

Johnson & Johnson and Subsidiaries

Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

SECOND QUARTER

	2021		2020		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 23,312	100.0	\$ 18,336	100.0	27.1
Cost of products sold	7,587	32.5	6,579	35.9	15.3
Gross Profit	15,725	67.5	11,757	64.1	33.8
Selling, marketing and administrative expenses	6,073	26.1	4,993	27.2	21.6
Research and development expense	3,394	14.6	2,707	14.8	25.4
In-process research and development	0	0.0	6	0.0	
Interest (income) expense, net	28	0.1	26	0.2	
Other (income) expense, net	(488)	(2.1)	24	0.1	
Restructuring	56	0.2	61	0.3	
Earnings before provision for taxes on income	6,662	28.6	3,940	21.5	69.1
Provision for taxes on income	384	1.7	314	1.7	22.3
Net earnings	\$ 6,278	26.9	\$ 3,626	19.8	73.1
Net earnings per share (Diluted)	\$ 2.35		\$ 1.36		72.8
Average shares outstanding (Diluted)	2,671.6		2,665.5		
Effective tax rate	5.8 %		8.0 %		
Adjusted earnings before provision for taxes and net earnings ⁽¹⁾					
Earnings before provision for taxes on income	\$ 7,776	33.4	\$ 5,337	29.1	45.7
Net earnings	\$ 6,625	28.4	\$ 4,446	24.2	49.0
Net earnings per share (Diluted)	\$ 2.48		\$ 1.67		48.5
Effective tax rate	14.8 %		16.7 %		

⁽¹⁾ See Reconciliation of Non-GAAP Financial Measures.

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Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

SIX MONTHS

	2021		2020		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 45,633	100.0	\$ 39,027	100.0	16.9
Cost of products sold	14,650	32.1	13,641	35.0	7.4
Gross Profit	30,983	67.9	25,386	65.0	22.0
Selling, marketing and administrative expenses	11,505	25.2	10,196	26.1	12.8
Research and development expense	6,572	14.4	5,287	13.5	24.3
In-process research and development	0	0.0	6	0.0	
Interest (income) expense, net	76	0.2	(16)	0.0	
Other (income) expense, net	(1,370)	(3.0)	(655)	(1.7)	
Restructuring	109	0.2	119	0.3	
Earnings before provision for taxes on income	14,091	30.9	10,449	26.8	34.9
Provision for taxes on income	1,616	3.6	1,027	2.7	57.4
Net earnings	\$ 12,475	27.3	\$ 9,422	24.1	32.4
Net earnings per share (Diluted)	\$ 4.67		\$ 3.53		32.3
Average shares outstanding (Diluted)	2,674.0		2,671.0		
Effective tax rate	11.5 %		9.8 %		
Adjusted earnings before provision for taxes and net earnings ⁽¹⁾					
Earnings before provision for taxes on income	\$ 16,067	35.2	\$ 12,581	32.2	27.7
Net earnings	\$ 13,549	29.7	\$ 10,600	27.2	27.8
Net earnings per share (Diluted)	\$ 5.07		\$ 3.97		27.7
Effective tax rate	15.7 %		15.7 %		

⁽¹⁾ See Reconciliation of Non-GAAP Financial Measures.