

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
St. Jude Medical, Inc. (by successor: Abbott Laboratories)		41-1276891	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Scott M. Leinenweber, VP Investor Relations	224-667-8945	scott.leinenweber@abbott.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
100 Abbott Park Road		Abbott Park, Illinois 60064	
8 Date of action		9 Classification and description	
January 4, 2017		Common stock	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
790849103 (002824100)		STJ (ABT)	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ _____

PLEASE SEE ATTACHMENT.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ _____

PLEASE SEE ATTACHMENT.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ _____

PLEASE SEE ATTACHMENT.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
PLEASE SEE ATTACHMENT.

18 Can any resulting loss be recognized? ▶
PLEASE SEE ATTACHMENT.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
PLEASE SEE ATTACHMENT.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 1-12-2017

Print your name ▶ **AJ Shultz** Title ▶ **VP of Tax, Abbott Laboratories**

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

ATTACHMENT - FORM 8937
“REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES”

Line	Description	Response
Part II, Item 14	Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.	<p>Abbott Laboratories, an Illinois corporation whose common stock is publicly traded on the New York Stock Exchange (“Abbott”), acquired the shares of St. Jude Medical, Inc., a Minnesota corporation whose common stock was publicly traded on the New York Stock Exchange (the “Company”) pursuant to the Agreement and Plan of Merger, dated as of April 27, 2016, by and among Abbott, Vault Merger Sub, Inc., a Delaware corporation and a direct wholly owned subsidiary of Abbott (“Merger Sub 1”), Vault Merger Sub LLC, a Delaware limited liability company and a direct wholly owned subsidiary of Abbott (“Merger Sub 2”), and the Company (the “Agreement”).</p> <p>Pursuant to the Agreement, on January 4, 2017, Merger Sub 1 merged with and into the Company pursuant to Delaware and Minnesota law, with the Company surviving the merger (the “First Merger”) and immediately following the First Merger, the Company, as the surviving entity of the First Merger, merged with and into Merger Sub 2 pursuant to Delaware and Minnesota law, with Merger Sub 2 surviving the merger (the “Second Merger” and, together with the First Merger, the “Mergers”).</p> <p>At the effective time of the First Merger (the “Effective Time”), each Company share that was outstanding immediately prior to the Effective Time (other than (a) Company shares owned by Abbott or any other direct or indirect subsidiary of Abbott or the Company, and (b) Company shares owned by stockholders who properly demand dissenters’ rights with respect thereto in accordance with Sections 471 and 473 of the Minnesota Business Corporation Act) was cancelled and extinguished and automatically converted into the right to receive (a) 0.8708 shares of Abbott common stock, and (b) \$46.75 in cash ((a) and (b) together, the “Merger Consideration”).</p> <p>No fractional shares of Abbott common stock were issued as Merger Consideration. Instead, the total amount of such fractional shares were aggregated into a number of whole Abbott shares and sold by or on behalf of the exchange agent. Each Company shareholder received cash, without interest, in respect of their fractional shares in an amount equal to such shareholder’s proportionate interest in the aggregate proceeds of such sale(s) by the exchange agent (reduced by any fees of the exchange agent attributable to such sale(s)).</p>

<p>Part II, Item 15</p>	<p>Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.</p>	<p>The Mergers will be integrated for U.S. federal income tax purposes and, taken together, will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code").</p> <p>A Company shareholder (except with respect to cash received in lieu of fractional shares) generally will recognize gain, but not loss, to the extent of the lesser of: (1) the sum of the fair market value of Abbott shares (see below) and cash received (excluding any cash received in lieu of a fractional share) by the shareholder in exchange for the Company shares minus the shareholder's tax basis in the Company shares; and (2) the amount of cash received (excluding any cash received in lieu of a fractional share). Any gain recognized by a Company shareholder generally will be long-term capital gain if the shares of the Company exchanged in the First Merger are held as a capital asset by the Company shareholder and as of the Effective Time, the holding period for such shares is greater than one year.</p> <p>In some cases, if a Company shareholder actually or constructively owns Abbott shares other than shares of Abbott received pursuant to the Mergers, the recognized gain could be treated as having the effect of a distribution of a dividend under the tests set forth in Section 302 of the Code, in which case such gain would be treated as dividend income.</p> <p>Pursuant to Section 358 of the Code, each Company shareholder of the Company will need to allocate their tax basis in Company shares immediately before the First Merger to the shares of Abbott common stock received in the Mergers. The aggregate tax basis of the Abbott common stock received by each Company shareholder (including fractional shares deemed received) will equal the aggregate tax basis of such shareholder's Company shares surrendered in the First Merger, (a) decreased by the amount of cash received by such Company shareholder (excluding cash received in lieu of a fractional share), and (b) increased by (1) the amount, if any, which was treated as a dividend and (2) the amount of gain, if any, recognized by the shareholder on the receipt of the Merger Consideration (excluding gain recognized due to receiving cash in lieu of a fractional share).</p> <p>Company shareholders, who acquired different blocks of Company common stock at different times or different prices, should consult their tax advisor regarding the manner in which gain or loss should be determined, the character of that gain or loss and the basis in the shares of Abbott common stock received.</p>
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Part II, Item 16	Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.	<p>See Item 15 above for a general description of the U.S. federal income tax consequences of the Mergers for a Company shareholder, including the determination of such shareholder's aggregate basis in any Abbott shares received. Abbott believes given the Effective Time, it would be reasonable to base the fair market value of a share of Abbott stock received by a Company shareholder on the price of such share as of the close of business on January 4, 2017, i.e., the Effective Time. Based on this approach, the fair market value of Abbott stock for purposes of determining gain of a Company shareholder in the Mergers, and the basis in Abbott shares received, would be \$39.36. However, fair market value is generally a facts and circumstances determination, and it is possible that a different fair market value for Abbott shares could be utilized which would yield different results. Shareholders should consult their own tax advisors as to the particular tax consequences to them from the Mergers.</p> <p>Because less than one Abbott share is received by Company shareholders in exchange for more than one share of the Company, the Company shareholder's adjusted tax basis in a Company share must be allocated to Abbott shares received in a manner that reflects, to the greatest extent possible, the basis in the Company shares that were acquired on the same date and at the same price. To the extent it is not possible to allocate the adjusted tax basis in this manner, the adjusted tax basis of the Company shares surrendered must be allocated to the Abbott shares in a manner that minimizes the disparity in the holding periods of the Company shares whose basis is allocated to any particular Abbott share received.</p>
Part II, Item 17	List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.	Sections 354, 356, 358, 368, 1001 and 1221 of the Code.

Part II, Item 18	Can any resulting loss be recognized?	<p>The Company shareholders will not recognize any loss in the Mergers (except with respect to cash received in lieu of fractional shares, described below).</p> <p>A Company shareholder that receives cash in lieu of a fractional share of Abbott common stock generally will be treated as having received such fractional share as Merger Consideration and then as having received the cash in exchange for such fractional share. Any loss generally will be recognized based on the difference between the amount of cash received in lieu of the fractional share and the tax basis allocated to such fractional share of Abbott common stock.</p>
Part II, Item 19	Provide any other information necessary to implement the adjustment, such as the reportable tax year.	<p>The Mergers were executed on January 4, 2017. The reportable tax year for the Mergers is 2017 for each Company shareholder whose taxable year is the calendar year. Please see the Abbott Laboratories Form S-4/A filed with the Securities and Exchange Commission on September 20, 2016, for further general U.S. federal income tax consequences. Shareholders should consult their own tax advisors as to the particular tax consequences to them from the Mergers.</p>