

Johnson & Johnson and Subsidiaries
Reconciliation of Non-GAAP Financial Measures

<i>(Dollars in Millions Except Per Share Data)</i>	Second Quarter		% Incr. / (Decr.)	Six Months YTD		% Incr. / (Decr.)
	2012	2011		2012	2011	
Earnings before provision for taxes on income - as reported	\$ 2,035	3,422	(40.5) %	\$ 7,080	\$ 7,932	(10.7) %
Intangible asset write-downs	939	-		939	-	
Net litigation	669	315		669	576	
Synthes integration/transaction costs and currency related	574	(102)		457	(102)	
In-process research and development	429	-		429	-	
Restructuring - Cordis	-	676		-	676	
DePuy ASR™ Hip related costs	-	102		-	187	
Earnings before provision for taxes on income - as adjusted	<u>\$ 4,646</u>	<u>4,413</u>	<u>5.3</u> %	<u>\$ 9,574</u>	<u>9,269</u>	<u>3.3</u> %
Net Earnings - as reported	\$ 1,408	2,776	(49.3) %	\$ 5,318	6,252	(14.9) %
Intangible asset write-downs	717	-		717	-	
Net litigation	611	242		611	444	
Synthes integration/transaction costs and currency related	564	(102)		458	(102)	
In-process research and development	344	-		344	-	
Restructuring - Cordis	-	549		-	549	
DePuy ASR™ Hip related costs	-	83		-	152	
Net Earnings - as adjusted	<u>\$ 3,644</u>	<u>3,548</u>	<u>2.7</u> %	<u>\$ 7,448</u>	<u>7,295</u>	<u>2.1</u> %
Diluted Net Earnings per share - as reported	\$ 0.50	1.00	(50.0) %	\$ 1.91	2.25	(15.1) %
Intangible asset write-downs	0.26	-		0.26	-	
Net litigation	0.22	0.09		0.22	0.16	
Synthes integration/transaction costs and currency related	0.20	(0.04)		0.16	(0.04)	
In-process research and development	0.12	-		0.12	-	
Restructuring - Cordis	-	0.20		-	0.20	
DePuy ASR™ Hip related costs	-	0.03		-	0.06	
Diluted Net Earnings per share - as adjusted	<u>\$ 1.30</u>	<u>1.28</u>	<u>1.6</u> %	<u>\$ 2.67</u>	<u>2.63</u>	<u>1.5</u> %

The Company believes investors gain additional perspective of underlying business trends and results by providing a measure of earnings before provision for taxes on income, net earnings and diluted net earnings per share that excludes special items in order to evaluate ongoing business operations.