

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

<i>(Dollars in Millions Except Per Share Data)</i>	Fourth Quarter		% Incr. / (Decr.)	Twelve Months		% Incr. / (Decr.)
	2013	2012		2013	2012	
Earnings before provision for taxes on income - as reported	\$ 2,750	3,100	(11.3) %	\$ 15,471	13,775	12.3 %
Litigation expenses	506	471		2,282	1,229	
In-process research and development	338	55		580	1,163	
Synthes integration/transaction costs and currency related	181	406		683	1,028	
DePuy ASR™ Hip program	134	83		251	110	
Intangible asset write-downs	-	-		-	939	
Other	-	-		(98)	(30)	
Earnings before provision for taxes on income - as adjusted	<u>\$ 3,909</u>	<u>4,115</u>	<u>(5.0) %</u>	<u>\$ 19,169</u>	<u>18,214</u>	<u>5.2 %</u>
Net Earnings attributable to Johnson & Johnson - as reported	\$ 3,519	2,567	37.1 %	\$ 13,831	10,853	27.4 %
Litigation expenses	227	371		1,646	1,052	
In-process research and development	294	59		462	743 (1)	
Synthes integration/transaction costs and currency related	110	306		483	899	
DePuy ASR™ Hip program	118	73		240	97	
Intangible asset write-downs	-	-		-	717	
Scios Tax Benefit	(707)	-		(707)	-	
Other	-	-		(79)	(16)	
Net Earnings attributable to Johnson & Johnson - as adjusted	<u>\$ 3,561</u>	<u>3,376</u>	<u>5.5 %</u>	<u>\$ 15,876</u>	<u>14,345</u>	<u>10.7 %</u>
Diluted Net Earnings per share attributable to Johnson & Johnson - as reported	\$ 1.23	0.91	35.2 %	\$ 4.81	3.86	24.6 %
Litigation expenses	0.08	0.13		0.57	0.37	
In-process research and development	0.10	0.02		0.16	0.27	
Synthes integration/transaction costs and currency related	0.04	0.11		0.17	0.32	
DePuy ASR™ Hip program	0.04	0.02		0.08	0.03	
Intangible asset write-downs	-	-		-	0.26	
Scios Tax Benefit	(0.25)	-		(0.25)	-	
Other	-	-		(0.02)	(0.01)	
Diluted Net Earnings per share attributable to Johnson & Johnson - as adjusted	<u>\$ 1.24</u>	<u>1.19</u>	<u>4.2 %</u>	<u>\$ 5.52</u>	<u>5.10</u>	<u>8.2 %</u>

(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.