

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

<i>(Dollars in Millions Except Per Share Data)</i>	First Quarter		'07 vs. '06 % Change
	2007	2006	
Net Earnings - as reported	\$ 2,573	3,305	-22.1%
In-process research & development (IPR&D) charges	807	29	
Guidant acquisition agreement termination fee	-	(368)	
Net Earnings - as adjusted	<u>\$ 3,380</u>	<u>2,966</u>	<u>14.0%</u>
Diluted net earnings per share - as reported	\$ 0.88	1.10	-20.0%
IPR&D charges	0.28	0.01	
Guidant acquisition agreement termination fee	-	(0.12)	
Diluted net earnings per share - as adjusted	<u>\$ 1.16</u>	<u>0.99</u>	<u>17.2%</u>

Net earnings and diluted earnings per share excluding IPR&D charges and the Guidant acquisition agreement termination fee are non-GAAP financial measures and should not be considered replacements for GAAP results.

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 these special items in order to evaluate ongoing business operations.

Johnson & Johnson
2007 Q1 As Reported and Pro-Forma Net Trade Sales
Reported and Operational Growth Rates

	Reported Growth		Pro-Forma Growth ¹	
	Total%	Oper. %	Total%	Oper. %
Skin Care	16%	13	10%	7
Baby & Kids Care	10	6	8	5
Oral Care	285	283	13	11
OTC / Nutritionals	92	90	12	9
Women's Health	6	3	0	(3)
Consumer Segment Worldwide	49%	46	10%	7
Worldwide	16%	13	9%	6

1)The calculation for 2007 pro-forma growth includes the consumer products acquired from Pfizer Inc. on December 20, 2006, and excludes Johnson & Johnson divestitures related to that transaction for the full year.