

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D. C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **June 25, 2014**

**ABBVIE INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other Jurisdiction  
of Incorporation)

**001-35565**  
(Commission File Number)

**32-0375147**  
(IRS Employer  
Identification No.)

**1 North Waukegan Road**  
**North Chicago, Illinois 60064-6400**  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(847) 932-7900**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 7.01. Regulation FD Disclosure.**

On June 25, 2014, AbbVie Inc. ("AbbVie") issued an announcement (the "Announcement") pursuant to the U.K. City Code on Takeovers and Mergers outlining the strategic rationale for, and background to, AbbVie's acquisition proposal to the board of directors of Shire plc ("Shire"). A copy of the Announcement is attached hereto as Exhibit 99.1 and is incorporated by reference into this Item 7.01.

On June 25, 2014 and following the Announcement, AbbVie made available to investors, in connection with the announcement, a slide presentation to investors, a copy of which is attached hereto as Exhibit 99.2 and is incorporated by reference into this Item 7.01.

On June 25, 2014 and following the Announcement, AbbVie sent a message to its employees, a copy of which is attached hereto as Exhibit 99.3 and is incorporated by reference into this Item 7.01.

Pursuant to General Instruction B.2. to Form 8-K, the information set forth in this Item 7.01 (except insofar as such information is also set forth under Item 8.01 below) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section.

**Item 8.01. Other Events.**

As described in Item 7.01 above, on June 25, 2014, AbbVie issued the Announcement outlining the strategic rationale for, and background to, AbbVie's acquisition proposal to the board of directors of Shire. A copy of the Announcement is attached hereto as Exhibit 99.1 and is incorporated by reference into this Item 8.01.

**Item 9.01. Financial Statements and Exhibits.**

Exhibit No.	Exhibit
99.1	Announcement, dated June 25, 2014

- 99.2 Slide Presentation to Investors, dated June 25, 2014  
99.3 Message to AbbVie employees, dated June 25, 2014

2

---

### SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

#### ABBVIE INC.

Date: June 25, 2014

By: /s/ LAURA J. SCHUMACHER

Laura J. Schumacher

Executive Vice President, Business Development, External Affairs and  
General Counsel

3

---

### EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Announcement, dated June 25, 2014
99.2	Slide Presentation to Investors, dated June 25, 2014
99.3	Message to AbbVie employees, dated June 25, 2014

4

---

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION

THIS DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE"). THERE CAN BE NO CERTAINTY THAT ANY FIRM OFFER WILL BE MADE

For immediate release

June 25, 2014

Statement from AbbVie Inc. ("AbbVie") regarding a possible offer for Shire plc ("Shire")

**The proposed combination is strategically compelling to AbbVie and Shire and would create a larger and more diversified biopharmaceutical company with multiple leading franchises and significant financial capacity for future acquisitions, investment and enhanced shareholder distributions and value creation**

**AbbVie is offering Shire shareholders compelling immediate value with significant future upside potential from ownership in New AbbVie that AbbVie expects will create long-term value for all shareholders**

**AbbVie is confident its global resources and highly experienced management team with its strong track record of shareholder value creation would create superior value from Shire's assets vs. Shire's standalone prospects**

**AbbVie expects the proposed transaction to be materially accretive to AbbVie's adjusted EPS(1) in the first year following completion, growing to above \$1.00 per share by year 2020, with material ongoing financial and operating benefits**

**AbbVie believes this transaction is highly executable**

Following its announcement on June 20, 2014, AbbVie is pleased to outline the compelling strategic rationale for, and background to, its proposal to the Board of Shire of £20.44 in cash and 0.7988 ordinary shares of New AbbVie for each Shire share (the "Proposal"). The Proposal represented an indicative value of £46.26(2) on May 29, 2014 (the latest practicable date before the Proposal was made). Whilst this cash and share mix is valued at £45.64(3) per share as of June 24,

(1) Adjusted EPS excludes intangible assets, amortization expense and purchase accounting adjustments and other specified items. The statement that the transaction is earnings accretive should not be construed as a profit forecast and is therefore not subject to the requirements of Rule 28 of the Code. It should not be interpreted to mean that the earnings per share in any future financial period will necessarily match or be greater than those for the relevant preceding financial period.

(2) Based on AbbVie's closing share price of \$54.03 (and an exchange rate of \$1.00:£0.5982) on May 29, 2014, the latest practicable date before the Proposal was made, and assuming one New AbbVie share is issued for each existing AbbVie share in the simultaneous AbbVie holding company restructuring described in this announcement.

(3) Based on AbbVie's closing share price of \$53.59 (and an exchange rate of \$1.00:£0.5887) on June 24, 2014, the latest practicable date before this announcement.

2014 any firm offer made by AbbVie under Rule 2.7 of the Code will need to be equivalent to £46.26 per share (subject to the reservations set out later in this announcement).

#### Combination has compelling strategic rationale for all shareholders

- **Combination to accelerate growth of both companies through multiple catalysts** — AbbVie believes a merger of AbbVie and Shire would potentially accelerate growth and profitability by leveraging AbbVie's capabilities and infrastructure to make Shire's pipeline and products more successful than its standalone prospects. AbbVie believes that this merger would result in incremental sustainable leadership positions within high value market segments of significant unmet need, including: immunology, rare diseases, neuroscience, metabolic diseases and liver disease (HCV), as well as multiple emerging oncology programs.
- **Strong complementary fit across existing platforms is better than standalone capabilities** — AbbVie believes that Shire's platform has a strong complementary fit with AbbVie's existing specialty focus, including physician access relationships, regulatory and market access capabilities, and patient-centric focus. AbbVie's existing expertise and development capabilities across areas such as GI, neuroscience, rare oncology indications, combined with AbbVie's resources and scale, could develop global franchises from Shire's platform and utilize M&A to supplement organic growth.
- **Leverage AbbVie's substantial and well-established global infrastructure** — AbbVie believes that Shire could achieve immediate broader geographic penetration and scale by leveraging AbbVie's existing, well-established global infrastructure across more than 170 countries, including our existing commercial, regulatory and medical affairs, and market access in key emerging markets. A combination would provide Shire with the desired scale and infrastructure along with:
  - A diversified portfolio of leading marketed products;
  - Stronger growth platforms with the potential for further development; and
  - A complementary specialty focus combined with global pharma capabilities.
- **Broader and deeper pipeline of attractive development programs** — By leveraging AbbVie's established R&D infrastructure and expertise, AbbVie believes the combination would enhance innovation and end-to-end R&D capabilities, generating:
  - A best-in-class product development platform, with near-term new product launches in liver disease (HCV), neuroscience, immunology, oncology, rare diseases, ophthalmology, and renal; and

- Expertise and infrastructure, including regulatory, health economics and outcomes research, and market access to expand product indications to meet patient needs. AbbVie's track record of product optimization is evidenced by its growth of the Humira® franchise through increased penetration in existing indications, geographic expansion, and approvals for new indications.

**Substantial combined financial capacity** — The enhanced financial profile of New AbbVie would offer greater strategic and financial flexibility, enabling:

- The opportunity to maximize Shire's rare disease and neuroscience franchises including resources to fully globalize Shire's planned launches;

2

- The potential for strengthened sustainability of top-tier EPS growth, attractive free cash flow and enhanced return of capital policy; and
- A world-class business development group to drive continued portfolio expansion with access to cash and financial wherewithal not available on a standalone basis.

### Proposal offers compelling and immediate value

**Proposal based on thorough analysis of public information** — Since the autumn of 2013 AbbVie has conducted significant analysis of Shire's business, commercial products and R&D pipeline as well as valuation work, including a review of publicly available information and analyst estimates, to establish the compelling value offered in its proposals. Our model does not reflect the same magnitude of pipeline or GI franchise potential that have been communicated by Shire management.

**Shire's recent share price appreciation already incorporates meaningful takeover premium** — While AbbVie appreciates and values the potential of Shire's pipeline, AbbVie believes that the recent appreciation in Shire's share price already incorporates a meaningful premium resulting from M&A market speculation and AbbVie believes its Proposal is reflective of this appreciation. Furthermore, AbbVie notes that as of June 19, 2014, the mean price target for Shire published by equity research analysts was £37.50(4) per share.

**Proposal offers compelling value** — The indicative value of £46.26(5) represented a compelling premium of 33 percent to Shire's closing share price of £34.67(6) on May 2, 2014 (the last trading date prior to our initial proposal) and 58 percent to Shire's closing share price of £29.25 on April 17, 2014 (the last trading day prior to the emergence of

(4) Sourced from Bloomberg and respective equity research reports. Mean price target for Shire ordinary shares published by equity research analysts between May 1, 2014 and June 19, 2014, prior to the commencement of the offer period; calculated based on the following, being all the equity research analysts who published target prices on Shire during that period, other than J.P. Morgan due to their role as financial adviser to AbbVie: Buckingham Research Group (June 18, 2014; £43.00); Susquehanna Financial Group (June 17, 2014; £43.00); CRT Capital Group (June 16, 2014; £38.11); Berenberg (June 13, 2014; £34.00); Deutsche Bank (June 9, 2014; £43.50); Goldman Sachs (June 4, 2014; £39.00); UBS (June 2, 2014; £34.50); Jefferies (June 2, 2014; £40.45); Leerink Partners LLC (June 2, 2014; £38.11); Credit Suisse (June 2, 2014; £34.00); BofA Merrill Lynch (May 30, 2014; £38.59); FBR Capital Markets (May 27, 2014; £33.42); Cowen and Company (May 23, 2014; £42.02); Piper Jaffray (May 18, 2014; £39.48); Societe Generale (May 13, 2014; £40.10); Citi (May 13, 2014; £41.00); Exane BNP Paribas (May 6, 2014; £36.00); William Blair & Co (May 5, 2014; £33.23); Bryan Garnier (May 2, 2014; £31.00); Cenkos Securities Ltd (May 2, 2014; £40.05); Panmure Gordon & Co Limited (May 2, 2014; £38.00); Sanford C. Bernstein & Co (May 1, 2014; £31.00); RBC Capital Markets (May 1, 2014; £35.77); SunTrust Robinson Humphrey (May 1, 2014; £36.35); and Morgan Stanley (May 1, 2014; £33.70). The median target price was £38.11, with a high of £43.50 and a low of £31.00. Analysis includes target prices for the Shire ADR and have been converted to GBP using an exchange rate of \$1.00:£0.5864 on June 19, 2014 (the date prior to the commencement of the offer period).

(5) Based on £20.44 per share in cash and 0.7988 ordinary shares of New AbbVie for each Shire share at AbbVie's closing share price of \$54.03 (and an exchange rate of \$1.00:£0.5982) on May 29, 2014, the latest practicable date before the proposal was made.

(6) On May 2, 2014, Shire's stock price closed at £34.67, having risen by 19 percent from £29.25 on April 17, 2014, the last trading day prior to the emergence of market consolidation rumors amid speculation that Pfizer had approached AstraZeneca regarding a potential transaction.

3

market consolidation rumors amid speculation that Pfizer had approached AstraZeneca regarding a potential transaction). Appendix A illustrates the very compelling premia represented by the Proposal.

- The Proposal represented an implied Enterprise Value(7) / Last Twelve Months EBITDA (as reported by Shire(8)) multiple of approximately 22x; and
- The Proposal represented approximately £10 billion of aggregate additional value created for Shire shareholders on the basis of the Shire closing share price on April 17, 2014.

### AbbVie is a strong merger partner

**AbbVie believes its strong management team would drive value creation via this combination** — AbbVie's experienced management team has operational depth and proven experience in sourcing, executing and integrating value creating combinations. Successful precedent combinations (at AbbVie's predecessor company) that created significant shareholder value include Knoll Pharmaceuticals, Solvay Pharmaceuticals, Guidant's vascular business and Kos Pharmaceuticals.

**Established track record for driving results for shareholders** — AbbVie's management team has driven a 64(9) percent total shareholder return since AbbVie's inception in January 2013. AbbVie has continued to exceed quarterly revenue and earnings estimates, and AbbVie's management team is committed to extending its strong track record and driving continued strong fundamental performance of New AbbVie for all shareholders.

**Strong track record of commercial execution and innovation to drive therapeutic leadership** — AbbVie has a successful track record for investing in R&D and commercialization to develop blockbuster medicines and build global franchises with category leadership within multiple

therapeutic areas. Key products include Humira® (the world's top selling medicine globally in 2013), Duodopa®, Synagis®, Kaletra®, Synthroid®, AndroGel®, Creon® and Lupron®, amongst others.

**Strong and robust pipeline** — AbbVie has a strong pipeline within several therapeutic categories, including assets in oncology, immunology, liver disease, neuroscience, renal, ophthalmology and women's health. AbbVie's deep pipeline also includes a broad range of attractive late-stage development and/or registration programs, as well as programs in earlier phases of clinical development.

---

(7) Enterprise value defined as equity value on a fully diluted basis plus net debt position adjusted for Lumena and Fibrotech acquisitions (sourced from Shire press releases and Shire Q1 2014 results).

(8) LTM EBITDA reflects continuing EBITDA adjusted for DERMAGRAFT divestiture per Shire management guidance, calculated as of Q1 2014 per Shire full year results presentation on February 13, 2014 and Shire Q1 2014 earnings presentation as of May 1, 2014.

(9) Total shareholder return calculated from opening price on January 2, 2013 (first day of trading for AbbVie subsequent to spin-off from Abbott Laboratories) to closing price on June 19, 2014 (last practical trading day prior to the commencement of the offer period); includes reinvestment of dividends paid over this time period.

4

---

### AbbVie's attractive stock provides material upside

**Immediate value to Shire shareholders** — AbbVie is offering meaningful up-front value to Shire shareholders via the significant cash component. In addition, Shire shareholders will receive an attractive stock currency, which AbbVie anticipates will provide meaningful upside potential via approximately 23 percent participation in a compelling equity story.

**AbbVie stock has meaningful upside independent of a transaction** — AbbVie believes that irrespective of a combination with Shire, its stock has potential for meaningful appreciation, driven by strong fundamental performance, a robust pipeline, top-tier EPS growth and strong cash flows.

**Potential for New AbbVie share price appreciation and potential re-rating** — AbbVie believes New AbbVie's share price would be well-positioned to appreciate and a potential re-rating of New AbbVie is possible due to continued strength in the Humira® franchise (the world's top selling medicine globally in 2013), the launch of a HCV therapy, advancement of exciting late-stage opportunities in oncology, immunology and other areas, and AbbVie's complementary rare disease and neuroscience platform which will enhance Shire's global capabilities. As a result of the proposed transaction, several additional catalysts could also drive a potential re-rating:

- **EPS accretion from this transaction** — AbbVie expects the proposed transaction to be materially accretive to AbbVie's adjusted EPS(10) in the first year following completion, growing to above \$1.00 per share by year 2020, with material ongoing financial and operating benefits.
- **Globally competitive tax rate for New AbbVie** — AbbVie expects the effective tax rate for New AbbVie to approximate 13 percent by 2016. The new tax structure will provide AbbVie with flexible access to its global cash flows.
- **Strong combined financial position and flexibility** — New AbbVie intends to maintain its investment grade ratings profile with significant cash flow generation which AbbVie believes would provide significant capacity for continued business development and R&D spending, as well as enhanced return of capital to shareholders. It is our intent, upon completion of this transaction, to significantly increase our level of share repurchase and to maintain our strong commitment to growing the dividend.

### AbbVie has made a good faith effort to engage in discussions with Shire

**Compelling initial proposal** — On May 6, 2014, AbbVie submitted a cash and share proposal to Shire's Board for a merger of Shire and AbbVie, which represented an

---

(10) Adjusted EPS excludes intangible assets, amortization expense and purchase accounting adjustments and other specified items. The statement that the transaction is earnings accretive should not be construed as a profit forecast and is therefore not subject to the requirements of Rule 28 of the Code. It should not be interpreted to mean that the earnings per share in any future financial period will necessarily match or be greater than those for the relevant preceding financial period.

5

---

indicative offer of £39.50 for each Shire share.(11) The indicative offer value of £39.50 represented a premium of 14 percent to the May 2, 2014 and 35 percent to the April 17, 2014 Shire closing share prices. On May 9, 2014, Shire's Board rejected this proposal and declined to engage in discussions.

**Prompt and improved second proposal** — On May 13, 2014, AbbVie submitted a revised cash and share proposal, which offered an increased indicative value of £40.97(12) for each Shire share. Under this enhanced proposal, Shire shareholders would have received £17.13 in cash and 0.7680 ordinary shares of New AbbVie for each Shire share. On May 20, 2014, Shire's Board rejected this revised proposal and declined to engage in discussions.

**Substantially improved third proposal in effort for constructive dialogue** — On May 30, 2014, AbbVie submitted a third cash and share proposal to Shire's Board, which offered a materially higher indicative value of £46.26(13) for each Shire share (£45.64(14) per share at June 24, 2014, the latest practicable date before this announcement). The Proposal represented £27.8 billion for the entire issued share capital of Shire (on a fully diluted basis) based on AbbVie's closing share price on May 29, 2014. Under the Proposal, Shire shareholders would receive:

- £20.44 in cash and 0.7988 ordinary shares of New AbbVie, for each Shire share; and
- Significant exposure to an exciting growth story with material value upside potential via approximately 23 percent ownership of New AbbVie.

**Despite our compelling third proposal, Shire has declined to engage** — On June 16, 2014, Susan Kilsby, Shire’s Chairman and Flemming Ornskov, Shire’s CEO, met with Richard Gonzalez, AbbVie’s Chairman and CEO, to discuss the Proposal. However, immediately following this meeting, Shire’s Board rejected AbbVie’s Proposal and declined to engage in further discussions.

#### Attractive location and tax structure

**Global operations with competitive tax domicile** — The new AbbVie group would operate under a new holding company, New AbbVie, and would retain operational headquarters in Chicago, as well as a strong presence in the U.S.A. and the U.K. It is expected that New AbbVie would be incorporated in Jersey and have a U.K. tax domicile. New AbbVie will be listed on the New York Stock Exchange.

(11) Based on AbbVie’s closing share price of \$51.18 (and an exchange rate of \$1.00:£0.5920) on May 2, 2014 and assuming one New AbbVie share is issued for each existing AbbVie share in the simultaneous AbbVie holding company restructuring described in this announcement.

(12) Based on AbbVie’s closing share price of \$52.37 (and an exchange rate of \$1.00:£0.5927) on May 12, 2014 and assuming one New AbbVie share is issued for each existing AbbVie share in the simultaneous AbbVie holding company restructuring described in this announcement.

(13) Based on AbbVie’s closing share price of \$54.03 (and an exchange rate of \$1.00:£0.5982) on May 29, 2014, the latest practicable date before the Proposal was made, and assuming one New AbbVie Share is issued for each existing AbbVie share in the simultaneous AbbVie holding company restructuring described in this announcement.

(14) Based on AbbVie’s closing share price of \$53.59 (and an exchange rate of \$1.00:£0.5887) on June 24, 2014, the latest practicable date before this announcement.

**Achievable transaction structure** — AbbVie has thoroughly assessed the tax and structuring aspects of this transaction in detail and is confident regarding its ability to successfully execute the transaction. AbbVie believes the proposed transaction is highly executable.

#### Commentary from AbbVie Chairman and CEO Richard Gonzalez:

“AbbVie has delivered compelling growth and built a leading, independent biopharmaceutical company, delivering a 64(15) percent total return to shareholders since our inception. Our strategy positions us to deliver strong performance with a robust late-stage pipeline of multiple potential blockbuster medicines, including in oncology, our HCV regimen and daclizumab for multiple sclerosis.”

“AbbVie’s proven management team has delivered outstanding commercial execution, creating leadership positions for our products. This same team has a strong track record of successful M&A, licensing and integration of assets into our business, accelerating their success.”

“This combination would give us the opportunity to maximize the potential of Shire’s rare disease and neuroscience franchises through our complementary platform, with established presence in more than 170 countries across the globe, and is further enhanced by the strength of our R&D in areas of high unmet need, and our commercial and manufacturing capabilities. We believe this highly executable proposed transaction will build long-term value for the patients, employees and shareholders served by both companies, and will grow our combined product portfolios and pipelines and deliver superior returns to shareholders.”

#### Next steps

AbbVie is willing to move quickly and cooperatively to engage with Shire with a view to achieving a transaction for the benefit of all shareholders.

#### Key conditions

The making of any firm offer by AbbVie is subject to pre-conditions (which may be waived in whole or in part by AbbVie):

- The satisfactory completion of confirmatory due diligence on the business and prospects of Shire;
- The directors of Shire having provided a unanimous and unqualified recommendation of the Proposal; and
- AbbVie having received irrevocable undertakings from all of the directors of Shire in their capacity as shareholders (and any person connected to them) to accept the Proposal.

(15) Total shareholder return calculated from opening price on January 2, 2013 (first day of trading for AbbVie subsequent to spin-off from Abbott Laboratories) to closing price on June 19, 2014 (last practical trading day prior to the commencement of the offer period); includes reinvestment of dividends paid over this time period.

The completion of the Proposal would be subject to the approval of AbbVie shareholders and regulatory approvals, amongst others.

AbbVie reserves the right to introduce other forms of consideration and/or vary the mix of consideration. AbbVie also reserves the right to make an offer at any time for less than the equivalent of £46.26 for each Shire share:

- With the agreement or recommendation of the Shire Board;
- If a third party announces a firm intention to make an offer for Shire which, as at the date AbbVie announces a firm intention to make an offer for Shire, is valued at a lower price than the equivalent of £46.26 for each Shire share; or
- Following the announcement by Shire of a whitewash transaction pursuant to the Code.

8

---

### Appendix A

The Proposal of £46.26(16) represents the following compelling premia:(17)

- A premium of 58 percent to Shire's closing share price on April 17, 2014 of £29.25 (the last trading day prior to the emergence of market consolidation rumors amid speculation that Pfizer had approached AstraZeneca regarding a potential transaction);
- A premium of 33 percent to Shire's closing share price on May 2, 2014 of £34.67 (the last trading date prior to our initial proposal);
- A premium of 53 percent to Shire's 30-day VWAP of £30.25 prior to the undisturbed date of April 17, 2014;
- A premium of 62 percent to Shire's 180-day VWAP of £28.51 prior to the undisturbed date of April 17, 2014;
- A premium of 35 percent to Shire's closing share price on March 4, 2014 of £34.39 (Shire's 52-week / all-time high prior to the undisturbed date of April 17, 2014); and
- A premium of 148 percent to Shire's closing share price on May 7, 2013 of £18.62 (Shire's 52-week low prior to the undisturbed date of April 17, 2014).

---

(16) Based on AbbVie's closing share price of \$54.03 (and an exchange rate of \$1.00:£0.5982) on May 29, 2014, the latest practicable date before the Proposal was made, and assuming one New AbbVie share is issued for each existing AbbVie share in the simultaneous AbbVie holding company restructuring described in this announcement.

(17) Source: FactSet and Bloomberg.

9

---

In accordance with Rule 30.4 of the Code, a copy of this announcement will be available on AbbVie's website at [www.abbvieinvestor.com](http://www.abbvieinvestor.com). A further announcement will be made as appropriate.

AbbVie will hold an analyst and investor call in respect of this announcement today at 8 am CT / 2 pm BST.

#### **Dial-in information:**

U.K. toll free: 0800 279 9630

U.S. toll free: 866 617 1526

International: +1 210 795 0624

Passcode: AbbVie

#### **Enquiries:**

##### **AbbVie Investor Contacts**

Larry Peepo (Tel: +1 847 935 6722)

Liz Shea (Tel: +1 847 935 2211)

Angela Sekston (Tel: +1 847 937 6636)

##### **AbbVie Media Contacts**

Jennifer Smoter (Tel: +1 847 935 8865)

Adelle Infante (Tel: +1 847 938 8745)

##### **J.P. Morgan (Financial Adviser)**

Jeffrey Hoffman / Henry Gosebruch / Benjamin Wallace (New York, Tel: +1 212 270 6000)

Laurence Hollingworth / Dwayne Lysaght / James Robinson (London, Tel: +44 207 742 4000)

##### **Brunswick Group PR Contacts**

Richard Jacques / Justine McIlroy (Tel: +44 207 404 5959)

10

---

## **About AbbVie**

AbbVie is a global, research-based biopharmaceutical company formed in January 2013 following separation from Abbott Laboratories. The company's mission is to use its expertise, dedicated people and approach to innovation to develop and market advanced therapies that address some of the world's most complex and serious diseases. AbbVie employs approximately 25,000 people worldwide and markets medicines in more than 170 countries. AbbVie is traded on the New York Stock Exchange under "ABBV". Additional information is available on the company's website at [www.abbvieinvestor.com](http://www.abbvieinvestor.com).

### **Selected AbbVie assets**

- AbbVie has a number of promising immunology assets in development, including two oral selective JAK-1 inhibitors, several biologics and two bi-specific or DVD biologics currently in mid-stage clinical trials. AbbVie expects its selective JAK-1 inhibitors to begin Phase III development in 2015.
- AbbVie anticipates multiple product launches in the coming years, starting with the launch of AbbVie's HCV combination in the U.S. later this year and in Europe in early 2015. Upon approval, AbbVie's HCV therapy is poised to be a breakthrough offering for patients, in a significant and rapidly growing market.
- ABT-199 is AbbVie's first-in-class Bcl-2 inhibitor in development for a number of hematologic malignancies, including late stage trials for AbbVie's vanguard indication, CLL. Based on data to date, ABT-199 has demonstrated high levels of complete response.
- ABT-888 is AbbVie's PARP inhibitor in development for more than a dozen different cancer types. AbbVie recently began Phase III studies in two indications and AbbVie expects additional Phase III transitions this year.
- Also in late stage development in AbbVie's oncology pipeline is Elotuzumab, for multiple myeloma. Two Phase III studies are ongoing and results from the event-driven trials are expected early next year.
- Daclizumab is in late stage development for multiple sclerosis. AbbVie recently reported top-line results from AbbVie's second pivotal study that indicates daclizumab has the potential to be an important therapy in this large and growing market.
- Elagolix is AbbVie's compound in Phase III development for endometriosis and Phase II b for uterine fibroids. AbbVie will see initial data from the first of two pivotal studies in endometriosis in the second half of this year.

*The directors of AbbVie accept responsibility for the information contained in this document and, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and it does not omit anything likely to affect the import of such information.*

*J.P. Morgan Securities LLC ("J.P. Morgan"), together with its affiliate J.P. Morgan Limited (which conducts its U.K. investment banking business as J.P. Morgan Cazenove and which is authorised and regulated by the Financial Conduct Authority in the United Kingdom), is acting exclusively for AbbVie in connection with the possible offer and for no one else, and is not, and will not be, responsible to anyone other than AbbVie for providing the protections afforded to clients of J.P. Morgan or its affiliates, or for providing advice in relation to the possible offer or any other matters referred to in this announcement.*

### **Disclosure requirements of the Code**

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

Disclosures are therefore required in the shares of AbbVie and Shire.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).



Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Takeover Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

### ***Forward-Looking Statements***

This announcement contains certain forward-looking statements with respect to a possible combination involving AbbVie and Shire. The words "believe," "expect," "anticipate," "project" and similar expressions, among others, generally identify forward-looking statements. AbbVie cautions 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. Such risks and uncertainties include, but are not limited to, the possibility that a possible combination will not be pursued, failure to obtain necessary regulatory approvals or required financing or to satisfy any of the other conditions to the possible combination if it is made, adverse effects on the market price of AbbVie's common stock and on AbbVie's operating results because of a failure to complete the possible combination, failure to realise the expected benefits of the possible combination, negative effects relating to the announcement of the possible combination or any further announcements relating to the possible combination or the consummation of the possible combination on the market price of AbbVie's common stock, significant transaction costs and/or unknown liabilities, general economic and business conditions that affect the combined companies following the consummation of the possible combination, changes in global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax laws, regulations, rates and policies, future business combinations or disposals and competitive developments. These forward-looking statements are based on numerous assumptions and assessments made by AbbVie in light of its experience and perception of historical trends, current conditions, business strategies, operating environment, future developments and other factors it believes appropriate. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. The factors described in the context of such forward-looking statements in this announcement could cause AbbVie's plans with respect to Shire, actual results, performance or achievements, industry results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and persons reading this announcement are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this announcement. Additional information about economic, competitive, governmental, technological and other factors that may affect AbbVie is set forth in Item 1A, "Risk Factors," in AbbVie's 2013 Annual Report on Form 10-K, which has been filed with United States Securities and Exchange Commission (the "SEC"), the contents of which are not incorporated by reference into, nor do they form part of, this announcement. AbbVie undertakes no obligation to release publicly any revisions to forward-looking statements as a result of subsequent events or developments, except as required by law.

13

---

### ***Additional Information***

This document is provided for informational purposes only and does not constitute an offer to sell, or an invitation to subscribe for, purchase or exchange, any securities or the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance, exchange or transfer of the securities referred to in this document in any jurisdiction in contravention of applicable law. Subject to future developments, AbbVie may file a registration statement and/or tender offer documents with the SEC in connection with a combination. Holders of Shire and/or AbbVie shares should read those filings, and any other filings made by AbbVie with the SEC in connection with the combination, as they will contain important information. Those documents, if and when filed, as well as AbbVie's other public filings with the SEC may be obtained without charge at the SEC's website at [www.sec.gov](http://www.sec.gov) and at AbbVie's website at [www.abbvieinvestor.com](http://www.abbvieinvestor.com).

This announcement has been prepared in accordance with English law and the Code and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

*Ends*

14

---

abbvie

## AbbVie's proposed combination with Shire:

Creating immediate and long-term  
value for all shareholders

June 25, 2014



#### Forward-Looking Statements

This document contains certain forward-looking statements with respect to a possible combination involving AbbVie and Shire. The words "believe," "expect," "anticipate," "project" and similar expressions, among others, generally identify forward-looking statements. AbbVie cautions 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. Such risks and uncertainties include, but are not limited to, the possibility that a possible combination will not be pursued, failure to obtain necessary regulatory approvals or required financing or to satisfy any of the other conditions to the possible combination if it is made, adverse effects on the market price of AbbVie's common stock and on AbbVie's operating results because of a failure to complete the possible combination, failure to realise the expected benefits of the possible combination, negative effects relating to the announcement of the possible combination or any further announcements relating to the possible combination or the consummation of the possible combination on the market price of AbbVie's common stock, significant transaction costs and/or unknown liabilities, general economic and business conditions that affect the combined companies following the consummation of the possible combination, changes in global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax laws, regulations, rates and policies, future business combinations or disposals and competitive developments. These forward-looking statements are based on numerous assumptions and assessments made by AbbVie in light of its experience and perception of historical trends, current conditions, business strategies, operating environment, future developments and other factors it believes appropriate. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. The factors described in the context of such forward-looking statements in this document could cause AbbVie's plans with respect to Shire, actual results, performance or achievements, industry results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and persons reading this document are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Additional information about economic, competitive, governmental, technological and other factors that may affect AbbVie is set forth in Item 1A, "Risk Factors," in AbbVie's 2013 Annual Report on Form 10-K, which has been filed with United States Securities and Exchange Commission (the "SEC"), the contents of which are not incorporated by reference into, nor do they form part of, this document. AbbVie undertakes no obligation to release publicly any revisions to forward-looking statements as a result of subsequent events or developments, except as required by law.

#### Responsibility

The directors of AbbVie accept responsibility for the information contained in this document and, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and it does not omit anything likely to affect the import of such information.

#### Additional Information

This document is provided for informational purposes only and does not constitute an offer to sell, or an invitation to subscribe for, purchase or exchange, any securities or the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance, exchange or transfer of the securities referred to in this document in any jurisdiction in contravention of applicable law. Subject to future developments, AbbVie may file a registration statement and/or tender offer documents with the SEC in connection with a combination. Holders of Shire and/or AbbVie shares should read those filings, and any other filings made by AbbVie with the SEC in connection with the combination, as they will contain important information. Those documents, if and when filed, as well as AbbVie's other public filings with the SEC may be obtained without charge at the SEC's website at [www.sec.gov](http://www.sec.gov) and at AbbVie's website at [www.AbbVie.com](http://www.AbbVie.com).

## Proposed combination with compelling strategic rationale

abbvie  
+  
SHIRE

The proposed combination is **strategically compelling** to AbbVie and Shire and would create a **larger and more diversified biopharmaceutical company** with multiple **leading franchises and significant financial capacity** for future acquisitions, investment and enhanced shareholder distributions and value creation

AbbVie is offering Shire shareholders **compelling immediate value with significant future upside potential** from ownership in New AbbVie that AbbVie expects will create **long-term value** for all shareholders

AbbVie is confident its global resources and highly experienced management team with its **strong track record of shareholder value creation** would create **superior value** from Shire's assets vs. Shire's standalone prospects

AbbVie expects the proposed transaction to be **materially accretive** to AbbVie's adjusted EPS<sup>1</sup> in the first year following completion, **growing to above \$1.00 per share by year 2020**, with material ongoing financial and operating benefits

**AbbVie believes this transaction is highly executable**

<sup>1</sup> Adjusted EPS excludes intangible assets, amortization expense and purchase accounting adjustments and other specified items. The statement that the transaction is earnings accretive should not be construed as a profit forecast and is therefore not subject to the requirements of Rule 23 of the Takeover Code. It should not be interpreted to mean that the earnings per share in any future financial period will necessarily match or be greater than those for the relevant preceding financial period.

## A compelling proposal for Shire to engage

### AbbVie has put forth a highly attractive third indicative proposal which offers Shire shareholders immediate and long-term value creation

- Significant upfront premium recognizes the value of Shire's platform
- Headline indicative value of £46.26<sup>1</sup> does not take into account upside from AbbVie stock
- Cash / stock mix was put forth to offer meaningful upfront cash consideration (£20.44 per share) as well as ~23% ownership in a compelling equity story
- AbbVie expects the proposed transaction to be materially accretive to AbbVie's adjusted EPS<sup>2</sup> in the first year following completion, growing to above \$1.00 per share by year 2020, with material ongoing financial and operating benefits
- AbbVie expects the combined company to generate strong and consistent cash flow to support continued business development and R&D spending, as well as enhanced return of capital to shareholders through share repurchases and dividends
- Ability to leverage AbbVie's existing, well-established global infrastructure across more than 170 countries, including existing commercial, regulatory, medical affairs, and market access in key emerging markets

<sup>1</sup> Based on AbbVie's closing share price of \$34.03 (and an exchange rate of £1.00:0.7962) on May 23, 2014, the latest practicable date before the third proposal was made, and assuming one new AbbVie share is issued for each existing AbbVie share in the simultaneous AbbVie holding company restructuring described in the Rule 2.4 announcement; £20.44 in cash and 0.7962 ordinary shares of new AbbVie for each Shire share

<sup>2</sup> Adjusted EPS excludes intangible assets, amortization expense and purchase accounting adjustments and other specified items. The statement that the transaction is earnings accretive should not be construed as a profit forecast and is therefore not subject to the requirements of Rule 13 of the Televised Code. It should not be interpreted to mean that the earnings per share in any future financial period will necessarily match or be greater than those for the relevant preceding financial period.

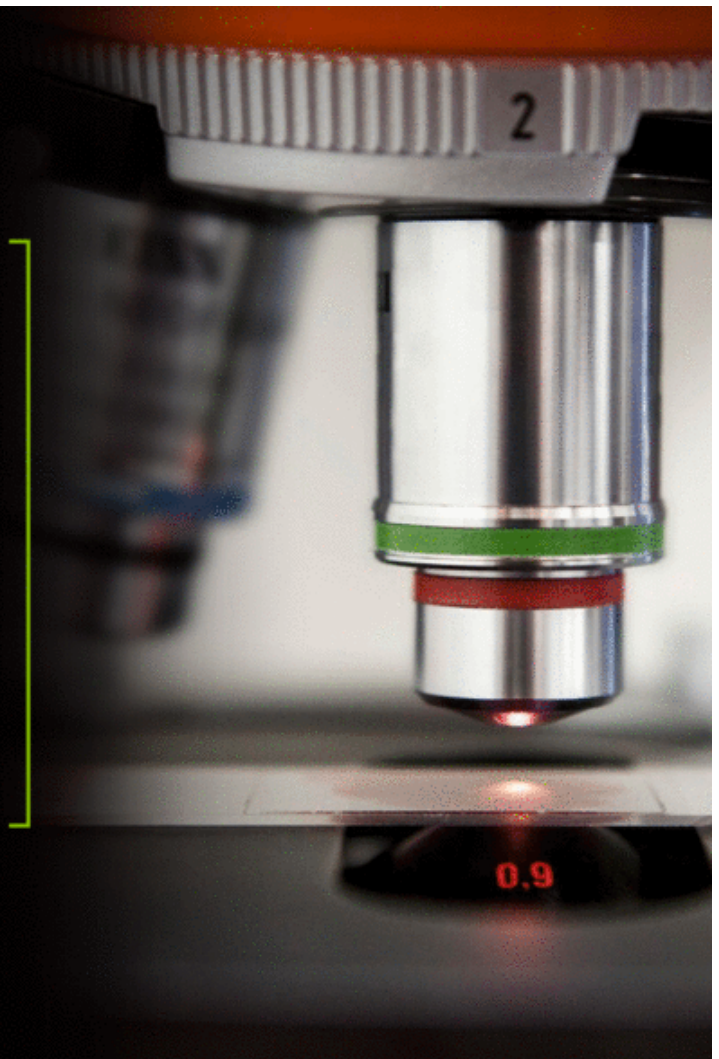
## AbbVie is a strong and ideal merger partner for Shire

- **AbbVie believes its strong management team would drive value creation via this combination**
  - AbbVie's experienced management team has operational depth and proven experience in sourcing, executing and integrating value creating combinations
  - Successful precedent combinations (at AbbVie's predecessor company) that created significant shareholder value include Knoll Pharmaceuticals, Solvay Pharmaceuticals, Guidant's vascular business and Kos Pharmaceuticals
- **Strong track record of commercial execution and innovation to drive therapeutic leadership**
  - AbbVie has a successful track record for investing in R&D and commercialization to develop blockbuster medicines and build global franchises with category leadership within multiple therapeutic areas
  - Key products include Humira® (the world's top selling medicine globally in 2013), Duodopa®, Synagis®, Kaletra®, Synthroid®, AndroGel®, Creon® and Lupron®, among others
- **AbbVie enters this possible combination from a position of strength**
  - Total shareholder return of 64%<sup>1</sup> since inception on January 1, 2013
  - Positioned to deliver top-tier sales and earnings growth, beginning in 2015
  - AbbVie has a strong pipeline within several therapeutic categories, including assets in oncology, immunology, liver disease, neuroscience, renal, ophthalmology and women's health
  - Strong balance sheet with significant cash flow generation, providing the financial wherewithal to drive future growth and enhanced return of capital through share repurchases and dividends

<sup>1</sup> Total shareholder return calculated from opening price on January 2, 2013 (first day of trading for AbbVie subsequent to spin-off from Abbott Laboratories) to closing price on June 19, 2014 (last trading day prior to the commencement of the offer period); includes reinvestment of dividends paid over this time period

abbvie

AbbVie has a strong  
track record of value  
creation



# AbbVie has built a global, biopharmaceutical leader



- Global, research-based biopharmaceutical leader formed from the split of Abbott in 2013
- **25,000 employees** worldwide with strong global footprint across over **170 countries**
- **Market capitalization of ~\$88 billion<sup>1</sup>** and **sales of ~\$19 billion in 2013**
- **Experienced management team** with a track record of strong execution
- **Humira is the world's #1 global pharmaceutical product** and is well-positioned for continued growth
- Sustainable **leadership positions** within multiple therapeutic areas
- **Compelling product pipeline**, including multiple late-stage assets with near-term catalysts
- Strong financial profile and **robust cash flow**
- R&D investments targeted at **high-value specialty segments with significant opportunities**
- Total R&D spend of **~\$2.9 billion in 2013** and AbbVie estimates it will spend **~\$0.5 billion** in discovery spending in 2014

<sup>1</sup> On a fully diluted basis, as of June 19, 2014

## Robust portfolio of leading commercial products and exciting pipeline

World's #1 global pharmaceutical product



- Positioned for continued growth and cash flow generation
- Strong and differentiated clinical profile
- Superior patient-focused model
- Strong managed care positions
- Strong execution from development, regulatory and commercial organizations

Category leadership within multiple therapeutic areas



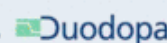
Leading pancreatic enzyme replacement therapy



Leading hormone therapy for advanced prostate cancer



Leading branded synthetic hormone for thyroid disease



Novel therapy for advanced Parkinson's disease



Key approved product for prevention of serious lower-respiratory-tract disease caused by RSV in children at high risk for RSV disease



Leading testosterone replacement therapy

Strong and robust pipeline

HCV Combination (Interferon-free, GT1)

ABT-199 (CLL)

Atrasentan (Diabetic Nephropathy)

Elotuzumab (Multiple Myeloma)

Humira (Uveitis)

Elagolix (Endometriosis)

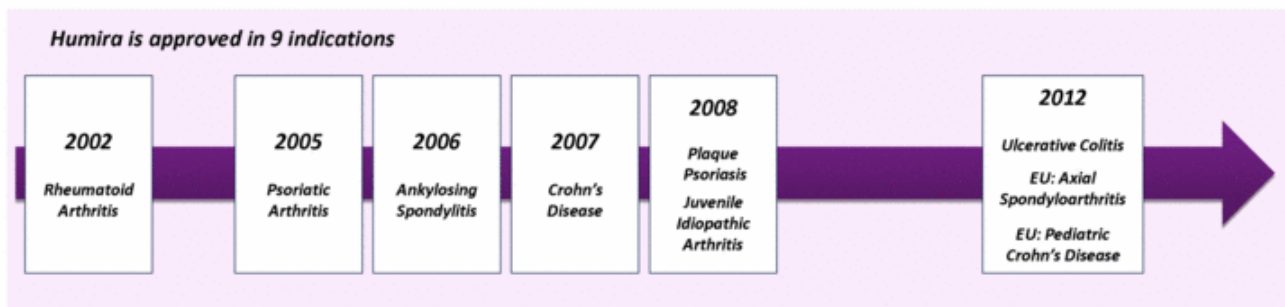
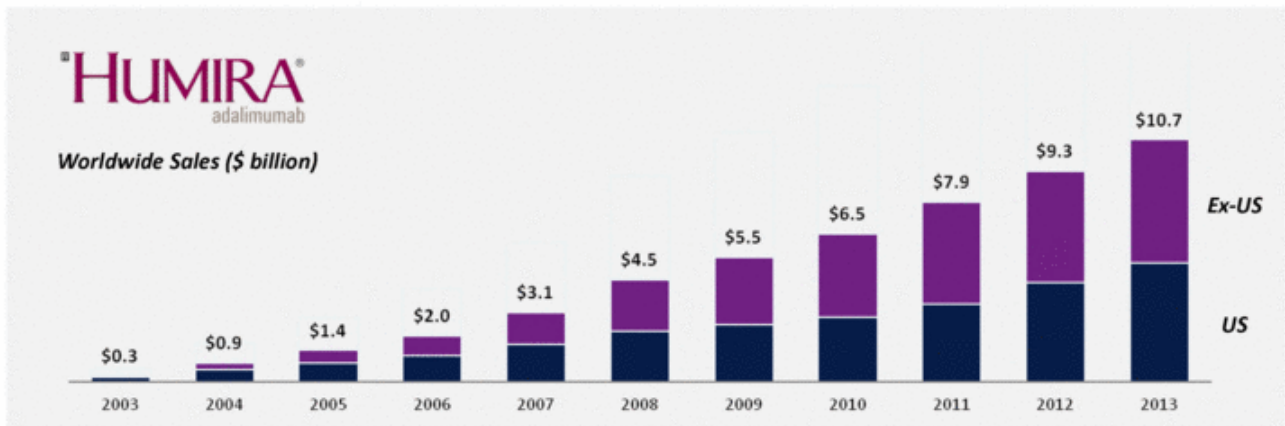
Veliparib (Breast and Lung Cancer)

Daclizumab (Multiple Sclerosis)

Duopa (Adv. Parkinson's)

Humira (Hidradenitis Suppurativa)

The Humira franchise has grown through increased penetration in existing indications, geographic expansion and approvals in new indications



Source: EvaluatePharma, Company filings

AbbVie's large portfolio of additional leading products

<p><b>CREON<sup>®</sup></b> (pancrelipase) Delayed-Release Capsules</p> <p>Leading pancreatic enzyme replacement therapy</p>	<p><b>LupronDepot<sup>®</sup></b> (leuprolide acetate for depot suspension)</p> <p>Leading hormone therapy for advanced prostate cancer</p>	<p><b>AndroGel<sup>®</sup></b> (testosterone gel) T3, G3</p> <p>Leading testosterone replacement therapy</p>
<p><b>SYNAGIS<sup>®</sup></b> PALIVIZUMAB</p> <p>Key approved product for prevention of serious lower-respiratory-tract disease caused by RSV in children at high risk for RSV disease</p>	<p><b>Synthroid<sup>®</sup></b> (levothyroxine sodium tablets, USP)</p> <p>Leading branded synthetic hormone for thyroid disease</p>	<p><b>Duodopa</b></p> <p>Novel therapy for advanced Parkinson's disease</p>

## Strong and robust pipeline including multiple potential blockbuster medicines

ABT-199 (Chronic Lymphocytic Leukemia )	Veliparib (Triple-Negative Breast Cancer, Non-Small Cell Lung Cancer)
Daclizumab (Multiple Sclerosis)	Elagolix (Endometriosis)
Atrasentan (Diabetic Nephropathy)	Humira (Uveitis)
HCV Combination – Submitted (Interferon-free, GT1)	Duopa (Advanced Parkinson’s Disease)
Humira (Hidradenitis Suppurativa)	Elotuzumab (Multiple Myeloma)


- Potential sales from late-stage pipeline represent significant opportunity
- Numerous clinical trial read-outs and other milestones expected throughout 2014 and in early 2015
- AbbVie has a successful track record in investing in R&D and commercialization to develop blockbuster medicines and build global franchises with category leadership within multiple therapeutic areas
- AbbVie estimates it will spend ~\$0.5 billion in discovery R&D spending in 2014, which can enhance the potential of Shire’s development programs




## AbbVie expects a number of near-term catalysts to drive increased value for AbbVie shareholders

Commercialization of HCV therapy in US (late 2014) and EU (early 2015)	Humira Hidradenitis Suppurativa Phase III data readout and regulatory submissions
Next-generation HCV (ABT-530, ABT-493) Phase IIB start	US approval and launch of Duopa for advanced Parkinson's disease
Veliparib NSCLC Phase IIB data presentation	ABT-199 AML Phase I data presentation
Veliparib breast cancer Phase IIB data presentation	ABT-199 CLL (17P del) Phase II data readout
Elagolix (endometriosis) Phase III data readout	Japan HCV Phase III data readout and regulatory submission
Daclizumab regulatory submissions	Additional pipeline advancements across a number of therapeutic categories

## Management team with experience in value creating combinations




- **Date:** December 2000
- **Size:** \$6.9 billion
- **Annual sales:** ~\$2 billion
- **Key assets acquired:** D2E7 (Humira), Meridia, Synthroid
- **Strategic rationale:** Broadened global infrastructure, acquired late-stage marketed products



Vascular assets

- **Date:** January 2006
- **Size:** \$4.3 billion
- **Annual sales:** ~\$1 billion
- **Key assets acquired:** Drug eluting stent platform
- **Strategic rationale:** Complemented portfolio of innovative vascular products, added market-leading line of coronary and peripheral vascular products



- **Date:** November 2006
- **Size:** \$3.7 billion
- **Annual sales:** ~\$750 million
- **Key assets acquired:** Niaspan, Advicor, Simcor
- **Strategic rationale:** Expanded presence in growing cholesterol market, diversified pipeline



- **Date:** September 2009
- **Size:** \$6.6 billion
- **Annual sales:** ~\$3 billion
- **Key assets acquired:** Emerging markets portfolio
- **Strategic rationale:** Bolstered presence in key emerging markets, enhanced R&D investment

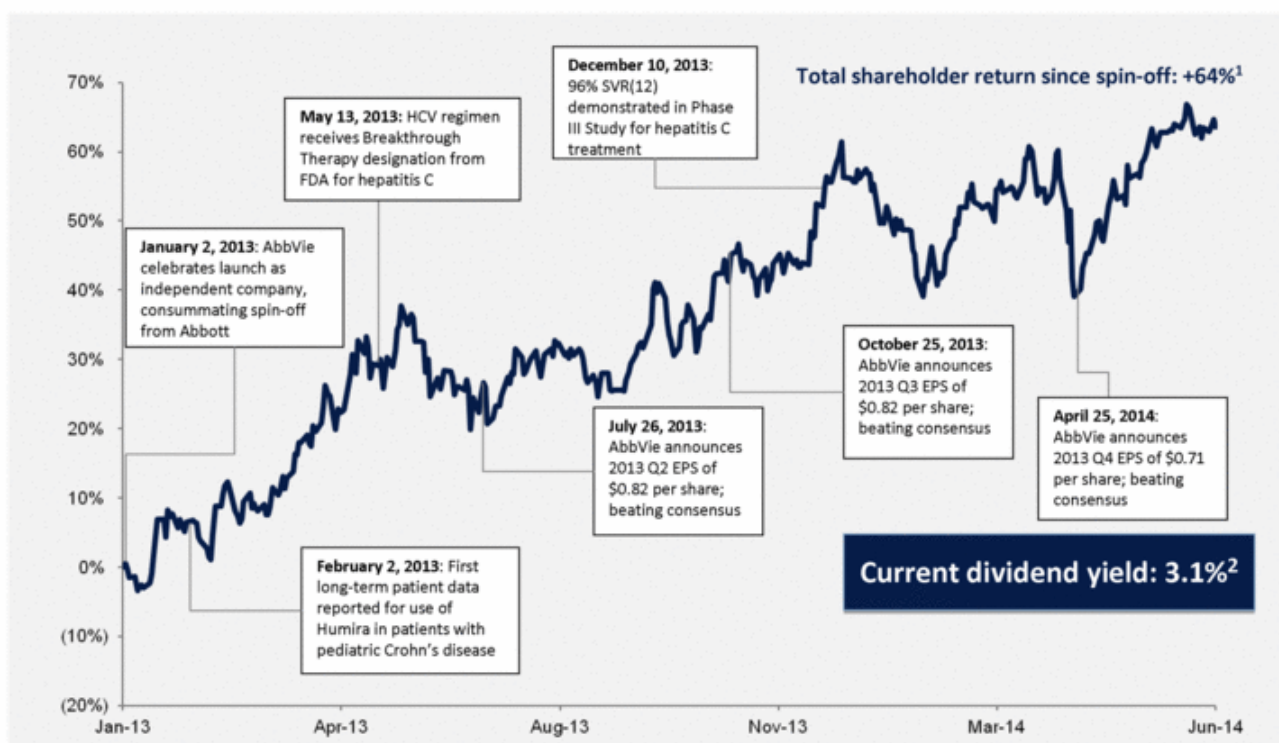
Experienced management team has operational depth and proven experience in sourcing, executing and integrating value creating combination

# AbbVie has raised 2014 guidance based on strong business performance year to date and expected continued positive trends

- **AbbVie raised the midpoint of its full-year 2014 guidance by \$0.06 and anticipates a full-year diluted earnings-per-share range of \$3.06 to \$3.16 on an adjusted basis<sup>1</sup>**
  - Excludes potential revenue from expected 2014 U.S. launch of hepatitis C therapy which has been granted accelerated review by the FDA
- **AbbVie's pipeline has demonstrated strong results and is expected to be a significant growth driver beginning in 2015 and beyond**
  - Phase III starts in two promising oncology programs including ABT-199 and ABT-888 in various types of cancer
  - Positive Phase III data for daclizumab in multiple sclerosis
  - Priority review of HCV program by the FDA and accelerated assessment by the European Medicines Agency
  - Positive data from mid-stage and early-stage assets including its next-generation HCV program and ABT-414 for glioblastoma

<sup>1</sup> The company's 2014 adjusted diluted earnings-per-share guidance excludes \$0.37 per share of intangible asset amortization expense and other specified items primarily associated with certain separation-related costs and ongoing restructuring activities. This statement constitutes a profit forecast for the purposes of Rule 28 of the City Code on Takeovers and Mergers issued by the Panel on Takeovers and Mergers (the "Code") and was reported on by PricewaterhouseCoopers LLP ("PwC"), AbbVie's reporting accountants, and by J.P. Morgan Limited ("J.P. Morgan"), AbbVie's financial advisers, in accordance with Rule 28.1 of the Code on 23 June 2014, being the date on which AbbVie first issued an announcement containing the profit forecast (the "Announcement"). Schedule 1 to the Announcement contained the full text of the profit forecast and, in accordance with Rule 28.4(a) of the Code, the principal assumptions upon which the forecast is based. Schedule 1 to the Announcement appears at page 36 of Appendix 2 to this presentation. Copies of PwC's and J.P. Morgan's reports are included at pages 37-39 in Appendix 2 to this presentation. The Directors of AbbVie confirm that the profit forecast remains valid and that PwC and J.P. Morgan have confirmed that their reports continue to apply. PwC and J.P. Morgan have given and not withdrawn their consent to the issue of this presentation with the inclusion of their reports.

## AbbVie has had a strong record of steady shareholder returns



Source: FactSet as at June 19, 2014, Thomson Research, S&P Capital IQ Aftermarket Research  
<sup>1</sup> Total shareholder return calculated from opening price on January 2, 2013 (first day of trading for AbbVie subsequent to spin-off from Abbott Laboratories) to closing price on June 19, 2014 (last practical trading day prior to the commencement of the offer period); includes reinvestment of dividends paid over this time period  
<sup>2</sup> Calculated as current annualized dividend based upon share price as of June 19, 2014

# AbbVie management



**Richard A. Gonzalez**  
Chairman and Chief  
Executive Officer

- 30-year Abbott veteran leading global pharmaceutical business, including commercial operations, R&D and manufacturing
- Led overall efforts to acquire variety of organizations, including Solvay Pharmaceuticals, Kos Pharmaceuticals, Perclose, TheraSense and Guidant's vascular business
- Played a key role in the development of the prescription biologic Humira, a product that now generates more than \$10bn per year in sales
- Former Abbott President and Chief Operating Officer; President and Chief Operating Officer of the Medical Products Group; Senior Vice President and President of the former Hospital Products Division (now Hospira, Inc.); Vice President and President of the Health Systems Division; and Divisional Vice President and General Manager for Diagnostics Operations in the United States and Canada



**Laura J. Schumacher**  
EVP, Business  
Development,  
External Affairs,  
General Counsel

- 24-year Abbott veteran who has served on the CEO's Executive Management Team and Board of Directors for 10+ years
- Key executive roles include Executive Vice President, General Counsel at Abbott, and also responsible for the Office of Ethics and Compliance and Licensing and Acquisitions
- Major L&A accomplishments under her leadership included the acquisition of Solvay Pharmaceuticals (2009), Piramal (2010), Facet (2010) and in-licensing for approximately 10 mid- to late- stage assets that make up AbbVie's current pipeline
- Veteran litigator in more than 100 patent cases, including the reversal of the largest patent-related damages reward in U.S. history (vs. J&J)



**William J. Chase**  
Executive Vice  
President, Chief  
Financial Officer

- 25-year Abbott veteran who has held positions such as Vice President, Licensing and Acquisitions; Vice President and Treasurer (coinciding with financial crisis); Vice President, Corporate Financial Analysis Group; VP and Controller for Abbott International
- Led Abbott global M&A efforts, including acquisitions of Facet (2010) and Piramal (2010) and multiple mid- to late- stage pipeline assets
- Held financial positions in Global Pharmaceutical Operations, Pharmaceutical Products (Controller, 2003-2007), Global Pharmaceutical Research & Development, Hospital Products, Abbott Vascular, Manufacturing, R&D



**Carlos Alban**  
Executive Vice  
President,  
Commercial  
Operations

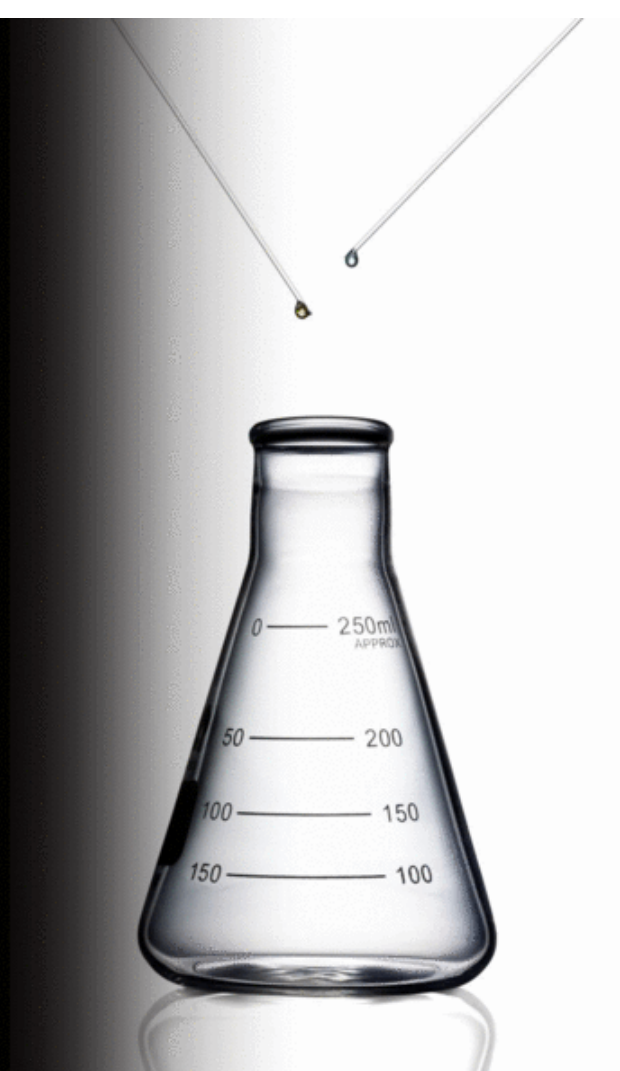
- 25-year Abbott veteran who has held positions such as Abbott Senior Vice President Commercial Operations, Proprietary Pharmaceutical Products
- Led integration of Abbott's International and U.S. pharmaceuticals businesses into one global organization
- Significant international leadership positions at the country, Region and Area levels
- Responsible for commercialization of a broad range of products across Immunology, Virology, Renal and Neuroscience therapeutic areas



**Michael E.  
Severino, MD**  
Executive Vice  
President, Chief  
Science Officer

- Former Senior Vice President, Global Development and Corporate Chief Medical Officer at Amgen
- Oversees clinical development strategy for more than 20 new molecular entities
- Deep expertise across broad spectrum of therapeutic areas: Cardiovascular, Inflammation, Diabetes/Metabolism, Neuroscience
- Former Amgen Vice President, Global Development and Vice President, Therapeutic Area Head, General Medicine and Inflammation Global Clinical Development, R&D Head Japan, R&D Head Canada

## The combination has compelling strategic rationale



### AbbVie believes the combination has compelling strategic rationale for all shareholders

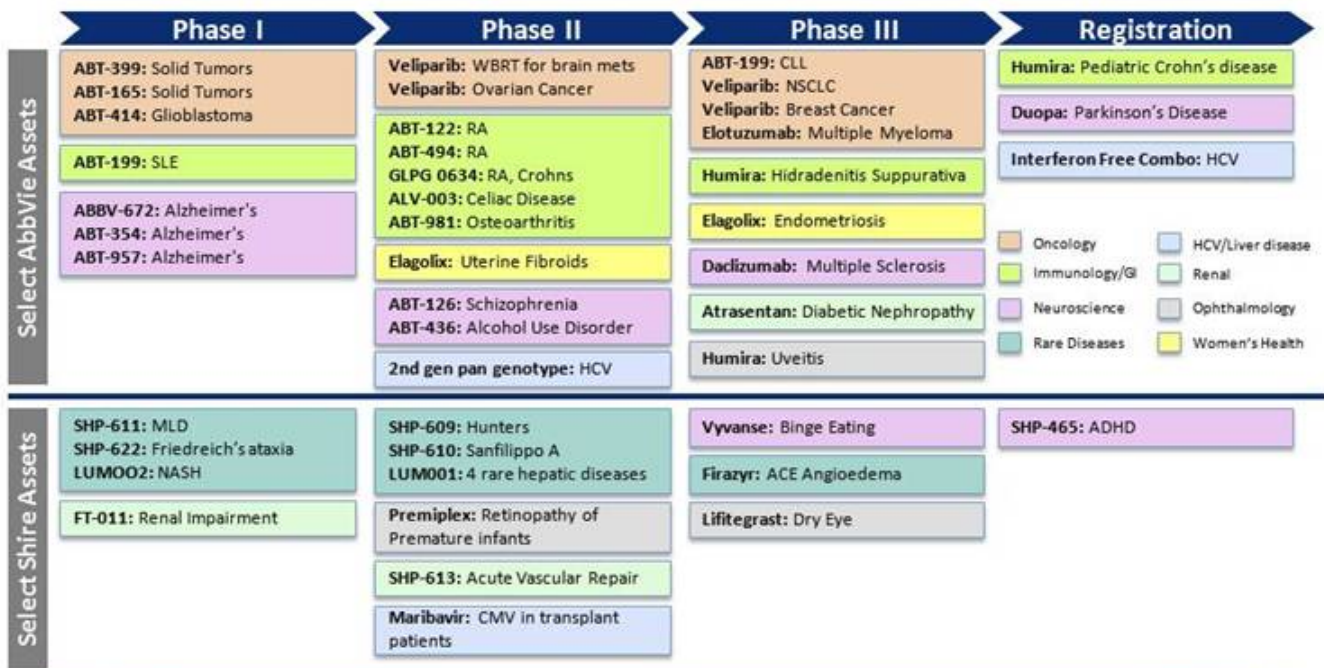
Accelerate growth of both companies through multiple catalysts	Strong complementary fit across existing platforms is better than standalone capabilities	Leverage AbbVie's substantial and well-established global infrastructure	Broader and deeper pipeline of attractive development programs	Substantial combined financial capacity
<ul style="list-style-type: none"> <li>AbbVie believes a merger of AbbVie and Shire would potentially accelerate growth and profitability by leveraging AbbVie's capabilities and infrastructure to make Shire's pipeline and products more successful than its standalone prospects</li> <li>AbbVie believes that this merger would result in incremental sustainable leadership positions within high value market segments of significant unmet need</li> </ul>	<ul style="list-style-type: none"> <li>AbbVie believes that Shire's platform has a strong complementary fit with AbbVie's existing specialty focus</li> <li>AbbVie's existing expertise and development capabilities combined with AbbVie's resources and scale, could develop global franchises from Shire's platform and utilize M&amp;A to supplement organic growth</li> </ul>	<ul style="list-style-type: none"> <li>AbbVie believes that Shire could achieve immediate broader geographic penetration and scale, by leveraging AbbVie's existing, well-established global infrastructure across more than 170 countries</li> <li>A combination would provide Shire with the desired scale and infrastructure, without relying upon acquisitions, to establish leadership positions</li> </ul>	<ul style="list-style-type: none"> <li>Best-in-class product development platform, with near-term new product launches in multiple therapeutic areas</li> <li>Expertise, infrastructure and market access to expand product indications to meet patient needs</li> <li>AbbVie's track record of product optimization is evidenced by its growth of the Humira franchise</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity to maximize Shire's rare disease and neuroscience franchises</li> <li>Strengthened sustainability of top-tier EPS growth, attractive free cash flow and enhanced return of capital policy</li> <li>Drive continued portfolio expansion with access to cash and financial wherewithal not available on a standalone basis</li> </ul>

The combination would create leadership positions within growing therapeutic areas, a diversified portfolio of marketed products, and stronger growth platforms



- Market leading positions in the GI segment to maximize the potential from Shire's GI franchise
- Commercial and regulatory expertise to expand potential of Shire's Neuroscience franchise

Complementary platforms would enhance innovation and end-to-end R&D capabilities of the new company



The combination of AbbVie and Shire would create an enhanced, strongly capitalized platform across research and clinical development, with a broader and deeper pipeline of robust development programs

Note: Shire pipeline shown excludes geographic expansion of marketed products and products currently on clinical hold

## Greater financial profile than Shire's standalone capabilities

---

- Expected strong and consistent free cash flow generation to support enhanced business development and an enhanced shareholder return of capital policy
- Enhanced R&D capacity
- Maintain investment-grade credit profile of the combined entity
- Combination expected to achieve a competitive tax structure with enhanced access to cash
- Enhanced combined cash flow and financial capacity to fund and accelerate future licensing and acquisitions to drive the pipeline
- AbbVie expects the proposed transaction to be materially accretive to AbbVie's adjusted EPS<sup>1</sup> in the first year following completion, growing to above \$1.00 per share by year 2020, with material ongoing financial and operating benefits
- Combined entity expected to deliver sustainable, top-tier EPS growth

<sup>1</sup> Adjusted EPS excludes intangible assets, amortization expense, purchase accounting adjustments and other specified items. The statement that the transaction is earnings accretive should not be construed as a profit forecast and is therefore not subject to the requirements of Rule 28 of the Takeover Code. It should not be interpreted to mean that the earnings per share in any future financial period will necessarily match or be greater than those for the relevant preceding financial period

**AbbVie has made a compelling offer**



**AbbVie’s third proposal at £46.26<sup>1</sup> – a compelling offer to engage**

**Potential to realize a considerable premium**

- Compelling premium of 33% to Shire’s closing share price of £34.67 on May 2, 2014 (the last trading date prior to our initial proposal) and 58% to Shire’s closing share price of £29.25 on April 17, 2014 (the date prior to rumors first surfacing that Pfizer had approached AstraZeneca regarding a potential transaction)
- Large cash payment of £20.44 in cash per share

**Opportunity to share in long-term upside of the combined company**

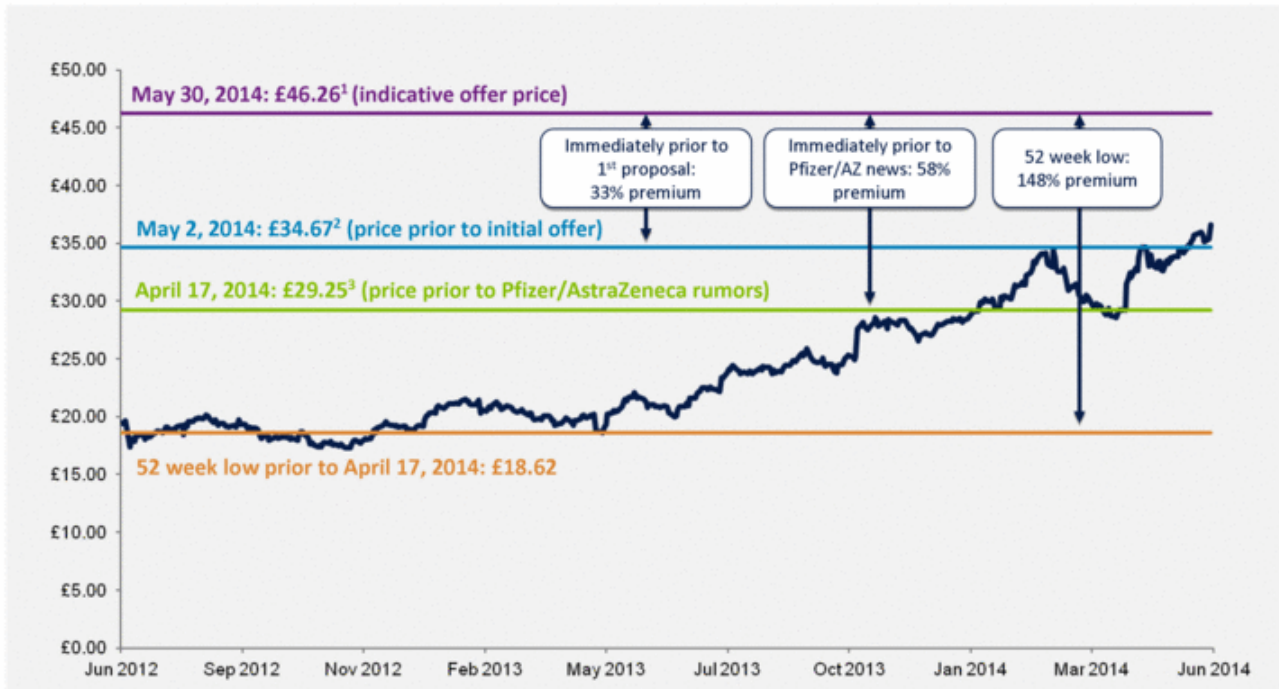
- Combined leadership positions within growing therapeutic areas
- Broad and deep pipeline of diverse development programs
- Enhanced strategic and financial flexibility
- Multiple drivers of potential re-rating

**Strong pro forma financial profile to drive enhanced shareholder returns**

- Strong balance sheet with significant cash flows to pursue strategic acquisitions and deliver enhanced EPS growth
- Opportunity for increased dividends and share repurchases

<sup>1</sup> Based on AbbVie’s closing share price of \$54.03 (and an exchange rate of \$1.00:€0.5982) on May 29, 2014, the latest practicable date before the third proposal was made, and assuming one New AbbVie share is issued for each existing AbbVie share in the simultaneous AbbVie holding company restructuring described in the Rule 2.4 announcement; £20.44 in cash and 0.7988 ordinary shares of New AbbVie for each Shire share

# A compelling premium



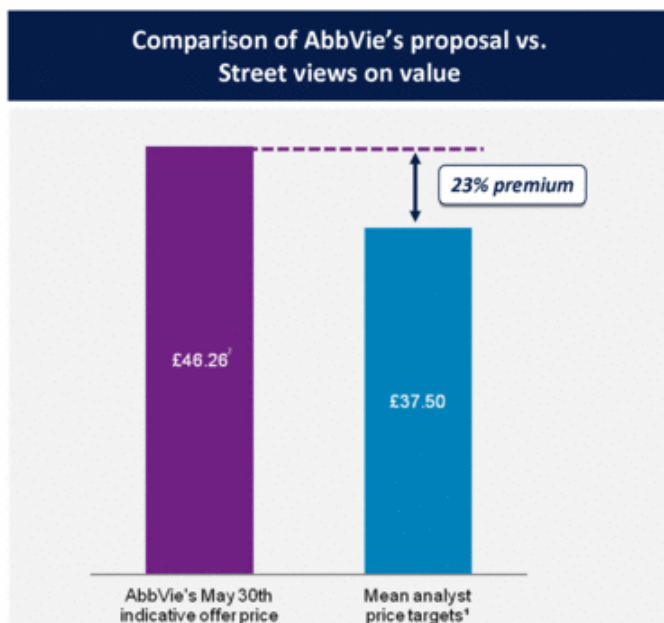
Source: FactSet, Thomson Research, S&P Capital IQ Aftermarket Research

<sup>1</sup> Based on AbbVie's closing share price of \$54.03 (and an exchange rate of \$1.00:£0.5982) on May 29, 2014, the latest practicable date before the Proposal was made, and assuming one New AbbVie share is issued for before the Proposal was made); £20.44 in cash and 0.7988 ordinary shares of New AbbVie for each Shire share

<sup>2</sup> As of May 2, 2014, Shire's share price had appreciated 19% since April 17, 2014

<sup>3</sup> Undisturbed share price prior to M&A speculation in the pharmaceutical sector

# External perspectives indicate our offer is compelling



AbbVie believes the current proposal offers compelling value, and Shire should engage to explain the gap between Shire's LRP and Street estimates

Source: FactSet, Thomson Research, Bloomberg, S&P Capital IQ Aftermarket Research as of June 19, 2014

Note: Only includes brokers published between May 1, 2014 and June 19, 2014, date prior to the commencement of the offer period; excludes J.P. Morgan (May 1, 2014) due to involvement as advisor; excludes Redburn Partners, Barclays and Shore Capital Stockbrokers due lack of published report post May 1, 2014; ADR target prices are converted to GBP using an exchange rate of \$1.00:£0.5864 as of June 19, 2014

<sup>1</sup> See pg 32 of Appendix 1 of the presentation for the full list of brokers and price targets

<sup>2</sup> Based on AbbVie's closing share price of \$54.03 (and an exchange rate of \$1.00:£0.5982) on May 29, 2014, the latest practicable date before the Proposal was made, and assuming one New AbbVie share is issued for before the Proposal was made); £20.44 in cash and 0.7988 ordinary shares of New AbbVie for each Shire share



## Additional value upside of a merger beyond “headline price”

### Shire shareholders would potentially own approximately 23% of an exciting growth story with significant value upside potential

- **AbbVie expects the proposed transaction to be materially accretive to AbbVie’s adjusted EPS<sup>1</sup> in the first year following completion, growing to above \$1.00 per share by year 2020, with material ongoing financial and operating benefits**
- **AbbVie believes the combined company would create a larger and more diversified biopharmaceutical company with:**
  - Multiple leading franchises
  - Significant financial capacity for future acquisitions
  - Enhanced shareholder distributions and value creation
- **Shire shareholders would have the opportunity to participate in AbbVie’s growth prospects**
  - Continued strength in Humira franchise, the world’s top selling medicine globally in 2013
  - Near-term launch of HCV therapy in US and EU and participation in a market estimated to exceed \$12 billion in annual revenues worldwide beginning in 2015
  - Advancement of late-stage opportunities in multiple therapeutic areas
  - Accelerated top and bottom-line growth starting in 2015
- **AbbVie’s financial capacity and operational expertise would enhance the prospects for Shire’s existing franchises and pipeline**

<sup>1</sup> Adjusted EPS excludes intangible assets, amortization expense and purchase accounting adjustments and other specified items. The statement that the transaction is earnings accretive should not be construed as a profit forecast and is therefore not subject to the requirements of Rule 28 of the Takeover Code. It should not be interpreted to mean that the earnings per share in any future financial period will necessarily match or be greater than those for the relevant preceding financial period.

# AbbVie believes proposed combination would drive strong EPS accretion and enable a competitive tax structure

- **Meaningful EPS accretion**

- Materially accretive to AbbVie's adjusted EPS<sup>1</sup> in the first year following completion
- Expected to increase above \$1.00 per share by 2020
- Includes material ongoing financial and operating benefits

- **Globally competitive tax rate**

- AbbVie believes this transaction is highly executable
- AbbVie expects the effective tax rate for New AbbVie to approximate 13 percent by 2016
- Effective tax rate and corresponding access to cash is expected to enhance New AbbVie's competitive position globally

<sup>1</sup> Adjusted EPS excludes intangible assets, amortization expense and purchase accounting adjustments and other specified items. The statement that the transaction is earnings accretive should not be construed as a profit forecast and is therefore not subject to the requirements of Rule 2B of the Takeover Code. It should not be interpreted to mean that the earnings per share in any future financial period will necessarily match or be greater than those for the relevant preceding financial period

abbvie

AbbVie has made a good faith effort to engage in discussions with Shire



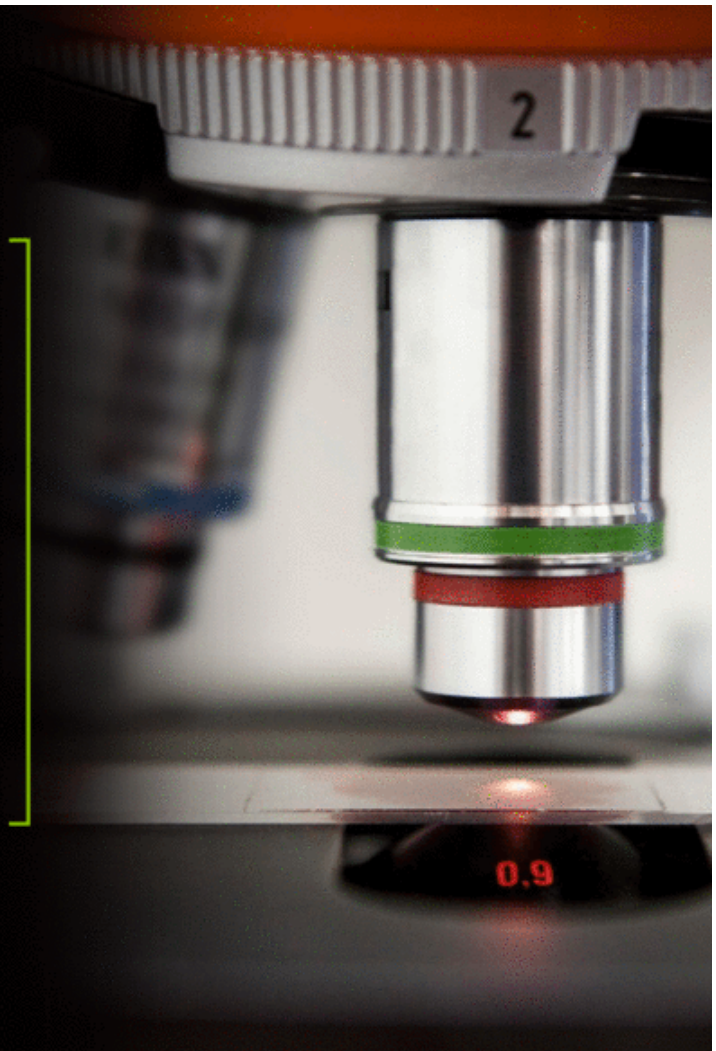
## Offering compelling value and strategic rationale to engage

- **AbbVie has recently submitted three non-binding indications of interest to Shire's board of directors, each of which offered a substantial premium to Shire's undisturbed price**
  - **Compelling initial offer:** The initial indicative proposal of £39.50<sup>1</sup> per share, presented in person by AbbVie's Chairman and CEO to Shire's Chairman, represented a premium of 14% to Shire's closing share price on May 2, 2014 and 35% premium to Shire's undisturbed closing price on April 17, 2014, the date when rumors first surfaced that Pfizer had approached AstraZeneca regarding a potential transaction
  - *Shire rejected the initial indicative proposal and declined to engage in discussions*
  - **Prompt and improved second proposal:** AbbVie submitted a revised indicative proposal of £40.97<sup>2</sup> per share, represented a premium of 40% to Shire's undisturbed closing price; the cash component equated to £17.13 per Shire share
  - *Shire rejected the revised indicative proposal and declined to engage in discussions*
  - **Substantially improved third proposal in effort for constructive dialogue:** AbbVie submitted a third indicative proposal of £46.26<sup>3</sup> per share (£27.8 billion for the entire issued share capital of Shire on a fully diluted basis), representing a premium of 58% to Shire's undisturbed closing price; the cash component was increased to £20.44 per Shire share
  - Despite our compelling third proposal, *Shire rejected the third indicative proposal and declined to engage in discussions*
- **Proposed combination has compelling strategic rationale for all shareholders**
  - Complementary strengths would create a global biopharmaceutical company with leading franchises and significant financial capacity for future acquisitions, investment and shareholder distributions
  - Significant exposure to an exciting growth story with material value upside potential

<sup>1,2,3</sup> Please see indicative offer price assumptions on page 34 in Appendix 1

abbvie

Next steps



## Shire should engage to maximize value for its shareholders

---

- **AbbVie is interested in working toward a recommended transaction and would welcome the opportunity to discuss further with Shire with a view to achieving an agreed, recommended proposal**
  - AbbVie started evaluating a business combination with Shire in the fall of 2013 and is convinced of the strategic rationale of a combination
  - AbbVie is committed to this transaction, but have maintained its price-disciplined approach
  - AbbVie is prepared to expeditiously move toward a recommended Rule 2.7 announcement if Shire is prepared to engage
- **Engagement is in the best interests of all Shire and AbbVie shareholders**
  - AbbVie and its advisors stand ready to engage immediately

APPENDIX 1



## Brokers' future stock price targets average around £38.00



Source: FactSet, Thomson Research, Bloomberg, S&P Capital IQ Aftermarket Research  
 Note: Only includes brokers published between May 1, 2014 and June 19, 2014, date prior to the commencement of the offer period; excludes J.P. Morgan (May 1, 2014) due to involvement as advisor; excludes Redburn Partners, Barclays and Shore Capital Stockbrokers due lack of published report post May 1, 2014; ADR target prices are converted to GBP using an exchange rate of \$1.00:£0.5864 on June 19, 2014

## Shire has been a subject of constant takeover speculation

Date of speculation	Event	Shire closing price <sup>1</sup>	Market reaction <sup>2</sup>
June 18, 2014	Reports emerge regarding Allergan's imminent bid for Shire	£37.85	+3.4%
June 16, 2014	Shire reported to have hired Citi as an adviser amid takeover offer	£36.60	+3.5%
April 24, 2014	Press speculation over Allergan's possible takeover offer for Shire	£32.48	+1.9%
April 20, 2014	Emergence of market consolidation rumours amid Pfizer and AstraZeneca speculation	£31.46	+7.6%
August 18, 2013	Press reports emerge that Shire has hired advisors amid takeover offers	£24.09	+1.0%
May 18, 2013	Press reports emerge that Shire could return up to £2bn as a takeover defense	£20.86	+1.8%
March 1, 2013	Reports emerge that Bristol-Myers Squibb could look to acquire Shire	£20.92	+0.8%
June 28, 2012	Rumors emerge that Pfizer along with Novartis and Teva could look to acquire Shire	£18.32	+2.4%

**Shire's share price has increased due to recent M&A market speculation**

Source: Press reports, FactSet

<sup>1</sup> Reflects Shire closing price for market close subsequent to media speculation

<sup>2</sup> Reflects Shire share price appreciation between market close following speculation and market close immediately prior to media speculation

## Indicative offer price assumptions

1. Initial indicative offer of £39.50 based on AbbVie's closing share price of \$51.18 (and an exchange rate of \$1.00:£0.5920) on May 2, 2014 and assuming one New AbbVie share is issued for each existing AbbVie share in the simultaneous AbbVie holding company restructuring described in the announcement made by AbbVie under Rule 2.4 of the UK Takeover Code on June 25, 2014
2. Revised indicative offer of £40.97 based on AbbVie's closing share price of \$52.37 (and an exchange rate of \$1.00:£0.5927) on May 12, 2014 and assuming one New AbbVie share is issued for each existing AbbVie share in the simultaneous AbbVie holding company restructuring described in the announcement made by AbbVie under Rule 2.4 of the UK Takeover Code on June 25, 2014
3. Third indicative offer of £46.26 based on AbbVie's closing share price of \$54.03 (and an exchange rate of \$1.00:£0.5982) on May 29, 2014 and assuming one New AbbVie Share is issued for each existing AbbVie share in the simultaneous AbbVie holding company restructuring described in the announcement made by AbbVie under Rule 2.4 of the UK Takeover Code on June 25, 2014. Any offer made under Rule 2.7 of the UK Takeover Code will need to be equivalent to £46.26 except that AbbVie reserves the right to introduce other forms of consideration and/or vary the mix of consideration. AbbVie also reserves the right to make a firm offer at any time for less than the equivalent of £46.26 for each Shire share:
  - With the agreement or recommendation of the Shire board;
  - If a third party announces a firm intention to make an offer for Shire which, as at the date AbbVie announces a firm intention to make an offer for Shire, is valued at a lower price than the equivalent of £46.26 for each Shire share; or
  - Following the announcement by Shire of a whitewash transaction pursuant to the Takeover Code

abbvie

APPENDIX 2



# Profit Forecast for AbbVie Inc for the Financial Year ended December 31, 2014 (extracted from AbbVie's announcement dated June 23, 2014)

In accordance with Rule 28.4(a) of the Code, the principal assumptions upon which the profit forecast is based are included in this Schedule 1 to the announcement. In accordance with Rule 28.4(b) of the Code, there is a clear distinction made between assumptions which the Directors of AbbVie (or other members of AbbVie's management) can influence and those which they cannot influence.

**1. General** – AbbVie today issued the following statements updating its earnings guidance for the year ending December 31, 2014 as follows:  
"AbbVie (NYSE: ABBV) today raised the midpoint of its full-year 2014 earnings-per-share guidance by six cents and now expects a full-year diluted earnings-per-share range of \$3.06 to \$3.16 on an adjusted basis, or \$2.69 to \$2.79 on a GAAP basis. AbbVie's 2014 outlook continues to exclude any potential revenue from the expected 2014 U.S. launch of its hepatitis C (HCV) therapy which has been granted accelerated review by the U.S. Food and Drug Administration (FDA). The company's 2014 adjusted diluted earnings-per-share guidance excludes \$0.37 per share of intangible asset amortization expense and other specified items primarily associated with certain separation-related costs and ongoing restructuring activities."

The above statements for the financial year ending December 31, 2014 constitute a profit forecast for the purposes of the Code (the "AbbVie Profit Forecast"). In the above statements, adjusted diluted earnings per share is defined as net earnings attributable to AbbVie divided by the weighted average number of diluted shares for the year. The computation of weighted average shares for diluted earnings per share adds back incremental shares from assumed conversions of stock options, net of assumed share repurchases and LTIP shares to the weighted average shares of basic earnings per share.

**2. Basis of preparation** – The AbbVie Profit Forecast has been prepared on a basis consistent with the accounting policies for AbbVie which are in accordance with generally accepted accounting standards in the U.S. and those which AbbVie anticipates will be applicable for the full year ending December 31, 2014. AbbVie has prepared the AbbVie Profit Forecast based on unaudited interim financial results for the three months ended March 31, 2014, the unaudited management accounts for the two months ended May 31, 2014 and a forecast to December 31, 2014.

**3. Assumptions** – AbbVie has prepared the AbbVie Profit Forecast on the basis of the following assumptions:

**Factors outside the influence or control of AbbVie and its Directors**

- There will be no material change to the existing prevailing global macroeconomic and political conditions during the year ended December 31, 2014.
- The Euro, British pound and Japanese yen and other exchange rates, and inflation and tax rates in AbbVie's principal markets will remain materially unchanged from the prevailing rates.
- There will be no material change in legislation or regulatory requirements impacting on AbbVie's operations or its accounting policies.
- There will be no material change in AbbVie's labor costs, including medical and pension and other post-retirement benefits driven by external parties or regulations.
- There will be no material adverse events that will have a significant impact on AbbVie's financial performance.

**Factors within the influence or control of AbbVie and its Directors**

- The AbbVie Profit Forecast excludes any material acquisitions or disposals in the year ended December 31, 2014.
- The AbbVie Profit Forecast excludes any exceptional transaction or transition costs associated with the proposed transaction with Shire plc.
- Current separation plans and costs as part of the Transition Service Agreement with Abbott will conclude materially as AbbVie would reasonably expect based on AbbVie's past experience.
- The AbbVie Profit Forecast excludes any potential revenue from the expected 2014 U.S. launch of its HCV therapy.
- There will be no material change in the weighted average number of diluted shares in issue.
- There will be no material change in the present management or control of AbbVie or its existing operational strategy.

## Report of PricewaterhouseCoopers pursuant to Rule 28.1(a)(i) of the City Code on Takeovers and Mergers

The Directors (the "Directors")  
AbbVie Inc.  
1 North Waukegan Road  
North Chicago  
Illinois 60064  
United States of America

J.P. Morgan Limited (the "Financial Adviser")  
25 Bank Street  
Canary Wharf  
London  
E14 5JP

June 23, 2014

Dear Sirs  
AbbVie Inc.

We report on the profit forecast comprising the statement by AbbVie Inc (the "Company") and its subsidiaries (together the "Group") for the year ending December 31, 2014 (the "Profit Forecast"). The Profit Forecast and the material assumptions upon which it is based, are set out in Schedule 1 to the announcement issued by the Company dated June 23, 2014 (the "Announcement"). This report is required by Rule 28.1(a)(i) of the City Code on Takeovers and Mergers issued by the Panel on Takeovers and Mergers (the "City Code") and is given for the purpose of complying with that rule and for no other purpose.

**Responsibilities**

It is the responsibility of the Company and the directors of the Company (the "Directors") to prepare the Profit Forecast in accordance with the requirements of the City Code. It is our responsibility to form an opinion as required by Rule 28.1(a)(i) of the City Code as to the proper compilation of the Profit Forecast and to report that opinion to you. Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under Rule 28.1(a)(i) of the City Code to any person as and to the extent therein provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Rule 23.3(b) of the City Code, consenting to its inclusion in the Announcement.

**Basis of Preparation of the Profit Forecast**

The Profit Forecast has been prepared on the basis stated in Schedule 1 to the Announcement and is based on the unaudited interim financial results for the three months ended March 31, 2014, the unaudited management accounts for the two months ended May 31, 2014 and a forecast to December 31, 2014. The Profit Forecast is required to be presented on a basis consistent with the accounting policies of the Group.



# Report of PricewaterhouseCoopers pursuant to Rule 28.1(a)(i) of the City Code on Takeovers and Mergers (cont'd)

---

## Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included evaluating the basis on which the historical financial information included in the Profit Forecast has been prepared and considering whether the Profit Forecast has been accurately computed based upon the disclosed assumptions and the accounting policies of the Group. Whilst the assumptions upon which the Profit Forecast are based are solely the responsibility of the Company and the Directors, we considered whether anything came to our attention to indicate that any of the assumptions adopted by the Company and the Directors which, in our opinion, are necessary for a proper understanding of the Profit Forecast have not been disclosed or if any material assumption made by the Company and the Directors appears to us to be unrealistic.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Profit Forecast has been properly compiled on the basis stated.

Since the Profit Forecast and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the Profit Forecast and differences may be material.

Our work has not been carried out in accordance with auditing standards generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) and accordingly should not be relied upon as if it had been carried out in accordance with those standards.

In our opinion, the Profit Forecast has been properly compiled on the basis stated and the basis of accounting used is consistent with the accounting policies of the Group.

Yours faithfully  
PricewaterhouseCoopers LLP  
Chartered Accountants  
London

# Report of J.P. Morgan pursuant to Rule 28.1(a)(ii) of the City Code on Takeovers and Mergers

---

The Directors (the "Directors")  
AbbVie Inc.  
1 North Waukegan Road  
North Chicago  
Illinois 60064  
United States of America

June 23, 2014

Dear Sirs

## Report by the financial adviser to AbbVie Inc. (the "Company") in connection with the unaudited profit forecast for the year ending December 31, 2014

We refer to the unaudited profit forecast for the year ending December 31, 2014 made by the Company in the announcement issued by the Company on June 23, 2014 regarding a trading update of the Company (the "Profit Forecast").

We have discussed the Profit Forecast and the bases and assumptions on which it has been prepared with duly authorized executive officers of the Company (acting on behalf of the Company) and with PricewaterhouseCoopers LLP ("PwC"), the Company's reporting accountants. We have also discussed the accounting policies and calculations for the Profit Forecast with PwC and we have considered their letter of today's date addressed to you and ourselves on this matter. We have relied upon the accuracy and completeness of all the financial and other information discussed with us and have assumed such accuracy and completeness for the purposes of delivering this letter.

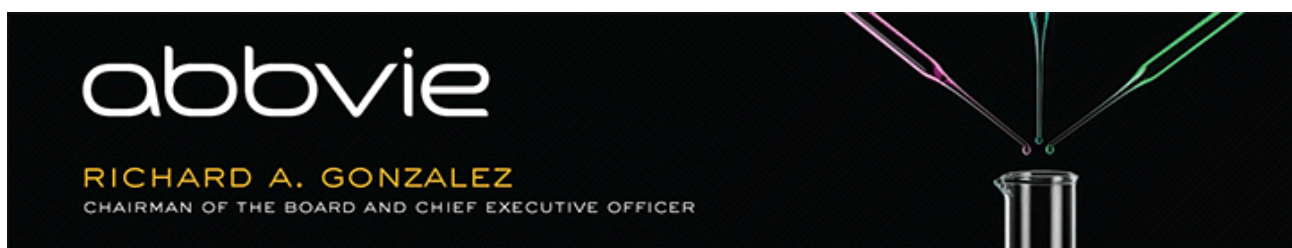
This letter to you is provided solely in connection with our obligation under Rule 28.1(a)(ii) of the City Code on Takeovers and Mergers and for no other purpose. We accept no responsibility and, to the fullest extent permitted by law, exclude all liability to any other person other than to you, in your capacity as directors of the Company, in respect of this letter or the work undertaken in connection with this letter.

On the basis of the foregoing, we consider that the Profit Forecast referred to above, for which the Company and the Directors are solely responsible, has been prepared with due care and consideration.

Yours faithfully,

J.P. Morgan Limited





Dear AbbVie Colleagues,

As we have said since our launch, we are focused on new ways to create long-term shareholder value and we evaluate opportunities to expand and augment our product portfolio, advance our pipeline and accelerate our growth. And over the past 18 months, we have made extraordinary progress, building a strong, sustainable long-term strategy for our business. We continue to drive our business growth and have made tremendous progress in building a robust, late-stage pipeline.

We have an opportunity to accelerate our growth and profitability — by combining with Ireland-based Shire, a global specialty biopharmaceuticals business focused on the fields of neuroscience, rare diseases, gastrointestinal medicine and other targeted therapeutic areas.

AbbVie and Shire together represent a strong and compelling combination, creating a larger and more diversified platform with significant financial capacity for future acquisitions, investment, enhanced shareholder distributions and value creation. The new company would have multiple leadership positions in immunology, rare diseases, virology, neuroscience, metabolic disease and emerging oncology.

The combination would result in accelerated growth for both companies by leveraging AbbVie's broad geographic footprint. We would utilize our commercial, regulatory, medical affairs and market access infrastructure to more rapidly and more cost effectively expand Shire's rare disease and neuroscience franchises. Additionally, we would have a broader and deeper pipeline, with more than 15 programs in Phase Three development or under regulatory review.

Despite our third offer to combine with Shire, which presented a significant premium, their management refuses to engage. AbbVie continues to be interested in engaging in discussions with Shire regarding this possible transaction. You can read our news release [Link to: <http://www.abbvieinvestor.com/phoenix.zhtml?c=251551&p=irol-disclaimer-documents>].

You may have heard that we intend to incorporate the merged business in Jersey, where Shire is currently incorporated, to make our company more competitive. I want you to know that we are committed to keeping our operational headquarters in Lake County. Furthermore, there will be no impact on jobs at AbbVie in Lake County.

Because all of our actions and communications are now guided by UK Takeover Code, we will be very limited in what we can say and when we can say it — both internally and externally. I will keep you posted as appropriate.

I know that it's easy to get distracted as the combination strategy plays out, but I ask AbbVie colleagues

---

around the world to stay focused on delivering our business commitments, just as you all did so exceptionally as we prepared for our separation from Abbott.

As always, thank you for all of your hard work, dedication and effort in creating AbbVie. Your work has made it possible for our biopharmaceutical company to operate from a position of strength as we propose this combination, which has the potential to make a remarkable impact on the lives of greater numbers of patients around the world.

Best regards,

Rick

#### FORWARD-LOOKING STATEMENTS

This announcement contains certain forward-looking statements with respect to a possible combination involving AbbVie and Shire. The words “believe,” “expect,” “anticipate,” “project” and similar expressions, among others, generally identify forward-looking statements. AbbVie cautions 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. Such risks and uncertainties include, but are not limited to, the possibility that a possible combination will not be pursued, failure to obtain necessary regulatory approvals or required financing or to satisfy any of the other conditions to the possible combination if it is made, adverse effects on the market price of AbbVie's common stock and on AbbVie's operating results because of a failure to complete the possible combination, failure to realise the expected benefits of the possible combination, negative effects relating to the announcement of the possible combination or any further announcements relating to the possible combination or the consummation of the possible combination on the market price of AbbVie's common stock, significant transaction costs and/or unknown liabilities, general economic and business conditions that affect the combined companies following the consummation of the possible combination, changes in global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax laws, regulations, rates and policies, future business combinations or disposals and competitive developments. These forward-looking statements are based on numerous assumptions and assessments made by AbbVie in light of its experience and perception of historical trends, current conditions, business strategies, operating environment, future developments and other factors it believes appropriate. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. The factors described in the context of such forward-looking statements in this announcement could cause AbbVie's plans with respect to Shire, actual results, performance or achievements, industry results and developments to differ materially from those expressed in or implied

---

by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and persons reading this announcement are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this announcement. Additional information about economic, competitive, governmental, technological and other factors that may affect AbbVie is set forth in Item 1A, "Risk Factors," in AbbVie's 2013 Annual Report on Form 10-K, which has been filed with United States Securities and Exchange Commission (the "SEC"), the contents of which are not incorporated by reference into, nor do they form part of, this announcement. AbbVie undertakes no obligation to release publicly any revisions to forward-looking statements as a result of subsequent events or developments, except as required by law.

#### ADDITIONAL INFORMATION

This document is provided for informational purposes only and does not constitute an offer to sell, or an invitation to subscribe for or purchase or purchase or exchange, any securities or the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance, exchange or transfer of the securities referred to in this document in any jurisdiction in contravention of applicable law. Subject to future developments, AbbVie may file a registration statement and/or tender offer documents with the SEC in connection with a combination. Holders of Shire and/or AbbVie shares should read those filings, and any other filings made by AbbVie with the SEC in connection with the combination, as they will contain important information. Those documents, if and when filed, as well as AbbVie's other public filings with the SEC may be obtained without charge at the SEC's website at [www.sec.gov](http://www.sec.gov) and at AbbVie's website at [www.abbvieinvestor.com](http://www.abbvieinvestor.com).

*Responsibility Statement: "The directors of AbbVie accept responsibility for the information contained in this document and, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and it does not omit anything likely to affect the import of such information"*

Email me at [ceo@abbvie.com](mailto:ceo@abbvie.com) to ask a question or share feedback.

---