

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

(Unaudited; in Millions Except Per Share Figures)

**THIRD QUARTER**

	<b>2010</b>		<b>2009</b>		Percent Increase (Decrease)
	<b>Amount</b>	<b>Percent to Sales</b>	<b>Amount</b>	<b>Percent to Sales</b>	
<b>Sales to customers</b>	<b>\$ 14,982</b>	<b>100.0</b>	<b>\$ 15,081</b>	<b>100.0</b>	(0.7)
Cost of products sold	4,594	30.7	4,434	29.4	3.6
Selling, marketing and administrative expenses	4,709	31.4	4,767	31.6	(1.2)
Research expense	1,657	11.1	1,617	10.7	2.5
Interest (income)expense, net	95	0.6	114	0.7	
Other (income)expense, net	(292)	(2.0)	(96)	(0.6)	
Earnings before provision for taxes on income	4,219	28.2	4,245	28.2	(0.6)
Provision for taxes on income	802	5.4	900	6.0	(10.9)
<b>Net earnings</b>	<b>\$ 3,417</b>	<b>22.8</b>	<b>\$ 3,345</b>	<b>22.2</b>	2.2
<b>Net earnings per share (Diluted)</b>	<b>\$ 1.23</b>		<b>\$ 1.20</b>		2.5
<b>Average shares outstanding (Diluted)</b>	<b>2,786.4</b>		<b>2,793.0</b>		
<b>Effective tax rate</b>	<b>19.0 %</b>		<b>21.2 %</b>		

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**NINE MONTHS**

	2010		2009		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
<b>Sales to customers</b>	<b>\$ 45,943</b>	<b>100.0</b>	<b>\$ 45,346</b>	<b>100.0</b>	1.3
Cost of products sold	13,752	29.9	13,135	29.0	4.7
Selling, marketing and administrative expenses	14,244	31.0	14,172	31.3	0.5
Research expense	4,862	10.6	4,773	10.5	1.9
Interest (income)expense, net	234	0.5	280	0.6	
Other (income)expense, net	(1,868)	(4.0)	(165)	(0.4)	
Earnings before provision for taxes on income	14,719	32.0	13,151	29.0	11.9
Provision for taxes on income	3,327	7.2	3,091	6.8	7.6
<b>Net earnings</b>	<b>\$ 11,392</b>	<b>24.8</b>	<b>\$ 10,060</b>	<b>22.2</b>	13.2
<b>Net earnings per share (Diluted)</b>	<b>\$ 4.08</b>		<b>\$ 3.61</b>		13.0
<b>Average shares outstanding (Diluted)</b>	<b>2,792.0</b>		<b>2,787.9</b>		
<b>Effective tax rate</b>	<b>22.6 %</b>		<b>23.5 %</b>		
<b>Adjusted earnings before provision for taxes and net earnings</b>					
Earnings before provision for taxes on income	\$ 13,379 (1)	29.1	\$ 13,151	29.0	1.7
Net earnings	\$ 10,415 (1)	22.7	\$ 10,060	22.2	3.5
Net earnings per share (Diluted)	\$ 3.73 (1)		\$ 3.61		3.3
Effective tax rate	22.2 %		23.5 %		

(1) The difference between as reported earnings and as adjusted earnings before provision for taxes on income, net earnings and net earnings per share (diluted) is the exclusion of income from net litigation of \$1,340 million, \$977 million and \$0.35 per share, respectively.