

# Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
Stemcentrx, Inc. (by successor: AbbVie Inc.)		27-5447123	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
Elizabeth Shea	847-935-2211	liz.shea@abbvie.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
1 North Waukegan Road		North Chicago, IL 60064	
<b>8</b> Date of action	<b>9</b> Classification and description		
June 1, 2016	Common stock and Preferred stock		
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
00287Y109		ABBV	

**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.  
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**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.  
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**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.  
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**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.**

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

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

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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 ▶ *Scott Reents* Date ▶ 7/6/16  
Print your name ▶ **Scott Reents** Title ▶ **Vice President of Tax, AbbVie Inc.**

<b>Paid Preparer Use Only</b>	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>AbbVie Inc., a Delaware corporation whose common stock is publicly traded on the New York Stock Exchange (“AbbVie”), acquired the shares of Stemcentrx, Inc., a Delaware corporation (the “Company”) in the Transaction (defined below) on June 1, 2016, pursuant to the Agreement and Plan of Merger, dated as of April 25, 2016, by and among AbbVie, Sirius Sonoma Corporation, a Delaware corporation and a direct wholly owned subsidiary of AbbVie (“Merger Sub 1”), AbbVie Stemcentrx LLC, a Delaware limited liability company and a direct wholly owned subsidiary of AbbVie (“Merger Sub 2”), Fertile Valley LLC, a Delaware limited liability company (the “Stockholder Representative”) and the Company, as amended by Amendment No. 1 dated as of May 28, 2016 (the “Agreement”).</p> <p>Pursuant to the Agreement, Merger Sub 1 merged on June 1, 2016, with and into the Company pursuant to Delaware 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 law, with Merger Sub 2 surviving the merger (the “Second Merger” and, together with the First Merger, the “Mergers” or the “Transaction”).</p> <p>AbbVie issued 62,431,850 million shares of its common stock, to Company shareholders in the Transaction. The discussion herein applies to all Company shareholders, including holders of Company common stock and preferred stock.</p> <p>In the Transaction, a Company shareholder, who was an accredited investor, may have elected among three forms of the closing consideration: (a) the standard election consisting of \$7.4774 in cash and 0.3108 of a share of AbbVie stock per Company share; (b) the cash election consisting of \$16.1855 in cash and 0.1685 of a share of AbbVie stock per Company share; or (c) the stock election consisting of 0.4331 of a share of AbbVie stock per Company share. A Company shareholder, who was an accredited investor, but did not submit an election form was deemed to have made a standard election. A non-accredited investor received \$26.4898, in cash, per Company share. Because the cash election was oversubscribed, a shareholder making that election had a portion of the cash such shareholder would have received under the cash election had there not been such an oversubscription converted into shares of AbbVie stock (here, 0.1685 of an AbbVie share) pursuant to the Agreement.</p>

		<p>In addition, the shareholders of the Company are entitled under the Agreement to receive certain cash payments, mostly contingent, following closing. These payments include a portion of (i) the amount of Company cash held on closing in excess of \$300 million (the “Excess Cash Amount”), (ii) the amount(s) released from the escrow of \$300 million established on closing for payment of AbbVie claims pursuant to the indemnification provisions of the Agreement (i.e., the difference between \$300 million and the aggregate amount of valid AbbVie claims under the indemnification provisions of the Agreement), (iii) the difference between the \$7.5 million paid to the Stockholder Representative on closing on behalf of the shareholders (the “Stockholder Representative Holdback”) and its expenses specified in the Agreement, (iv) the milestone payments (based on the achievement of certain milestones pursuant to the Agreement) and (v) the amounts paid or payable by AbbVie that are attributable to unvested Company options that are forfeited prior to vesting (all such amounts, the “Future Payments”). Each shareholder is entitled to his/her pro rata share of the Future Payments divided by the number of fully diluted shares of the Company.</p> <p>AbbVie did not issue fractional shares of AbbVie common stock in the Transaction. Instead, each shareholder of the Company who otherwise would have been entitled to receive a fractional share of AbbVie common stock received an amount of cash equal to such fractional part of a share of AbbVie common stock multiplied by the average of the closing prices per share of AbbVie common stock on the New York Stock Exchange for the five full trading days ending on the second business day prior to the closing date of the Transaction (i.e., \$61.166).</p>
<p><b>Part II. Item 15</b></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 should be integrated for U.S. federal income tax purposes and, when taken together, should qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the “Code”).</p> <p>The U.S. federal income tax consequences of the Transaction for a Company shareholder will depend on the type of consideration received by such shareholder in exchange for his/her Company shares. All Company shareholders (other than non-accredited investors) will be treated as receiving consideration consisting of a mix of AbbVie shares, cash and rights to Future Payments.</p> <p>The Company shareholders receiving such mix of stock, cash and the rights to Future Payments (except with respect to cash received in lieu of fractional shares) generally will recognize</p>

gain, but not loss, to the extent of the lesser of: (1) the sum of the fair market value of AbbVie 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 their Company shares; and (2) the amount of cash received (excluding any cash received in lieu of a fractional share). However, the determination of the amount of gain recognized by such a shareholder will depend in part on the method by which such shareholder accounts for the Future Payments. Such a shareholder should consult his/her own tax advisor regarding the recognition of gain and the amount thereof from the Transaction.

AbbVie believes that it would be reasonable to base the fair market value of a share of AbbVie stock received by a Company shareholder in the Transaction on the price of such share as of the close of business on May 31, 2016, the last trading day preceding the closing date on June 1, 2016, even though such shares are not registered for purposes of the Securities Act of 1933 (but subject to Rule 144 of such act). Based on this approach, the fair market value of AbbVie stock for purposes of determining gain of a Company shareholder in the Transaction, and the basis in AbbVie shares received, would be \$62.93. However, fair market value is generally a facts and circumstances determination, and it is possible that a different fair market value for AbbVie shares could be utilized which would yield different results. Shareholders should consult their own tax advisors as to the fair market value of the AbbVie shares and the particular tax consequences to them from the Transaction.

Company shareholders, who are non-accredited investors, will recognize gain or loss with respect to their exchange of Company shares for cash and the rights to the Future Payments in the Transaction. The amount of any such gain or loss and the timing thereof will depend in part on the method by which such shareholder accounts for the Future Payments. Such a shareholder should consult his/her own tax advisor regarding the recognition of gain or loss and the amount and timing thereof from the Transaction.

The proper tax treatment of the Future Payments is uncertain and a portion of each Future Payment received by a Company shareholder may be treated as interest income for U.S. federal income tax purposes.

Any gain or loss recognized by a Company shareholder generally will be long-term capital gain or loss if the shares of the Company exchanged in the Transaction are held as a capital asset

		<p>by the Company shareholder and as of the closing date, the holding period for such shares is greater than one year.</p> <p>In some cases, if a Company shareholder actually or constructively owns AbbVie shares other than shares of AbbVie received pursuant to the Transaction, 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>Because the tax treatment of the Transaction for a Company shareholder depends on each holder's particular circumstance, Company shareholders are advised to consult with their own tax advisors regarding the proper tax treatment of the receipt of the consideration paid by AbbVie, including the rights to the Future Payments, the determination of the amount and character of any gain or loss from the Transaction, and the effect of the receipt of the right of the Future Payments and payments thereon on their tax basis in the shares of AbbVie they receive in the Transaction.</p>
<p><b>Part II, Item 16</b></p>	<p>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>	<p>Pursuant to Section 358 of the Code, each shareholder of the Company that receives AbbVie shares will need to allocate his/her tax basis in Company shares immediately before the Transaction to the shares of AbbVie common stock received in the Transaction. The aggregate tax basis of the AbbVie common stock received by a Company shareholder (including fractional shares deemed received) should equal the aggregate tax basis of such shareholder's Company shares surrendered in the Transaction, (a) decreased by (1) the amount of cash received by such Company shareholder in the Transaction (excluding cash received in lieu of a fractional share) and (2) the fair market value of any property (other than cash or stock), and (b) increased by (1) the amount of gain, if any, which was treated as a dividend and (2) the amount of gain, if any, (other than gain treated as a dividend) recognized by the shareholder on the receipt of cash and the right to the Future Payments (excluding gain recognized due to receiving cash in lieu of a fractional share). See Item 15 for a discussion regarding the determination of the fair market value of the AbbVie stock received in the Transaction.</p> <p>Because less than one AbbVie 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 AbbVie 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</p>

		shares surrendered must be allocated to the AbbVie shares in a manner that minimizes the disparity in the holding periods of the Company shares whose basis is allocated to any particular AbbVie share received.
<b>Part II, Item 17</b>	List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.	Sections 354, 356, 358, 361, 368, and 1221 of the Code.
<b>Part II, Item 18</b>	Can any resulting loss be recognized?	<p>None of the Company shareholders who receive some AbbVie shares as consideration will recognize loss (except with respect to cash received in lieu of fractional shares). A Company shareholder who was a non-accredited investor (i.e., only permitted to receive cash and the right to the Future Payments) may, depending on how the Future Payments are reported, recognize loss.</p> <p>A Company shareholder that receives cash in lieu of a fractional share of AbbVie common stock generally will be treated as having received such fractional share in the Transaction 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 AbbVie common stock.</p>
<b>Part II, Item 19</b>	Provide any other information necessary to implement the adjustment, such as the reportable tax year.	<p>The Transaction generally is reportable in the Company shareholder's tax year which includes June 1, 2016. As some of the Future Payments may be paid after the close of such tax year, Company shareholders should consult their own tax advisors regarding the effect of receiving the right to such Future Payment and the payment of such amounts on the tax basis of the shares of AbbVie received in the Transaction.</p> <p>Please see the Company's Confidential Information Statement dated May 5, 2016, mailed to Company shareholders for a further discussion of the U.S. federal income tax consequences of the Transaction.</p>