presence in person or by proxy of the holders of a majority of the St. Jude Medical shares entitled to vote at the shareholders' meeting will constitute a quorum for the transaction of business.

**The St. Jude Medical board of directors has unanimously approved the merger agreement and determined the mergers, the merger agreement and the transactions contemplated by the merger agreement to be in the best interests of St. Jude Medical and its shareholders, and unanimously recommends that St. Jude Medical shareholders vote "FOR" Proposal 1 to approve the merger agreement. The St. Jude Medical board of directors also unanimously recommends that the St. Jude Medical shareholders vote "FOR" each of the following: Proposal 2 to approve, by advisory (non-binding) vote, certain compensation arrangements for St. Jude Medical's named executive officers in connection with the mergers contemplated by the merger agreement; Proposal 3 to elect three members to the St. Jude Medical board of directors for terms ending in 2019; Proposal 4 to approve, by advisory (non-binding) vote the compensation of St. Jude Medical's named executive officers in 2015; Proposal 5 to approve the St. Jude Medical, Inc. 2016 Stock Incentive Plan; Proposal 6 to approve amendments to St. Jude Medical's articles of incorporation and bylaws to declassify the St. Jude Medical board of directors; Proposal 7 to approve amendments to St. Jude Medical's bylaws to implement proxy access; Proposal 8 to ratify the appointment of Ernst & Young LLP as St. Jude Medical's independent registered public accounting firm for 2016; and Proposal 9 to adjourn the shareholders' meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the shareholders' meeting to approve the merger agreement. The St. Jude Medical board of directors also unanimously recommends that the St. Jude Medical shareholders vote "AGAINST" Proposal 10, the shareholder proposal regarding supermajority voting, if properly presented at the meeting.**

In considering the recommendation of the St. Jude Medical board of directors with regards to Proposals 1 and 2, you should be aware that certain directors and executive officers of St. Jude Medical will have interests in the mergers that may be different from, or in addition to, the interests of St. Jude Medical shareholders generally. See the section entitled "Interests of St. Jude Medical's Directors and Executive Officers in the Mergers" of the accompanying proxy statement/prospectus.

Your vote is very important, regardless of the number of St. Jude Medical shares that you own. We cannot complete the mergers, unless St. Jude Medical's shareholders approve the merger agreement.

Even if you plan to attend the shareholders' meeting in person, St. Jude Medical requests that you complete, sign, date and return, as promptly as possible, the enclosed proxy card in the accompanying prepaid reply envelope or submit your proxy by telephone or the Internet prior to the shareholders' meeting to ensure that your St. Jude Medical shares will be represented at the shareholders' meeting if you ultimately are unable to attend. If you hold your shares in street name through a bank, brokerage firm or other nominee, you should follow the procedures provided by your bank, brokerage firm or other nominee to vote your shares. If you fail to submit a proxy or to attend the shareholders' meeting in person or do not provide your bank, brokerage firm or other nominee with instructions as to how to vote your shares, as applicable, your St. Jude Medical shares will not be counted for the purpose of determining whether a quorum is present at the shareholders' meeting (except in the case of broker "non-votes") and, in each case, will have the same effect as a vote "AGAINST" approval of the merger agreement and the proposal to declassify the St. Jude Medical Board of Directors.

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**WHETHER OR NOT YOU PLAN TO ATTEND THE SHAREHOLDERS' MEETING, PLEASE COMPLETE, DATE, SIGN AND RETURN, AS PROMPTLY AS POSSIBLE, THE ENCLOSED PROXY CARD IN THE ACCOMPANYING PREPAID REPLY ENVELOPE, OR SUBMIT YOUR PROXY BY TELEPHONE OR THE INTERNET. IF YOU ATTEND THE SHAREHOLDERS' MEETING AND VOTE IN PERSON, YOUR VOTE BY BALLOT WILL REVOKE ANY PROXY PREVIOUSLY SUBMITTED.**

By Order of the Board of Directors,

Jason Zellers  
*Vice President, General Counsel &  
Corporate Secretary*

*St. Paul, Minnesota*

Dated: [            ], 2016

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**PLEASE VOTE YOUR SHARES PROMPTLY. YOU CAN FIND INSTRUCTIONS FOR VOTING ON THE ENCLOSED PROXY CARD. IF YOU HAVE QUESTIONS ABOUT THE PROPOSALS OR ABOUT VOTING YOUR SHARES, PLEASE CONTACT ST. JUDE MEDICAL'S PROXY SOLICITOR, INNISFREE M&A INCORPORATED, BY TELEPHONE AT (877) 456-3524 (TOLL FREE FOR SHAREHOLDERS) OR (212) 750-5833 (COLLECT FOR BANKS AND BROKERS).**

**REFERENCES TO MORE INFORMATION**

This proxy statement/prospectus incorporates important business and financial information about St. Jude Medical and Abbott, from other documents that St. Jude Medical and Abbott have filed with the U.S. Securities and Exchange Commission, which we refer to as the SEC, and that are contained in or incorporated by reference into this proxy statement/prospectus. For a listing of documents incorporated by reference into this proxy statement/prospectus, please see the section entitled "Where You Can Find More Information." This information is available for you to review at the SEC's public reference room located at 100 F Street, N.E., Room 1580, Washington, DC 20549, and through the SEC's website at [www.sec.gov](http://www.sec.gov).

**You may request copies of this proxy statement/prospectus and any of the documents incorporated by reference into this proxy statement/prospectus or other information concerning Abbott, without charge, by telephone or written request directed to Abbott's Investor Relations Department at 100 Abbott Park Road, Abbott Park, IL 60064-6400, Attention: Investor Relations, or by telephone at (224) 667-8945.**

**You may request copies of this proxy statement/prospectus and any of the documents incorporated by reference into this proxy statement/prospectus or other information concerning St. Jude Medical, without charge, by telephone or written request directed to St. Jude Medical's Investor Relations Department at One St. Jude Medical Drive, St. Paul, MN 55117, Attention: Investor Relations, or by telephone at (651) 756-4347; or by telephone or written request directed to Innisfree M&A Incorporated, St. Jude Medical's proxy solicitor, at 501 Madison Avenue, 20th floor, New York, NY 10022, or by telephone at (877) 456-3524 (toll free for shareholders) or (212) 750-5833 (collect for banks and brokers).**

**In order for you to receive timely delivery of the documents in advance of St. Jude Medical's 2016 annual meeting of shareholders, which we refer to as the shareholders' meeting, to be held on [ ], 2016, you must request the information no later than five business days prior to the date of the shareholders' meeting, by [ ], 2016.**

**ABOUT THIS PROXY STATEMENT/PROSPECTUS**

This proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the SEC by Abbott (File No. 333-212002), constitutes a prospectus of Abbott under Section 5 of the Securities Act of 1933, as amended, which we refer to as the Securities Act, with respect to the common shares, without par value, of Abbott, which we refer to as Abbott shares, to be issued to St. Jude Medical shareholders pursuant to the merger agreement. This document also constitutes a proxy statement of St. Jude Medical under Section 14(a) of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act. It also constitutes a notice of meeting with respect to the shareholders' meeting, at which St. Jude Medical shareholders will be asked to consider and vote upon approval of the merger agreement and other enumerated proposals.

Abbott has supplied all information contained or incorporated by reference into this proxy statement/prospectus relating to Abbott, Vault Merger Sub, Inc. and Vault Merger Sub, LLC, and St. Jude Medical has supplied all such information relating to St. Jude Medical.

You should rely only on the information contained in or incorporated by reference into this proxy statement/prospectus. Abbott and St. Jude Medical have not authorized anyone to provide you with information that is different from that contained in or incorporated by reference into this proxy statement/prospectus. This proxy statement/prospectus is dated [ ], 2016, and you should not assume

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that the information contained in this proxy statement/prospectus is accurate as of any date other than such date. Further, you should not assume that the information incorporated by reference into this proxy statement/prospectus is accurate as of any date other than the date of the incorporated document. Neither the mailing of this proxy statement/prospectus to St. Jude Medical shareholders nor the issuance by Abbott of shares pursuant to the merger agreement will create any implication to the contrary.

All references in this proxy statement/prospectus to "Abbott" refer to Abbott Laboratories, an Illinois corporation, and/or its consolidated subsidiaries, unless the context requires otherwise. All references in this proxy statement/prospectus to "St. Jude Medical" refer to St. Jude Medical, Inc., a Minnesota corporation, and/or its consolidated subsidiaries, unless the context requires otherwise. All references in this proxy statement/prospectus to St. Jude Medical's Annual Report on Form 10-K for the fiscal year ended January 2, 2016 mean such annual report as revised by St. Jude Medical's Current Report on Form 8-K filed with the SEC on June 7, 2016.

This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction.

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**QUESTIONS AND ANSWERS ABOUT THE MERGERS AND THE SHAREHOLDERS' MEETING**

The following questions and answers are intended to briefly address some commonly asked questions regarding the mergers, the merger agreement and the shareholders' meeting. These questions and answers may not address all questions that may be important to you as a St. Jude Medical shareholder. Please refer to the section entitled "Summary" and the more detailed information contained elsewhere in this proxy statement/prospectus, the annexes to this proxy statement/prospectus and the documents referred to within or incorporated by reference into this proxy statement/prospectus, which you should read carefully and in their entirety. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions in the section entitled "Where You Can Find More Information."

**Q:**  
**Why am I receiving this proxy statement/prospectus and proxy card?**

**A:**  
St. Jude Medical has agreed to be acquired by Abbott under the terms of the merger agreement that are described in this proxy statement/prospectus. Consequently, St. Jude Medical is asking holders of its common stock, which we refer to as St. Jude Medical shares, to consider and vote at the shareholders' meeting upon a proposal to approve the merger agreement. If the merger agreement is approved by St. Jude Medical shareholders, and the other conditions to closing under the merger agreement are satisfied or waived, the surviving company will become a wholly owned subsidiary of Abbott.

St. Jude Medical is also asking its shareholders to consider and vote at the shareholders' meeting on various other proposals as discussed below in response to the question "What am I being asked to vote on at the St. Jude Medical Shareholders' Meeting?". This proxy statement/prospectus includes important information about the mergers, the merger agreement, a copy of which is attached as **Annex A** to this proxy statement/prospectus, and the shareholders' meeting. St. Jude Medical shareholders should read this information carefully and in its entirety. The enclosed voting materials allow shareholders to vote their shares without attending the shareholders' meeting in person.

**Q:**  
**Does my vote matter?**

**A:**  
**Yes. The mergers cannot be completed, unless the merger agreement is approved by St. Jude Medical's shareholders.** If you fail to submit a proxy or vote in person at the shareholders' meeting, or vote to abstain, or

you do not provide your bank, brokerage firm or other nominee with instructions, as applicable, it will have the same effect as a vote **"AGAINST"** approval of the merger agreement. The St. Jude Medical board of directors unanimously recommends that shareholders vote **"FOR"** approval of the merger agreement.

**Q:**  
**What am I being asked to vote on at the shareholders' meeting?**

**A:**  
You are being asked to consider and vote upon certain proposals related to the mergers between Abbott and St. Jude Medical and various other proposals related to St. Jude Medical's 2016 annual meeting of shareholders.

*Proposals Related to the Mergers.* With regard to the proposed mergers between Abbott and St. Jude Medical, you will be asked to consider and vote upon: Proposal 1 to approve the merger agreement; Proposal 2 to approve, by advisory (non-binding) vote, certain compensation arrangements for St. Jude Medical's named executive officers in connection with the merger contemplated by the merger agreement; and Proposal 9 to adjourn the shareholders' meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the shareholders' meeting to approve the merger agreement.

*St. Jude Medical Annual Meeting Matters.* Because St. Jude Medical has delayed its previously scheduled annual meeting, you will also be asked to consider and vote upon: Proposal 3 to elect three members to the St. Jude Medical board of directors for terms ending

in 2019; Proposal 4 to approve

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by advisory (non-binding) vote the compensation of St. Jude Medical's named executive officers in 2015; Proposal 5 to approve the St. Jude Medical, Inc. 2016 Stock Incentive Plan; Proposal 6 to approve amendments to St. Jude Medical's articles of incorporation and bylaws to declassify the St. Jude Medical board of directors, which we refer to as the declassification proposal; Proposal 7 to approve amendments to St. Jude Medical's bylaws to implement proxy access; Proposal 8 to ratify the appointment of Ernst & Young LLP as St. Jude Medical's independent registered public accounting firm for 2016; and Proposal 10, a shareholder proposal regarding supermajority voting if properly presented at the meeting.

**Q:**  
**How does the St. Jude Medical board of directors recommend that I vote at the shareholders' meeting?**

**A:**  
The St. Jude Medical board of directors unanimously recommends that St. Jude Medical shareholders vote "**FOR**" Proposal 1 to approve the merger agreement, and "**FOR**" Proposals 2 through 9.

Additionally, the St. Jude Medical board of directors unanimously recommends that shareholders vote "**AGAINST**" Proposal 10, the shareholder proposal regarding supermajority voting if properly presented at the meeting.

**Q:**  
**What is the vote required to approve each proposal at the St. Jude Medical shareholders' meeting?**

**A:**  
Approval of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding St. Jude Medical shares entitled to vote thereon.

Approval of the declassification proposal requires the affirmative vote of the holders of at least 80% of the outstanding St. Jude Medical shares entitled to vote thereon.

Generally, the election of directors requires that the number of votes cast "**FOR**" a director exceeds the number of votes cast "**AGAINST**" the election of that director, so long as a quorum is present. However, in a contested election directors are elected by a plurality of votes present and entitled to vote thereon.

Approval of each other proposal requires the affirmative vote of a majority of St. Jude Medical shares present and entitled to vote thereon, so long as the number of shares voted "**FOR**" such proposal is greater than 25% of the outstanding St. Jude Medical shares entitled to vote thereon and a quorum is present at the outset of the shareholders' meeting.

See the section entitled "Information about the Shareholders' Meeting Required Vote."

**Q:**  
**What constitutes a quorum for the shareholders' meeting?**

**A:**  
The presence in person or by proxy of the holders of a majority of St. Jude Medical shares entitled to vote at the shareholders' meeting constitutes a quorum for the transaction of business at the shareholders' meeting. Abstentions and broker "non-votes" (as discussed below) are counted as present and entitled to vote for the purpose of establishing a quorum. Except with regards to the proposal to elect directors, abstentions will be counted as present and entitled to vote for the purpose of determining the approval of a matter. Broker "non-votes" on any matter will not be considered as present and entitled to vote for the purpose of determining the approval of such matter.



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**Q:**

**What is the effect of failing to submit a proxy or vote in person at the shareholders' meeting, or voting to abstain, or not providing my bank, brokerage firm or other nominee with voting instructions on approval of each proposal?**

**A:**

*Shareholders of Record and Beneficial Owners.* Because the votes required to approve the merger agreement and the declassification proposal are both based on the number of outstanding St. Jude Medical shares, if you fail to submit a proxy or attend the shareholders' meeting, or vote to abstain, or you do not provide your bank, brokerage firm or other nominee with instructions, as applicable, it will have the same effect as a vote "**AGAINST**" each of these proposals.

*Shareholders of Record.* If you are a record holder of St. Jude Medical shares and your shares are present (in person or by proxy) at the shareholders' meeting but you do not vote your shares and attend in person or vote to abstain in person or by proxy, it will have the effect of a vote "**AGAINST**" each such proposal on which you did not vote or voted to abstain, except in the case of electing directors to the St. Jude Medical board of directors on which failure to vote or abstention will have no effect.

Except with regards to the proposal to approve the merger agreement and the declassification proposal, if you are the record holder of your St. Jude Medical shares and you fail to submit a proxy or attend the shareholders' meeting, your St. Jude Medical shares will not be voted, but this will not have an effect on the votes to approve these proposals (other than resulting in failure to establish a quorum at the outset of the meeting).

*Beneficial Owners.* Except with regards to the proposal to approve the merger agreement and the declassification proposal, if your St. Jude Medical shares are held through a benefit or compensation plan or in street name and you do not instruct your bank, brokerage firm or other nominee to

vote your shares, it will have no effect on approval of the other proposals.

See the section entitled "Information About the Shareholders' Meeting Required Vote."

**Q:**

**Why did the St. Jude Medical board of directors approve the merger agreement and the transactions contemplated by the merger agreement, including the mergers?**

**A:**

To review the St. Jude Medical board of directors' reasons for approving and recommending approval of the merger agreement and the transactions contemplated by the merger agreement, including the mergers, see the section entitled "Proposal 1: The Mergers St. Jude Medical Board of Directors' Recommendations and Reasons for the Mergers."

**Q:**

**What will I receive if the mergers are completed?**

**A:**

If the mergers are completed, each St. Jude Medical share issued and outstanding immediately prior to the completion of the first merger will be converted into the right to receive (i) \$46.75 in cash and (ii) 0.8708 of an Abbott share, in each case, less any applicable withholding taxes. We refer to (i) and (ii) together as the per share merger consideration. The per share merger consideration is subject to adjustment in certain limited circumstances. See the section entitled "Proposal 1: The Mergers Per Share Merger Consideration." We refer to the 0.8708 of an Abbott share as the exchange ratio.

**Q:**

**What happens if I am entitled to receive a fraction of an Abbott share as part of the per share merger consideration?**

**A:**

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If the aggregate number of Abbott shares that you are entitled to receive as part of the per share merger consideration includes a fraction of an Abbott share, you will receive cash in respect of that fractional share, as described in the section entitled "The Merger Agreement Effective Times,

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Effects of the Mergers; Organizational Documents of the Surviving Company; Directors and Officers."

**Q:**

**What is the value of the per share merger consideration?**

**A:**

The exact value of the per share merger consideration that St. Jude Medical shareholders receive will depend on the price for Abbott shares at the effective time of the first merger, which we refer to as the first effective time. That price will not be known at the time of the shareholders' meeting and may be different than the current price or the price at the time of the shareholders' meeting. Based on the closing price on the New York Stock Exchange, which we refer to as the NYSE, for Abbott shares of \$43.83 on April 27, 2016, the last trading day before public announcement of the mergers, and assuming that the per share merger consideration is not adjusted, the value of the per share merger consideration would be \$84.92 for each St. Jude Medical share. Based on the closing price on the NYSE for Abbott shares of \$[ ] on [ ], 2016, the latest practicable trading date before the mailing of this proxy statement/prospectus, the value of the per share merger consideration would be \$[ ] for each St. Jude Medical share. We urge you to obtain current market quotations for Abbott shares and St. Jude Medical shares.

**Q:**

**What will holders of St. Jude Medical equity awards receive in the mergers?**

**A:**

*Stock Options.* Certain St. Jude Medical options will be deemed exercised upon the occurrence of the mergers, which we refer to as surrendered St. Jude Medical options, and others will be assumed by Abbott and converted into similar Abbott options. Additionally, Abbott may elect to treat some or all St. Jude Medical options which otherwise would be assumed and converted into Abbott options as surrendered St. Jude Medical options, and deem them exercised upon the occurrence of the mergers. See the section entitled "The Merger Agreement

Treatment of St. Jude Medical Equity Awards."

*Restricted Share Awards.* Each St. Jude Medical restricted share award that is outstanding immediately prior to the first effective time will vest as of the first effective time and be canceled and converted into the right to receive the per share merger consideration with respect to each St. Jude Medical share subject to such restricted share award, less applicable withholding taxes.

*Restricted Stock Units.* Certain St. Jude Medical restricted stock unit awards, or St. Jude Medical RSU awards, will be canceled and converted into the right to receive the per share merger consideration, which we refer to as surrendered St. Jude Medical RSU awards, and others will be assumed by Abbott and converted into similar Abbott RSU awards. Additionally, Abbott may elect to treat some or all St. Jude Medical RSU awards which otherwise would be assumed and converted into Abbott RSUs as surrendered St. Jude Medical RSU awards, cancel such surrendered St. Jude Medical RSU awards and convert them into the per share merger consideration. See the section entitled "The Merger Agreement Treatment of St. Jude Medical Equity Awards."

**Q:**

**What will happen to St. Jude Medical as a result of the mergers?**

**A:**

If the mergers are completed, the surviving company will become a wholly owned subsidiary of Abbott. As a result of the mergers, St. Jude Medical will no longer be a publicly held company. Following the mergers, St. Jude Medical shares will be delisted from the NYSE and deregistered under the Exchange Act.

**Q:**

**When do you expect the mergers to be completed?**

**A:**

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Subject to the satisfaction or waiver of the closing conditions described under the section entitled "The Merger Agreement Conditions to Completion of the Mergers",

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including approval of the merger agreement by St. Jude Medical shareholders at the shareholders' meeting, Abbott and St. Jude Medical expect that the mergers will be completed during the fourth quarter of 2016. However, it is possible that the mergers could be completed at a different time or not at all.

**Q:**

**What are the material U.S. federal income tax consequences of the mergers to St. Jude Medical shareholders?**

**A:**

The mergers, taken together, are intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which we refer to as the Code. It is a condition to completion of the mergers that each of Abbott and St. Jude Medical receive an opinion of nationally recognized outside counsel, dated as of the closing date, to the effect that the mergers, taken together, will qualify as a "reorganization" within the meaning of Section 368(a) of the Code. Accordingly, subject to the limitations, exceptions, representations, assumptions and qualifications described in the section entitled "Material U.S. Federal Income Tax Consequences," U.S. holders (as such term is defined below under "Material U.S. Federal Income Tax Considerations") of St. Jude Medical shares that receive the per share merger consideration (other than cash received in respect of fractional Abbott shares) in exchange for St. Jude Medical shares pursuant to the first merger will recognize gain (but not loss) in an amount equal to the lesser of (i) the amount by which the sum of the fair market value of Abbott shares and cash received by the U.S. holder exceeds such U.S. holder's adjusted tax basis in its St. Jude Medical shares surrendered and (ii) the amount of cash received by such U.S. holder. A St. Jude Medical shareholder will recognize gain or loss with respect to cash received in respect of a fractional Abbott share measured by the difference, if any, between the amount of cash received and the tax basis in such fractional share.

**St. Jude Medical shareholders should consult their own tax advisors regarding the particular tax consequences of the exchange of St. Jude Medical shares for the per share merger consideration in the first merger in light of their particular circumstances (including the application and effect of any state, local or foreign income and other tax laws). For a more detailed discussion of the material U.S. federal income tax consequences of the mergers to St. Jude Medical shareholders, see the section entitled "Material U.S. Federal Income Tax Consequences."**

**Q:**

**Assuming the mergers are completed, how will I receive the per share merger consideration to which I am entitled?**

**A:**

For each St. Jude Medical shareholder whose St. Jude Medical shares are held in book-entry form and will be converted into the right to receive the per share merger consideration at the first effective time, Abbott will cause the exchange agent to pay and deliver as promptly as practicable after the first effective time (i) the per share merger consideration, (ii) any fractional share cash amount and (iii) any dividends or distributions with respect to Abbott shares with a record date after the first effective time but prior to the time of delivery by the exchange agent, which we refer to as owed dividends or distributions.

For each St. Jude Medical shareholder of record whose St. Jude Medical shares are held in certificated form, which we refer to as St. Jude Medical share certificates, and will be converted into the right to receive the per share merger consideration at the first effective time, Abbott will cause the exchange agent, within four business days after the first effective time, to mail a letter of transmittal and instructions for surrendering such St. Jude Medical share certificates in exchange for the merger consideration. Upon surrender of a certificate representing St. Jude Medical shares and a duly executed letter of transmittal to the exchange agent in compliance with the instructions for surrender, Abbott will, in exchange for such certificates, cause the exchange agent to pay

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and deliver as promptly as practicable (i) the per share merger consideration, (ii) any fractional share cash amount and (iii) the amount of any owed dividends or distributions. **Please do not send your St. Jude Medical share certificates with your proxy card.**

See the section entitled "The Merger Agreement Exchange and Payment Procedures."

**Q:**  
**Will my Abbott shares received in the first merger receive a dividend?**

**A:**  
After the closing of the first merger, as a holder of Abbott shares, you will receive the same dividends on Abbott shares that all other holders of Abbott shares might receive based on a dividend record date that occurs after the mergers are completed.

While it cannot assure its future financial performance, Abbott anticipates continuing to pay dividends on its shares in the foreseeable future. Most recently, Abbott declared a quarterly dividend of \$0.26 per Abbott share, which will be paid on August 15, 2016 to holders of record on July 15, 2016. Under the terms of the merger agreement, Abbott is not permitted to pay any dividends or make any distributions with a record date after the date of the merger agreement and prior to completion of the mergers, other than its regular quarterly cash dividends on its shares in amounts consistent with past practice and declared and paid in a manner consistent with prior timing. See the section entitled "Comparative Per Share Market Price and Dividend Information" for a comparison of the historical dividend practices of Abbott and St. Jude Medical.

**Q:**  
**If the merger agreement is approved and the mergers are completed, will the other proposals to be voted on at the shareholders' meeting be binding on Abbott or the surviving company after completion of the mergers?**

**A:**  
If the merger agreement is approved and, upon satisfaction of all necessary conditions,

the mergers are completed, none of the other proposals (regardless of whether they were approved) will impose any continuing obligations on Abbott or the surviving company.

**Q:**  
**Why am I being asked to consider and vote on a proposal to approve, by advisory (non-binding) vote, certain compensation arrangements for St. Jude Medical's named executive officers generally and in connection with the merger?**

**A:**  
Under SEC rules, St. Jude Medical is required to seek an advisory (non-binding) vote with respect to the shareholders' compensation of its named executive officers in 2015 and with respect to compensation that may be paid or become payable to its named executive officers that is based on, or otherwise relates to, the mergers.

**Q:**  
**What will happen if St. Jude Medical shareholders do not approve the merger-related compensation proposal?**

**A:**  
Approval of the compensation that may be paid or become payable to St. Jude Medical's named executive officers that is based on, or otherwise relates to, the mergers is not a condition to completion of the mergers. The vote is an advisory vote and will not be binding on St. Jude Medical or the surviving company after the mergers. If the mergers are completed, the merger-related compensation may be paid to St. Jude Medical's named executive officers to the extent payable in accordance with the terms of their compensation agreements and arrangements even if St. Jude Medical shareholders do not approve, by advisory (non-binding) vote, the merger-related compensation.

**Q:**



**Do any of St. Jude Medical's directors or executive officers have interests in the merger that may differ from those of St. Jude Medical shareholders?**

A:

St. Jude Medical's non-employee directors and executive officers have certain interests in the merger that may be different from, or

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in addition to, the interests of St. Jude Medical shareholders generally. The St. Jude Medical board of directors was aware of and considered these interests, among other matters, in evaluating the merger agreement and the merger, and in recommending that St. Jude Medical shareholders approve the merger agreement. For a description of these interests, refer to the section entitled "Interests of St. Jude Medical's Directors and Executive Officers in the Mergers."

**Q:**

**Who can vote at the shareholders' meeting?**

**A:**

All holders of record of St. Jude Medical shares as of the close of business on [ ], the record date for the shareholders' meeting, which we refer to as the record date, are entitled to receive notice of, and to vote at, the shareholders' meeting. Each holder of St. Jude Medical shares is entitled to cast one vote on each matter properly brought before the shareholders' meeting for each St. Jude Medical share that such holder owned of record as of the record date.

**Q:**

**When and where is the shareholders' meeting?**

**A:**

The shareholders' meeting will be held on [ ], at [ ] (Central Time), at [ ] located at [ ]. The location is accessible to handicapped persons. If you wish to attend the meeting in person, you will need to register for the shareholders' meeting and print your admission ticket at [www.proxyvote.com](http://www.proxyvote.com). An admission ticket and a form of valid government-issued photo identification must be presented in order to be admitted to the shareholders' meeting.

**Q:**

**What is the difference between holding shares as a shareholder of record and as a beneficial owner?**

**A:**

You are a "shareholder of record" if your shares are registered directly in your name with St. Jude Medical's transfer agent, Wells Fargo Shareowner Services. As the

shareholder of record, you have the right to vote in person at the shareholders' meeting. You may also vote by Internet or telephone, as described in the notice and below under the heading "How do I vote?" You are deemed to beneficially own shares in "street name" if your shares are held by a bank, brokerage firm or other nominee or other similar organization. Your bank, brokerage firm or other nominee will send you, as the beneficial owner, a package describing the procedure for voting your shares. You should follow the instructions provided by your bank, brokerage firm or other nominee to vote your shares. You are invited to attend the shareholders' meeting; however, you may not vote your shares in person at the shareholders' meeting unless you obtain a "legal proxy" from your bank, brokerage firm or other nominee that holds your shares, giving you the right to vote the shares at the shareholders' meeting.

**Q:**

**If my St. Jude Medical shares are held in street name by my bank, brokerage firm or other nominee, will my bank, brokerage firm or other nominee automatically vote those shares for me?**

**A:**

Absent voting instructions from a beneficial holder, under the rules of the NYSE, banks, brokerage firms and other nominees do not have discretionary authority to vote on "non-routine" matters. Therefore, if you do not instruct your bank, brokerage firm or other nominee how to vote, your bank, brokerage firm or other nominee will not be permitted to vote your St. Jude Medical shares on any of the proposals to be considered at the shareholders' meeting, except for the proposal to ratify the appointment of Ernst & Young LLP as St. Jude Medical's independent registered public accounting firm for 2016.

When a bank, brokerage firm returns a valid proxy but has not received voting instructions and does not have or discretionary authority to vote on a particular proposal, a so-called broker "non-vote" occurs.



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A broker "non-vote" will have the same effect as a vote "**AGAINST**" approval of the merger agreement and "**AGAINST**" the declassification proposal. However, not instructing your bank, brokerage firm or other nominee will not have an effect on approval of the other proposals to be voted on at the shareholders' meeting.

To assure your shares are voted on all of the proposals to be considered at the shareholders' meeting, you should follow the procedures provided by your bank, brokerage firm or other nominee regarding the voting of your St. Jude Medical shares.

**Q:**

**How many votes do I have?**

**A:**

Each St. Jude Medical shareholder is entitled to one vote for each St. Jude Medical share held of record as of the close of business on the record date.

As of the close of business on the record date, there were [ ] St. Jude Medical shares outstanding. As summarized above, there are some important distinctions between shares held of record and those owned beneficially in street name.

**Q:**

**How do I vote?**

**A:**

*Shareholders of Record.* If you are a shareholder of record, you can vote in the following ways:

By Internet: by following the Internet voting instructions on the notice or proxy card at any time up until [ ] (Central Time) on [ ], 2016;

By Telephone: by following the telephone voting instructions included in the notice or proxy card at any time up until [ ] (Central Time) on [ ], 2016; or

By Mail: by marking, dating and signing your proxy card in accordance with the instructions on it and returning it by mail in the preaddressed reply envelope provided with the proxy materials. The proxy card must be received prior to the shareholders' meeting.

In Person: If you satisfy the admission requirements to the shareholders' meeting, as described above under the heading "When and where is the shareholders' meeting?", you may vote your shares in person at the meeting. Even if you plan to attend the shareholders' meeting, we encourage you to vote in advance by Internet, telephone or mail so that your vote will be counted in the event you later decide not to attend the shareholders' meeting.

*Beneficial Owners.* If your St. Jude Medical shares are held through a benefit or compensation plan or in street name, your plan trustee or your bank, broker or other nominee should give you instructions for voting your shares; however, the due dates for providing your vote to your plan trustee or your bank, broker or other nominee may differ from those set out in this proxy statement/prospectus for record holders. You should follow the instructions provided by your bank, brokerage firm or other nominee to vote your shares. If you satisfy the admission requirements to the shareholders' meeting, as described above under the heading "When and where is the shareholders' meeting?", you may attend the shareholders' meeting; however, you may not vote your shares in person at the shareholders' meeting unless you obtain a "legal proxy" from your bank, brokerage firm or other nominee that holds your shares, giving you the right to vote the shares at the shareholders' meeting. Shares held through a benefit or compensation plan cannot be voted in person at the shareholders' meeting.

**Q:**

**How can I change or revoke my vote?**

**A:**

If you are a shareholder of record, you may change your vote or revoke your proxy by:

filing a written statement to that effect with St. Jude Medical's corporate secretary, at or before the taking of the vote at the shareholders' meeting;

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voting again via the Internet or telephone at a later time before the closing of those voting facilities at [ ] (Central Time) on [ ], 2016;

submitting a properly signed proxy card with a later date that is received at or prior to the shareholders' meeting; or

attending the shareholders' meeting, revoking your proxy and voting in person.

The written statement or subsequent proxy should be delivered to St. Jude Medical, Inc., One St. Jude Medical Drive, St. Paul, MN 55117, Attention: Corporate Secretary, or hand delivered to the Corporate Secretary, before the taking of the vote at the shareholders' meeting. If you are a beneficial owner and hold shares through a broker, bank or other nominee, you may submit new voting instructions by contacting your broker, bank or other nominee. You may also change your vote or revoke your voting instructions in person at the shareholders' meeting if you obtain a signed proxy from your broker, bank or other nominee giving you the right to vote the shares.

**Q:**

**If a shareholder gives a proxy, how are the St. Jude Medical shares voted?**

**A:**

Regardless of the method you choose to vote, the individuals named on the enclosed proxy card will vote your St. Jude Medical shares in the way that you indicate. When completing the Internet or telephone processes or the proxy card, you may specify whether your St. Jude Medical shares should be voted "**FOR**" or "**AGAINST**" or to "**ABSTAIN**" from voting on all, some or none of the specific items of business to come before the shareholders' meeting.

If you properly sign your proxy card but do not mark the boxes showing how your shares should be voted on a matter, the shares represented by your properly signed proxy will be voted "**FOR**" approval of the merger agreement, "**AGAINST**" the

shareholder proposal regarding supermajority voting if properly presented at the meeting and "**FOR**" all of the other proposals to be voted on at the shareholders' meeting as listed in this proxy statement/prospectus.

**Q:**

**What should I do if I receive more than one set of voting materials?**

**A:**

If you hold St. Jude Medical shares in street name and also directly as a record holder or if you hold St. Jude Medical shares in more than one brokerage account, you may receive more than one set of voting materials relating to the shareholders' meeting. Please complete, sign, date and return each proxy card (or cast your vote by telephone or Internet as provided on your proxy card) or otherwise follow the voting instructions provided in this proxy statement/prospectus in order to ensure that all of your St. Jude Medical shares are voted. If you hold your shares in "street name" through a bank, brokerage firm or other nominee, you should follow the procedures provided by your bank, brokerage firm or other nominee to vote your shares.

**Q:**

**What happens if I sell my St. Jude Medical shares either before the shareholders' meeting or after the shareholders' meeting but before the first effective time?**

**A:**

The record date is earlier than both the date of the shareholders' meeting and the first effective time. If you transfer your St. Jude Medical shares after the close of business on the record date but before the shareholders' meeting, you will, unless the transferee requests a proxy from you, retain your right to vote at the shareholders' meeting but will transfer the right to receive the per share merger consideration to the person to whom you transfer your shares. In order to receive the per share merger consideration, you must

hold your shares at the first effective time.

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**Q:**

**Who will solicit and pay the cost of soliciting proxies?**

**A:**

St. Jude Medical has engaged Innisfree M&A Incorporated at an estimated cost of \$50,000, plus reimbursement of reasonable expenses, to assist in the solicitation of proxies from brokers, nominees, institutions and individuals. Proxies may also be solicited on St. Jude Medical's behalf by St. Jude Medical's directors, officers or employees (for no additional compensation). Arrangements will also be made with custodians, nominees and fiduciaries for forwarding a notice or printed proxy materials, as applicable, to beneficial owners of shares held of record by such custodians, nominees and fiduciaries, and St. Jude Medical will reimburse such custodians, nominees and fiduciaries for reasonable expenses incurred in connection therewith.

**Q:**

**Where can I find the voting results of the shareholders' meeting?**

**A:**

The preliminary voting results will be announced at the shareholders' meeting. In addition, within four business days following certification of the final voting results, St. Jude Medical intends to file the final voting results with the SEC on a Current Report on Form 8-K.

**Q:**

**Am I entitled to exercise dissenters' rights instead of receiving the per share merger consideration for my St. Jude Medical shares?**

**A:**

St. Jude Medical shareholders who do not vote in favor of the mergers are entitled to dissenters' rights under Sections 302A.471 and 302A.473 of the Minnesota Business Corporation Act, which we refer to as the MBCA, provided they follow the procedures and satisfy the conditions set forth in Sections 302A.471 and 302A.473 of the MBCA (and any procedures set out by St. Jude Medical in accordance with such sections, including, among other things, surrendering of stock certificates or compliance with transfer restrictions). For more information regarding dissenters'

rights, see the section entitled "Dissenters' Rights of St. Jude Medical Shareholders". In addition, a copy of Sections 302A.471 and 302A.473 of the MBCA are attached as **Annex F** to this proxy statement/prospectus.

**Q:**

**Are there any risks that I should consider in deciding whether to vote for approval of the merger agreement?**

**A:**

Yes. You should read and carefully consider the risk factors set forth in the section entitled "Risk Factors." You also should read and carefully consider the risk factors of Abbott and St. Jude Medical contained in the documents that are incorporated by reference into this proxy statement/prospectus.

**Q:**

**What are the conditions to completion of the mergers?**

**A:**

In addition to the approval of the merger agreement by St. Jude Medical shareholders as described above, completion of the mergers is subject to the satisfaction of a number of other conditions, including the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which we refer to as the HSR Act, and all applicable filings, registrations, waiting periods (or extensions thereof) and approvals under each applicable competition law of specified jurisdictions relating to the transactions contemplated by the merger agreement must have been made, expired, terminated or obtained, as the case may be. Additionally, among other things, completion of the mergers is conditioned on the accuracy of representations and warranties made in the merger agreement (subject to the materiality standards set forth in the merger agreement), Abbott's and St. Jude Medical's performance of all of their respective obligations under the merger agreement in all material respects, the effectiveness of the registration statement on Form S-4 of which this proxy statement/prospectus forms a part (and the absence of any stop order by the SEC),





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approval of the listing on the NYSE of the Abbott shares to be issued in the first merger, the absence of an injunction or other order prohibiting the mergers, the absence of a material adverse effect (as defined in the merger agreement) on either St. Jude Medical or Abbott and the receipt by each of Abbott and St. Jude Medical of an opinion of nationally recognized outside counsel, dated as of the closing date, to the effect that the mergers, taken together, will qualify as a "reorganization" within the meaning of Section 368(a) of the Code.

For a more complete summary of the conditions that must be satisfied or waived prior to completion of the merger, see the section entitled "The Merger Agreement Conditions to Completion of the Mergers."

**Q:**

**What happens if the mergers are not completed?**

**A:**

If the merger agreement is not approved by St. Jude Medical shareholders or if the mergers are not completed for any other reason, St. Jude Medical shareholders will not receive any consideration for their St. Jude Medical shares. Instead, St. Jude Medical will remain an independent public

company and St. Jude Medical shares will continue to be listed and traded on the NYSE and registered under the Exchange Act. St. Jude Medical is required to pay Abbott a termination fee of \$685 million if the merger agreement is terminated in certain circumstances. For a more complete summary of the circumstances in which St. Jude Medical will be required to pay a termination fee to Abbott if the mergers are not completed, see the section entitled "The Merger Agreement Termination of the Merger Agreement Termination Fee".

**Q:**

**Who can help answer any other questions I have?**

**A:**

If you have additional questions about the mergers or merger agreement, need assistance in submitting your proxy or voting your St. Jude Medical shares, or need additional copies of this proxy statement/prospectus or the enclosed proxy card, please contact Innisfree M&A Incorporated, St. Jude Medical's proxy solicitor, by calling (877) 456-3524 (toll-free for shareholders) or (212) 750-5833 (collect for banks and brokers).

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**SUMMARY**

The following summary highlights selected information in this proxy statement/prospectus and may not contain all the information that may be important to you as a St. Jude Medical shareholder. Accordingly, we encourage you to read carefully this entire proxy statement/prospectus, its annexes and the documents referred to in this proxy statement/prospectus. Each item in this summary includes a page reference directing you to a more complete description of that topic. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions under the section entitled "Where You Can Find More Information".

**The Parties to the Mergers**

(Page 50)

*St. Jude Medical, Inc.*

St. Jude Medical, Inc., a Minnesota corporation, is a leading global medical device manufacturer and is dedicated to transforming the treatment of some of the world's most expensive epidemic diseases. St. Jude Medical does this by developing cost-effective medical technologies that save and improve lives of patients around the world. St. Jude Medical employs approximately 18,000 people worldwide and has five major areas of focus that include heart failure, atrial fibrillation, neuromodulation, traditional cardiac rhythm management and cardiovascular. St. Jude Medical shares are listed on the NYSE under the symbol "STJ."

*Abbott Laboratories*

Abbott Laboratories, an Illinois corporation, is a global healthcare company devoted to improving life through the development of products and technologies that span the breadth of healthcare. With a portfolio of leading, science-based offerings in diagnostics, medical devices, nutritionals and branded generic pharmaceuticals, Abbott serves people in more than 150 countries and employs approximately 74,000 people. Abbott shares are listed on the NYSE under the symbol "ABT." Abbott shares are also listed on the Chicago Stock Exchange and traded on various regional and electronic exchanges. Outside of the United States, Abbott shares are listed on the London Stock Exchange and the SIX Swiss Exchange. The ticker symbol for Abbott shares on such other exchanges is also "ABT."

*Vault Merger Sub, Inc. and Vault Merger Sub, LLC*

Vault Merger Sub, Inc., a Delaware corporation, and Vault Merger Sub, LLC, a Delaware limited liability company, are each wholly owned subsidiaries of Abbott and were formed solely for the purpose of facilitating the mergers. Neither Vault Merger Sub, Inc. nor Vault Merger Sub, LLC has carried on any activities or operations to date, except for those activities incidental to their formation and undertaken in connection with the transactions contemplated by the merger agreement.

**The Mergers and the Merger Agreement**

(Pages 51, 86 and Annex A)

The terms and conditions of the mergers are contained in the merger agreement, a copy of which is attached as **Annex A** to this proxy statement/prospectus. We encourage you to read the merger agreement carefully and in its entirety, as it is the legal document that governs the mergers.

Pursuant to and subject to the limitations contained in the merger agreement, two mergers will occur: Vault Merger Sub, Inc. will merge with and into St. Jude Medical, with St. Jude Medical surviving the first merger as a wholly owned subsidiary of Abbott, and promptly thereafter St. Jude Medical will merge with and into Vault Merger Sub, LLC, with Vault Merger Sub, LLC surviving the second merger as a wholly owned subsidiary of Abbott.

**Per Share Merger Consideration**

(Page 51)

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Upon completion of the first merger, each St. Jude Medical share issued and outstanding immediately prior to the first effective time

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(other than those shares owned by Abbott or by any subsidiary of Abbott or of St. Jude Medical, or with respect to which dissenters' rights have been properly exercised in accordance with the MBCA) will automatically be converted into the right to receive the per share merger consideration. The per share merger consideration is subject to adjustment in certain limited circumstances and cash will be paid in respect of any fractional Abbott shares to which a St. Jude Medical shareholder would otherwise be entitled. See the sections entitled "Proposal 1: The Mergers Per Share Merger Consideration" and "The Merger Agreement Effective Times, Effects of the Mergers; Organizational Documents of the Surviving Company; Directors and Officers."

In the event that, prior to the first effective time, the outstanding St. Jude Medical shares or Abbott shares are changed into a different number of shares or a different class of shares by reason of any reclassification, stock split (including a reverse stock split), recapitalization, split-up, combination, exchange of shares, readjustment, or other similar transaction, or a stock dividend thereon is declared with a record date within said period, then the exchange ratio will be appropriately adjusted to provide St. Jude Medical's shareholders and equity award holders the same economic effect as prior to the event.

**Treatment of St. Jude Medical Equity Awards**

(Page 90)

*Treatment of Stock Options*

As described below, certain St. Jude Medical options will be deemed exercised upon the occurrence of the mergers and others will be assumed by Abbott and converted into similar Abbott options. Additionally, Abbott may elect to treat some or all St. Jude Medical options which otherwise would be assumed and converted into Abbott options as surrendered St. Jude Medical options and deem them exercised upon the occurrence of the mergers.

Each surrendered St. Jude Medical option will be deemed exercised pursuant to a cashless exercise and settled by the deemed issuance of a number of St. Jude Medical shares (rounded

down to the nearest whole share, but with any partial shares otherwise issuable settled in cash) equal to the difference of (i) the number of St. Jude Medical shares subject to such surrendered St. Jude Medical option as of immediately prior to the first effective time minus (ii) the number of whole and partial (computed to the nearest four decimal places) St. Jude Medical shares that, when multiplied by the "Fair Market Value" (as defined in the applicable plan providing for such award), is equal to the aggregate exercise price of such surrendered St. Jude Medical option. Each St. Jude Medical share deemed issued pursuant to the deemed option exercise will be converted into the right to receive the per share merger consideration, less applicable withholding taxes.

Additionally, each option to purchase St. Jude Medical shares granted under a St. Jude Medical share plan and any other compensatory option to purchase St. Jude Medical shares (excluding any option granted under certain employee stock purchase plans) that is outstanding immediately prior to the first effective time and is not a surrendered St. Jude Medical option will be assumed by Abbott and converted into an option to acquire, on substantially the same terms and conditions, a number of Abbott shares equal to the product (rounded down to the nearest whole share) of (i) the number of St. Jude Medical shares subject to such option multiplied by (ii) the stock award exchange ratio (as defined in the merger agreement), at an exercise price per Abbott share equal to the quotient (rounded up to the nearest whole cent) of (a) the per share exercise price for the St. Jude Medical shares subject to such assumed option as of immediately prior to the first effective time divided by (b) the stock award exchange ratio. Further, the vesting of each such converted option, to the extent then unvested, will accelerate in full upon the second anniversary of the first effective time if the holder of such award remains employed with Abbott or any of its subsidiaries through such date.

*Treatment of Restricted Share Awards*

Each St. Jude Medical restricted share award that is outstanding immediately prior to

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the first effective time will vest as of the first effective time and be canceled and converted into the right to receive the per share merger consideration with respect to each St. Jude Medical share subject to such restricted share award, less applicable withholding taxes.

*Treatment of Restricted Stock Units*

As described below, certain St. Jude Medical restricted stock unit awards, or St. Jude Medical RSU awards, will be canceled and converted into the right to receive the per share merger consideration and others will be assumed by Abbott and converted into similar Abbott RSUs. Additionally, Abbott may elect to treat some or all St. Jude Medical RSU awards which otherwise would be assumed and converted into Abbott RSUs as surrendered St. Jude Medical RSU awards, cancel such surrendered St. Jude Medical RSU awards and convert them into the per share merger consideration.

At the first effective time, each surrendered St. Jude Medical RSU award will be canceled and converted into the right to receive the per share merger consideration (or, with respect to such surrendered St. Jude Medical RSU awards that are settled in cash under their existing terms, the cash equivalent thereof) with respect to each St. Jude Medical share subject to such surrendered St. Jude Medical RSU awards, less applicable withholding taxes.

Additionally, at the first effective time, each St. Jude Medical RSU award that (i) is outstanding immediately prior to the first effective time and (ii) is not a surrendered St. Jude Medical RSU award will be assumed by Abbott and converted into an Abbott RSU award, with substantially the same terms and conditions as were applicable to such St. Jude Medical RSU award, for a number of Abbott shares equal to the product (rounded to the nearest whole share) of (a) the number of St. Jude Medical shares subject to such St. Jude Medical RSU award multiplied by (b) the stock award exchange ratio (as defined in the merger agreement). Further, the vesting of each such assumed RSU award, to the extent then unvested, will accelerate in full upon the second anniversary of the first effective time if the

holder of such award remains employed by Abbott or any of its subsidiaries. Upon vesting, settlement will occur at such time as is permitted by applicable law and will be subject to applicable withholding taxes.

**Financing of the Mergers**

(Page 81)

Abbott expects to fund the cash portion of this transaction with available cash and a combination of medium- and long-term debt.

Abbott has obtained a debt commitment letter, which we refer to as the debt commitment letter, from Merrill Lynch, Pierce, Fenner & Smith Incorporated and Bank of America, N.A., and certain other financial institutions which we refer to as the commitment parties, pursuant to which the commitment parties have agreed to provide a \$17.2 billion senior unsecured bridge facility, which we refer to as the bridge facility. The bridge facility is comprised of two tranches: (i) a \$15.2 billion, 364-day unsecured bridge term loan tranche and (ii) a \$2.0 billion, 120-day unsecured bridge term loan tranche.

The obligation of the commitment parties to provide debt financing under the debt commitment letter is subject to a number of conditions. Abbott's obligation to complete the mergers is not conditioned upon the receipt of any financing.

**St. Jude Medical Board of Directors' Recommendation and Reasons for the Mergers**

(Page 56)

After careful consideration, the St. Jude Medical board of directors unanimously recommends that St. Jude Medical shareholders vote (1) **"FOR"** the proposal to adopt the merger agreement, (2) **"FOR"** the proposal to approve, on an advisory (non-binding) basis, the compensation that may be paid or become payable to St. Jude Medical's named executive officers in connection with the mergers and the agreements and understandings pursuant to which such compensation may be paid or become payable, and (3) **"FOR"** the proposal to adjourn the St. Jude Medical annual meeting, if

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necessary or appropriate, to solicit additional proxies in favor of the proposal to adopt the merger agreement. For a more complete discussion of the factors that the St. Jude Medical board of directors considered, see "Proposal 1: The Mergers St. Jude Medical Board of Directors Recommendation and Reasons for the Mergers."

**Opinion of St. Jude Medical's Financial Advisor**

*(Page 60 and Annex E)*

St. Jude Medical retained Guggenheim Securities, LLC (which we refer to as Guggenheim Securities) to act as its financial advisor in connection with the potential sale of St. Jude Medical. Guggenheim Securities delivered an opinion to the St. Jude Medical board of directors to the effect that, as of April 27, 2016 and based on the matters considered, the procedures followed, the assumptions made and various limitations of and qualifications to the review undertaken, the per share merger consideration to be received in the first merger by holders of St. Jude Medical common stock was fair, from a financial point of view, to such holders. The full text of Guggenheim Securities' written opinion, which is attached as **Annex E** to this proxy statement/prospectus and which you should read carefully and in its entirety, is subject to the assumptions, limitations, qualifications and other conditions contained in such opinion and is necessarily based on economic, capital markets and other conditions, and the information made available to Guggenheim Securities, as of the date of such opinion.

**Guggenheim Securities' opinion was provided to the St. Jude Medical board of directors (in its capacity as such) for its information and assistance in connection with its evaluation of the per share merger consideration. Guggenheim Securities' opinion and any materials provided in connection therewith did not constitute a recommendation to the St. Jude Medical board of directors with respect to the mergers, nor does Guggenheim Securities' opinion constitute advice or a recommendation to any shareholder as to how to vote in connection with the mergers or**

**otherwise. Guggenheim Securities' opinion addresses only the fairness, from a financial point of view and as of its date, of the per share merger consideration to the extent expressly specified in Guggenheim Securities' opinion and Guggenheim Securities did not express any view or opinion as to any other term, aspect or implication of the mergers or the merger agreement (including, without limitation, the form or structure of the mergers or the potential adjustment to the aggregate cash consideration as set forth in the merger agreement) or any other agreement, transaction document or instrument contemplated by the merger agreement or to be entered into or amended in connection with the mergers.** For a description of the opinion that the St. Jude Medical board of directors received from Guggenheim Securities, see "Proposal 1: The Mergers Opinion of St. Jude Medical's Financial Advisor."

**Information About the Shareholders' Meeting**

*(Page 46)*

*Time, Place and Purpose of the Shareholders' Meeting*

St. Jude Medical's 2016 annual meeting of shareholders, which we refer to as the shareholders' meeting, is being convened to, among other things, vote upon approval of the merger agreement and will be held on [ ], 2016, at [ ] (Central Time). The meeting will be held at [ ]. The location is accessible to handicapped persons.

Attendance at the shareholders' meeting will be limited to St. Jude Medical shareholders as of the close of business on the record date or their authorized representatives. If you wish to attend the meeting in person, you will need to register for the shareholders' meeting and print your admission ticket at [www.proxyvote.com](http://www.proxyvote.com). An admission ticket and a form of valid government-issued photo identification must be presented in order to be admitted to the shareholders' meeting. See the section entitled "Information About the Shareholders' Meeting."

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At the shareholders' meeting, St. Jude Medical shareholders will be asked to consider and vote upon: Proposal 1 to approve the merger agreement; Proposal 2 to approve, by advisory (non-binding) vote, certain compensation arrangements for St. Jude Medical's named executive officers in connection with the mergers contemplated by the merger agreement; Proposal 3 to elect three members to the St. Jude Medical board of directors for terms ending in 2019; Proposal 4 to approve by advisory (non-binding) vote the compensation of St. Jude Medical's named executive officers in 2015; Proposal 5 to approve the St. Jude Medical, Inc. 2016 Stock Incentive Plan; Proposal 6 to approve amendments to St. Jude Medical's articles of incorporation and bylaws to declassify the St. Jude Medical board of directors; Proposal 7 to approve amendments to St. Jude Medical's bylaws to implement proxy access; Proposal 8 to ratify the appointment of Ernst & Young LLP as St. Jude Medical's independent registered public accounting firm for 2016; Proposal 9 for adjournment of the shareholders' meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the shareholders' meeting to approve the merger agreement; Proposal 10, a shareholder proposal regarding supermajority voting if properly presented at the meeting; and any other business that may properly come before the meeting.

However, if the mergers are completed, none of the other proposals (regardless of whether they were approved) will impose any continuing obligations on Abbott or the surviving company.

### *Record Date and Quorum*

You are entitled to receive notice of, and to vote at, the shareholders' meeting if you are an owner of record of St. Jude Medical shares as of the close of business on [ ], 2016, the record date for the shareholders' meeting. As of the close of business on the record date, there were [ ] St. Jude Medical shares outstanding and entitled to vote. You will have one vote on all matters properly coming before the shareholders' meeting for each St. Jude

Medical share that you owned on the record date.

The presence, in person or represented by proxy, of holders of a majority of the outstanding St. Jude Medical shares entitled to vote at the shareholders' meeting constitutes a quorum for the transaction of business at the shareholders' meeting. Abstentions and broker "non-votes" are considered present for the purpose of establishing a quorum for transaction of business at the shareholders' meeting.

### *Required Vote*

Approval of the merger agreement requires the affirmative vote of the holders of at least a majority of the outstanding St. Jude Medical shares entitled to vote thereon.

Approval of the declassification proposal requires the affirmative vote of the holders of at least 80% of the outstanding St. Jude Medical shares entitled to vote thereon.

Generally, the election of directors requires that the number of votes cast "**FOR**" a director exceeds the number of votes cast "**AGAINST**" the election of that director, so long as a quorum is present at the outset of the meeting. However, in a contested election, where the number of director nominees exceeds the number of directors to be elected, directors are elected by a plurality of the votes present in person or by proxy and entitled to vote on the election of directors.

The approval of each other proposal to be voted on at the shareholders' meeting, requires the affirmative vote of a majority of the St. Jude Medical shares present (in person or by proxy) and entitled to vote on such proposal, so long as the total number of shares voted in favor of such proposal is greater than 25% of the outstanding St. Jude Medical shares entitled to vote thereon and a quorum is present.

Except with regards to the proposal to elect directors, abstentions will be counted as shares that are present and entitled to vote in determination of the approval of such matter. Broker "non-votes" on any matter will not be considered as present and entitled to vote for



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the purpose of determining the approval of such matter.

*Shareholders of Record and Beneficial Owners.* Because each of the affirmative votes required to approve the merger agreement and to approve the declassification proposal is based on the total number of outstanding St. Jude Medical shares, if you fail to submit a proxy or to attend the shareholders' meeting, or vote to abstain, or you do not provide your bank, brokerage firm or other nominee with instructions, as applicable, it will have the same effect as a vote "**AGAINST**" approval of each of these proposals.

If you submit a proxy but do not indicate how you wish to vote on a proposal, the shares represented by your proxy will be voted "**FOR**" approval of the merger agreement, "**AGAINST**" the shareholder proposal regarding supermajority voting if properly presented at the meeting and "**FOR**" each other proposal to be voted on at the shareholders' meeting as listed in this proxy statement/prospectus.

*Shareholders of Record.* If you are a record holder of St. Jude Medical shares and your shares are present at the shareholders' meeting (whether due to your presence at the meeting or representation of your shares by proxy at the meeting) but your shares are not voted in person or are voted to abstain, this will have the effect of a vote "**AGAINST**" each such proposal on which you did not vote in person or voted to abstain, except in the case of a vote to abstain on the proposal to elect three members to the St. Jude Medical board of directors for terms ending in June 2019, which will have no effect on the approval of such proposal.

Except with regards to the proposal to approve the merger agreement and the proposal to amend St. Jude Medical's articles of incorporation and bylaws to declassify the St. Jude Medical board of directors, if you are the record holder of your St. Jude Medical shares and you fail to submit a proxy or attend the shareholders' meeting, your St. Jude Medical shares will not be voted, but this will not have an effect on the votes to approve the proposals to be voted on at the shareholders' meeting (other than resulting in failure to establish a quorum at the outset of the meeting).

*Beneficial Owners.* Except with regards to the proposal to approve the merger agreement and the declassification proposal, if your St. Jude Medical shares are held through a benefit or compensation plan or in street name and you do not instruct your bank, brokerage firm or other nominee to vote your shares, it will have no effect on approval of the proposals to be voted on at the shareholders' meeting. Your shares will be counted as present and entitled to vote for purpose of establishing a quorum for transaction of business at the shareholders' meeting. See the section entitled, "Information About the Shareholders' Meeting Vote Required."

*Proxies and Revocations*

Any shareholder of record entitled to vote at the shareholders' meeting may submit a proxy by telephone, over the Internet, by returning the enclosed proxy card in the accompanying prepaid reply envelope or may vote in person by appearing at the shareholders' meeting. If your St. Jude Medical shares are held in "street name" through a bank, brokerage firm or other nominee, you should instruct your bank, brokerage firm or other nominee on how to vote your St. Jude Medical shares using the instructions provided by your bank, brokerage firm or other nominee. If you fail to submit a proxy or to vote in person at the shareholders' meeting, or do not provide your bank, brokerage firm or other nominee with instructions as to how to vote your shares, as applicable, it will have the same effect as a vote "**AGAINST**" approval of the merger agreement and approval of the declassification proposal.

You have the right to revoke a proxy, whether delivered over the Internet, by telephone or by mail, at any time before it is exercised, by voting again at a later date through any of the methods available to you, by attending the shareholders' meeting and voting in person, or by giving written notice of revocation to St. Jude Medical prior to the time the shareholders' meeting begins. Written notice of revocation should be mailed to: St. Jude Medical, Inc., One St. Jude Medical Drive, St. Paul, MN 55117, Attention: Corporate Secretary.

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**Interests of St. Jude Medical's Directors and Executive Officers in the Mergers**

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Non-employee directors and executive officers of St. Jude Medical have certain interests in the mergers that may be different from or in addition to the general interests of St. Jude Medical shareholders. These interests include, among others, potential severance benefits and other payments, the treatment of outstanding equity awards pursuant to the merger agreement and rights to ongoing indemnification and insurance coverage. The St. Jude Medical board of directors was aware of and considered those interests, among other matters, in reaching its decision to (i) approve the mergers and the other transactions contemplated thereby, (ii) adopt, approve and declare advisable the merger agreement, and (iii) resolve to recommend the adoption of the merger agreement to St. Jude Medical shareholders. See the section entitled "Interests of St. Jude Medical's Directors and Executive Officers in the Mergers" for a more detailed description of these interests.

At the close of business on the record date, the percentage of outstanding St. Jude Medical shares entitled to vote held by St. Jude Medical's directors, executive officers and their affiliates was [ ]%, and the percentage of outstanding St. Jude Medical shares entitled to vote held by Abbott's directors, executive officers and their affiliates was [ ]%. Approval of the merger agreement requires the affirmative vote of a majority of the outstanding St. Jude Medical shares entitled to vote thereon.

**Regulatory Approvals**

(Page 82)

Completion of the mergers is conditioned upon (i) the expiration or early termination of the applicable waiting period under the HSR Act and (ii) all applicable filings, registrations, waiting periods (or extensions thereof) and approvals under each applicable competition law of specified jurisdictions having been made, expired, terminated or obtained, as the case may be.

**Dissenters' Rights of St. Jude Medical Shareholders**

(Page 223)

If the merger agreement is approved and the first merger becomes effective, holders of St. Jude Medical shares who do not vote in favor of approval of the merger agreement will be entitled to statutory dissenters' rights provided they follow the procedures and satisfy the conditions set forth in Sections 302A.471 and 302A.473 of the MBCA (and any procedures set out by St. Jude Medical in accordance with such sections, including, among other things, surrendering of stock certificates or compliance with transfer restrictions). For a description of the rights of such St. Jude Medical shareholders and of the procedures that must be followed in order to assert such rights and obtain payment of the "fair value" of their St. Jude Medical shares, see Sections 302A.471 and 302A.473 of the MBCA, copies of which are attached as **Annex F**, as well as the information in the section entitled "Dissenters' Rights of St. Jude Medical Shareholders."

**IN ORDER TO PERFECT DISSENTERS' RIGHTS WITH RESPECT TO THE MERGERS, A ST. JUDE MEDICAL SHAREHOLDER MUST SEND A NOTICE TO ST. JUDE MEDICAL BEFORE THE VOTE IS TAKEN ON THE PROPOSED MERGERS AND MUST NOT VOTE IN FAVOR OF THE PROPOSAL TO APPROVE THE MERGERS BY PROXY OR OTHERWISE.**

**Conditions to Completion of the Mergers**

(Page 105)

In addition to the approval of the merger agreement by St. Jude Medical shareholders as described above, completion of the mergers is subject to the satisfaction of a number of other conditions, including the regulatory approvals described above.

Additionally, among other things, completion of the mergers is conditioned on the accuracy of representations and warranties made in the merger agreement (subject to the materiality standards set forth in the merger agreement), Abbott's and St. Jude Medical's

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performance of all of their respective obligations under the merger agreement in all material respects, the effectiveness of the registration statement on Form S-4 of which this proxy statement/prospectus forms a part (and the absence of any stop order by the SEC), approval of the listing on the NYSE of the Abbott shares to be issued in the first merger, the absence of an injunction or other order prohibiting the mergers, the absence of a material adverse effect (as defined in the merger agreement) on either St. Jude Medical or Abbott and the receipt by each of Abbott and St. Jude Medical of an opinion of nationally recognized outside counsel, dated as of the closing date, to the effect that the mergers, taken together, will qualify as a "reorganization" within the meaning of Section 368(a) of the Code.

Neither St. Jude Medical nor Abbott can be certain when, or if, the conditions to the mergers will be satisfied or waived, or that the mergers will be completed. For a more complete summary of the conditions that must be satisfied or waived prior to completion of the mergers, see the section entitled "The Merger Agreement Conditions to Completion of the Mergers."

**No Solicitation**

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As more fully described in this proxy statement/prospectus and in the merger agreement, and subject to the exceptions summarized below, St. Jude Medical has agreed that it will not (i) solicit, initiate or knowingly encourage any inquiry, proposal or indication of interest or offer that constitutes, or would reasonably be expected to lead to, a company acquisition proposal (as defined in the merger agreement), (ii) approve or recommend, or propose to approve or recommend, a company acquisition proposal, (iii) approve or recommend, or propose to approve or recommend, or execute or enter into any alternative acquisition agreement (as defined in the merger agreement), (iv) enter into, continue or otherwise participate in any discussions or

negotiations regarding any company acquisition proposal, or (v) agree to do any of the foregoing actions.

However, if the following conditions are met, St. Jude Medical is permitted, in response to receipt of a company acquisition proposal, to furnish information with respect to St. Jude Medical and its subsidiaries and engage in discussions or negotiations with a person or persons making such company acquisition proposal:

the company acquisition proposal: (i) must be written and bona fide, (ii) must have been made after the date of the merger agreement, (iii) must have been received prior to obtaining approval of the merger agreement by the St. Jude Medical shareholders, and (iv) must not have resulted from breach of the non-solicitation covenant; and

the St. Jude Medical board of directors must determine in good faith, after consultation with St. Jude Medical's outside financial advisors and outside legal counsel, (i) that the company acquisition proposal is or is reasonably expected to lead to a superior proposal (as defined in the merger agreement) and (ii) that a failure to furnish information in response to or engage in discussions or negotiations related to the company acquisition proposal is reasonably likely to be inconsistent with St. Jude Medical's directors' fiduciary duties.

Additionally, prior to furnishing such information, St. Jude Medical must (i) enter into an acceptable confidentiality agreement (as defined in the merger agreement) with the person or persons making the company acquisition proposal and (ii) promptly (and in any event within 24 hours) following furnishing any such nonpublic information to such person, furnish such nonpublic information to Abbott (to the extent such nonpublic information has not been previously so furnished to Abbott or its representatives).

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**No Change in Recommendation or Entry into Alternative Acquisition Agreement**

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Subject to certain exceptions described below, the St. Jude Medical board of directors may not:

effect a company adverse recommendation change (as defined in the merger agreement); or

cause or permit St. Jude Medical or any of its subsidiaries to enter into an alternative acquisition agreement (as defined in the merger agreement).

*Fiduciary Exception*

However, at any time before the St. Jude Medical shareholder approval is obtained, St. Jude Medical may, subject to the conditions described in the next sentence, (i) make a company adverse recommendation change or (ii) cause St. Jude Medical to enter into an alternative acquisition agreement with respect to a company acquisition proposal that did not result from a breach of the covenants regarding (a) non-solicitation, (b) no change of recommendation and (c) entry into an alternative acquisition agreement and terminate the merger agreement. St. Jude Medical may take the actions described in the preceding sentence if and only if, the St. Jude Medical board of directors concludes in good faith, after consultation with St. Jude Medical's outside financial advisors and outside legal counsel, that (i), in the case of a proposed company adverse recommendation change not made in response to a company acquisition proposal, failure to take such action is reasonably likely to be inconsistent with the St. Jude Medical directors' fiduciary duties or (ii), in the case of a proposed company adverse recommendation change in response to, or entering into a proposed alternative acquisition agreement with respect to, a company acquisition proposal, such company acquisition proposal constitutes a superior proposal and failure to take such action is

reasonably likely to be inconsistent with St. Jude Medical's directors' fiduciary duties. However, prior to making any company adverse recommendation change and/or causing St. Jude Medical to enter into any alternative acquisition agreement, St. Jude Medical must (i) provide Abbott five calendar days' prior written notice, (ii) during such five calendar days, negotiate in good faith with Abbott regarding any revisions or changes to the merger agreement or the mergers proposed by Abbott; and (iii) after such five calendar days, have its board of directors conclude in good faith (after consultation with financial advisors and outside legal counsel) that the company acquisition proposal continues to be a superior proposal or that failure to make the company adverse recommendation change is reasonably likely to be inconsistent with the St. Jude Medical directors' fiduciary duties and, in each case, that failure to make a company adverse recommendation change would continue to be reasonably likely to be inconsistent with the St. Jude Medical board of directors' fiduciary duties. In the event of any change in the financial terms of or any material amendment or modification to any superior proposal or, if the proposed company adverse recommendation change does not relate to a company acquisition proposal, any material change to the underlying relevant facts and circumstances, St. Jude Medical must again satisfy the notice and other requirements set out in the preceding sentence, except that the five calendar day period will instead be the longer of (i) two calendar days or (ii) the amount of time remaining in the initial five calendar day period.

In the event there is a company adverse recommendation change made in compliance with the merger agreement and in response to a superior proposal, St. Jude Medical may only enter into an alternative acquisition agreement with respect to the superior proposal by concurrently terminating the merger agreement and paying Abbott a \$685 million termination fee. We refer to this termination right as the fiduciary termination right.

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**Termination of the Merger Agreement**

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*Termination*

The merger agreement may be terminated and abandoned at any time prior to the first effective time, whether before or after any approval of the mergers by the holders of St. Jude Medical shares:

by mutual written consent of St. Jude Medical and Abbott;

by either St. Jude Medical or Abbott if the first merger has not been consummated on or prior to April 27, 2017, which we refer to as the end date (or, if all of the conditions to closing, other than certain conditions relating to competition laws, have been satisfied or are capable of being satisfied at such time, the end date may be extended by either St. Jude Medical or Abbott to July 27, 2017);

by either St. Jude Medical or Abbott, if an order by a governmental authority of competent jurisdiction has been issued permanently restraining, enjoining or otherwise prohibiting the mergers or the issuance of Abbott shares as merger consideration and such order has become final and nonappealable;

by either St. Jude Medical or Abbott, if the shareholder approval has not been obtained after a vote on the merger agreement proposal has been taken at the St. Jude Medical shareholders' meeting (including any postponement or adjournment of the shareholders' meeting);

by either St. Jude Medical or Abbott if the other party has materially breached or failed to perform any representations, warranties, covenants or agreements contained in the merger agreement and such breach or failure (i) would result in the failure of specified conditions to closing and (ii) is not curable by the end date, or if capable of being cured by the end date, such party has not commenced good-faith efforts to cure the breach or failure within thirty calendar days

following (or the breach or failure is not cured within sixty calendar days following) receipt by the party of written notice from the other party of such breach or failure;

by Abbott, if a company adverse recommendation change occurs; or

by St. Jude Medical in accordance with the provisions in the merger agreement regarding its fiduciary termination right in connection with a superior proposal.

*Termination Fee*

St. Jude Medical will pay Abbott a termination fee of \$685 million if the merger agreement is terminated in certain circumstances involving a company acquisition proposal.

**Accounting Treatment**

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Abbott prepares its financial statements in accordance with accounting principles generally accepted in the United States, which we refer to as GAAP. The mergers will be accounted for using the acquisition method of accounting. Abbott will be treated as the acquiror for accounting

purposes.

**Material U.S. Federal Income Tax Consequences**

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The mergers, taken together, are intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Code. It is a condition to completion of the mergers that each of Abbott and St. Jude Medical receive an opinion of nationally recognized outside counsel, dated as of the closing date, to the effect that the mergers, taken together, will qualify as a "reorganization" within the meaning of Section 368(a) of the Code. Accordingly, subject to the limitations, exceptions, representations, assumptions and qualifications described in the section entitled "Material U.S. Federal Income Tax Consequences," U.S. holders (as such term is defined below under "Material U.S. Federal Income Tax Considerations") of St. Jude Medical shares that receive the per share merger consideration (other than cash received in respect of fractional Abbott shares) in exchange for St. Jude Medical

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shares pursuant to the first merger will recognize gain (but not loss) in an amount equal to the lesser of (i) the amount by which the sum of the fair market value of Abbott shares and cash received by the U.S. holder exceeds such U.S. holder's adjusted tax basis in its St. Jude Medical shares surrendered and (ii) the amount of cash received by such U.S. holder. A St. Jude Medical shareholder will recognize gain or loss with respect to cash received in respect of a fractional Abbott share measured by the difference, if any, between the amount of cash received and the tax basis in such fractional share.

St. Jude Medical shareholders should consult their own tax advisors regarding the particular tax consequences of the exchange of St. Jude Medical shares for the per share merger consideration pursuant to the first merger in light of their particular circumstances (including the application and effect of any state, local or foreign income and other tax laws). For a more detailed discussion of the material U.S. federal income tax consequences of the mergers to U.S. holders of St. Jude Medical shares, please see the section entitled "Material U.S. Federal Income Tax Consequences."

**Comparison of Shareholders' Rights**

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The rights of St. Jude Medical shareholders are governed by St. Jude Medical's articles of incorporation and bylaws, and Minnesota law, including the MBCA. Your rights as a shareholder of Abbott will be governed by Abbott's restated articles of incorporation and by-laws, and Illinois law, including the Illinois Business Corporation Act, as amended, which we refer to as the IBCA. Your rights under Abbott's restated articles of incorporation, Abbott's by-laws and Illinois law, including the IBCA, will differ in some respects from your rights under St. Jude Medical's articles of incorporation, St. Jude Medical's bylaws and Minnesota law, including the MBCA. For more detailed information regarding a comparison of your rights as a shareholder of St. Jude Medical and Abbott, see the section entitled "Comparison of Shareholders' Rights."

**Litigation Related to the Mergers**

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On May 2, 2016, Stephen Silverman filed a putative class action complaint in the Minnesota District Court, Second Judicial District (Ramsey County), entitled *Silverman v. St. Jude Medical, et al.*, Case No. 62-CV-16-2872, against St. Jude Medical, the members of the St. Jude Medical board of directors, Abbott, Vault Merger Sub, Inc., and Vault Merger Sub, LLC. Plaintiff alleges that the members of the St. Jude Medical board of directors breached their fiduciary duties to St. Jude Medical shareholders by entering into the merger agreement, and that Abbott, Vault Merger Sub, Inc. and Vault Merger Sub, LLC aided and abetted that breach of duty. The plaintiff alleges, among other things, that (a) the per share merger consideration is inadequate; (b) there is no "collar" on the stock component of the merger consideration such that the value of the transaction has declined as the market price for Abbott shares has declined since the transaction was announced; (c) St. Jude Medical's directors failed to correct Abbott's August 2015 statement that Abbott had not evaluated a potential acquisition of St. Jude Medical when Abbott later indicated potential interest in acquiring St. Jude Medical; and (d) St. Jude Medical's directors agreed to certain alleged "deal protection measures" in the merger agreement that, according to plaintiff, are calculated to dissuade potential suitors from making an alternative offer. Although St. Jude Medical is named as a defendant in the *Silverman* action, no cause of action is asserted against it. Plaintiff purports to assert his claims on behalf of himself and all other public St. Jude Medical shareholders and seeks, among other relief, an injunction precluding consummation of the mergers and damages.

On May 26, 2016, a second action challenging the decision by St. Jude Medical's board of directors to enter into the merger agreement was filed in the Minnesota District Court, Second Judicial District (Ramsey County), entitled *Larkin v. Starks, et al.*, Case No. 62-CV-16-3367, against the members of St. Jude Medical's board of directors, Abbott, Vault Merger Sub, LLC, and Vault Merger Sub,

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Inc. St. Jude Medical is named as a nominal defendant. The plaintiff alleges, among other things, that St. Jude Medical's directors breached their fiduciary duties to St. Jude Medical and its shareholders by entering into the merger agreement, and that Abbott, Vault Merger Sub LLC, and Vault Merger Sub, Inc. aided and abetted that breach of duty. Specifically, the plaintiff alleges that (a) the per share merger consideration is inadequate; (b) the proposed transaction was timed to take advantage of an artificial depression in the market price of St. Jude Medical's publicly-traded shares; (c) the stock component of the merger consideration has decreased in value since the proposed transaction was announced; and (d) certain provisions in the merger agreement allegedly operate to deter any potential superior proposal from a third-party bidder. The plaintiff alleges claims purportedly on behalf of a class of St. Jude Medical shareholders for breach of fiduciary duty against the members of St. Jude Medical's board of directors and against Abbott for aiding and abetting that alleged breach. The plaintiff further purports to allege claims derivatively, on behalf of St. Jude Medical, against the members of St. Jude Medical's board of directors for breach of fiduciary duty, corporate waste, and "abuse of control." The plaintiff seeks an order enjoining St. Jude Medical from consummating the proposed transaction with Abbott, or rescinding the transaction if consummated, and/or awarding damages.

On June 30, 2016, a purported stockholder of St. Jude Medical filed a putative class action complaint in the Federal District Court for the District of Minnesota, captioned *Rosenfeld v. St. Jude Medical, et al.*, Case No. 16-cv-02275-WMW-FLN. The complaint names as defendants St. Jude Medical and the members of St. Jude Medical's board of directors. The complaint alleges, among other things, that St. Jude Medical and its directors failed to disclose all material facts in connection with the proposed merger and made statements in this Registration Statement on Form S-4 that were materially false or misleading in violation of Section 14(a) of the Exchange Act and Minnesota Statute Section 80A.68. The

complaint further alleges that St. Jude Medical's directors are liable for the alleged violation of Section 14(a) of the Exchange Act as "Control Persons" under Section 20(a) of the Exchange Act, and that St. Jude Medical and its directors are liable for the alleged violations of Minnesota Statute Section 80A.68 under Minnesota Statute Section 80A.76. The complaint seeks an order enjoining St. Jude Medical from consummating the mergers until additional disclosures are made, rescinding the mergers if consummated, and/or awarding damages.

On July 5, 2016, plaintiffs in the Silverman and Larkin actions filed an amended complaint against St. Jude Medical, its directors, Abbott, Vault Merger Sub, LLC, and Vault Merger Sub, Inc., which alleges, among other things, that St. Jude Medical and its directors failed to disclose all material facts regarding the proposed merger and made statements in this Registration Statement on Form S-4 that were materially false or misleading. By order dated July 13, 2016, the Minnesota District Court consolidated the Silverman and Larkin actions under the caption *In re St. Jude Medical Shareholders Litigation*, Case No. 62-CV-16-2872 (which we refer to as the "consolidated state action"), and appointed lead plaintiffs and lead counsel, and liaison counsel. Pursuant to the Court's July 13, 2016 order, no motion, request for discovery, or other pretrial or trial proceedings shall be initiated or filed by any plaintiffs except through liaison counsel in the consolidated state action. The Court's July 13, 2016 order contemplates that future-filed actions relating to the same subject matter as the consolidated state action will also be consolidated with the consolidated state action.

On August 3, 2016, a purported stockholder filed a putative class action complaint on behalf of himself and other St. Jude Medical shareholders in the Minnesota District Court, Second Judicial District (Ramsey County), captioned *Gross v. St. Jude Medical, et al.*, Case No. 62-CV-16-4581, against St. Jude Medical, the members of the St. Jude Medical board of directors, Abbott, Vault Merger Sub, Inc., and Vault Merger Sub, LLC. The complaint alleges that the members of the St. Jude Medical board



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of directors breached their fiduciary duties to St. Jude Medical shareholders by, among other things, (a) entering into the merger agreement; (b) agreeing to inadequate merger consideration; (c) agreeing to certain alleged deal protection measures in the merger agreement that, according to Gross, are calculated to dissuade potential suitors from making an alternative offer; and (d) failing to disclose all material facts regarding the proposed merger to St. Jude Medical's shareholders. The complaint further alleges that Abbott, Vault Merger Sub, Inc. and Vault Merger Sub, LLC aided and abetted the St. Jude Medical directors' breaches of duties, and that, by allegedly making material misstatements and omissions in this Registration Statement on Form S-4, the members of St. Jude

Medical's board of directors and St. Jude Medical violated Minnesota Statutes Sections 80A.68 and 80A.76. The complaint seeks, among other relief, an injunction precluding consummation of the mergers and damages.

**Risk Factors**

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You should consider all the information contained in or incorporated by reference into this proxy statement/prospectus in deciding how to vote for the proposals presented in this proxy statement/prospectus. In particular, you should consider the factors described under "Risk Factors."

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The following table presents selected historical consolidated financial data for Abbott as of and for the years ended December 31, 2015, 2014, 2013, 2012 and 2011. This information has been derived from Abbott's audited consolidated financial statements. The selected historical consolidated financial data at or for the six months ended June 30, 2016 and June 30, 2015 have been derived from Abbott's unaudited condensed consolidated financial statements. The unaudited statements from which this data is derived include all adjustments (consisting of normal recurring adjustments) considered necessary for a fair statement of Abbott's consolidated results of operations and financial position for the periods presented. Operating results for any interim period are not necessarily indicative of the results that may be expected for the full year.

You should read this information in conjunction with the historical financial statements of Abbott and the related notes, including those contained in its Annual Report on Form 10-K for the year ended December 31, 2015 and in Abbott's Quarterly Report on Form 10-Q for the six months ended June 30, 2016, each of which is incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information."

	At or for the Six Months Ended		At or for Fiscal Year Ended December 31,				
	June 30, 2016	June 30, 2015	2015	2014	2013	2012	2011
(in millions, except per share amounts)							
<b>Statements of Income Data:</b>							
Net sales <sup>(1)</sup>	\$ 10,218	\$ 10,067	\$ 20,405	\$ 20,247	\$ 19,657	\$ 19,050	\$ 18,663
Earnings from continuing operations <sup>(1)</sup>	655 <sup>(2)</sup>	1,315	2,606	1,721 <sup>(6)</sup>	1,988 <sup>(5)</sup>	237 <sup>(4)</sup>	676
Net earnings	931 <sup>(2)</sup>	3,076	4,423	2,284 <sup>(6)</sup>	2,576 <sup>(5)</sup>	5,963 <sup>(4)</sup>	4,728
Basic earnings per common share from continuing operations <sup>(1)</sup>	0.44 <sup>(2)</sup>	0.87	1.73	1.13 <sup>(6)</sup>	1.27 <sup>(5)</sup>	0.15 <sup>(4)</sup>	0.43
Basic earnings per common share	0.63 <sup>(2)</sup>	2.04	2.94	1.50 <sup>(6)</sup>	1.64 <sup>(5)</sup>	3.76 <sup>(4)</sup>	3.03
Diluted earnings per common share from continuing operations <sup>(1)</sup>	0.44 <sup>(2)</sup>	0.87	1.72	1.12 <sup>(6)</sup>	1.26 <sup>(5)</sup>	0.15 <sup>(4)</sup>	0.43
Diluted earnings per common share	0.63 <sup>(2)</sup>	2.03	2.92	1.49 <sup>(6)</sup>	1.62 <sup>(5)</sup>	3.72 <sup>(4)</sup>	3.01
<b>Balance Sheet Data:<sup>(7)</sup></b>							
Total assets	\$ 39,831	\$ 44,050	\$ 41,247	\$ 41,207	\$ 42,937 <sup>(3)</sup>	\$ 67,148	\$ 60,235
Long-term debt, including current portion	6,020	5,872	5,874	3,448	3,381 <sup>(3)</sup>	18,307	13,025
Cash dividends declared per common share	0.52	0.48	0.98	0.90	0.64 <sup>(3)</sup>	1.67	1.92

(1) Amounts exclude Abbott's developed markets branded generics pharmaceuticals, animal health and former research-based pharmaceuticals (AbbVie Inc.) businesses, which were reported as discontinued operations.

(2) Includes a foreign exchange loss of \$477 million or \$0.32 per share related to the revaluation of Abbott's net monetary assets in Venezuela.

(3) On January 1, 2013, Abbott completed the separation of AbbVie Inc., which was formed to hold Abbott's research based proprietary pharmaceutical business. Total assets, long-term debt and cash dividends declared for 2013 and subsequent periods reflect the impact of this separation.

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- (4) Includes a \$1.351 billion pretax charge or \$0.53 per share for debt extinguishment costs.
- (5) Includes tax benefit of \$230 million or \$0.15 per share related to the resolutions of various tax positions from previous years and \$103 million or \$0.07 per share related to the impact of U.S. tax law changes in 2013 related to 2012 results.
- (6) Includes tax expense of \$440 million or \$0.29 per share associated with a one-time repatriation of 2014 ex-U.S. earnings.
- (7) Effective in 2015, Abbott adopted Accounting Standards Update (ASU) No. 2015-03, *Interest-Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs* and used the retrospective application method to adjust total assets and total debt balances. Prior period balances have been retrospectively adjusted to conform to this method of presentation.

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF ST. JUDE MEDICAL**

The following table presents selected historical consolidated financial data for St. Jude Medical as of and for fiscal years 2015, 2014, 2013, 2012 and 2011. St. Jude Medical utilizes a 52/53 fiscal year ending on the Saturday nearest December 31. Fiscal years 2015, 2013, 2012 and 2011 were 52 weeks long and ended on January 2, 2016, December 28, 2013, December 29, 2012 and December 31, 2011, respectively. Fiscal year 2014 was 53 weeks long and ended on January 3, 2015. This information has been derived from St. Jude Medical's audited consolidated financial statements. The selected historical consolidated financial data at or for the six months ended July 2, 2016 and July 4, 2015 have been derived from St. Jude Medical's unaudited condensed consolidated financial statements. The six months ended July 2, 2016 and July 4, 2015 each consisted of 26 weeks. The unaudited statements from which these data are derived include all adjustments (consisting of normal recurring adjustments) considered necessary for a fair statement of St. Jude Medical's consolidated results of operations and financial position for the periods presented. Operating results for any interim period are not necessarily indicative of the results that may be expected for the full year.

You should read this information in conjunction with St. Jude Medical's consolidated financial statements and related notes thereto included in St. Jude Medical's Annual Report on Form 10-K for the 2015 fiscal year ended January 2, 2016, and in St. Jude Medical's Quarterly Report on Form 10-Q for the six months ended July 2, 2016, each of which is incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information."

	At or for the Six Months Ended		At or for Fiscal Year				
	July 2, 2016	July 4, 2015	2015	2014	2013	2012	2011
(in millions, except per share amounts)							
<b>Statements of Income Data:</b>							
Net sales	\$ 3,010	\$ 2,755	\$ 5,541	\$ 5,622	\$ 5,501	\$ 5,503	\$ 5,612
Net earnings attributable to St. Jude Medical	333	552	880	1,002	723	752	826
Basic net earnings per share attributable to St. Jude Medical	1.17	1.96	3.11	3.52	2.52	2.40	2.55
Diluted net earnings per share attributable to St. Jude Medical	1.16 <sup>(1)</sup>	1.93 <sup>(2)</sup>	3.07 <sup>(3)</sup>	3.46 <sup>(4)</sup>	2.49 <sup>(5)</sup>	2.39 <sup>(6)</sup>	2.52 <sup>(7)</sup>
<b>Balance Sheet Data:<sup>(8)</sup></b>							
Total assets <sup>(9)</sup>	\$ 12,658	\$ 9,468	\$ 12,900	\$ 10,021	\$ 10,128	\$ 9,164	\$ 8,996
Long-term debt	5,431	1,741	5,229	2,259	3,502	2,544	2,704
Cash dividends declared per common share	0.62	0.58	1.16	1.08	1.00	0.92	0.84

(1) Diluted net earnings per share attributable to St. Jude Medical for the six months ended July 2, 2016 included after-tax charges of \$171 million, or \$0.59 per diluted net earnings per share attributable to St. Jude Medical, related to restructuring activities associated with St. Jude Medical's 2016 initiatives, manufacturing and supply chain optimization plan, other restructuring-related charges, acquisition-related charges, product field action and litigation charges, strategic investment impairments, legal settlements, and income tax charges for income tax adjustments, partially offset by restructuring activities associated with St. Jude Medical's 2012 business realignment plan, legal settlements, and probable insurance recoveries. See the notes to St. Jude Medical's condensed consolidated financial statements incorporated herein by reference for further detail.

(2) Diluted net earnings per share attributable to St. Jude Medical for the six months ended July 4, 2015 included after-tax benefits of \$37 million, or \$0.13 per diluted net earnings per share attributable to St. Jude Medical, related to acquisition-related benefits, legal settlements, and income tax benefits for income tax adjustments, partially offset by restructuring activities associated with St. Jude Medical's manufacturing and supply chain optimization plan and 2012 business realignment plan and product field action costs and litigation costs. For further detail, see the notes to St. Jude Medical's condensed consolidated financial statements for the quarterly period ended July 4, 2015 included in the Quarterly Report on Form 10-Q for the quarterly period ended July 4, 2015, which is not incorporated by reference herein.



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- (3) 2015 diluted net earnings per share attributable to St. Jude Medical included after-tax charges of \$172 million, or \$0.59 per diluted net earnings per share attributable to St. Jude Medical, related to acquisition-related charges, restructuring activities associated with St. Jude Medical's 2016 initiatives, manufacturing and supply chain optimization plan, 2012 business realignment plan and 2011 restructuring plan, product field action costs and litigation costs, legal settlement expenses and intangible asset impairment charges, partially offset by an income tax benefit for discrete income tax adjustments and a net benefit related to insurance recoveries associated with a litigation case. See the notes to St. Jude Medical's consolidated financial statements incorporated herein by reference for further detail.
- (4) 2014 diluted net earnings per share attributable to St. Jude Medical included after-tax charges of \$150 million, or \$0.52 per diluted net earnings per share attributable to St. Jude Medical, related to restructuring activities associated with St. Jude Medical's 2012 business realignment plan and manufacturing and supply chain optimization plan, acquisition-related charges, intangible asset impairment charges, product field action and litigation charges, and legal settlement expenses, partially offset by a favorable legal settlement and an income tax benefit for discrete income tax adjustments. See the notes to St. Jude Medical's consolidated financial statements incorporated herein by reference for further detail.
- (5) 2013 diluted net earnings per share attributable to St. Jude Medical included after-tax charges of \$371 million, or \$1.27 per diluted net earnings per share attributable to St. Jude Medical, related to restructuring activities associated with St. Jude Medical's 2012 business realignment plan and 2011 restructuring plan, debt retirement costs primarily associated with make-whole redemption payments and the write-off of unamortized debt issuance costs, acquisition-related charges, intangible asset impairment charges, product field action and litigation charges, and a legal settlement charge, partially offset by an income tax benefit from the enactment of a tax law and the settlement of domestic tax audits. See the notes to St. Jude Medical's consolidated financial statements incorporated herein by reference for further detail.
- (6) 2012 diluted net earnings per share attributable to St. Jude Medical included after-tax charges of \$321 million, or \$1.02 per diluted net earnings per share attributable to St. Jude Medical, related to restructuring activities associated with St. Jude Medical's 2012 business realignment plan and 2011 restructuring plan, product field action and litigation charges, a legal settlement charge, intangible asset impairment charges, inventory write-offs and an additional income tax charge related to a settlement reserve for certain prior year tax positions. For further detail, see the notes to St. Jude Medical's consolidated financial statements for the year ended December 29, 2012 included in the Annual Report on Form 10-K for the year ended December 29, 2012, which is not incorporated by reference herein.
- (7) 2011 diluted net earnings per share attributable to St. Jude Medical included after-tax charges of \$210 million, or \$0.64 per diluted net earnings per share attributable to St. Jude Medical, related to restructuring activities associated with St. Jude Medical's 2011 restructuring plan, acquisition-related charges, intangible asset impairment charges, contributions to the St. Jude Medical foundation, bad debt expense for a customer in Europe and purchased in-process research and development charges. For further detail, see the notes to St. Jude Medical's consolidated financial statements for the year ended December 31, 2011 included in the Annual Report on Form 10-K for the year ended December 31, 2011, which is not incorporated by reference herein.
- (8) Effective in 2015, St. Jude Medical adopted Accounting Standards Update (ASU) No. 2015-03, *Interest-Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs* and used the retrospective application method to adjust total assets and long-term debt balances. Prior period balances have been retrospectively adjusted to conform to the 2015 presentation.
- (9) Effective April 2, 2016, St. Jude Medical adopted ASU No. 2015-17, *Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes* and used the retrospective application method to adjust the total assets balances. Prior period balances have been retrospectively adjusted to conform to the 2016 presentation.

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**SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION**

The selected unaudited pro forma condensed combined financial information gives effect to the acquisition of St. Jude Medical by Abbott. The selected pro forma financial information has been prepared using the acquisition method of accounting under GAAP. The selected Unaudited Pro Forma Condensed Combined Balance Sheet data as of June 30, 2016 gives effect to the transaction as if it had occurred on June 30, 2016. The selected Unaudited Pro Forma Condensed Combined Statement of Earnings data for the year ended December 31, 2015 and the six months ended June 30, 2016 give effect as if the transaction had occurred on January 1, 2015.

As explained in more detail in the accompanying notes to the unaudited pro forma condensed combined financial information, the acquisition accounting is dependent upon certain valuations and other analyses that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. See the section entitled "Unaudited Pro Forma Condensed Combined Financial Information." Accordingly, the pro forma financial information is preliminary and has been prepared solely for the purpose of providing unaudited pro forma condensed combined financial information. Differences between these preliminary estimates and the final acquisition accounting will occur and these differences may have a material impact on the accompanying unaudited pro forma condensed combined financial information and the future results of operations and financial position of the combined company.

The selected unaudited pro forma condensed combined financial information has been prepared by Abbott in accordance with the regulations of the SEC, is presented for informational purposes only, and is not necessarily indicative of the condensed consolidated financial position or results of operations that would have been realized had the mergers occurred as of the dates indicated above, nor is it meant to be indicative of any anticipated condensed consolidated financial position or future results of operations that the combined entity will experience after the mergers. The selected unaudited pro forma condensed combined financial information includes adjustments that give effect to events that are directly attributable to the mergers, factually supportable, and with respect to the statements of earnings, expected to have a continuing impact on the combined results. The accompanying selected unaudited pro forma condensed combined financial statements do not include the impact of any expected cost savings, restructuring actions, or operating synergies that may be achievable subsequent to the mergers or the costs necessary to achieve any such savings, restructurings, or synergies.

The selected unaudited pro forma condensed combined financial information is derived from, and should be read in conjunction with the more detailed unaudited pro forma condensed combined financial statements of the combined company appearing elsewhere in this proxy statement/prospectus and the accompanying notes to such pro forma statements. See "Where You Can Find More Information" and "Unaudited Pro Forma Condensed Combined Financial Statements" sections of this proxy statement/prospectus for additional information. In addition, the selected unaudited pro forma condensed combined financial information is derived from and should be read in conjunction with (i) the historical consolidated financial statements of Abbott (in Abbott's Quarterly Report on Form 10-Q for the quarter ended June 30, 2016 and Abbott's Annual Report on Form 10-K for the year ended December 31, 2015 which are incorporated by reference into this proxy statement/prospectus) and (ii) the historical consolidated financial statements of St. Jude Medical (in St. Jude Medical's Quarterly Report on Form 10-Q for the quarter ended July 2, 2016 and St. Jude Medical's Annual Report on Form 10-K for the fiscal year ended January 2, 2016, which have been incorporated by reference in this proxy statement/prospectus).

Table of Contents**Selected Unaudited Pro Forma Condensed Combined Statement of Earnings**

	Six Months Ended June 30, 2016	Year Ended December 31, 2015
	(in millions, except per share data)	
Net sales	\$ 13,228	\$ 25,946
Earnings from continuing operations	\$ 392 <sub>(1)(2)</sub>	\$ 2,169 <sub>(2)</sub>
Earnings per share basic	\$ 0.23 <sub>(1)(2)</sub>	\$ 1.23 <sub>(2)</sub>
Earnings per share diluted	\$ 0.22 <sub>(1)(2)</sub>	\$ 1.22 <sub>(2)</sub>
Weighted-average shares outstanding basic	1,732	1,752
Weighted-average shares outstanding diluted	1,738	1,762

- (1) Includes a foreign exchange loss of \$477 million or \$0.27 per share related to the revaluation of Abbott's net monetary assets in Venezuela.
- (2) Includes intangible amortization expense of \$969 million, or \$0.45 per share for the six months ended June 30, 2016 and \$1.96 billion, or \$0.91 per share for the year ended December 31, 2015.

**Selected Unaudited Pro Forma Condensed Combined Balance Sheet**

	June 30, 2016
	(in millions)
Total Assets	\$ 75,467
Total Liabilities	\$ 43,984



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The following tables set forth historical per share information of Abbott and St. Jude Medical and preliminary unaudited pro forma condensed combined per share information after giving effect to the mergers under the acquisition method of accounting. You should not rely on this information as being indicative of the historical results that would have been achieved had the companies always been combined or the future results that Abbott will experience after the acquisition of St. Jude Medical. The preliminary unaudited pro forma condensed combined per share data have been derived from and should be read in conjunction with the "Unaudited Pro Forma Condensed Combined Financial Statements" and the related notes in this proxy statement/prospectus. The historical per share data have been derived from the historical consolidated financial statements of Abbott and St. Jude Medical as of and for the periods indicated, incorporated by reference in this proxy statement/prospectus.

	<b>As of and For the</b>	
	<b>Six Months</b>	<b>Year Ended</b>
	<b>Ended</b>	<b>December 31,</b>
	<b>June 30, 2016</b>	<b>2015</b>
<b>Abbott Historical Per Share Data</b>		
Earnings from continuing operations per share basic	\$ 0.44	\$ 1.73
Earnings from continuing operations per share diluted	\$ 0.44	\$ 1.72
Cash dividends declared per common share	\$ 0.52	\$ 0.98
Book value per share <sup>(1)</sup>	\$ 14.06	\$ 14.40

	<b>As of and For the</b>	
	<b>Six Months</b>	<b>Year Ended</b>
	<b>Ended</b>	<b>January 2,</b>
	<b>July 2, 2016</b>	<b>2016</b>
<b>St. Jude Medical Historical Per Share Data</b>		
Earnings from continuing operations per share basic	\$ 1.17	\$ 3.11
Earnings from continuing operations per share diluted	\$ 1.16	\$ 3.07
Cash dividends declared per common share	\$ 0.62	\$ 1.16
Book value per share <sup>(1)</sup>	\$ 15.04	\$ 14.26

	<b>As of and For the</b>	
	<b>Six Months</b>	<b>Year Ended</b>
	<b>Ended</b>	<b>December 31,</b>
	<b>June 30, 2016</b>	<b>2015</b>
<b>Unaudited Pro Forma Combined Per Share Data</b>		
Earnings from continuing operations per share basic	\$ 0.23 <sup>(2)</sup>	\$ 1.23 <sup>(3)</sup>
Earnings from continuing operations per share diluted	\$ 0.22 <sup>(2)</sup>	\$ 1.22 <sup>(3)</sup>
Cash dividends declared per common share	\$ 0.52	\$ 0.98
Book value per share <sup>(1)</sup>	\$ 18.17	N/A

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	As of and For the	
	Six Months	Year Ended
	Ended	December 31,
	June 30, 2016	2015
<b>Unaudited Pro Forma Equivalent Per Share Data per St. Jude Medical Share<sup>(4)</sup></b>		
Earnings from continuing operations per share basic	\$ 0.20	\$ 1.07
Earnings from continuing operations per share diluted	\$ 0.19	\$ 1.06
Cash dividends declared per common share	\$ 0.45	\$ 0.85
Book value per share <sup>(1)</sup>	\$ 15.82	N/A

- (1) Amount is calculated by dividing shareholders' equity by common shares outstanding at the end of the period.
- (2) Includes intangible amortization expense of \$969 million, or \$0.45 per share for the six months ended June 30, 2016 and a foreign exchange loss of \$477 million or \$0.27 per share related to the revaluation of Abbott's net monetary assets in Venezuela.
- (3) Includes intangible amortization expense of \$1.96 billion, or \$0.91 per share for the year ended December 31, 2015.
- (4) The unaudited pro forma equivalent per share data for St. Jude Medical are calculated by multiplying the preliminary unaudited pro forma combined per share data by the exchange ratio of 0.8708. These data do not include the payment of the cash portion of the per share merger consideration.

Table of Contents**COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION**

St. Jude Medical shares trade on the NYSE under the symbol "STJ" and Abbott shares trade on the NYSE under the symbol "ABT." The following table sets forth the high and low reported sale prices per share and the cash dividends declared per share for St. Jude Medical shares and Abbott shares for the periods indicated.

*Abbott*

<b>Quarter Data</b>	<b>High Trading Price<sup>(1)</sup></b>	<b>Low Trading Price<sup>(1)</sup></b>	<b>Dividend Declared<sup>(2)</sup></b>
First Quarter 2011 Fiscal Year	\$ 23.66	\$ 21.56	\$ 0.48
Second Quarter 2011 Fiscal Year	\$ 25.95	\$ 23.47	\$ 0.48
Third Quarter 2011 Fiscal Year	\$ 25.65	\$ 22.15	\$ 0.48
Fourth Quarter 2011 Fiscal Year	\$ 27.01	\$ 23.43	\$ 0.48
First Quarter 2012 Fiscal Year	\$ 29.42	\$ 25.82	\$ 0.51
Second Quarter 2012 Fiscal Year	\$ 30.85	\$ 28.25	\$ 0.51
Third Quarter 2012 Fiscal Year	\$ 33.69	\$ 30.39	\$ 0.51
Fourth Quarter 2012 Fiscal Year	\$ 34.67	\$ 29.96	\$ 0.14
First Quarter 2013 Fiscal Year	\$ 35.34	\$ 31.64	\$ 0.14
Second Quarter 2013 Fiscal Year	\$ 38.77	\$ 34.69	\$ 0.14
Third Quarter 2013 Fiscal Year	\$ 37.16	\$ 32.70	\$ 0.14
Fourth Quarter 2013 Fiscal Year	\$ 38.81	\$ 32.75	\$ 0.22
First Quarter 2014 Fiscal Year	\$ 40.49	\$ 35.65	\$ 0.22
Second Quarter 2014 Fiscal Year	\$ 41.30	\$ 36.65	\$ 0.22
Third Quarter 2014 Fiscal Year	\$ 44.20	\$ 40.92	\$ 0.22
Fourth Quarter 2014 Fiscal Year	\$ 46.50	\$ 39.28	\$ 0.24
First Quarter 2015 Fiscal Year	\$ 47.88	\$ 43.36	\$ 0.24
Second Quarter 2015 Fiscal Year	\$ 50.47	\$ 45.55	\$ 0.24
Third Quarter 2015 Fiscal Year	\$ 51.74	\$ 39.00	\$ 0.24
Fourth Quarter 2015 Fiscal Year	\$ 46.38	\$ 39.28	\$ 0.26
First Quarter 2016 Fiscal Year	\$ 44.05	\$ 36.00	\$ 0.26
Second Quarter 2016 Fiscal Year	\$ 44.58	\$ 36.76	\$ 0.26
Third Quarter 2016 Fiscal Year (through [                      ], 2016)	\$ [       ]	\$ [       ]	[       ]

(1)

On January 1, 2013, Abbott completed the separation of its research-based proprietary pharmaceuticals business through the pro rata distribution of all of the issued and outstanding common stock of AbbVie Inc. to the then-holders of Abbott shares, which we refer to as the AbbVie separation. The intraday high and low Abbott trading prices for fiscal year 2012 and prior have been adjusted to reflect the AbbVie separation.

(2)

The decrease in dividend declared in the fourth quarter of 2012 reflects the impact of the AbbVie separation.

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<b>Quarter Data</b>	<b>High Trading Price</b>	<b>Low Trading Price</b>	<b>Dividend Declared</b>
First Quarter 2011 Fiscal Year	\$ 53.05	\$ 40.14	\$ 0.21
Second Quarter 2011 Fiscal Year	\$ 54.18	\$ 46.01	\$ 0.21
Third Quarter 2011 Fiscal Year	\$ 49.79	\$ 35.42	\$ 0.21
Fourth Quarter 2011 Fiscal Year	\$ 41.98	\$ 32.13	\$ 0.21
First Quarter 2012 Fiscal Year	\$ 44.80	\$ 34.23	\$ 0.23
Second Quarter 2012 Fiscal Year	\$ 44.10	\$ 34.82	\$ 0.23
Third Quarter 2012 Fiscal Year	\$ 43.31	\$ 35.57	\$ 0.23
Fourth Quarter 2012 Fiscal Year	\$ 43.76	\$ 30.25	\$ 0.23
First Quarter 2013 Fiscal Year	\$ 43.23	\$ 35.32	\$ 0.25
Second Quarter 2013 Fiscal Year	\$ 47.45	\$ 39.79	\$ 0.25
Third Quarter 2013 Fiscal Year	\$ 54.36	\$ 45.38	\$ 0.25
Fourth Quarter 2013 Fiscal Year	\$ 63.15	\$ 51.79	\$ 0.25
First Quarter 2014 Fiscal Year	\$ 68.79	\$ 59.16	\$ 0.27
Second Quarter 2014 Fiscal Year	\$ 70.59	\$ 59.85	\$ 0.27
Third Quarter 2014 Fiscal Year	\$ 71.90	\$ 61.00	\$ 0.27
Fourth Quarter 2014 Fiscal Year	\$ 70.24	\$ 54.80	\$ 0.27
First Quarter 2015 Fiscal Year	\$ 68.99	\$ 63.93	\$ 0.29
Second Quarter 2015 Fiscal Year	\$ 76.33	\$ 64.96	\$ 0.29
Third Quarter 2015 Fiscal Year	\$ 80.84	\$ 61.01	\$ 0.29
Fourth Quarter 2015 Fiscal Year	\$ 68.97	\$ 59.88	\$ 0.29
First Quarter 2016 Fiscal Year	\$ 61.45	\$ 48.83	\$ 0.31
Second Quarter 2016 Fiscal Year	\$ 79.61	\$ 54.68	\$ 0.31
Third Quarter 2016 Fiscal Year (through [ ], 2016)	\$ [ ]	\$ [ ]	[ ]

On April 27, 2016, the last full trading day before the public announcement of the merger agreement, the closing sale price for a St. Jude Medical share on the NYSE was \$61.95. On [ ], 2016, the last practicable trading day before the mailing of this proxy statement/prospectus, the closing sale price of a St. Jude Medical share on the NYSE was \$[ ].

On April 27, 2016, the last full trading day before the public announcement of the merger agreement, the closing sale price for an Abbott share on the NYSE was \$43.83. On [ ], 2016, the last practicable trading day before the mailing of this proxy statement/prospectus, the closing sale price of a share of Abbott shares on the NYSE was \$[ ].

As of the close of business on [ ], the record date for the shareholders' meeting, there were approximately [ ] registered holders of St. Jude Medical shares.

The following table presents the closing prices for St. Jude Medical shares and Abbott shares on April 27, 2016, the last trading day before the public announcement of the merger agreement, and [ ], 2016, the last practicable trading day prior to the mailing of this proxy statement/

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prospectus. The table also shows the estimated implied value of the per share merger consideration for each St. Jude Medical share on the relevant date.

Date	St. Jude Medical Closing Price	Abbott Closing Price	Exchange Ratio	Estimated Equivalent Per Share Value <sup>(1)</sup>
April 27, 2016	\$ 61.95	\$ 43.83	0.8708	\$ 84.92
[ ], 2016	\$ [ ]	\$ [ ]	0.8708	\$ [ ]

- (1) The implied value of the per share merger consideration represents the sum of \$46.75, the cash portion of the per share merger consideration, plus the stock portion of the per share merger consideration, based on the closing prices of Abbott shares of \$43.83 on April 27, 2016 and \$[ ] on [ ], 2016.

The above tables show only historical comparisons. These comparisons may not provide meaningful information to St. Jude Medical shareholders in determining whether to approve the merger agreement. St. Jude Medical shareholders are urged to obtain current market quotations for Abbott shares and St. Jude Medical shares and to review carefully the other information contained in this proxy statement/prospectus or incorporated by reference into this proxy statement/prospectus in considering whether to approve the merger agreement. The market price of Abbott shares and St. Jude Medical shares will fluctuate between the date of this proxy statement/prospectus and the date the mergers are completed. No assurance can be given concerning the market price of St. Jude Medical shares before, or Abbott shares before or after, the effective date of the mergers. Changes in the market price of Abbott shares prior to the completion of the mergers will affect the market value of the merger consideration that St. Jude Medical shareholders will receive upon completion of the first merger. The exchange ratio is fixed in the merger agreement, but the market price of Abbott shares (and therefore the value of the merger consideration) when received by St. Jude Medical shareholders after the mergers are completed could be greater than, less than or the same as shown in the table above.

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**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

Some of the statements contained or incorporated by reference in this proxy statement/prospectus are "forward-looking statements" that are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are identified by their use of terms such as "intend," "plan," "may," "should," "will," "anticipate," "believe," "could," "estimate," "expect," "continue," "potential," "opportunity," "project," "strategy" and similar terms. Abbott and St. Jude Medical caution that these forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those indicated in the forward-looking statements, including but not limited to: the ability of the parties to consummate the proposed transaction on a timely basis or at all; the risk that the required regulatory approvals may be subject to unanticipated terms or conditions that could adversely affect the combined company or the expected benefits of the transaction; the occurrence of any event, change or other circumstance that could give rise to the termination of the merger agreement; the ability of Abbott to successfully integrate St. Jude Medical's operations; general economic and business conditions; global economic growth and activity; industry conditions; changes in laws or regulations; the ability of Abbott to implement its plans, forecasts and other expectations with respect to St. Jude Medical's business after the completion of the transaction and realize anticipated synergies or realize anticipated synergies within the expected timeframe; risks of litigation relating to the mergers; risks of the outcome of pending or potential litigation or governmental investigations; and Abbott's ability to access financing in connection with the transactions contemplated by the merger agreement on a timely basis and reasonable terms. Economic, competitive, governmental, technological and other factors that may affect Abbott's and St. Jude Medical's operations are discussed in Item 1A, "Risk Factors," in each of Abbott's Annual Report on SEC Form 10-K for the year ended December 31, 2015 and Quarterly Report on Form 10-Q for the quarter ended June 30, 2016, and St. Jude Medical's Annual Report on SEC Form 10-K for the year ended January 2, 2016, Quarterly Report on Form 10-Q for the quarter ended April 2, 2016, and Quarterly Report on Form 10-Q for the quarter ended July 2, 2016, respectively, and are incorporated by reference. The forward-looking statements include assumptions about Abbott's and St. Jude Medical's operations, such as cost controls and market conditions, and certain plans, activities or events which we expect will or may occur in the future and relate to, among other things, the business combination transaction involving Abbott and St. Jude Medical, the financing of the proposed transaction, the benefits, results, effects and timing of the proposed transaction, future financial and operating results, and the combined company's plans, objectives, expectations (financial or otherwise) and intentions.

Consequently, all of the forward-looking statements made by Abbott or St. Jude Medical contained or incorporated by reference in this proxy statement/prospectus are qualified by factors, risks and uncertainties, including, but not limited to, those set forth in the section entitled "Risk Factors" of this proxy statement/prospectus and those set forth under the headings "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors" in Abbott's and St. Jude Medical's annual and quarterly reports and other filings with the SEC that are incorporated by reference into this proxy statement/prospectus. See the section entitled "Where You Can Find More Information."

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date made. Abbott and St. Jude Medical undertake no obligation to update or revise any forward-looking statements, even if experience or future changes make it clear that projected results expressed or implied in such statements will not be realized, except as may be required by law. As a result of these risks and others, actual results could vary significantly from those anticipated herein, and Abbott's and St. Jude Medical's financial condition and results of operations could be materially adversely affected.

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**RISK FACTORS**

In addition to the other information contained or incorporated by reference into this proxy statement/prospectus, including the matters addressed in the section entitled "Cautionary Statement Regarding Forward-Looking Statements", St. Jude Medical shareholders should carefully consider the following risk factors in determining whether to vote for approval of the merger agreement. You should also read and consider the risk factors associated with each of the businesses of St. Jude Medical and Abbott because these risk factors may affect the operations and financial results of the combined company. These risk factors may be found under Item 1A, "Risk Factors" in Abbott's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, St. Jude Medical's Annual Report on Form 10-K for the fiscal year ended January 2, 2016 and in each future Annual Report on Form 10-K and Quarterly Report on Form 10-Q filed by St. Jude Medical and Abbott and incorporated by reference into this document. See the section entitled "Where You Can Find More Information."

***Because the exchange ratio is fixed and the market price of Abbott shares has fluctuated and will continue to fluctuate, you cannot be sure of the value of the per share merger consideration you will receive.***

At the first effective time, each St. Jude Medical share outstanding immediately prior to the first merger (other than those held by Abbott or by any subsidiary of Abbott or of St. Jude Medical, or with respect to which dissenters' rights have been properly exercised in accordance with the MBCA) will be converted into the right to receive (i) \$46.75 in cash, without interest, and (ii) 0.8708 of an Abbott share. The per share merger consideration is subject to adjustment in certain limited circumstances. See the section entitled "Proposal 1: The Mergers Per Share Merger Consideration." The exchange ratio is fixed in the merger agreement, but the market price of Abbott shares (and therefore the value of the merger consideration) when received by St. Jude Medical shareholders after the mergers are completed could be greater than, less than or the same as the market price at the announcement of the merger agreement. Accordingly, at the time of the shareholders' meeting, St. Jude Medical shareholders will not be able to determine the market value of the per share merger consideration they would receive upon completion of the mergers. The market price for Abbott shares may fluctuate both prior to completion of the mergers and thereafter for a variety of reasons, including, among others, general market and economic conditions, the demand for Abbott's or St. Jude Medical's products and services, potential future issuances and repurchases of Abbott shares, changes in laws and regulations, other changes in Abbott's and St. Jude Medical's respective businesses, operations, prospects and financial results of operations, market assessments of the likelihood that the mergers will be completed, and the expected timing of the mergers. Many of these factors are beyond Abbott's and St. Jude Medical's control. You are urged to obtain current market quotations for Abbott shares when deciding whether to vote for approval of the merger agreement.

***The market price of Abbott shares after the mergers will continue to fluctuate and may be affected by factors different from those affecting St. Jude Medical shares currently.***

Upon completion of the mergers, holders of St. Jude Medical shares will become holders of Abbott shares. The market price of Abbott shares may fluctuate significantly following consummation of the mergers. The stock market has experienced significant price and volume fluctuations in recent times which could adversely impact the market for, or liquidity of, Abbott shares, regardless of Abbott's actual operating performance. In addition, Abbott's business differs in important respects from that of St. Jude Medical, and accordingly, the results of operations of the combined company and the market price of Abbott shares after the completion of the mergers may be affected by factors different from those currently affecting the independent results of operations of each of Abbott and St. Jude Medical. For a discussion of the businesses of Abbott and St. Jude Medical and of some important factors to consider in connection with those businesses, see the documents incorporated by reference into this proxy statement/prospectus and referred to under "Where You Can Find More Information."

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***Sales of Abbott shares received in the mergers may cause the market price for Abbott shares to decrease, as some St. Jude Medical shareholders may adjust their portfolios.***

Based on the number of outstanding St. Jude Medical shares as of April 29, 2016, Abbott would issue approximately 247.5 million Abbott shares in connection with the transaction. Some St. Jude Medical shareholders may decide not to hold the Abbott shares they will receive in connection with completion of the mergers. Other St. Jude Medical shareholders, such as funds with limitations on their permitted holdings of stock in individual issuers, may be required to sell the Abbott shares that they receive in connection with completion of the mergers. Such sales of Abbott shares could have the effect of depressing the market price for Abbott shares during the adjustment period.

***Completion of the mergers is subject to conditions and if these conditions are not satisfied or waived, the mergers will not be completed.***

In addition to the approval of the merger agreement by St. Jude Medical shareholders, the obligations of Abbott and St. Jude Medical to complete the mergers are subject to the satisfaction or waiver of a number of other conditions, including the expiration or termination of the applicable waiting period under the HSR Act and all applicable filings, registrations, waiting periods (or extensions thereof) and approvals under each applicable competition law of specified jurisdictions relating to the transactions contemplated by the merger agreement having been made, expired, terminated or obtained, as the case may be. For a more complete summary of the required regulatory approvals, see the section entitled "Proposal 1: The Mergers Regulatory Approvals."

Additionally, among other things, completion of the mergers is conditioned on the accuracy of representations and warranties made in the merger agreement (subject to the materiality standards set forth in the merger agreement), Abbott's and St. Jude Medical's performance of all of their respective obligations under the merger agreement in all material respects, the effectiveness of the registration statement on Form S-4 of which this proxy statement/prospectus forms a part (and the absence of any stop order by the SEC), approval of the listing on the NYSE of the Abbott shares to be issued in the first merger, the absence of an injunction or other order prohibiting the mergers, the absence of a material adverse effect (as defined in the merger agreement) on either St. Jude Medical or Abbott and the receipt by each of Abbott and St. Jude Medical of an opinion of nationally recognized outside counsel, dated as of the closing date, to the effect that the mergers, taken together, will qualify as a "reorganization" within the meaning of Section 368(a) of the Code. For a more complete summary of the conditions that must be satisfied or waived prior to completion of the mergers, see the section entitled "The Merger Agreement Conditions to Completion of the Mergers."

The failure to satisfy all of the required conditions could delay the completion of the mergers for a significant period of time or prevent it from occurring. Any delay in completing the mergers could cause Abbott not to realize some or all of the benefits that Abbott expects to achieve if the mergers are successfully completed within the expected timeframe. There can be no assurance that the conditions to the closing of the mergers will be satisfied or waived or that the mergers will be completed. For more information on this risk and its potential consequences, see the risk factor entitled " Failure to complete the mergers could negatively affect the stock price and the future business and financial results of St. Jude Medical."

***In order to complete the mergers, Abbott and St. Jude Medical must make certain governmental filings and obtain certain governmental authorizations, and if such filings and authorizations are not made or granted or are granted with conditions, completion of the mergers may be jeopardized or the anticipated benefits of the mergers could be reduced.***

Although Abbott and St. Jude Medical have agreed in the merger agreement to use their reasonable best efforts, subject to certain limitations, to make certain governmental filings and obtain the required expiration or termination of the waiting period under the HSR Act, there can be no



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assurance that the respective governmental authorities' will approve of the mergers. Under the terms of the merger agreement, subject to certain exceptions, Abbott and St. Jude Medical are required to accept certain conditions and take certain actions imposed by governmental authorities that would apply to, or affect, the businesses, assets or properties of Abbott or St. Jude Medical, as described in the section entitled "Proposal 1: The Mergers Regulatory Approvals." There can be no assurance that regulators will not impose conditions, terms, obligations or restrictions and that such conditions, terms, obligations or restrictions will not have the effect of (i) delaying completion of the mergers, (ii) imposing additional material costs on or materially limiting the revenues of the combined company following the mergers, or (iii) otherwise adversely affecting the combined company's business and results of operations after completion of the mergers. In addition, we can provide no assurance that these conditions, terms, obligations or restrictions will not result in the delay or abandonment of the mergers. See the sections entitled "The Merger Agreement Conditions to Completion of the Mergers" and "Proposal 1: The Mergers Regulatory Approvals."

***Lawsuits have been filed, and other lawsuits may be filed, against St. Jude Medical, its directors, Abbott, Vault Merger Sub, Inc. and Vault Merger Sub, LLC, and an adverse ruling in such lawsuits may prevent the mergers from becoming effective or from becoming effective within the expected timeframe.***

St. Jude Medical, its directors, Abbott, Vault Merger Sub, Inc. and Vault Merger Sub, LLC are named as defendants in two putative class action lawsuits brought by purported St. Jude Medical shareholders challenging the proposed mergers and/or the adequacy of the disclosures in this registration statement, and seeking, among other things, equitable relief to enjoin consummation of the mergers and/or compensatory damages. One of the conditions to the completion of the mergers is that no injunction by any court or other tribunal of competent jurisdiction will be in effect that prohibits or makes illegal the consummation of the mergers. As such, if any of the plaintiffs are successful in obtaining an injunction prohibiting the consummation of the mergers, then such injunction may prevent the mergers from becoming effective within the expected timeframe or at all. For more information about the lawsuits related to the mergers that have been filed, see the section entitled "Proposal 1: The Mergers Litigation Related to the Mergers" of this proxy statement/prospectus.

***Combining the two companies may be more difficult, costly or time-consuming than expected and the anticipated benefits and cost savings of the mergers may not be realized.***

St. Jude Medical and Abbott have operated and, until the completion of the first merger, will continue to operate, independently. The success of the mergers, including anticipated benefits and cost savings, will depend, in part, on Abbott's ability to successfully combine and integrate the businesses of Abbott and St. Jude Medical. It is possible that the pendency of the mergers and/or the integration process could result in the loss of key employees, higher than expected costs, diversion of management attention of both St. Jude Medical and Abbott, the disruption of either company's ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the combined company's ability to maintain relationships with customers, vendors and employees or to achieve the anticipated benefits and cost savings of the mergers. If Abbott experiences difficulties with the integration process, the anticipated benefits of the mergers may not be realized fully or at all, or may take longer to realize than expected. Abbott's management continues to refine its integration plan. Integration efforts between the two companies will also divert management's attention and resources from the ordinary operations of the combined company after completion of the mergers. These integration matters could have an adverse effect on (i) each of Abbott and St. Jude Medical during this transition period and (ii) the combined company after completion of the mergers. In addition, the actual cost savings of the mergers could be less than anticipated.

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***St. Jude Medical's executive officers and directors have interests in the mergers that may be different from, or in addition to, your interests as a shareholder of St. Jude Medical.***

When considering the recommendation of the St. Jude Medical board of directors that St. Jude Medical shareholders approve the merger agreement, St. Jude Medical shareholders should be aware that directors and executive officers of St. Jude Medical have certain interests in the mergers that may be different from, or in addition to, the interests of St. Jude Medical shareholders and Abbott shareholders generally. These interests include, among others, the treatment of outstanding equity awards pursuant to the merger agreement, potential severance benefits and other payments, and rights to ongoing indemnification and insurance coverage by the surviving company for acts or omissions occurring prior to the mergers. For a more detailed description of these interests, see the section entitled "Interests of St. Jude Medical's Directors and Executive Officers in the Mergers." As a result of these interests, these directors and executive officers of St. Jude Medical might be more likely to support and to vote in favor of the merger-related proposals described in this proxy statement/prospectus than if they did not have these interests.

***The merger agreement limits St. Jude Medical's ability to pursue alternatives to the mergers, and in certain instances requires payment of a termination fee, both of which may discourage other companies from trying to acquire St. Jude Medical for greater consideration than what Abbott has agreed to pay or from proposing an alternative transaction.***

The merger agreement contains provisions that make it more difficult for St. Jude Medical to sell its business to any person other than Abbott. These provisions include a general prohibition on St. Jude Medical soliciting any acquisition proposal or offer for a competing transaction. In some circumstances upon termination of the merger agreement, St. Jude Medical may be required to pay to Abbott a termination fee of \$685 million. Further, there are only limited exceptions to (i) St. Jude Medical's agreement that the St. Jude Medical board will not withdraw or modify in a manner adverse to Abbott the recommendation of the St. Jude Medical board of directors in favor of approval of the merger agreement and (ii) St. Jude Medical's agreement not to enter into an agreement with respect to a company acquisition proposal (as defined in the merger agreement). These provisions might discourage a third party that has an interest in acquiring all or a significant part of St. Jude Medical from considering or proposing that acquisition, even if that party were prepared to pay consideration with a higher per share cash or market value than the market value proposed to be received in the first merger, or might result in a potential competing acquiror proposing to pay a lower price than it might otherwise have proposed to pay because of the added expense of the termination fee that may become payable in certain circumstances. For a more complete summary of these provisions see the sections entitled "The Merger Agreement No Solicitation" and "The Merger Agreement Termination of the Merger Agreement."

***Failure to complete the mergers could negatively affect the stock price and the future business and financial results of St. Jude Medical.***

If the mergers are not completed for any reason, including as a result of St. Jude Medical shareholders failing to approve the merger agreement, the ongoing business of St. Jude Medical may be adversely affected and, without realizing any of the benefits of having completed the mergers, St. Jude Medical would be subject to a number of risks, including the following:

St. Jude Medical may experience negative reactions from the financial markets, including negative impacts on its stock price;

St. Jude Medical may experience negative reactions from its customers, suppliers and employees;

St. Jude Medical is required to pay costs that it incurs relating to the transaction, regardless of whether the mergers are completed, such as legal, accounting and printing fees;

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During the pendency of the mergers, the merger agreement restricts the conduct of St. Jude Medical's businesses, which may prevent St. Jude Medical from taking certain actions that it might otherwise deem to be in the best interests of St. Jude Medical and its shareholders; and

During the pendency of the mergers, St. Jude Medical management will devote substantial time and resources to matters relating to the mergers that may have otherwise been devoted to improving day-to-day operations or evaluating other opportunities that potentially may have been in the best interests of St. Jude Medical and its shareholders.

In addition to the above risks, St. Jude Medical may be required, under certain circumstances, to pay to Abbott a termination fee of \$685 million, which may adversely affect St. Jude Medical's financial results. Further, St. Jude Medical could be subject to litigation related to any failure to complete the mergers or related to any enforcement proceeding commenced against St. Jude Medical to perform its obligations under the merger agreement. If the mergers are not completed, these risks may materialize and may adversely affect St. Jude Medical's businesses, financial condition, financial results and stock price.

***The Abbott shares to be received by St. Jude Medical shareholders as a result of the mergers will have rights different from the St. Jude Medical shares.***

Upon occurrence of the first effective time, St. Jude Medical shareholders will no longer be shareholders of St. Jude Medical and will instead become Abbott shareholders, and their rights as shareholders will be governed by the terms of Abbott's restated articles of incorporation and by-laws and by Illinois law, including the IBCA. The terms of the Abbott restated articles of incorporation and by-laws and Illinois law, including the IBCA, differ in some respects from St. Jude Medical's articles of incorporation, St. Jude Medical's bylaws and Minnesota law, including the MBCA. For a discussion of the different rights associated with Abbott shares, see the section entitled "Comparison of Shareholders' Rights."

***After the mergers, St. Jude Medical shareholders will have a significantly lower ownership and voting interest in Abbott than they currently have in St. Jude Medical and will exercise less influence over management.***

Based on the number of St. Jude Medical shares outstanding as of the date of the merger agreement, and the number of Abbott shares outstanding as of the date of the merger agreement and not taking into account any other equity issuances by Abbott, it is expected that, immediately after completion of the mergers, former St. Jude Medical shareholders will own approximately 14% of the outstanding Abbott shares. Consequently, former St. Jude Medical shareholders as a group will have less influence over the management and policies of Abbott than they currently have over the management and policies of St. Jude Medical.

***The value of St. Jude Medical shares and/or Abbott shares may have changed since the date on which the St. Jude Medical board of directors approved the mergers and the opinion of St. Jude Medical's financial advisor was rendered to St. Jude Medical's board of directors.***

Prevailing market and economic conditions, St. Jude Medical's management's internal forecasts, and other conditions existing and information available as of the date of the St. Jude Medical board's approval of the mergers and the opinion of St. Jude Medical's financial advisor may have changed or may change, and such changes may be significant. St. Jude Medical has not, as of the date of this proxy statement/prospectus, obtained an updated opinion of its financial advisor, which opinion speaks only as of the date rendered, and St. Jude Medical will not obtain an updated opinion prior to the completion of the mergers. Changes in the operations and prospects of St. Jude Medical or Abbott, general market and economic conditions, and other factors that may be beyond the control of St. Jude Medical and Abbott, and on which the St. Jude Medical board approved the mergers and the opinion of St. Jude Medical's financial advisor was based, may alter the value of St. Jude Medical or Abbott or the

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respective prices of St. Jude Medical shares or Abbott shares by the time the mergers are completed or thereafter.

***In connection with the mergers, Abbott will incur or assume significant additional indebtedness, which could adversely affect Abbott, including by decreasing Abbott's business flexibility and increasing Abbott's interest expense.***

Abbott's consolidated indebtedness as of June 30, 2016 was approximately \$8.9 billion. Abbott's indebtedness as of June 30, 2016, assuming both the Alere acquisition and the St. Jude Medical acquisition occurred prior to such date and the anticipated incurrence and assumption and extinguishment of indebtedness in connection therewith had been completed, would be approximately \$31 billion. Such amount represents a substantial increase in comparison to Abbott's indebtedness on a recent historical basis. This increased indebtedness could have the effect, among other things, of reducing Abbott's flexibility to respond to changing business and economic conditions and increasing Abbott's interest expense. In addition, the amount of cash required to pay interest on Abbott's indebtedness following completion of the mergers, and thus the demands on Abbott's cash resources, will be greater than the amount of cash required to service the indebtedness of Abbott prior to the transaction. The increased levels of indebtedness following completion of the mergers could therefore reduce funds available for working capital, capital expenditures, acquisitions and other general corporate purposes and may create competitive disadvantages for Abbott relative to other companies with lower debt levels.

In connection with the debt financing, it is anticipated that Abbott will seek ratings of its indebtedness from one or more nationally recognized credit rating agencies. Abbott's credit ratings reflect each rating organization's opinion of Abbott's financial strength, operating performance and ability to meet Abbott's debt obligations. Abbott's credit ratings affect the cost and availability of future borrowings and, accordingly, Abbott's cost of capital. There can be no assurance that Abbott will achieve a particular rating or maintain a particular rating in the future.

In addition, in the event that St. Jude Medical's existing senior unsecured notes remain outstanding following the mergers and the ratings of such notes are reduced below certain thresholds within certain time periods prior to or following the consummation of the mergers, the surviving company could, subject to certain exceptions set forth in the indenture governing such notes, be required to offer to repurchase such notes at 101% of the aggregate principal amount of such notes outstanding plus any accrued and unpaid interest through the repurchase date.

Abbott may be required to raise additional financing for working capital, capital expenditures, acquisitions or other general corporate purposes. Abbott's ability to arrange additional financing or refinancing will depend on, among other factors, Abbott's financial position and performance, as well as prevailing market conditions and other factors beyond Abbott's control. Abbott cannot assure you that it will be able to obtain additional financing or refinancing on terms acceptable to Abbott or at all.

***The agreements that will govern the indebtedness to be incurred or assumed in connection with the mergers may contain various covenants that impose restrictions on Abbott and certain of its subsidiaries that may affect their ability to operate their businesses.***

The agreements that will govern the indebtedness to be incurred in connection with the mergers may contain various affirmative and negative covenants that may, subject to certain significant exceptions, restrict the ability of Abbott and/or certain of its subsidiaries to, among other things, have liens on their property, incur indebtedness, change the nature of their business, transact business with affiliates and/or merge or consolidate with any other person or sell or convey certain of their assets to any one person. In addition, some of the agreements that govern the debt financing may contain covenants that will require Abbott to maintain certain financial ratios. The ability of Abbott and its subsidiaries to comply with these provisions may be affected by events beyond their control. Failure to

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comply with these covenants could result in an event of default, which, if not cured or waived, could accelerate Abbott's repayment obligations.

The indenture governing St. Jude Medical's existing senior unsecured notes, to the extent these notes remain outstanding upon completion of the mergers, contains several restrictive covenants and events of default. St. Jude Medical's existing term loan agreement, expected to be guaranteed or assumed and amended by Abbott in connection with the mergers, also contains several restrictive covenants and events of default. Abbott expects the indenture governing the notes it anticipates issuing to finance the mergers will contain restrictive covenants and certain events of default. Any acceleration of indebtedness that arises from an event of default under the credit agreement or the respective indentures could have a material adverse effect on Abbott's business, profitability and financial condition.

***If the mergers, taken together, do not qualify as a "reorganization" under Section 368(a) of the Code, the receipt of Abbott shares by St. Jude Medical shareholders pursuant to the mergers may be taxable to St. Jude Medical shareholders.***

It is a condition to completion of the mergers that each of Abbott and St. Jude Medical receive from its legal counsel an opinion to the effect that the mergers, taken together, will qualify as a "reorganization" within the meaning of Section 368(a) of the Code. The opinions will be based upon representations provided by Abbott and St. Jude Medical and upon customary factual assumptions, as well as certain covenants or undertakings of Abbott and St. Jude Medical. If any of such representations, assumptions, covenants or undertakings is or becomes incorrect, incomplete, or inaccurate or is violated, the validity of the conclusions reached by counsel in their opinions could be affected. Additionally, an opinion of counsel is not binding on the Internal Revenue Service or any court, so there can be no certainty that the Internal Revenue Service will not challenge the conclusions reflected in the opinions or that a court will not sustain such a challenge. If it is determined that the mergers, taken together, fail to qualify as a "reorganization" within the meaning of Section 368(a) of the Code, the exchange of St. Jude Medical shares for Abbott shares pursuant to the first merger will be a fully taxable transaction for U.S. federal income tax purposes. For more information, see the section entitled "Material U.S. Federal Income Tax Consequences".

***The unaudited pro forma condensed combined financial statements included in this document are preliminary and the actual financial condition and results of operations after the mergers may differ materially.***

The unaudited pro forma condensed combined financial statements in this document are presented for informational purposes only, were prepared in accordance with the regulations of the SEC and are not necessarily indicative of what Abbott's actual financial condition or results of operations would have been had the mergers been completed on the dates indicated. The unaudited pro forma condensed combined financial statements reflect adjustments, which are based upon assumptions and preliminary estimates to record the St. Jude Medical identifiable assets acquired and liabilities assumed at fair value and the resulting goodwill recognized. The purchase price allocation reflected in this document is preliminary, and final allocation of the purchase price will be based upon the actual purchase price and the fair value of the assets and liabilities of St. Jude Medical as of the date of the completion of the mergers. Accordingly, the final acquisition accounting adjustments may differ materially from the pro forma adjustments reflected in this document. For more information, see the section entitled "Unaudited Pro Forma Condensed Combined Financial Statements."

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***Abbott has entered into a merger agreement with Alere. Several key developments have occurred with respect to Alere since the date of the Alere merger agreement, including three separate investigations by the U.S. Department of Justice (two of which are criminal investigations), a delay in the filing of Alere's required SEC reports, management's disclosure of unremediated material weaknesses over financial reporting, and a product recall following notice from the U.S. Food and Drug Administration. Abbott has requested information from Alere relating to these and other matters, but Alere has failed to provide requested information relating to certain key topics, and Abbott continues to wait for such information. Abbott is unable to predict when it will be able to complete its review or the outcome of the review and cannot predict at this time when or whether the conditions to the Alere acquisition will be satisfied.***

On January 30, 2016, Abbott entered into a merger agreement with Alere. Following the date of the Alere merger agreement, several key developments occurred with respect to Alere, none of which Abbott was aware of when it executed the Alere merger agreement. These developments include, among other things:

a criminal investigation by the U.S. Department of Justice relating to potential violations by Alere of the U.S. Foreign Corrupt Practices Act in Africa, Asia and Latin America;

a criminal investigation by the U.S. Department of Justice's Fraud Section relating to billing practices of Alere for U.S. government insurance programs, including Medicare, Medicaid and Tricare;

an investigation by the U.S. Department of Justice relating to accuracy, reliability and performance of Alere's INRatio® products;

an over-five-month delay in the filing of Alere's Annual Report on Form 10-K for 2015; an ongoing delay in the filing of Alere's Quarterly Report on Form 10-Q for the first quarter of 2016; and a notice by Alere that it does not expect to file its Quarterly Report on Form 10-Q for the second quarter of 2016 by its due date;

a disclosure by Alere and its auditors that a material weakness in Alere's internal control over revenue recognition existed as of December 31, 2015 and that such material weakness has not been remediated;

a disclosure by Alere and its auditors that the material weakness in Alere's internal control over the accounting for income taxes, which existed as of December 31, 2014, has not been remediated and continued to exist as of December 31, 2015;

a disclosure by Alere that it cannot estimate when such material weaknesses will be remediated, and that its initiatives to remediate such material weaknesses may not be successful;

a notice of non-compliance by the NYSE as a result of Alere's failure to timely file its SEC reports, noting that Alere could potentially risk its listing status as a result of such non-compliance;

a potential default under Alere's credit agreement and senior notes as a result of Alere's failure to timely file its SEC reports, which remains unresolved because Alere has not yet filed its Quarterly Report on Form 10-Q for the first quarter of 2016, for which Alere obtained, after the payment of a fee, a waiver until August 18, 2016 for the credit agreement and until August 31, 2016 for the senior notes; and

a recall of Alere's INRatio® products within the United States and Canada following notice by the U.S. Food and Drug Administration.

In light of these significant developments and pursuant to its rights under the Alere merger agreement, Abbott has sought on numerous occasions information from Alere relating to these matters and its internal controls, compliance with law and disclosure controls. Although Alere

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has provided some information to Abbott, Alere has denied Abbott the access to which it is entitled under the Alere

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merger agreement for certain key topics, including the events surrounding Alere's delayed financial statements, Alere's internal controls, and significant legal compliance matters. Abbott continues to insist that Alere produce such information, consistent with Alere's obligations under the Alere merger agreement. Abbott is unable to predict at this time when it will be able to complete its review or the outcome of this review.

In light of the above, Abbott cannot predict at this time whether the Alere acquisition will occur on a timely basis, or at all.



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**INFORMATION ABOUT THE SHAREHOLDERS' MEETING**

St. Jude Medical is providing these proxy materials in connection with the solicitation by the St. Jude Medical board of directors of proxies to be voted at the shareholders' meeting and at any reconvening of the shareholders' meeting following any adjournment thereof. This proxy statement/prospectus is also being furnished by Abbott to St. Jude Medical shareholders as a prospectus in connection with the issuance of Abbott shares in the first merger.

You are cordially invited to attend the shareholders' meeting on [ ], 2016, beginning at [ ] a.m. (Central Time). The meeting will be held at the [ ]. The location is accessible to handicapped persons. To attend the shareholders' meeting in person, you will need to register for the shareholders' meeting and bring an admission ticket and a form of valid government-issued photo identification. You can print an admission ticket in advance by visiting [www.proxyvote.com](http://www.proxyvote.com) and following the instructions there. In addition, you will need the 16-digit control number to access [www.proxyvote.com](http://www.proxyvote.com). You can find your control number on your proxy card included with this proxy statement, or on your voting instruction card if you hold your shares in street name through a bank, broker or other nominee. If you are not a holder of record as of the close of business on the record date, you may be admitted to the meeting only if you have a valid legal proxy from a holder of record as of the close of business on the record date who has obtained an admission ticket. You must present that proxy and admission ticket, as well as a form of valid government-issued photo identification, at the entrance to the meeting.

St. Jude Medical will commence mailing this proxy statement/prospectus and the forms of proxy on or about [ ], 2016 to holders of St. Jude Medical shares as of the close of business on [ ], 2016, the record date for the meeting.

**Proxies and Voting Procedures**

**Your vote is important.** Because many shareholders cannot attend the shareholders' meeting in person, it is necessary that a large number be represented by proxy. If you are a shareholder of record as of the close of business on the record date, you can give a proxy to be voted at the meeting in any of the following ways:

Electronically, using the Internet, by following the Internet voting instructions on the proxy card at any time up until [ ] (Central Time) on [ ], 2016;

Over the telephone by following the telephone voting instructions included in the proxy card at any time up until [ ] (Central Time) on [ ], 2016; or

By mail by marking, dating and signing your proxy card in accordance with the instructions on it and returning it by mail in the preaddressed reply envelope provided with the proxy materials.

The telephone and Internet voting procedures have been set up for your convenience. The procedures have been designed to authenticate your identity, to allow you to give voting instructions and to confirm that those instructions have been recorded properly. If you are a shareholder of record and would like to submit your proxy by telephone or Internet, please refer to the specific instructions provided on the enclosed proxy card. If you wish to submit your proxy by mail, please return your signed proxy card before the meeting. Additionally, shareholders of record that satisfy the admission requirements to the shareholders' meeting, may vote their shares in person at the meeting. However, even if you plan to attend the shareholders' meeting, we encourage you to vote in advance by Internet, telephone or mail so that your vote will be counted in the event you later decide not to attend the shareholders' meeting. If you are a shareholder of record and sign and return your proxy card or submit your proxy by telephone or Internet and do not indicate how your shares should be voted on any particular matter, the shares represented by your proxy will be voted in accordance with the

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recommendation of the St. Jude Medical board of directors on that matter, as set forth in this proxy statement/prospectus.

If your St. Jude Medical shares are held in the name of a bank, brokerage firm or other nominee, then the bank, brokerage firm or other nominee is considered to be the shareholder of record with respect to those shares, and you must vote your shares in the manner prescribed by the bank, brokerage firm or other nominee. Your bank, brokerage firm or other nominee will provide a voting instruction card for you to use in directing the bank, brokerage firm or other nominee how to vote your shares. If your St. Jude Medical shares are held in the name of a bank, brokerage firm or other nominee, you must obtain a proxy, executed in your favor, from the bank, brokerage firm or other nominee to be able to vote in person at the meeting.

If you are a shareholder of record, you may change your vote or revoke your proxy by:

filing a written statement to that effect with St. Jude Medical's corporate secretary, at or before the taking of the vote at the shareholders' meeting;

voting again via the Internet or telephone at a later time before the closing of those voting facilities at [ ] (Central Time) on [ ], 2016;

submitting a properly signed proxy card with a later date that is received at or prior to the shareholders' meeting; or

attending the shareholders' meeting, revoking your proxy and voting in person.

The written revocation statement or subsequent proxy should be delivered to St. Jude Medical, Inc., One St. Jude Medical Drive, St. Paul, MN 55117, Attention: Corporate Secretary, or hand delivered to the Corporate Secretary, before the taking of the vote at the shareholders' meeting. If you are a beneficial owner and hold shares through a broker, bank or other nominee, you may submit new voting instructions by contacting your broker, bank or other nominee. You may also change your vote or revoke your voting instructions in person at the shareholders' meeting if you have, prior to the meeting, obtained a signed proxy from your broker, bank or other nominee giving you the right to vote the shares.

All the St. Jude Medical shares that you own beneficially or of record that are entitled to vote at the shareholders' meeting and represented by properly completed proxies received before the meeting and not revoked will be voted at the meeting in accordance with your instructions.

If any other matters are properly presented at the shareholders' meeting for consideration, the persons named as proxies will have discretion to vote on those matters according to their best judgment to the same extent as the person delivering the proxy would be entitled to vote. At the date this proxy statement/prospectus was printed, St. Jude Medical did not anticipate that any matters other than those set forth in the Notice of Annual Meeting of Shareholders would be raised at the meeting.

**Shareholders Entitled to Vote**

Shareholders of record as of the close of business on the record date are entitled to notice of and to vote at the shareholders' meeting. Each share is entitled to one vote on each matter properly brought before the meeting, and there is no cumulative voting. At the close of business on the record date, [ ], 2016, there were approximately [ ] St. Jude Medical shares outstanding and, therefore, entitled to vote at the shareholders' meeting.

**Required Vote**

The presence in person or by proxy of the holders of a majority of the St. Jude Medical shares entitled to vote at the shareholders' meeting will constitute a quorum for the transaction of business.

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Abstentions and broker "non-votes" are counted as present and entitled to vote for purposes of determining a quorum. A so-called broker "non-vote" results when banks, brokerage firms and other nominees return a valid proxy but do not vote on a particular proposal because they do not have discretionary authority to vote on the matter and have not received specific voting instructions from the beneficial owner of such shares. In accordance with the rules of the NYSE, banks, brokerage firms and other nominees who hold St. Jude Medical shares in street name for their customers have authority to vote on "routine" proposals when they have not received instructions from beneficial owners. However, banks, brokerage firms and other nominees are precluded from exercising their voting discretion with respect to non-routine matters, such as approval of the merger agreement, and each other matter to be voted on at the shareholders' meeting as described in this proxy statement/prospectus, except for the proposal to ratify the appointment of Ernst & Young LLP as St. Jude Medical's independent registered public accounting firm for 2016. As a result, absent specific instructions from the beneficial owner of such shares, banks, brokerage firms and other nominees are not empowered to vote such shares other than as set forth above. The effect of not instructing your broker how you wish your shares to be voted will be the same as a vote "**AGAINST**" approval of the merger agreement and the declassification proposal, and will not have an effect on the other matters to be voted on at the shareholders' meeting (other than the proposal to ratify the appointment of Ernst & Young LLP as St. Jude Medical's independent registered public accounting firm for 2016, which your broker can vote on using its voting discretion). Approval of the merger agreement requires the affirmative vote of the holders of at least a majority of the outstanding St. Jude Medical shares entitled to vote thereon. St. Jude Medical shareholders who do not vote in favor of the proposal to approve the merger agreement will have the right to assert dissenters' rights if they deliver a demand for dissenters' rights before the vote is taken on the merger agreement and comply with all the requirements of Minnesota law, which are summarized in the section entitled "Dissenters' Rights of St. Jude Medical Shareholders" and reproduced in their entirety in **Annex F** hereto.

Approval of the proposal to amend St. Jude Medical's articles of incorporation and bylaws to declassify the St. Jude Medical board of directors requires the affirmative vote of the holders of at least 80% of the outstanding St. Jude Medical shares entitled to vote thereon.

Approval of each of (i) the proposal to approve, by advisory (non-binding) vote, certain compensation arrangements for St. Jude Medical's named executive officers in connection with the mergers contemplated by the merger agreement; (ii) the proposal to approve by advisory (non-binding) vote the compensation of St. Jude Medical's named executive officers in 2015; (iii) the proposal to approve the St. Jude Medical, Inc. 2016 Stock Incentive Plan; (iv) the proposal to approve amendments to St. Jude Medical's bylaws to implement proxy access; (v) the proposal to ratify the appointment of Ernst & Young LLP as St. Jude Medical's independent registered public accounting firm for 2016; (vi) the proposal for adjournment of the shareholders meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the shareholders' meeting to approve the merger agreement; and (vii) the shareholder proposal regarding supermajority voting if properly presented at the meeting, requires the affirmative vote of the holders of at least a majority of the shares present (in person or by proxy) and entitled to vote on such proposal, so long as the total number of shares voted in favor of each proposal is greater than 25% of the outstanding St. Jude Medical shares entitled to vote thereon and a quorum is present at the outset of the meeting.

In an uncontested election (where the number of St. Jude Medical director nominees does not exceed the number of directors to be elected), a director is elected if the number of votes cast "**FOR**" a director exceeds the number of votes cast "**AGAINST**" the election of that director, so long as a quorum is present. To address a holdover provision in Minnesota law that allows a director who has not been re-elected to remain in office until a successor is identified, St. Jude Medical's principles of corporate governance require that any director nominee who receives a greater number of votes "**AGAINST**" his or her election than votes "**FOR**" such election must promptly offer to tender his or

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her resignation following certification of the shareholder vote. If such a resignation is tendered, the governance and nominating committee of the St. Jude Medical board of directors, which we refer to as the governance and nominating committee, will consider the resignation offer and recommend to the St. Jude Medical board of directors whether to accept it. The St. Jude Medical board of directors will act on the governance and nominating committee's recommendation within 90 days following certification of the shareholder vote and will promptly disclose its decision on whether to accept the director's resignation offer (or the reasons for rejecting the resignation offer, if applicable) in a press release. Any director who offers to tender his or her resignation as described above will not participate in the governance and nominating committee's recommendation or the St. Jude Medical board of directors' decision of whether to accept the resignation offer.

At any meeting for which the number of St. Jude Medical director nominees exceeds the number of directors to be elected, St. Jude Medical directors are elected by a plurality of the votes present and entitled to vote on the election of directors. This means that if St. Jude Medical shareholders are electing three directors, the three director nominees receiving the highest number of votes will be elected.

*Shareholders of Record and Beneficial Owners.* Because each of the affirmative votes required to approve the merger agreement and to approve the declassification proposal is based on the total number of outstanding St. Jude Medical shares, if you fail to submit a proxy or vote in person at the shareholders' meeting, or vote to abstain, or you do not provide your bank, brokerage firm or other nominee with instructions, as applicable, it will have the same effect as a vote "**AGAINST**" approval of each of these proposals.

*Shareholders of Record.* If you are a record holder of St. Jude Medical shares and your shares are present at the shareholders' meeting (whether due to your presence at the meeting or representation of your shares by proxy at the meeting) but your shares are not voted in person, or are voted to abstain, this will have the effect of a vote "**AGAINST**" each such proposal on which you did not vote or voted to abstain, except in the case of a vote to abstain on the proposal to elect three members to the St. Jude Medical board of directors for terms ending in 2019, which will have no effect on the approval of such proposal.

Except with regards to the proposal to approve the merger agreement and the proposal to amend St. Jude Medical's articles of incorporation and bylaws to declassify the St. Jude Medical board of directors, if you are the record holder of your St. Jude Medical shares and you fail to submit a proxy or attend the shareholders' meeting, your St. Jude Medical shares will not be voted, but this will not have an effect on the votes to approve the proposals to be voted on at the shareholders' meeting (other than resulting in failure to establish a quorum).

*Beneficial Owners.* Except with regards to the proposal to approve the merger agreement and the declassification proposal, if your St. Jude Medical shares are held through a benefit or compensation plan or in street name and you do not instruct your bank, brokerage firm or other nominee to vote your shares, it will have no effect on approval of the proposals to be voted on at the shareholders' meeting. Your shares will be counted as present and entitled to vote for purpose of establishing a quorum for transaction of business at the shareholders' meeting.

**Cost of Proxy Solicitation**

St. Jude Medical has engaged Innisfree M&A Incorporated at an estimated cost of \$50,000, plus reimbursement of reasonable expenses, to assist in the solicitation of proxies from brokers, nominees, institutions and individuals. Proxies may also be solicited on St. Jude Medical's behalf by St. Jude Medical's directors, officers or employees (for no additional compensation). Arrangements will also be made with custodians, nominees and fiduciaries for forwarding a notice or printed proxy materials, as applicable, to beneficial owners of shares held of record by such custodians, nominees and fiduciaries, and St. Jude Medical will reimburse such custodians, nominees and fiduciaries for reasonable expenses incurred in connection therewith.

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**THE PARTIES TO THE MERGERS**

*St. Jude Medical, Inc.*

One St. Jude Medical Drive  
St. Paul, Minnesota 55117  
(651) 756-4347

St. Jude Medical, Inc., a Minnesota corporation, is a leading global medical device manufacturer and is dedicated to transforming the treatment of some of the world's most expensive epidemic diseases. St. Jude Medical does this by developing cost-effective medical technologies that save and improve lives of patients around the world. St. Jude Medical employs approximately 18,000 people worldwide and has five major areas of focus that include heart failure, atrial fibrillation, neuromodulation, traditional cardiac rhythm management and cardiovascular. St. Jude Medical shares are listed on the NYSE under the symbol "STJ."

*Abbott Laboratories*

100 Abbott Park Road  
Abbott Park, Illinois 60064-6400  
(224) 667-6100

Abbott Laboratories, an Illinois corporation, is a diversified global healthcare company devoted to improving life through the development of products and technologies that span the breadth of healthcare. With a portfolio of leading, science-based offerings in diagnostics, medical devices, nutritionals and branded generic pharmaceuticals, Abbott serves people in more than 150 countries and employs approximately 74,000 people. Abbott shares are listed on the NYSE under the symbol "ABT." Abbott shares are also listed on the Chicago Stock Exchange and traded on various regional and electronic exchanges. Outside of the United States, Abbott shares are listed on the London Stock Exchange and the SIX Swiss Exchange. The ticker symbol for Abbott shares on such other exchanges is also "ABT."

*Vault Merger Sub, Inc.*

c/o Abbott Laboratories  
100 Abbott Park Road  
Abbott Park, Illinois 60064-6400  
(224) 667-6100

Vault Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Abbott, was formed solely for the purpose of facilitating the first merger. Vault Merger Sub, Inc. has not carried on any activities or operations to date, except for those activities incidental to its formation and undertaken in connection with the transactions contemplated by the merger agreement.

*Vault Merger Sub, LLC*

c/o Abbott Laboratories  
100 Abbott Park Road  
Abbott Park, Illinois 60064-6400  
(224) 667-6100

Vault Merger Sub, LLC, a Delaware limited liability company and a wholly owned subsidiary of Abbott, was formed solely for the purpose of facilitating the second merger. Vault Merger Sub, LLC has not carried on any activities or operations to date, except for those activities incidental to its formation and undertaken in connection with the transactions contemplated by the merger agreement.

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**PROPOSAL 1: THE MERGERS**

*This section describes the mergers. The description in this section and elsewhere in this proxy statement/prospectus is qualified in its entirety by reference to the complete text of the merger agreement, a copy of which is attached as Annex A and is incorporated by reference into this proxy statement/prospectus. This summary does not purport to be complete and may not contain all of the information about the mergers that is important to you. You are encouraged to read the merger agreement carefully and in its entirety. This section is not intended to provide you with any factual information about St. Jude Medical or Abbott. Such information can be found elsewhere in this proxy statement/prospectus and in the public filings St. Jude Medical and Abbott make with the SEC that are incorporated by reference into this document, as described in the section entitled "Where You Can Find More Information."*

**Per Share Merger Consideration**

Upon completion of the first merger, each St. Jude Medical share issued and outstanding immediately prior to the first effective time (other than those shares owned by Abbott or by any subsidiary of Abbott or St. Jude Medical, or with respect to which dissenters' rights have properly been exercised in accordance with the MBCA) will automatically become the right to receive (i) \$46.75 in cash and (ii) 0.8708 of an Abbott share, in each case less any applicable withholding taxes. We refer to (i) and (ii) together as the per share merger consideration; provided that cash will be paid in respect of any fractional Abbott shares, as described in the section entitled "The Merger Agreement Effective Times, Effects of the Mergers; Organizational Documents of the Surviving Company; Directors and Officers."

However, if dissenters' rights are exercised (and not withdrawn prior to first effective time) with regards to approximately 8.5% or greater of St. Jude Medical shares outstanding as of April 29, 2016, the per share merger consideration will be adjusted such that the aggregate stock consideration is equal to 41% of the sum of the aggregate stock consideration plus the aggregate cash amount, as calculated pursuant to the merger agreement. This potential for adjustment is intended to ensure that the mergers, taken together, satisfy the "continuity of interest" requirement applicable to a reorganization within the meaning of Section 368(a)(1)(A) of the Code. The adjustment, if it becomes operative, would result in the per share merger consideration for non-dissenting shares being comprised of less cash and more Abbott shares. For example, if there were 284,277,432 St. Jude Medical shares outstanding immediately prior to the first effective time, and dissenters' rights were exercised and not withdrawn prior to the first effective time with regards to 10% of such St. Jude Medical shares, then the per share merger consideration for non-dissenting shares would be adjusted to be \$46.25 in cash and 0.8821 of an Abbott share. The adjustment calculation is dependent on the specific facts existing immediately before the first effective time. The treatment of fractional shares and tax withholding would not be affected by such adjustment.

In the event that the outstanding St. Jude Medical shares or Abbott shares are changed into a different number of shares or a different class of shares by reason of any reclassification, stock split (including a reverse stock split), recapitalization, split-up, combination, exchange of shares, readjustment, or other similar transaction, or a stock dividend thereon is declared with a record date within said period, then the exchange ratio will be appropriately adjusted to provide Abbott and the St. Jude Medical shareholders (including holders of St. Jude Medical stock options) the same economic effect as prior to the event.

**Background of the Mergers**

From time to time, St. Jude Medical has reviewed and evaluated strategic opportunities and alternatives with a view to enhancing St. Jude Medical shareholder value. These reviews have included consideration, from time to time, of opportunities such as strategic acquisitions and divestitures, business combinations and other financial and strategic alternatives. All current members of the St. Jude Medical board of directors attended all meetings of the board described below in this section,

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including Michael T. Rousseau, who was not a board member at the time of the December 29, 2015 meeting, but was present at that meeting as a representative of St. Jude Medical's management. Also present at all St. Jude Medical board of directors meetings described below, serving as representatives of St. Jude Medical's management team, were Mr. Don Zurbay, Vice President, Finance and Chief Financial Officer of St. Jude Medical, Mr. John Heinmiller, Executive Vice President of St. Jude Medical, and Mr. Jason Zellers, Vice President, General Counsel, and Corporate Secretary of St. Jude Medical.

On December 15, 2015, members of the respective managements of Abbott and St. Jude Medical met in connection with Abbott and St. Jude Medical's ongoing strategic marketing alliance. That meeting also served as an introductory meeting between Miles D. White, chief executive officer of Abbott, and Michael T. Rousseau, the incoming chief executive officer of St. Jude Medical, in light of Mr. Rousseau's appointment as chief executive officer of St. Jude Medical effective January 1, 2016. During the course of the meeting Mr. White indicated to Mr. Rousseau an interest in discussing a potential business combination between Abbott and St. Jude Medical.

On December 29, 2015, the St. Jude Medical board of directors held a telephonic meeting to discuss further St. Jude Medical's 2016 annual operating plan. Representatives of St. Jude Medical's management team were present. During this meeting, management relayed to the St. Jude Medical board of directors that Mr. White had indicated an interest in discussing a potential business combination between Abbott and St. Jude Medical at the December 15, 2015 meeting regarding the companies' ongoing strategic marketing alliance. In anticipation of the upcoming February 19, 2016 St. Jude Medical board meeting, at which Guggenheim Securities, St. Jude Medical's financial advisor, was scheduled to meet with the board in connection with its annual review of strategic matters and trends within the medical technology sector, the board members and management determined to request that Guggenheim Securities also provide the board with certain financial information pertaining to St. Jude Medical and Abbott and discuss potential strategic alternatives in the event that Abbott presented a proposal regarding a possible business combination.

During the first week of January 2016, Mr. White contacted Daniel J. Starks, former chief executive officer and current executive chairman of St. Jude Medical, regarding a possible business combination between Abbott and St. Jude Medical.

On January 21, 2016, Messrs. White and Starks discussed by telephone the potential strategic merits of a possible business combination. On this call, they agreed to meet in person soon thereafter and discuss and review only publicly available information at such time. On January 23, 2016, Messrs. White and Starks met in person to follow-up on their telephone call. At this meeting, Mr. White indicated that Abbott expected to present St. Jude Medical with a proposal to acquire St. Jude Medical. In those discussions, Mr. Starks indicated that St. Jude Medical was not pursuing a sale, but that St. Jude Medical's management would present any proposal by Abbott to the St. Jude Medical board of directors.

On February 19, 2016, the St. Jude Medical board of directors held a regularly scheduled meeting. In addition to the members of the board, members of St. Jude Medical's management and representatives of Guggenheim Securities and Gibson, Dunn & Crutcher LLP, St. Jude Medical's outside legal advisor, were present for portions of the meeting. At that meeting, Guggenheim Securities discussed with the St. Jude Medical board certain strategic matters and trends within the medical technology sector, including investment, acquisition and consolidation trends. At the request of St. Jude Medical's board and management, Guggenheim Securities also provided certain financial information pertaining to St. Jude Medical and Abbott and discussed potential strategic alternatives to inform the St. Jude Medical board in the event that Abbott were to present a business combination proposal. The St. Jude Medical board discussed St. Jude Medical's potential strategic options, including continuing to execute on its standalone business plan, potential acquisitions, potential divestitures and potential business combinations. The St. Jude Medical board also discussed whether, in the event it were to receive a proposal from Abbott and determine to engage in a sale process, it should solicit other

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proposals and the potential benefits and risks inherent in contacting other potential buyers. The St. Jude Medical board considered, with input from St. Jude Medical's management and Guggenheim Securities based on their information about the industry, parties that could potentially have the financial resources and strategic interest to pursue a business combination with St. Jude Medical and the likelihood that any of such parties would be able to acquire St. Jude Medical on attractive terms. After such discussion, the St. Jude Medical board concluded that, in the event it were to determine to engage in a sale process, it was unlikely that there would be any companies other than Abbott that would have both the strategic interest and financial resources to acquire St. Jude Medical on attractive terms. The St. Jude Medical board also took into account that, in the event it were to determine to enter into a sale process, the terms of any transaction agreement would not preclude another company from making a competing offer for St. Jude Medical.

Also on February 19, 2016, the Abbott board of directors held a regularly scheduled meeting. Also present at the meeting, serving as representatives of Abbott's management team, were Hubert L. Allen, Executive Vice President, General Counsel and Secretary, Richard W. Ashley, Executive Vice President, Corporate Development, Jeff Barton, Vice President, Licensing and Acquisitions, Robert Ford, Executive Vice President, Medical Devices, Thomas C. Freyman, Executive Vice President, Finance and Administration, and Brian B. Yoor, Senior Vice President, Finance and Chief Financial Officer. The members of Abbott management reviewed with the Abbott board of directors the proposed acquisition of St. Jude Medical and Mr. Freyman made a presentation to the board regarding the proposed acquisition. Following this review and discussion, the Abbott board of directors authorized Abbott's senior management team to pursue the potential acquisition of St. Jude Medical.

On February 21, 2016, representatives of Evercore Partners, financial advisor to Abbott, called representatives of Guggenheim Securities to suggest a possible indicative purchase price for a business combination between Abbott and St. Jude Medical, based on a mix of cash and stock consideration, in the "upper \$70s" per St. Jude Medical share. In accordance with the directives of St. Jude Medical's management, representatives of Guggenheim Securities communicated that St. Jude Medical's management thought it was unlikely that the St. Jude Medical board of directors would be interested in engaging in any discussions at that price level.

On February 23, 2016, Mr. White called Mr. Starks to communicate a preliminary indication of interest for Abbott to acquire St. Jude Medical at an indicative value of \$83.00 per St. Jude Medical share, with consideration consisting of 60% in cash and 40% in Abbott shares, subject to due diligence, definitive agreements to be negotiated and Abbott board approval. On that date, the closing price of St. Jude Medical shares was approximately \$53.99 per share.

On February 26, 2016, the St. Jude Medical board held a telephonic meeting. Representatives of St. Jude Medical's management team, Guggenheim Securities and Gibson Dunn were present. At the meeting, the terms of the proposal from Abbott were discussed. Guggenheim Securities again discussed certain financial and strategic matters as previously discussed with the St. Jude Medical board at its February 19<sup>th</sup> meeting. Representatives of Gibson Dunn reviewed with the St. Jude Medical board its fiduciary duties with respect to a possible transaction. The St. Jude Medical board and its advisors discussed the potential benefits and risks to St. Jude Medical shareholders of a transaction with Abbott as compared to other strategic alternatives, including continuing to enhance shareholder value by operating as an independent, standalone company. After discussion, the St. Jude Medical board authorized St. Jude Medical's management to engage in negotiations with Abbott regarding its proposal, including Abbott's proposed indicative value, as well as to enter into an appropriate confidentiality agreement with Abbott and provide confidential information to Abbott and its advisors.

On February 28, 2016, Abbott and St. Jude Medical entered into a confidentiality agreement to cover discussions regarding a possible transaction and sharing of non-public information.

On February 29, 2016, Mr. Allen, Mr. Ford, Mr. Freyman and other members of Abbott's management team met with Mr. Rousseau, Mr. Heinmiller, Mr. Zurbay, and other members of St. Jude



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Medical's management team to discuss a potential strategic transaction. At this meeting, members of management of St. Jude Medical delivered a presentation covering topics relating to St. Jude Medical's businesses, including financial information and an overview of St. Jude Medical's operations.

On March 1, 2016, Abbott, Evercore Partners and Abbott's legal advisor, Wachtell, Lipton, Rosen & Katz, commenced an initial due diligence review with respect to St. Jude Medical.

On March 13, 2016, on behalf of Abbott, Evercore Partners communicated to Guggenheim Securities, on behalf of St. Jude Medical, an updated proposal for Abbott to acquire St. Jude Medical at an indicative value of \$84.00 per St. Jude Medical share, with consideration consisting of 60% in cash and 40% in Abbott shares. As before, the proposal was subject to due diligence, definitive agreements to be negotiated and Abbott board approval.

On March 15, 2016, the St. Jude Medical board held a telephonic meeting. Representatives of St. Jude Medical's management team, Guggenheim Securities and Gibson Dunn were present. At the meeting, the terms of the Abbott proposal were discussed. Guggenheim Securities reviewed preliminarily certain financial aspects of the proposed transaction, including the proposed transaction structure and the use of a fixed exchange ratio to be calculated at signing. Representatives of Gibson Dunn reviewed with the St. Jude Medical board the process and likely timeline for negotiation of a definitive agreement with respect to a transaction. The St. Jude Medical board and its advisors discussed the potential benefits and risks to St. Jude Medical shareholders of a transaction with Abbott as compared to other possible strategic alternatives, including continuing to enhance shareholder value by operating as an independent, standalone company. After discussion, the St. Jude Medical board authorized St. Jude Medical's management to make a counterproposal for Abbott to acquire St. Jude Medical at an indicative value of \$85.00 per St. Jude Medical share, based on a mix of cash and stock consideration as outlined by Abbott.

On March 16, 2016, Mr. Starks communicated to Mr. White St. Jude Medical's counterproposal of an indicative value of \$85.00 per St. Jude Medical share to Abbott. Mr. White agreed to proceed with its exploration of a possible transaction on those terms, with any agreement subject to, among other things, completion of due diligence, negotiation of definitive agreements and Abbott board approval. The parties also discussed the methodology of determining the value of Abbott shares issuable in a transaction, which was proposed to be fixed as of the signing date of any transaction based on the volume weighted average price of Abbott shares for the five trading days ending on the day prior to signing. On that date, the closing price of St. Jude Medical shares was approximately \$54.50 per share.

On March 16, 2016, Abbott and its advisors commenced in-depth due diligence with respect to St. Jude Medical. On March 22 and March 31, 2016, Mr. Rousseau, Mr. Heinmiller, Mr. Zurbay, and other members of management of St. Jude Medical made presentations to Mr. Barton, John M. Capek, Executive Vice President, Ventures, Mr. Ford, Mr. Freyman and other members of Abbott management as part of Abbott's due diligence review. At these meetings, members of management of St. Jude Medical delivered presentations covering topics relating to St. Jude Medical's businesses, including financial information and an overview of St. Jude Medical's operations.

On April 6, 2016, Wachtell Lipton, on behalf of Abbott, distributed to Gibson Dunn, on behalf of St. Jude Medical, an initial draft of the merger agreement. The draft merger agreement contained a number of provisions that St. Jude Medical viewed as highly problematic, including Abbott's initial proposals regarding a number of provisions that would allow Abbott to terminate its obligation to complete the transaction in various circumstances and the size of its proposed termination fee in the event of termination of the merger agreement following a change in recommendation by the St. Jude Medical board of directors and certain other circumstances.

From April 10 through April 16, 2016, St. Jude Medical, Abbott and their respective legal advisors engaged in substantial negotiations regarding the terms of the merger agreement, including the matters described above, and the representations and warranties, closing conditions and covenants set forth in the draft merger agreement.

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During this period, Abbott and its advisors also continued their due diligence review of St. Jude Medical. During this time, St. Jude Medical's management provided requested due diligence information to Abbott, responded to questions from Abbott and its advisors and participated in numerous conference calls with Abbott and its advisors regarding diligence matters.

On April 10, 2016, the St. Jude Medical board held a telephonic meeting to consider and discuss the proposed transaction. Representatives of St. Jude Medical's management team, Guggenheim Securities and Gibson Dunn were present. St. Jude Medical's management reviewed with the St. Jude Medical board discussions with Abbott to date and, together with St. Jude Medical's advisors, provided an update on the status of the due diligence process, including the timing and scope of reverse due diligence on Abbott. Representatives of Gibson Dunn reported on the process and expected timing of review of the merger agreement. Representatives of Gibson Dunn also reviewed with the St. Jude Medical board its fiduciary duties with respect to a possible transaction. The St. Jude Medical board and its advisors also discussed the potential benefits and risks of the proposed transaction.

On April 12, 2016, Abbott proposed to St. Jude Medical an adjustment to the mix of consideration, such that the ratio of the proposed consideration would be 55% in cash and 45% in Abbott shares.

On April 12 and April 14, 2016, St. Jude Medical's management and advisors conducted due diligence with respect to the businesses and operations of Abbott in telephonic meetings with Mr. Allen, Mr. Barton, Mr. Freyman, Mr. Yoor and other members of Abbott's management team.

On April 14, 2016, Messrs. White and Starks met for dinner, at which they discussed the status of discussions between the parties.

On April 16, 2016, the St. Jude Medical board held a telephonic meeting. Representatives of St. Jude Medical's management team, Guggenheim Securities and Gibson Dunn were present. At the meeting, Mr. Starks communicated to the board the status of discussions between the parties. St. Jude Medical's management and advisors also described certain significant unresolved points in the merger agreement and the preliminary results of reverse due diligence that had been conducted on Abbott.

From April 16 through April 27, 2016, Abbott and its advisors continued their due diligence review of St. Jude Medical, and from April 22 to April 27, 2016, Abbott, St. Jude Medical and their respective advisors continued to negotiate the terms of the merger agreement. On April 25, 2016, St. Jude Medical's management and advisors conducted a supplemental reverse due diligence session regarding Abbott in telephonic meetings with Mr. Allen, Mr. Barton, Mr. Freyman and Mr. Yoor of Abbott's management team.

On April 25, 2016, the St. Jude Medical board held a telephonic meeting to consider and discuss the proposed transaction. Representatives of St. Jude Medical's management team, Guggenheim Securities and Gibson Dunn were present. Guggenheim Securities reviewed and discussed with the St. Jude Medical board certain financial aspects of the proposed transaction, including the proposed ratio of 55% in cash and 45% in Abbott shares and the methodology for fixing the value of Abbott shares issuable in the merger based on the volume weighted average price of Abbott shares for the five trading days ending on the day prior to signing. Gibson Dunn reviewed and discussed with the St. Jude Medical board the current status and terms of the proposed merger agreement, including the mechanics of the provisions regarding St. Jude Medical's ability to accept superior proposals, the parties' respective rights to terminate the agreement and the size of the termination fee payable by St. Jude Medical in certain circumstances. Gibson Dunn noted that the size of the termination fee remained a significant open issue in the merger agreement. The St. Jude board of directors also was updated regarding reverse due diligence on Abbott.

In final discussions regarding the merger agreement between Messrs. Starks and White on April 27, 2016, Abbott and St. Jude Medical agreed that the termination fee payable by St. Jude Medical in the event that the merger agreement was terminated by St. Jude Medical to accept  
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superior proposal and in certain other circumstances would be equal to approximately 2.75% of St. Jude Medical's equity value.

On April 27, 2016, the St. Jude Medical board held a telephonic meeting to consider and discuss the proposed transaction. Representatives of St. Jude Medical's management team, Guggenheim Securities and Gibson Dunn were present. Gibson Dunn reviewed and discussed with the St. Jude Medical board the final terms of the proposed merger agreement, as well as the fiduciary duties of directors in connection with their consideration of the transaction. Also at this meeting, Guggenheim Securities reviewed with the St. Jude Medical board of directors Guggenheim Securities' financial analysis of the per share merger consideration and rendered an oral opinion, confirmed by delivery of a written opinion dated April 27, 2016, to the St. Jude Medical board of directors to the effect that, as of that date and based on and subject to the matters considered, the procedures followed, the assumptions made and various limitations of and qualifications to the review undertaken, the per share merger consideration to be received in the first merger by holders of St. Jude Medical common stock was fair, from a financial point of view, to such holders. Following the discussion, the St. Jude Medical board unanimously determined that the mergers are fair to, and in the best interests of, St. Jude Medical and its shareholders and declared the merger agreement and the mergers advisable, approved the merger agreement and the transactions contemplated thereby, including the mergers, and resolved to recommend the adoption of the merger agreement to St. Jude Medical shareholders. The St. Jude Medical board also unanimously determined that it is fair and reasonable and in the best interests of its shareholders to approve cash gross-up payments to certain executives, including the named executive officers of St. Jude Medical, to cover any excise tax that results solely in connection with the mergers.

Also on April 27, 2016, the Abbott board of directors held a telephonic meeting to consider and discuss the proposed transaction. Mr. Allen, Mr. Ford, Mr. Freyman and Mr. Yoor of Abbott's senior management team, Evercore Partners and Wachtell Lipton also participated in the meeting. Wachtell Lipton reviewed and discussed the final terms of the proposed merger agreement, as well as the fiduciary duties of the Abbott board of directors in connection with its consideration of the transaction. Also at this meeting, Evercore Partners reviewed with the Abbott board of directors the financial aspects of the transaction. Following the discussion, the Abbott board of directors approved the transaction and authorized Abbott senior management to execute the merger agreement.

Abbott and St. Jude Medical executed the merger agreement after the closing of trading on the NYSE on April 27, 2016. Abbott and St. Jude Medical announced the transaction with a joint press release prior to the opening of trading on the NYSE on April 28, 2016.

**St. Jude Medical Board of Directors' Recommendation and Reasons for the Mergers**

At a meeting on April 27, 2016, the St. Jude Medical board unanimously (i) determined that the mergers are fair to, and in the best interests of, St. Jude Medical and its shareholders and declared the merger agreement and the merger advisable, (ii) approved the merger agreement and the transactions contemplated thereby, including the mergers, and (ii) resolved to recommend the adoption of the merger agreement to St. Jude Medical shareholders.

In evaluating the mergers, the St. Jude Medical board of directors consulted with St. Jude Medical's management and legal and financial advisors and, in reaching its conclusion described above, considered the following factors:

the St. Jude Medical board of directors' familiarity with St. Jude Medical's business, operations, financial condition, competitive position, business strategy and prospects, and general industry, economic and market conditions, including the inherent risks and uncertainties in St. Jude Medical's business, in each case on a historical, current and prospective basis;

the alternative to the merger agreement of remaining as an independent company, including any potential additional value accruing to shareholders if St. Jude Medical were to remain independent and the risks and uncertainties of whether such additional value would be obtained;

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the determination, taking into account the views of St. Jude Medical's management and financial advisor, that Abbott was the party most likely able to acquire St. Jude Medical at the highest price and that other parties were unlikely to have both the strategic interest and financial resources to acquire St. Jude Medical at a higher value;

that St. Jude Medical shareholders will be entitled to receive merger consideration that consists of a combination of cash and Abbott shares, providing a combination of liquidity and certainty of value as a result of the cash consideration and the opportunity to share in the future growth and expected synergies of the combined company as a result of the consideration consisting of Abbott shares;

that St. Jude Medical shareholders, immediately after completion of the mergers, would hold approximately 14% of the outstanding Abbott common shares;

that the implied value of the merger consideration of \$85.00 per share based on the volume weighted average price for Abbott shares for the five-day period ended on April 26, 2016 represented a premium of approximately 41% to the closing price of St. Jude Medical shares on April 27, 2016, the trading day prior to the announcement of the mergers, and an approximately 48% premium to the volume weighted average closing price of St. Jude Medical's stock for the 30 trading days ending on April 27, 2016;

the then-current financial market conditions and the recent and historical market prices of St. Jude Medical shares, including the market price performance of St. Jude Medical shares relative to those of other industry participants over the last 12 months (see "Comparative Per Share Market Prices and Dividends Information" for information about St. Jude Medical share prices since the first quarter of the 2011 fiscal year);

the intended qualification of the mergers as a reorganization within the meaning of Section 368(a) of the Code, as described in the section entitled "Material U.S. Federal Income Tax Consequences;"

the opinion, dated April 27, 2016, of Guggenheim Securities to the St. Jude Medical board of directors as to the fairness, from a financial point of view and as of the date of the opinion, of the per share merger consideration to be received in the first merger by holders of St. Jude Medical common stock, which opinion was based on and subject to the matters considered, the procedures followed, the assumptions made and various limitations of and qualifications to the review undertaken as more fully described under the section entitled " Opinion of St. Jude Medical's Financial Advisor";

the fact that St. Jude Medical's strong positions in heart failure devices, atrial fibrillation and cardiac rhythm management complement Abbott's leading positions in coronary intervention and transcatheter mitral repair, such that, following the mergers, Abbott will compete in nearly every area of the cardiovascular market and would, as of April 27, 2016, hold the No. 1 or 2 position across large and high-growth cardiovascular device markets;

the St. Jude Medical board of directors' understanding of Abbott's financial position and that the transaction is expected to be accretive to Abbott's earnings in future periods, which would benefit the St. Jude Medical shareholders because they would be receiving Abbott shares in the mergers;

the fact that Abbott shares have substantial liquidity in the public markets, giving St. Jude Medical shareholders a high level of certainty of their ability to sell in the open market the Abbott shares they receive in the first merger;

the fact that St. Jude Medical shareholders could receive merger consideration with a value greater than \$85.00 per share if the value of Abbott shares is more than \$43.93 per share as of the closing date;



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the fact that the terms of the merger agreement were the product of arms-length negotiations between St. Jude Medical and its advisors, on the one hand, and Abbott and its advisors, on the other hand;

the conditions to Abbott's obligation to complete the mergers, including the absence of a financing condition;

the structure of the transaction as a merger, requiring approval by St. Jude Medical shareholders, which would provide a period of time prior to the approval by St. Jude shareholders of the mergers during which an unsolicited company acquisition proposal could be made by a third party;

St. Jude Medical's ability, under certain circumstances, to furnish information to and conduct negotiations with a third party, if the St. Jude Medical board of directors determines in good faith that the third party has made a company acquisition proposal that is, or is reasonably expected to lead to, a superior proposal;

the ability of the St. Jude Medical board of directors to change its recommendation that St. Jude Medical shareholders approve the mergers and the merger agreement if the St. Jude Medical board of directors determines in accordance with the terms of the merger agreement that failure to do so is reasonably likely to be inconsistent with St. Jude Medical's directors' fiduciary duties;

the ability of the St. Jude Medical board of directors, in connection with a superior proposal, and subject to the terms of the merger agreement, including payment of a \$685 million termination fee, to terminate the merger agreement in order to enter into an agreement with respect to such superior proposal;

the belief of the St. Jude Medical board of directors that, taking into account information provided by St. Jude Medical's advisors, the termination provisions and termination fee would not, as a practical matter, prevent an interested third party from submitting an offer to acquire St. Jude Medical that could lead to a superior proposal;

the fact that the first merger is subject to the approval of the St. Jude Medical shareholders, who will be free to approve or reject the mergers; and

the fact that St. Jude Medical shareholders who do not vote in favor of approval of the merger agreement will be entitled to appraisal rights under Minnesota law.

The St. Jude Medical board of directors also identified and considered a number of uncertainties, risks and other potentially negative factors, including the following:

the risks and contingencies related to the announcement and pendency of the mergers, including the potential for diversion of management and employee attention, the impact on St. Jude Medical employees and the potential for increased employee attrition during the period prior to the completion of the first merger, and the potential effect on St. Jude Medical's business and relations with existing and prospective customers, suppliers and business partners, as well as other third parties;

the conditions to Abbott's obligation to complete the mergers and the right of Abbott to terminate the merger agreement under certain specified circumstances;

the fact that, if the transaction is not completed as a result of regulatory impediments or other reasons, Abbott will not be obligated to pay any "reverse termination fee;"

the risks and costs to St. Jude Medical if the transactions contemplated by the merger agreement are not completed, including the potential impact on St. Jude Medical's share price and the effect on its business relationships;

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the potential impact of the restrictions under the merger agreement on St. Jude Medical's ability to take certain actions during the period prior to the completion of the first merger (which may delay or prevent St. Jude Medical from undertaking business opportunities that may arise pending completion of the first merger);

the fact that St. Jude Medical shareholders could receive merger consideration with a value of less than \$85.00 per share if the value of Abbott shares is less than \$43.93 per share as of the closing date;

the fact that the St. Jude Medical shareholders, to the extent of the consideration they receive consisting of cash, will cease to participate in St. Jude Medical's future earnings growth or benefit from any future increase in its value following the mergers and may have tax obligations with respect to the receipt of such cash consideration;

the fact that St. Jude Medical shareholders, to the extent of the consideration they receive consisting of Abbott shares, will continue to be subject to the risks of fluctuations in the value of Abbott shares and changes in Abbott's business and financial condition, as well as risks inherent in the industry and the public stock markets;

the fact that certain provisions of the merger agreement may have the effect of discouraging proposals for alternative acquisition transactions involving St. Jude Medical, including: (i) the restriction on St. Jude Medical's ability to solicit proposals for alternative transactions, (ii) the limitations on the St. Jude Medical board of directors' ability to change its recommendation to St. Jude Medical shareholders regarding the first merger, (iii) the requirement that St. Jude Medical notify Abbott of alternative acquisition proposals, and (iv) the requirement that St. Jude Medical pay a termination fee of \$685 million to Abbott in certain circumstances following termination of the merger agreement;

the risk that St. Jude Medical's executive officers may have interests in the transactions contemplated by the merger agreement as individuals that are in addition to, or that may be different from, the interests of St. Jude Medical shareholders;

the fees and expenses associated with completing the transactions contemplated by the merger agreement;

the risk that the expected benefits of the combined company may not be achieved by Abbott;

the risks associated with litigation challenging the transactions contemplated by the merger agreement; and

the risks of the type and nature described above under "Risk Factors."

The St. Jude Medical board of directors unanimously recommends that St. Jude Medical common shareholders vote "**FOR**" the merger proposal.

The foregoing discussion of the information and factors considered by the St. Jude Medical board of directors is not intended to be exhaustive, but includes the material information, factors and analyses considered by the St. Jude Medical board of directors. In view of the wide variety of factors considered in connection with its evaluation of the transactions contemplated by the merger agreement and the complexity of these matters, the St. Jude Medical board of directors did not find it useful to and did not attempt to quantify, rank or otherwise assign relative weights to these factors. The St. Jude Medical board of directors' recommendation for the transactions contemplated by the merger agreement was made after considering the totality of the information and factors involved. In considering the factors described above, individual members of the St. Jude Medical board of directors may have given different weight to different factors.



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**Opinion of St. Jude Medical's Financial Advisor**

***Overview***

Pursuant to an engagement letter dated as of March 9, 2016, St. Jude Medical retained Guggenheim Securities to act as its financial advisor with respect to the potential sale of St. Jude Medical. In selecting Guggenheim Securities as its financial advisor, St. Jude Medical considered that, among other things, Guggenheim Securities is an internationally recognized investment banking, financial advisory and securities firm whose senior professionals have substantial experience advising companies in, among other industries, the medical device industry. Guggenheim Securities, as part of its investment banking, financial advisory and capital markets businesses, is regularly engaged in the financial assessment of businesses and securities in connection with mergers and acquisitions, recapitalizations, spin-offs/split-offs, restructurings, securities offerings in both the private and public capital markets and valuations for corporate and other purposes.

At the April 27, 2016 meeting of the St. Jude Medical board of directors, Guggenheim Securities rendered its oral opinion, which was confirmed by delivery of a written opinion, to the effect that, as of April 27, 2016 and based on the matters considered, the procedures followed, the assumptions made and various limitations of and qualifications to the review undertaken, the per share merger consideration to be received in the first merger by holders of St. Jude Medical common stock was fair, from a financial point of view, to such holders.

This description of Guggenheim Securities' opinion is qualified in its entirety by the full text of the written opinion, which is attached as **Annex E** to this proxy statement/prospectus and which you should read carefully and in its entirety. Guggenheim Securities' written opinion sets forth the matters considered, the procedures followed, the assumptions made and various limitations of and qualifications to the review undertaken by Guggenheim Securities. Guggenheim Securities' written opinion, which was authorized for issuance by the Fairness Opinion and Valuation Committee of Guggenheim Securities, is necessarily based on economic, capital markets and other conditions, and the information made available to Guggenheim Securities, as of the date of such opinion. Guggenheim Securities has no responsibility for updating or revising its opinion based on facts, circumstances or events occurring after the date of the rendering of the opinion.

In reading the discussion of Guggenheim Securities' opinion set forth below, you should be aware that such opinion:

was provided to the St. Jude Medical board of directors (in its capacity as such) for its information and assistance in connection with its evaluation of the per share merger consideration;

and any materials provided in connection therewith did not constitute a recommendation to the St. Jude Medical board of directors with respect to the mergers;

does not constitute advice or a recommendation to any shareholder as to how to vote in connection with the mergers or otherwise;

did not address St. Jude Medical's underlying business or financial decision to pursue the mergers, the relative merits of the mergers as compared to any alternative business or financial strategies that might exist for St. Jude Medical, the financing of the mergers or the effects of any other transaction in which St. Jude Medical might engage;

addressed only the fairness, from a financial point of view and as of the date of such opinion, of the per share merger consideration to the extent expressly specified in such opinion;

expressed no view or opinion as to any other term, aspect or implication of the mergers or the merger agreement (including, without limitation, the form or structure of the mergers or the potential adjustment to the aggregate cash consideration as set forth in the merger agreement)

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or any other agreement, transaction document or instrument contemplated by the merger agreement or to be entered into or amended in connection with the mergers or the fairness, financial or otherwise, of the mergers to, or of any consideration to be paid to or received by, the holders of any class of securities, creditors or other constituencies of St. Jude Medical, Abbott or other participants in the mergers; and

expressed no view or opinion as to the fairness, financial or otherwise, of the amount or nature of any compensation payable to or to be received by any of St. Jude Medical's or Abbott's directors, officers or employees, or any class of such persons, in connection with the mergers relative to the per share merger consideration or otherwise.

In the course of performing its reviews and analyses for rendering its opinion, Guggenheim Securities:

reviewed an execution version of the merger agreement dated April 27, 2016;

reviewed certain publicly available business and financial information regarding each of St. Jude Medical and Abbott;

reviewed certain non-public business and financial information regarding St. Jude Medical's businesses and prospects, including certain financial projections for St. Jude Medical, referred to in this section as the "St. Jude Medical Forecast," all as prepared and provided to Guggenheim Securities by St. Jude Medical's senior management;

reviewed certain Wall Street equity research analyst financial forecasts regarding Abbott, including certain adjustments thereto and illustrative extrapolations thereof, as discussed with Abbott's and St. Jude Medical's respective senior management (such financial forecasts, including such adjustments and illustrative extrapolations, referred to in this section as the "Abbott Analyst Forecast" and, together with the St. Jude Medical Forecast, as the "Forecasts");

reviewed certain estimated incremental financial impacts expected to result from the mergers, including certain potential revenue enhancements, cost savings and estimated financing impacts associated with the mergers, referred to collectively as the "Estimated Incremental Financial Impacts," all as prepared and provided to Guggenheim Securities by Abbott's senior management and reviewed by St. Jude Medical's senior management;

discussed with St. Jude Medical's and Abbott's respective senior management their strategic and financial rationale for the mergers, as well as their views of St. Jude Medical's and Abbott's respective businesses, operations, historical and projected financial results and future prospects;

reviewed the historical prices, trading multiples and trading volumes of the shares of St. Jude Medical common stock and Abbott shares, referred to, for purposes of Guggenheim's analyses and opinion, as "Abbott common stock;"

compared the financial performance of St. Jude Medical and Abbott and the trading multiples of the shares of St. Jude Medical common stock and Abbott common stock with corresponding data for certain other publicly traded companies that Guggenheim Securities deemed relevant in evaluating St. Jude Medical and Abbott, respectively;

reviewed the valuation and financial metrics of certain mergers and acquisitions that Guggenheim Securities deemed relevant in evaluating the mergers;

performed discounted cash flow analyses for St. Jude Medical and Abbott based on the St. Jude Medical Forecast and the Abbott Analyst Forecast, respectively, and for Abbott on a *pro forma* combined basis taking account of the mergers and the Estimated Incremental Financial Impacts; and



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conducted such other studies, analyses, inquiries and investigations as Guggenheim Securities deemed appropriate.

With respect to the information used in arriving at its opinion, Guggenheim Securities notes that:

Guggenheim Securities relied upon and assumed the accuracy, completeness and reasonableness of all industry, business, financial, legal, regulatory, tax, accounting, actuarial and other information (including, without limitation, the Forecasts, the Estimated Incremental Financial Impacts and any other estimates and other forward-looking information) furnished by or discussed with St. Jude Medical and Abbott or obtained from public sources, data suppliers and other third parties.

Guggenheim Securities (i) did not assume any responsibility, obligation or liability for the accuracy, completeness, reasonableness, achievability or independent verification of, and Guggenheim Securities did not independently verify, any such information (including, without limitation, the Forecasts, the Estimated Incremental Financial Impacts or any other estimates and other forward-looking information), (ii) expressed no view, opinion, representation, guaranty or warranty (in each case, express or implied) regarding the reasonableness or achievability of the Forecasts, the Estimated Incremental Financial Impacts or any other estimates and other forward-looking information or the assumptions upon which they were based and (iii) relied upon the assurances of St. Jude Medical's and Abbott's senior management (as the case may be) that they were unaware of any facts or circumstances that would make such information (including, without limitation, the Forecasts, the Estimated Incremental Financial Impacts and any other estimates and other forward-looking information) incomplete, inaccurate or misleading.

Specifically, with respect to (i) the St. Jude Medical Forecast and any other estimates and other forward-looking information relating to St. Jude Medical furnished by or discussed with St. Jude Medical, Guggenheim Securities was advised by St. Jude Medical's senior management, and Guggenheim Securities assumed, that the St. Jude Medical Forecast and such other estimates and other forward-looking information utilized in its analyses had been reasonably prepared on bases reflecting the best then-currently available estimates and judgments of St. Jude Medical's senior management as to the expected future performance of St. Jude Medical and (ii) any financial projections, other estimates and/or other forward-looking information obtained by Guggenheim Securities from public sources, data suppliers and other third parties, Guggenheim Securities assumed that such information was reasonable and reliable.

As the St. Jude Medical board of directors was aware, Abbott did not furnish Guggenheim Securities with any internally generated stand-alone financial budgets, projections or forecasts regarding Abbott for use in connection with Guggenheim Securities' analyses and opinion. Accordingly, Guggenheim Securities based its forward-looking analyses regarding Abbott on the Abbott Analyst Forecast, as discussed with Abbott's and St. Jude Medical's respective senior management. Guggenheim Securities expressed no view, opinion, representation, guaranty or warranty (in each case, express or implied) regarding the selection of the specific Wall Street equity research analyst reports from which the Abbott Analyst Forecast was derived. Guggenheim Securities understood based on Guggenheim Securities' discussions with Abbott's and St. Jude Medical's respective senior management, and Guggenheim Securities assumed with the consent of St. Jude Medical, that the Abbott Analyst Forecast represented a reasonable basis upon which to evaluate the business and financial prospects of Abbott.

Guggenheim Securities was advised by Abbott's senior management, and Guggenheim Securities assumed, that the Estimated Incremental Financial Impacts had been reasonably prepared on bases reflecting the best then-currently available estimates and judgments of Abbott's senior management as to such Estimated Incremental Financial Impacts and further assumed that such

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Estimated Incremental Financial Impacts would be realized in the amounts and at the times projected.

Guggenheim Securities assumed that the Forecasts and the Estimated Incremental Financial Impacts had been discussed with the St. Jude Medical board of directors with the understanding that such information would be used and relied upon by Guggenheim Securities in connection with rendering its opinion.

Guggenheim Securities relied upon, without independent verification, the assessments of St. Jude Medical's and Abbott's respective senior management (as the case may be) as to, among other things: (i) matters relating to Abbott's pending acquisition of Alere Inc., referred to as "Alere," including the expected timing and financial terms and implications thereof, (ii) the potential impact on St. Jude Medical and Abbott of market, competitive and other trends in and prospects for, and governmental, regulatory and legislative matters relating to or otherwise affecting, the medical device industry and the pharmaceutical, nutrition and diagnostic industries, including the continuing availability and amount of reimbursement for existing and future products by governmental and third-party payors, (iii) St. Jude Medical's and Abbott's existing and future products and/or product candidates, technology and intellectual property and associated risks (including, without limitation, with respect to the successful development and commercialization of such products and product candidates, approval thereof by relevant governmental authorities, the validity and life of patents and the potential impact of competition), (iv) St. Jude Medical's and Abbott's existing and future relationships, agreements and arrangements with, and the ability to retain and/or replace, key suppliers and other commercial relationships and (v) the ability to integrate the businesses and operations of St. Jude Medical and Abbott. Guggenheim Securities assumed that there would not be any developments with respect to any such matters that would have an adverse effect on St. Jude Medical, Abbott, the mergers or the contemplated benefits of the mergers in any way meaningful to Guggenheim Securities' analyses or opinion.

Guggenheim Securities also notes certain other considerations with respect to its engagement and its opinion:

During the course of its engagement, Guggenheim Securities was not asked by the St. Jude Medical board of directors to, and it did not, solicit indications of interest from any third parties regarding a potential transaction with St. Jude Medical.

Guggenheim Securities did not perform or obtain any independent appraisal of the assets or liabilities (including any contingent, derivative or off-balance sheet assets and liabilities) of St. Jude Medical, Abbott or any other entity or the solvency or fair value of St. Jude Medical, Abbott or any other entity, nor was Guggenheim Securities furnished with any such appraisals.

Guggenheim Securities assumed that the mergers would qualify, for US federal income tax purposes, as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. Guggenheim Securities did not express any view or render any opinion regarding the tax consequences of the mergers to St. Jude Medical, Abbott or their respective securityholders. Guggenheim Securities' professionals are not legal, regulatory, tax, consulting, accounting, appraisal or actuarial experts and nothing in Guggenheim Securities' opinion should be construed as constituting advice with respect to such matters; accordingly, Guggenheim Securities relied on the assessments of St. Jude Medical, Abbott and their other respective advisors with respect to such matters.

Guggenheim Securities further assumed that:

in all respects meaningful to its analyses, (i) the final executed form of the merger agreement would not differ from the execution version that Guggenheim Securities reviewed, (ii) St. Jude Medical and Abbott would comply with all terms of the merger

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agreement and (iii) the representations and warranties of St. Jude Medical and Abbott contained in the merger agreement were true and correct, subject to the qualifications set forth therein, and all conditions to the obligations of each party to the merger agreement to consummate the mergers would be satisfied without any waiver, modification or amendment thereof; and

the mergers would be consummated in a timely manner and in accordance with the terms of the merger agreement and in compliance with all applicable laws, documents and other requirements, without any limitations, restrictions, conditions, waivers, amendments or modifications (regulatory, tax-related or otherwise) that would have an adverse effect on St. Jude Medical, Abbott, the mergers or the contemplated benefits of the mergers in any way meaningful to Guggenheim Securities' analyses or opinion.

Guggenheim Securities did not express any view or opinion as to the price or range of prices at which the shares of St. Jude Medical common stock, the shares of Abbott common stock or the other securities of St. Jude Medical or Abbott may trade or otherwise be transferable at any time, including subsequent to the announcement or consummation of the mergers.

**Summary of Financial Analyses**

*Overview of Financial Analyses*

This "Summary of Financial Analyses" presents a summary of the principal financial analyses performed by Guggenheim Securities and presented to the St. Jude Medical board of directors in connection with Guggenheim Securities' rendering of its opinion. Such presentation to the St. Jude Medical board of directors was supplemented by Guggenheim Securities' oral discussion, the nature and substance of which provided context for such presentation.

Some of the financial analyses summarized below include summary data and information presented in tabular format. In order to understand fully such financial analyses, the summary data and tables must be read together with the full text of the summary. Considering the summary data and tables alone could create a misleading or incomplete view of Guggenheim Securities' financial analyses.

The preparation of a fairness opinion is a complex process and involves various judgments and determinations as to the most appropriate and relevant financial analyses and the application of those methods to the particular circumstances involved. A fairness opinion therefore is not readily susceptible to partial analysis or summary description, and taking portions of the financial analyses set forth below, without considering such analyses as a whole, would in Guggenheim Securities' view create an incomplete and misleading picture of the processes underlying the financial analyses considered in rendering Guggenheim Securities' opinion.

In arriving at its opinion, Guggenheim Securities:

based its financial analyses on various assumptions, including assumptions concerning general business and economic conditions, capital markets considerations and industry-specific and company-specific factors, all of which are beyond the control of St. Jude Medical, Abbott and Guggenheim Securities;

did not form a view or opinion as to whether any individual analysis or factor, whether positive or negative, considered in isolation, supported or failed to support its opinion;

considered the results of all of its financial analyses and did not attribute any particular weight to any one analysis or factor; and

ultimately arrived at its opinion based on the results of all of its financial analyses assessed as a whole and believes that the totality of the factors considered and the various financial analyses performed by Guggenheim Securities in connection with its opinion operated collectively to



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support its determination as to the fairness, from a financial point of view and as of the date of its opinion, of the per share merger consideration to be received in the first merger by holders of St. Jude Medical common stock.

With respect to the financial analyses performed by Guggenheim Securities in connection with rendering its opinion:

Such financial analyses, particularly those based on estimates and projections, are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than suggested by these analyses.

None of the selected publicly traded companies used in the selected public companies analyses described below is identical or directly comparable to St. Jude Medical or Abbott, and none of the selected precedent merger and acquisition transactions used in the selected precedent transactions analysis described below is identical or directly comparable to the mergers; however, such companies and transactions were selected by Guggenheim Securities, among other reasons, because they represented or involved target companies which may be considered broadly similar, for purposes of Guggenheim Securities' financial analyses, to St. Jude Medical and Abbott based on Guggenheim Securities' familiarity with the medical device, pharmaceutical, nutrition and diagnostic industries.

In any event, the selected public companies analyses and the selected precedent transactions analysis are not mathematical; rather, such analyses involve complex considerations and judgments concerning the differences in business, financial, operating and capital markets-related characteristics and other factors regarding the selected publicly traded companies and precedent merger and acquisition transactions to which St. Jude Medical, Abbott and the mergers were compared. Accordingly, such analyses may not necessarily include all companies or transactions that could be deemed relevant.

Such financial analyses do not purport to be appraisals or to reflect the prices at which any securities may trade at the present time or at any time in the future.

### *Certain Definitions*

Throughout this "Summary of Financial Analyses," the following financial terms are used in connection with Guggenheim Securities' various financial analyses:

Adjusted EBITDA: means EBITDA including the impact of stock-based compensation expense.

Adjusted EBITDA multiple: represents the relevant company's enterprise value divided by its historical or projected Adjusted EBITDA.

Barra predicted equity beta: represents the relevant company's estimated forward-looking equity beta as calculated by Barra, LLC (a subsidiary of MSCI Inc.) based on its proprietary multi-factor equity risk models and which is intended to reflect fundamental changes in the company's underlying risk structure in a timely manner.

CAGR: means compound annual growth rate.

CapEx: means capital expenditures.

Cash EPS: means EPS excluding the impact of amortization expense and certain one-time, non-recurring items.

Cash P/E: represents the relevant company's stock price divided by its historical or projected Cash EPS.





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EBITDA: means the relevant company's operating earnings (before deduction, in the case of St. Jude Medical, of stock-based compensation and after deduction, in the case of Abbott, of stock-based compensation) before interest, taxes, depreciation and amortization.

Enterprise value: represents the relevant company's net equity value plus (i) the book value of total debt and non-convertible preferred stock and (ii) the book value of any non-controlling or minority interests less (iii) cash, cash equivalents, and short- and long-term marketable investments, as applicable.

EPS: means the relevant company's earnings per share.

NTM: means next 12 months.

Unlevered free cash flow: means the relevant company's after-tax unlevered operating cash flow minus CapEx and changes in working capital.

VWAP: means volume-weighted average share price.

*Recap of Implied Merger Statistics*

Based on the per share merger consideration comprised, for each outstanding share of St. Jude Medical common stock, of (i) \$46.75 in cash and (ii) 0.8708 of a share of Abbott common stock, Guggenheim Securities calculated the implied per share merger consideration as \$85.00 per share (based on Abbott's five-day VWAP of approximately \$43.93 per share as of, and including, April 26, 2016, the last trading day prior to the date of the merger agreement). Guggenheim Securities then calculated various implied merger-related premiums and multiples as outlined in the table below:

**Implied Transaction Statistics at Market  
and at Implied Merger Consideration Value of \$85.00/Share**

	<b>St. Jude Medical Stock Price (April 26, 2016) of \$60.18</b>	<b>Implied Per Share Merger Consideration of \$85.00</b>
<b>Implied Premium/(Discount) Relative to St. Jude Medical's:</b>		
Closing Stock Price at April 26, 2016	0%	41%
30-Day VWAP of \$57.30	5	48
52-Week (All-time) High (07/21/15)	(26)	5
<b>Enterprise Value/Adjusted EBITDA Based on St. Jude Medical Forecast:</b>		
2016E	12.8x	16.9x
2017E	11.8	15.5
<b>Cash P/E Based on St. Jude Medical Forecast:</b>		
2016E	14.6x	20.6x
2017E	13.0	18.4
<b>Cash P/E Based on Wall Street Equity Research Estimates:</b>		
2016E	14.7x	20.8x
2017E	13.5	19.1

Table of Contents*St. Jude Medical Financial Analyses*

*St. Jude Medical Recap.* In evaluating St. Jude Medical in connection with rendering its opinion, Guggenheim Securities performed various financial analyses which are summarized in the table below and described in more detail elsewhere herein, including a selected public companies analysis, a selected precedent transactions analysis, and an illustrative discounted cash flow analysis. Solely for reference purposes, Guggenheim Securities also reviewed the historical trading price range for St. Jude Medical common stock, Wall Street equity research analysts' price targets for St. Jude Medical common stock and premiums paid in selected precedent healthcare industry transactions announced since 2004 with transaction values in excess of \$10 billion. Implied per share equity values reflected in the analyses below were rounded to the nearest \$0.50.

**Summary of St. Jude Medical Financial Analyses**

<b>Implied Per Share Merger Consideration</b>	<b>\$ 85.00</b>
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	<b>Implied Reference Ranges for St. Jude Medical</b>	
	<b>Low</b>	<b>High</b>
<b>Primary Financial Analyses</b>		
<b>Selected Public Companies Analysis:</b>		
Based on 2016E Cash P/E	\$ 70.00	\$76.50
Based on 2017E Cash P/E	71.50	76.00
<b>Selected Precedent Transactions Analysis:</b>		
Based on NTM Adjusted EBITDA	\$ 55.50	\$67.50
Based on NTM Cash P/E	74.50	86.50
<b>Illustrative Discounted Cash Flow Analysis Based on St. Jude Medical Forecast:</b>	\$ 74.00	\$114.00
<b>For Additional Reference</b>		
St. Jude Medical's Stock Price Range During 52-Week Period Ended April 26, 2016	\$ 49.00	\$81.00
12-Month Wall Street Equity Research Analysts' Stock Price Targets	55.00	65.00
Premiums Paid (25 <sup>th</sup> to 75 <sup>th</sup> percentile)	74.00	82.50
Illustrative Discounted Cash Flow Analysis Wall Street Equity Research Estimates	57.50	89.00

*Selected Public Companies Analysis.* Guggenheim Securities reviewed and analyzed St. Jude Medical's historical stock price performance, trading metrics and historical and forecasted financial performance compared to corresponding data for selected large cap publicly traded companies in the medical device industry that Guggenheim Securities deemed relevant for purposes of this analysis. The following publicly traded large cap interventional implant medical device companies with vascular and/or orthopedic product portfolios and market capitalizations in excess of \$10 billion, collectively referred to as the St. Jude Medical selected companies, were selected by Guggenheim Securities for purposes of this analysis:

**St. Jude Medical Selected Companies**

Abbott Laboratories

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Becton, Dickinson and Company

Boston Scientific Corporation

C.R. Bard, Inc.

Johnson & Johnson

Medtronic Public Limited Company

Smith & Nephew plc

Stryker Corporation

Zimmer Biomet Holdings, Inc.

Guggenheim Securities calculated, among other things, certain public market trading multiples and revenue and Cash EPS growth rates for the St. Jude Medical selected companies (based on Wall Street equity research estimates, including Wall Street equity research consensus estimates in the case of growth rates, each company's most recent publicly available financial filings and other publicly available information and, in the case of Abbott and Stryker Corporation, pro forma for the impact of certain recent acquisitions), which are summarized in the table below:

### St. Jude Medical Selected Companies Trading Multiples and Growth Rates

	Cash P/E		2016E - 2017E Revenue Growth <sup>(1)</sup>	2016E - 2018E Cash EPS Growth <sup>(1)</sup>
	2016E	2017E		
<b>St. Jude Medical Selected Companies:</b>				
Abbott Laboratories	20.2x	17.6x	5.5%	12.7%
Becton, Dickinson and Company	18.3	16.4	4.4	11.3
Boston Scientific Corporation	18.8	16.5	4.9	12.5
C.R. Bard, Inc.	20.6	18.5	5.0	11.3
Johnson & Johnson	17.1	16.1	4.6	6.0
Medtronic Public Limited Company	17.1	15.6	4.0	9.1
Smith & Nephew plc	19.1	17.4	5.0	11.1
Stryker Corporation	18.6	16.5	5.6	8.8
Zimmer Biomet Holdings, Inc.	14.6	13.3	3.0	10.3
Statistical Recap:				
Mean	18.3x	16.4x	4.7%	10.4%
Median	18.6	16.5	4.9	11.1
High	20.6	18.5	5.6	12.7
Low	14.6	13.3	3.0	6.0
<b>St. Jude Medical:</b>				
<b>Trading Basis</b>				
<b>St. Jude Medical Forecast</b>	<b>14.6x</b>	<b>13.0x</b>	<b>9.4%</b>	<b>12.0%</b>

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<b>Wall Street Equity Research Estimates</b>	<b>14.7</b>	<b>13.5</b>	<b>4.2</b>	<b>8.4</b>
<b>Merger Basis (\$85.00)</b>				
<b>St. Jude Medical Forecast</b>	<b>20.6x</b>	<b>18.4x</b>		
<b>Wall Street Equity Research Estimates</b>	<b>20.8</b>	<b>19.1</b>		

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(1) Additional observed data.

In performing its selected public companies analysis of St. Jude Medical, Guggenheim Securities selected reference ranges of trading multiples for purposes of valuing St. Jude Medical on a stand-alone public market trading basis as follows: (i) a 2016E Cash P/E multiple range of 17.0x to 18.5x,

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which implied a reference range of approximately \$70.00 to \$76.50 per share of St. Jude Medical common stock, and (ii) a 2017E Cash P/E multiple range of 15.5x to 16.5x, which implied a reference range of approximately \$71.50 to \$76.00 per share of St. Jude Medical common stock, as compared to the implied per share merger consideration of \$85.00.

*Selected Precedent Transactions Analysis.* Guggenheim Securities reviewed and analyzed financial metrics associated with selected precedent transactions announced since 2011 involving large cap target companies in the medical device industry that Guggenheim Securities deemed generally relevant for purposes of this analysis. The following precedent transactions announced since 2011 involving large cap target companies in the medical device industry with transaction values in excess of \$5.0 billion, collectively referred to as the selected precedent transactions, were selected by Guggenheim Securities for purposes of this analysis:

### Selected Precedent Transactions

Date Announced	Acquiror	Target Company
10/5/14	Becton, Dickinson and Company	CareFusion Corporation
6/15/14	Medtronic, Inc.	Covidien plc
4/24/14	Zimmer Holdings, Inc.	Biomet, Inc.
	Valeant Pharmaceuticals	Bausch + Lomb Holdings
5/27/13	International, Inc.	Incorporated
7/13/11	Apax Partners	Kinetic Concepts, Inc.
4/27/11	Johnson & Johnson	Synthes, Inc.

Guggenheim Securities calculated, among other things, certain implied change-of-control multiples and EBITDA and Cash EPS forward growth rates for the selected precedent transactions (based on Wall Street equity research estimates, each company's most recent publicly available financial filings and other publicly available information), which are summarized in the table below:

### Selected Precedent Transactions Multiples and Growth Rates

Target Company	Transaction Value as Multiple of NTM EBITDA	EBITDA Fwd. Growth <sup>(2)</sup>	NTM Cash P/E	Cash EPS Fwd. Growth <sup>(2)</sup>
CareFusion Corporation	11.9x	8.1%	21.1x	11.8%
Covidien plc	14.9	6.6	21.6	11.9
Biomet, Inc. <sup>(5)</sup>	11.2	4.5	17.0	12.2
Bausch + Lomb Holdings Incorporated	11.8	7.0	17.1	14.9
Kinetic Concepts, Inc.	8.8	5.1	13.0	8.7
Synthes, Inc.	11.1	7.4	20.5	7.6
Statistical Recap:				
Mean	11.6x	6.5%	18.4x	11.2%
Median	11.5	6.8	18.8	11.8
High	14.9	8.1	21.6	14.9
Low	8.8	4.5	13.0	7.6
<b>St. Jude Medical at Implied Per Share Merger Consideration</b>	<b>16.9x<sup>(1)</sup></b>	<b>8.8%<sup>(3)(4)</sup></b>	<b>20.6x</b>	<b>12.0%<sup>(3)</sup></b>

(1) Reflects transaction value as a multiple of NTM Adjusted EBITDA.

(2) Forward EBITDA and Cash EPS growth rates from calendar year to calendar year + 2. Shown for informational purposes.

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- (3) Reflects calendar year 2016 to calendar year 2018 estimated CAGR.
- (4) Reflects Adjusted EBITDA forward growth rate.
- (5) NTM EBITDA and Cash P/E multiples calculated using annualized third quarter fiscal year 2015 statistics.

In performing its selected precedent transactions analysis of St. Jude Medical, Guggenheim Securities selected a reference range of transaction multiples for purposes of valuing St. Jude Medical on a change-of-control basis as follows: (i) a transaction enterprise value/NTM Adjusted EBITDA multiple range of 12.0x to 14.0x, which implied a reference range of approximately \$55.50 to \$67.50 per share of St. Jude Medical common stock, and (ii) an NTM Cash P/E multiple range of 18.0x to 21.0x, which implied a reference range of approximately \$74.50 to \$86.50 per share of St. Jude Medical common stock, as compared to the implied per share merger consideration of \$85.00.

*Illustrative Discounted Cash Flow Analysis.* Guggenheim Securities performed an illustrative stand-alone discounted cash flow analysis of St. Jude Medical based on projected unlevered free cash flows (after deduction of stock-based compensation) for St. Jude Medical and an estimate of its terminal/continuing value at the end of the projection horizon derived from the St. Jude Medical Forecast for the five-year period ending January 2, 2021. In performing its illustrative discounted cash flow analysis:

Guggenheim Securities used a selected discount rate range of 7.05% to 8.45% based on an estimate of St. Jude Medical's weighted average cost of capital. St. Jude Medical's weighted average cost of capital was estimated based on, among other factors, (i) Guggenheim Securities' then-current estimate of the prospective US equity risk premium range of 6.00% to 7.00%, (ii) a review of St. Jude Medical's Bloomberg historical five-year average adjusted equity beta, its Bloomberg historical two-year average adjusted equity beta, its Bloomberg historical one-year average adjusted equity beta and its then-current Barra predicted equity beta (with a bias toward St. Jude Medical's Bloomberg historical average adjusted equity betas given an observed significant decline in Barra beta placing Barra beta measurably below Bloomberg historical average adjusted equity betas) as well as similar equity beta information for the St. Jude Medical selected companies, which resulted in a prospective unlevered equity beta reference range for St. Jude Medical of 0.850 to 0.950, (iii) the interpolated spot-market yield on the 20-year US Treasury bond of 2.35% as of April 26, 2016, as a proxy for the risk-free rate, (iv) St. Jude Medical's assumed target capital structure on a prospective basis and (v) Guggenheim Securities' investment banking and capital markets judgment and experience in valuing companies similar to St. Jude Medical.

In calculating St. Jude Medical's terminal/continuing value for purposes of its discounted cash flow analysis, Guggenheim Securities utilized a two-stage terminal/continuing value methodology based on an illustrative reference range of perpetuity growth rates of St. Jude Medical's steady-state terminal year unlevered free cash flow of 1.0% to 2.0%.

Guggenheim Securities' illustrative discounted cash flow analysis resulted in an overall reference range of approximately \$74.00 to \$114.00 per share for purposes of valuing St. Jude Medical common stock on a stand-alone intrinsic-value basis, as compared to the implied per share merger consideration of \$85.00.

*Abbott Stand-Alone Financial Analyses*

*Abbott Stand-Alone Financial Analyses Recap.* In evaluating Abbott in connection with rendering its opinion, Guggenheim Securities performed various financial analyses which are summarized in the table below and described in more detail elsewhere herein, including a selected public companies analysis and an illustrative discounted cash flow analysis. Solely for reference purposes, Guggenheim Securities also reviewed the historical trading price range for Abbott common stock and Wall Street equity research analysts' price targets for Abbott common stock. Implied per share equity values

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reflected in the analyses below were rounded to the nearest \$0.50. The Abbott Analyst Forecast includes the anticipated impact in the fourth quarter of the fiscal year ending December 31, 2016 and thereafter of Abbott's pending acquisition of Alere. For purposes of the discounted cash flow analysis below, Abbott's cash and cash equivalents include Abbott's investment in Mylan N.V. based on the aggregate number of Mylan N.V. ordinary shares held by Abbott and the closing share price of such shares on April 26, 2016.

## Summary of Abbott Financial Analyses

**Abbott Closing Stock Price on April 26, 2016**                      **\$    43.88**

	<b>Implied Reference Ranges for Abbott</b>	
	<b>Low</b>	<b>High</b>
<b>Primary Financial Analyses</b>		
<b>Selected Public Companies Analysis:</b>		
Based on 2016E Cash P/E	\$   40.50	\$   48.00
Based on 2017E Cash P/E	41.00	50.00
<b>Illustrative Discounted Cash Flow Analysis   Based on Abbott Analyst Forecast:</b>		
	\$   40.00	\$   65.00
<b>For Additional Reference</b>		
Abbott's Stock Price Range During 52-Week Period Ended April 26, 2016	\$   36.00	\$   51.50
12-Month Wall Street Equity Research Analysts' Stock Price Targets	37.50	45.00

*Selected Public Companies Analysis.* Guggenheim Securities reviewed and analyzed Abbott's historical stock price performance, trading metrics and historical and forecasted financial performance compared to corresponding data for selected large cap publicly traded companies with operations in the medical device, pharmaceutical, nutrition and/or diagnostic industries that Guggenheim Securities deemed relevant for purposes of this analysis. The following large cap publicly traded companies with operations in the medical device, pharmaceutical, nutrition and/or diagnostic industries, collectively referred to as the Abbott selected companies, were selected by Guggenheim Securities for purposes of this analysis:

## Abbott Selected Companies

Baxter International Inc.

Becton, Dickinson and Company

Boston Scientific Corporation

C.R. Bard, Inc.

Danaher Corp.

Johnson & Johnson

Mead Johnson Nutrition Company

Medtronic Public Limited Company





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St. Jude Medical (Wall Street Equity Research Estimates)

Stryker Corporation

Guggenheim Securities calculated, among other things, certain public market trading multiples and revenue and Cash EPS growth rates for the Abbott selected companies (based on Wall Street equity research estimates, including Wall Street equity research consensus estimates in the case of growth rates, each company's most recent publicly available financial filings and other publicly available information and, in the case of Stryker Corporation, pro forma for the impact of certain recent acquisitions), which are summarized in the table below:

**Abbott Selected Companies Trading Multiples and Growth Rates**

	Cash P/E		2016E - 2017E	2016E - 2018E
	2016E	2017E	Revenue Growth <sup>(1)</sup>	Cash EPS Growth <sup>(1)</sup>
<b>Abbott Selected Companies:</b>				
Baxter International Inc.	29.3x	24.2x	3.4%	18.6%
Becton, Dickinson and Company	18.3	16.4	4.4	11.3
Boston Scientific Corporation	18.8	16.5	4.9	12.5
C.R. Bard, Inc.	20.6	18.5	5.0	11.3
Danaher Corp.	19.7	18.0	4.0	8.4
Johnson & Johnson	17.1	16.1	4.6	6.0
Mead Johnson Nutrition Company				