

Johnson & Johnson and Subsidiaries

Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

FIRST QUARTER

| | 2022 | | 2021 | | Percent Increase (Decrease) |
|---|-----------|------------------|-----------|------------------|-----------------------------|
| | Amount | Percent to Sales | Amount | Percent to Sales | |
| Sales to customers | \$ 23,426 | 100.0 | \$ 22,321 | 100.0 | 5.0 |
| Cost of products sold | 7,598 | 32.4 | 7,063 | 31.7 | 7.6 |
| Gross Profit | 15,828 | 67.6 | 15,258 | 68.3 | 3.7 |
| Selling, marketing and administrative expenses | 5,938 | 25.4 | 5,432 | 24.3 | 9.3 |
| Research and development expense | 3,462 | 14.8 | 3,178 | 14.2 | 8.9 |
| In-process research and development | 610 | 2.6 | - | - | |
| Interest (income) expense, net | (12) | (0.1) | 48 | 0.2 | |
| Other (income) expense, net | (102) | (0.4) | (882) | (3.9) | |
| Restructuring | 70 | 0.3 | 53 | 0.2 | |
| Earnings before provision for taxes on income | 5,862 | 25.0 | 7,429 | 33.3 | (21.1) |
| Provision for taxes on income | 713 | 3.0 | 1,232 | 5.5 | (42.1) |
| Net earnings | 5,149 | 22.0 | 6,197 | 27.8 | (16.9) |
| Net earnings per share (Diluted) | \$ 1.93 | | \$ 2.32 | | (16.8) |
| Average shares outstanding (Diluted) | 2,666.5 | | 2,672.7 | | |
| Effective tax rate | 12.2 % | | 16.6 % | | |
| Adjusted earnings before provision for taxes and net earnings ⁽¹⁾ | | | | | |
| Earnings before provision for taxes on income | \$ 8,218 | 35.1 | \$ 8,291 | 37.1 | (0.9) |
| Net earnings | \$ 7,129 | 30.4 | \$ 6,924 | 31.0 | 3.0 |
| Net earnings per share (Diluted) | \$ 2.67 | | \$ 2.59 | | 3.1 |
| Effective tax rate | 13.3 % | | 16.5 % | | |

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