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Abbott Laboratories and Subsidiaries
Consolidated Statement of Earnings
(in millions except per share data)

	Year Ended December 31		
	2022	2021	2020
Net Sales	\$ 43,653	\$ 43,075	\$ 34,608
Cost of products sold, excluding amortization of intangible assets	19,142	18,537	15,003
Amortization of intangible assets	2,013	2,047	2,132
Research and development	2,888	2,742	2,420
Selling, general and administrative	11,248	11,324	9,696
Total Operating Cost and Expenses	<u>35,291</u>	<u>34,650</u>	<u>29,251</u>
Operating Earnings	8,362	8,425	5,357
Interest expense	558	533	546
Interest income	(183)	(43)	(46)
Net foreign exchange (gain) loss	2	1	(8)
Other (income) expense, net	(321)	(277)	(103)
Earnings from Continuing Operations Before Taxes	8,306	8,211	4,968
Taxes on Earnings from Continuing Operations	<u>1,373</u>	<u>1,140</u>	<u>497</u>
Earnings from Continuing Operations	6,933	7,071	4,471
Net Earnings from Discontinued Operations, net of taxes	<u>—</u>	<u>—</u>	<u>24</u>
Net Earnings	<u><u>6,933</u></u>	<u><u>7,071</u></u>	<u><u>4,495</u></u>
Basic Earnings Per Common Share --			
Continuing Operations	\$ 3.94	\$ 3.97	\$ 2.51
Discontinued Operations	<u>—</u>	<u>—</u>	<u>0.01</u>
Net Earnings	<u>\$ 3.94</u>	<u>\$ 3.97</u>	<u>\$ 2.52</u>
Diluted Earnings Per Common Share --			
Continuing Operations	\$ 3.91	\$ 3.94	\$ 2.49
Discontinued Operations	<u>—</u>	<u>—</u>	<u>0.01</u>
Net Earnings	<u>\$ 3.91</u>	<u>\$ 3.94</u>	<u>\$ 2.50</u>
Average Number of Common Shares Outstanding Used for Basic Earnings Per Common Share	1,753	1,775	1,773
Dilutive Common Stock Options	11	14	13
Average Number of Common Shares Outstanding Plus Dilutive Common Stock Options	<u>1,764</u>	<u>1,789</u>	<u>1,786</u>
Outstanding Common Stock Options Having No Dilutive Effect	<u>3</u>	<u>—</u>	<u>9</u>

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

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Abbott Laboratories and Subsidiaries
Consolidated Statement of Comprehensive Income
(in millions)

	Year Ended December 31		
	2022	2021	2020
	\$ 6,933	\$ 7,071	\$ 4,495
Net Earnings	\$ (894)	(980)	65
Foreign currency translation gain (loss) adjustments			
Net actuarial gains (losses) and prior service cost and credits and amortization of net actuarial losses and prior service cost and credits, net of taxes of \$330 in 2022, \$340 in 2021 and \$(79) in 2020	1,177	1,201	(331)
Net gains (losses) on derivative instruments designated as cash flow hedges, net of taxes of \$11 in 2022, \$63 in 2021 and \$(87) in 2020	40	351	(215)
Other Comprehensive Income (Loss)	323	572	(481)
Comprehensive Income	<u><u>\$ 7,256</u></u>	<u><u>\$ 7,643</u></u>	<u><u>\$ 4,014</u></u>
Supplemental Accumulated Other Comprehensive Income (Loss) Information, net of tax as of December 31:			
Cumulative foreign currency translation (loss) adjustments	\$ (6,733)	\$ (5,839)	\$ (4,859)
Net actuarial (losses) and prior service (cost) and credits	(1,493)	(2,670)	(3,871)
Cumulative gains (losses) on derivative instruments designated as cash flow hedges	175	135	(216)
Accumulated other comprehensive income (loss)	<u><u>\$ (8,051)</u></u>	<u><u>\$ (8,374)</u></u>	<u><u>\$ (8,946)</u></u>

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Abbott Laboratories and Subsidiaries
Consolidated Statement of Cash Flows
(in millions)

	Year Ended December 31		
	2022	2021	2020
Cash Flow From (Used in) Operating Activities:			
Net earnings	\$ 6,933	\$ 7,071	\$ 4,495
Adjustments to reconcile earnings to net cash from operating activities —			
Depreciation	1,254	1,491	1,195
Amortization of intangible assets	2,013	2,047	2,132
Share-based compensation	685	640	546
Investing and financing losses, net	215	55	425
Trade receivables	(68)	(383)	(924)
Inventories	(1,413)	(456)	(493)
Prepaid expenses and other assets	(75)	(312)	(627)
Trade accounts payable and other liabilities	420	1,288	1,766
Income taxes	(383)	(908)	(614)
Net Cash From Operating Activities	<u>9,581</u>	<u>10,533</u>	<u>7,901</u>
Cash Flow From (Used in) Investing Activities:			
Acquisitions of property and equipment	(1,777)	(1,885)	(2,177)
Acquisitions of businesses and technologies, net of cash acquired	—	(187)	(42)
Proceeds from business dispositions	48	134	58
Purchases of investment securities	(185)	(173)	(83)
Proceeds from sales of investment securities	152	77	10
Other	22	26	19
Net Cash From (Used in) Investing Activities	<u>(1,740)</u>	<u>(2,008)</u>	<u>(2,215)</u>
Cash Flow From (Used in) Financing Activities:			
Proceeds from issuance of (repayments of) short-term debt, net and other	47	(204)	2
Proceeds from issuance of long-term debt and debt with maturities over 3 months	7	4	1,281
Repayments of long-term debt and debt with maturities over 3 months	(753)	(48)	(1,333)
Purchases of common shares	(3,795)	(2,299)	(403)
Proceeds from stock options exercised	167	255	245
Dividends paid	(3,309)	(3,202)	(2,560)
Other	—	—	(11)
Net Cash From (Used in) Financing Activities	<u>(7,636)</u>	<u>(5,494)</u>	<u>(2,779)</u>
Effect of exchange rate changes on cash and cash equivalents	(122)	(70)	71
Net Increase (Decrease) in Cash and Cash Equivalents	83	2,961	2,978
Cash and Cash Equivalents, Beginning of Year	9,799	6,838	3,860
Cash and Cash Equivalents, End of Year	<u>\$ 9,882</u>	<u>\$ 9,799</u>	<u>\$ 6,838</u>
Supplemental Cash Flow Information:			
Income taxes paid	\$ 1,864	\$ 1,941	\$ 970
Interest paid	563	544	549

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Abbott Laboratories and Subsidiaries

Consolidated Balance Sheet
(dollars in millions)

	December 31	
	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 9,882	\$ 9,799
Investments, primarily bank time deposits and U.S. treasury bills	288	450
Trade receivables, less allowances of — 2022: \$500; 2021: \$519	6,218	6,487
Inventories:		
Finished products	3,805	3,081
Work in process	680	694
Materials	1,688	1,382
Total inventories	6,173	5,157
Other prepaid expenses and receivables	2,663	2,346
Total current assets	25,224	24,239
Investments	766	816
Property and equipment, at cost:		
Land	511	525
Buildings	4,053	4,007
Equipment	14,164	13,528
Construction in progress	1,484	1,304
Less: accumulated depreciation and amortization	20,212	19,364
Net property and equipment	11,050	10,405
Intangible assets, net of amortization	9,162	8,959
Goodwill	10,454	12,739
Deferred income taxes and other assets	22,799	23,231
	6,033	5,212
Total assets	\$ 74,438	\$ 75,196

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Abbott Laboratories and Subsidiaries
Consolidated Balance Sheet
(dollars in millions)

	December 31	
	2022	2021
Liabilities and Shareholders' Investment		
Current liabilities:		
Trade accounts payable	\$ 4,607	\$ 4,408
Salaries, wages and commissions	1,556	1,625
Other accrued liabilities	5,845	5,181
Dividends payable	887	831
Income taxes payable	343	306
Current portion of long-term debt	2,251	754
Total current liabilities	<u>15,489</u>	<u>13,105</u>
Long-term debt	14,522	17,296
Post-employment obligations and other long-term liabilities	7,522	8,771
Commitments and contingencies		
Shareholders' investment:		
Preferred shares, one dollar par value Authorized — 1,000,000 shares, none issued	—	—
Common shares, without par value Authorized — 2,400,000,000 shares		
Issued at stated capital amount — Shares: 2022: 1,986,519,278; 2021: 1,985,273,421	24,709	24,470
Common shares held in treasury, at cost — Shares: 2022: 248,724,257; 2021: 221,191,228	(15,229)	(11,822)
Earnings employed in the business	35,257	31,528
Accumulated other comprehensive income (loss)	<u>(8,051)</u>	<u>(8,374)</u>
Total Abbott Shareholders' Investment	<u>36,686</u>	<u>35,802</u>
Noncontrolling interests in subsidiaries	219	222
Total Shareholders' Investment	<u>36,905</u>	<u>36,024</u>
	<u><u>\$ 74,438</u></u>	<u><u>\$ 75,196</u></u>

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

Abbott Laboratories and Subsidiaries
Consolidated Statement of Shareholders' Investment
(in millions except shares and per share data)

	Year Ended December 31		
	2022	2021	2020
Common Shares:			
Beginning of Year			
Shares: 2022: 1,985,273,421; 2021: 1,981,156,896; 2020: 1,976,855,085	\$ 24,470	\$ 24,145	\$ 23,853
Issued under incentive stock programs	72	173	181
Shares: 2022: 1,245,857; 2021: 4,116,525; 2020: 4,301,811	687	642	548
Share-based compensation	(520)	(490)	(437)
Issuance of restricted stock awards			
End of Year	<u><u>\$ 24,709</u></u>	<u><u>\$ 24,470</u></u>	<u><u>\$ 24,145</u></u>
Shares: 2022: 1,986,519,278; 2021: 1,985,273,421; 2020: 1,981,156,896			
Common Shares Held in Treasury:			
Beginning of Year			
Shares: 2022: 221,191,228; 2021: 209,926,622; 2020: 214,351,838	\$ (11,822)	\$ (10,042)	\$ (10,147)
Issued under incentive stock programs	269	271	298
Shares: 2022: 4,980,202; 2021: 5,650,168; 2020: 6,290,757	(3,676)	(2,051)	(193)
Purchased			
Shares: 2022: 32,513,231; 2021: 16,914,774; 2020: 1,865,541	<u><u>(15,229)</u></u>	<u><u>(11,822)</u></u>	<u><u>\$ (10,042)</u></u>
End of Year			
Shares: 2022: 248,724,257; 2021: 221,191,228; 2020: 209,926,622			
Earnings Employed in the Business:			
Beginning of Year	\$ 31,528	\$ 27,627	\$ 25,847
Impact of adoption of new accounting standards	—	—	(5)
Net earnings	6,933	7,071	4,495
Cash dividends declared on common shares (per share — 2022: \$1.92; 2021: \$1.82; 2020: \$1.53)	(3,365)	(3,235)	(2,722)
Effect of common and treasury share transactions	161	65	12
End of Year	<u><u>\$ 35,257</u></u>	<u><u>\$ 31,528</u></u>	<u><u>\$ 27,627</u></u>
Accumulated Other Comprehensive Income (Loss):			
Beginning of Year	\$ (8,374)	\$ (8,946)	\$ (8,465)
Other comprehensive income (loss)	323	572	(481)
End of Year	<u><u>\$ (8,051)</u></u>	<u><u>\$ (8,374)</u></u>	<u><u>\$ (8,946)</u></u>
Noncontrolling Interests in Subsidiaries:			
Beginning of Year	\$ 222	\$ 219	\$ 213
Noncontrolling Interests' share of income, business combinations, net of distributions and share repurchases	(3)	3	6
End of Year	<u><u>\$ 219</u></u>	<u><u>\$ 222</u></u>	<u><u>\$ 219</u></u>

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