Note on Forward-looking statements

This presentation contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. The viewer is cautioned not to rely on these forward-looking statements. 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, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approvals; challenges to patents; significant adverse litigation or government action; impact of business combinations; financial distress and bankruptcies experienced by significant customers and suppliers; changes to governmental laws and regulations and domestic and foreign health care reforms; trends toward health care cost containment; increased scrutiny of the health care industry by government agencies; changes in behavior and spending patterns of purchasers of health care products and services; financial instability of international economies and sovereign risk; disruptions due to natural disasters; manufacturing difficulties or delays; complex global supply chains with increasing regulatory requirements; and product efficacy or safety concerns resulting in product recalls or regulatory action. 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 December 30, 2012. Copies of this Form 10-K, as well as subsequent filings, are available online at www.sec.gov, www.investor.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.

Note on Non-GAAP Financial Measures

This presentation may refer to certain non-GAAP financial measures. These non-GAAP financial measures should not be considered replacements for, and should be read together with, the most comparable GAAP financial measures. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the Investor Relations section of the Company’s website at www.investor.jnj.com.
• 2012 Sales of $67.2 Billion

• Over 275 operating companies worldwide

• Leadership positions in ethical pharmaceuticals, medical devices and diagnostics and a variety of consumer products
Content Overview

- Strategic Framework
- Historical Performance
- Segment Overview
- Second Quarter 2013 Results
- Summary
Strategic Framework
Strategic Framework

Our Foundation
- Our Credo
- Our Aspiration

Our Strategic Principles
- Broadly Based in Human Health Care
- Managed for the Long Term
- Decentralized Management Approach
- Our People and Values

Our Growth Drivers
- Creating Value through Innovation
- Global Reach / Local Focus
- Excellence in Execution
- Leading with Purpose
Our Growth Drivers

Creating Value through Innovation

Global Reach / Local Focus

Excellence in Execution

Leading with Purpose
Creating Value Through Innovation

• Our distinct model
  – Accessing the best science
  – Leveraging capabilities, collaborations, and convergent opportunities

• A lifecycle approach
  – Building out platforms, brands, and products

• Broad partnerships
  – Providing solutions and unique offerings to patients, insurers and providers
Global Reach/Local Focus

2012 Johnson & Johnson Sales: $67.2 Billion

* Developed = US; Canada; Australia; New Zealand; Western Europe; and Japan
** Emerging = all other remaining countries
Meeting Needs of Emerging Markets

- Capitalizing on our broad base of product offerings
- Selectively acquiring and developing local products
- Optimizing infrastructure
- Training institutes
- Localized health care solutions
Excellence in Execution
An Enterprise Approach

Operational Excellence

• Optimizing Enterprise Supply Chain
• Enhancing R&D productivity
• Best-in-class new product launches
• Creating Go-to-Market Models
Excellence in Execution
An Enterprise Approach

Portfolio Management

• Decisions focused on accelerating our growth
• Investing for the long term
• Exited/divested certain businesses
Leading with Purpose

• Expanding Access to Care
  – Generic versions of Prezista available to help address HIV epidemic in world’s poorest countries

• Transforming Patient Lives and Communities
  – Monetary & product contributions of ~$900MM that address major health-related issues in more than 50 countries

• HEALTHY FUTURE – 2015 Sustainability Goals
  – Great progress towards sustainability goals
Our Credo

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 their family responsibilities. Employees must feel free to make suggestions and 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 improvements and better health and 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.

Johnson & Johnson
Historical Performance
2012 Sales by Segment

2012 Twelve Month Sales: $67.2 Billion
$ US Billions

- Medical Devices & Diagnostics: $27.4B (41%), 8.7%*
- Pharmaceutical: $25.4B (38%), 6.8%*
- Consumer: $14.4B (21%), 0.5%*

* Operational change
Note: Inclusive of Synthes June – December, excluding the net impact of the Synthes acquisition. MD&D Operational sales change is 0.8%
2012 Sales by Region

2012 Twelve Month Sales: $67.2 Billion
$ US Billions

- **U.S.** 44%
- Europe 25%
- W. Hemisphere 11%
- Asia-Pacific, Africa 20%
- $29.8B 3%*
- $17.0B** 6%*
- $7.2B 19%*
- $13.2B 7%*

* Operational change
** Rounded for visual accuracy

Note: Inclusive of Synthes June – December, excluding the net impact of the Synthes acquisition. MD&D Operational sales change is 0.8%
2012 Performance Highlights

• Delivered on financial commitments

• Advanced near-term priorities
  – Restoring reliable supply of our OTC products
  – Successfully integrating Synthes
  – Building on the strong momentum in pharmaceuticals

• Strengthened our focus on the future
  – Investing in innovation
  – Progressing enterprise initiatives
  – Expanding our global presence
2012 Segment Pre-Tax Profit*

<table>
<thead>
<tr>
<th></th>
<th>2012 Segment Pre-Tax Profit*</th>
<th>2011 Segment Pre-Tax Profit*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td>$2.0</td>
<td>$2.1</td>
</tr>
<tr>
<td>MD&amp;D</td>
<td>$8.8</td>
<td>$8.1</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>$8.3</td>
<td>$8.1</td>
</tr>
</tbody>
</table>

* Non-GAAP measure; excludes special items

<table>
<thead>
<tr>
<th>Pre-Tax Profit % to Sales</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td>13.5%</td>
<td>14.1%</td>
</tr>
<tr>
<td>MD&amp;D</td>
<td>32.3%</td>
<td>31.3%</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>32.9%</td>
<td>33.4%</td>
</tr>
<tr>
<td>Total</td>
<td>28.5%</td>
<td>28.2%</td>
</tr>
</tbody>
</table>

* Non-GAAP measure; excludes special items
2012 Cash Flow

Free Cash Flow* $12.5B
Net Cash/(Debt) Position $4.9B

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
## Consistent Performance

29 Consecutive years of Adjusted Earnings increases\(^1\)

50 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>+10.4%</td>
<td>+10.0%</td>
</tr>
<tr>
<td>50</td>
<td>+10.5</td>
<td>+10.8</td>
<td>+14.1</td>
</tr>
<tr>
<td>20</td>
<td>+8.3</td>
<td>+8.5</td>
<td>+11.7</td>
</tr>
<tr>
<td>10</td>
<td>+6.4</td>
<td>+5.1</td>
<td>+8.3</td>
</tr>
<tr>
<td>5</td>
<td>+1.9</td>
<td>+1.8</td>
<td>+3.5</td>
</tr>
<tr>
<td>1</td>
<td>+3.4</td>
<td>+6.1</td>
<td>+3.4</td>
</tr>
</tbody>
</table>

\(^1\) Non-GAAP; excludes In-process R&D and other special items
## Total Shareholder Return

<table>
<thead>
<tr>
<th></th>
<th>2Q13</th>
<th>1 Year</th>
<th>5 Year</th>
<th>10 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Johnson &amp; Johnson</strong></td>
<td>24.4%</td>
<td>10.8%</td>
<td>4.4%</td>
<td>5.5%</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>13.8%</td>
<td>16.0%</td>
<td>1.7%</td>
<td>7.1%</td>
</tr>
<tr>
<td>S&amp;P Pharmaceutical</td>
<td>18.5%</td>
<td>14.4%</td>
<td>5.7%</td>
<td>4.5%</td>
</tr>
<tr>
<td>S&amp;P H/C Equipment</td>
<td>14.3%</td>
<td>17.3%</td>
<td>1.1%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Dow Jones Index</td>
<td>15.2%</td>
<td>10.2%</td>
<td>2.6%</td>
<td>7.3%</td>
</tr>
</tbody>
</table>

Note: Data Source – Bloomberg

2Q13 is the YTD return as of June 28, 2013
Segment Overview
Consumer Segment Overview

- Worldwide annual sales in 2012 of $14.4 billion

- Principal products in:
  - Over-the-Counter Pharmaceuticals
  - Skin Care
  - Baby Care
  - Wound Care/Other
  - Oral Care
  - Women’s Health
Consumer Highlights

2012 Sales: $14.4 Billion
Ops Change: 0.5%

#6 Largest Consumer Health Care Company*

- Continue to restore reliable supply of McNeil OTC products
- Focused portfolio management
- Continued expansion in emerging markets
  - Market specific products
  - Iconic brands

* 12 months rolling sales through Q1 2013
Consumer Segment

Sales & Operational Change – Twelve Months 2012

2012 Sales: $14.4 Billion
2012 Ops Change: 0.5%
$ US Billions

Growth rates represent operational YOY Change
*Rounded for visual accuracy
**Nutritionals is now included in Wound Care/Other
Medical Devices & Diagnostics Segment Overview

- Worldwide annual sales in 2012 of $27.4 billion
- Largest medical device company in the world
- Global presence in medical, surgical and diagnostic categories
- Eight large franchises
- 80% of sales coming from #1 or #2 market position
MD&D Highlights

2012 Sales: $27.4 Billion
Ops Change: 8.7%

#1 Worldwide MD&D Business

• Building on our market leadership
  – #1 or #2 Leadership positions in majority of key platforms
• Adapting businesses to changing market
  – Greater focus on total solutions
• Strengthening our global presence
  – Strong double-digit growth in emerging markets
• Disciplined portfolio approach
• Investing for long-term sustainable growth

Note: Excluding the net impact of the Synthes acquisition, MD&D Operational sales change = 0.8%
Medical Devices & Diagnostics Segment

Sales & Operational Change – Twelve Months 2012

2012 Sales: $27.4 Billion
2012 Ops Change: 8.7%

Growth rates represent operational YOY Change
* Rounded for visual accuracy
Note: Excluding the net impact of the Synthes acquisition, MD&D Operational change = 0.8%

- Specialty Surgery: $7.8 billion (36% growth)
- Orthopaedics: $2.5 billion (7% growth)
- Vision Care: $3.0 billion (4% growth)
- Cardiovascular Care: $2.0 billion (11% growth)
- Diabetes Care: $2.6 billion (1% growth)
- Infection Prevention / Other: $2.1 billion (3% growth)
- Diagnostics: $6.5 billion (1% growth)
- Surgical Care: $0.9 billion (7% growth)
Pharmaceutical Segment Overview

- Worldwide annual sales in 2012 of $25.4 billion
- Over 100 drugs marketed in approximately 150 countries
- Seven products with revenues over $1 billion
- Robust R&D pipeline
- Key licensing & strategic partnerships
Pharmaceutical Highlights
2012 Sales: $25.4 Billion
Ops Change: 6.8%

#7 Worldwide Market Rank*
#6 Global Biotech Market Rank**

• Revitalizing our portfolio
  – 11 new product launches in last 4 years

• Combining superior science with best-in-class commercial capabilities

• Delivering robust growth and outpacing our peers in markets where we compete
  – Fastest growing top 10 Pharmaceutical Company¹
  – US leader in new product sales²

• Next wave of growth
  – Potential for >10 NMEs & >25 LEs by 2017

---

* WW Pharm – IMS Midas, Q2 2013
** Biotech Source: IMS Health, MIDAS, MAT Q2-2013
¹ IMS MIDAS as of 2Q 2013 vs. prior year respective quarter
² IMS National Sales Perspectives, Mar 2013, Rx only
2nd Quarter
Financial Highlights
## Financial Highlights

### 2Q 2013 vs. 2Q 2012

<table>
<thead>
<tr>
<th>TOTAL COMPANY</th>
<th>2Q13</th>
<th>2Q12</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>TOTAL</td>
</tr>
<tr>
<td>Sales</td>
<td>$17.9B</td>
<td>$16.5B</td>
<td>8.5%</td>
</tr>
<tr>
<td>Adjusted Earnings*</td>
<td>$4.3B</td>
<td>$3.6B</td>
<td>17.7%</td>
</tr>
<tr>
<td>Diluted EPS*</td>
<td>$1.48</td>
<td>$1.30</td>
<td>13.8%</td>
</tr>
</tbody>
</table>

* Non-GAAP measure; excludes special items

Note: Excluding the net impact of the Synthes acquisition, WW Operational sales change = 5.6%
2Q 2013 Sales by Segment

2Q 2013 Sales: $17.9 Billion

$ US Billions

- Medical Devices & Diagnostics: $7.2B, +2%, 40%
- Pharmaceuticals: $7.0B, +13%, 39%
- Consumer: $3.7B, +12%, 21%

Note: Growth rates represent operational YOY change. Excluding the net impact of the Synthes acquisition, MD&D Operational change = 1%
2Q 2013 Sales by Region

2Q 2013 Sales: $17.9 Billion
$ US Billions

- U.S.: 45%*, $8.0B (+8%)
- Europe: 26%, $4.7B (+11%)
- W. Hemisphere (excluding U.S.): 11%, $1.9B (+14%)
- Asia-Pacific, Africa: 18%*, $3.3B (+11%)

Growth rates represent operational YOY change
* Rounded for visual accuracy
Consumer Segment
Sales & Operational Change – 2Q 2013

2Q 2013 Sales: $3.7 Billion
2Q 2013 Ops Change: 2%
$ US Billions

*Rounded for visual accuracy
**Nutritionals is now included in Wound Care/Other
Growth rates represent operational YOY change
2Q 2013 Consumer Sales (+2%)

Key Drivers:

- **OTC (+5%)**
  - US sales were driven by strong growth in analgesics and other key brands as we continue to make progress in returning a reliable supply of products to the marketplace

- **Baby Care (+3%)**
  - Increased primarily due to haircare and cleansers

- **Women’s Health (+4%)**
  - Gains due to strong growth in women’s sanitary protection products

All growth %’s noted are operational growth
Medical Devices & Diagnostics Segment
Sales & Operational Change – 2Q 2013

2Q 2013 Sales: $7.2 Billion
2Q 2013 Ops Change: 12%
$ US Billions

- Orthopaedics: $2.4 billion, +49%
- Vision Care: $1.6 billion, +1%
- Diabetes Care: $5 billion, +4%
- Surgical Care: $5.5 billion, +8%
- Cardiovascular Care: $6.6 billion, +12%
- Infection Prevention / Other: $0.7 billion, +3%
- Diagnostics: $0.5 billion, +5%

Growth rates represent operational YOY Change
Note: Excluding the net impact of the Synthes acquisition, MD&D Operational change = 1% and Orthopaedics operational change = 3%
2Q 2013 Medical Devices & Diagnostics Sales (+12%)

Key Drivers:

- **Cardiovascular Care (+8%)**
  - Strong results for Biosense Webster and endovascular products

- **Vision Care (+5%)**
  - Growth was driven by daily lenses and astigmatism lenses

- **Orthopaedics (+49%)**
  - Addition of Synthes acquisition and WW growth in hips and knees

All growth %’s noted are operational growth
Pharmaceutical Segment

Sales & Operational Change – 2Q 2013

2Q 2013 Sales: $7.0 Billion
2Q 2013 Ops Change: 13%
$ US Billions

- Immunology: $2.2 Billion (18%)
- Oncology: $1.7 Billion (+0%)
- Neuroscience: $1.0 Billion (+24%)
- Total Other: $1.2 Billion (3%)

Growth rates represent operational YOY change.
2Q 2013 Pharmaceutical Sales (+13%)

Key Growth Products: % Change

- STELARA® for psoriasis + 50%
- Invega® Sustenna® / Xeplion® for treatment of schizophrenia in adults + 48%
- SIMPONI® for rheumatoid arthritis + 43%
- Velcade® for multiple myeloma and mantle cell lymphoma + 23%
- REMICADE® for immune mediated inflammatory diseases + 10%

Recently Launched Products:

- XARELTO® an oral anticoagulant > 100%
- INVOKANA® for the treatment of type 2 diabetes, approved in March > 100%
- INCIVO® for treatment of Hepatitis C virus + 72%
- ZYTIGA® for metastatic, castration-resistant prostate cancer + 70%

All growth %’s noted are operational growth
2013 and Beyond...

We are committed to:

- Patients, employees, communities, shareholders
- Achieving our financial targets
- Focusing on our near-term priorities
- Implementing our long-term growth drivers
# Reconciliation of Non-GAAP Measures

## 2012 Operating Profit

<table>
<thead>
<tr>
<th>Reconciliation of Segment Pre-Tax Profit</th>
<th>Full Year 2012</th>
<th>Full Year 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted earnings before provision for taxes on income</td>
<td>$18,214</td>
<td>$17,353</td>
</tr>
<tr>
<td>Interest expense</td>
<td>468</td>
<td>480</td>
</tr>
<tr>
<td>Other expenses not allocated to segments</td>
<td>468</td>
<td>474</td>
</tr>
<tr>
<td><strong>Segment Pre-Tax Profit as adjusted</strong></td>
<td><strong>$19,150</strong></td>
<td><strong>$18,307</strong></td>
</tr>
</tbody>
</table>

**Adjustments allocated to segments:**

<table>
<thead>
<tr>
<th>Adjustment</th>
<th>Full Year 2012</th>
<th>Full Year 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net litigation loss</td>
<td>$(1,218)</td>
<td>$(3,310)</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>(1,163)</td>
<td>(14)</td>
</tr>
<tr>
<td>Intangible asset write-downs and other adjustments</td>
<td>(909)</td>
<td>-</td>
</tr>
<tr>
<td>Synthes integration/transaction costs</td>
<td>(795)</td>
<td>(41)</td>
</tr>
<tr>
<td>DePuy ASR™ Hip program</td>
<td>(110)</td>
<td>(521)</td>
</tr>
<tr>
<td>Restructuring</td>
<td>-</td>
<td>(656)</td>
</tr>
<tr>
<td><strong>Segment Pre-Tax Profit as reported</strong></td>
<td><strong>$14,955</strong></td>
<td><strong>$13,765</strong></td>
</tr>
</tbody>
</table>
## Reconciliation of Non-GAAP Measures

### 2012 Free Cash Flow

**Johnson & Johnson**

Free Cash Flow  
(Dollars in Billions)

<table>
<thead>
<tr>
<th></th>
<th>Full Year 2012</th>
<th>Full Year 2011</th>
<th>'12 vs. '11 % change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Cash flows from operating activities</td>
<td>$ 15.4</td>
<td>14.3</td>
<td></td>
</tr>
<tr>
<td>Additions to property, plant and equipment</td>
<td>(2.9)</td>
<td>(2.9)</td>
<td></td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td><strong>$ 12.5</strong></td>
<td><strong>11.4</strong></td>
<td><strong>9.6%</strong></td>
</tr>
</tbody>
</table>
Reconciliation of Non-GAAP Measures
2012 Net Earnings and EPS

<table>
<thead>
<tr>
<th>(Dollars in Millions Except Per Share Data)</th>
<th>Fourth Quarter</th>
<th>% Incr. / (Decr.)</th>
<th>Twelve Months</th>
<th>% Incr. / (Decr.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings before provision for taxes on income - as reported</td>
<td>$3,100</td>
<td>$318</td>
<td>874.8 %</td>
<td>$13,775</td>
</tr>
<tr>
<td>Net litigation loss (gain)</td>
<td>$471</td>
<td>$2,656</td>
<td>1,229</td>
<td>3,310</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>$55</td>
<td>$14</td>
<td>1,163</td>
<td>14</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>$406</td>
<td>$277</td>
<td>1,028</td>
<td>491</td>
</tr>
<tr>
<td>Intangible asset write-downs and other adjustments</td>
<td>-</td>
<td>-</td>
<td>909</td>
<td>-</td>
</tr>
<tr>
<td>DePuy ASR™ Hip program</td>
<td>$83</td>
<td>$412</td>
<td>110</td>
<td>521</td>
</tr>
<tr>
<td>Restructuring</td>
<td>-</td>
<td>(20)</td>
<td>-</td>
<td>656</td>
</tr>
<tr>
<td>Earnings before provision for taxes on income - as adjusted</td>
<td>$4,115</td>
<td>$3,657</td>
<td>12.5 %</td>
<td>$18,214</td>
</tr>
<tr>
<td>Net Earnings attributable to Johnson &amp; Johnson - as reported</td>
<td>$2,567</td>
<td>$218</td>
<td>1,077.5 %</td>
<td>$10,853</td>
</tr>
<tr>
<td>Net litigation loss (gain)</td>
<td>$371</td>
<td>$2,239</td>
<td>1,052</td>
<td>2,745</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>$59</td>
<td>$11</td>
<td>743</td>
<td>(1)</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>$306</td>
<td>$338</td>
<td>899</td>
<td>477</td>
</tr>
<tr>
<td>Intangible asset write-downs and other adjustments</td>
<td>-</td>
<td>-</td>
<td>701</td>
<td>-</td>
</tr>
<tr>
<td>DePuy ASR™ Hip program</td>
<td>$73</td>
<td>$336</td>
<td>97</td>
<td>426</td>
</tr>
<tr>
<td>Restructuring</td>
<td>-</td>
<td>(13)</td>
<td>-</td>
<td>536</td>
</tr>
<tr>
<td>Net Earnings attributable to Johnson &amp; Johnson - as adjusted</td>
<td>$3,376</td>
<td>$3,129</td>
<td>7.9 %</td>
<td>$14,345</td>
</tr>
<tr>
<td>Diluted Net Earnings per share attributable to Johnson &amp; Johnson - as reported</td>
<td>$0.91</td>
<td>$0.08</td>
<td>1,037.5 %</td>
<td>$3.86</td>
</tr>
<tr>
<td>Net litigation loss (gain)</td>
<td>$0.13</td>
<td>$0.81</td>
<td>0.37</td>
<td>0.99</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>$0.02</td>
<td>-</td>
<td>0.27</td>
<td>-</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>$0.11</td>
<td>$0.12</td>
<td>0.32</td>
<td>0.17</td>
</tr>
<tr>
<td>Intangible asset write-downs and other adjustments</td>
<td>-</td>
<td>-</td>
<td>0.25</td>
<td>-</td>
</tr>
<tr>
<td>DePuy ASR™ Hip program</td>
<td>$0.02</td>
<td>$0.12</td>
<td>0.03</td>
<td>0.16</td>
</tr>
<tr>
<td>Restructuring</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.19</td>
</tr>
<tr>
<td>Diluted Net Earnings per share attributable to Johnson &amp; Johnson - as adjusted</td>
<td>$1.19</td>
<td>$1.13</td>
<td>5.3 %</td>
<td>$5.19</td>
</tr>
</tbody>
</table>

(1) Amount includes third quarter in-process research and development charge of $679M related to bapineuzumab IV offset by $339M reported as net loss attributable to noncontrolling interest

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.
# Reconciliation of Non-GAAP Measures

## 2013 2Q Net Earnings and EPS

### Johnson & Johnson and Subsidiaries

#### Reconciliation of Non-GAAP Financial Measures

<table>
<thead>
<tr>
<th></th>
<th>Second Quarter</th>
<th>% Incr. / (Decr.)</th>
<th>Six Months YTD</th>
<th>% Incr. / (Decr.)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(Dollars in Millions Except Per Share Data)</strong></td>
<td>2013</td>
<td>2012</td>
<td></td>
<td>2013</td>
</tr>
<tr>
<td>Earnings before provision for taxes on income - as reported</td>
<td>$4,793</td>
<td>2,035</td>
<td>135.5%</td>
<td>$9,054</td>
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<tr>
<td>Intangible asset write-downs</td>
<td>-</td>
<td>939</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Litigation expenses</td>
<td>375</td>
<td>669</td>
<td>-904</td>
<td>669</td>
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<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>122</td>
<td>574</td>
<td>-452</td>
<td>380</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>-</td>
<td>429</td>
<td>-</td>
<td>64</td>
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<tr>
<td>DePuy ASR™ Hip program</td>
<td>69</td>
<td>-</td>
<td>-</td>
<td>82</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(55)</td>
</tr>
<tr>
<td><strong>Earnings before provision for taxes on income - as adjusted</strong></td>
<td>$5,359</td>
<td>4,646</td>
<td>15.3%</td>
<td>$10,429</td>
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<tr>
<td>Net Earnings - as reported</td>
<td>$3,833</td>
<td>1,408</td>
<td>172.2%</td>
<td>$7,330</td>
</tr>
<tr>
<td>Intangible asset write-downs</td>
<td>-</td>
<td>717</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Litigation expenses</td>
<td>308</td>
<td>611</td>
<td>-303</td>
<td>699</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>87</td>
<td>564</td>
<td>-477</td>
<td>270</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>-</td>
<td>344</td>
<td>-</td>
<td>42</td>
</tr>
<tr>
<td>DePuy ASR™ Hip program</td>
<td>61</td>
<td>-</td>
<td>-</td>
<td>91</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(36)</td>
</tr>
<tr>
<td><strong>Net Earnings - as adjusted</strong></td>
<td>$4,289</td>
<td>3,644</td>
<td>17.7%</td>
<td>$8,396</td>
</tr>
<tr>
<td>Diluted Net Earnings per share - as reported</td>
<td>$1.33</td>
<td>0.50</td>
<td>166.0%</td>
<td>$2.55</td>
</tr>
<tr>
<td>Intangible asset write-downs</td>
<td>-</td>
<td>0.26</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Litigation expenses</td>
<td>0.10</td>
<td>0.22</td>
<td>-0.12</td>
<td>0.24</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>0.03</td>
<td>0.20</td>
<td>-0.17</td>
<td>0.09</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>-</td>
<td>0.12</td>
<td>-</td>
<td>0.02</td>
</tr>
<tr>
<td>DePuy ASR™ Hip program</td>
<td>0.02</td>
<td>-</td>
<td>-</td>
<td>0.03</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.01)</td>
</tr>
<tr>
<td><strong>Diluted Net Earnings per share - as adjusted</strong></td>
<td>$1.48</td>
<td>1.30</td>
<td>13.8%</td>
<td>$2.52</td>
</tr>
</tbody>
</table>

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