1st Quarter 2020 Results

**Worldwide Consumer Health Sales**
Consumer Health worldwide reported sales increased 9.2% or 11.3% operationally. Primary operational contributors:

- TYLENOL
- Motrin
- ZARBEES
- Neutrogena
- Pepcid
- LISTERINE
- Aveeno

**Worldwide Pharmaceutical Sales**
Pharmaceutical worldwide reported sales increased 8.7% or 10.1% operationally. Primary operational contributors:

- Stelara
- DARZALEX
- Imbruvica
- Symj三个月
- Tremfya

**Worldwide Medical Devices Sales**
Medical Devices worldwide reported sales decreased (8.2%) or (6.9%) operationally. Primary operational contributors:

- Spine
- Wound Closure
- Hips
- Knees
- Endoscopes
- Trauma

"With Johnson & Johnson's century-plus history of leading in times of great challenge, we are mobilizing our resources across the Company in the fight against the COVID-19 pandemic. Johnson & Johnson is built for times like this, and we are leveraging our scientific expertise, operational scale and financial strength in the effort to advance the work on our lead COVID-19 vaccine candidate. We are committed to beginning production at risk immediately and bringing an affordable and accessible vaccine to the public on a not-for-profit basis for emergency pandemic use."

Alex Gorsky
Chairman and Chief Executive Officer
Johnson & Johnson


*Non-GAAP financial measure; non-GAAP financial measures should not be considered replacements for, and should be read together with, the most comparable GAAP financial measures.

*Non-GAAP measure; excludes the impact of translational currency.

Caution Concerning Forward-Looking Statements: This document contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995 regarding future operating and financial performance. You are cautioned not to rely on these forward-looking statements, which are based on current expectations of future events. For important information about the risks and uncertainties that could cause actual results to vary materially from the assumptions, expectations, and projections expressed in any forward-looking statements, review the “Note to Investors Concerning Forward-Looking Statements” included in the Johnson & Johnson earnings release issued on April 14, 2020, as well as the most recently filed Johnson & Johnson Reports on Forms 10-K and 10-Q. Johnson & Johnson does not undertake to update any forward-looking statement as a result of new information or future events or developments.

Worldwide Consumer Health Sales

$3.6 Billion

Worldwide Pharmaceutical Sales

$11.1 Billion

Worldwide Medical Devices Sales

$5.9 Billion

Diluted Earnings Per Share

$2.17 56.1%

Adjusted Diluted Earnings Per Share*

$2.30 9.5%

$20.7B 3.3% Excluding acquisitions/divestitures on an operational basis

Worldwide Increased 5.6%
Cautionary Note on Forward-looking Statements

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Cautionary Note on Non-GAAP Financial Measures

This presentation refers to certain non-GAAP financial measures. These non-GAAP financial measures should not be considered replacements for, and should be read together with, the most comparable GAAP financial measures.

A reconciliation 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 Investor Relations section of the Company’s website at www.investor.jnj.com.

Johnson & Johnson
Strategic Partnerships, Collaborations & Licensing Arrangements

During the course of this morning’s presentation, we will discuss a number of products and compounds developed in collaboration with strategic partners or licensed from other companies. The following is an acknowledgement of those relationships:

<table>
<thead>
<tr>
<th>Category</th>
<th>Example Products and Compounds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Immunology</td>
<td>REMICADE and SIMPONI/ SIMPONI ARIA marketing partners are Schering-Plough (Ireland) Company, a subsidiary of Merck &amp; Co., Inc. and Mitsubishi Tanabe Pharma Corporation, and TREMFYA discovered using MorphoSys AG antibody technology</td>
</tr>
<tr>
<td>Neuroscience</td>
<td>INVEGA SUSTENNA/ XEPLION/ INVEGA TRINZA/ TREVICTA includes technology licensed from Alkermes Pharma Ireland Limited</td>
</tr>
<tr>
<td>Infectious Diseases</td>
<td>PREZCOBIX/ REZOLSTA fixed-dose combination, SYMTUZA and ODEFSEY developed in collaboration with Gilead Sciences, Inc., and JULUCA developed in collaboration with ViiV Healthcare UK</td>
</tr>
<tr>
<td>Cardiovascular/</td>
<td>INVOKANA/ INVOKAMET/ VOKANAMET/ INVOKAMET XR fixed-dose combination licensed from Mitsubishi Tanabe Pharma Corporation, XARELTO co-developed with Bayer HealthCare AG, PROCRIT/ EPREX licensed from Amgen Inc., and X-Linked Retinitis Pigmentosa: AAV-RPGR licensed from MeiraGTx</td>
</tr>
<tr>
<td>Metabolism/Other</td>
<td></td>
</tr>
<tr>
<td>Oncology</td>
<td>IMBRUVICA developed in collaboration and co-marketeted in the U.S. with Pharmacynamics, LLC, an AbbVie company, ZYTIGA licensed from BTG International Ltd., VELCADE developed in collaboration with Millennium: The Takeda Oncology Company, DARZALEX licensed from Genmab A/S, BALVERSA discovered in collaboration with Astex Pharmaceuticals, Inc., and cusatuzumab licensed and developing in collaboration argenx BVBA and argenx SE</td>
</tr>
<tr>
<td>Pulmonary Hypertension</td>
<td>UPTRAVI license and supply agreement with Nippon Shinyaku (co-promotion in Japan), and OPSUMIT co-promotion agreement with Nippon Shinyaku in Japan</td>
</tr>
</tbody>
</table>
Agenda

1. CEO Perspective on COVID-19
2. COVID-19 Vaccine Update
3. Sales Performance and Earnings Review
4. Capital Allocation and Guidance
5. Q&A

Alex Gorsky
Chairman and
Chief Executive Officer

Paul Stoffels, M.D.
Vice Chairman of the
Executive Committee &
Chief Scientific Officer

Joaquin Duato
Vice Chairman of the
Executive Committee

Joseph J. Wolk
Executive Vice President,
Chief Financial Officer

Chris DelOrefice
Vice President,
Investor Relations
Johnson & Johnson
58 consecutive years of dividend increases
We blend ♡, Science and Ingenuity to profoundly change the trajectory of health for humanity.

Johnson & Johnson
$250M
Commitment to Support Frontline Health Workers over 10 years

Plus an additional $50M
Medical Devices
Unparalleled Scientific Expertise

Lead COVID-19 vaccine candidate

Available for emergency use in early 2021

Johnson & Johnson
Our Credo

We believe our first responsibility is to the patients, doctors and nurses, 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 provide value, reduce our costs and maintain reasonable prices. Customer orders must be serviced promptly and accurately. Our business partners must have an opportunity to make a fair profit.

We are responsible to our employees who work with us throughout the world. We must provide an inclusive work environment where each person must be considered as an individual. We must respect their diversity and dignity and recognize their merit. They must have a sense of security, fulfillment and purpose in their jobs. Compensation must be fair and adequate and working conditions clean, orderly and safe. We must support the health and well-being of our employees and help them fulfill their family and other personal responsibilities. Employees must feel free to make suggestions and complaints. There must be equal opportunity for employment, development and advancement for those qualified. We must provide highly capable leaders 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 help people be healthier by supporting better access and care in more places around the world. We must be good citizens — support good works and charities, better health and education, and bear our fair share of taxes. 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 fair profit. We must experiment with new ideas. Research must be carried on, innovative programs developed, investments made for the future and mistakes paid for. New equipment must be purchased, new facilities provided and new products launched. Resources must be creative to provide for adverse times. When we operate according to these principles, the stockholders should realize a fair return.
We have mobilized a multi-pronged response to COVID-19

Unprecedented global health crisis

> 1.6 MM cases
> 100,000 deaths*

A vaccine is critical to eradicating the pandemic

Developing a vaccine leveraging our proven Ad26 and Per.C6 platforms

Screening our late-stage and marketed antiviral compound library, other companies’ compound libraries to identify broad spectrum of drugs

Exploring immuno-modulators to protect against the over-active immune response we see in some patients

* As of 4/10/20 https://coronavirus.jhu.edu/map.html
Key attributes of Janssen vaccine platform position us for leadership

- Ad26® vector technology: potent, long-lasting cellular and humoral immunity
- Low or no risk of “Enhanced Respiratory Disease”
- Well tolerated safety profile >50,000 people, and absence of any safety signal
- PER.C6® cell line: high yields, scalable, fully industrialized
- Favorable thermostability profile (>2 years at 2-8°C)
- Distribution using existing infrastructure

### WHO criteria for vaccine platform

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1 dose regimen</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Neutralizing antibodies</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Proven strategy</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Cytokine CMI response</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Risk of enhancement</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Speed of development</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Capability to scale up</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Duration of immunity</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Vaccine stability</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>Cost/dose</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
<td>✔️</td>
</tr>
</tbody>
</table>

- ✔️ Fulfilled according to WHO
- ✔️ Fulfilled based on Janssen data
- Either unfulfilled (WHO) or unavailability of relevant data
Designing a vaccine

January – March 2020

- **January 2020:** SARS-CoV-2 sequence available
- Vaccine design commences
- SARS-CoV-2 spike protein inserted into Ad26 vector
- Multiple vaccine candidates constructed
- **March 2020:** Validated with pre-clinical testing to identify lead candidate
Road to the Janssen vaccine:
Accelerating R&D and manufacturing in parallel to get to 1B doses

<table>
<thead>
<tr>
<th>Time</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 30, 2020</td>
<td>Announced lead vaccine candidate</td>
</tr>
<tr>
<td>June 2020</td>
<td>Transfer of Master Seed / pre-manufacturing</td>
</tr>
<tr>
<td>September 2020</td>
<td>Start FIH study</td>
</tr>
<tr>
<td>December 2020</td>
<td>Data available</td>
</tr>
<tr>
<td>Q1 2021</td>
<td>First batches of vaccines available for emergency use authorization</td>
</tr>
</tbody>
</table>
## 1st Quarter 2020 Sales

<table>
<thead>
<tr>
<th>Regional Sales Results</th>
<th>Q1 2020</th>
<th>Q1 2019</th>
<th>% CHANGE Reported</th>
<th>% CHANGE Operational¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>$10.7</td>
<td>$10.1</td>
<td>5.6%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Europe</td>
<td>4.8</td>
<td>4.6</td>
<td>4.7</td>
<td>7.5</td>
</tr>
<tr>
<td>Western Hemisphere (ex U.S.)</td>
<td>1.5</td>
<td>1.5</td>
<td>(0.1)</td>
<td>8.5</td>
</tr>
<tr>
<td>Asia-Pacific, Africa</td>
<td>3.7</td>
<td>3.8</td>
<td>(3.1)</td>
<td>(1.9)</td>
</tr>
<tr>
<td>International</td>
<td>10.0</td>
<td>9.9</td>
<td>1.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Worldwide (WW)</td>
<td>$20.7</td>
<td>$20.0</td>
<td>3.3%</td>
<td>4.8%</td>
</tr>
</tbody>
</table>

¹ Non-GAAP measure; excludes the impact of translational currency; see reconciliation schedules in the Investors section of the company's website.

Note: Values may not add due to rounding.
1st Quarter 2020 Financial Highlights

Dollars in Billions, except EPS
Reported %; Operational %

Sales

Q1 2020: $20.7
Q1 2019: $20.0
3.3%; 4.8%^1

GAAP Earnings

Q1 2020: $5.8
Q1 2019: $3.7
54.6%

GAAP EPS

Q1 2020: $2.17
Q1 2019: $1.39
56.1%

Adjusted Earnings^2

Q1 2020: $6.2
Q1 2019: $5.7
8.7%

Adjusted EPS^2

Q1 2020: $2.30
Q1 2019: $2.10
9.5%; 10.5%^1

1 Non-GAAP measure; excludes the impact of translational currency; see reconciliation schedules in the Investors section of the company's website
2 Non-GAAP measure; excludes intangible amortization expense and special items; see reconciliation schedules in the Investors section of the company's website
### Consumer Health Highlights – 1st Quarter 2020

**Solid growth across multiple franchises**

**Reported:**
- WW: 9.2%, U.S.: 21.0%, Int’l: 0.3%

**Operational**
- WW: 11.3%, U.S.: 21.0%, Int’l: 3.9%

<table>
<thead>
<tr>
<th>Category</th>
<th>WW Sales $MM</th>
<th>Key Drivers of Operational Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baby Care</td>
<td>$361</td>
<td>- Decline due to Baby Center divestiture, SKU rationalization and COVID-19 related impacts in EMEA and ASPAC, partially offset by strength in AVEENO baby</td>
</tr>
<tr>
<td>Skin Health/Beauty</td>
<td>$1,117</td>
<td>- Primarily due to U.S. NEUTROGENA growth in e-commerce, warehouse club as well as Hydroboost promotional timing and strength in EMEA; AVEENO and OGx higher market demand due to COVID-19 partially offset by declines due to COVID-19 impacts in China and Japan</td>
</tr>
<tr>
<td>Oral Care</td>
<td>$395</td>
<td>- Primarily due to market growth for LISTERINE mouthwash due to increased demand related to COVID-19 as well as new U.S. product innovation</td>
</tr>
<tr>
<td>OTC</td>
<td>$1,348</td>
<td>- U.S.: Due to market growth driven by COVID-19, a strong flu and allergy season and overall share gains as well as competitive supply disruptions and ZARBEE’S NATURALS strength; OUS: Primarily due to COVID-19 impact, stronger cough and cold season in EMEA and ASPAC</td>
</tr>
<tr>
<td>Women’s Health</td>
<td>$232</td>
<td>- Driven by o.b. increased COVID-19 demand in Germany and growth in napkins primarily in LATAM</td>
</tr>
<tr>
<td>Wound Care/Other</td>
<td>$171</td>
<td>- Primarily due to U.S. market growth in NEOSPORIN and adhesive bandages due to increased demand related to COVID-19</td>
</tr>
</tbody>
</table>

**Note:** Values may not add due to rounding

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**Adjusted Operational Sales**
- WW: 11.0%, U.S.: 21.7%, Int’l: 2.8%

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**Johnson & Johnson**

1. Non-GAAP measure; excludes the impact of translational currency; see reconciliation schedules in the Investors section of the company’s website.

2. Non-GAAP measure; excludes acquisitions and divestitures and translational currency; see reconciliation schedules in the Investors section of the company’s website.
Pharmaceutical Highlights – 1st Quarter 2020

Strong growth across multiple therapeutic areas

Reported: WW 8.7%, U.S. 8.6%, Int’l 8.8%
Operational¹: WW 10.1%, U.S. 8.6%, Int’l 12.0%

Key Drivers of Operational Performance¹

<table>
<thead>
<tr>
<th>Therapeutic Area</th>
<th>Key Drivers</th>
</tr>
</thead>
</table>
| Immunology            | • Growth driven by strong uptake of STELARA in Crohn’s Disease and increased COVID-19 related demand, strength in TREMFYA in Psoriasis, and expanded indications of SIMPONI ARIA, and U.S. immunology market growth
  • REMICADE decline due to increased discounts/rebates and biosimilar competition |
| Infectious Diseases   | • Strong sales of SYMTUZA and increased COVID-19 demand across the Infectious Disease portfolio, partially offset by increased competition for PREZISTA/PREZCOBIX/REZOLSTA and PREZISTA OUS LOE |
| Neuroscience          | • Paliperidone long-acting injectables growth due to strength of INVEGA SUSTENNA/XEPLION and INVEGA TRINZA/TREVICTA from new patient starts and persistency, partially offset by cannibalization of RISPERDAL CONSTA and generic competition on CONCERTA |
| Oncology              | • DARZALEX continued strong market growth and share gains in the U.S. and EU, driven by patient uptake in all lines of therapy
  • Strong sales of IMBRUVICA due to increased patient uptake globally, higher market share primarily in CLL L1, and increased COVID-19 demand related to longer scrips being written
  • Strong sales and share growth of ZYTIGA in the EU and ASPAC, partially offset by lower sales in the U.S. due to generic competition
  • Launch uptake of ERLEADA and share gains in non-metastatic CRPC as well as recently approved mCSPC indication; available in 18 EMEA countries
  • Lower sales of VELCADE due to generic competition |
| Cardiovascular/      | • Decline in XARELTO due to increased rebates including channel mix dynamics, partially offset by market growth and increased COVID-19 demand due to longer scrips being written
  • INVOKANA/INVOKAMET lower sales due to share loss from competitive pressures and safety label update in the U.S., slightly offset by growth in EU and LATAM
  • Lower sales of PROCRIT/EPREX due to biosimilar competition |
| Metabolism/Other      | • Growth in OPSUMIT and UPTRAVI due to continued share gains, market growth, and increased COVID-19 related demand
  • Lower sales of TRACLEER due to generic competition and cannibalization from OPSUMIT |

Adjusted Operational Sales²: WW 10.2%, U.S. 8.7%, Int’l 12.0%
Medical Devices Highlights – 1st Quarter 2020

Sales decline driven by the negative impact of COVID-19

**Reported:**
- WW (8.2)%, U.S. (6.8)%, Int’l (9.4)%

**Operational:**
- WW (6.9)%, U.S. (6.8)%, Int’l (6.9)%

**WW Sales $MM**
- Reported Growth
- Operational Growth

**Interventional Solutions**
- $727 (0.6)%, 0.4%

**Orthopaedics**
- $2,038 (7.5)%, (6.5)%
- Hips: Driven by the net negative impact of COVID-19 partially offset by leadership position in the anterior approach, strong market demand for the ACTIS stem and enabling technologies - KINCISE and VELYS Hip Navigation
- Knees: Driven by the negative impact of COVID-19 partially offset by the continued global uptake of new products
- Trauma: Driven by the negative impact of COVID-19 and market softness

**Surgery**
- $2,100 (12.3)%, (10.5)%
- Advanced:
  - Endocutters: ~(-6%) Driven by the negative impact of COVID-19 and competitive pressures in the U.S. partially offset by the growth of new products in ASPAC
  - Biosurgery: ~FLAT as the negative impact of COVID-19 was offset by the growth of new products
  - Energy: ~FLAT as the negative impact of COVID-19 and competitive pressures in the U.S. was offset by new product growth OUS
- General: Driven by the ASP divestiture and the negative impact of COVID-19

**Vision**
- $1,067 (5.5)%, (4.5)%
- Contact Lenses/Other: Net negative impact of COVID-19 offset by double-digit U.S. growth in daily disposable lenses in the ACUVUE OASYS family
- Surgical: Primarily driven by negative impact of COVID-19 and competitive pressures in the U.S. partially offset by new product growth OUS

**Adjusted Operational Sales:**
- WW (4.8)%, U.S. (4.3)%, Int’l (5.3)%

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1 Non-GAAP measure; excludes the impact of translational currency; see reconciliation schedules in the Investors section of the company’s website
2 Non-GAAP measure; excludes acquisitions and divestitures and translational currency; see reconciliation schedules in the Investors section of the company’s website

Note: Values may not add due to rounding
## Medical Devices Highlights – 1st Quarter 2020

*Sales decline driven by the negative impact of COVID-19*

### WW Sales $MM

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Sales</th>
<th>Growth</th>
<th>Operational Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision</td>
<td>$1,067</td>
<td>(5.5)%, (4.5)%</td>
<td></td>
</tr>
<tr>
<td>Orthopaedics</td>
<td>$2,038</td>
<td>(7.5)%, (6.5)%</td>
<td></td>
</tr>
<tr>
<td>Surgery</td>
<td>$2,100</td>
<td>(12.3)%, (10.5)%</td>
<td></td>
</tr>
</tbody>
</table>

### General Surgery now includes Specialty Surgery

1. Non-GAAP measure; excludes the impact of translational currency; see reconciliation schedules in the Investors section of the company’s website
2. General Surgery now includes Specialty Surgery

Note: Values may not add due to rounding.
# Condensed Consolidated Statement of Earnings

**1st Quarter 2020**

(Unaudited; Dollar and Shares in Millions Except Per Share Figures)

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>% to Sales</th>
<th>2019</th>
<th>% to Sales</th>
<th>% Increase (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales to customers</td>
<td>$20,691</td>
<td>100.0</td>
<td>$20,021</td>
<td>100.0</td>
<td>3.3</td>
</tr>
<tr>
<td>Cost of products sold</td>
<td>7,062</td>
<td>34.1</td>
<td>6,615</td>
<td>33.0</td>
<td>6.8</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>13,629</td>
<td>65.9</td>
<td>13,406</td>
<td>67.0</td>
<td>1.7</td>
</tr>
<tr>
<td>Selling, marketing, and administrative expenses</td>
<td>5,203</td>
<td>25.1</td>
<td>5,219</td>
<td>26.1</td>
<td>(0.3)</td>
</tr>
<tr>
<td>Research and development expense</td>
<td>2,580</td>
<td>12.5</td>
<td>2,858</td>
<td>14.3</td>
<td>(9.7)</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>-</td>
<td>-</td>
<td>890</td>
<td>4.4</td>
<td></td>
</tr>
<tr>
<td>Interest (income) expense, net</td>
<td>(42)</td>
<td>(0.2)</td>
<td>3</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>Other (income) expense, net</td>
<td>(679)</td>
<td>(3.3)</td>
<td>(22)</td>
<td>(0.1)</td>
<td></td>
</tr>
<tr>
<td>Restructuring</td>
<td>58</td>
<td>0.3</td>
<td>36</td>
<td>0.2</td>
<td></td>
</tr>
<tr>
<td>Earnings before provision for taxes on income</td>
<td>6,509</td>
<td>31.5</td>
<td>4,422</td>
<td>22.1</td>
<td>47.2</td>
</tr>
<tr>
<td>Provision for taxes on income</td>
<td>713</td>
<td>3.5</td>
<td>673</td>
<td>3.4</td>
<td>5.9</td>
</tr>
<tr>
<td>Net Earnings</td>
<td>$5,796</td>
<td>28.0</td>
<td>$3,749</td>
<td>18.7</td>
<td>54.6</td>
</tr>
<tr>
<td>Net earnings per share (Diluted)</td>
<td>$2.17</td>
<td></td>
<td>$1.39</td>
<td></td>
<td>56.1</td>
</tr>
<tr>
<td>Average shares outstanding (Diluted)</td>
<td>2,671.0</td>
<td></td>
<td>2,698.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>11.0%</td>
<td></td>
<td>15.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted earnings before provision for taxes and net earnings¹</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings before provision for taxes on income</td>
<td>$7,244</td>
<td>35.0</td>
<td>$6,867</td>
<td>34.3</td>
<td>5.5</td>
</tr>
<tr>
<td>Net earnings</td>
<td>$6,154</td>
<td>29.7</td>
<td>$5,661</td>
<td>28.3</td>
<td>8.7</td>
</tr>
<tr>
<td>Net earnings per share (Diluted)</td>
<td>$2.30</td>
<td></td>
<td>$2.10</td>
<td></td>
<td>9.5</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>15.0%</td>
<td></td>
<td>17.6%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹ Non-GAAP measure; excludes intangible amortization expense and special items; see reconciliation schedules in the Investors section of the company’s website.
Adjusted Income Before Tax by Segment

1st Quarter 2020

<table>
<thead>
<tr>
<th>Segment</th>
<th>1Q 2020</th>
<th>1Q 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmaceutical</td>
<td>45.3%</td>
<td>41.7%</td>
</tr>
<tr>
<td>Medical Devices</td>
<td>24.2%</td>
<td>29.6%</td>
</tr>
<tr>
<td>Consumer</td>
<td>24.5%</td>
<td>25.0%</td>
</tr>
<tr>
<td>Total</td>
<td>35.0%</td>
<td>34.3%</td>
</tr>
</tbody>
</table>

% to Sales

1 Non-GAAP measure; excludes amortization expense and special items; see reconciliation schedules in the Investors section of the company's website.

2 Estimated as of 4/14/2020

Note: Values may not add due to rounding.

Diagram showing the income distribution for 2020 and 2019 with segments labeled as follows:
- Pharmaceutical
- Medical Devices
- Consumer Health
- Expenses Not Allocated to Segments
Notable New Announcements in 1st Quarter 2020

Pharmaceuticals

- Regulatory Approvals:
  - STELARA (ustekinumab) – European Commission (EC) approval of expanded use for the treatment of pediatric patients (ages 6–11) with moderate to severe plaque psoriasis
  - ERLEADA (apalutamide) – EC granted marketing authorization for the expanded use to include the treatment of adult men with metastatic hormone-sensitive prostate cancer in combination with androgen deprivation therapy

- Regulatory Submissions:
  - DARZALEX (daratumumab) – Submission of a supplemental Biologics License Application to the U.S. Food and Drug Administration (FDA) for the combination with carfilzomib and dexamethasone (DKd) for relapsed/refractory multiple myeloma
  - Ponesimod – Submission of a supplemental New Drug Application to the FDA and marketing authorization application to the European Medicines Agency (EMA) for the treatment of adult patients with relapsing multiple sclerosis

- Other:
  - JNJ-6372 – FDA granted Breakthrough Therapy Designation for the treatment of non-small cell lung cancer
  - Rilpivirine and cabotegravir 48-week results of phase 3b ATLAS study demonstrate the safety and efficacy of long-acting injectable HIV treatment administered every two months
  - Rilpivirine and cabotegravir results of phase 3 FLARE study demonstrate the safety and efficacy of long-acting injectable HIV treatment regimen through 96 weeks
  - XARELTO (rivaroxaban) – Landmark phase 3 VOYAGER PAD study of XARELTO plus aspirin shows significant benefit in patients with symptomatic peripheral artery disease after lower-extremity revascularization
  - Announced lead COVID-19 vaccine candidate and landmark new partnership with U.S. Department of Health & Human Services
  - Launched HEARTLINE, the first-of-its-kind, virtual study designed to explore if a new iPhone app and Apple Watch can help reduce the risk of stroke
  - RPGR gene therapy – EMA has granted both Priority Medicines and Advanced Therapy Medicinal Product designations for the treatment of inherited retinal disease X-linked retinitis pigmentosa

1 These developments and all other news releases are available online in the Investors section of the company’s website at news releases.
Johnson & Johnson
Business Continuity

Robust business continuity plans across our network

Manufacturing
Closely monitor and maintain critical inventory

Commercial Capabilities
Support healthcare providers virtually and directly engage in areas needed

Research & Development
Maintain our clinical operation priorities, protecting the participants and satisfying all regulatory requirements

Most broadly-based global healthcare company with sustainable and resilient business model
Capital Allocation Strategy

Capital Allocation

Organic growth business needs

Free cash flow\(^1\)

Investment in M&A

Competitive dividends

Share repurchases

Priorities are clear and remain unchanged

---

1 Non-GAAP measure; cash flow from operations less CAPEX
2 Estimated as of April 14, 2020

### Dollars in Billions

<table>
<thead>
<tr>
<th>Category</th>
<th>Q1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Marketable Securities</td>
<td>$18.1</td>
</tr>
<tr>
<td>Debt</td>
<td>($27.6)</td>
</tr>
<tr>
<td>Net Debt</td>
<td>($9.5)</td>
</tr>
<tr>
<td>Free Cash Flow(^2)</td>
<td>~$3.0</td>
</tr>
</tbody>
</table>

Note: values may have been rounded

---

Q1 2020:

- $2.6B invested in R&D
- $2.5B in dividends paid to shareholders
## 2020 Guidance Assumptions

### Enterprise
- Inclusive of the macroeconomic impact of COVID-19
- The relative shape of the COVID-19 curve to be an acute, shorter term impact
- Virus does not return in the fall at the same intensity levels we are currently experiencing
- Recovery for procedures begins at the end of the 2nd quarter, continues in the 3rd quarter and improves further in the 4th quarter

### Pharmaceutical
- Smaller levels of disruption associated with delayed diagnosis and new patient starts
- Continued above market growth
- Continue to progress our plans for our 2020 anticipated filings and approvals

### Consumer Health
- Expect key categories such as OTC to continue to perform well
- Impact to certain categories as a result of reduced store traffic and social distancing behaviors
- Above market growth in the U.S.
- SKU rationalization program for benchmark profitability
Medical Devices: COVID-19 Framework

Q1: Initial Impact
Q2: Significant Impact
Q3: Stabilization
Q4: Recovery
Medical Devices: COVID-19 Framework

Data Utilized

- Q1 actual results in impacted regions
- Coronavirus reported cases by country
- Surgeon surveys and insights from our field force
- Epidemiology data combined with infectious diseases, economic and other scientific experts’ opinions

Key ASPAC Markets: China, Japan, Korea
- ~20% of MD Sales

Remaining Top 10 Markets: US, Italy, France, Germany, UK, Russia, Spain
- ~60% of MD Sales

Rest of World
- ~20% of MD Sales
Medical Devices: COVID-19 Framework

Approximately 1/3 of Procedures are Urgent or Non-Elective

<table>
<thead>
<tr>
<th>Franchise</th>
<th>Urgent %</th>
<th>Deferrable %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact Lens</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Surgical Vision</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Biosurgery / Energy / General Surgery</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>Endocutters</td>
<td>35%</td>
<td>65%</td>
</tr>
<tr>
<td>ENT</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Aesthetics</td>
<td>5%</td>
<td>95%</td>
</tr>
<tr>
<td>Hips / Knees / Other Ortho</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Spine</td>
<td>5%</td>
<td>95%</td>
</tr>
<tr>
<td>Trauma</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Electrophysiology</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Stroke</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td><strong>Total MD</strong></td>
<td><strong>30% to 35%</strong></td>
<td><strong>65% to 70%</strong></td>
</tr>
</tbody>
</table>

1 Excludes Contact Lens/Other
### Medical Devices: COVID-19 Framework

**Full Year 2020 Operational Sales Impact inclusive of Q1 Actuals: (-$4B) to (-$7B)**

<table>
<thead>
<tr>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Initial Impact</strong></td>
<td><strong>Significant Impact</strong></td>
<td><strong>Stabilization</strong></td>
<td><strong>Recovery</strong></td>
</tr>
</tbody>
</table>

#### Countries Impacted:
- China, Japan, Korea
- China represented more than 40% of total MD impact in Q1
- Japan and Korea represented less than 5% of total MD impact in Q1

#### Major Markets:
- U.S. represented ~30% of total MD impact in Q1
- Remaining major markets represented less than 20% of total MD impact in Q1

#### Rest of World
- ROW represented more than 5% of total MD impact in Q1

### Countries Impacted & Impact:
- **~20% of MD Sales**
  - China represented more than 40% of total MD impact in Q1
  - Japan and Korea represented less than 5% of total MD impact in Q1

- **~60% of MD Sales**
  - U.S. represented ~30% of total MD impact in Q1
  - Remaining major markets represented less than 20% of total MD impact in Q1

- **Rest of World**
  - ROW represented more than 5% of total MD impact in Q1

### Impact Breakdown:

**Q1**
- Deferrable procedures decline -20% to -60%
- Urgent procedures decline -10% to -20%

**Q2**
- Deferrable procedures decline -65% to -85%
- Urgent procedures decline -20% to -30%

**Q3**
- Deferrable procedures decline -20% to -60%
- Urgent procedures decline -10% to -20%

**Q4**
- Deferrable procedures increase 0% to +15%
- Urgent procedures normalize and are flat

### Recovery Phase:
- Continue to recover pent-up demand but to a lesser extent
  - Deferrable procedures increase 0% to +10%
  - Urgent procedures are flat

### Major Markets:
- U.S. represented ~30% of total MD impact in Q1
- Remaining major markets represented less than 20% of total MD impact in Q1

### Rest of World:
- ROW represented more than 5% of total MD impact in Q1

### Overall Economy:
- Overall economy, unemployment, insurance coverage and procedure capacity are key variables that could impact rate of recovery

---

**Johnson & Johnson**
## 2020 Guidance

<table>
<thead>
<tr>
<th></th>
<th>April</th>
<th>January</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted Operational Sales¹,²</strong></td>
<td>(3.0%) - 0.5%</td>
<td>5.0% - 6.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Operational Sales²</strong></td>
<td>$79.2 - $82.2B</td>
<td>$85.8 - $86.6B</td>
<td>Net Impact Acq./Div: ~0.5%</td>
</tr>
<tr>
<td></td>
<td>(3.5%) - 0.0%</td>
<td>4.5% - 5.5%</td>
<td></td>
</tr>
<tr>
<td><strong>Estimated Reported Sales³</strong></td>
<td>$77.5B - $80.5B</td>
<td>$84.4B - $86.2B</td>
<td>FX ($1.7B) or (2.0%) impact</td>
</tr>
<tr>
<td></td>
<td>(5.5%) - (2.0%)</td>
<td>4.0% - 5.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted Pre-Tax Operating Margin⁴,⁵</strong></td>
<td>~100 bps decline</td>
<td>~100 bps improvement</td>
<td>Higher manufacturing costs partially offset by spending reductions</td>
</tr>
<tr>
<td><strong>Net Interest Expense / (Income)</strong></td>
<td>$50 - $150 million</td>
<td>$0 - $100 million</td>
<td>Lower rates on interest income earned</td>
</tr>
<tr>
<td><strong>Net Other Income⁴</strong></td>
<td>$0.8 - $1.0 billion</td>
<td>$1.5 - $1.7 billion</td>
<td>Previously planned divestitures will be deferred</td>
</tr>
<tr>
<td><strong>Effective Tax Rate⁴</strong></td>
<td>16.5% - 18.0%</td>
<td>17.5% - 18.5%</td>
<td>Associated with sequence and pace of economic recovery</td>
</tr>
<tr>
<td><strong>Adjusted EPS (Operational)²,⁴</strong></td>
<td>$7.65 - $8.05</td>
<td>$9.00 - $9.15</td>
<td>Midpoint of $7.85 or (9.6%)</td>
</tr>
<tr>
<td></td>
<td>(11.9%) - (7.3%)</td>
<td>3.7% - 5.4%</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted EPS (Reported)³,⁴</strong></td>
<td>$7.50 - $7.90</td>
<td>$8.95 - $9.10</td>
<td>Midpoint of $7.70 or (11.3%)</td>
</tr>
<tr>
<td></td>
<td>(13.6%) - (9.0%)</td>
<td>3.1% - 4.8%</td>
<td>FX ($0.15) or (1.7%) impact</td>
</tr>
</tbody>
</table>

¹ Non-GAAP measure; excludes acquisitions and divestitures
² Non-GAAP measure; excludes the impact of translational currency
³ Euro Average Rate: April 2020 = $1.09
⁴ Non-GAAP measure; excludes intangible amortization expense and special items
⁵ Sales less: COGS, SM&A and R&D expenses
## 2020 EPS Guidance Update

### Adjusted EPS Guidance

- **Base Business Net COVID-19 Impact:**
  - **2020 Midpoint:** $8.17
  - **COVID-19 Income Impact:** $(1.60)
  - **Operating Savings:** $0.70
- **Other COVID-19 Related Impacts:**
  - **Lower Other Income:** $(0.20)
  - **COVID-19 Response Efforts:** $(0.10)
  - **Interest Expense:** $(0.02)

### Adjusted Operational EPS

- **2020 Midpoint:** $7.85
- **Currency:** $(0.15)

### Adjusted Reported EPS

- **2020 Midpoint:** $7.70

### Notes:
- **1** Represents the midpoint of guidance
- **2** Excludes the impact of translational currency
- **3** Euro Average Rate: April 2020 = $1.09
- **4** Non-GAAP measure; excludes intangible amortization expense and special items

---

Note: Values may not add due to rounding
Q&A

Alex Gorsky
Chairman and Chief Executive Officer

Joaquin Duato
Vice Chairman of the Executive Committee

Paul Stoffels, M.D.
Vice Chairman of the Executive Committee & Chief Scientific Officer

Joseph J. Wolk
Executive Vice President, Chief Financial Officer