“Safe Harbor” Statement

This presentation may contain “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 Company’s expectations and projections.

Risks and uncertainties include general industry conditions and competition; economic conditions, 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; and trends toward health care cost containment.

A further list and description of these risks, uncertainties and other factors can be found in Exhibit 99 to the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2006. 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 the Company. The Company does not undertake to update any forward-looking statements as a result of new information or future events or developments.
William C. Weldon
Chairman of the Board
& Chief Executive Officer
Johnson & Johnson
Today’s Agenda

- 2007 Business & Financial Highlights
- Segment Results
- Strategic Outlook & Business Priorities
Building On Our Foundation Of Growth
Building On Our Foundation Of Growth
2007 – Overview

- Sales growth
  - Reported +14.6%
  - Operational +11.5%
  - Proforma +4.2%*

- Adjusted earnings per share +10.4%**

- Significant progress across the businesses

* Proforma operational growth including the net impact of PCH- See Appendix B for reconciliation
** Non GAAP. Excludes special items related to restructuring, intangible asset write-downs, IPR&D charges and the gain associated with the termination of the Guidant acquisition agreement. See Appendix A for reconciliation.
Building On Our Foundation Of Growth
2007 – Overview

- Sales growth
  - Reported +14.6%
  - Operational +11.5%
  - Proforma +4.2%*

- Adjusted earnings per share +10.4%**

- Significant progress across the businesses

- Major cost structure improvements

- $10 Billion share buyback

- Organizational changes focused on growth

---

* Proforma operational growth including the net impact of PCH - See Appendix B for reconciliation
** Non GAAP. Excludes special items related to restructuring, intangible asset write-downs, IPR&D charges and the gain associated with the termination of the Guidant acquisition agreement. See Appendix A for reconciliation.
# Building On Our Foundation Of Growth

## Financial Highlights -- 2007 vs. 2006

<table>
<thead>
<tr>
<th>Total Company</th>
<th>2007</th>
<th>2006</th>
<th>% Change Total</th>
<th>% Change Ops</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$61.1B</td>
<td>$53.3B</td>
<td>14.6%</td>
<td>11.5%</td>
</tr>
<tr>
<td>Adjusted Earnings*</td>
<td>$12.1B</td>
<td>$11.1B</td>
<td>8.6%</td>
<td></td>
</tr>
<tr>
<td>Adjusted EPS*</td>
<td>$4.15</td>
<td>$3.76</td>
<td>10.4%</td>
<td></td>
</tr>
<tr>
<td>Free Cash Flow**</td>
<td>$12.2B</td>
<td>$11.6B</td>
<td>5.2%</td>
<td></td>
</tr>
</tbody>
</table>

*Non-GAAP measure; Proforma excluding IPR&D charges and other special items. See Appendix A for reconciliation

**Non-GAAP financial measure: defined as operating cash flow less capital spending; estimated as of 1/22/2008
Building On Our Foundation Of Growth

2007 -- From Guidance to Results

<table>
<thead>
<tr>
<th>Operational Sales Increase</th>
<th>Jan. 2007 Guidance</th>
<th>2007 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11.5%-12.5%</td>
<td>11.5%</td>
</tr>
<tr>
<td>Adjusted EPS*</td>
<td>$3.88-$3.93</td>
<td>$4.15</td>
</tr>
</tbody>
</table>

*Non-GAAP measure; Proforma excluding IPR&D charges and other special items. See Appendix A for reconciliation
Building on Our Foundation of Growth

2007 Sales by Segment

- MD&D: 35% ($21.7B), ↑3.9%*
- Pharmaceutical: 24% ($14.5B), ↑4.3%*
- Consumer: 41% ($24.9B), ↑44.2%*

Total Sales -- $61.1B

*Operational Growth
Building On Our Foundation Of Growth

Segment Operating Profit*

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td>$2.0</td>
<td>$2.3</td>
</tr>
<tr>
<td>Pharm</td>
<td>$6.9</td>
<td>$7.6</td>
</tr>
<tr>
<td>MD&amp;D</td>
<td>$5.7</td>
<td>$6.0</td>
</tr>
</tbody>
</table>

% to Sales

|          | 2006 25.7% | 2007 26.0% |

*Proforma including net impact of PCH; Refer to 3/2/07 8-K filing for 2006 PCH impact to operating profit; Excludes IPR&D and other special items
Building On Our Foundation Of Growth
Cost Structure Improvements

- $1.3 - $1.6 Billion in annual cost savings for 2008
- Initiatives on target
- Permanent improvements to cost structure
Building On Our Foundation of Growth
Organizing to accelerate growth

- Pharmaceuticals
- Office of Strategy & Growth
- Consumer
- Comprehensive Care Group
- Surgical Care Group
Segment Highlights
Consumer 2007 Business Highlights

- PCH integration remains on track
- Operational sales growth +44.2%; proforma +4.6%*
- Approximately 600 new product introductions and line extensions
  - LISTERINE Whitening Quick Dissolving Strips, AVEENO Positively Ageless, expanded TYLENOL Rapid Release line
- Strong double-digit growth in key emerging markets

* Proforma operational growth including the net impact of PCH. See Appendix B for reconciliation
Consumer Major Franchise Sales & Operational Growth Rates

2007 Sales: $14.5 Billion  
2007 Ops Growth Rate: 44.2%

$ U.S. Billions

- Skin & Hair Care: $3.1 billion, +12%
- McNeil OTC & Nutritionals: $5.1 billion, +85%
- Oral Care: $1.5 billion, >100%
- Baby & Kids: $2.0 billion, +8%
- Women's Health: $1.8 billion, +3%
- All Other: $1.0 billion, +71%
- All Other: $1.8 billion, +3%
**Consumer Major Franchise Sales & Proforma Operational Growth Rates**

2007 Sales: $14.5 Billion  
2007 Ops Growth Rate: 4.6%*

$ U.S. Billions

- **Women's Health**
  - $5.1 billion (+4%)
- **Baby & Kids**
  - $3.1 billion (+6%)
- **Skin & Hair Care**
  - $2.0 billion (+6%)
- **McNeil OTC & Nutritionals**
  - $1.5 billion (+5%)
- **All Other**
  - $1.8 billion (+6%)
- **Oral Care**
  - $1.0 billion (+13%)

* Proforma operational growth including the net impact of PCH. See Appendix B for reconciliation.
Winning in Health Care
Advancing Consumer Products

- Continued differentiation through science-based innovation
- Launch ZYRTEC OTC
- Grow through innovation/geographic expansion of global brands and franchises
  - LISTERINE, NICORETTE and Skin Care
- Accelerate growth in emerging markets
Pharmaceuticals 2007 Business Highlights

- Nine products with sales over $1 Billion
- VELCADE exceeded $500 million
- 70% of sales coming from #1 or #2 market positions
- Delivered on pipeline commitments
- Continued to advance the pipeline
  - Seven to ten new filings by 2010
Pharmaceutical Major Product Sales & Operational Growth Rates

<table>
<thead>
<tr>
<th>Product Category</th>
<th>2007 Sales (Billion $)</th>
<th>2007 Ops Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hormonal Contraceptives</td>
<td>$1.0 (9%)</td>
<td>+9%</td>
</tr>
<tr>
<td>ACIPHEX/PARIET</td>
<td>$0.9 (11%)</td>
<td>+5%</td>
</tr>
<tr>
<td>DURAGESIC</td>
<td>$1.4 (14%)</td>
<td>+5%</td>
</tr>
<tr>
<td>Anti-Infectives</td>
<td>$1.2 (14%)</td>
<td>+8%</td>
</tr>
<tr>
<td>Anti-psychotics</td>
<td>$4.7 (12%)</td>
<td>+9%</td>
</tr>
<tr>
<td>CONCERTA</td>
<td>$5.4 (18%)</td>
<td>+7%</td>
</tr>
<tr>
<td>EPREX/PROCRIT</td>
<td>$2.5 (19%)</td>
<td>+19%</td>
</tr>
<tr>
<td>TOPAMAX</td>
<td>$3.3 (12%)</td>
<td>+10%</td>
</tr>
<tr>
<td>REMICADE</td>
<td>$2.9 (12%)</td>
<td>+10%</td>
</tr>
<tr>
<td>Other</td>
<td>$1.6 (8%)</td>
<td>+8%</td>
</tr>
</tbody>
</table>

2007 Sales: $24.9 Billion  
2007 Ops Growth Rate: 4.3%
Pharmaceuticals – Major Approvals & Submissions

Approved

- DORIBAX
- IONSYS
- INTELENCE (TMC125)

Filed

- Ceftobiprole
- Paliperidone palmitate
- Ustekinumab
- Dapoxetine
Carisbamate is licensed from SK-Bio Pharmaceuticals; Doripenem from Shionogi & Co.; Ceftobiprole from Basilea Pharmaceutica; Telaprevir from Vertex Pharmaceuticals Incorporated; Rivaroxaban from Bayer HealthCare; YONDELIS from PharmaMar; DACOGEN from MGI Pharma; Tapentadol from Grunenthal GmbH; and Dapoxetine from PPD-GenuPro.
MD&D
2007 Business Highlights

- World’s largest medical technology business
- Nearly double-digit growth for MD&D excluding drug-eluting stents
- 80% of sales coming from #1 or #2 market positions
MD&D Major Franchise Sales & Operational Growth Rates

2007 Sales: $21.7 Billion  2007 Ops Growth Rate: 3.9%

$ U.S. Billions

- LifeScan: $2.4 Billion (+11%)
- Vision Care: $2.2 Billion (+16%)
- OCD: $1.7 Billion (+7%)
- Cordis: $3.4 Billion (18%)
- EES: $3.8 Billion (+10%)
- Ethicon: $3.6 Billion (+7%)
- DePuy: $4.6 Billion (+8%)
MD&D – Major Approvals & Launches

- REALIZE Adjustable Gastric Band
- ANIMAS 2020
- GENESEARCH
MD&D: Top 10 Medical Breakthroughs of 2007

TIME

IN PARTNERSHIP WITH

GeneSearch
Winning in Health Care
Advancing MD&D Pipeline
Selected Technologies

2007 Approvals & Launches*
- GENESEARCH BLN Assay
- REALIZE Adjustable Gastric Band
- EVITHROM Topical Thrombin
- ONETOUC Select
- HARMONIC Focus
- ANIMAS 2020 Insulin Pump
- SOUNDSTAR Intracardiac Echo Catheter
- ACUVUE Oasys (Japan)
- PRINEO Skin Closure System (CE Mark)

2007 Submissions*
- Articular Surface Repair (ASR) Hip
- Enhanced SIGMA Knee Platform
- VITROS 5600 & VITROS 3600 Systems
- ACUVUE Presbyopia Contact Lenses
- NAVISTAR THERMOCOOL Ablation Catheter for AFib
- EXOSEAL Vascular Closure Device
- PROLIFT Next Gen Pelvic Floor Repair
- Computer Assisted Personalized Sedation

2009-2010 Planned Submissions*
- Fibrin Patch
- Conor Sirolimus-Eluting Stent (CE Mark)
- PFO Closure Device (CE Mark)
- Preeclampsia Assay
- CYPHER Elite
- Percutaneous AAA Stent Graft

*Filings assumed to be in U.S. unless otherwise noted
Strategic Outlook
2008 & Beyond
Our Credo

The Four Tenets

- Customers
- Employees
- Communities
- Stockholders
Strategic Framework

Our Credo

Operating Model

Broadly Based in Human Health Care
Managed for the Long Term
Decentralized Management Approach
People and Values
Track Record of Performance

Exceptionally Consistent Performance

- 75 Consecutive years of Sales increases
- 24 Consecutive years of Earnings increases*
- 45 Consecutive years of Dividend increases

* Non GAAP. Excludes IPR&D charges and other special items
Strategic Framework

Our Credo

Operating Model

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

Business Priorities

- Winning in Health Care
- Capitalizing on Convergence
- Accelerating Growth in Emerging Markets
- Developing Leadership and Talent
Winning in Health Care
J&J Serves 30% of Global Health Care: Wealth of Opportunity

2006 Split of Global Healthcare Spend
100% = $4 Trillion

- Pharma 14%
- Consumer 12%
- Other Health Care Markets 68%
- MD&D 6%

Source: OECD; Espicom, Euromonitor (2007); HRI Global MD&D Report; CIA World Fact Book
## Winning in Health Care

### Market Leadership

**Johnson & Johnson**

- #1 or #2

<table>
<thead>
<tr>
<th>Category</th>
<th>Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anti-Anemia</td>
<td>Lo-Cal Sweeteners</td>
</tr>
<tr>
<td>Antipsychotics</td>
<td>Blood Glucose Monitoring</td>
</tr>
<tr>
<td>Anti-TNF</td>
<td>Blood Screening &amp; Typing</td>
</tr>
<tr>
<td>Hormonal Contraceptives</td>
<td>Electrophysiology diagnostics &amp; catheters</td>
</tr>
<tr>
<td>Quinolone Anti-Infective</td>
<td>Disposable Contact Lenses</td>
</tr>
<tr>
<td>Coronary Stents</td>
<td>OTC Pharmaceuticals</td>
</tr>
<tr>
<td>Minimally Invasive Surgery</td>
<td>Sanitary Protection</td>
</tr>
<tr>
<td>Orthopaedics</td>
<td>Wound Care</td>
</tr>
<tr>
<td>Sutures</td>
<td>Baby &amp; Kids Care</td>
</tr>
</tbody>
</table>

*Johnson & Johnson* is a leading company in the health care sector, with market leadership in various categories, including medications, diagnostics, and personal care products.
Winning in Health Care
Nurturing New Businesses

Cordis
$3.4B

ETHICON
$3.6B

ETHICON ENDO-SURGERY, INC.
$3.8B
Winning in Health Care
Surgical Care Group
Organizing to accelerate growth

Comprehensive Care Group
MD&D
Surgical Care Group
Winning in Health Care
Surgical Care Group
Computer Assisted Personalized Sedation (CAPS)

State-of-the-art patient monitoring
Simple and intuitive user interface
Computer-controlled drug delivery
Winning in Health Care
Surgical Care Group
Organizing to accelerate growth

Comprehensive Care Group
MD&D
Surgical Care Group
Winning in Health Care

Comprehensive Care Group

Chronic Diseases

- Nearly 50% of the Disease Burden
- 60% of Mortalities

Share of Global Mortalities

- CV, Cancer, Diabetes & Arthritis: 45%
- Other: 55%

*Source: WHO website and factsheet, Health Affairs (Thorpe, et.al.) Team Analysis
Winning in Health Care
Surgical Care Group
Organizing to accelerate growth

Comprehensive Care Group
MD&D
Surgical Care Group
Winning in Health Care

J&J Explores Other 70% of Global Health Care: Wealth of Opportunity

2006 Split of Global Healthcare Spend
100% = $4 Trillion

$U.S. Billions

- Pharma: 14%
- Consumer: 12%
- MD&D: 6%
- Other Health Care Markets: 68%
- Payors, Providers, Hospitals, Physician Practices and Nurses, etc.: 32%

J&J presence

Source: OECD; Espicom, Euromonitor (2007); HRI Global MD&D Report; CIA World Fact Book
Winning in Health Care
Transformation & Growth
Sales 1887-2007

- MD&D
- Consumer
- Pharm

- Pfizer Consumer Healthcare
- Centocor
- DePuy
- Cordis
- Ortho Biotech
- Janssen
- McNeil Laboratories
- Ethicon
- Frontier Contact Lenses
- Band-AID Johnson's Baby Cream
- Surgical Dressings
Winning in Health Care

Dynamic Trends in Health Care

- Demographics
- Technology
- Demand
- Affordability
Winning in Health Care
Organizing to Accelerate Growth

- Pharmaceuticals
- Comprehensive Care Group
- Surgical Care Group
- Office of Strategy & Growth
- Consumer
Winning in Health Care
Wealth of Opportunity

2006 Split of Global Healthcare Spend
100% = $4 Trillion

$U.S. Billions

- Pharma 14%
- Consumer 12%
- MD&D 6%
- Other Health Care Markets 68%

Source: OECD; Espicom, Euromonitor (2007); HRI Global MD&D Report; CIA World Fact Book
Winning in Health Care
R&D Spending

$U.S. Billions

2002: $4.1
2003: $4.8
2004: $5.3
2005: $6.5
2006: $7.1
2007: $7.7

% to Sales

2002: 11.3%
2003: 11.3%
2004: 12.6%
2005: 12.6%
2006: ~8%
2007: 12.6%

5-Year CAGR ↑13.4%

~8% '07 vs ‘06
Winning in Health Care
R&D Capabilities

Pharmaceuticals
- Research capabilities
  - Biologics
  - Small molecules
  - Drug delivery, form & formulations
- World-class global operations
- Outcomes based development
- Innovative technologies

MD&D
- Seven distinct global R&D units
- Diagnostic capabilities
- Biomaterials expertise
- Engineering capability

Consumer
- Broad formulation expertise
- Consumer insights
- Rx to OTC switch capability
- Emerging markets research center
- New claims development

Johnson & Johnson
Broad Capabilities Working Together
Winning in Health Care

Pipeline Productivity

- Gains in productivity
- Speed to market
- Cost structure
- Enhanced discoveries for patients
Strategic Framework

Our Credo

Operating Model

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

Business Priorities

- Winning in Health Care
- Capitalizing on Convergence
- Accelerating Growth in Emerging Markets
- Developing Leadership and Talent
Capitalizing on Convergence

Convergence – Two Views

CONVERGENCE

Products & Technologies

Patient-centric Solutions
Capitalizing on Convergence

Heavy Bleeding
Capitalizing on Convergence

Converging Products & Technologies
Capitalizing on Convergence
Convergence – Two Views

CONVERGENCE

Products & Technologies

Patient-centric Solutions
Capitalizing on Convergence
Patient-centric Solutions

Diabetes: Complex Treatment Course
Capitalizing on Convergence

Diabetes: Lifecycle of the Disease

Predictive

Novel Medical Markers

Diagnosis

Biomarkers

Receptivity

Lifestyle changes

Treatment

Band

Bypass

Joint replacement

Treatment

10:37

116
Capitalizing on Convergence

Extraordinary Capabilities

- Expertise and proprietary technology
- Diverse capabilities and talent across broad base
- Track record of innovation
Our Credo

Operating Model

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

Business Priorities

- Winning in Health Care
- Capitalizing on Convergence
- Accelerating Growth in Emerging Markets
- Developing Leadership and Talent
Accelerating Growth in Emerging Markets

Strong Foundation in International Markets

2007 Sales by Geographic Area

- **U.S.**: $32.4B (53%)
- **Europe**: $15.7B (25%)
- **W. Hemisphere**: $4.7B (8%)
- **Asia-Pacific, Africa**: $8.3B (14%)
Emerging Markets Lead in Health Care Product Growth Outside U.S.*

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>31</td>
<td>49</td>
<td>11</td>
</tr>
<tr>
<td>Japan</td>
<td>108</td>
<td>31</td>
<td>3</td>
</tr>
<tr>
<td>Russia</td>
<td>14</td>
<td>28</td>
<td>13</td>
</tr>
<tr>
<td>Brazil</td>
<td>25</td>
<td>25</td>
<td>8</td>
</tr>
<tr>
<td>India</td>
<td>13</td>
<td>23</td>
<td>12</td>
</tr>
<tr>
<td>UK</td>
<td>39</td>
<td>22</td>
<td>5</td>
</tr>
<tr>
<td>France</td>
<td>51</td>
<td>21</td>
<td>4</td>
</tr>
<tr>
<td>Germany</td>
<td>54</td>
<td>16</td>
<td>3</td>
</tr>
<tr>
<td>Italy</td>
<td>34</td>
<td>12</td>
<td>3</td>
</tr>
<tr>
<td>Spain</td>
<td>25</td>
<td>12</td>
<td>4</td>
</tr>
</tbody>
</table>

*Health Care products include pharmaceuticals, consumer products and medical devices and diagnostics
Source: India Pharma 2015; IMS; Nicholas Hall; Datamonitor; Espicom; Euromonitor; interviews; team analysis
Accelerating Growth in Emerging Markets

Strengths in Emerging Markets

- Significant presence in emerging markets
- Strong and growing businesses
- Decentralized operating model
- Global footprint
- Local market insights
Accelerating Growth in Emerging Markets

Strategies For Emerging Markets

- Addressing localized product and market strategy
- Building on our business strengths and brand equity
- Focusing on mid-tier demographics
- Exploring new categories and new business models
- Deploying enterprise-wide approach
Accelerating Growth in Emerging Markets
Localized Product and Market Strategy
Accelerating Growth in Emerging Markets

2008 Olympics
Accelerating Growth in Emerging Markets

2008 Olympics
Managed for the Long Term
Decentralized Management Approach
People and Values

Broadly Based in Human Health Care

Operating Model

Winning in Health Care
Capitalizing on Convergence
Accelerating Growth in Emerging Markets
Developing Leadership and Talent

Business Priorities

Our Credo

Strategic Framework
Developing Leadership & Talent
Honors & Recognitions

CHIEF EXECUTIVE

Top 20 Companies for Leaders

<table>
<thead>
<tr>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>1.</td>
</tr>
<tr>
<td>General Electric</td>
<td>General Electric</td>
</tr>
<tr>
<td>2.</td>
<td>2.</td>
</tr>
<tr>
<td>Procter &amp; Gamble</td>
<td>Procter &amp; Gamble</td>
</tr>
<tr>
<td>3.</td>
<td>3.</td>
</tr>
<tr>
<td>Johnson &amp; Johnson</td>
<td>PepsiCo</td>
</tr>
<tr>
<td>4.</td>
<td>4.</td>
</tr>
<tr>
<td>Unilever</td>
<td>Citigroup</td>
</tr>
<tr>
<td>5.</td>
<td>5.</td>
</tr>
<tr>
<td>Coca-Cola</td>
<td>Johnson &amp; Johnson</td>
</tr>
<tr>
<td>6.</td>
<td>6.</td>
</tr>
<tr>
<td>Siemens</td>
<td>HSBC Holdings</td>
</tr>
<tr>
<td>7.</td>
<td>7.</td>
</tr>
<tr>
<td>PepsiCo</td>
<td>BASF</td>
</tr>
<tr>
<td>8.</td>
<td>8.</td>
</tr>
<tr>
<td>L'Oréal</td>
<td>Home Depot</td>
</tr>
<tr>
<td>9.</td>
<td>9.</td>
</tr>
<tr>
<td>Toyota Motor</td>
<td>IBM</td>
</tr>
<tr>
<td>10.</td>
<td>10.</td>
</tr>
<tr>
<td>Hewlett-Packard</td>
<td>Coca-Cola</td>
</tr>
<tr>
<td>11.</td>
<td>11.</td>
</tr>
<tr>
<td>GlaxoSmithKline</td>
<td>Dell</td>
</tr>
<tr>
<td>12.</td>
<td>12.</td>
</tr>
<tr>
<td>Novartis</td>
<td>Microsoft</td>
</tr>
<tr>
<td>13.</td>
<td>13.</td>
</tr>
<tr>
<td>Pfizer</td>
<td>Novartis</td>
</tr>
<tr>
<td>HSBC Holdings</td>
<td>Verizon Communications</td>
</tr>
<tr>
<td>15.</td>
<td>15.</td>
</tr>
<tr>
<td>3M Company</td>
<td>Nestlé</td>
</tr>
<tr>
<td>16.</td>
<td>16.</td>
</tr>
<tr>
<td>Eli Lilly</td>
<td>Lockheed Martin</td>
</tr>
<tr>
<td>17.</td>
<td>17.</td>
</tr>
<tr>
<td>BASF</td>
<td>GlaxoSmithKline</td>
</tr>
</tbody>
</table>

The Wall Street Journal

Barron's
The World's Most Respected Companies
Strategic Framework

Our Credo

Operating Model

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

Business Priorities

- Winning in Health Care
- Capitalizing on Convergence
- Accelerating Growth in Emerging Markets
- Developing Leadership and Talent
Dominic J. Caruso
Vice President, Finance & Chief Financial Officer
Save the Date
June 5, 2008
MD&D Business Review
Appendix A –
Reconciliation of Non-GAAP Measures: Q4’07 vs. Q4’06

Johnson & Johnson and Subsidiaries
Reconciliation of Non-GAAP Measures

(Thousands of Dollars Except Per Share Data)

<table>
<thead>
<tr>
<th></th>
<th>Fourth Quarter</th>
<th>Full Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2007 2006 (Decr.)</td>
<td>2007 2006 (Decr.)</td>
</tr>
<tr>
<td>Net Earnings - as reported</td>
<td>$2,374 $2,168 9.5%</td>
<td>$10,576 $11,053 -4.3%</td>
</tr>
<tr>
<td>Guidant acquisition agreement termination fee</td>
<td>- -</td>
<td>- (368)</td>
</tr>
<tr>
<td>In-process research &amp; development (IPR&amp;D)</td>
<td>- 217</td>
<td>807 448</td>
</tr>
<tr>
<td>Restructuring expenses</td>
<td>- -</td>
<td>528 -</td>
</tr>
<tr>
<td>Natrecor intangible write down</td>
<td>441 -</td>
<td>441 -</td>
</tr>
<tr>
<td>International tax restructuring</td>
<td>(267) -</td>
<td>(267) -</td>
</tr>
<tr>
<td>Net Earnings - as adjusted</td>
<td>$2,548 $2,385 6.8%</td>
<td>$12,085 $11,133 8.6%</td>
</tr>
<tr>
<td>Diluted Net earnings per share - as reported</td>
<td>$0.82 $0.74 10.8%</td>
<td>$3.63 $3.73 -2.7%</td>
</tr>
<tr>
<td>Guidant acquisition agreement termination fee</td>
<td>- -</td>
<td>- (0.12)</td>
</tr>
<tr>
<td>In-process research &amp; development (IPR&amp;D)</td>
<td>- 0.07</td>
<td>0.28 0.15</td>
</tr>
<tr>
<td>Restructuring expenses</td>
<td>- -</td>
<td>0.18 -</td>
</tr>
<tr>
<td>Natrecor intangible write down</td>
<td>0.15 -</td>
<td>0.15 -</td>
</tr>
<tr>
<td>International tax restructuring</td>
<td>(0.09) -</td>
<td>(0.09) -</td>
</tr>
<tr>
<td>Diluted Net earnings per share - as adjusted</td>
<td>$0.88 $0.81 8.6%</td>
<td>$4.15 $3.76 10.4%</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 IPR&D and other special items in order to evaluate ongoing business operations.
Appendix B – Reconciliation of As Reported and Pro-Forma Net Trade Sales: Q4’07 vs. Q4’06

<table>
<thead>
<tr>
<th></th>
<th>FOURTH QUARTER</th>
<th>TWELVE MONTHS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reported Growth</td>
<td>Pro-Forma Growth (1)</td>
</tr>
<tr>
<td></td>
<td>Total%</td>
<td>Oper.%</td>
</tr>
<tr>
<td>Skin Care</td>
<td>15.8%</td>
<td>9.3%</td>
</tr>
<tr>
<td>Baby &amp; Kids Care</td>
<td>16.5</td>
<td>8.4</td>
</tr>
<tr>
<td>Oral Care</td>
<td>235.4</td>
<td>231.4</td>
</tr>
<tr>
<td>OTC / Nutritionals</td>
<td>86.9</td>
<td>83.3</td>
</tr>
<tr>
<td>Women’s Health</td>
<td>9.8</td>
<td>2.1</td>
</tr>
<tr>
<td>Consumer Segment Worldwide</td>
<td>48.5%</td>
<td>42.5%</td>
</tr>
<tr>
<td>Worldwide</td>
<td>16.6%</td>
<td>11.9%</td>
</tr>
</tbody>
</table>

(1) 2006 baseline includes Pfizer Consumer Health (PCH) sales and excludes PCH acquisition related divestitures