

Johnson & Johnson and Subsidiaries

Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

SECOND QUARTER

	2013		2012		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 17,877	100.0	\$ 16,475	100.0	8.5
Cost of products sold	5,489	30.7	5,143	31.2	6.7
Selling, marketing and administrative expenses	5,376	30.1	4,965	30.1	8.3
Research and development expense	1,946	10.9	1,766	10.7	10.2
In-process research and development	-	-	429	2.6	
Interest (income) expense, net	101	0.6	129	0.8	
Other (income) expense, net	172	0.9	2,008	12.2	
Earnings before provision for taxes on income	4,793	26.8	2,035	12.4	135.5
Provision for taxes on income	960	5.4	627	3.9	53.1
Net earnings	\$ 3,833	21.4	\$ 1,408	8.5	172.2
Net earnings per share (Diluted)	\$ 1.33		\$ 0.50		166.0
Average shares outstanding (Diluted)	2,893.0		2,798.2		
Effective tax rate	20.0 %		30.8 %		
Adjusted earnings before provision for taxes and net earnings (1)					
Earnings before provision for taxes on income	\$ 5,359	30.0	\$ 4,646	28.2	15.3
Net earnings	\$ 4,289	24.0	\$ 3,644	22.1	17.7
Net earnings per share (Diluted)	\$ 1.48		\$ 1.30		13.8
Effective tax rate	20.0 %		21.6 %		

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

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Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

SIX MONTHS

	2013		2012		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 35,382	100.0	\$ 32,614	100.0	8.5
Cost of products sold	11,043	31.2	10,058	30.8	9.8
Selling, marketing and administrative expenses	10,599	30.0	9,980	30.6	6.2
Research and development expense	3,730	10.5	3,411	10.5	9.4
In-process research and development	64	0.2	429	1.3	
Interest (income) expense, net	205	0.6	259	0.8	
Other (income) expense, net	687	1.9	1,397	4.3	
Earnings before provision for taxes on income	9,054	25.6	7,080	21.7	27.9
Provision for taxes on income	1,724	4.9	1,762	5.4	(2.2)
Net earnings	\$ 7,330	20.7	\$ 5,318	16.3	37.8
Net earnings per share (Diluted)	\$ 2.55		\$ 1.91		33.5
Average shares outstanding (Diluted)	2,878.8		2,792.4		
Effective tax rate	19.0 %		24.9 %		
Adjusted earnings before provision for taxes and net earnings (1)					
Earnings before provision for taxes on income	\$ 10,429	29.5	\$ 9,574	29.4	8.9
Net earnings	\$ 8,396	23.7	\$ 7,448	22.8	12.7
Net earnings per share (Diluted)	\$ 2.92		\$ 2.67		9.4
Effective tax rate	19.5 %		22.2 %		

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