

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The
Securities Exchange Act of 1934

Date of report (Date of earliest event reported):
October 19, 2021

Johnson & Johnson
(Exact name of registrant as specified in its charter)

New Jersey
(State or Other Jurisdiction of
Incorporation)

1-3215
(Commission File Number)

22-1024240
(IRS Employer Identification No.)

One Johnson & Johnson Plaza, New Brunswick, New Jersey 08933
(Address of Principal Executive Offices)
(Zip Code)

Registrant's telephone number, including area code:
732-524-0400

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, Par Value \$1.00	JNJ	New York Stock Exchange
0.250% Notes Due January 2022	JNJ22	New York Stock Exchange
0.650% Notes Due May 2024	JNJ24C	New York Stock Exchange
5.50% Notes Due November 2024	JNJ24BP	New York Stock Exchange
1.150% Notes Due November 2028	JNJ28	New York Stock Exchange
1.650% Notes Due May 2035	JNJ35	New York Stock Exchange

Item 2.02 Results of Operations and Financial Condition

On October 19, 2021, Johnson & Johnson issued the attached press release announcing its sales and earnings for the third quarter ended October 3, 2021.

Item 7.01 Regulation FD Disclosure

Subsequent to the quarter, the Company's wholly owned subsidiary LTL Management LLC (LTL), a newly created and separate subsidiary of Johnson & Johnson, that was established to hold and manage claims in the cosmetic talc litigation, has filed for voluntary Chapter 11 bankruptcy protection. This filing is intended to resolve all claims related to cosmetic talc in a manner that is equitable to all parties, including any current and future claimants. Johnson & Johnson and its other affiliates did not file for bankruptcy protection and will continue to operate their businesses as usual. To demonstrate its commitment to resolving the cosmetic talc cases and remove any financial objections to the process, Johnson & Johnson has agreed to provide funding to LTL for the payment of amounts the Bankruptcy Court determines are owed by LTL and will also establish a \$2 billion trust in furtherance of this purpose. The \$2 billion trust resulted in an incremental \$1.4 billion litigation charge (recorded in Other income & expense) in the third fiscal quarter. While LTL pursues this equitable resolution, all pending cosmetic talc cases will be stayed. The press release further discussing this announcement is attached below as Exhibit 99.3.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Description of Exhibit
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99.1	Press Release dated October 19, 2021 for the period ended October 3, 2021
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99.2	Unaudited Comparative Supplementary Sales Data and Condensed Consolidated Statement of Earnings for the third quarter
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99.3	Press Release dated October 14, 2021
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104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Johnson & Johnson
(Registrant)

Date: October 19, 2021

By: /s/ Robert J. Decker, Jr.
Robert J. Decker, Jr.
Controller
(Principal Accounting Officer)

JOHNSON & JOHNSON REPORTS 2021 THIRD-QUARTER RESULTS:

- Total sales growth of 10.7% to \$23.3 Billion with operational growth of 9.9%* and adjusted operational growth of 10.6%*
- Earnings per share of \$1.37 increasing 3.0% and adjusted earnings per share of \$2.60 increasing 18.2%*
- Company increasing 2021 Full-Year Guidance

New Brunswick, N.J. (October 19, 2021) – Johnson & Johnson (NYSE: JNJ) today announced results for third-quarter 2021. “Our third-quarter results demonstrate solid performance across Johnson & Johnson, driven by robust above-market results in Pharmaceuticals, ongoing recovery in Medical Devices, and strong growth in Consumer Health,” said Alex Gorsky, Chairman and Chief Executive Officer. “In the face of evolving marketplace dynamics resulting from the effects of COVID-19 and other global trends, we have continued to demonstrate the responsiveness and agility required to meet the needs of our stakeholders, while also successfully investing in a pipeline of innovation and key commercial platforms to drive our future growth. I am incredibly proud of our Company’s transformative growth over the last decade. As I prepare to transition the role of CEO to Joaquin Duato in January, I want to extend my deepest gratitude to our colleagues around the globe who work tirelessly to deliver solutions to address the world’s most urgent and unmet healthcare challenges.”

OVERALL FINANCIAL RESULTS:

Q3					
(\$ in Millions, except EPS)	2021		2020		% Change
Reported Sales	\$	23,338	\$	21,082	10.7%
Net Earnings		3,667		3,554	3.2%
EPS (diluted)	\$	1.37	\$	1.33	3.0%

Q3					
Non-GAAP* (\$ in Millions, except EPS)	2021		2020		% Change
Operational Sales ^{1,2}					9.9%
Adjusted Operational Sales ^{1,3}					10.6
Adjusted Net Earnings ^{1,4}		6,968		5,868	18.7%
Adjusted EPS (diluted) ^{1,4}	\$	2.60	\$	2.20	18.2%

¹ [Non-GAAP financial measure](#); refer to reconciliations of non-GAAP financial measures included in accompanying schedules

² Excludes the impact of translational currency

³ Excludes the net impact of acquisitions and divestitures and translational currency

⁴ Excludes intangible amortization expense and special items

REGIONAL SALES RESULTS:

Q3 (\$ in Millions)			% Change			
	2021	2020	Reported	Operational ^{1,2}	Currency	Adjusted Operational ^{1,3}
U.S.	\$ 11,963	\$ 11,086	7.9%	7.9	-	8.0
International	11,375	9,996	13.8	12.1	1.7	13.5
Worldwide	\$ 23,338	\$ 21,082	10.7%	9.9	0.8	10.6

¹ [Non-GAAP financial measure](#); refer to reconciliations of non-GAAP financial measures included in accompanying schedules

² Excludes the impact of translational currency

³ Excludes the net impact of acquisitions and divestitures and translational currency

Note: values may have been rounded

SEGMENT SALES RESULTS:

Q3 (\$ in Millions)			% Change			
	2021	2020	Reported	Operational ^{1,2}	Currency	Adjusted Operational ^{1,3}
Consumer Health	\$ 3,700	\$ 3,514	5.3%	4.1	1.2	5.7
Pharmaceutical	12,994	11,418	13.8	13.2	0.6	13.8
Medical Devices	6,644	6,150	8.0	7.0	1.0	7.6
Worldwide	\$ 23,338	\$ 21,082	10.7%	9.9	0.8	10.6

¹ [Non-GAAP financial measure](#); refer to reconciliations of non-GAAP financial measures included in accompanying schedules

² Excludes the impact of translational currency

³ Excludes the net impact of acquisitions and divestitures and translational currency

Note: values may have been rounded

Third Quarter 2021 SEGMENT COMMENTARY:

Consumer Health

Consumer Health worldwide operational sales, excluding the net impact of acquisitions and divestitures, increased 5.7%* primarily driven by over-the-counter (OTC) products. Major contributors to growth were TYLENOL and MOTRIN analgesics, upper respiratory products, and digestive health in OTC, and AVEENO in Skin Health / Beauty.

Pharmaceutical

Pharmaceutical worldwide operational sales, excluding the net impact of acquisitions and divestitures, grew 13.8%* driven by DARZALEX (daratumumab), for the treatment of multiple myeloma, STELARA (ustekinumab), a biologic for the treatment of a number of immune-mediated inflammatory diseases, TREMFYA (guselkumab), a biologic for the treatment of adults living with moderate to severe plaque psoriasis, and for adults with active psoriatic arthritis, ERLEADA (apalutamide), a next-generation androgen receptor inhibitor for the treatment of patients with prostate cancer, INVEGA SUSTENNA/XEPLION/INVEGA TRINZA/TREVICTA (paliperidone palmitate), long-acting, injectable atypical antipsychotics for the treatment of schizophrenia in adults, and OPSUMIT (macitentan) an oral endothelin receptor antagonist indicated for the treatment of pulmonary arterial hypertension to delay disease progression. Also contributing to growth was sales of the not-for-profit COVID-19 Vaccine (Ad26.COV2.S) for the treatment of the SARS-CoV-2 virus. This growth was partially offset by declines in U.S. sales of REMICADE (infliximab), a biologic approved for the treatment of a number of immune-mediated inflammatory diseases, and INVOKANA (canagliflozin) for the treatment of adults with type 2 diabetes.

Medical Devices

Medical Devices worldwide operational sales, excluding the net impact of acquisitions and divestitures, grew 7.6%*, driven by electrophysiology products in Interventional Solutions, wound closure products in General Surgery, surgical vision products and contact lenses in Vision, trauma, hips, and knees in Orthopaedics, and energy, endocutters, and biosurgicals in Advanced Surgery. Growth was partially offset by Spine, Sports & Other.

NOTABLE NEW ANNOUNCEMENTS IN THE QUARTER:

The information contained in this section should be read in conjunction with Johnson & Johnson's other disclosures filed with the Securities and Exchange Commission, including its Current Reports on Form 8-K, Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K. Copies of these filings are available online at www.sec.gov, www.jnj.com or on request from Johnson & Johnson. The reader is also encouraged to review all other news releases available online in the Investors section of the Company's website at [news releases](#).

Regulatory Decisions	INVEGA HAFYERA (paliperidone palmitate) Receives FDA Approval For First and Only Twice-Yearly Treatment for Adults with Schizophrenia	(press release)
	XARELTO (rivaroxaban) Plus Aspirin Receives FDA Approval For Expanded Peripheral Artery Disease (PAD) Indication to Include Patients After Lower-Extremity Revascularization (LER)	(press release)
	UPTRAVI (selexipag) Receives FDA Approval For Intravenous Use in Adult Patients with Pulmonary Arterial Hypertension (PAH)	(press release)
Regulatory Submissions	Johnson & Johnson Announces Submission of Emergency Use Authorization Amendment to the U.S. FDA to Support Booster of its Single-Shot COVID-19 Vaccine ¹	(press release)
	Janssen Submits Application Seeking U.S. FDA Approval of STELARA (ustekinumab) for the Treatment of Pediatric Patients With Juvenile Psoriatic Arthritis ¹	(press release)
Other	Alex Gorsky to Transition Role of Chief Executive Officer of Johnson & Johnson to Joaquin Duato, Effective January 3, 2022	(press release)
	Dr. Paul Stoffels, Vice Chairman of the Executive Committee and Chief Scientific Officer of Johnson & Johnson to Retire, Effective December 31, 2021 ¹	(press release)
	Johnson & Johnson Announces Real-World Evidence and Phase 3 Data Confirming Strong and Long-Lasting Protection of Single-Shot COVID-19 Vaccine in the U.S.	(press release)
	Johnson & Johnson Issues Statement on Nationwide Opioid Settlement Agreement	(press release)
	DePuy Synthes Announces Introduction of the INHANCE Shoulder System, a First-to-Market, Fully Integrated Shoulder Arthroplasty System	(press release)
	Janssen Announces Start of Phase 3 Trial for Investigational Respiratory Syncytial Virus (RSV) Vaccine in Older Adults	(press release)
	Janssen Receives Positive CHMP Opinion for BYANLI (six-monthly paliperidone palmitate) for the Maintenance Treatment of Schizophrenia in Adults	(press release)
	Ethicon Announces ECHELON CIRCULAR Powered Stapler Associated with Major Reduction in Serious Complications Following Colorectal Surgery	(press release)
	Johnson & Johnson Takes Steps to Equitably Resolve All Current and Future Talc Claims ¹	(press release)
	Janssen Receives Positive CHMP Opinion for RYBREVANT (amivantamab) for the Treatment of Patients with Advanced Non-Small Cell Lung Cancer with EGFR Exon 20 Insertion Mutations After Failure of Platinum-Based Therapy ¹	(press release)
	Johnson & Johnson COVID-19 Vaccine Booster Shot Unanimously Recommended for Emergency Use Authorization by U.S. FDA Advisory Committee ¹	(press release)

¹ Subsequent to the quarter

FULL-YEAR 2021 GUIDANCE:

Johnson & Johnson does not provide GAAP financial measures on a forward-looking basis because the company is unable to predict with reasonable certainty the ultimate outcome of legal proceedings, unusual gains and losses, acquisition-related expenses and purchase accounting fair value adjustments without unreasonable effort. These items are uncertain, depend on various factors, and could be material to Johnson & Johnson's results computed in accordance with GAAP.

(\$ in Billions, except EPS)	October 2021 (Base Business)	October 2021 (incl. COVID Vx)	July 2021 (Base Business)	July 2021 (incl. COVID Vx)
Adjusted Operational Sales ^{1,2} Change vs. Prior Year	9.9% - 10.5%	12.9% - 13.5%	9.5% - 10.5%	12.5% - 13.5%
Operational Sales ² Change vs. Prior Year	\$90.3B – 90.8B 9.4% – 10.0%	\$92.8 - \$93.3B 12.4% – 13.0%	\$90.0B - \$90.8B 9.0% – 10.0%	\$92.5B - \$93.3B 12.0% – 13.0%
Estimated Reported Sales ³ Change vs. Prior Year	\$91.6B - \$92.1B 10.9% – 11.5%	\$94.1B - \$94.6B 13.9% – 14.5%	\$91.3B - \$92.1B 10.5% – 11.5%	\$93.8B - \$94.6B 13.5% – 14.5%
Adjusted Operational EPS (Diluted) ^{2,4} Change vs. Prior Year		\$9.65 - \$9.70 20.2% - 20.8%		\$9.50 - \$9.60 18.4% - 19.6%
Adjusted EPS (Diluted) ^{3,4} Change vs. Prior Year		\$9.77 - \$9.82 21.7% - 22.3%		\$9.60 - \$9.70 19.6% - 20.8%

¹ [Non-GAAP financial measure](#); excludes the net impact of acquisitions and divestitures

² [Non-GAAP financial measure](#); excludes the impact of translational currency

³ Calculated using Euro Average Rate: July 2021 = \$1.19 and October = \$1.19 (Illustrative purposes only)

⁴ [Non-GAAP financial measure](#); excludes intangible amortization expense and special items

Note: % may have been rounded

Other modeling considerations will be provided on the [webcast](#).

WEBCAST INFORMATION:

Johnson & Johnson will conduct a conference call with investors to discuss this earnings release today at 8:30 a.m., Eastern Time. A simultaneous webcast of the call for investors and other interested parties may be accessed by visiting the [Johnson & Johnson website](#). A replay and podcast will be available approximately two hours after the live webcast in the Investors section of the Company's website at [events-and-presentations](#).

ABOUT JOHNSON & JOHNSON:

At Johnson & Johnson, we believe good health is the foundation of vibrant lives, thriving communities and forward progress. That's why for more than 130 years, we have aimed to keep people well at every age and every stage of life. Today, as the world's largest and most broadly-based health care company, we are committed to using our reach and size for good. We strive to improve access and affordability, create healthier communities, and put a

healthy mind, body and environment within reach of everyone, everywhere. We are blending our heart, science and ingenuity to profoundly change the trajectory of health for humanity.

NON-GAAP FINANCIAL MEASURES:

*Operational sales growth excluding the impact of translational currency, adjusted operational sales growth excluding the net impact of acquisitions and divestitures and translational currency, as well as adjusted net earnings, adjusted diluted earnings per share and adjusted operational diluted earnings per share excluding after-tax intangible amortization expense and 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. Except for guidance measures, reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the accompanying financial schedules of the earnings release and the Investors section of the company's website at [quarterly-results](#).

Copies of the financial schedules accompanying this earnings release are available on the Company's website at [quarterly-results](#). These schedules include supplementary sales data, a condensed consolidated statement of earnings, reconciliations of non-GAAP financial measures, and sales of key products/franchises. Additional information on Johnson & Johnson, including adjusted income before tax by segment, a [pharmaceutical pipeline](#) of selected compounds in late stage development and a copy of today's earnings call presentation can also be found in the Investors section of the Company's website at [quarterly-results](#).

NOTE TO INVESTORS CONCERNING FORWARD-LOOKING STATEMENTS:

This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 regarding, among other things: future operating and financial performance, product development, market position and business strategy. 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 known 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: risks related to the impact of the COVID-19 global pandemic, such as the scope and duration of the outbreak, government actions and restrictive measures implemented in response, material delays and cancellations of medical procedures, supply chain disruptions and other impacts to the business, or on the Company's ability to execute business continuity plans, as a result of the COVID-19 pandemic, economic factors, such as interest rate and currency exchange rate fluctuations; competition, including technological advances, new products and patents attained by competitors; challenges inherent in new product research and development, including uncertainty of clinical success and obtaining regulatory approvals; uncertainty of commercial success for new and existing products; challenges to patents; the impact of patent expirations; the ability of the Company to successfully execute strategic plans; the impact of business combinations and divestitures; manufacturing difficulties or delays, internally or within the supply chain; product efficacy or safety concerns resulting in product recalls or regulatory action; significant adverse litigation or government action, including related to product liability claims; changes to applicable laws and regulations, including tax laws and global health care reforms; trends toward health care cost containment; changes in behavior and spending patterns of purchasers of health care products and services; financial instability of international economies and legal systems and sovereign risk; increased scrutiny of the health care industry by government agencies. A further list and descriptions of these risks, uncertainties and other factors can be found in Johnson & Johnson's Annual Report on Form 10-K for the fiscal year ended January 3, 2021 including in the sections captioned "Cautionary Note Regarding Forward-Looking Statements" and "Item 1A. Risk Factors," in the Company's most recently filed Quarterly Report on Form 10-Q and the Company's subsequent filings with the Securities and Exchange Commission. Copies of these filings are available online at www.sec.gov, www.jnj.com or on request from Johnson & Johnson. Any forward-looking statement made in this release speaks only as of the date of this release. Johnson & Johnson does not undertake to update any forward-looking statement as a result of new information or future events or developments.

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Johnson & Johnson and Subsidiaries**Supplementary Sales Data**

(Unaudited; Dollars in Millions)

	THIRD QUARTER				
	2021	2020	Total	Percent Change Operations	Currency
Sales to customers by geographic area					
U.S.	\$ 11,963	11,086	7.9 %	7.9	—
Europe	5,587	4,819	15.9	14.6	1.3
Western Hemisphere excluding U.S.	1,500	1,296	15.7	13.4	2.3
Asia-Pacific, Africa	4,288	3,881	10.5	8.5	2.0
International	11,375	9,996	13.8	12.1	1.7
Worldwide	\$ 23,338	21,082	10.7 %	9.9	0.8

Note: Percentages have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely.

Johnson & Johnson and Subsidiaries
Supplementary Sales Data

(Unaudited; Dollars in Millions)

	NINE MONTHS				
	2021	2020	Total	Percent Change	
				Operations	Currency
Sales to customers by geographic area					
U.S.	\$ 34,993	31,324	11.7 %	11.7	—
Europe	16,669	13,709	21.6	15.3	6.3
Western Hemisphere excluding U.S.	4,291	3,931	9.2	8.1	1.1
Asia-Pacific, Africa	13,018	11,145	16.8	12.3	4.5
International	33,978	28,785	18.0	13.1	4.9
Worldwide	\$ 68,971	60,109	14.7 %	12.4	2.3

Note: Percentages have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely.

Johnson & Johnson and Subsidiaries
Supplementary Sales Data

	THIRD QUARTER				
	2021	2020	Total	Percent Change	
				Operations	Currency
(Unaudited; Dollars in Millions)					
Sales to customers by segment of business					
Consumer Health					
U.S.	\$ 1,625	1,556	4.5 %	4.5	—
International	2,075	1,958	5.9	3.7	2.2
	3,700	3,514	5.3	4.1	1.2
Pharmaceutical					
U.S.	7,221	6,438	12.2	12.2	—
International	5,773	4,980	15.9	14.6	1.3
	12,994	11,418	13.8	13.2	0.6
Medical Devices					
U.S.	3,117	3,092	0.8	0.8	—
International	3,527	3,058	15.4	13.3	2.1
	6,644	6,150	8.0	7.0	1.0
U.S.	11,963	11,086	7.9	7.9	—
International	11,375	9,996	13.8	12.1	1.7
Worldwide	\$ 23,338	21,082	10.7 %	9.9	0.8

Note: Percentages have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely.

Johnson & Johnson and Subsidiaries
Supplementary Sales Data

	NINE MONTHS				
	2021	2020	Total	Percent Change	
				Operations	Currency
Sales to customers by segment of business					
Consumer Health					
U.S.	\$ 4,987	4,853	2.8 %	2.8	—
International	5,991	5,582	7.3	3.5	3.8
	10,978	10,435	5.2	3.1	2.1
Pharmaceutical					
U.S.	20,536	18,619	10.3	10.3	—
International	17,256	14,685	17.5	12.5	5.0
	37,792	33,304	13.5	11.3	2.2
Medical Devices					
U.S.	9,470	7,852	20.6	20.6	—
International	10,731	8,518	26.0	20.5	5.5
	20,201	16,370	23.4	20.5	2.9
U.S.	34,993	31,324	11.7	11.7	—
International	33,978	28,785	18.0	13.1	4.9
Worldwide	\$ 68,971	60,109	14.7 %	12.4	2.3

Note: Percentages have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely.

Johnson & Johnson and Subsidiaries
Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

THIRD QUARTER

	2021		2020		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 23,338	100.0	\$ 21,082	100.0	10.7
Cost of products sold	7,250	31.1	6,972	33.1	4.0
Gross Profit	16,088	68.9	14,110	66.9	14.0
Selling, marketing and administrative expenses	6,000	25.7	5,431	25.8	10.5
Research and development expense	3,422	14.7	2,840	13.5	20.5
In-process research and development	900	3.9	138	0.6	
Interest (income) expense, net	7	0.0	32	0.1	
Other (income) expense, net	1,850	7.9	1,200	5.7	
Restructuring	60	0.2	68	0.3	
Earnings before provision for taxes on income	3,849	16.5	4,401	20.9	(12.5)
Provision for taxes on income	182	0.8	847	4	(78.5)
Net earnings	\$ 3,667	15.7	\$ 3,554	16.9	3.2

Net earnings per share (Diluted) \$ 1.37 1.33 3.0

Average shares outstanding (Diluted) 2,674.9 2,669.3

Effective tax rate 4.7 % 19.2 %

Adjusted earnings before provision for taxes and net earnings ^{(1)(A)}					
Earnings before provision for taxes on income	\$ 8,058	34.5	\$ 7,246	34.4	11.2
Net earnings	\$ 6,968	29.9	\$ 5,868	27.8	18.7
Net earnings per share (Diluted)	\$ 2.60		\$ 2.20		18.2
Effective tax rate	13.5 %		19.0 %		

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

^(A) NON-GAAP FINANCIAL MEASURES "Adjusted earnings before provision for taxes on income," "adjusted net earnings," "adjusted net earnings per share (diluted)," and "adjusted effective tax rate" are non-GAAP financial measures and should not be considered replacements for GAAP results. The Company provides earnings before provision for taxes on income, net earnings, net earnings per share (diluted), and effective tax rate on an adjusted basis because management believes that these measures provide useful information to investors. Among other things, these measures may assist investors in evaluating the Company's results of operations period over period. In various periods, these measures may exclude such items as intangible asset amortization expense, significant gains from divestitures, significant costs associated with acquisitions, restructuring, litigation, and changes in applicable laws and regulations (including significant accounting or tax matters). Special items may be highly variable, difficult to predict, and of a size that sometimes has substantial impact on the Company's reported results of operations for a period. Management uses these measures internally for planning, forecasting and evaluating the performances of the Company's businesses, including allocating resources and evaluating results relative to employee performance compensation targets. Unlike earnings before provision for taxes on income, net earnings, net earnings per share (diluted), and effective tax rate prepared in accordance with GAAP, adjusted earnings before provision for taxes on income, adjusted net earnings, adjusted net earnings per share (diluted), and adjusted effective tax rate may not be comparable with the calculation of similar measures for other companies. The limitations of using these non-GAAP financial measures as performance measures are that they provide a view of the Company's results of operations without including all events during a period, such as intangible asset amortization expense, significant gains from divestitures, the effects of an acquisition, restructuring, litigation, and changes in applicable laws and regulations (including significant accounting or tax matters) and do not provide a comparable view of the Company's performance to other companies in the health care industry. Investors should consider non-GAAP financial measures in addition to, and not as replacements for, or superior to, measures of financial performance prepared in accordance with GAAP.

Johnson & Johnson and Subsidiaries
Condensed Consolidated Statement of Earnings

	NINE MONTHS				
	2021		2020		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 68,971	100.0	\$ 60,109	100.0	14.7
Cost of products sold	21,900	31.8	20,613	34.3	6.2
Gross Profit	47,071	68.2	39,496	65.7	19.2
Selling, marketing and administrative expenses	17,505	25.4	15,627	26.0	12.0
Research and development expense	9,994	14.5	8,127	13.5	23.0
In-process research and development	900	1.3	144	0.3	
Interest (income) expense, net	83	0.1	16	0.0	
Other (income) expense, net	480	0.7	545	0.9	
Restructuring	169	0.2	187	0.3	
Earnings before provision for taxes on income	17,940	26.0	14,850	24.7	20.8
Provision for taxes on income	1,798	2.6	1,874	3.1	(4.1)
Net earnings	\$ 16,142	23.4	\$ 12,976	21.6	24.4
Net earnings per share (Diluted)	\$ 6.04		\$ 4.86		24.3
Average shares outstanding (Diluted)	2,674.6		2,670.8		
Effective tax rate	10.0 %		12.6 %		
Adjusted earnings before provision for taxes and net earnings ^{(1) (A)}					
Earnings before provision for taxes on income	\$ 24,125	35.0	\$ 19,827	33.0	21.7
Net earnings	\$ 20,517	29.7	\$ 16,468	27.4	24.6
Net earnings per share (Diluted)	\$ 7.67		\$ 6.17		24.3
Effective tax rate	15.0 %		16.9 %		

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

^(A) NON-GAAP FINANCIAL MEASURES "Adjusted earnings before provision for taxes on income," "adjusted net earnings," "adjusted net earnings per share (diluted)," and "adjusted effective tax rate" are non-GAAP financial measures and should not be considered replacements for GAAP results. The Company provides earnings before provision for taxes on income, net earnings, net earnings per share (diluted), and effective tax rate on an adjusted basis because management believes that these measures provide useful information to investors. Among other things, these measures may assist investors in evaluating the Company's results of operations period over period. In various periods, these measures may exclude such items as intangible asset amortization expense, significant gains from divestitures, significant costs associated with acquisitions, restructuring, litigation, and changes in applicable laws and regulations (including significant accounting or tax matters). Special items may be highly variable, difficult to predict, and of a size that sometimes has substantial impact on the Company's reported results of operations for a period. Management uses these measures internally for planning, forecasting and evaluating the performances of the Company's businesses, including allocating resources and evaluating results relative to employee performance compensation targets. Unlike earnings before provision for taxes on income, net earnings, net earnings per share (diluted), and effective tax rate prepared in accordance with GAAP, adjusted earnings before provision for taxes on income, adjusted net earnings, adjusted net earnings per share (diluted), and adjusted effective tax rate may not be comparable with the calculation of similar measures for other companies. The limitations of using these non-GAAP financial measures as performance measures are that they provide a view of the Company's results of operations without including all events during a period, such as intangible asset amortization expense, significant gains from divestitures, the effects of an acquisition, restructuring, litigation, and changes in applicable laws and regulations (including significant accounting or tax matters) and do not provide a comparable view of the Company's performance to other companies in the health care industry. Investors should consider non-GAAP financial measures in addition to, and not as replacements for, or superior to, measures of financial performance prepared in accordance with GAAP.

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

(Dollars in Millions Except Per Share Data)	Third Quarter	
	2021	2020
Net Earnings, after tax- as reported	\$3,667	\$3,554
Pre-tax Adjustments		
Intangible Asset Amortization expense	1,159	1,181
Litigation expense, net	2,077	1,477
IPR&D	900	138
Restructuring related	121	130
Acquisition, integration and divestiture related	20	(154)
(Gains)/losses on securities	(127)	32
Medical Device Regulation	59	38
Other	-	3
Tax Adjustments		
Tax impact on special item adjustments ¹	(849)	(482)
Tax legislation and related impacts	(59)	(49)
Adjusted Net Earnings, after tax	\$6,968	\$5,868
Average shares outstanding (Diluted)	2,674.9	2,669.3
Adjusted net earnings per share (Diluted)	\$2.60	\$2.20
Operational adjusted net earnings per share (Diluted)	\$2.56	

Notes:

¹ The tax impact related to special item adjustments reflects the current and deferred income taxes associated with the above pre-tax special items in arriving at adjusted earnings.

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

(Dollars in Millions Except Per Share Data)	Nine Months Ended	
	2021	2020
Net Earnings, after tax- as reported	\$16,142	\$12,976
Pre-tax Adjustments		
Intangible Asset Amortization expense	3,576	3,426
Litigation expense, net	2,054	2,210
IPR&D	900	144
Restructuring related	333	363
Acquisition, integration and divestiture related ¹	(504)	(1,087)
(Gains)/losses on securities	(335)	(174)
Medical Device Regulation	161	89
Other	-	6
Tax Adjustments		
Tax impact on special item adjustments ²	(1,097)	(1,002)
Tax legislation and related impacts	(713)	(483)
Adjusted Net Earnings, after tax	\$20,517	\$16,468
Average shares outstanding (Diluted)	2,674.6	2,670.8
Adjusted net earnings per share (Diluted)	\$7.67	\$6.17
Operational adjusted net earnings per share (Diluted)	\$7.47	

Notes:

¹ Acquisition, integration and divestiture related for the nine months of 2021 primarily includes the gain on the divestiture of two Pharmaceutical brands outside of the U.S. Acquisition, integration and divestiture related for 2020 primarily includes a Contingent Consideration reversal (\$165M in third quarter and \$1,148M in nine months) related to the timing of certain developmental milestones associated with the Auris Health acquisition.

² The tax impact related to special item adjustments reflects the current and deferred income taxes associated with the above pre-tax special items in arriving at adjusted earnings.

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

Adjusted Operational Sales Growth ^(A)
THIRD QUARTER 2021 ACTUAL vs. 2020 ACTUAL

	Segments			Total
	Consumer Health	Pharmaceutical	Medical Devices	
WW As Reported	5.3 %	13.8 %	8.0 %	10.7 %
U.S.	4.5 %	12.2 %	0.8 %	7.9 %
International	5.9 %	15.9 %	15.4 %	13.8 %
WW Currency	1.2	0.6	1.0	0.8
U.S.	—	—	—	—
International	2.2	1.3	2.1	1.7
WW Operational	4.1 %	13.2 %	7.0 %	9.9 %
U.S.	4.5 %	12.2 %	0.8 %	7.9 %
International	3.7 %	14.6 %	13.3 %	12.1 %
General Surgery				
Advanced Sterilization Products			0.4	0.1
U.S.			0.0	0.0
International			0.8	0.2
Skin Health / Beauty				
Dr. Ci Labo - Sedona	1.1			0.2
U.S.	0.0			0.0
International	2.0			0.4
All Other Acquisitions and Divestitures	0.5	0.6	0.2	0.4
U.S.	0.6	0.0	0.3	0.1
International	0.3	1.4	0.0	0.8
WW Adjusted Operational	5.7 %	13.8 %	7.6 %	10.6 %
U.S.	5.1 %	12.2 %	1.1 %	8.0 %
International	6.1 %	16.0 %	14.1 %	13.5 %

Note: Percentages are based on actual, non-rounded figures and may not sum

^(A) NON-GAAP FINANCIAL MEASURE "Adjusted operational sales growth" excludes acquisitions, divestitures and translational currency and is a non-GAAP financial measure. Investors should consider non-GAAP financial measures in addition to, and not as replacements for, or superior to, measures of financial performance prepared in accordance with GAAP. Due to the variable nature of acquisitions and divestitures, and the impact they may have on the analysis of underlying business performance and trends, management believes that providing this measure enhances an investor's understanding of the Company's performance and may assist in the evaluation of ongoing business operations period over period. This non-GAAP financial measure is presented to permit investors to more fully understand how management assesses the performance of the Company, including for internal evaluation of the performance of the Company's businesses and planning and forecasting for future periods. The use of this non-GAAP financial measure as a performance measure is limited in that it provides a view of the Company's results of operations without including all events during a period and may not provide a comparable view of the Company's performance to that of other companies in the health care industry.

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

Adjusted Operational Sales Growth ^(A)
NINE MONTHS 2021 ACTUAL vs. 2020 ACTUAL

	Segments			
	Consumer Health	Pharmaceutical	Medical Devices	Total
WW As Reported	5.2 %	13.5 %	23.4 %	14.7 %
U.S.	2.8 %	10.3 %	20.6 %	11.7 %
International	7.3 %	17.5 %	26.0 %	18.0 %
WW Currency	2.1	2.2	2.9	2.3
U.S.	—	—	—	—
International	3.8	5.0	5.5	4.9
WW Operational	3.1 %	11.3 %	20.5 %	12.4 %
U.S.	2.8 %	10.3 %	20.6 %	11.7 %
International	3.5 %	12.5 %	20.5 %	13.1 %
General Surgery				
Advanced Sterilization Products			0.6	0.2
U.S.			0.0	0.0
International			1.2	0.3
Skin Health / Beauty				
Dr. Ci Labo - Sedona	0.5			0.1
U.S.	0.0			0.0
International	0.9			0.2
All Other Acquisitions and Divestitures	0.5	0.5	0.2	0.4
U.S.	0.5	(0.1)	0.4	0.1
International	0.3	1.3	0.0	0.7
WW Adjusted Operational	4.1 %	11.8 %	21.4 %	13.1 %
U.S.	3.3 %	10.2 %	21.0 %	11.8 %
International	4.7 %	13.8 %	21.7 %	14.4 %

Note: Percentages are based on actual, non-rounded figures and may not sum

^(A) NON-GAAP FINANCIAL MEASURE "Adjusted operational sales growth" excludes acquisitions, divestitures and translational currency and is a non-GAAP financial measure. Investors should consider non-GAAP financial measures in addition to, and not as replacements for, or superior to, measures of financial performance prepared in accordance with GAAP. Due to the variable nature of acquisitions and divestitures, and the impact they may have on the analysis of underlying business performance and trends, management believes that providing this measure enhances an investor's understanding of the Company's performance and may assist in the evaluation of ongoing business operations period over period. This non-GAAP financial measure is presented to permit investors to more fully understand how management assesses the performance of the Company, including for internal evaluation of the performance of the Company's businesses and planning and forecasting for future periods. The use of this non-GAAP financial measure as a performance measure is limited in that it provides a view of the Company's results of operations without including all events during a period and may not provide a comparable view of the Company's performance to that of other companies in the health care industry.

Johnson & Johnson

Segment Sales
(Dollars in Millions)

THIRD QUARTER

	2021	2020	% Change		
			Reported	Operational ⁽¹⁾	Currency
CONSUMER HEALTH SEGMENT⁽²⁾					
OTC					
US	\$ 686	601	14.0 %	14.0 %	— %
Intl	686	541	26.9	22.8	4.1
WW	1,372	1,142	20.1	18.2	1.9
SKIN HEALTH / BEAUTY					
US	569	572	(0.5)	(0.5)	—
Intl	555	577	(3.8)	(5.5)	1.7
WW	1,124	1,149	(2.2)	(3.0)	0.8
ORAL CARE					
US	150	164	(8.4)	(8.4)	—
Intl	248	248	0.1	(1.8)	1.9
WW	398	412	(3.3)	(4.5)	1.2
BABY CARE					
US	95	91	5.2	5.2	—
Intl	296	302	(2.0)	(3.1)	1.1
WW	391	393	(0.3)	(1.2)	0.9
WOMEN'S HEALTH					
US	3	3	20.1	20.1	—
Intl	229	227	0.5	0.6	(0.1)
WW	232	230	0.8	0.8	0.0
WOUND CARE / OTHER					
US	122	125	(2.6)	(2.6)	—
Intl	61	64	(5.2)	(9.0)	3.8
WW	182	189	(3.5)	(4.8)	1.3
TOTAL CONSUMER HEALTH					
US	1,625	1,556	4.5	4.5	—
Intl	2,075	1,958	5.9	3.7	2.2
WW	\$ 3,700	3,514	5.3 %	4.1 %	1.2 %

See footnotes at end of schedule

Johnson & Johnson

Segment Sales
(Dollars in Millions)

	THIRD QUARTER				
	2021	2020	% Change		
			Reported	Operational ⁽¹⁾	Currency
PHARMACEUTICAL SEGMENT⁽²⁾⁽³⁾					
IMMUNOLOGY					
US	\$ 2,771	2,558	8.3 %	8.3 %	— %
Intl	<u>1,480</u>	<u>1,230</u>	20.3	18.8	1.5
WW	<u>4,250</u>	<u>3,789</u>	12.2	11.7	0.5
<u>REMICADE</u>					
US	480	634	(24.3)	(24.3)	—
US Exports ⁽⁴⁾	47	78	(40.2)	(40.2)	—
Intl	<u>234</u>	<u>209</u>	12.2	8.1	4.1
WW	<u>761</u>	<u>921</u>	(17.4)	(18.3)	0.9
<u>SIMPONI / SIMPONI ARIA</u>					
US	295	312	(5.3)	(5.3)	—
Intl	<u>276</u>	<u>280</u>	(1.1)	(0.7)	(0.4)
WW	<u>571</u>	<u>592</u>	(3.3)	(3.1)	(0.2)
<u>STELARA</u>					
US	1,569	1,313	19.5	19.5	—
Intl	<u>809</u>	<u>634</u>	27.7	26.3	1.4
WW	<u>2,378</u>	<u>1,947</u>	22.2	21.7	0.5
<u>TREMFYA</u>					
US	376	222	69.7	69.7	—
Intl	<u>161</u>	<u>105</u>	52.5	50.5	2.0
WW	<u>537</u>	<u>327</u>	64.1	63.5	0.6
<u>OTHER IMMUNOLOGY</u>					
US	3	—	*	*	—
Intl	<u>0</u>	<u>3</u>	*	*	*
WW	<u>3</u>	<u>3</u>	(26.4)	(27.5)	1.1
INFECTIOUS DISEASES					
US	679	413	64.3	64.3	—
Intl	<u>709</u>	<u>451</u>	57.2	55.6	1.6
WW	<u>1,389</u>	<u>864</u>	60.6	59.8	0.8
<u>COVID-19 VACCINE</u>					
US	270	—	*	*	—
Intl	<u>233</u>	<u>—</u>	*	*	—
WW	<u>502</u>	<u>—</u>	*	*	—
<u>EDURANT / rilpivirine</u>					
US	12	11	8.4	8.4	—
Intl	<u>247</u>	<u>226</u>	9.7	8.7	1.0
WW	<u>259</u>	<u>236</u>	9.6	8.6	1.0
<u>PREZISTA / PREZCOBIX / REZOLSTA / SYMTUZA</u>					
US	380	379	0.4	0.4	—
Intl	<u>137</u>	<u>147</u>	(7.1)	(8.8)	1.7
WW	<u>517</u>	<u>526</u>	(1.7)	(2.2)	0.5
<u>OTHER INFECTIOUS DISEASES</u>					
US	18	24	(26.0)	(26.0)	—
Intl	<u>93</u>	<u>78</u>	18.3	15.2	3.1
WW	<u>110</u>	<u>102</u>	7.8	5.4	2.4

See footnotes at end of schedule

Johnson & Johnson

Segment Sales
(Dollars in Millions)

	THIRD QUARTER				
	2021	2020	% Change		
			Reported	Operational ⁽¹⁾	Currency
PHARMACEUTICAL SEGMENT ^{(2) (3) (Continued)}					
NEUROSCIENCE					
US	\$ 835	759	10.2 %	10.2%	—%
Intl	854	846	0.8	(0.5)	1.3
WW	1,689	1,605	5.3	4.6	0.7
<u>CONCERTA / methylphenidate</u>					
US	35	43	(19.5)	(19.5)	—
Intl	122	107	14.2	12.5	1.7
WW	157	149	4.5	3.3	1.2
<u>INVEGA SUSTENNA / XEPLION / INVEGA</u>					
<u>TRINZA / TREVICTA</u>					
US	648	585	11.0	11.0	—
Intl	355	341	4.3	3.2	1.1
WW	1,004	926	8.5	8.1	0.4
<u>RISPERDAL CONSTA</u>					
US	71	70	1.3	1.3	—
Intl	69	81	(16.7)	(16.0)	(0.7)
WW	140	152	(8.4)	(8.0)	(0.4)
<u>OTHER NEUROSCIENCE</u>					
US	81	60	34.7	34.7	—
Intl	307	317	(2.9)	(4.8)	1.9
WW	388	377	3.1	1.5	1.6
ONCOLOGY					
US	1,525	1,267	20.3	20.3	—
Intl	2,140	1,862	14.9	13.8	1.1
WW	3,665	3,129	17.1	16.5	0.6
<u>DARZALEX</u>					
US	841	585	43.7	43.7	—
Intl	739	514	43.7	42.0	1.7
WW	1,580	1,099	43.7	42.9	0.8
<u>ERLEADA</u>					
US	214	152	40.5	40.5	—
Intl	130	55	*	*	*
WW	344	206	66.7	65.8	0.9
<u>IMBRUVICA</u>					
US	413	450	(8.3)	(8.3)	—
Intl	654	581	12.6	10.9	1.7
WW	1,066	1,031	3.5	2.5	1.0
<u>ZYTIGA / abiraterone acetate</u>					
US	25	58	(57.0)	(57.0)	—
Intl	523	532	(1.8)	(2.1)	0.3
WW	548	590	(7.2)	(7.5)	0.3
<u>OTHER ONCOLOGY</u>					
US	32	21	49.6	49.6	—
Intl	94	181	(48.0)	(47.2)	(0.8)
WW	126	203	(37.6)	(36.9)	(0.7)

See footnotes at end of schedule

Johnson & Johnson

Segment Sales
(Dollars in Millions)

	THIRD QUARTER				
	2021	2020	% Change		
			Reported	Operational ⁽¹⁾	Currency
PHARMACEUTICAL SEGMENT ^{(2) (3)} (Continued)					
PULMONARY HYPERTENSION					
US	\$ 610	510	19.7 %	19.7 %	— %
Intl	258	239	7.9	8.4	(0.5)
WW	868	749	15.9	16.1	(0.2)
<u>OPSUMIT</u>					
US	299	244	22.8	22.8	—
Intl	159	148	7.4	7.8	(0.4)
WW	458	392	17.0	17.1	(0.1)
<u>UPTRAVI</u>					
US	265	226	17.3	17.3	—
Intl	44	34	30.4	28.8	1.6
WW	309	260	19.0	18.8	0.2
<u>OTHER PULMONARY HYPERTENSION</u>					
US	47	40	14.4	14.4	—
Intl	54	57	(4.4)	(2.1)	(2.3)
WW	101	97	3.4	4.8	(1.4)
CARDIOVASCULAR / METABOLISM / OTHER					
US	800	931	(14.0)	(14.0)	—
Intl	333	351	(5.1)	(8.2)	3.1
WW	1,133	1,281	(11.5)	(12.4)	0.9
<u>XARELTO</u>					
US	636	630	0.8	0.8	—
Intl	—	—	—	—	—
WW	636	630	0.8	0.8	—
<u>INVOKANA / INVOKAMET</u>					
US	66	156	(57.4)	(57.4)	—
Intl	67	68	(1.0)	(4.3)	3.3
WW	133	224	(40.3)	(41.3)	1.0
<u>PROCIT / EPREX</u>					
US	47	69	(30.9)	(30.9)	—
Intl	65	63	3.1	0.5	2.6
WW	112	132	(14.6)	(15.8)	1.2
<u>OTHER</u>					
US	51	75	(32.6)	(32.6)	—
Intl	200	219	(8.7)	(11.9)	3.2
WW	251	294	(14.8)	(17.2)	2.4
TOTAL PHARMACEUTICAL					
US	7,221	6,438	12.2	12.2	—
Intl	5,773	4,980	15.9	14.6	1.3
WW	\$ 12,994	11,418	13.8 %	13.2 %	0.6 %

See footnotes at end of schedule

Johnson & Johnson

Segment Sales
(Dollars in Millions)

	THIRD QUARTER				
	2021	2020	% Change		
			Reported	Operational ⁽¹⁾	Currency
MEDICAL DEVICES SEGMENT ⁽²⁾					
INTERVENTIONAL SOLUTIONS					
US	\$ 444	399	11.1 %	11.1 %	— %
Intl	513	437	17.7	15.1	2.6
WW	957	836	14.5	13.2	1.3
ORTHOPAEDICS					
US	1,249	1,308	(4.5)	(4.5)	—
Intl	843	774	8.8	6.8	2.0
WW	2,093	2,083	0.5	(0.3)	0.8
<u>HIPS</u>					
US	210	221	(5.3)	(5.3)	—
Intl	146	124	18.8	16.0	2.8
WW	356	345	3.3	2.3	1.0
<u>KNEES</u>					
US	184	205	(9.8)	(9.8)	—
Intl	131	102	28.1	25.9	2.2
WW	316	308	2.8	2.1	0.7
<u>TRAUMA</u>					
US	455	433	5.3	5.3	—
Intl	260	253	2.4	0.9	1.5
WW	715	685	4.2	3.7	0.5
<u>SPINE, SPORTS & OTHER</u>					
US	400	449	(11.1)	(11.1)	—
Intl	306	295	3.5	1.5	2.0
WW	705	745	(5.3)	(6.1)	0.8

See footnotes at end of schedule

Johnson & Johnson

Segment Sales
(Dollars in Millions)

	THIRD QUARTER				
	2021	2020	% Change		
			Reported	Operational ⁽¹⁾	Currency
MEDICAL DEVICES SEGMENT ⁽²⁾ (Continued)					
SURGERY					
US	\$ 948	913	3.9	3.9	— %
Intl	1,457	1,239	17.6	14.8	2.8
WW	2,405	2,152	11.8	10.2	1.6
<u>ADVANCED</u>					
US	440	421	4.6	4.6	—
Intl	705	579	21.8	18.4	3.4
WW	1,144	1,000	14.6	12.6	2.0
<u>GENERAL</u>					
US	508	492	3.3	3.3	—
Intl	752	660	13.9	11.7	2.2
WW	1,261	1,152	9.4	8.1	1.3
VISION					
US	475	473	0.6	0.6	—
Intl	714	608	17.4	17.4	0.0
WW	1,189	1,081	10.1	10.0	0.1
<u>CONTACT LENSES / OTHER</u>					
US	359	375	(4.3)	(4.3)	—
Intl	522	455	14.9	15.2	(0.3)
WW	882	830	6.2	6.4	(0.2)
<u>SURGICAL</u>					
US	117	98	19.6	19.6	—
Intl	191	153	24.7	23.7	1.0
WW	308	251	22.7	22.1	0.6
TOTAL MEDICAL DEVICES					
US	3,117	3,092	0.8	0.8	—
Intl	3,527	3,058	15.4	13.3	2.1
WW	\$ 6,644	6,150	8.0 %	7.0 %	1.0 %

See footnotes at end of schedule

Johnson & Johnson

Segment Sales
(Dollars in Millions)

NINE MONTHS

	2021	2020	% Change		
			Reported	Operational ⁽¹⁾	Currency
CONSUMER HEALTH SEGMENT ⁽²⁾					
OTC					
US	\$ 1,960	1,917	2.2 %	2.2 %	— %
Intl	<u>1,894</u>	<u>1,722</u>	10.0	3.9	6.1
WW	<u>3,854</u>	<u>3,639</u>	5.9	3.0	2.9
SKIN HEALTH / BEAUTY					
US	1,862	1,767	5.4	5.4	—
Intl	<u>1,595</u>	<u>1,506</u>	5.9	2.1	3.8
WW	<u>3,457</u>	<u>3,273</u>	5.6	3.9	1.7
ORAL CARE					
US	478	510	(6.2)	(6.2)	—
Intl	<u>762</u>	<u>694</u>	9.9	5.9	4.0
WW	<u>1,240</u>	<u>1,204</u>	3.0	0.8	2.2
BABY CARE					
US	288	279	3.3	3.3	—
Intl	<u>879</u>	<u>831</u>	5.8	4.6	1.2
WW	<u>1,167</u>	<u>1,110</u>	5.2	4.3	0.9
WOMEN'S HEALTH					
US	9	10	(5.7)	(5.7)	—
Intl	<u>675</u>	<u>654</u>	3.1	2.3	0.8
WW	<u>684</u>	<u>664</u>	3.0	2.1	0.9
WOUND CARE / OTHER					
US	390	370	5.3	5.3	—
Intl	<u>186</u>	<u>175</u>	5.8	0.0	5.8
WW	<u>575</u>	<u>545</u>	5.4	3.6	1.8
TOTAL CONSUMER HEALTH					
US	4,987	4,853	2.8	2.8	—
Intl	<u>5,991</u>	<u>5,582</u>	7.3	3.5	3.8
WW	<u>\$ 10,978</u>	<u>10,435</u>	5.2 %	3.1 %	2.1 %

See footnotes at end of schedule

Johnson & Johnson

Segment Sales
(Dollars in Millions)

	NINE MONTHS				
	2021	2020	% Change		
			Reported	Operational ⁽¹⁾	Currency
PHARMACEUTICAL SEGMENT⁽²⁾⁽³⁾					
IMMUNOLOGY					
US	\$ 7,932	7,330	8.2 %	8.2 %	— %
Intl	4,464	3,619	23.3	17.6	5.7
WW	12,395	10,950	13.2	11.3	1.9
<u>REMICADE</u>					
US	1,508	1,852	(18.6)	(18.6)	—
US Exports ⁽⁴⁾	197	321	(38.7)	(38.7)	—
Intl	721	673	7.1	1.4	5.7
WW	2,426	2,846	(14.8)	(16.1)	1.3
<u>SIMPONI / SIMPONI ARIA</u>					
US	840	840	0.0	0.0	—
Intl	877	827	6.1	2.8	3.3
WW	1,717	1,667	3.0	1.4	1.6
<u>STELARA</u>					
US	4,396	3,668	19.9	19.9	—
Intl	2,404	1,795	33.9	27.5	6.4
WW	6,800	5,463	24.5	22.4	2.1
<u>TREMFYA</u>					
US	975	650	50.1	50.1	—
Intl	459	316	45.4	38.0	7.4
WW	1,434	965	48.5	46.1	2.4
<u>OTHER IMMUNOLOGY</u>					
US	15	—	*	*	—
Intl	3	9	(68.6)	(70.8)	2.2
WW	18	9	91.6	89.5	2.1
INFECTIOUS DISEASES					
US	1,635	1,265	29.2	29.2	—
Intl	1,788	1,397	28.0	23.2	4.8
WW	3,424	2,662	28.6	26.1	2.5
<u>COVID-19 VACCINE</u>					
US	421	—	*	*	—
Intl	346	—	*	*	—
WW	766	—	*	*	—
<u>EDURANT / rilpivirine</u>					
US	31	33	(4.8)	(4.8)	—
Intl	733	684	7.2	1.7	5.5
WW	764	716	6.7	1.4	5.3
<u>PREZISTA / PREZCOBIX / REZOLSTA / SYMTUZA</u>					
US	1,128	1,154	(2.2)	(2.2)	—
Intl	440	461	(4.6)	(8.6)	4.0
WW	1,568	1,615	(2.9)	(4.1)	1.2
<u>OTHER INFECTIOUS DISEASES</u>					
US	55	79	(29.6)	(29.6)	—
Intl	270	252	6.9	2.6	4.3
WW	325	331	(1.8)	(5.0)	3.2

See footnotes at end of schedule

Johnson & Johnson

Segment Sales
(Dollars in Millions)

	NINE MONTHS				
	2021	2020	% Change		
			Reported	Operational ⁽¹⁾	Currency
PHARMACEUTICAL SEGMENT ^{(2) (3) (Continued)}					
NEUROSCIENCE					
US	\$ 2,448	2,285	7.2 %	7.2 %	— %
Intl	2,770	2,565	8.0	4.1	3.9
WW	5,218	4,850	7.6	5.5	2.1
<u>CONCERTA / methylphenidate</u>					
US	117	150	(22.1)	(22.1)	—
Intl	372	319	16.4	11.6	4.8
WW	489	469	4.1	0.8	3.3
<u>INVEGA SUSTENNA / XEPLION / INVEGA</u>					
<u>TRINZA / TREVICTA</u>					
US	1,882	1,704	10.4	10.4	—
Intl	1,111	983	13.0	7.6	5.4
WW	2,994	2,688	11.4	9.4	2.0
<u>RISPERDAL CONSTA</u>					
US	210	220	(4.7)	(4.7)	—
Intl	242	254	(5.1)	(8.3)	3.2
WW	452	475	(4.9)	(6.6)	1.7
<u>OTHER NEUROSCIENCE</u>					
US	239	210	13.9	13.9	—
Intl	1,045	1,008	3.7	1.5	2.2
WW	1,284	1,218	5.5	3.6	1.9
ONCOLOGY					
US	4,364	3,623	20.4	20.4	—
Intl	6,406	5,310	20.6	15.3	5.3
WW	10,770	8,933	20.6	17.4	3.2
<u>DARZALEX</u>					
US	2,302	1,540	49.5	49.5	—
Intl	2,076	1,397	48.6	42.2	6.4
WW	4,378	2,937	49.1	46.0	3.1
<u>ERLEADA</u>					
US	578	407	41.8	41.8	—
Intl	329	112	*	*	*
WW	907	519	74.7	72.2	2.5
<u>IMBRUVICA</u>					
US	1,311	1,329	(1.3)	(1.3)	—
Intl	1,996	1,682	18.7	13.1	5.6
WW	3,307	3,011	9.9	6.7	3.2
<u>ZYTIGA / abiraterone acetate</u>					
US	96	284	(66.2)	(66.2)	—
Intl	1,653	1,564	5.7	0.9	4.8
WW	1,749	1,848	(5.4)	(9.4)	4.0
<u>OTHER ONCOLOGY</u>					
US	76	63	21.0	21.0	—
Intl	352	556	(36.6)	(38.5)	1.9
WW	428	619	(30.7)	(32.4)	1.7

See footnotes at end of schedule

Johnson & Johnson

Segment Sales
(Dollars in Millions)

NINE MONTHS

	2021	2020	% Change		
			Reported	Operational ⁽¹⁾	Currency
PHARMACEUTICAL SEGMENT ^{(2) (3) (Continued)}					
PULMONARY HYPERTENSION					
US	\$ 1,778	1,541	15.4 %	15.4 %	— %
Intl	821	742	10.7	7.3	3.4
WW	2,599	2,283	13.9	12.7	1.2
<u>OPSUMIT</u>					
US	861	729	18.2	18.2	—
Intl	510	458	11.3	7.7	3.6
WW	1,371	1,187	15.5	14.1	1.4
<u>UPTRAVI</u>					
US	792	692	14.6	14.6	—
Intl	135	100	34.6	27.9	6.7
WW	927	792	17.1	16.2	0.9
<u>OTHER PULMONARY HYPERTENSION</u>					
US	125	121	2.8	2.8	—
Intl	176	183	(3.7)	(5.0)	1.3
WW	301	304	(1.1)	(1.9)	0.8
CARDIOVASCULAR / METABOLISM / OTHER					
US	2,379	2,574	(7.6)	(7.6)	—
Intl	1,007	1,052	(4.2)	(9.3)	5.1
WW	3,386	3,625	(6.6)	(8.1)	1.5
<u>XARELTO</u>					
US	1,794	1,716	4.5	4.5	—
Intl	—	—	—	—	—
WW	1,794	1,716	4.5	4.5	—
<u>INVOKANA / INVOKAMET</u>					
US	249	405	(38.4)	(38.4)	—
Intl	194	173	11.9	5.8	6.1
WW	443	578	(23.4)	(25.2)	1.8
<u>PROCRI / EPREX</u>					
US	168	215	(21.7)	(21.7)	—
Intl	198	208	(4.7)	(9.7)	5.0
WW	366	423	(13.4)	(15.8)	2.4
<u>OTHER</u>					
US	168	238	(29.3)	(29.3)	—
Intl	615	670	(8.3)	(13.1)	4.8
WW	783	908	(13.8)	(17.3)	3.5
TOTAL PHARMACEUTICAL					
US	20,536	18,619	10.3	10.3	—
Intl	17,256	14,685	17.5	12.5	5.0
WW	\$ 37,792	33,304	13.5 %	11.3 %	2.2 %

See footnotes at end of schedule

Johnson & Johnson

Segment Sales

(Dollars in Millions)

	NINE MONTHS				
	2021	2020	% Change		
			Reported	Operational ⁽¹⁾	Currency
MEDICAL DEVICES SEGMENT ⁽²⁾					
INTERVENTIONAL SOLUTIONS					
US	\$ 1,353	1,019	32.7 %	32.7 %	— %
Intl	1,599	1,134	41.1	34.3	6.8
WW	<u>2,952</u>	<u>2,153</u>	37.1	33.6	3.5
ORTHOPAEDICS					
US	3,821	3,427	11.5	11.5	—
Intl	2,611	2,145	21.7	15.4	6.3
WW	<u>6,433</u>	<u>5,572</u>	15.4	13.0	2.4
<u>HIPS</u>					
US	654	564	15.9	15.9	—
Intl	451	344	31.3	24.1	7.2
WW	<u>1,105</u>	<u>908</u>	21.8	19.0	2.8
<u>KNEES</u>					
US	579	527	10.0	10.0	—
Intl	403	298	35.4	28.2	7.2
WW	<u>983</u>	<u>825</u>	19.2	16.6	2.6
<u>TRAUMA</u>					
US	1,352	1,194	13.3	13.3	—
Intl	805	698	15.2	9.5	5.7
WW	<u>2,157</u>	<u>1,892</u>	14.0	11.9	2.1
<u>SPINE, SPORTS & OTHER</u>					
US	1,236	1,142	8.2	8.2	—
Intl	952	805	18.2	12.0	6.2
WW	<u>2,187</u>	<u>1,947</u>	12.3	9.7	2.6

See footnotes at end of schedule

Johnson & Johnson

Segment Sales

(Dollars in Millions)

	NINE MONTHS				
	2021	2020	% Change		
			Reported	Operational ⁽¹⁾	Currency
MEDICAL DEVICES SEGMENT ⁽²⁾ (Continued)					
SURGERY					
US	\$ 2,881	2,247	28.2 %	28.2 %	— %
Intl	4,418	3,556	24.2	18.4	5.8
WW	<u>7,299</u>	<u>5,803</u>	25.8	22.2	3.6
<u>ADVANCED</u>					
US	1,304	1,079	20.9	20.9	—
Intl	2,126	1,644	29.3	23.1	6.2
WW	<u>3,430</u>	<u>2,723</u>	26.0	22.2	3.8
<u>GENERAL</u>					
US	1,577	1,168	35.0	35.0	—
Intl	2,292	1,912	19.9	14.5	5.4
WW	<u>3,869</u>	<u>3,080</u>	25.6	22.3	3.3
VISION					
US	1,414	1,160	21.9	21.9	—
Intl	2,103	1,683	25.0	22.0	3.0
WW	<u>3,517</u>	<u>2,843</u>	23.7	22.0	1.7
<u>CONTACT LENSES / OTHER</u>					
US	1,082	924	17.0	17.0	—
Intl	1,525	1,274	19.8	17.3	2.5
WW	<u>2,607</u>	<u>2,198</u>	18.6	17.2	1.4
<u>SURGICAL</u>					
US	333	236	41.1	41.1	—
Intl	577	409	41.1	36.7	4.4
WW	<u>910</u>	<u>645</u>	41.1	38.3	2.8
TOTAL MEDICAL DEVICES					
US	9,470	7,852	20.6	20.6	—
Intl	10,731	8,518	26.0	20.5	5.5
WW	<u>\$ 20,201</u>	<u>16,370</u>	23.4 %	20.5 %	2.9 %

Note: Column and rows within tables may not add due to rounding. Percentages have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely.

* Percentage greater than 100% or not meaningful

⁽¹⁾ Operational growth excludes the effect of translational currency

⁽²⁾ Unaudited

⁽³⁾ Certain prior year amounts have been reclassified to conform to current year product disclosures

⁽⁴⁾ Reported as U.S. sales

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Johnson & Johnson Takes Steps to Equitably Resolve All Current and Future Talc Claims

New Subsidiary LTL Management LLC Files for Voluntary Chapter 11

Among Other Measures, \$2 Billion Trust Will Be Established to Facilitate an Efficient Resolution of Claims

NEW BRUNSWICK, N.J., October 14, 2021 – Johnson & Johnson (NYSE: JNJ) (the Company) today announced that LTL Management LLC (LTL), a newly created and separate subsidiary of Johnson & Johnson, that was established to hold and manage claims in the cosmetic talc litigation, has filed for voluntary Chapter 11 bankruptcy protection. This filing is intended to resolve all claims related to cosmetic talc in a manner that is equitable to all parties, including any current and future claimants. Johnson & Johnson and its other affiliates did not file for bankruptcy protection and will continue to operate their businesses as usual.

“We are taking these actions to bring certainty to all parties involved in the cosmetic talc cases,” said Michael Ullmann, Executive Vice President, General Counsel of Johnson & Johnson. “While we continue to stand firmly behind the safety of our cosmetic talc products, we believe resolving this matter as quickly and efficiently as possible is in the best interests of the Company and all stakeholders.”

To demonstrate its commitment to resolving the cosmetic talc cases and remove any financial objections to the process, Johnson & Johnson has agreed to provide funding to LTL for the payment of amounts the Bankruptcy Court determines are owed by LTL and will also establish a \$2 billion trust in furtherance of this purpose. In addition, LTL has been allocated certain royalty revenue streams with a present value of over \$350 million to further contribute to potential costs.

John Kim, Chief Legal Officer of LTL, said, “With the financial backing of Johnson & Johnson, coupled with a dedicated trust and significant financial resources supporting LTL, we are confident all parties will be treated equitably during this process.”

These actions are not a concession of liability but rather a means to achieve an equitable and efficient resolution of the claims raised in the cosmetic talc litigation. The Company has won the majority of cosmetic talc-related jury trials that have been litigated to date and continues to believe that none of the talc-related claims against the Company have merit. The claims are premised on the allegation that cosmetic talc causes ovarian cancer and mesothelioma, a position that has been rejected by independent experts, as well as governmental and regulatory bodies, for decades. More than 40 years of studies by medical experts around the world continue to support the safety of cosmetic talc.

The determination of an appropriate amount to resolve all current and future claims will be decided by the Bankruptcy Court in the Chapter 11 proceedings. This established process will allow for a more efficient and consistent resolution for all parties. While LTL pursues this equitable resolution, all cosmetic talc cases will be stayed pending the outcome of the proceedings.

Johnson & Johnson remains focused on its mission to improve the trajectory of health for humanity and committed to developing lifesaving therapies and innovative solutions that help people live their healthiest lives. LTL’s Chapter 11 case was filed in the U.S. Bankruptcy Court for the Western District of North Carolina. Additional information is available on www.FactsAboutTalc.com and www.LTLManagementInformation.com. Court filings and information about LTL’s Chapter 11 case are available on a separate website administered by its claims agent, Epiq, at <https://>

dm.epiq11.com/LTL; by calling Epiq representatives at (855) 675-3078 from the U.S. or (503) 520-4497 from international locations; or by emailing Epiq at LTLinfo@epiqglobal.com.

About Johnson & Johnson At Johnson & Johnson, we believe good health is the foundation of vibrant lives, thriving communities and forward progress. That's why for more than 130 years, we have aimed to keep people well at every age and every stage of life. Today, as the world's largest and most broadly-based healthcare company, we are committed to using our reach and size for good. We strive to improve access and affordability, create healthier communities, and put a healthy mind, body and environment within reach of everyone, everywhere. We are blending our heart, science and ingenuity to profoundly change the trajectory of health for humanity. Learn more at www.jnj.com. Follow us at @JNJNews.

Cautions Concerning Forward-Looking Statements

This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 regarding the voluntary Chapter 11 bankruptcy filing by LTL Management LLC, a newly created and separate subsidiary of Johnson & Johnson. The reader is cautioned not to rely on these forward-looking statements. The information contained in this press release is for informational purposes only and should not be construed as a commitment by the Company to engage in any specific strategy or course of action. Due to the inherent uncertainty of litigation, the Company cannot predict the timing, ultimate outcome or financial impact of this matter, or any other ongoing or future litigation. The forward-looking statements in this press release are based on current expectations of future events. If underlying assumptions prove inaccurate or known or unknown risks or uncertainties materialize, actual results could vary materially from the expectations and projections of LTL Management LLC, Johnson & Johnson Consumer Inc. and/or Johnson & Johnson. Risks and uncertainties include, but are not limited to: significant adverse litigation or government action, including related to product liability claims; economic factors, such as interest rate and currency exchange rate fluctuations; competition, including technological advances, new products and patents attained by competitors; challenges inherent in new product research and development, including uncertainty of clinical success and obtaining regulatory approvals; uncertainty of commercial success for new and existing products; challenges to patents; the impact of patent expirations; the ability of the company to successfully execute strategic plans; the impact of business combinations and divestitures; manufacturing difficulties or delays, internally or within the supply chain; product efficacy or safety concerns resulting in product recalls or regulatory action; changes to applicable laws and regulations, including tax laws and global health care reforms; trends toward health care cost containment; changes in behavior and spending patterns of purchasers of health care products and services; financial instability of international economies and legal systems and sovereign risk; increased scrutiny of the health care industry by government agencies. A further list and descriptions of these risks, uncertainties and other factors can be found in Johnson & Johnson's Annual Report on Form 10-K for the fiscal year ended January 3, 2021, including in the sections captioned "Cautionary Note Regarding Forward-Looking Statements" and "Item 1A. Risk Factors," in the company's most recently filed Quarterly Report on Form 10-Q and in the company's subsequent filings with the Securities and Exchange Commission. Copies of these filings are available online at www.sec.gov, www.jnj.com or on request from Johnson & Johnson. Any forward-looking statement made in this release speaks only as of the date of this release. None of LTL Management LLC, Johnson & Johnson Consumer Inc. nor Johnson & Johnson undertakes to update any forward-looking statement as a result of new information or future events or developments. The Company expressly disclaims all liability in respect to actions taken or not taken based on any or all the contents of this press release.