

Greg W. Linder
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LETTER OF COMMENT NO. 73

August 15, 2008

Technical Director – File Reference No. 1590-100
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: Proposed Statement of Financial Accounting Standards – “Accounting for Hedging Activities – an amendment of FASB Statement No. 133” (Exposure Draft)

Dear Sir or Madam:

We are pleased to respond to the Proposed Statement of Financial Accounting Standards – “Accounting for Hedging Activities – an amendment of FASB Statement No. 133.”

Abbott is a \$26 billion worldwide company engaged in the discovery, development, manufacture and sale of human health care products. Abbott enters into foreign currency forward exchange contracts to manage foreign currency exposures. As of December 31, 2007, contracts totaling approximately \$6 billion were outstanding. Abbott also enters into interest rate hedge contracts to manage exposure to changes in the fair value of \$1.5 billion of long-term debt.

We have reviewed the Exposure Draft and have the following comment. One of the factors that was considered when Abbott entered into the interest rate hedge contracts was the fact that the contracts qualified for the shortcut method of accounting for both the debt and the hedging instrument. The provisions in this Exposure Draft would prospectively eliminate the use of the shortcut method, thus potentially creating earnings fluctuations that are not an issue under the shortcut method. We recommend for the allowed continued use of the shortcut method for existing positions as of the adoption date of the provisions contained in this Exposure Draft.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Greg W. Linder'. The signature is written in a cursive, slightly slanted style.

Greg W. Linder
Vice President and Controller