

Johnson & Johnson and Subsidiaries
Reconciliation of Non-GAAP Financial Measures

<i>(Dollars in Millions Except Per Share Data)</i>	Second Quarter		% Incr. / (Decr.)	Six Months YTD		% Incr. / (Decr.)
	2013	2012		2013	2012	
Earnings before provision for taxes on income - as reported	\$ 4,793	2,035	135.5 %	\$ 9,054	\$ 7,080	27.9 %
Intangible asset write-downs	-	939		-	939	
Litigation expenses	375	669		904	669	
Synthes integration/transaction costs and currency related	122	574		380	457	
In-process research and development	-	429		64	429	
DePuy ASR™ Hip program	69	-		82	-	
Other	-	-		(55)	-	
Earnings before provision for taxes on income - as adjusted	<u>\$ 5,359</u>	<u>4,646</u>	<u>15.3 %</u>	<u>\$ 10,429</u>	<u>9,574</u>	<u>8.9 %</u>
Net Earnings - as reported	\$ 3,833	1,408	172.2 %	\$ 7,330	5,318	37.8 %
Intangible asset write-downs	-	717		-	717	
Litigation expenses	308	611		699	611	
Synthes integration/transaction costs and currency related	87	564		270	458	
In-process research and development	-	344		42	344	
DePuy ASR™ Hip program	61	-		91	-	
Other	-	-		(36)	-	
Net Earnings - as adjusted	<u>\$ 4,289</u>	<u>3,644</u>	<u>17.7 %</u>	<u>\$ 8,396</u>	<u>7,448</u>	<u>12.7 %</u>
Diluted Net Earnings per share - as reported	\$ 1.33	0.50	166.0 %	\$ 2.55	1.91	33.5 %
Intangible asset write-downs	-	0.26		-	0.26	
Litigation expenses	0.10	0.22		0.24	0.22	
Synthes integration/transaction costs and currency related	0.03	0.20		0.09	0.16	
In-process research and development	-	0.12		0.02	0.12	
DePuy ASR™ Hip program	0.02	-		0.03	-	
Other	-	-		(0.01)	-	
Diluted Net Earnings per share - as adjusted	<u>\$ 1.48</u>	<u>1.30</u>	<u>13.8 %</u>	<u>\$ 2.92</u>	<u>2.67</u>	<u>9.4 %</u>

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.