Note on Forward-looking statements

This presentation contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. The viewer 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 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, general industry conditions and competition; economic factors, such as interest rate and currency exchange rate fluctuations; technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approvals; challenges to patents; significant adverse litigation or government action; impact of business combinations; financial distress and bankruptcies experienced by significant customers and suppliers; changes to governmental laws and regulations and domestic and foreign health care reforms; trends toward health care cost containment; increased scrutiny of the health care industry by government agencies; changes in behavior and spending patterns of purchasers of health care products and services; financial instability of international economies and sovereign risk; disruptions due to natural disasters; manufacturing difficulties or delays; complex global supply chains with increasing regulatory requirements; and product efficacy or safety concerns resulting in product recalls or regulatory action. A further list and description of these risks, uncertainties and other factors can be found in Exhibit 99 of Johnson & Johnson's Annual Report on Form 10-K for the fiscal year ended December 30, 2012. Copies of this Form 10-K, as well as subsequent filings, are available online at www.sec.gov, www.investor.jnj.com 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.

Note on Non-GAAP Financial Measures

This presentation may refer 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 Investor Relations section of the Company’s website at www.investor.jnj.com.
• 2012 Sales of $67.2 Billion

• Over 250 operating companies worldwide

• Leadership positions in ethical pharmaceuticals, medical devices and diagnostics and a variety of consumer products
Content Overview

- Strategic Framework
- Historical Performance
- Segment Overview
- First Quarter 2013 Results
- Summary
Strategic Framework

OUR FOUNDATION

Our Credo

Our Aspiration

OUR STRATEGIC PRINCIPLES

Broadly Based in Human Health Care

Managed for the Long Term

Decentralized Management Approach

Our People and Values

OUR GROWTH DRIVERS

Creating Value through Innovation

Global Reach / Local Focus

Excellence in Execution

Leading with Purpose
Our Growth Drivers

- Creating Value through Innovation
- Global Reach / Local Focus
- Excellence in Execution
- Leading with Purpose
Creating Value Through Innovation

• Our distinct model
  – Accessing the best science
  – Leveraging capabilities, collaborations, and convergent opportunities

• A lifecycle approach
  – Building out platforms, brands, and products

• Broad partnerships
  – Providing solutions and unique offerings to patients, insurers and providers
Global Reach/Local Focus

2012 Johnson & Johnson Sales: $67.2 Billion

* Developed = US; Canada; Australia; Western Europe; and Japan
** Emerging = all other remaining countries
Meeting Needs of Emerging Markets

- Capitalizing on our broad base of product offerings
- Selectively acquiring and developing local products
- Optimizing infrastructure
- Training institutes
- Localized health care solutions
Excellence in Execution
An Enterprise Approach

Operational Excellence
- Optimizing Enterprise Supply Chain
- Enhancing R&D productivity
- Best-in-class new product launches
- Creating Go-to-Market Models
Excellence in Execution
An Enterprise Approach

Portfolio Management

- Decisions focused on accelerating our growth
- Investing for the long term
- Exited/divested certain businesses
Leading with Purpose

• Expanding Access to Care
  – Generic versions of Prezista available to help address HIV epidemic in world’s poorest countries

• Transforming Patient Lives and Communities
  – Monetary & product contributions of ~$900MM that address major health-related issues in more than 50 countries

• HEALTHY FUTURE – 2015 Sustainability Goals
  – Great progress towards sustainability goals
Leading with Purpose

Our Credo

“...our first responsibility is to the doctors, nurses and patients, to mothers and fathers and all others who use our products and services.”

“We are responsible to our employees, the men and women who work with us throughout the world.”

“We are responsible to the communities in which we live and work and to the world community as well.”

“Our final responsibility is to our stockholders. Business must make a sound profit. We must experiment with new ideas. Research must be carried on, innovative programs developed and mistakes paid for.”
Historical Performance
2012 Sales by Segment

2012 Twelve Month Sales: $67.2 Billion
$ US Billions

Medical Devices & Diagnostics
41%

Pharmaceutical
38%

Consumer
21%

* Operational change
Note: Inclusive of Synthes June – December, excluding the net impact of the Synthes acquisition MD&D Operational sales change is 0.8%
2012 Sales by Region

2012 Twelve Month Sales: $67.2 Billion
$ US Billions

- Europe: 25% (25% of $29.8B, $7.4B)
- W. Hemisphere: 11% (11% of $7.2B, $0.8B)
- Asia-Pacific, Africa: 20% (20% of $13.2B, $2.6B)
- U.S.: 44% (44% of $29.8B, $13.2B)

* Operational change
** Rounded for visual accuracy

Note: Inclusive of Synthes June – December, excluding the net impact of the Synthes acquisition. MD&D Operational sales change is 0.8%
2012 Performance Highlights

• Delivered on financial commitments

• Advanced near-term priorities
  – Restoring reliable supply of our OTC products
  – Successfully integrating Synthes
  – Building on the strong momentum in pharmaceuticals

• Strengthened our focus on the future
  – Investing in innovation
  – Progressing enterprise initiatives
  – Expanding our global presence
2012 Segment Pre-Tax Profit*

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Tax Profit</td>
<td>13.5%</td>
<td>14.1%</td>
</tr>
<tr>
<td>% to Sales</td>
<td>32.3%</td>
<td>31.3%</td>
</tr>
<tr>
<td>+32.9%</td>
<td>33.4%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>28.5%</td>
<td>28.2%</td>
</tr>
</tbody>
</table>

* Non-GAAP measure; excludes special items
2012 Cash Flow

Free Cash Flow* $12.5B
Net Cash/(Debt) Position $4.9B

* Non-GAAP financial measure; defined as operating cash flow less capital spending

One of Only 4 U.S. Industrial Companies With Triple A Credit Rating
## Consistent Performance

29 Consecutive years of Adjusted Earnings increases

50 Consecutive years of Dividend increases

<table>
<thead>
<tr>
<th>Year</th>
<th>Reported Sales Growth</th>
<th>Operational Sales Growth</th>
<th>Adjusted Net Earnings Growth&lt;sup&gt;1&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>+10.1%</td>
<td>+10.4%</td>
<td>+10.0%</td>
</tr>
<tr>
<td>50</td>
<td>+10.5</td>
<td>+10.8</td>
<td>+14.1</td>
</tr>
<tr>
<td>20</td>
<td>+8.3</td>
<td>+8.5</td>
<td>+11.7</td>
</tr>
<tr>
<td>10</td>
<td>+6.4</td>
<td>+5.1</td>
<td>+8.3</td>
</tr>
<tr>
<td>5</td>
<td>+1.9</td>
<td>+1.8</td>
<td>+3.5</td>
</tr>
<tr>
<td>1</td>
<td>+3.4</td>
<td>+6.1</td>
<td>+3.4</td>
</tr>
</tbody>
</table>

<sup>1</sup> Non-GAAP; excludes In-process R&D and other special items
## Total Shareholder Return

**As of 12/31/2012**

<table>
<thead>
<tr>
<th></th>
<th>1 YEAR</th>
<th>5 YEAR</th>
<th>10 YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Johnson &amp; Johnson</td>
<td>10.8%</td>
<td>4.4%</td>
<td>5.5%</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>16.0%</td>
<td>1.7%</td>
<td>7.1%</td>
</tr>
<tr>
<td>S&amp;P Pharmaceutical</td>
<td>14.4%</td>
<td>5.7%</td>
<td>4.5%</td>
</tr>
<tr>
<td>S&amp;P H/C Equipment</td>
<td>17.3%</td>
<td>1.1%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Dow Jones Index</td>
<td>10.2%</td>
<td>2.6%</td>
<td>7.3%</td>
</tr>
</tbody>
</table>

Note: Data Source – Bloomberg
Segment Overview
Consumer Segment Overview

- Worldwide annual sales in 2012 of $14.4 billion

- Principal products in:
  - Over-the-Counter Pharmaceuticals and Nutritionals
  - Skin Care
  - Baby Care
  - Wound Care
  - Oral Care
  - Women’s Health
Consumer Highlights

2012 Sales: $14.4 Billion
Ops Change: 0.5%

#6 Largest Consumer Health Care Company*

- Continue to restore reliable supply of McNeil OTC products
- Focused portfolio management
- Continued expansion in emerging markets
  - Market specific products
  - Iconic brands

* 12 months rolling sales through Q3 2012
Consumer Segment

Sales & Operational Change – Twelve Months 2012

2012 Sales: $14.4 Billion
2012 Ops Change: 0.5%
$ US Billions

OTC & Nutritionals

Skin Care

Oral Care

Baby Care

Wound Care/Other

Women’s Health

Growth rates represent operational YOY Change
* Rounded for visual accuracy
Medical Devices & Diagnostics Segment Overview

- Worldwide annual sales in 2012 of $27.4 billion
- Largest medical device company in the world
- Global presence in medical, surgical and diagnostic categories
- Eight large franchises
- 80% of sales coming from #1 or #2 market position
MD&D Highlights

2012 Sales: $27.4 Billion
Ops Change: 8.7%

#1 Worldwide MD&D Business

- Building on our market leadership
- #1 or #2 Leadership positions in over 80% of key platforms
- Strong double-digit growth in emerging markets
- Pipeline advancement
- Disciplined portfolio approach
- Adapting businesses to changing market
- Investing for long-term sustainable growth

Note: Excluding the net impact of the Synthes acquisition MD&D Operational sales change = 0.8%
Medical Devices & Diagnostics Segment

Sales & Operational Change – Twelve Months 2012

2012 Sales: $27.4 Billion
2012 Ops Change: 8.7%
$ US Billions

- Specialty Surgery: $7.8B, +36%
- Orthopaedics: $2.5B, +7%
- Vision Care: $3.0B, +4%
- Cardiovascular Care: $2.0B, (11%)
- Diabetes Care: $2.6B, +1%
- Diagnostics: $2.1B, (3%)
- Infection Prevention / Other: $0.9B, +7%
- Surgical Care: $6.5B, +1%

Growth rates represent operational YOY Change
* Rounded for visual accuracy
Note: Excluding the net impact of the Synthes acquisition, MD&D Operational change = 0.8%
Pharmaceutical Segment Overview

- Worldwide annual sales in 2012 of $25.4 billion
- Over 100 drugs marketed in approximately 150 countries
- Seven products with revenues over $1 billion
- Robust R&D pipeline
- Key licensing & strategic partnerships
Pharmaceutical Highlights

2012 Sales: $25.4 Billion
Ops Change: 6.8%

#8 Worldwide Market Rank*
#6 Global Biotech Market Rank**

• Strong launch execution of recently approved products
  – Fastest growing Europe & Japan¹
  – US leader in new product sales¹

• Significant pipeline advancements
  – 10 NME approvals since 2009²

---

* WW Pharm – IMS Health, Audited Q3 2012
** Biotech Source: IMS Health, MIDAS, MAT September 2012
¹ IMS Midas; ² Source: GRPI
1st Quarter
Financial Highlights
## Financial Highlights

1Q 2013 vs. 1Q 2012

<table>
<thead>
<tr>
<th>TOTAL COMPANY</th>
<th>1Q13</th>
<th>1Q12</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$17.5B</td>
<td>$16.1B</td>
<td>8.5%</td>
</tr>
<tr>
<td>Adjusted Earnings*</td>
<td>$4.1B</td>
<td>$3.8B</td>
<td>8.0%</td>
</tr>
<tr>
<td>Diluted EPS*</td>
<td>$1.44</td>
<td>$1.37</td>
<td>5.1%</td>
</tr>
</tbody>
</table>

* Non-GAAP measure; excludes special items

Note: Excluding the net impact of the Synthes acquisition, WW Operational sales change = 4.1%
1Q 2013 Sales by Segment

1Q 2013 Sales: $17.5 Billion
$ US Billions

- **Pharmaceuticals**: 39%
  - 1Q 2013 Sales: $6.8B
  - +11%*

- **Consumer**: 21%
  - 1Q 2013 Sales: $7.1B
  - +12%*

- **Medical Devices & Diagnostics**: 40%
  - 1Q 2013 Sales: $7.1B
  - +3%*

Note: sum of parts does not equal total due to rounding

* Operational YOY change

Note: Excluding the net impact of the Synthes acquisition, MD&D Operational change = (2.4%)
1Q 2013 Sales by Region

1Q 2013 Sales: $17.5 Billion
$ US Billions

W. Hemisphere (excluding U.S.)
10%

Europe
26%

Asia-Pacific, Africa
18%

U.S.
46%

$4.5B
+6%*

$1.8B
+9%*

$3.2B
+12%*

$8.0B
+11%*

$1.8B
+6%*

$3.2B
+12%*

$8.0B
+11%*

* Operational YOY change
Consumer Segment
Sales & Operational Change – 1Q 2013

1Q 2013 Sales: $3.7 Billion
1Q 2013 Ops Change: 3%
$ US Billions

- OTC & Nutritionals: $1.2 Billion, +8%
- Baby Care: $0.6 Billion, +7%
- Oral Care: $0.4 Billion, +5%
- Wound Care/Other: $0.2 Billion, +1%
- Skin Care: $0.9 Billion, 0%
- Women’s Health: $0.4 Billion, +1%

Growth rates represent operational YOY change
1Q 2013 Consumer Sales (+3%)

Key Drivers:

- **OTC/Nutritionals (+8%)**
  - TYLENOL® and MOTRIN® analgesics and upper respiratory over-the-counter medicines
- **Baby Care (+7%)**
  - Wipes, hair care, cleansers and powders
- **Oral Care (+5%)**
  - Strong sales of LISTERINE ® mouthwash due to continued success of new product launches

All growth %’s noted are operational growth
Medical Devices & Diagnostics Segment
Sales & Operational Change – 1Q 2013

1Q 2013 Sales: $7.1 Billion
1Q 2013 Ops Change: 12%

$ US Billions

- Orthopaedics: $2.4 Billion, +61%
- Vision Care: $1.5 Billion, (5%)
- Diabetes Care: $0.5 Billion, (5%)
- Diagnostics: $0.6 Billion, (10%)
- Surgical Care: $0.8 Billion, +2%
- Specialty Surgery: $0.6 Billion, +1%
- Cardiovascular Care: $0.6 Billion, +9%
- Infection Prevention / Other: $0.2 Billion, (11%)

Growth rates represent operational YOY Change
* Rounded for visual accuracy
Note: Excluding the net impact of the Synthes acquisition, MD&D Operational change = (2.4%)
1Q 2013 Medical Devices & Diagnostics Sales (+12%)

Key Drivers:

• Cardiovascular Care (+9%)
  – Strong results for Biosense Webster and endovascular products

• Vision Care (+2%)
  – 1-Day ACUVUE® TRUEYE and 1-Day ACUVUE® MOIST® disposable contact lenses

• Orthopaedics (+61%)
  – Addition of Synthes acquisition

All growth %’s noted are operational growth
Pharmaceutical Segment
Sales & Operational Change – 1Q 2013

1Q 2013 Sales: $6.8 Billion
1Q 2013 Ops Change: 11%
$ US Billions

- Immunology: $2.2 billion (+17%)
- Infectious Diseases: $.8 billion (+9%)
- Neuroscience: $1.7 billion (+8%)
- Oncology: $.8 billion (+35%)
- Total Other: $1.2 billion (2%)

Growth rates represent operational YOY change.
1Q 2013 Pharmaceutical Sales (+11%)

Key Growth Products: % Change

- SIMPONI® for rheumatoid arthritis > 100%
- Invega® Sustenna® /Xeplion® for treatment of schizophrenia in adults + 76%
- STELARA® for psoriasis + 57%
- PREZISTA® for treatment for HIV + 14%
- REMICADE® for immune mediated inflammatory diseases + 6%

Recently Launched Products:

- XARELTO® an oral anticoagulant > 100%
- ZYTIGA® for metastatic, castration-resistant prostate cancer + 72%
- INCIVO® for treatment of Hepatitis C virus + 25%

All growth %’s noted are operational growth
2013 and Beyond...

We are committed to:

- Patients, employees, communities, shareholders
- Achieving our financial targets
- Focusing on our near-term priorities
- Implementing our long-term growth drivers
Reconciliation of Non-GAAP Measures

2012 Operating Profit

<table>
<thead>
<tr>
<th></th>
<th>Full Year 2012</th>
<th>Full Year 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted earnings before provision for taxes on income</td>
<td>$18,214</td>
<td>$17,353</td>
</tr>
<tr>
<td>Interest expense</td>
<td>468</td>
<td>480</td>
</tr>
<tr>
<td>Other expenses not allocated to segments</td>
<td>468</td>
<td>474</td>
</tr>
<tr>
<td><strong>Segment Pre-Tax Profit as adjusted</strong></td>
<td><strong>$19,150</strong></td>
<td><strong>$18,307</strong></td>
</tr>
</tbody>
</table>

**Adjustments allocated to segments:**

- Net litigation loss: $(1,218)$, $(3,310)$
- In-process research and development: $(1,163)$, $(14)$
- Intangible asset write-downs and other adjustments: $(909)$, 
- Synthes integration/transaction costs: $(795)$, $(41)$
- DePuy ASR™ Hip program: $(110)$, $(521)$
- Restructuring: 
- **Segment Pre-Tax Profit as reported** | **$14,955** | **$13,765** |
# Reconciliation of Non-GAAP Measures

## 2012 Free Cash Flow

### Johnson & Johnson

**Free Cash Flow**  
(Dollars in Billions)

<table>
<thead>
<tr>
<th></th>
<th>Full Year 2012</th>
<th>Full Year 2011</th>
<th>'12 vs. '11 % change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Cash flows from operating activities</td>
<td>$15.4</td>
<td>$14.3</td>
<td></td>
</tr>
<tr>
<td>Additions to property, plant and equipment</td>
<td>(2.9)</td>
<td>(2.9)</td>
<td></td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td><strong>$12.5</strong></td>
<td><strong>$11.4</strong></td>
<td><strong>9.6%</strong></td>
</tr>
</tbody>
</table>
# Reconciliation of Non-GAAP Measures

## 2012 Net Earnings and EPS

<table>
<thead>
<tr>
<th>(Dollars in Millions Except Per Share Data)</th>
<th>Fourth Quarter</th>
<th>Twelve Months</th>
<th>% Incr. / (Decr.)</th>
<th>% Incr. / (Decr.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings before provision for taxes on income - as reported</td>
<td>$3,100</td>
<td>$318</td>
<td>874.8 %</td>
<td>$13,775</td>
</tr>
<tr>
<td>Net litigation loss (gain)</td>
<td>471</td>
<td>2,656</td>
<td></td>
<td>1,229</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>55</td>
<td>14</td>
<td></td>
<td>1,163</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>406</td>
<td>277</td>
<td></td>
<td>1,028</td>
</tr>
<tr>
<td>Intangible asset write-downs and other adjustments</td>
<td>-</td>
<td>-</td>
<td></td>
<td>909</td>
</tr>
<tr>
<td>DePuy ASR™ Hip program</td>
<td>83</td>
<td>412</td>
<td></td>
<td>110</td>
</tr>
<tr>
<td>Restructuring</td>
<td>-</td>
<td>(20)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Earnings before provision for taxes on income - as adjusted</td>
<td>$4,115</td>
<td>3,657</td>
<td>12.5 %</td>
<td>$18,214</td>
</tr>
<tr>
<td>Net earnings attributable to Johnson &amp; Johnson - as reported</td>
<td>$2,567</td>
<td>218</td>
<td>1,077.5 %</td>
<td>$10,853</td>
</tr>
<tr>
<td>Net litigation loss (gain)</td>
<td>371</td>
<td>2,239</td>
<td></td>
<td>1,052</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>59</td>
<td>11</td>
<td></td>
<td>743</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>306</td>
<td>338</td>
<td></td>
<td>899</td>
</tr>
<tr>
<td>Intangible asset write-downs and other adjustments</td>
<td>-</td>
<td>-</td>
<td></td>
<td>701</td>
</tr>
<tr>
<td>DePuy ASR™ Hip program</td>
<td>73</td>
<td>336</td>
<td></td>
<td>97</td>
</tr>
<tr>
<td>Restructuring</td>
<td>-</td>
<td>(13)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Net earnings attributable to Johnson &amp; Johnson - as adjusted</td>
<td>$3,376</td>
<td>3,129</td>
<td>7.9 %</td>
<td>$14,345</td>
</tr>
<tr>
<td>Diluted Net Earnings per share attributable to Johnson &amp; Johnson - as reported</td>
<td>$0.91</td>
<td>0.08</td>
<td>1,037.5 %</td>
<td>$3.86</td>
</tr>
<tr>
<td>Net litigation loss (gain)</td>
<td>0.13</td>
<td>0.81</td>
<td></td>
<td>0.37</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>0.02</td>
<td>-</td>
<td></td>
<td>0.27</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>0.11</td>
<td>0.12</td>
<td></td>
<td>0.32</td>
</tr>
<tr>
<td>Intangible asset write-downs and other adjustments</td>
<td>-</td>
<td>-</td>
<td></td>
<td>0.25</td>
</tr>
<tr>
<td>DePuy ASR™ Hip program</td>
<td>0.02</td>
<td>0.12</td>
<td></td>
<td>0.03</td>
</tr>
<tr>
<td>Restructuring</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Diluted Net Earnings per share attributable to Johnson &amp; Johnson - as adjusted</td>
<td>$1.19</td>
<td>1.13</td>
<td>5.3 %</td>
<td>$5.10</td>
</tr>
</tbody>
</table>

(1) Amount includes third quarter in-process research and development charge of $679M related to bapineuzumab IV offset by $339M reported as net loss attributable to noncontrolling interest

The Company believes investors gain additional perspective of underlying business trends and results by providing a measure of earnings before provision for taxes on income, net earnings and diluted net earnings per share that excludes special items in order to evaluate ongoing business operations.
# Reconciliation of Non-GAAP Measures

## 2013 Q1 Net Earnings and EPS

### Johnson & Johnson and Subsidiaries

#### Reconciliation of Non-GAAP Financial Measures

<table>
<thead>
<tr>
<th>(Dollars in Millions Except Per Share Data)</th>
<th>First Quarter</th>
<th>% Incr. / (Decr.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings before provision for taxes on income - as reported</td>
<td>$4,261</td>
<td>$5,045</td>
</tr>
<tr>
<td>Litigation expenses</td>
<td>529</td>
<td>-</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>258</td>
<td>(117)</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>64</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>(42)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Earnings before provision for taxes on income - as adjusted</strong></td>
<td><strong>$5,070</strong></td>
<td><strong>$4,928</strong></td>
</tr>
<tr>
<td>Net Earnings - as reported</td>
<td>$3,497</td>
<td>$3,910</td>
</tr>
<tr>
<td>Litigation expenses</td>
<td>391</td>
<td>-</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>183</td>
<td>(106)</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>42</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>(6)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Earnings - as adjusted</strong></td>
<td><strong>$4,107</strong></td>
<td><strong>$3,804</strong></td>
</tr>
<tr>
<td>Diluted Net Earnings per share - as reported</td>
<td>$1.22</td>
<td>$1.41</td>
</tr>
<tr>
<td>Litigation expenses</td>
<td>0.14</td>
<td>-</td>
</tr>
<tr>
<td>Synthes integration/transaction costs and currency related</td>
<td>0.06</td>
<td>(0.04)</td>
</tr>
<tr>
<td>In-process research and development</td>
<td>0.02</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Diluted Net Earnings per share - as adjusted</strong></td>
<td><strong>$1.44</strong></td>
<td><strong>$1.37</strong></td>
</tr>
</tbody>
</table>

The Company believes investors gain additional perspective of underlying business trends and results by providing a measure of earnings before provision for taxes on income, net earnings and diluted net earnings per share that excludes special items in order to evaluate ongoing business operations.