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; 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 January 1, 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 250 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
- Fourth Quarter 2012 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; 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
Leading with Purpose

Our Credo

“...our first responsibility is to the doctors, nurses and patients, to mothers and fathers and all others who use our products and services.”

“We are responsible to our employees, the men and women who work with us throughout the world.”

“We are responsible to the communities in which we live and work and to the world community as well.”

“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.”
Historical Performance
2012 Sales by Segment

2012 Twelve Month Sales: $67.2 Billion

$ US Billions

Medical Devices & Diagnostics 41%

Pharmaceutical 38%

Consumer 21%

- $27.4B 8.7%*
- $14.4B 0.5%*
- $25.4B 6.8%*

* 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 Twelve Month Sales: $67.2 Billion
$ US Billions

W. Hemisphere 11%

Europe 25%

U.S. 44%

Asia-Pacific, Africa 20%

$7.2B 19%*

$13.2B 7%*

$17.0B** 6%*

$29.8B 3%*

2012 Sales by Region

* 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>Segment</th>
<th>2012 Pre-Tax Profit</th>
<th>2011 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>
<tr>
<td>Total</td>
<td>$18.3B</td>
<td>$19.1B</td>
</tr>
</tbody>
</table>

Pre-Tax Profit % to Sales

<table>
<thead>
<tr>
<th>Segment</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

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 Growth¹</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

**As of 12/31/2012**

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

---

**Note:** Data Source – Bloomberg
Segment Overview
Consumer Segment Overview

- Worldwide annual sales in 2012 of $14.4 billion

- Principal products in:
  - Over-the-Counter Pharmaceuticals and Nutritionals
  - Skin Care
  - Baby Care
  - Wound Care
  - 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 Q3 2012
Consumer Segment

Sales & Operational Change – Twelve Months 2012

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

- OTC & Nutritionals: $4.4 Billion (+2%)
- Skin Care: $3.6 Billion (0%)
- Oral Care: $1.6 Billion (+3%)
- Baby Care: $2.2 Billion (+1%)
- Wound Care/Other: $1.0 Billion (2%)
- Women’s Health: $1.6 Billion (4%)

Growth rates represent operational YOY Change

* Rounded for visual accuracy
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 over 80% of key platforms
- Strong double-digit growth in emerging markets
- Pipeline advancement
- Disciplined portfolio approach
- Adapting businesses to changing market
- 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%
$ US Billions

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

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

- **Strong launch execution of recently approved products**
  - Fastest growing Europe & Japan¹
  - US leader in new product sales¹

- **Significant pipeline advancements**
  - 10 NME approvals since 2009²

---

* WW Pharm – IMS Health, Audited Q3 2012
** Biotech Source: IMS Health, MIDAS, MAT September 2012
¹ IMS Midas; ² Source: GRPI
4th Quarter
Financial Highlights
## Financial Highlights

### 4Q 2012 vs. 4Q 2011

<table>
<thead>
<tr>
<th>TOTAL COMPANY</th>
<th>4Q12</th>
<th>4Q11</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TOTAL</td>
<td>OPS</td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>$17.6B</td>
<td>$16.3B</td>
<td>8.0%</td>
</tr>
<tr>
<td>Adjusted Earnings*</td>
<td>$3.4B</td>
<td>$3.1B</td>
<td>7.9%</td>
</tr>
<tr>
<td>Diluted EPS*</td>
<td>$1.19</td>
<td>$1.13</td>
<td>5.3%</td>
</tr>
</tbody>
</table>

* Non-GAAP measure; excludes special items

Note: Excluding the net impact of the Synthes acquisition, WW Operational sales change = 3.7%
4Q 2012 Sales by Segment

4Q 2012 Sales: $17.6 Billion
$ US Billions

Pharmaceuticals 37%

Medical Devices & Diagnostics 42%

Consumer 21%

Pharmaceuticals

$6.5B 8.5%*

$7.4B 14.9%*

$3.7B 0.9%*

* Operational YOY change

Note: Excluding the net impact of the Synthes acquisition, MD&D Operational change = 0.8%
4Q 2012 Sales by Region

4Q 2012 Sales: $17.6 Billion
$ US Billions

W. Hemisphere (excluding U.S.) 11%

Europe 26%

Asia-Pacific, Africa 20%

U.S. 43%

$4.6B 10%*

$1.9B 19%*

$3.6B 9%*

$7.5B 7%*

* Operational YOY change
Consumer Segment

Sales & Operational Change – 4Q 2012

4Q 2012 Sales: $3.7 Billion
4Q 2012 Ops Change: 0.9%
$ US Billions

- OTC & Nutritionals: $.9 (4%)
- Skin Care: $.6 (+3%)
- Baby Care: $.4 (+3%)
- Women’s Health: $.4 (+6%)
- Oral Care: $.2 (3%)
- Wound Care/Other: $.4 (+2%)

Growth rates represent operational YOY change
4Q 2012 Consumer Sales (+0.9%)

Key Drivers:

• **Women’s Health (+5.5%)**
  - Strong international growth across the sanitary protection categories

• **Baby Care (+2.8%)**
  - International sales of powders, wipes and hair care products

• **OTC/Nutritionals (+2.6%)**
  - Intl sales increase driven by market penetration & product launches in analgesics, digestive health, and upper respiratory

All growth %’s noted are operational growth
Medical Devices & Diagnostics Segment

Sales & Operational Change – 4Q 2012

4Q 2012 Sales: $7.4 Billion
4Q 2012 Ops Change: 14.9%
$ US Billions

- **Orthopaedics**
  - $2.4 Billion
  - +65%

- **Vision Care**
  - $1.7 Billion
  - 0%

- **Cardiovascular Care**
  - $0.7 Billion
  - +6%

- **Diabetes Care**
  - $0.5 Billion
  - +6%

- **Diagnostics**
  - $0.5 Billion
  - +5%

- **Infection Prevention / Other**
  - $0.3 Billion
  - +5%

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%
4Q 2012 Medical Devices & Diagnostics
Sales (+14.9%)

Key Drivers:

• Vision Care (+6.4%)
  – Daily lenses and astigmatism lenses

• Specialty Surgery (+4.4%)
  – Incremental sales from the acquisition of SterilMed
  – International sales increased by strong growth in Biosurgery and Energy products

• Orthopaedics (+65.1%)
  – Recently completed acquisition of Synthes
  – Excluding net impact of Synthes & the divestiture of certain neurosurgical instruments, sales grew operationally 3.5%
  – Strong Hip & Knee sales

All growth %’s noted are operational growth
## 4Q 2012 Pharmaceutical Sales (+8.5%)

### Key Growth Products:

<table>
<thead>
<tr>
<th>Product</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>INCIVO® for treatment of Hepatitis C virus</td>
<td>&gt; 100%</td>
</tr>
<tr>
<td>XARELTO® an oral anticoagulant</td>
<td>&gt; 100%</td>
</tr>
<tr>
<td>ZYTIGA® for metastatic, castration-resistant prostate cancer</td>
<td>+ 76%</td>
</tr>
<tr>
<td>Invega Sustenna/Xeplion® for treatment of schizophrenia in adults</td>
<td>+ 70%</td>
</tr>
<tr>
<td>STELARA® for psoriasis</td>
<td>+ 31%</td>
</tr>
<tr>
<td>PREZISTA® for treatment for HIV</td>
<td>+ 14%</td>
</tr>
<tr>
<td>REMICADE® for immune mediated inflammatory diseases</td>
<td>+ 6%</td>
</tr>
</tbody>
</table>

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 (Dollars in Millions)</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>Segment Pre-Tax Profit as adjusted</td>
<td>$19,150</td>
<td>$18,307</td>
</tr>
</tbody>
</table>

**Adjustments allocated to segments:**

<table>
<thead>
<tr>
<th></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>Segment Pre-Tax Profit as reported</td>
<td>$14,955</td>
<td>$13,765</td>
</tr>
</tbody>
</table>
## Reconciliation of Non-GAAP Measures

### 2012 Free Cash Flow

<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>Johnson &amp; Johnson and Subsidiaries</th>
<th>Reconciliation of Non-GAAP Financial Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Dollars in Millions Except Per Share Data)</td>
<td>Fourth Quarter</td>
</tr>
<tr>
<td>Earnings before provision for taxes on income - as reported</td>
<td>$ 3,100</td>
</tr>
<tr>
<td>Net litigation loss (gain)</td>
<td>471</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>55</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>406</td>
</tr>
<tr>
<td>Intangible asset write-downs and other adjustments</td>
<td>-</td>
</tr>
<tr>
<td>DePuy ASR™ Hip program</td>
<td>83</td>
</tr>
<tr>
<td>Restructuring</td>
<td>-</td>
</tr>
<tr>
<td>Earnings before provision for taxes on income - as adjusted</td>
<td>$ 4,115</td>
</tr>
<tr>
<td>Net Earnings attributable to Johnson &amp; Johnson - as reported</td>
<td>$ 2,567</td>
</tr>
<tr>
<td>Net litigation loss (gain)</td>
<td>371</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>59</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>306</td>
</tr>
<tr>
<td>Intangible asset write-downs and other adjustments</td>
<td>-</td>
</tr>
<tr>
<td>DePuy ASR™ Hip program</td>
<td>73</td>
</tr>
<tr>
<td>Restructuring</td>
<td>-</td>
</tr>
<tr>
<td>Net Earnings attributable to Johnson &amp; Johnson - as adjusted</td>
<td>$ 3,376</td>
</tr>
<tr>
<td>Diluted Net Earnings per share attributable to Johnson &amp; Johnson - as reported</td>
<td>$ 0.91</td>
</tr>
<tr>
<td>Net litigation loss (gain)</td>
<td>0.13</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>0.02</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>0.11</td>
</tr>
<tr>
<td>Intangible asset write-downs and other adjustments</td>
<td>-</td>
</tr>
<tr>
<td>DePuy ASR™ Hip program</td>
<td>0.02</td>
</tr>
<tr>
<td>Restructuring</td>
<td>-</td>
</tr>
<tr>
<td>Diluted Net Earnings per share attributable to Johnson &amp; Johnson - as adjusted</td>
<td>$ 1.19</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.