Safe Harbor Statement

This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. 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 Johnson & Johnson's expectations and projections.

Risks and uncertainties include general industry conditions and competition; economic conditions, such as interest rate and currency exchange rate fluctuations; technological advances and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approvals; domestic and foreign health care reforms and governmental laws and regulations; and trends toward health care cost containment.

A further list and description of these risks, uncertainties and other factors can be found in Exhibit 99 of the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 2007. Copies of this Form 10-K, as well as subsequent filings, are available online at www.sec.gov, 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.
Content Overview

• Operating Model
• Historical Performance
• Segment Overview
• Fourth Quarter 2008 Results
• Summary
STRATEGIC PRINCIPLES
Operating Model

• Broadly Based in Human Health Care
• Managed for the Long Term
• Decentralized Management Approach
• People and Values
Broadly Based- World’s Most Comprehensive Health Care Company

- 2008 Sales of $63.7 Billion
- Over 250 operating companies worldwide
- Leadership positions in ethical and OTC pharmaceuticals, medical/surgical products, diagnostics and a variety of consumer products
Segment Operating Profit*

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharam</td>
<td>$7.6</td>
<td>$7.6</td>
</tr>
<tr>
<td>MD&amp;D</td>
<td>$7.6</td>
<td>$7.6</td>
</tr>
<tr>
<td>Consumer</td>
<td>$6.0</td>
<td>$7.0</td>
</tr>
</tbody>
</table>

% to Sales

- 2007: 26.0%
- 2008: 27.1%

*Non-GAAP measure; excludes IPR&D charges and other special items
Broadly Based – A Strategic Advantage

- Rapidly capitalize on attractive opportunities
- Knowledge and capability transfer
- Development of converging technologies
- Accelerating growth through geographic breadth
- Leveraging scale
Operating Model

• Broadly Based in Human Health Care
• Managed for the Long Term
• Decentralized Management Approach
• People and Values
Leadership in Major Markets

Johnson & Johnson
#1 or #2

- Anti-Anemia
- Antipsychotics (Injectables)
- Anti-TNF
- Hormonal Contraceptives
- Quinolone Anti-Infective
- Coronary Stents
- Minimally Invasive Surgery
- Orthopaedics
- Sutures
- Psychostimulants
- Lo-Cal Sweeteners
- Blood Glucose Monitoring
- Blood Screening & Typing
- Electrophysiology diagnostics & catheters
- Disposable Contact Lenses
- OTC Pharmaceuticals
- Sanitary Protection
- Wound Care
- Baby & Kids Care

*As of Dec 2008
Growth Strategies

• **Organic growth**
  – Strong internal R&D capability
  – Nurture new businesses; Prune where appropriate

• **Strategic partnering and licensing**

• **Selective acquisitions**
  – Enhance existing business
  – New platforms for growth
1998–2008 Total Research Expense
$U.S. Billions

The company has adopted SFAS No. 123(R) Shared Based Payment, applying the modified retrospective transition method. 1997-2005 reported financial statements have been restated accordingly.
Partner of Choice

• Over 100 new third party relationships annually
• In house venture capital (JJDC)
• Focus on early stage product development
Strategic moves to enhance our growth rate and create long-term value for our shareholders

Typically modest in size

- **Omrix Biopharmaceuticals (12/08)** – a fully-integrated biopharmaceutical company that develops and markets biosurgical and immunotherapy products.

- **LGE Performance Systems (12/08)** – a privately held company known as Human Performance Institute which develops science-based training programs to improve employee engagement and productivity.

- **HealthMedia, Inc (10/08)** - a privately held provider of scalable and tailored web-based behavior change interventions that emulate a health-coaching session and deliver measurable outcomes.

- **Surg RX, Inc (8/08)** - a privately held developer of the advanced bipolar tissue sealing system used in the ENSEAL® family of devices.

- **Beijing Dabao Cosmetics Co., Ltd (7/08)** – Johnson & Johnson (China) Investment Co. Ltd. acquired Beijing Dabao Cosmetics Company, Ltd, a personal care company with China’s #1 brand moisturizer.

- **Åmic (6/08)** - a privately held Swedish developer of in vitro diagnostic (IVD) technologies for use in Point-of-Care (POC) and near-patient settings.
Mergers & Acquisitions – Recent Examples

- **Disc-O-Tech Medical Technologies, Ltd. (12/07)** - Acquisition of certain assets, including intellectual property rights, related to the treatment of vertebral compression fractures from Disco-o-Tech Medical Technologies, a privately held company, and its subsidiary.

- **ColBar LifeScience Ltd. (7/06)** - Acquisition of ColBar LifeScience, an Israeli venture-backed, privately held medical device company with expertise in collagen-based products.

- **Vascular Control Systems (5/06)** - Acquired a venture funded privately held company that developed technology that will be used for the treatment of fibroids and dysfunctional uterine bleeding.

- **Groupe Vendome SA (5/06)** - Johnson & Johnson Consumer France SAS acquired Groupe Vendome, a privately held French marketer of adult and baby skin care products.

- **Animas Corporation (2/06)** - Acquisition of Animas Corporation, an insulin delivery company, affords LifeScan, Inc. immediate entry into the fast-growing insulin delivery pump market.

- **Hand Innovations, LLC (1/06)** - DePuy acquired Hand Innovations LLC, a developer and marketer of upper extremity trauma products. The acquisition will allow DePuy to establish a presence in the treatment of hand and wrist fractures.
Mergers & Acquisitions
Occasionally Substantial

- Conor Medsystems, Inc. (2/07 - $1.4B) - Cardiovascular device company with unique controlled drug delivery technology
- Pfizer Consumer Healthcare (12/06 - $16.6B) - Global business of personal care and over-the-counter (OTC) products
- Scios Inc. (4/03 - $2.4B) – A biopharmaceutical company with a marketed product (NATRECOR®) for cardiovascular disease and research projects focused on auto-immune diseases
- ALZA Corporation (6/01 - $12.3B) - Research-based pharmaceutical company with leading drug delivery technologies
- Centocor, Inc. (10/99 - $4.9B) - Leader in monoclonal antibody technology, acute vascular care and immunology products
- DePuy, Inc. (11/98 - $3.7B) - Combined with existing orthopaedics business established Johnson & Johnson as the leader in third largest medical device category
Operating Model

- Broadly Based in Human Health Care
- Managed for the Long Term
- Decentralized Management Approach
- People and Values
Decentralized Management Approach

• Most effective management structure for our broadly based business

• Fosters engagement
  – Sense of ownership
  – Entrepreneurship
  – Collaboration

• Enables customer and patient-focused decision making
Operating Model

• Broadly Based in Human Health Care
• Managed for the Long Term
• Decentralized Management Approach
• People and Values
Our Credo

We believe our first responsibility is to the doctors, nurses and patients, to mothers and fathers and all others who use our products and services. In meeting their needs everything we do must be of high quality. We must constantly strive to reduce our costs in order to maintain reasonable prices. Customers’ orders must be serviced promptly and accurately. Our suppliers and distributors must have an opportunity to make a fair profit.

We are responsible to our employees, the men and women who work with us throughout the world. Everyone must be considered as an individual. We must respect their dignity and recognize their merit. They must have a sense of security in their jobs. Compensation must be fair and adequate, and working conditions clean, orderly and safe. We must be mindful of ways to help our employees fulfill complaints. There must be equal opportunity for employment, development and advancement for those qualified. We must provide competent management, and their actions must be just and ethical.

We are responsible to the communities in which we live and work and to the world community as well. We must be good citizens — support good works and charities and bear our fair share of taxes. We must encourage civic improvement and better health education. We must maintain in good order the property we are privileged to use, protecting the environment and natural resources.

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. New equipment must be purchased, new facilities provided and new products launched. Reserves must be created to provide for adverse times. When we operate according to these principles, the stockholders should realize a fair return.

The Four Tenets

- Customers
- Employees
- Community
- Stockholders
HISTORICAL PERFORMANCE
Worldwide Net Trade Sales
2008 Sales By Geographic Area

- Europe: $16.8B (26%)
- W. Hemisphere: $5.1B (8%)
- Asia-Pacific, Africa: $9.5B (15%)
- U.S.: $32.3B (51%)
2008 Sales by Segment
Total Sales $63.7 Billion

- MD&D $23.1B 36%
- Consumer $16.0B 25%
- Pharmaceuticals $24.6B 39%
Operating Cash Flow $15.0B
Free Cash Flow* $11.9B
Net Cash/(Debt) Position $1.0B

One of Only 5 U.S. Industrial Companies With Triple A Credit Rating

*Non-GAAP financial measure: defined as operating cash flow less capital spending.
**Johnson & Johnson**

- 76 Consecutive years of Sales increases
- 25 Consecutive years of Earnings increases (1)
- 46 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 Growth(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>+10.5</td>
<td>+10.9%</td>
<td>+10.6%</td>
</tr>
<tr>
<td>50</td>
<td>+11.2</td>
<td>+11.7</td>
<td>+14.5</td>
</tr>
<tr>
<td>20</td>
<td>+10.3</td>
<td>+10.4</td>
<td>+13.8</td>
</tr>
<tr>
<td>10</td>
<td>+10.3</td>
<td>+9.6</td>
<td>+13.2</td>
</tr>
<tr>
<td>5</td>
<td>+8.8</td>
<td>+6.8</td>
<td>+11.1</td>
</tr>
<tr>
<td>1</td>
<td>+4.3</td>
<td>+1.9</td>
<td>+6.8</td>
</tr>
</tbody>
</table>

(1) Non GAAP; excludes In-process R&D and other special items

Through 12/31/08
## Total Shareholder Returns*

* Assumes that all dividends are reinvested

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>3</th>
<th>5</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Johnson &amp; Johnson</strong></td>
<td>-7.8%</td>
<td>2.4%</td>
<td>5.4%</td>
<td>5.6%</td>
</tr>
<tr>
<td><strong>S&amp;P 500</strong></td>
<td>-37.0%</td>
<td>-8.4%</td>
<td>-2.2%</td>
<td>-1.4%</td>
</tr>
<tr>
<td><strong>S&amp;P Pharmaceutical</strong></td>
<td>-18.2%</td>
<td>-0.3%</td>
<td>-2.4%</td>
<td>-2.3%</td>
</tr>
<tr>
<td><strong>S&amp;P H/C Equipment</strong></td>
<td>-31.9%</td>
<td>-4.1%</td>
<td>-1.1%</td>
<td>1.7%</td>
</tr>
</tbody>
</table>
The company has adopted SFAS No. 123(R) Shared Based Payment, applying the modified retrospective transition method. 1997-2005 reported financial statements have been restated accordingly.
The company has adopted SFAS No. 123(R) Shared Based Payment, applying the modified retrospective transition method. 1997-2005 reported financial statements have been restated accordingly.
SEGMENT OVERVIEW
Consumer Segment Overview

- Worldwide annual sales in 2008 of $16.0 billion
- Principal products in:
  - Over-the-Counter Pharmaceuticals and Nutritionals
  - Skin Care
  - Baby & Kids Care
  - Wound Care
  - Oral Care
  - Women’s Health
- Integration of Pfizer Consumer Healthcare (PCH) remains on track
Consumer Segment Sales – Major Franchise & Operational Growth Rates

2008 Sales: $16.0 Billion
2008 Ops Growth Rate: 8.3%

$ U.S. Billions

- Skin Care: $3.4 Billion (+8%)
- McNeil OTC & Nutritionals: $5.9 Billion (+13%)
- Oral Care: $1.6 Billion (+7%)
- Women's Health: $1.9 Billion (+2%)
- Baby Care: $2.2 Billion (+8%)
- All Other: $1.0 Billion (2%)
Medical Devices & Diagnostics
Segment Overview

• Worldwide annual sales in 2008 of $23.1 billion
• Largest medical device company in the world
• Global presence in medical, surgical and diagnostic categories
• 7 large franchises
• 80% of sales coming from #1 or #2 market position
MD&D Major Franchise Sales & Operational Growth Rates

2008 Sales: $23.1 Billion
2008 Ops Growth Rate: 3.5%

$ U.S. Billions

- Diabetes Care: $2.5 billion (+9%)
- Vision Care: $2.5 billion (+9%)
- OCD: $1.8 billion (+5%)
- EES: $4.3 billion (+9%)
- Vision Care: $3.9 billion (+4%)
- DePuy: $5.0 billion (+7%)
- Cordis: $3.1 billion (12%)

Diabetes Care
Vision Care
OCD
EES
Vision Care
DePuy
Cordis
MD&D- 2008 Product Launches & Extensions

• REALIZE Adjustable Gastric Band
• CONFIDENCE Spinal Cement System
• TRI-LOCK Hip Stem with GRIPTION
• SIGMA Knee Instruments
• New HARMONIC Energy Devices

• ONETOUCHE PING
• ONETOUCHE VITA
• ACUVUE Tru Eye
• ACUVUE OASYS for Astigmatism
Pharmaceutical Segment Overview

- Worldwide annual sales in 2008 of $24.6 billion
- Over 100 drugs marketed in approximately 125 countries
- Nine products with revenues over $1 billion
- Robust R&D pipeline
- Key licensing & strategic partnerships
Pharmaceuticals Segment

- Leading in Research capabilities
  - Biologics
  - Small molecules
  - Drug delivery, form & formulations

- World-class global operations

- Outcomes based development

- Innovative technologies
Pharmaceutical Segment Sales –
Major Products & Operational Growth Rates

2008 Sales: $24.6 Billion
2008 Ops Growth Rate: (3.1)%

$ U.S. Billions

- CONCERTA: $2.1 billion (39%)
- ACIPHEX/PARIET: $1.2 billion (17%)
- DURAGESIC: $1.0 billion (15%)
- LEVAQUIN/FLOXIN: $1.6 billion (3%)
- VELCADE: $0.8 billion (+41%)
- RAZYDYNE/REMINYL: $0.5 billion (+1.7%)
- TOPAMAX: $3.7 billion (+13%)
- REMICADE: $2.7 billion (+11%)
- EPREX/PROCRIT: $2.5 billion (17%)
- Other: $5.8 billion (+5%)

RISPERDAL
CONSTA
RISPERDAL

- CONCERTA includes $135 pertaining to Canadian Gross to Net Adjustment; excluding this, ops growth would be 10.4%

Note: For presentation purposes, all products have been rounded to billions.
Recent Pharmaceutical Approvals

- Tapentadol Immediate Release - relief of moderate to severe acute pain in adults 18 years of age or older (US 11/08)
- PREZISTA - expanded indication for once-daily dosing as part of HIV combination therapy in treatment-naïve adults and traditional approval as twice-daily for use in treatment-experienced adult patients (US 10/08); full approval in combination with ritonavir and other antiretroviral medicinal products for the treatment of HIV-1 infection and extended indication to include all treatment-experienced adult patients. (EU 12/08, US 10/08)
- RISPERDAL CONSTA - deltoid injection site (US 10/08)
- VELCADE- Multiple Myeloma First Line Treatment (EU 9/08)
- TOPAMAX - Pediatric Exclusivity (US 7/08)
- CONCERTA (6/08)- treatment of Attention Deficit Hyperactivity Disorder in adults ages 18 to 65.
- INTELENCE- treatment of human immunodeficiency virus type 1 (HIV-1) infection in antiretroviral treatment-experienced adult patients (US 1/08; EU 8/08)
- DORIBAX - treatment for complicated intra-abdominal and complicated urinary tract infections (US 10/07, EU 7/08); nosocomial pneumonia (EU 7/08)
## 4Q 2008 Highlights

<table>
<thead>
<tr>
<th>Growth %</th>
<th>Total</th>
<th>Operations</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Sales</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Worldwide</td>
<td>(4.9)%</td>
<td>(1.0)%</td>
<td>(3.9)%</td>
</tr>
<tr>
<td>– U.S.</td>
<td>(6.9)%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>– International</td>
<td>(2.7)%</td>
<td>5.4%</td>
<td>(8.1)%</td>
</tr>
<tr>
<td>• Net Earnings</td>
<td>14.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• EPS</td>
<td>18.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Adjusted Net Earnings(^{(1)})</td>
<td>3.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Adjusted EPS(^{(1)})</td>
<td>6.8%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Non GAAP. Excludes special items. Please see Appendix A for reconciliation.
## 4Q 2008 Sales Growth by Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Total</th>
<th>Operations</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td>1.2%</td>
<td>6.9%</td>
<td>(5.7)%</td>
</tr>
<tr>
<td>Med Device &amp; Diagnostics</td>
<td>(1.9)%</td>
<td>1.6%</td>
<td>(3.5)%</td>
</tr>
<tr>
<td>Pharmaceutical</td>
<td>(11.1)%</td>
<td>(7.8)%</td>
<td>(3.3)%</td>
</tr>
<tr>
<td>Total Company</td>
<td>(4.9)%</td>
<td>(1.0)%</td>
<td>(3.9)%</td>
</tr>
</tbody>
</table>
4Q 2008 Consumer Sales (+6.9%)

Growth Drivers:

- **Skin Care (+12%)**
  - Dabao products, NEUTROGENA, AVEENO, and JOHNSONS Adult product lines
- **Oral Care (+11%)**
  - REMBRANDT and LISTERINE product lines
- **OTC/Nutritionals (+9%)**
  - Launch of Zyrtec OTC in the US

All growth %’s noted are operational growth
4Q 2008 Medical Devices & Diagnostics Sales (+1.6%)

Growth Drivers

• Ethicon Endo Surgery (+9%)
  – HARMONIC Technology products and REALIZE Gastric Band

• DePuy (+8%)
  – Hip reconstruction products and Mitek’s sports medicine products

• Vision Care (+6%)
  – ACUVUE® OASYS™ with HYDRACLEAR™ PLUS; 1-DAY ACUVUE® Moist™; and ACUVUE® ADVANCE™ for ASTIGMATISM

All growth %’s noted are operational growth
# 4Q 2008 Pharmaceutical Sales (-7.8%)

<table>
<thead>
<tr>
<th>Key Products</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>VELCADE</td>
<td>+34%</td>
</tr>
<tr>
<td>RISPERDAL® CONSTA®</td>
<td>+16%</td>
</tr>
<tr>
<td>DURAGESIC®</td>
<td>+8%</td>
</tr>
<tr>
<td>TOPAMAX®</td>
<td>+6%</td>
</tr>
<tr>
<td>CONCERTA®</td>
<td>+3%</td>
</tr>
<tr>
<td>REMICADE®</td>
<td>-2%</td>
</tr>
<tr>
<td>LEVAQUIN®/FLOXIN®</td>
<td>-4%</td>
</tr>
<tr>
<td>EPREX®/PROCRIT®</td>
<td>-6%</td>
</tr>
<tr>
<td>ACIPHEX®/PARIET®</td>
<td>-16%</td>
</tr>
<tr>
<td>RAZYDYNE/REMINYL</td>
<td>-19%</td>
</tr>
<tr>
<td>RISPERDAL®</td>
<td>-67%</td>
</tr>
</tbody>
</table>

All growth %’s noted are operational growth.
SUMMARY
Johnson & Johnson: The Most Broadly Based Health Care Company

- Exceptional track record of superior growth over the long term
- Excellent financial strength
- Innovative products
- Robust pharmaceutical R&D pipeline
- Largest and most globally diverse medical devices and diagnostics company
- Premier consumer health care company
Appendix A – Reconciliation of Non-GAAP Measures: Q4’08 vs. Q4’07; 2008 vs 2007

<table>
<thead>
<tr>
<th>Johnson &amp; Johnson and Subsidiaries</th>
<th>Fourth Quarter</th>
<th>% Incr. / (Decr.)</th>
<th>Full Year</th>
<th>% Incr. / (Decr.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Earnings - as reported</td>
<td>$2,714</td>
<td>$2,374</td>
<td>14.3%</td>
<td>$12,949</td>
</tr>
<tr>
<td>In-process research &amp; development (IPR&amp;D)</td>
<td>141</td>
<td>-</td>
<td></td>
<td>181</td>
</tr>
<tr>
<td>Net gain on fourth quarter litigation</td>
<td>$ (229)</td>
<td>-</td>
<td></td>
<td>$ (229)</td>
</tr>
<tr>
<td>Restructuring charges</td>
<td>-</td>
<td>-</td>
<td></td>
<td>528</td>
</tr>
<tr>
<td>NATRECOR® intangible asset write-down</td>
<td>-</td>
<td>441</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>International tax gain on restructuring</td>
<td>-</td>
<td>(267)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Net Earnings - as adjusted</td>
<td>$2,626</td>
<td>$2,548</td>
<td>3.1%</td>
<td>12,901</td>
</tr>
<tr>
<td>Diluted net earnings per share - as reported</td>
<td>$0.97</td>
<td>$0.82</td>
<td>18.3%</td>
<td>$4.57</td>
</tr>
<tr>
<td>In-process research &amp; development (IPR&amp;D)</td>
<td>0.05</td>
<td>-</td>
<td></td>
<td>0.06</td>
</tr>
<tr>
<td>Net gain on fourth quarter litigation</td>
<td>(0.08)</td>
<td>-</td>
<td></td>
<td>(0.08)</td>
</tr>
<tr>
<td>Restructuring charges</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NATRECOR® intangible asset write-down</td>
<td>0.15</td>
<td></td>
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<tr>
<td>International tax gain on restructuring</td>
<td>(0.09)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diluted net earnings per share - as adjusted</td>
<td>$0.94</td>
<td>$0.88</td>
<td>6.8%</td>
<td>$4.55</td>
</tr>
</tbody>
</table>

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 IPR&D and other special items in order to evaluate ongoing business operations.
Johnson & Johnson