Safe Harbor Statement

This presentation contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from the expectations and projections of Johnson & Johnson. Risks and uncertainties include, but are not limited to, general industry conditions and competition; economic factors, such as interest rate and currency exchange rate fluctuations; technological advances and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approvals; domestic and foreign health care reforms and governmental laws and regulations; trends toward health care cost containment; and increased scrutiny of the healthcare industry by government agencies. A further list and description of these risks, uncertainties and other factors can be found in Exhibit 99 of Johnson & Johnson’s Annual Report on Form 10-K for the fiscal year ended January 2, 2011. Copies of this Form 10-K, as well as subsequent filings, are available online at www.sec.gov, www.jnj.com or on request from Johnson & Johnson. Johnson & Johnson does not undertake to update any forward-looking statements as a result of new information or future events or developments.
Content Overview

• Operating Model
• Historical Performance
• Segment Overview
• Second Quarter 2011 Results
• Summary
STRATEGIC PRINCIPLES
Operating Model

- Broadly Based in Human Health Care
- Managed for the Long Term
- Decentralized Management Approach
- Focused on People and Values
Broadly Based - World’s Most Comprehensive Health Care Company

- 2010 Sales of $61.6 Billion
- Over 250 operating companies worldwide
- Leadership positions in ethical and OTC pharmaceuticals, medical/surgical products, diagnostics and a variety of consumer products
2010 Segment Operating Profit*

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Margin % to Sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer</td>
<td>18.0%</td>
<td>16.1%</td>
</tr>
<tr>
<td>MD&amp;D</td>
<td>32.0%</td>
<td>31.3%</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>31.1%</td>
<td>33.6%</td>
</tr>
<tr>
<td>Total</td>
<td>28.1%</td>
<td>28.5%</td>
</tr>
</tbody>
</table>

*Non-GAAP measure; excludes special items
Broadly Based – A Strategic Advantage

• Rapidly capitalize on attractive opportunities
• Knowledge and capability transfer
• Development of converging technologies
• Accelerating growth through geographic breadth
• Leveraging scale
Operating Model

- Broadly Based in Human Health Care
- Managed for the Long Term
- Decentralized Management Approach
- Focused on People and Values
Leadership in Major Markets
Johnson & Johnson #1 or #2

**Pharmaceuticals**
- Antineoplastic Antibiotics
- Antipsychotics (Injectables)
- Anti-TNFs
- Erythropoietins
- Hormonal Contraceptives
- Oral
- Fluoroquinolones Antibiotics
- Psychostimulants

**MD&D**
- Blood Glucose Monitoring
- Blood Screening & Typing
- Breast Aesthetics
- Disposable Contact Lenses
- Electrophysiology diagnostics & catheters
- Endovascular
- Insulin Delivery
- Minimally Invasive Surgery
- Orthopaedics
- Sutures

**Consumer**
- Baby & Kids Care
- Lo-Cal Sweeteners
- Oral Rinses
- OTC Pharmaceuticals
- Sanitary Protection
- Wound Care

*As of Dec 2010*
Growth Strategies

• Organic growth
  – Strong internal R&D capability
  – Nurture new businesses; Prune where appropriate

• Strategic partnering and licensing

• Selective acquisitions
  – Enhance existing business
  – New platforms for growth
The company has adopted SFAS No. 123(R) Shared Based Payment, applying the modified retrospective transition method. 2000-2005 reported financial statements have been restated accordingly.
Partner of Choice

- Over 100 new third party relationships annually
- In house venture capital (JJDC)
- Focus on early stage product development
Mergers, Acquisitions & Significant Equity Investments – Recent Examples

Strategic moves to enhance growth and create long-term value

Typically modest in size

- **Micrus Endovascular (9/10)** – global developer and manufacturer of minimally invasive devices for hemorrhagic and ischemic stroke
- **Respivert (5/10)** - privately held drug discovery company focused on developing small-molecule, inhaled therapies for the treatment of pulmonary diseases
- **Finsbury Orthopaedics Ltd (12/09)** – privately held manufacturer and global distributor of orthopaedic implants
- **Crucell N.V. (9/09)** – 18% equity investment in Crucell and strategic collaboration to develop innovative products, including therapies for Influenza prevention/treatment and other diseases
- **Omrix Biopharmaceuticals (12/08)** – a fully-integrated biopharmaceutical company that develops and markets biosurgical and immunotherapy products.
- **Surg RX, Inc (8/08)** - a privately held developer of the advanced bipolar tissue sealing system used in the ENSEAL® family of devices.
Mergers, Acquisitions & Significant Equity Investments

Occasionally Substantial

- **Synthes (pending - $21.3B)** – premier global medical device company, specialized in the development, manufacturing and marketing of instruments, implants and biomaterials for the surgical fixation, correction and regeneration of the human skeleton and its soft tissues.
- **Crucell (2/11 - $2B)** – global biopharmaceutical company focused on research, development, production and marketing of vaccines, proteins and antibodies that prevent and/or treat infectious diseases.
- **Acclarent Inc (1/10 - $.8B)** – privately held company dedicated to designing, developing, and commercializing devices that address conditions affecting the ear, nose, and throat
- **Alzheimer Immunotherapy Program (9/09 - $1.0B)** – acquired substantially all of the assets and rights of Elan related to its Alzheimer's Immunotherapy Program (AIP Program) and an 18.4% equity investment in Elan
- **Cougar Biotechnology Inc (7/09 - $1.0B)** - development stage biopharmaceutical company with a specific focus on oncology
- **Mentor Corporation (1/09 - $1.1B)** – leading supplier of medical products for the global aesthetic market
- **Pfizer Consumer Healthcare (12/06 - $16.6B)** - global business of personal care and over-the-counter (OTC) products
- **ALZA Corporation (6/01- $12.3B)** - Research-based pharmaceutical company with leading drug delivery technologies
- **Centocor, Inc. (10/99 - $4.9B)** - Leader in monoclonal antibody technology, acute vascular care and immunology products
- **DePuy, Inc. (11/98 - $3.7B)** - Combined with existing orthopaedics business established Johnson & Johnson as the leader in third largest medical device category
Operating Model

- Broadly Based in Human Health Care
- Managed for the Long Term
- Decentralized Management Approach
- Focused on People and Values
Decentralized Management Approach

• Most effective management structure for our broadly based business

• Fosters engagement
  – Sense of ownership
  – Entrepreneurship
  – Collaboration

• Enables customer and patient-focused decision making
Operating Model

• Broadly Based in Human Health Care
• Managed for the Long Term
• Decentralized Management Approach
• Focused on People and Values
Our Credo

The Four Tenets

- Customers
- Employees
- Community
- Stockholders

We believe our first responsibility is to the doctors, nurses and patients, to mothers and fathers and all others who use our products and services. In meeting their needs, everything we do must be of high quality. We must constantly strive to reduce our costs in order to maintain reasonable prices. Customers' orders must be serviced promptly and accurately. Our suppliers and distributors must have an opportunity to make a fair profit.

We are responsible to our employees, the men and women who work with us throughout the world. Everyone must be considered as an individual. We must respect their dignity and recognize their merit. They must have a sense of security in their jobs. Compensation must be fair and adequate, and working conditions clean, orderly and safe. We must be mindful of ways to help our employees fulfill complaints. There must be equal opportunity for employment, development and advancement for those qualified. We must provide competent management, and their actions must be just and ethical.

We are responsible to the communities in which we live and work and to the world community as well. We must be good citizens — support good works and charities and bear our fair share of taxes. We must encourage civic improvement and better health education. We must maintain in good order the property we are privileged to use, protecting the environment and natural resources.

Our final responsibility is to our stockholders. Business must make a sound profit. We must experiment with new ideas. Research must be carried on, innovative programs developed and mistakes paid for. New equipment must be purchased, new facilities provided and new products launched. Reserves must be created to provide for adverse times. When we operate according to these principles, the stockholders should realize a fair return.
HISTORICAL PERFORMANCE
Worldwide Net Trade Sales
2010 Sales By Geographic Area

- U.S.: $29.5B (48%)
- Europe: $15.5B (25%)
- W. Hemisphere: $5.5B (9%)
- Asia-Pacific, Africa: $11.1B (18%)
2010 Sales by Segment
Total Sales $61.6 Billion

MD&D 40%
$24.6B

Pharmaceuticals 36%
$22.4B

Consumer 24%
$14.6B
2010 - Cash Flow

Free Cash Flow* $14.0B
Net Cash/(Debt) Position $10.9B

One of Only 4 U.S. Industrial Companies With Triple A Credit Rating

*Non-GAAP financial measure: defined as operating cash flow less capital spending.
27 Consecutive years of Adjusted Earnings increases\(^{(1)}\)
49 Consecutive years of Dividend increases

<table>
<thead>
<tr>
<th>Year</th>
<th>Reported Sales Growth</th>
<th>Operational Sales Growth</th>
<th>Adjusted Net Earnings Growth(^{(1)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>+10.1%</td>
<td>+10.5%</td>
<td>+10.4%</td>
</tr>
<tr>
<td>50</td>
<td>+10.7</td>
<td>+11.2</td>
<td>+13.9</td>
</tr>
<tr>
<td>20</td>
<td>+8.8</td>
<td>+9.0</td>
<td>+12.9</td>
</tr>
<tr>
<td>10</td>
<td>+7.8</td>
<td>+6.8</td>
<td>+10.7</td>
</tr>
<tr>
<td>5</td>
<td>+4.0</td>
<td>+3.2</td>
<td>+5.4</td>
</tr>
<tr>
<td>1</td>
<td>-0.5</td>
<td>-1.3</td>
<td>+2.9</td>
</tr>
</tbody>
</table>

(1) Non GAAP; excludes In-process R&D and other special items
Delivering Strong Total Shareholder Return
As of 12/31/2010

<table>
<thead>
<tr>
<th></th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Johnson &amp; Johnson</td>
<td>-0.6%</td>
<td>0.7%</td>
<td>3.5%</td>
<td>4.0%</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>15.1%</td>
<td>-2.9%</td>
<td>2.3%</td>
<td>1.4%</td>
</tr>
<tr>
<td>S&amp;P Pharmaceutical</td>
<td>0.8%</td>
<td>-0.7%</td>
<td>3.5%</td>
<td>-2.4%</td>
</tr>
<tr>
<td>S&amp;P H/C Equipment</td>
<td>-2.7%</td>
<td>-3.2%</td>
<td>-0.2%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Dow Jones Index</td>
<td>14.1%</td>
<td>-1.6%</td>
<td>4.3%</td>
<td>3.1%</td>
</tr>
</tbody>
</table>

Note: Data source - Bloomberg
2000-2010 Gross Profit Margin
% To Sales

The company has adopted SFAS No. 123(R) Shared Based Payment, applying the modified retrospective transition method. 2000-2005 reported financial statements have been restated accordingly.
The company has adopted SFAS No. 123(R) Shared Based Payment, applying the modified retrospective transition method. 2000-2005 reported financial statements have been restated accordingly.
SEGMENT OVERVIEW
Consumer Segment Overview

- Worldwide annual sales in 2010 of $14.6 billion
- Principal products in:
  - Over-the-Counter Pharmaceuticals and Nutritionals
  - Skin Care
  - Baby & Kids Care
  - Wound Care
  - Oral Care
  - Women’s Health
Consumer Segment Sales –
Major Franchise & Operational Growth Rates

2010 Sales: $14.6 Billion  2010 Ops Growth Rate: -8.9%

$ U.S. Billions

- McNeil OTC & Nutritionals: $4.6 billion (-20%)
- Skin Care: $3.5 billion (-1%)
- Baby Care: $2.2 billion (2%)
- Oral Care: $1.5 billion (-5%)
- Women’s Health: $1.8 billion (-4%)
- All Other: $1.0 billion (-12%)

Total: $14.6 billion
Medical Devices & Diagnostics Segment Overview

- Worldwide annual sales in 2010 of $24.6 billion
- Largest medical device company in the world
- Global presence in medical, surgical and diagnostic categories
- Seven large franchises
- 80% of sales coming from #1 or #2 market position
MD&D Major Franchise
Sales & Operational Growth Rates

2010 Sales: $24.6 Billion
2010 Ops Growth Rate: 3.4%

$ U.S. Billions

Diabetes Care
- $2.5 billion (2% growth)

Vision Care
- $2.7 billion (4% growth)

OCD
- $2.0 billion (4% growth)

EES
- $4.8 billion (5% growth)

Vision Care
- $2.7 billion (4% growth)

Cordis
- $2.5 billion (-6% growth)

Ethicon
- $5.6 billion (3% growth)

DePuy
- $4.5 billion (8% growth)
Pharmaceutical Segment Overview

- Worldwide annual sales in 2010 of $22.4 billion
- Over 100 drugs marketed in approximately 125 countries
- Seven products with revenues over $1 billion
- Robust R&D pipeline
- Key licensing & strategic partnerships
Pharmaceuticals Segment

- Leading in Research capabilities
  - Biologics
  - Small molecules
  - Drug delivery, form & formulations

- World-class global operations

- Outcomes based development

- Innovative technologies
Pharmaceutical Segment Sales – Major Products & Operational Growth Rates

2010 Sales: $22.4 Billion  
2010 Ops Growth Rate: (1.0)%

$ U.S. Billions

- DURAGESIC
- LEVAQUIN/FLOXIN
- VELCADE
- INVEGA
- PREZISTA
- TOPAMAX
- REMICADE
- RISPERDAL
- INVEGA
- CONCERTA*
- OTHER
- ACIPHEX/PARIET
- CONCERTA*
Recent Pharmaceutical Approvals

New Molecular Entities

- XARELTO - once-daily, oral anticoagulant for the prevention of deep vein thrombosis (DVT) which may lead to a pulmonary embolism (PE) in people undergoing knee or hip replacement surgery. (US 7/11)
- EDURANT - treatment of HIV Type I in treatment-naïve adults (US 5/11)
- ZYTIGA – oral, once daily treatment for men with metastatic castration-resistant prostate cancer (US 4/11)
- INVEGA SUSTENNA (US) / XEPLION (EU) – extended-release injectable suspension for the acute and maintenance treatment of schizophrenia in adults (US 7/09; EU 3/11)
- PRILIGY – treatment for premature ejaculation in adults (EU 2/09)
- SIMPONI - treatment of adults with rheumatoid arthritis, psoriatic arthritis, and ankylosing spondylitis (US 4/09, EU 10/09)
- STELARA – treatment for moderate to severe psoriasis (US 9/09, EU 1/09)

Significant Line Extensions

- INVEGA – extended-release tablets for the treatment of schizophrenia in adolescents 12 to 17 years of age (US 4/11)
- INVEGA – acute treatment of schizoaffective disorder either as monotherapy or adjunctive therapy to mood stabilizers and or/ antidepressants (US 7/09; EU 12/10)
- PREZISTA - HIV combination therapy in treatment-naïve adults and treatment-experienced adult patients (US 10/08, EU 1/09); full approval in combination with ritonavir and other antiretroviral medicinal products for the treatment of HIV-1 infection. (EU 12/08, US 10/08); QD Dosing in treatment experienced (US 12/10; EU 3/11)
- RISPERDAL CONSTA - monotherapy and adjunctive therapy in the maintenance treatment of Bipolar I Disorder (US 5/09), deltoid injection site (US 10/08, EU 7/09)
- SIMPONI - treatment of structural damage in RA (EU 1/11) and PsA (EU 5/11)
- VELCADE- Multiple Myeloma First Line Treatment (EU 9/08)
Johnson & Johnson

2Q 2011 Results
## 2Q 2011 Highlights

### Sales

<table>
<thead>
<tr>
<th></th>
<th>Growth % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>Operations</strong></td>
</tr>
<tr>
<td>Worldwide</td>
<td>8.3%</td>
</tr>
<tr>
<td>U.S.</td>
<td>0.1%</td>
</tr>
<tr>
<td>International</td>
<td>15.9%</td>
</tr>
</tbody>
</table>

**Adjusted Net Earnings***: 4.9%

**Adjusted EPS***: 5.8%

*Non-GAAP measure; excludes special items
## 2Q 2011 Sales Growth by Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Total</th>
<th>Operations</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td>4.0%</td>
<td>(1.8)%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Med Device &amp; Diagnostics</td>
<td>7.2%</td>
<td>1.3%</td>
<td>5.9%</td>
</tr>
<tr>
<td>Pharmaceutical</td>
<td>12.2%</td>
<td>7.0%</td>
<td>5.2%</td>
</tr>
<tr>
<td>Total Company</td>
<td>8.3%</td>
<td>2.6%</td>
<td>5.7%</td>
</tr>
</tbody>
</table>
2Q 2011 Consumer Sales (-1.8%)

Key Drivers:

• Skin & Hair Care (+5.3%)
  – NEUTROGENA®, LE PETIT MARSEILLAIS®, and AVEENO®
• Baby Care (+5.2%)
  – Cleansers, wipes, and oils
• OTC/Nutritionals (-11.5%)
  – Sales impacted by voluntary OTC product recalls

All growth %’s noted are operational growth.
2Q 2011 Medical Devices & Diagnostics Sales (+1.3%)

Growth Drivers:

- Ortho-Clinical Diagnostics (+6.4%)
  - VITROS® 5600 and 3600

- Diabetes Care (+5.3%)
  - ONETOUCH ULTRA®, VITA® and VERIO® strip and meter systems

- Ethicon (+5.0%)
  - Emerging market growth in sutures, recently launched products - Physiomesh™ and SecureStrap™, Acclarent ENT products

- Vision Care (+3.3%)
  - 1•DAY ACUVUE® MOIST® and ACUVUE® TOTAL ASTIGMATISM lenses

All growth %’s noted are operational growth
2Q 2011 Pharmaceutical Sales (+7%)

Key Growth Products

<table>
<thead>
<tr>
<th>Product</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>STELARA® for psoriasis</td>
<td>+ 95%</td>
</tr>
<tr>
<td>DOXIL® / CAELYX® for ovarian and breast cancer</td>
<td>+ 47%</td>
</tr>
<tr>
<td>PREZISTA® for HIV</td>
<td>+ 47%</td>
</tr>
<tr>
<td>INTELENCE® for HIV</td>
<td>+ 34%</td>
</tr>
<tr>
<td>REMICADE® for immune mediated inflammatory diseases</td>
<td>+ 21%</td>
</tr>
<tr>
<td>INVEGA® an antipsychotic medication</td>
<td>+ 20%</td>
</tr>
<tr>
<td>VELCADE® for multiple myeloma</td>
<td>+ 10%</td>
</tr>
<tr>
<td>SIMPONI® for rheumatoid arthritis</td>
<td>+ 8%</td>
</tr>
</tbody>
</table>

All growth %’s noted are operational growth
Johnson & Johnson: The Most Broadly Based Health Care Company

- Exceptional track record of superior growth over the long term
- Excellent financial strength
- Innovative products
- Robust pharmaceutical R&D pipeline
- Largest and most globally diverse medical devices and diagnostics company
- Premier consumer health care company
Expanding Market Leadership in Health Care: Investing for Sustainable Growth

- Strong foundation of Our Credo, Operating Model
- Overall business performing well, led by MD&D & Pharmaceuticals
- Implemented changes to our Supply Chain
- Investing in Consumer business and brands
- Moving innovations to market
- Presence in new growth areas and attractive geographies
- Respected and talented leaders
## Reconciliation of Non-GAAP Measures

### 2010 Net Earnings, EPS, and Free Cash Flow

<table>
<thead>
<tr>
<th>Johnson &amp; Johnson and Subsidiaries</th>
<th>Reconciliation of Non-GAAP Measures</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Dollars in Millions Except Per Share Data)</td>
<td>Fourth Quarter</td>
<td>'10 vs. '09</td>
<td>Twelve Months</td>
<td>'10 vs. '09</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2010</td>
<td>2009</td>
<td>% Change</td>
<td>2010</td>
<td>2009</td>
<td>% Change</td>
</tr>
<tr>
<td>Net Earnings - as reported</td>
<td>$1,942</td>
<td>2,206</td>
<td>(12.0) %</td>
<td>$13,334</td>
<td>12,266</td>
<td>8.7 %</td>
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<tr>
<td>Net Litigation Settlements loss (gain)</td>
<td>279</td>
<td>(212)</td>
<td></td>
<td>(698)</td>
<td>(212)</td>
<td></td>
</tr>
<tr>
<td>Product Liability expense</td>
<td>404</td>
<td>-</td>
<td></td>
<td>404</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>DePuy ASR® Hip recall program</td>
<td>239</td>
<td>-</td>
<td></td>
<td>239</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Restructuring expense</td>
<td>-</td>
<td>852</td>
<td></td>
<td>-</td>
<td>852</td>
<td></td>
</tr>
<tr>
<td>Net Earnings - as adjusted</td>
<td>$2,864</td>
<td>2,846</td>
<td>0.6 %</td>
<td>$13,279</td>
<td>12,906</td>
<td>2.9 %</td>
</tr>
<tr>
<td>Diluted Net Earnings Per Share - as reported</td>
<td>$0.70</td>
<td>0.79</td>
<td>(11.4) %</td>
<td>$4.78</td>
<td>4.40</td>
<td>8.6 %</td>
</tr>
<tr>
<td>Net Litigation Settlements loss (gain)</td>
<td>0.10</td>
<td>(0.08)</td>
<td></td>
<td>(0.25)</td>
<td>(0.08)</td>
<td></td>
</tr>
<tr>
<td>Product Liability expense</td>
<td>0.14</td>
<td>-</td>
<td></td>
<td>0.14</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>DePuy ASR® Hip recall program</td>
<td>0.09</td>
<td>-</td>
<td></td>
<td>0.09</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Restructuring expense</td>
<td>-</td>
<td>0.31</td>
<td></td>
<td>-</td>
<td>0.31</td>
<td></td>
</tr>
<tr>
<td>Diluted Net Earnings per share - as adjusted</td>
<td>$1.03</td>
<td>1.02</td>
<td>1.0 %</td>
<td>$4.76</td>
<td>4.63</td>
<td>2.8 %</td>
</tr>
</tbody>
</table>

### (Dollars in Billions)

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Cash Flows from operating activities</td>
<td>$16.4</td>
<td>$16.6</td>
</tr>
<tr>
<td>Additions to property, plant and equipment</td>
<td>(2.4)</td>
<td>(2.4)</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$14.0</td>
<td>$14.2</td>
</tr>
</tbody>
</table>

The Company believes investors gain additional perspective of underlying business trends and results by providing a measure of net earnings and diluted net earnings per share that excludes special items in order to evaluate ongoing business operations.
### Reconciliation of Non-GAAP Measures

#### 2010 Operating Profit

**Operating Profit by Segment of Business**

Reconciliation - Reported vs. Excluding Special Items

($ in millions)

<table>
<thead>
<tr>
<th></th>
<th>2010 TWELVE MONTHS</th>
<th>2009 TWELVE MONTHS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As Reported</td>
<td>Adj. Op</td>
</tr>
<tr>
<td>Operating Profit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer</td>
<td>$2,342</td>
<td>-</td>
</tr>
<tr>
<td>Pharmaceutical</td>
<td>7,086</td>
<td>447</td>
</tr>
<tr>
<td>Med Devices &amp; Diagnostics</td>
<td>8,272</td>
<td>(564)</td>
</tr>
<tr>
<td>Total segments</td>
<td>17,700</td>
<td>(117)</td>
</tr>
<tr>
<td>Expenses not allocated to segments</td>
<td>(753)</td>
<td>-</td>
</tr>
<tr>
<td>Worldwide total</td>
<td>$16,947</td>
<td>(117)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Margin</th>
<th>2010 TWELVE MONTHS</th>
<th>2009 TWELVE MONTHS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As Reported</td>
<td>Adj. Op Margin</td>
</tr>
<tr>
<td>Consumer</td>
<td>16.1%</td>
<td>16.1%</td>
</tr>
<tr>
<td>Pharmaceutical</td>
<td>31.6%</td>
<td>33.6%</td>
</tr>
<tr>
<td>Med Devices &amp; Diagnostics</td>
<td>33.6%</td>
<td>31.3%</td>
</tr>
<tr>
<td>Total segments</td>
<td>28.7%</td>
<td>28.6%</td>
</tr>
<tr>
<td>Worldwide total</td>
<td>27.5%</td>
<td>27.3%</td>
</tr>
</tbody>
</table>
# Reconciliation of Non-GAAP Measures

2011 Q2 Net Earnings and EPS

<table>
<thead>
<tr>
<th>Johnson &amp; Johnson and Subsidiaries</th>
<th>Reconciliation of Non-GAAP Measures</th>
<th>Second Quarter</th>
<th>% Incr. / (Decr.)</th>
<th>Six Months YTD</th>
<th>% Incr. / (Decr.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Dollars in Millions Except Per Share Data)</td>
<td>2011</td>
<td>2010</td>
<td></td>
<td>2011</td>
<td>2010</td>
</tr>
<tr>
<td>Earnings before provision for taxes on income - as reported</td>
<td>$3,422</td>
<td>$4,220</td>
<td>(18.9)%</td>
<td>$7,932</td>
<td>$10,500</td>
</tr>
<tr>
<td>Restructuring - Cordis</td>
<td>676</td>
<td>-</td>
<td></td>
<td>676</td>
<td>-</td>
</tr>
<tr>
<td>Net Litigation Settlements Loss (Gain)/Other*</td>
<td>315</td>
<td>157</td>
<td></td>
<td>661</td>
<td>(1,340)</td>
</tr>
<tr>
<td>Earnings before provision for taxes on income - as adjusted</td>
<td>$4,413</td>
<td>$4,377</td>
<td>0.8%</td>
<td>$9,269</td>
<td>$9,160</td>
</tr>
<tr>
<td>Net Earnings - as reported</td>
<td>$2,776</td>
<td>$3,449</td>
<td>(19.5)%</td>
<td>$6,252</td>
<td>$7,975</td>
</tr>
<tr>
<td>Restructuring - Cordis</td>
<td>549</td>
<td>-</td>
<td></td>
<td>549</td>
<td>-</td>
</tr>
<tr>
<td>Net Litigation Settlements Loss (Gain)/Other*</td>
<td>223</td>
<td>(67)</td>
<td></td>
<td>494</td>
<td>(977)</td>
</tr>
<tr>
<td>Net Earnings - as adjusted</td>
<td>$3,548</td>
<td>$3,382</td>
<td>4.9%</td>
<td>$7,295</td>
<td>$6,998</td>
</tr>
<tr>
<td>Diluted Net earnings per share - as reported</td>
<td>$1.00</td>
<td>$1.23</td>
<td>(18.7)%</td>
<td>$2.25</td>
<td>$2.85</td>
</tr>
<tr>
<td>Restructuring - Cordis</td>
<td>0.20</td>
<td>-</td>
<td></td>
<td>0.20</td>
<td>-</td>
</tr>
<tr>
<td>Net Litigation Settlements Loss (Gain)/Other*</td>
<td>0.06</td>
<td>(0.02)</td>
<td></td>
<td>0.18</td>
<td>(0.35)</td>
</tr>
<tr>
<td>Diluted Net earnings per share - as adjusted</td>
<td>$1.28</td>
<td>$1.21</td>
<td>5.8%</td>
<td>$2.63</td>
<td>$2.50</td>
</tr>
</tbody>
</table>

* In 2011, Other includes additional DePuy ASR™ Hip recall costs and a mark-to-market gain associated with a currency option related to the planned acquisition of Synthes.

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.