



## Johnson & Johnson Reports 2012 First-Quarter Results:

### **Sales of \$16.1 Billion Decreased 0.2% Versus 2011 First-Quarter; First Quarter EPS was \$1.41 Excluding Special Items, 2012 First-Quarter EPS of \$1.37 Increased 1.5%\***

NEW BRUNSWICK, N.J., April 17, 2012 /PRNewswire-FirstCall/ -- Johnson & Johnson (NYSE: JNJ) today announced sales of \$16.1 billion for the first quarter of 2012, a decrease of 0.2% as compared to the first quarter of 2011. Operational results increased 1.0% and the negative impact of currency was 1.2%. Domestic sales declined 5.1%. International sales increased 4.1%, reflecting operational growth of 6.4% and a negative currency impact of 2.3%.

Net earnings and diluted earnings per share for the first quarter of 2012 were \$3.9 billion and \$1.41, respectively. First quarter 2012 net earnings included an after-tax gain of \$106 million primarily related to the currency adjustment associated with the planned acquisition of Synthes, Inc. First quarter 2011 net earnings included after-tax charges of \$271 million representing expenses due to litigation and DePuy A S R™ Hip recall costs. Excluding these special items, net earnings for the current quarter were \$3.8 billion and diluted earnings per share were \$1.37, representing increases of 1.5% and 1.5%, respectively, as compared to the same period in 2011.\*

The Company updated its earnings guidance for full-year 2012 to \$5.07 - \$5.17 per share to reflect the positive impact of current exchange rates. The Company's guidance excludes the impact of special items.

"We continue to bring meaningful innovations to our patients and customers through the strong performance of our recently launched products," said William C. Weldon, Chairman and Chief Executive Officer. "The dedication of the people of Johnson & Johnson gives me great confidence in the prospects of our business to deliver sustainable growth, well into the future."

Worldwide Consumer sales of \$3.6 billion for the first quarter represented a decrease of 2.4% versus the prior year consisting of an operational decline of 0.6% and a negative impact from currency of 1.8%. Domestic sales decreased 2.2%. International sales decreased 2.5%, which reflected an operational increase of 0.4% and a negative currency impact of 2.9%.

Sales of the U.S. over-the-counter medicines were significantly impacted by the suspension of manufacturing at the McNeil Consumer Healthcare facility in Fort Washington, Pa., and the impact on production volumes related to ongoing efforts to enhance quality and manufacturing systems. Positive contributors to operational results were NEUTROGENA® skin care products and international sales of oral care products.

Worldwide Pharmaceutical sales of \$6.1 billion for the first quarter represented an increase of 1.2% versus the prior year with operational growth of 2.6% and a negative impact from currency of 1.4%. Domestic sales decreased 10.8%. International sales increased 16.5% which reflected an operational increase of 19.6% and a negative currency impact of 3.1%.

Positive contributors to international sales were strong results for REMICADE® (infliximab), a biologic approved for the treatment of a number of immune-mediated, inflammatory diseases, representing incremental sales from international territories included in the amended distribution agreement with Merck; VELCADE® (bortezomib), a treatment for multiple myeloma; and sales of recently launched products.

The strong sales results of recently launched products, include ZYTIGA® (abiraterone acetate), an oral, once-daily medication for use in combination with prednisone or prednisolone, for the treatment of men with metastatic, castration-resistant prostate cancer; STELARA® (ustekinumab), a biologic approved for the treatment of moderate to severe plaque psoriasis; and international sales of INCIVO® (telaprevir), a direct acting antiviral protease inhibitor, for the treatment of genotype-1 chronic hepatitis C virus, in combination with peginterferon alfa and ribavirin, in adults.

Sales results in the U.S. were negatively impacted by generic competition for LEVAQUIN® (levofloxacin), a treatment for bacterial infections, and the manufacturing suspension at a third party supplier for DOXIL® (doxorubicin HCl liposome injection)/CAELYX® (pegylated liposomal doxorubicin hydrochloride), a medication to treat ovarian and other cancers.

During the quarter, Janssen Pharmaceutica NV completed the divestiture of its U.S. patents and other U.S. and Canadian intellectual property for Bystolic® (nebivolol), which is currently approved in the U.S. for the treatment of hypertension, to Forest Laboratories Holdings Limited.

Worldwide Medical Devices and Diagnostics sales of \$6.4 billion for the first quarter represented a decrease of 0.3% versus the prior year consisting of an operational increase of 0.5% and a negative currency impact of 0.8%. Domestic sales increased

0.2%. International sales decreased 0.7%, which reflected an operational increase of 0.7% and a negative currency impact of 1.4%.

Primary contributors to operational growth included LifeScan's blood glucose monitoring products; Vistakon's disposable contact lenses; Biosense Webster's electrophysiology business; and Advanced Sterilization Products' infection prevention technologies. The growth was impacted by lower sales in the Cardiovascular Care business, reflecting the decision made to exit the drug eluting stent market in the 2<sup>nd</sup> Quarter of 2011.

During the quarter, Ethicon Endo-Surgery Inc. received an approvable letter for the SEDASYS® System, a computer assisted personalized sedation system, from the FDA's Center for Devices and Radiological Health.

In connection with the pending purchase of Synthes, Inc., DePuy Orthopaedics, Inc. received a binding offer from Biomet, Inc. to acquire the DePuy Orthopaedics Trauma business. The offer includes the purchase of DePuy's internal and external fixation products used in the treatment of bone fractures as well as the organization supporting this business. The divestiture is subject to receipt of regulatory approvals and other customary closing conditions.

### **About Johnson & Johnson**

Caring for the world, one person at a time, inspires and unites the people of Johnson & Johnson. We embrace research and science - bringing innovative ideas, products and services to advance the health and well-being of people. Our approximately 117,000 employees at more than 250 Johnson & Johnson operating companies work with partners in health care to touch the lives of over a billion people every day, throughout the world.

\* Net earnings and diluted earnings per share excluding special items are non-GAAP financial measures and 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 is included in the financial schedules accompanying this press release and can be found in the Investor Relations section of the Company's website at [www.investor.jnj.com](http://www.investor.jnj.com).

Johnson & Johnson will conduct a conference call with financial analysts to discuss this news release today at 8:30 a.m., Eastern Time. A simultaneous webcast of the meeting for investors and other interested parties may be accessed by visiting the Johnson & Johnson website at [www.investor.jnj.com](http://www.investor.jnj.com). A replay and podcast will be available approximately two hours after the live webcast by visiting [www.investor.jnj.com](http://www.investor.jnj.com).

Copies of the financial schedules accompanying this press release are available at [www.investor.jnj.com/historical-sales.cfm](http://www.investor.jnj.com/historical-sales.cfm). These schedules include supplementary sales data, a condensed consolidated statement of earnings, and sales of key products/franchises. Additional information on Johnson & Johnson, including a pharmaceutical pipeline of selected compounds in late stage development and medical devices and diagnostics pipeline of selected products, can be found on the Company's website at [www.jnj.com](http://www.jnj.com)

### **NOTE TO INVESTORS**

(This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. The reader 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; 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](http://www.sec.gov), [www.jnj.com](http://www.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.)

(Unaudited; Dollars in Millions)

## FIRST QUARTER

	2012	2011	Total	Percent Change	
				Operations	Currency
<b>Sales to customers by segment of business</b>					
Consumer					
U.S.	\$ 1,316	1,345	(2.2) %	(2.2)	-
International	2,279	2,337	(2.5)	0.4	(2.9)
	3,595	3,682	(2.4)	(0.6)	(1.8)
Pharmaceutical					
U.S.	3,026	3,391	(10.8)	(10.8)	-
International	3,107	2,668	16.5	19.6	(3.1)
	6,133	6,059	1.2	2.6	(1.4)
Med Devices & Diagnostics					
U.S.	2,877	2,872	0.2	0.2	-
International	3,534	3,560	(0.7)	0.7	(1.4)
	6,411	6,432	(0.3)	0.5	(0.8)
U.S.	7,219	7,608	(5.1)	(5.1)	-
International	8,920	8,565	4.1	6.4	(2.3)
Worldwide	\$ 16,139	16,173	(0.2) %	1.0	(1.2)

## Johnson &amp; Johnson and Subsidiaries

## Supplementary Sales Data

(Unaudited; Dollars in Millions)

## FIRST QUARTER

	2012	2011	Total	Percent Change	
				Operations	Currency
<b>Sales to customers by geographic area</b>					
U.S.	\$ 7,219	7,608	(5.1) %	(5.1)	-
Europe	4,194	4,183	0.3	4.5	(4.2)
Western Hemisphere excluding U.S.	1,714	1,436	19.4	23.3	(3.9)
Asia-Pacific, Africa	3,012	2,946	2.2	1.2	1.0
International	8,920	8,565	4.1	6.4	(2.3)
Worldwide	\$ 16,139	16,173	(0.2) %	1.0	(1.2)

## Johnson &amp; Johnson and Subsidiaries

## Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

## FIRST QUARTER

2012	2011	Percent Increase
Percent	Percent	



Currency related and costs associated with planned acquisition of Synthes, Inc.	(106)	-		
Net Earnings - as adjusted	\$ 3,804	3,747	1.5	%
Diluted Net Earnings per share - as reported	\$ 1.41	1.25	12.8	%
Litigation/DePuy ASR™ Hip related costs	-	0.10		
Currency related and costs associated with planned acquisition of Synthes, Inc.	(0.04)	-		
Diluted Net Earnings per share - as adjusted	\$ 1.37	1.35	1.5	%

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.

**REPORTED SALES vs. PRIOR PERIOD (\$MM)**

	FIRST QUARTER				
	2012	2011	% Change		
			Reported	Operational <sup>(1)</sup>	Currency
<b>CONSUMER SEGMENT <sup>(2)</sup></b>					
<b><u>BABY CARE</u></b>					
US	\$ 99	105	-5.7%	-5.7%	-
Intl	441	456	-3.3%	-0.4%	-2.9%
WW	540	561	-3.7%	-1.4%	-2.3%
<b><u>ORAL CARE</u></b>					
US	155	163	-4.9%	-4.9%	-
Intl	232	228	1.8%	4.7%	-2.9%
WW	387	391	-1.0%	0.7%	-1.7%
<b><u>OTC/NUTRITIONALS</u></b>					
US	381	397	-4.0%	-4.0%	-
Intl	723	732	-1.2%	1.7%	-2.9%
WW	1,104	1,129	-2.2%	-0.3%	-1.9%
<b><u>SKIN CARE</u></b>					
US	453	426	6.3%	6.3%	-
Intl	454	473	-4.0%	-1.7%	-2.3%
WW	907	899	0.9%	2.1%	-1.2%
<b><u>WOMEN'S HEALTH</u></b>					
US	93	125	-25.6%	-25.6%	-
Intl	316	334	-5.4%	-1.7%	-3.7%
WW	409	459	-10.9%	-8.2%	-2.7%
<b><u>WOUND CARE/OTHER</u></b>					
US	135	129	4.7%	4.7%	-
Intl	113	114	-0.9%	1.7%	-2.6%
WW	248	243	2.1%	3.3%	-1.2%
<b><u>TOTAL CONSUMER</u></b>					
US	1,316	1,345	-2.2%	-2.2%	-
Intl	2,279	2,337	-2.5%	0.4%	-2.9%
WW	\$ 3,595	3,682	-2.4%	-0.6%	-1.8%

See footnotes at end of schedule

**REPORTED SALES vs. PRIOR PERIOD (\$MM)**

**PHARMACEUTICAL SEGMENT (2) (4)**

**IMMUNOLOGY**

	FIRST QUARTER				
	2012	2011	% Change		
			Reported	Operational (1)	Currency
US	\$ 1,453	1,436	1.2%	1.2%	-
Intl	442	144	*	*	-2.2%
WW	1,895	1,580	19.9%	20.5%	-0.6%
<u>REMICADE</u>					
US	882	788	11.9%	11.9%	-
US Exports (3)	378	490	-22.9%	-22.9%	-
Intl	261	7	*	*	-2.2%
WW	1,521	1,285	18.4%	18.4%	0.0%
<u>SIMPONI</u>					
US	64	53	20.8%	20.8%	-
Intl	52	42	23.8%	25.0%	-1.2%
WW	116	95	22.1%	22.6%	-0.5%
<u>STELARA</u>					
US	129	105	22.9%	22.9%	-
Intl	92	61	50.8%	53.9%	-3.1%
WW	221	166	33.1%	34.8%	-1.7%
<u>OTHER IMMUNOLOGY</u>					
US	-	-	-	-	-
Intl	37	34	8.8%	10.7%	-1.9%
WW	37	34	8.8%	10.7%	-1.9%
<b>INFECTIOUS DISEASES</b>					
US	242	624	-61.2%	-61.2%	-
Intl	513	307	67.1%	70.5%	-3.4%
WW	755	931	-18.9%	-17.0%	-1.9%
<u>INTELENCE</u>					
US	43	38	13.2%	13.2%	-
Intl	37	31	19.4%	23.0%	-3.6%
WW	80	69	15.9%	17.8%	-1.9%
<u>LEVAQUIN/FLOXIN</u>					
US	18	422	-95.7%	-95.7%	-
Intl	11	12	-8.3%	-4.8%	-3.5%
WW	29	434	-93.3%	-93.2%	-0.1%
<u>PREZISTA</u>					
US	160	126	27.0%	27.0%	-
Intl	164	140	17.1%	20.9%	-3.8%
WW	324	266	21.8%	24.1%	-2.3%
<u>OTHER INFECTIOUS DISEASES</u>					
US	21	38	-44.7%	-44.7%	-
Intl	301	124	*	*	-3.2%
WW	322	162	98.8%	*	-3.0%

**REPORTED SALES vs. PRIOR PERIOD (\$MM)**

**NEUROSCIENCE**

	FIRST QUARTER				
	2012	2011	% Change		
			Reported	Operational (1)	Currency
US	\$ 674	688	-2.0%	-2.0%	-
Intl	973	1,057	-7.9%	-5.8%	-2.1%
WW	1,647	1,745	-5.6%	-4.3%	-1.3%
<u>CONCERTA/METHYLPHENIDATE</u>					
US	197	254	-22.4%	-22.4%	-
Intl	111	108	2.8%	5.8%	-3.0%
WW	308	362	-14.9%	-14.0%	-0.9%
<u>INVEGA</u>					

US	69	69	0.0%	0.0%	-
Intl	52	51	2.0%	3.7%	-1.7%
WW	121	120	0.8%	1.5%	-0.7%
<u>INVEGA SUSTENNA</u>					
US	100	65	53.8%	53.8%	-
Intl	61	-	100.0%	100.0%	-
WW	161	65	*	*	-
<u>RISPERDAL CONSTA</u>					
US	113	114	-0.9%	-0.9%	-
Intl	248	290	-14.5%	-11.8%	-2.7%
WW	361	404	-10.6%	-8.7%	-1.9%
<u>OTHER NEUROSCIENCE</u>					
US	195	186	4.8%	4.8%	-
Intl	501	608	-17.6%	-16.2%	-1.4%
WW	696	794	-12.3%	-11.2%	-1.1%
<b><u>ONCOLOGY</u></b>					
US	107	64	67.2%	67.2%	-
Intl	489	375	30.4%	33.7%	-3.3%
WW	596	439	35.8%	38.5%	-2.7%
<u>DOXIL/CAELYX</u>					
US	7	64	-89.1%	-89.1%	-
Intl	17	75	-77.3%	-76.2%	-1.1%
WW	24	139	-82.7%	-82.1%	-0.6%
<u>VELCADE</u>					
US	-	-	-	-	-
Intl	353	280	26.1%	29.3%	-3.2%
WW	353	280	26.1%	29.3%	-3.2%
<u>ZYTIGA</u>					
US	100	-	100.0	100.0	-
Intl	100	5	*	*	-1.9%
WW	200	5	*	*	-1.9%
<u>OTHER ONCOLOGY</u>					
US	-	-	-	-	-
Intl	19	15	26.7%	29.7%	-3.0%
WW	19	15	26.7%	29.7%	-3.0%

**REPORTED SALES vs. PRIOR PERIOD (\$MM)**

	FIRST QUARTER				
	2012	2011	% Change		
			Reported	Operational <sup>(1)</sup>	Currency
<b>TOTAL OTHER</b>					
US	\$ 550	579	-5.0%	-5.0%	-
Intl	690	785	-12.1%	-10.0%	-2.1%
WW	1,240	1,364	-9.1%	-7.9%	-1.2%
<u>ACIPHEX/PARIET</u>					
US	96	109	-11.9%	-11.9%	-
Intl	126	130	-3.1%	-	-3.1%
WW	222	239	-7.1%	-5.4%	-1.7%
<u>PROCIT/EPREX</u>					
US	204	190	7.4%	7.4%	-
Intl	172	207	-16.9%	-14.0%	-2.9%
WW	376	397	-5.3%	-3.8%	-1.5%
<u>OTHER</u>					
US	250	280	-10.7%	-10.7%	-
Intl	392	448	-12.5%	-11.1%	-1.4%
WW	642	728	-11.8%	-11.0%	-0.8%
<b><u>TOTAL PHARMACEUTICAL</u></b>					
US	3,026	3,391	-10.8%	-10.8%	-
Intl	3,107	2,668	16.5%	19.6%	-3.1%
WW	\$ 6,133	6,059	1.2%	2.6%	-1.4%

See footnotes at end of schedule

**REPORTED SALES vs. PRIOR PERIOD (\$MM)**

	FIRST QUARTER				
	2012	2011	% Change		
			Reported	Operational <sup>(1)</sup>	Currency
<b>MEDICAL DEVICES AND DIAGNOSTICS <sup>(2)(4)</sup></b>					
<u>CARDIOVASCULAR CARE</u>					
US	\$ 176	242	-27.3%	-27.3%	-
Intl	306	393	-22.1%	-21.2%	-0.9%
WW	482	635	-24.1%	-23.5%	-0.6%
<u>DIABETES CARE</u>					
US	352	311	13.2%	13.2%	-
Intl	318	326	-2.5%	0.2%	-2.7%
WW	670	637	5.2%	6.6%	-1.4%
<u>DIAGNOSTICS</u>					
US	253	265	-4.5%	-4.5%	-
Intl	259	256	1.2%	2.5%	-1.3%
WW	512	521	-1.7%	-1.1%	-0.6%
<u>GENERAL SURGERY</u>					
US	593	596	-0.5%	-0.5%	-
Intl	1,032	1,025	0.7%	2.6%	-1.9%
WW	1,625	1,621	0.2%	1.4%	-1.2%
<u>INFECTION PREVENTION/OTHER</u>					
US	116	95	22.1%	22.1%	-
Intl	128	121	5.8%	6.5%	-0.7%
WW	244	216	13.0%	13.4%	-0.4%
<u>ORTHOPAEDICS</u>					
US	783	811	-3.5%	-3.5%	-
Intl	710	692	2.6%	4.1%	-1.5%
WW	1,493	1,503	-0.7%	0.0%	-0.7%
<u>SPECIALTY SURGERY</u>					
US	327	296	10.5%	10.5%	-
Intl	301	281	7.1%	9.3%	-2.2%
WW	628	577	8.8%	9.9%	-1.1%
<u>VISION CARE</u>					
US	277	256	8.2%	8.2%	-
Intl	480	466	3.0%	2.6%	0.4%
WW	757	722	4.8%	4.5%	0.3%
<b><u>TOTAL MEDICAL DEVICES AND DIAGNOSTICS</u></b>					
US	2,877	2,872	0.2%	0.2%	-
Intl	3,534	3,560	-0.7%	0.7%	-1.4%
WW	\$ 6,411	6,432	-0.3%	0.5%	-0.8%

\* Percentage greater than 100%

(1) Operational growth excludes the effect of currency

(2) Select areas (unaudited)

(3) Reported as U.S. sales

(4) Prior year amounts have been reclassified to conform to current year product disclosure



News Provided by Acquire Media