

**Johnson & Johnson and Subsidiaries**  
**Condensed Consolidated Statement of Earnings**

**(Unaudited; in Millions Except Per Share Figures)**

**FIRST QUARTER**

	2016		2015		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 17,482	100.0	\$ 17,374	100.0	0.6
Cost of products sold	5,329	30.5	5,282	30.4	0.9
Selling, marketing and administrative expenses	4,688	26.8	4,847	27.9	(3.3)
Research and development expense	2,013	11.5	1,899	10.9	6.0
Interest (income) expense, net	77	0.4	119	0.7	
Other (income) expense, net	(39)	(0.2)	(348)	(2.0)	
Restructuring	120	0.7	-	-	
Earnings before provision for taxes on income	5,294	30.3	5,575	32.1	(5.0)
Provision for taxes on income	1,002	5.7	1,255	7.2	(20.2)
Net earnings	4,292	24.6	4,320	24.9	(0.6)
Net earnings per share (Diluted)	\$ 1.54		\$ 1.53		0.7
Average shares outstanding (Diluted)	2,795.4		2,826.0		
Effective tax rate	18.9 %		22.5 %		
<b>Adjusted earnings before provision for taxes and net earnings <sup>(1)</sup></b>					
Earnings before provision for taxes on income	\$ 5,801	33.2	\$ 5,630	32.4	3.0
Net earnings	\$ 4,689	26.8	\$ 4,418	25.4	6.1
Net earnings per share (Diluted)	\$ 1.68		\$ 1.56		7.7
Effective tax rate	19.2 %		21.5 %		

<sup>(1)</sup> See Reconciliation of Non-GAAP Financial Measures.