



**Johnson & Johnson Reports 2007 First-Quarter Results: Sales Increase of 15.7% and EPS of \$.88 Versus \$1.10 a Year Ago; Excluding Special Items, EPS was \$1.16, an increase of 17.2% \***

NEW BRUNSWICK, N.J., April 17, 2007 /PRNewswire-FirstCall via COMTEX News Network/ -- Johnson & Johnson today announced record first-quarter sales of \$15.0 billion, an increase of 15.7% as compared to the first quarter of 2006. Operational growth was 13.3% with a positive currency impact of 2.4%. Domestic sales were up 11.9%, while international sales increased 20.8%, reflecting operational growth of 15.4% and a positive currency impact of 5.4%. On a pro-forma basis, including the net impact of the acquisition of Pfizer Consumer Healthcare in both periods, worldwide sales increased 6.3% operationally.

Net earnings and diluted earnings per share for the first quarter of 2007 were \$2.6 billion and \$.88, respectively. The first quarter of 2007 included an after-tax in-process research and development charge of \$807 million associated with the acquisition of Conor Medsystems, Inc. The first quarter of 2006 included an after-tax gain of \$368 million associated with the termination of the Guidant acquisition agreement as well as after-tax in-process research and development charges of \$29 million associated with the acquisitions of Hand Innovations LLC and Future Medical Systems S.A. Excluding the impact of these special items, net earnings for the current quarter were \$3.4 billion and diluted earnings per share were \$1.16, representing increases of 14.0% and 17.2%, respectively, as compared to the same period in 2006.\*

"Our solid first-quarter results demonstrate the strength of our broadly-based businesses, especially the strong performance of our pharmaceutical business," said William C. Weldon, Chairman and Chief Executive Officer. "We are delighted to add the Pfizer Consumer Healthcare and Conor Medsystems businesses to the Johnson & Johnson family of companies. Our strategy of being broadly-based continues to serve us well and is one of the keys to our consistent long-term performance."

Worldwide Medical Devices and Diagnostics sales of \$5.3 billion for the first quarter represented a 6.2% increase over the prior year with operational growth of 3.7% and a positive impact from currency of 2.5%. Domestic sales increased 2.5%, while international sales increased 9.8% (4.7% from operations and 5.1% from currency).

Primary contributors to the operational growth included Vistakon's disposable contact lenses; Ethicon Endo-Surgery's minimally invasive products; Ethicon's wound care and women's health products, and DePuy's orthopaedic joint reconstruction, sports medicine and trauma businesses. This growth was partially offset by challenges faced by Cordis in the drug-eluting stent market.

During the quarter, the Company announced the completion of the acquisition of Conor Medsystems, Inc., a cardiovascular device company with a unique controlled drug-delivery technology.

In April, the Company submitted a Premarket Approval (PMA) application with the U.S. Food and Drug Administration (FDA) for its adjustable gastric band, an implantable device for the treatment of morbid obesity.

Worldwide Pharmaceutical sales of \$6.2 billion for the first quarter represented an increase over the prior year of 10.6% with operational growth of 8.6% and a positive impact from currency of 2.0%. Domestic sales increased 9%, while international sales increased 13.6% (7.7% from operations and 5.9% from currency).

Sales growth reflects the strong performance of TOPAMAX, an antiepileptic and a treatment for the prevention of migraine headaches; LEVAQUIN, an anti-infective, and our antipsychotic franchise, which includes RISPERDAL, RISPERDAL CONSTA and INVEGA.

During the quarter, the European Commission granted conditional marketing authorization for PREZISTA, a protease inhibitor for the treatment of HIV-1 infected patients. In addition, the FDA granted pediatric exclusivity for both LEVAQUIN and RISPERDAL, extending the marketing exclusivity for these products by an additional six months.

Worldwide Consumer segment sales of \$3.5 billion for the first quarter represented a 48.5% increase over the prior year with operational growth of 45.7% and a positive impact from currency of 2.8%. Domestic sales increased 41.7%, while international sales increased 54.9% (49.4% from operations and 5.5% from currency). On a pro-forma basis, including the net impact of the acquisition of Pfizer Consumer Healthcare in both periods, worldwide sales for the Consumer segment increased 6.7% operationally.

Sales growth in the combined business reflects the strong performance of McNeil Consumer's reformulated TYLENOL over-the-

counter upper respiratory products; LISTERINE antiseptic mouthrinse; the skin care lines of AVEENO and CLEAN & CLEAR; BENADRYL allergy products; ROGAINE hair regrowth treatment, and VISINE eye care products.

Johnson & Johnson is the world's most comprehensive and broadly based manufacturer of health care products, as well as a provider of related services, for the consumer, pharmaceutical, and medical devices and diagnostics markets. The more than 250 Johnson & Johnson operating companies employ approximately 121,000 men and women in 57 countries and sell products throughout the world.

\* Net earnings and diluted earnings per share excluding in-process research and development charges and the gain associated with the termination of the Guidant acquisition agreement are non-GAAP financial measures and should not be considered replacements for GAAP results. For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures, see the accompanying tables to this release.

## NOTE TO INVESTORS

Johnson & Johnson will conduct a conference call with financial analysts to discuss this news release today at 8:30 a.m., Eastern Daylight Time. A simultaneous webcast of the call for interested investors and others may be accessed by visiting the Johnson & Johnson website at [www.investor.jnj.com](http://www.investor.jnj.com). A replay and podcast will be available approximately two hours after the live webcast by visiting [www.investor.jnj.com](http://www.investor.jnj.com).

A copy of the financial schedules accompanying this press release are available at <http://www.investor.jnj.com/historical-sales.cfm>. The schedules include supplementary sales data, a condensed consolidated statement of earnings, and sales of key products/franchises.

Additional information on Johnson & Johnson can be found on the Company's website at <http://www.jnj.com>.

(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 31, 2006. Copies of this Form 10-K, as well as subsequent filings, are available online at [www.sec.gov](http://www.sec.gov) 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.)

### Johnson & Johnson and Subsidiaries Supplementary Sales Data

	(Unaudited; Dollars in Millions)	FIRST QUARTER				
		2007	2006	Total	Operations	Currency
Sales to customers by segment of business						
Consumer						
U.S.	\$1,629	1,150	41.7 %	41.7	-	
International	1,867	1,205	54.9	49.4	5.5	
	3,496	2,355	48.5	45.7	2.8	
Pharmaceutical						
U.S.	4,034	3,701	9.0	9.0	-	
International	2,187	1,925	13.6	7.7	5.9	
	6,221	5,626	10.6	8.6	2.0	
Med Devices & Diagnostics						
U.S.	2,584	2,520	2.5	2.5	-	
International	2,736	2,491	9.8	4.7	5.1	
	5,320	5,011	6.2	3.7	2.5	
U.S.	8,247	7,371	11.9	11.9	-	

International	6,790	5,621	20.8	15.4	5.4
Worldwide	\$15,037	12,992	15.7 %	13.3	2.4

Johnson & Johnson and Subsidiaries  
Supplementary Sales Data

			FIRST QUARTER		
			Percent Change		
(Unaudited; Dollars in Millions)	2007	2006	Total	Operations	Currency
Sales to customers by geographic area					
U.S.	\$8,247	7,371	11.9 %	11.9	-
Europe	3,812	3,071	24.1	15.0	9.1
Western Hemisphere excluding U.S.	1,046	822	27.3	26.9	0.4
Asia-Pacific, Africa	1,932	1,728	11.8	10.4	1.4
International	6,790	5,621	20.8	15.4	5.4
Worldwide	\$15,037	12,992	15.7 %	13.3	2.4

Johnson & Johnson and Subsidiaries  
Condensed Consolidated Statement of Earnings

	2007		2006		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$15,037	100.0	\$12,992	100.0	15.7
Cost of products sold	4,385	29.1	3,612	27.8	21.4
Selling, marketing and administrative expenses	4,802	31.9	4,095	31.5	17.3
Research expense	1,652	11.0	1,532	11.8	7.8
In-process research & development	807	5.4	37	0.3	
Interest (income)expense, net	(33)	(0.2)	(181)	(1.4)	
Other (income)expense, net	(228)	(1.5)	(718)	(5.5)	
Earnings before provision for taxes on income	3,652	24.3	4,615	35.5	(20.9)
Provision for taxes on income	1,079	7.2	1,310	10.1	(17.6)
Net earnings	\$2,573	17.1	\$3,305	25.4	(22.1)
Net earnings per share (Diluted)	\$0.88		\$1.10		(20.0)
Average shares outstanding (Diluted)	2,924.3		2,992.7		
Effective tax rate	29.5%		28.4%		

Earnings excluding In-process research & development						
Earnings before provision for taxes on income	\$4,459 (1)	29.7	\$4,030 (2)	31.0	10.6	
Net earnings	\$3,380 (1)	22.5	\$2,966 (2)	22.8	14.0	
Net earnings per share (Diluted)	\$1.16 (1)		\$0.99 (2)		17.2	
Effective tax rate	24.2%		26.4%			

(1) The difference between as reported earnings before provision for taxes on income, net earnings and net earnings per share (diluted) is IPR&D of \$807 million with no tax benefit and \$0.28 per share, respectively.

(2) The difference between as reported earnings before provision for taxes on income, net earnings and net earnings per share (diluted) is the Guidant acquisition agreement termination fee income of \$622 million, \$368 million and \$0.12 per share, respectively, and IPR&D of \$37 million, \$29 million and \$0.01 per share, respectively.

JOHNSON & JOHNSON  
REPORTED SALES vs. PRIOR PERIOD  
\$MM

	1Q 2007	1Q 2006	% Change		Currency
			Reported	Operational**	
PHARMACEUTICAL SEGMENT*					
ACIPHEX/PARIET					
US	159	146	9%	9%	--
Intl	177	160	10%	4%	6%
WW	336	306	10%	7%	3%
Anti-Psychotics (1)					
US	710	585	21%	21%	--
Intl	468	433	8%	2%	6%
WW	1,178	1,018	16%	13%	3%
CONCERTA					
US	200	193	3%	3%	--
Intl	52	42	25%	18%	7%
WW	252	235	7%	6%	1%
DURAGESIC					
US	116	110	5%	5%	--
Intl	187	215	-13%	-18%	5%
WW	303	325	-7%	-10%	3%
EPREX/PROCRIT					
US	530	527	1%	1%	--
Intl	287	259	11%	4%	7%
WW	817	786	4%	2%	2%
Hormonal Contraceptives					
US	174	198	-12%	-12%	--
Intl	63	56	13%	8%	5%
WW	237	254	-7%	-8%	1%

LEVAQUIN					
US	460	393	17%	17%	--
Intl	15	10	50%	54%	-4%
WW	475	403	18%	18%	0%
REMICADE					
US	600	566	6%	6%	--
Intl	131	115	14%	14%	0%
WW	731	681	7%	7%	0%
TOPAMAX					
US	501	373	34%	34%	--
Intl	109	98	11%	5%	6%
WW	610	471	30%	29%	1%

(1) Includes Risperdal, Risperdal Consta & Invega

\* Selected Areas  
(unaudited)

\*\* Operational growth excludes the effect of currency

	2007 YTD	2006 YTD	Reported	% Change Operational**	Currency
PHARMACEUTICAL SEGMENT*					
ACIPHEX/PARIET					
US	159	146	9%	9%	--
Intl	177	160	10%	4%	6%
WW	336	306	10%	7%	3%
Anti-Psychotics (1)					
US	710	585	21%	21%	--
Intl	468	433	8%	2%	6%
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REMICADE					
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Intl	131	115	14%	14%	0%
WW	731	680	7%	7%	0%
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REPORTED SALES vs. PRIOR PERIOD  
\$MM

	1Q 2007	1Q 2006	Reported	% Change Operational**	Currency
MEDICAL DEVICES AND DIAGNOSTICS*					
Cordis					
US	424	530	-20%	-20%	--
Intl	504	545	-7%	-10%	3%
WW	928	1,075	-14%	-15%	1%
DePuy					
US	678	644	5%	5%	--
Intl	479	395	21%	13%	8%
WW	1,157	1,039	11%	8%	3%
Ethicon					
US	344	296	16%	16%	--
Intl	526	478	10%	4%	6%
WW	870	774	12%	9%	3%
Ethicon Endo-Surgery					
US	417	380	10%	10%	--
Intl	474	414	15%	9%	6%
WW	891	794	12%	9%	3%
LifeScan					
US	292	288	1%	1%	--
Intl	257	216	19%	12%	7%
WW	549	504	9%	6%	3%
Ortho-Clinical Diagnostics					
US	219	199	10%	10%	--
Intl	174	171	2%	-3%	5%
WW	393	370	6%	4%	2%

Total Vision Care

US	195	172	14%	14%	--
Intl	318	269	18%	16%	2%
WW	513	441	16%	15%	1%

\* Selected Areas  
(unaudited)

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	2007 YTD	2006 YTD	Reported	% Change Operational**	Currency
MEDICAL DEVICES AND DIAGNOSTICS*					
Cordis					
US	424	530	-20%	-20%	--
Intl	504	545	-7%	-10%	3%
WW	928	1,075	-14%	-15%	1%
DePuy					
US	678	644	5%	5%	--
Intl	479	395	21%	13%	8%
WW	1,157	1,039	11%	8%	3%
Ethicon					
US	344	296	16%	16%	--
Intl	526	478	10%	4%	6%
WW	870	774	12%	9%	3%
Ethicon Endo-Surgery					
US	417	380	10%	10%	--
Intl	474	414	15%	9%	6%
WW	891	794	12%	9%	3%
LifeScan					
US	292	288	1%	1%	--
Intl	257	216	19%	12%	7%
WW	549	504	9%	6%	3%
Ortho-Clinical Diagnostics					
US	219	199	10%	10%	--
Intl	174	171	2%	-3%	5%
WW	393	370	6%	4%	2%
Total Vision Care					
US	195	172	14%	14%	--
Intl	318	269	18%	16%	2%
WW	513	441	16%	15%	1%

\* Selected Areas  
(unaudited)

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JOHNSON & JOHNSON  
REPORTED SALES vs. PRIOR PERIOD  
\$MM

	1Q 2007	1Q 2006	Reported	% Change Operational**	Currency
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CONSUMER SEGMENT\* (2)

Skin Care					
US	357	318	13%	13%	--
Intl	407	341	19%	13%	6%
WW	764	659	16%	13%	3%
Baby & Kids Care					
US	109	103	5%	5%	--
Intl	338	303	12%	7%	5%
WW	447	406	10%	6%	4%
Oral Care (3)					
US	203	NA	--	--	--
Intl	156	NA	--	--	--
WW	359	NA	--	--	--
OTC/Nutritionals					
US	655	445	47%	47%	--
Intl	602	208	189%	183%	6%
WW	1,257	653	92%	90%	2%
Women's Health					
US	163	148	10%	10%	--
Intl	258	251	3%	-2%	5%
WW	421	399	6%	3%	3%

(2) 2007 Includes sales from acquisition of PCH

(3) Oral Care not disclosed in 2006

\* Selected Areas

(unaudited)

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	2007 YTD	2006 YTD	Reported	% Change Operational**	Currency
CONSUMER SEGMENT* (2)					
Skin Care					
US	357	318	13%	13%	--
Intl	407	341	19%	13%	6%
WW	764	659	16%	13%	3%
Baby & Kids Care					
US	109	103	5%	5%	--
Intl	338	303	12%	7%	5%
WW	447	406	10%	6%	4%
Oral Care (3)					
US	203	--	--	--	--
Intl	156	--	--	--	--
WW	359	--	--	--	--
OTC/Nutritionals					
US	655	445	47%	47%	--
Intl	602	208	189%	183%	6%
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WW	421	399	6%	3%	3%

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\*\* Operational growth excludes the effect of currency

#### SOURCE Johnson & Johnson

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