

## Rating Action

# Moody's Ratings upgrades AbbVie to A2; outlook is stable

New York, February 06, 2026 -- Moody's Ratings (Moody's) upgraded the ratings of AbbVie Inc. ("AbbVie") including the long-term issuer rating to A2 from A3, senior unsecured notes to A2 from A3, and the senior unsecured commercial paper rating to Prime-1 from Prime-2. At the same time, we revised AbbVie's outlook to stable from positive.

The ratings upgrade reflects AbbVie's strong commercial execution in its core immunology and neuroscience portfolios that has allowed the company to maintain above peer-average earnings growth through the steep patent cliff from legacy blockbuster Humira. We expect the immunology portfolio to continue to drive the majority of AbbVie's future growth, bolstered by best-in-class efficacy from Skyrizi and additional line-extension opportunities from Rinvoq. While the immunology category will become increasingly competitive over time, high underlying market growth will support multiple blockbusters. At the same time, the company's neuroscience portfolio will continue to enhance the business profile with newer growth drivers including Vyalev for Parkinson's disease, and Ubrelvy for migraines.

Amid solid growth, we expect AbbVie to generate free cash flow of over \$10 billion annually after dividends over the next 2-3 years, which will allow the company the opportunity to fund some business development deals with internal cash flow. That said, we expect AbbVie will remain active in targeting external opportunities, and will look to periodically fund acquisitions with incremental debt. We expect AbbVie to maintain conservative financial policies over time, while focused on ongoing capital deployment to balance next-generation growth opportunities and shareholder returns.

### RATINGS RATIONALE

AbbVie's A2 rating reflects its large global scale and strong competitive positions in immunology, oncology, neuroscience and aesthetics. We expect Skyrizi and Rinvoq will continue solid growth over the next several years. Strong product offerings in neuroscience and oncology will continue to enhance the business profile. AbbVie will generate strong free cash flow stemming from its high operating margins and moderate capital expenditures.

These strengths are tempered by high therapeutic concentration in immunology, particularly from key product franchises Skyrizi and Rinvoq which face high competition. With the majority of revenue in the US, AbbVie has greater exposure to US drug pricing policies such as those included in the Inflation Reduction Act compared to some peers. In addition, there is industry-wide risk to debt financed acquisitions to enhance pipeline quality and growth prospects.

The outlook is stable, reflecting our expectation that AbbVie will continue strong earnings growth over the next few years, while maintaining conservative and thoughtful financial policies. The outlook incorporates our view that AbbVie will remain active in business development pursuits to bolster its pipeline, which could be funded with incremental debt. To the extent that AbbVie pursues larger debt-funded acquisitions, we expect that it would quickly reduce leverage.

### FACTORS THAT COULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATINGS

Factors that could lead to an upgrade include an increase in product and therapeutic diversity, continued strong growth in core products, and successful pipeline execution. Quantitatively, debt/EBITDA sustained below 2.5 times would support an upgrade, paired with financial policies that continue to support quick deleveraging after potential debt-funded transactions.

Factors that could lead to a downgrade include unexpected and substantial pressure in key franchises that weakens organic growth, major pipeline setbacks, or large debt-financed acquisitions. Quantitatively, debt/EBITDA sustained above 3.25 times would drive downward ratings pressure.

Headquartered in North Chicago, Illinois, AbbVie Inc. is a global pharmaceutical company with focus areas that include immunology, neuroscience, oncology, aesthetics, and eye care.

The principal methodology used in these ratings was Pharmaceuticals published in September 2025 and available at <https://ratings.moodys.com/rmc-documents/450435>. Alternatively, please see the Rating Methodologies page on <https://ratings.moodys.com> for a copy of this methodology.

The net effect of any adjustments applied to rating factor scores or scorecard outputs under the primary methodology(ies), if any, was not material to the ratings addressed in this announcement.

### REGULATORY DISCLOSURES