



Johnson & Johnson Reports 2011 Second-Quarter Results:

Sales of \$16.6 Billion Increased 8.3% Versus 2010 Second-Quarter; Second Quarter EPS was \$1.00 Excluding Special Items, 2011 Second-Quarter EPS of \$1.28 Increased 5.8%*

NEW BRUNSWICK, N.J., July 19, 2011 /PRNewswire-FirstCall/ -- Johnson & Johnson (NYSE: JNJ) today announced sales of \$16.6 billion for the second quarter of 2011, an increase of 8.3% as compared to the second quarter of 2010. Operational results increased 2.6% and the positive impact of currency was 5.7%. Domestic sales increased 0.1%, while international sales increased 15.9%, reflecting operational growth of 4.9% and a positive currency impact of 11.0%.

Net earnings and diluted earnings per share for the second quarter of 2011 were \$2.8 billion and \$1.00, respectively. Second-quarter 2011 net earnings included an after-tax charge of \$549 million representing the previously announced restructuring by Cordis Corporation. Second-quarter 2011 net earnings also included a net after-tax charge of \$223 million representing the net impact of expenses related to litigation, additional DePuy ASR™ Hip recall costs, and an after-tax mark-to-market gain associated with the currency option related to the planned acquisition of Synthes, Inc. Second-quarter 2010 net earnings included an after-tax gain of \$67 million representing the net impact of litigation matters. Excluding these special items, net earnings for the current quarter were \$3.5 billion and diluted earnings per share were \$1.28, representing increases of 4.9% and 5.8%, respectively, as compared to the same period in 2010.*

The Company maintained its earnings guidance for full-year 2011 of \$4.90 - \$5.00 per share. The Company's guidance excludes the impact of special items.

"Our recently launched pharmaceutical products continued to achieve strong growth and contributed to our solid second quarter results. We received several new product approvals across our businesses which will benefit patients around the world and drive future growth," said William C. Weldon, Chairman and Chief Executive Officer. "We continue to invest in building leadership positions and capabilities, and our pending acquisition of Synthes demonstrates our ongoing commitment to serve patients while enhancing shareholder value," said Weldon.

Worldwide Consumer sales of \$3.8 billion for the second quarter represented an increase of 4.0% versus the prior year consisting of an operational decline of 1.8% and a positive impact from currency of 5.8%. Domestic sales decreased 8.5%; international sales increased 12.4%, which reflected an operational increase of 2.8% and a positive currency impact of 9.6%.

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

In July, the Company completed its acquisition of several over-the-counter cough and cold brands in Russia from J B Chemicals & Pharmaceuticals Limited.

Worldwide Pharmaceutical sales of \$6.2 billion for the second quarter represented an increase of 12.2% versus the prior year with operational growth of 7.0% and a positive impact from currency of 5.2%. Domestic sales increased 4.1%; international sales increased 22.6%, which reflected an operational increase of 10.7% and a positive currency impact of 11.9%.

Sales results include the strong performance of recently launched products, including STELARA® (ustekinumab), a biologic approved for the treatment of moderate to severe plaque psoriasis; ZYTIGA™ (abiraterone acetate), an oral, once-daily medication for use in combination with prednisone for the treatment of men with metastatic, castration-resistant prostate cancer; and INVEGA® SUSTENNA™ (paliperidone palmitate), a once-monthly, long-acting, injectable atypical antipsychotic for the acute and maintenance treatment of schizophrenia in adults.

Several other products also contributed to the operational sales growth including REMICADE® (infliximab), a biologic approved for the treatment of a number of immune mediated inflammatory diseases; vaccines, proteins and antibodies from Crucell that prevent and/or treat infectious diseases; PREZISTA® (darunavir), a treatment for HIV; CAELYX® (pegylated liposomal doxorubicin hydrochloride), a treatment for certain types of cancer; and VELCADE® (bortezomib), a treatment for multiple myeloma. Sales results for LEVAQUIN® (levofloxacin), a treatment for bacterial infections, were negatively impacted by slowing sales ahead of the loss of marketing exclusivity in the U.S. in June 2011.

During the quarter, the U.S. Food and Drug Administration (FDA) approved ZYTIGA™ (abiraterone acetate), an oral, once-daily medication for use in combination with prednisone for the treatment of men with metastatic, castration-resistant prostate cancer who have received prior chemotherapy containing docetaxel. The FDA also approved EDURANT™ (rilpivirine) tablets for use in combination with other antiretroviral agents in the treatment of human immunodeficiency virus type 1 (HIV-1) in adults who have never taken HIV therapy. In addition, the FDA approved XARELTO® (rivaroxaban tablets), a novel, and once-daily, oral anticoagulant for the prevention (prophylaxis) of deep vein thrombosis, a condition which may lead to a pulmonary embolism in patients undergoing knee or hip replacement surgery.

Also during the quarter, the Company filed a marketing authorization application with the European Medicines Agency for DACOGEN® (decitabine) for the treatment of acute myeloid leukemia.

In July, the Company completed the divestiture of its Animal Health business to Elanco, a division of Eli Lilly. Also in July, the Company

**Sales to customers
by
segment of business**

Consumer														
U.S.	\$	1,339	1,463	(8.5)	%	(8.5)	-	\$	2,684	3,023	(11.2)	%	(11.2)	-
International		2,454	2,184	12.4		2.8	9.6		4,791	4,390	9.1		2.6	6.5
		3,793	3,647	4.0		(1.8)	5.8		7,475	7,413	0.8		(3.0)	3.8
Pharmaceutical														
U.S.		3,239	3,110	4.1		4.1	-		6,630	6,316	5.0		5.0	-
International		2,994	2,443	22.6		10.7	11.9		5,662	4,875	16.1		8.9	7.2
		6,233	5,553	12.2		7.0	5.2		12,292	11,191	9.8		6.7	3.1
Med Devices & Diagnostics														
U.S.		2,869	2,865	0.1		0.1	-		5,741	5,751	(0.2)		(0.2)	-
International		3,702	3,265	13.4		2.2	11.2		7,262	6,606	9.9		2.5	7.4
		6,571	6,130	7.2		1.3	5.9		13,003	12,357	5.2		1.3	3.9
U.S.		7,447	7,438	0.1		0.1	-		15,055	15,090	(0.2)		(0.2)	-
International		9,150	7,892	15.9		4.9	11.0		17,715	15,871	11.6		4.6	7.0
Worldwide	\$	16,597	15,330	8.3	%	2.6	5.7	\$	32,770	30,961	5.8	%	2.2	3.6

Johnson & Johnson and Subsidiaries

Supplementary Sales Data

(Unaudited; Dollars in Millions)

	SECOND QUARTER						SIX MONTHS							
	2011	2010	Percent Change			2011	2010	Percent Change						
			Total	Operations	Currency			Total	Operations	Currency				
Sales to customers by geographic area														
U.S.	\$	7,447	7,438	0.1	%	0.1	-	\$	15,055	15,090	(0.2)	%	(0.2)	-
Europe		4,543	3,832	18.6		5.4	13.2		8,726	7,934	10.0		3.6	6.4
Western Hemisphere excluding U.S.		1,543	1,375	12.2		5.3	6.9		2,979	2,655	12.2		6.2	6.0
Asia-Pacific, Africa		3,064	2,685	14.1		4.2	9.9		6,010	5,282	13.8		5.2	8.6
International		9,150	7,892	15.9		4.9	11.0		17,715	15,871	11.6		4.6	7.0
Worldwide	\$	16,597	15,330	8.3	%	2.6	5.7	\$	32,770	30,961	5.8	%	2.2	3.6

Johnson & Johnson and Subsidiaries

Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

	SECOND QUARTER						
	2011			2010			Percent Increase (Decrease)
	Amount	Percent to Sales		Amount	Percent to Sales		
Sales to customers	\$	16,597	100.0	\$	15,330	100.0	8.3
Cost of products sold		5,172	31.2		4,630	30.2	11.7
Selling, marketing and administrative expenses		5,215	31.4		4,756	31.0	9.7
Research and development expense		1,882	11.3		1,648	10.8	14.2
Interest (income)expense, net		111	0.7		58	0.4	
Other (income)expense, net		206	1.3		18	0.1	
Restructuring expense		589	3.5		-	-	
Earnings before provision for taxes on income		3,422	20.6		4,220	27.5	(18.9)
Provision for taxes on income		646	3.9		771	5.0	(16.2)

Net earnings	\$ 2,776	16.7	\$ 3,449	22.5	(19.5)
Net earnings per share (Diluted)	\$ 1.00		\$ 1.23		(18.7)
Average shares outstanding (Diluted)	2,781.3		2,796.0		
Effective tax rate	18.9 %		18.3 %		

Adjusted earnings before provision for taxes and net earnings							
Earnings before provision for taxes on income	\$ 4,413	(1)	26.6	\$ 4,377	(2)	28.6	0.8
Net earnings	\$ 3,548	(1)	21.4	\$ 3,382	(2)	22.1	4.9
Net earnings per share (Diluted)	\$ 1.28	(1)		\$ 1.21	(2)		5.8
Effective tax rate	19.6 %			22.7 %			

(1) The \$991 million difference between as reported earnings and as adjusted earnings before provision for taxes on income is the exclusion of expense due to restructuring (\$676 million, of which \$589 million is reported as restructuring expense and \$87 million is included in cost of products sold), expense due to litigation matters (\$363 million), additional DePuy ASR™ Hip recall costs (\$54 million) and a mark-to-market gain associated with a currency option related to the planned acquisition of Synthes (\$102 million). Net earnings and net earnings per share (diluted) on these items are \$772 million and \$0.28 per share, respectively.

(2) The difference between as reported and as adjusted earnings before provision for taxes on income, net earnings and net earnings per share (diluted) is the exclusion of net litigation expense of \$157 million before tax, net litigation income of \$67 million after tax and \$0.02 per share, respectively.

Johnson & Johnson and Subsidiaries

Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

SIX MONTHS

	2011		2010		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 32,770	100.0	\$ 30,961	100.0	5.8
Cost of products sold	9,950	30.4	9,158	29.6	8.6
Selling, marketing and administrative expenses	10,271	31.3	9,535	30.8	7.7
Research and development expense	3,620	11.0	3,205	10.4	12.9
Interest (income)expense, net	215	0.7	139	0.4	
Other (income)expense, net	193	0.6	(1,576)	(5.1)	
Restructuring expense	589	1.8	-	-	
Earnings before provision for taxes on income	7,932	24.2	10,500	33.9	(24.5)
Provision for taxes on income	1,680	5.1	2,525	8.1	(33.5)
Net earnings	\$ 6,252	19.1	\$ 7,975	25.8	(21.6)
Net earnings per share (Diluted)	\$ 2.25		\$ 2.85		(21.1)
Average shares outstanding (Diluted)	2,778.1		2,796.1		
Effective tax rate	21.2 %		24.0 %		

Adjusted earnings before provision for taxes and net earnings							
Earnings before provision for taxes on income	\$ 9,269	(1)	28.3	\$ 9,160	(2)	29.6	1.2
Net earnings	\$ 7,295	(1)	22.3	\$ 6,998	(2)	22.6	4.2
Net earnings per share (Diluted)	\$ 2.63	(1)		\$ 2.50	(2)		5.2
Effective tax rate	21.3 %			23.6 %			

(1) The \$1,337 million difference between as reported earnings and as adjusted earnings before provision for taxes on income is the exclusion of expense due to restructuring (\$676 million, of which \$589 million is reported as restructuring expense and \$87 million is included in cost of products sold), expense due to litigation matters (\$654 million), additional DePuy ASR™ Hip recall costs (\$109 million) and a mark-to-market gain associated with a currency option related to the planned acquisition of Synthes (\$102 million). Net earnings and net earnings per share (diluted) on these items are \$1,043 million and \$0.38 per share, respectively.

(2) The difference between as reported earnings and as adjusted earnings before provision for taxes on income, net earnings and net earnings per share (diluted) is the exclusion of income from net litigation of \$1,340 million, \$977 million and \$0.35 per share, respectively.

REPORTED SALES vs. PRIOR PERIOD (\$MM)

	SECOND QUARTER					SIX MONTHS				
	2011	2010	% Change			2011	2010	% Change		
			Reported	Operational (1)	Currency			Reported	Operational (1)	Currency
CONSUMER SEGMENT (2)										
<u>BABY CARE</u>										
US	105	99	6.1%	6.1%	-	210	202	4.0%	4.0%	-
Intl	493	438	12.6%	5.0%	7.6%	949	864	9.8%	4.1%	5.7%
WW	598	537	11.4%	5.2%	6.2%	1,159	1,066	8.7%	4.1%	4.6%
<u>ORAL CARE</u>										
US	158	148	6.8%	6.8%	-	321	322	-0.3%	-0.3%	-
Intl	241	224	7.6%	-2.1%	9.7%	469	431	8.8%	1.6%	7.2%
WW	399	372	7.3%	1.5%	5.8%	790	753	4.9%	0.8%	4.1%
<u>OTC/NUTRITIONALS</u>										
US	330	492	-32.9%	-32.9%	-	727	1,034	-29.7%	-29.7%	-
Intl	753	649	16.0%	4.8%	11.2%	1,485	1,314	13.0%	5.8%	7.2%
WW	1,083	1,141	-5.1%	-11.5%	6.4%	2,212	2,348	-5.8%	-9.8%	4.0%
<u>SKIN CARE</u>										
US	449	422	6.4%	6.4%	-	875	874	0.1%	0.1%	-
Intl	480	421	14.0%	4.3%	9.7%	953	889	7.2%	1.1%	6.1%
WW	929	843	10.2%	5.3%	4.9%	1,828	1,763	3.7%	0.6%	3.1%
<u>WOMEN'S HEALTH</u>										
US	121	137	-11.7%	-11.7%	-	246	283	-13.1%	-13.1%	-
Intl	356	329	8.2%	-0.9%	9.1%	690	652	5.8%	-0.1%	5.9%
WW	477	466	2.4%	-4.0%	6.4%	936	935	0.1%	-4.0%	4.1%
<u>WOUND CARE/OTHER</u>										
US	176	165	6.7%	6.7%	-	305	308	-1.0%	-1.0%	-
Intl	131	123	6.5%	-3.3%	9.8%	245	240	2.1%	-4.6%	6.7%
WW	307	288	6.6%	2.8%	3.8%	550	548	0.4%	-2.7%	3.1%
TOTAL CONSUMER										
US	1,339	1,463	-8.5%	-8.5%	-	2,684	3,023	-11.2%	-11.2%	-
Intl	2,454	2,184	12.4%	2.8%	9.6%	4,791	4,390	9.1%	2.6%	6.5%
WW	3,793	3,647	4.0%	-1.8%	5.8%	7,475	7,413	0.8%	-3.0%	3.8%

See footnotes at end of schedule

REPORTED SALES vs. PRIOR PERIOD (\$MM)

	SECOND QUARTER					SIX MONTHS				
	2011	2010	% Change			2011	2010	% Change		
			Reported	Operational (1)	Currency			Reported	Operational (1)	Currency
PHARMACEUTICAL SEGMENT (2) (4)										
<u>ACIPHEX/PARIET</u>										
US	101	121	-16.5%	-16.5%	-	210	240	-12.5%	-12.5%	-
Intl	146	133	9.8%	-2.7%	12.5%	276	274	0.7%	-5.9%	6.6%
WW	247	254	-2.8%	-9.4%	6.6%	486	514	-5.4%	-8.9%	3.5%
<u>CONCERTA/METHYLPHENIDATE</u>										
US	234	223	4.9%	4.9%	-	488	454	7.5%	7.5%	-
Intl	115	100	15.0%	3.6%	11.4%	223	198	12.6%	4.9%	7.7%
WW	349	323	8.0%	4.5%	3.5%	711	652	9.0%	6.7%	2.3%
<u>DOXIL/CAELYX</u>										
US	56	78	-28.2%	-28.2%	-	120	150	-20.0%	-20.0%	-
Intl	82	10	*	*	11.0%	157	18	*	*	7.0%
WW	138	88	56.8%	50.3%	6.5%	277	168	64.9%	60.9%	4.0%
<u>DURAGESIC/FENTANYL TRANSDERMAL</u>										
US	34	37	-8.1%	-8.1%	-	38	75	-49.3%	-49.3%	-
Intl	133	147	-9.5%	-19.8%	10.3%	256	293	-12.6%	-19.3%	6.7%

WW	167	184	-9.2%	-17.4%	8.2%	294	368	-20.1%	-25.4%	5.3%
<u>LEVAQUIN/FLOXIN</u>										
US	149	289	-48.4%	-48.4%	-	571	652	-12.4%	-12.4%	-
Intl	10	11	-9.1%	-13.3%	4.2%	22	19	15.8%	11.0%	4.8%
WW	159	300	-47.0%	-47.2%	0.2%	593	671	-11.6%	-11.7%	0.1%
<u>PREZISTA</u>										
US	128	99	29.3%	29.3%	-	254	188	35.1%	35.1%	-
Intl	185	105	76.2%	65.9%	10.3%	325	203	60.1%	54.3%	5.8%
WW	313	204	53.4%	47.3%	6.1%	579	391	48.1%	44.8%	3.3%
<u>PROCRIT/EPREX</u>										
US	257	306	-16.0%	-16.0%	-	447	596	-25.0%	-25.0%	-
Intl	218	220	-0.9%	-11.2%	10.3%	425	453	-6.2%	-11.8%	5.6%
WW	475	526	-9.7%	-14.0%	4.3%	872	1,049	-16.9%	-19.3%	2.4%
<u>REMICADE</u>										
US	836	783	6.8%	6.8%	-	1,624	1,563	3.9%	3.9%	-
US Exports (3)	527	341	54.5%	54.5%	-	1,017	741	37.2%	37.2%	-
Intl	8	6	33.3%	33.3%	0.0%	15	12	25.0%	25.0%	0.0%
WW	1,371	1,130	21.3%	21.3%	0.0%	2,656	2,316	14.7%	14.7%	0.0%
<u>RISPERDAL/RISPERIDONE</u>										
US	11	(17)	-	-	-	19	(12)	-	-	-
Intl	128	134	-4.5%	-14.1%	9.6%	247	267	-7.5%	-14.4%	6.9%
WW	139	117	18.8%	7.8%	11.0%	266	255	4.3%	-3.0%	7.3%
<u>RISPERDAL CONSTA</u>										
US	110	115	-4.3%	-4.3%	-	224	232	-3.4%	-3.4%	-
Intl	294	240	22.5%	8.7%	13.8%	584	502	16.3%	8.9%	7.4%
WW	404	355	13.8%	4.5%	9.3%	808	734	10.1%	5.0%	5.1%
<u>TOPAMAX</u>										
US	41	59	-30.5%	-30.5%	-	91	116	-21.6%	-21.6%	-
Intl	80	83	-3.6%	-13.2%	9.6%	159	174	-8.6%	-13.8%	5.2%
WW	121	142	-14.8%	-20.4%	5.6%	250	290	-13.8%	-16.9%	3.1%
<u>VELCADE</u>										
US	-	-	-	-	-	-	-	-	-	-
Intl	347	286	21.3%	10.0%	11.3%	627	547	14.6%	7.9%	6.7%
WW	347	286	21.3%	10.0%	11.3%	627	547	14.6%	7.9%	6.7%
<u>OTHER</u>										
US	755	676	11.7%	11.7%	-	1,527	1,321	15.6%	15.6%	-
Intl	1,248	968	28.9%	17.6%	11.3%	2,346	1,915	22.5%	15.2%	7.3%
WW	2,003	1,644	21.8%	15.2%	6.6%	3,873	3,236	19.7%	15.4%	4.3%
<u>TOTAL PHARMACEUTICAL</u>										
US	3,239	3,110	4.1%	4.1%	-	6,630	6,316	5.0%	5.0%	-
Intl	2,994	2,443	22.6%	10.7%	11.9%	5,662	4,875	16.1%	8.9%	7.2%
WW	6,233	5,553	12.2%	7.0%	5.2%	12,292	11,191	9.8%	6.7%	3.1%

See footnotes at end of schedule

REPORTED SALES vs. PRIOR PERIOD (\$MM)

	SECOND QUARTER			SIX MONTHS		
	2011	2010	Total % Change	2011	2010	Total % Change
MAJOR NEW PHARM PRODUCTS (4)						
(INCLUDED IN OTHER)						
<u>INTELENCE</u>						
US	38	32	18.8%	76	63	20.6%
Intl	41	24	70.8%	72	48	50.0%
WW	79	56	41.1%	148	111	33.3%
<u>INVEGA</u>						
US	76	68	11.8%	145	137	5.8%
Intl	52	34	52.9%	103	73	41.1%
WW	128	102	25.5%	248	210	18.1%
<u>SIMPONI</u>						
US	61	47	29.8%	114	86	32.6%

Intl	6	12	-50.0%	48	15	220.0%
WW	67	59	13.6%	162	101	60.4%
<u>STELARA</u>						
US	100	49	104.1%	205	105	95.2%
Intl	76	37	105.4%	137	68	101.5%
WW	176	86	104.7%	342	173	97.7%

See footnotes at end of schedule

REPORTED SALES vs. PRIOR PERIOD (\$MM)

	SECOND QUARTER					SIX MONTHS				
	2011	2010	Reported	% Change		2011	2010	Reported	% Change	
				Operational (1)	Currency				Operational (1)	Currency
MEDICAL DEVICES AND DIAGNOSTICS (2)										
<u>CARDIOVASCULAR CARE (5)</u>										
US	210	265	-20.8%	-20.8%	-	452	516	-12.4%	-12.4%	-
Intl	377	390	-3.3%	-12.9%	9.6%	770	811	-5.1%	-11.4%	6.3%
WW	587	655	-10.4%	-16.1%	5.7%	1,222	1,327	-7.9%	-11.7%	3.8%
<u>DEPUY</u>										
US	770	776	-0.8%	-0.8%	-	1,581	1,590	-0.6%	-0.6%	-
Intl	699	599	16.7%	4.0%	12.7%	1,391	1,239	12.3%	4.2%	8.1%
WW	1,469	1,375	6.8%	1.3%	5.5%	2,972	2,829	5.1%	1.5%	3.6%
<u>DIABETES CARE</u>										
US	333	313	6.4%	6.4%	-	644	603	6.8%	6.8%	-
Intl	348	303	14.9%	4.1%	10.8%	674	610	10.5%	4.5%	6.0%
WW	681	616	10.6%	5.3%	5.3%	1,318	1,213	8.7%	5.7%	3.0%
<u>ETHICON</u>										
US	540	509	6.1%	6.1%	-	1,056	1,019	3.6%	3.6%	-
Intl	717	623	15.1%	4.2%	10.9%	1,394	1,260	10.6%	3.7%	6.9%
WW	1,257	1,132	11.0%	5.0%	6.0%	2,450	2,279	7.5%	3.7%	3.8%
<u>ETHICON ENDO-SURGERY</u>										
US	490	507	-3.4%	-3.4%	-	961	990	-2.9%	-2.9%	-
Intl	805	689	16.8%	5.5%	11.3%	1,555	1,374	13.2%	5.8%	7.4%
WW	1,295	1,196	8.3%	1.8%	6.5%	2,516	2,364	6.4%	2.1%	4.3%
<u>ORTHO-CLINICAL DIAGNOSTICS</u>										
US	281	264	6.4%	6.4%	-	546	552	-1.1%	-1.1%	-
Intl	269	230	17.0%	6.4%	10.6%	525	467	12.4%	5.2%	7.2%
WW	550	494	11.3%	6.4%	4.9%	1,071	1,019	5.1%	1.8%	3.3%
<u>VISION CARE</u>										
US	245	232	5.6%	5.6%	-	501	481	4.2%	4.2%	-
Intl	487	430	13.3%	2.1%	11.2%	953	845	12.8%	4.0%	8.8%
WW	732	662	10.6%	3.3%	7.3%	1,454	1,326	9.7%	4.1%	5.6%
TOTAL MEDICAL DEVICES AND DIAGNOSTICS										
US	2,869	2,865	0.1%	0.1%	-	5,741	5,751	-0.2%	-0.2%	-
Intl	3,702	3,265	13.4%	2.2%	11.2%	7,262	6,606	9.9%	2.5%	7.4%
WW	6,571	6,130	7.2%	1.3%	5.9%	13,003	12,357	5.2%	1.3%	3.9%

* Percentage greater than 100%

(1) Operational growth excludes the effect of currency

(2) Select areas (unaudited)

(3) Reported in U.S. sales

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

(5) Previously Cordis

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

Second Quarter

% Incr. /

Six Months YTD

% Incr. /

<i>(Dollars in Millions Except Per Share Data)</i>	2011	2010	(Decr.)		2011	2010	(Decr.)	
Earnings before provision for taxes on income - as reported	\$ 3,422	4,220	(18.9)	%	\$ 7,932	10,500	(24.5)	%
Restructuring - Cordis	676	-			676	-		
Net Litigation Settlements Loss (Gain)/Other*	315	157			661	(1,340)		
Earnings before provision for taxes on income - as adjusted	\$ 4,413	4,377	0.8	%	\$ 9,269	9,160	1.2	%
Net Earnings - as reported	\$ 2,776	3,449	(19.5)	%	\$ 6,252	7,975	(21.6)	%
Restructuring - Cordis	549	-			549	-		
Net Litigation Settlements Loss (Gain)/Other*	223	(67)			494	(977)		
Net Earnings - as adjusted	\$ 3,548	3,382	4.9	%	\$ 7,295	6,998	4.2	%
Diluted Net earnings per share - as reported	\$ 1.00	1.23	(18.7)	%	\$ 2.25	2.85	(21.1)	%
Restructuring - Cordis	0.20	-			0.20	-		
Net Litigation Settlements Loss (Gain)/Other*	0.08	(0.02)			0.18	(0.35)		
Diluted Net earnings per share - as adjusted	\$ 1.28	1.21	5.8	%	\$ 2.63	2.50	5.2	%

* In 2011, Other includes additional DePuy ASRTM Hip recall costs and a mark-to-market gain associated with a currency option related to the planned acquisition of Synthes.

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.

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