

**FOR IMMEDIATE RELEASE****Johnson & Johnson Reports 2014 Second-Quarter Results:****Press Contacts:**

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**Sales of \$19.5 Billion increased 9.1% Versus 2013 Second Quarter;  
Second-Quarter EPS was \$1.51  
Excluding Special Items, 2014 Second-Quarter EPS of \$1.66 increased 12.2%\***

New Brunswick, NJ (July 15, 2014) – Johnson & Johnson (NYSE: JNJ) today announced sales of \$19.5 billion for the second quarter of 2014, an increase of 9.1% as compared to the second quarter of 2013. Operational results increased 9.4% and the negative impact of currency was 0.3%. Domestic sales increased 14.9%. International sales increased 4.4%, reflecting operational growth of 5.0% and a negative currency impact of 0.6%.

Net earnings and diluted earnings per share for the second quarter of 2014 were \$4.3 billion and \$1.51, respectively. The second-quarter results included a charge for after-tax special items of approximately \$0.4 billion, primarily related to an increase in the litigation accrual as well as integration and transaction costs related to the acquisition of Synthes, Inc. Second quarter 2013 net earnings included a charge for after-tax special items of approximately \$0.5 billion as shown in the accompanying reconciliation of non-GAAP financial measures. Excluding these special items, net earnings for the current quarter were \$4.8 billion and diluted earnings per share were \$1.66, representing increases of 11.3% and 12.2%, respectively, as compared to the same period in 2013.\*

“Our strong second-quarter results reflect the continued success of our new product launches and the progress we have made in achieving our near-term priorities,” said Alex Gorsky, Chairman and Chief Executive Officer. “Significant advancements are being made in the treatment options and access to care for patients and customers around the world. Our diversified business model, focus on long-term growth drivers and talented colleagues position us well in this evolving and dynamic global health care market.”

The Company increased its earnings guidance for full-year 2014 to \$5.85 - \$5.92 per share. The Company’s guidance excludes the impact of special items.

Worldwide Consumer sales of \$3.7 billion for the second quarter represented an increase of 2.4% versus the prior year consisting of an operational increase of 3.6% and a negative impact from currency of 1.2%.

Domestic sales decreased 0.5% primarily reflecting the divestiture of the sanitary protection business. International sales increased 3.9%, which reflected an operational increase of 5.8% and a negative currency impact of 1.9%.

Positive contributors to operational results were sales of **TYLENOL**<sup>®</sup> and **MOTRIN**<sup>®</sup> analgesics; over-the-counter upper respiratory medicines as well as anti-smoking aids; **NEUTROGENA**<sup>®</sup> and **AVEENO**<sup>®</sup> skin care products; baby care products; and international sales of **LISTERINE**<sup>®</sup> mouthwash and feminine protection products.

Worldwide Pharmaceutical sales of \$8.5 billion for the second quarter represented an increase of 21.1% versus the prior year on a total and operational basis. Domestic sales increased 36.6%. International sales increased 6.8% which reflected an operational increase of 6.9% and a negative currency impact of 0.1%.

The strong sales results were primarily driven by new products including **OLYSIO**<sup>®</sup>/**SOVRIAD**<sup>®</sup> (simeprevir), for combination treatment of chronic hepatitis C in adult patients; **XARELTO**<sup>®</sup> (rivaroxaban), an oral anticoagulant; **ZYTIGA**<sup>®</sup> (abiraterone acetate), an oral, once-daily medication for use in combination with prednisone for the treatment of metastatic, castration-resistant prostate cancer; **INVOKANA**<sup>®</sup> (canagliflozin), for the treatment of adults with type 2 diabetes; and **IMBRUVICA**<sup>®</sup> (ibrutinib), a kinase inhibitor for the treatment of mantle cell lymphoma and chronic lymphocytic leukemia in patients who have had at least one prior therapy.

Additional contributors to operational sales growth were **STELARA**<sup>®</sup> (ustekinumab), a biologic approved for the treatment of moderate to severe plaque psoriasis and psoriatic arthritis; **REMICADE**<sup>®</sup> (infliximab) and **SIMPONI**<sup>®</sup>/**SIMPONI**<sup>®</sup> **ARIA**<sup>™</sup> (golimumab), biologics approved for the treatment of a number of immune-mediated inflammatory diseases; **INVEGA**<sup>®</sup> **SUSTENNA**<sup>®</sup>/**XEPLION**<sup>®</sup> (paliperidone palmitate), a once-monthly, long-acting, injectable atypical antipsychotic for the treatment of schizophrenia in adults; and **PREZISTA**<sup>®</sup> (darunavir), a treatment for HIV.

Sales results were negatively impacted by loss of exclusivity for **ACIPHEX**<sup>®</sup> (rabeprazole), a proton pump inhibitor for gastrointestinal disorders, and **CONCERTA**<sup>®</sup> (methylphenidate HCl) for the treatment of attention deficit hyperactivity disorder.

During the quarter, the U.S. Food and Drug Administration (FDA) and the European Commission (EC) granted approval of SYLVANT<sup>®</sup> (siltuximab) for the treatment of patients with multicentric Castleman's disease who are human immunodeficiency virus negative and human herpesvirus-8 negative. In addition, the EC granted approval for VOKANAMET<sup>®</sup>, a fixed-dose therapy combining canagliflozin and immediate release metformin hydrochloride in a single tablet for the treatment of adults with type 2 diabetes; OLYSIO<sup>®</sup> (simeprevir) for the treatment of adult patients with genotype 1 or 4 chronic hepatitis C; and for INVEGA<sup>®</sup> (paliperidone ER) to extend its adult indication of schizophrenia to include adolescents aged 15 years and older.

In addition, a supplemental New Drug Application (sNDA) was submitted to the FDA seeking approval for simeprevir in combination with the nucleotide analog NS5B polymerase inhibitor sofosbuvir developed by Gilead Sciences, Inc. Additional sNDA's were also submitted to the FDA for once-monthly atypical long-acting antipsychotic INVEGA<sup>®</sup> SUSTENNA<sup>®</sup> (paliperidone palmitate) for approval to treat schizoaffective disorder as either monotherapy or adjunctive therapy.

A Marketing Authorization Application was submitted to the European Medicines Agency to expand the label for VELCADE<sup>®</sup> (bortezomib) to include its use, in combination with rituximab, cyclophosphamide, doxorubicin and prednisone, for the treatment of adult patients with previously untreated mantle cell lymphoma.

Worldwide Medical Devices and Diagnostics sales of \$7.2 billion for the second quarter represented an increase of 0.7% versus the prior year consisting of an operational increase of 0.9% and a negative currency impact of 0.2%. Domestic sales decreased 1.4%. International sales increased 2.3%, which reflected an operational increase of 2.6% and a negative currency impact of 0.3%.

Primary contributors to operational growth were hip and trauma products in the Orthopaedics business, Biosense Webster's electrophysiology products in the Cardiovascular Care business, and sales of energy products in the Specialty Surgery business.

Sales results in the U.S. Diabetes Care business were negatively impacted by price declines associated with the implementation of Medicare competitive bidding in mail order and retail effective July 1, 2013.

During the quarter, the SABER™ PTA Dilatation Catheter for the treatment of patients with Peripheral Arterial Disease received FDA and EC approval.

Subsequent to the quarter, on June 30, the Company completed the divestiture of its Ortho-Clinical Diagnostics business to The Carlyle Group for approximately \$4 billion, subject to customary adjustments.

#### About Johnson & Johnson

Caring for the world, one person at a time, inspires and unites the people of Johnson & Johnson. We embrace research and science - bringing innovative ideas, products and services to advance the health and well-being of people. Our approximately 126,000 employees at more than 270 Johnson & Johnson operating companies work with partners in health care to touch the lives of over a billion people every day, throughout the world.

\* Net earnings and diluted earnings per share excluding special items are non-GAAP financial measures and 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 accompanying financial schedules of the earnings release and the Investor Relations section of the Company's website at [www.investor.jnj.com](http://www.investor.jnj.com).

Johnson & Johnson will conduct a conference call with investors to discuss this news release today at 8:30 a.m., Eastern Time. A simultaneous webcast of the call for investors and other interested parties may be accessed by visiting the Johnson & Johnson website at [www.investor.jnj.com](http://www.investor.jnj.com). A replay and podcast will be available approximately two hours after the live webcast by visiting [www.investor.jnj.com](http://www.investor.jnj.com).

Copies of the financial schedules accompanying this press release are available at [www.investor.jnj.com/historical-sales.cfm](http://www.investor.jnj.com/historical-sales.cfm). These schedules include supplementary sales data, a condensed consolidated statement of earnings, reconciliation of non-GAAP financial measures, and sales of key products/franchises. Additional information on Johnson & Johnson, including a pharmaceutical pipeline of selected compounds in late stage development and a copy of today's earnings call presentation can be found on the Company's website at [www.investor.jnj.com](http://www.investor.jnj.com).

## NOTE TO INVESTORS

(This press release contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. The reader 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 known 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, economic factors, such as interest rate and currency exchange rate fluctuations; competition, including technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approvals; the impact of patent expirations; challenges to patents; significant adverse litigation or government action, including related to product liability claims; impact of business combinations and divestitures; changes in behavior and spending patterns or financial distress of purchasers of health care products and services; 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; financial instability of international economies and sovereign risk; disruptions due to natural disasters; manufacturing difficulties or delays, internally or within the supply chain; 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 Johnson & Johnson’s Annual Report on Form 10-K for the fiscal year ended December 29, 2013, including Exhibit 99 thereto, and the company’s subsequent filings with the Securities and Exchange Commission. Copies of these filings are available online at [www.sec.gov](http://www.sec.gov), [www.investor.jnj.com](http://www.investor.jnj.com) or on request from Johnson & Johnson. Any forward-looking statement made in this release speaks only as of the date on which it is made. Johnson & Johnson does not undertake to update any forward-looking statements as a result of new information or future events or developments.)

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**Johnson & Johnson and Subsidiaries**
**Supplementary Sales Data**

(Unaudited; Dollars in Millions)

	SECOND QUARTER				
	2014	2013	Total	Percent Change	
				Operations	Currency
<b>Sales to customers by segment of business</b>					
Consumer					
U.S.	\$ 1,320	1,326	(0.5) %	(0.5)	-
International	2,424	2,332	3.9	5.8	(1.9)
	<b>3,744</b>	<b>3,658</b>	2.4	3.6	(1.2)
Pharmaceutical					
U.S.	4,613	3,377	36.6	36.6	-
International	3,896	3,648	6.8	6.9	(0.1)
	<b>8,509</b>	<b>7,025</b>	21.1	21.1	0.0
Med Devices & Diagnostics					
U.S.	3,199	3,243	(1.4)	(1.4)	-
International	4,043	3,951	2.3	2.6	(0.3)
	<b>7,242</b>	<b>7,194</b>	0.7	0.9	(0.2)
U.S.	9,132	7,946	14.9	14.9	-
International	10,363	9,931	4.4	5.0	(0.6)
Worldwide	<b>\$ 19,495</b>	<b>17,877</b>	9.1 %	9.4	(0.3)

	SIX MONTHS				
	2014	2013	Total	Percent Change	
				Operations	Currency
Consumer					
U.S.	\$ 2,629	2,674	(1.7) %	(1.7)	-
International	4,672	4,659	0.3	3.3	(3.0)
	<b>7,301</b>	<b>7,333</b>	(0.4)	1.5	(1.9)
Pharmaceutical					
U.S.	8,353	6,848	22.0	22.0	-
International	7,654	6,945	10.2	11.6	(1.4)
	<b>16,007</b>	<b>13,793</b>	16.1	16.8	(0.7)
Med Devices & Diagnostics					
U.S.	6,354	6,449	(1.5)	(1.5)	-
International	7,948	7,807	1.8	3.6	(1.8)
	<b>14,302</b>	<b>14,256</b>	0.3	1.3	(1.0)
U.S.	17,336	15,971	8.5	8.5	-
International	20,274	19,411	4.4	6.4	(2.0)
Worldwide	<b>\$ 37,610</b>	<b>35,382</b>	6.3 %	7.4	(1.1)

**Johnson & Johnson and Subsidiaries****Supplementary Sales Data**

(Unaudited; Dollars in Millions)

**SECOND QUARTER**

			Percent Change		
	2014	2013	Total	Operations	Currency
<b>Sales to customers by geographic area</b>					
U.S.	\$ 9,132	7,946	14.9 %	14.9	-
Europe	5,056	4,672	8.2	4.1	4.1
Western Hemisphere excluding U.S.	1,863	1,905	(2.2)	6.5	(8.7)
Asia-Pacific, Africa	3,444	3,354	2.7	5.3	(2.6)
International	10,363	9,931	4.4	5.0	(0.6)
Worldwide	\$ 19,495	17,877	9.1 %	9.4	(0.3)

**SIX MONTHS**

			Percent Change		
	2014	2013	Total	Operations	Currency
	\$ 17,336	15,971	8.5 %	8.5	-
	9,941	9,153	8.6	5.3	3.3
	3,558	3,688	(3.5)	6.8	(10.3)
	6,775	6,570	3.1	7.7	(4.6)
	20,274	19,411	4.4	6.4	(2.0)
	\$ 37,610	35,382	6.3 %	7.4	(1.1)

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

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

**SECOND QUARTER**

	2014		2013		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 19,495	100.0	\$ 17,877	100.0	9.1
Cost of products sold	6,039	31.0	5,489	30.7	10.0
Selling, marketing and administrative expenses	5,481	28.1	5,376	30.1	2.0
Research and development expense	2,005	10.3	1,946	10.9	3.0
In-process research and development	4	0.0	-	-	
Interest (income) expense, net	114	0.6	101	0.6	
Other (income) expense, net	226	1.1	172	0.9	
Earnings before provision for taxes on income	5,626	28.9	4,793	26.8	17.4
Provision for taxes on income	1,300	6.7	960	5.4	35.4
Net earnings	\$ 4,326	22.2	\$ 3,833	21.4	12.9
Net earnings per share (Diluted)	\$ 1.51		\$ 1.33		13.5
Average shares outstanding (Diluted)	2,874.2		2,893.0		
Effective tax rate	23.1 %		20.0 %		
<b>Adjusted earnings before provision for taxes and net earnings (1)</b>					
Earnings before provision for taxes on income	\$ 6,050	31.0	\$ 5,359	30.0	12.9
Net earnings	\$ 4,775	24.5	\$ 4,289	24.0	11.3
Net earnings per share (Diluted)	\$ 1.66		\$ 1.48		12.2
Effective tax rate	21.1 %		20.0 %		

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



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

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

**SIX MONTHS**

	2014		2013		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 37,610	100.0	\$ 35,382	100.0	6.3
Cost of products sold	11,494	30.6	11,043	31.2	4.1
Selling, marketing and administrative expenses	10,664	28.3	10,599	30.0	0.6
Research and development expense	3,836	10.2	3,730	10.5	2.8
In-process research and development	22	0.1	64	0.2	
Interest (income) expense, net	232	0.6	205	0.6	
Other (income) expense, net	312	0.8	687	1.9	
Earnings before provision for taxes on income	11,050	29.4	9,054	25.6	22.0
Provision for taxes on income	1,997	5.3	1,724	4.9	15.8
Net earnings	\$ 9,053	24.1	\$ 7,330	20.7	23.5
Net earnings per share (Diluted)	\$ 3.15		\$ 2.55		23.5
Average shares outstanding (Diluted)	2,875.5		2,878.8		
Effective tax rate	18.1 %		19.0 %		
<b>Adjusted earnings before provision for taxes and net earnings (1)</b>					
Earnings before provision for taxes on income	\$ 11,610	30.9	\$ 10,429	29.5	11.3
Net earnings	\$ 9,201	24.5	\$ 8,396	23.7	9.6
Net earnings per share (Diluted)	\$ 3.20		\$ 2.92		9.6
Effective tax rate	20.7 %		19.5 %		

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

**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.)
	2014	2013		2014	2013	
Earnings before provision for taxes on income - as reported	\$ 5,626	4,793	17.4 %	\$ 11,050	9,054	22.0 %
Litigation expenses	276	375		276	904	
Synthes integration/transaction costs	144	122		262	380	
In-process research and development	4	-		22	64	
DePuy ASR™ Hip program	-	69		-	82	
Other	-	-		-	(55)	
Earnings before provision for taxes on income - as adjusted	<u>\$ 6,050</u>	<u>5,359</u>	<u>12.9 %</u>	<u>\$ 11,610</u>	<u>10,429</u>	<u>11.3 %</u>
Net Earnings - as reported	\$ 4,326	3,833	12.9 %	\$ 9,053	7,330	23.5 %
Litigation expenses	342 (1)	308		342	699	
Synthes integration/transaction costs	104	87		188	270	
In-process research and development	3	-		16	42	
DePuy ASR™ Hip program	-	61		-	91	
Tax benefit associated with Conor Medsystems	-	-		(398)	-	
Other	-	-		-	(36)	
Net Earnings - as adjusted	<u>\$ 4,775</u>	<u>4,289</u>	<u>11.3 %</u>	<u>\$ 9,201</u>	<u>8,396</u>	<u>9.6 %</u>
Diluted Net Earnings per share - as reported	\$ 1.51	1.33	13.5 %	\$ 3.15	2.55	23.5 %
Litigation expenses	0.12	0.10		0.12	0.24	
Synthes integration/transaction costs	0.03	0.03		0.06	0.09	
In-process research and development	-	-		0.01	0.02	
DePuy ASR™ Hip program	-	0.02		-	0.03	
Tax benefit associated with Conor Medsystems	-	-		(0.14)	-	
Other	-	-		-	(0.01)	
Diluted Net Earnings per share - as adjusted	<u>\$ 1.66</u>	<u>1.48</u>	<u>12.2 %</u>	<u>\$ 3.20</u>	<u>2.92</u>	<u>9.6 %</u>

(1) Includes adjustment to deferred tax asset related to deductibility by tax jurisdiction

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.



REPORTED SALES vs. PRIOR PERIOD (\$MM)

	SECOND QUARTER					SIX MONTHS				
	2014	2013	% Change			2014	2013	% Change		
			Reported	Operational <sup>(1)</sup>	Currency			Reported	Operational <sup>(1)</sup>	Currency
<b>CONSUMER SEGMENT <sup>(2)</sup></b>										
<b>BABY CARE</b>										
US	\$ 107	106	0.9%	0.9%	-	\$ 209	209	0.0%	0.0%	-
Intl	500	480	4.2%	8.6%	-4.4%	943	941	0.2%	5.5%	-5.3%
WW	607	586	3.6%	7.2%	-3.6%	1,152	1,150	0.2%	4.6%	-4.4%
<b>ORAL CARE</b>										
US	142	149	-4.7%	-4.7%	-	302	307	-1.6%	-1.6%	-
Intl	271	257	5.4%	7.3%	-1.9%	522	502	4.0%	7.2%	-3.2%
WW	413	406	1.7%	2.9%	-1.2%	824	809	1.9%	3.9%	-2.0%
<b>OTC</b>										
US	316	290	9.0%	9.0%	-	682	644	5.9%	5.9%	-
Intl	687	641	7.2%	7.4%	-0.2%	1,332	1,330	0.2%	1.7%	-1.5%
WW	1,003	931	7.7%	7.8%	-0.1%	2,014	1,974	2.0%	3.0%	-1.0%
<b>SKIN CARE</b>										
US	506	463	9.3%	9.3%	-	963	916	5.1%	5.1%	-
Intl	462	445	3.8%	4.2%	-0.4%	919	894	2.8%	4.4%	-1.6%
WW	968	908	6.6%	6.8%	-0.2%	1,882	1,810	4.0%	4.8%	-0.8%
<b>WOMEN'S HEALTH</b>										
US	11	84	-86.9%	-86.9%	-	35	165	-78.8%	-78.8%	-
Intl	331	327	1.2%	5.4%	-4.2%	634	647	-2.0%	3.3%	-5.3%
WW	342	411	-16.8%	-13.5%	-3.3%	669	812	-17.6%	-13.4%	-4.2%
<b>WOUND CARE/OTHER</b>										
US	238	234	1.7%	1.7%	-	438	433	1.2%	1.2%	-
Intl	173	182	-4.9%	-4.4%	-0.5%	322	345	-6.7%	-5.4%	-1.3%
WW	411	416	-1.2%	-1.0%	-0.2%	760	778	-2.3%	-1.7%	-0.6%
<b>TOTAL CONSUMER</b>										
US	1,320	1,326	-0.5%	-0.5%	-	2,629	2,674	-1.7%	-1.7%	-
Intl	2,424	2,332	3.9%	5.8%	-1.9%	4,672	4,659	0.3%	3.3%	-3.0%
WW	\$ 3,744	3,658	2.4%	3.6%	-1.2%	\$ 7,301	7,333	-0.4%	1.5%	-1.9%

See footnotes at end of schedule

**REPORTED SALES vs. PRIOR PERIOD (\$MM)**

**PHARMACEUTICAL SEGMENT <sup>(2) (3)</sup>**

**IMMUNOLOGY**

	SECOND QUARTER					SIX MONTHS				
	2014	2013	% Change		Currency	2014	2013	% Change		Currency
			Reported	Operational <sup>(1)</sup>				Reported	Operational <sup>(1)</sup>	
US	\$ 1,853	1,578	17.4%	17.4%	-	\$ 3,400	3,217	5.7%	5.7%	-
Intl	778	663	17.3%	19.1%	-1.8%	1,574	1,228	28.2%	31.8%	-3.6%
WW	2,631	2,241	17.4%	17.9%	-0.5%	4,974	4,445	11.9%	12.9%	-1.0%
<b>REMICADE</b>										
US	1,021	926	10.3%	10.3%	-	2,018	1,896	6.4%	6.4%	-
US Exports <sup>(4)</sup>	357	332	7.5%	7.5%	-	524	681	-23.1%	-23.1%	-
Intl	426	414	2.9%	6.3%	-3.4%	872	695	25.5%	31.0%	-5.5%
WW	1,804	1,672	7.9%	8.7%	-0.8%	3,414	3,272	4.3%	5.5%	-1.2%
<b>SIMPONI/SIMPONI ARIA</b>										
US	132	87	51.7%	51.7%	-	236	181	30.4%	30.4%	-
Intl	150	88	70.5%	71.3%	-0.8%	305	231	32.0%	34.7%	-2.7%
WW	282	175	61.1%	61.5%	-0.4%	541	412	31.3%	32.8%	-1.5%
<b>STELARA</b>										
US	343	233	47.2%	47.2%	-	622	459	35.5%	35.5%	-
Intl	185	138	34.1%	31.4%	2.7%	362	258	40.3%	39.2%	1.1%
WW	528	371	42.3%	41.3%	1.0%	984	717	37.2%	36.8%	0.4%
<b>OTHER IMMUNOLOGY</b>										
US	-	-	-	-	-	-	-	-	-	-
Intl	17	23	-26.1%	-22.7%	-3.4%	35	44	-20.5%	-14.6%	-5.9%
WW	17	23	-26.1%	-22.7%	-3.4%	35	44	-20.5%	-14.6%	-5.9%
<b>INFECTIOUS DISEASES</b>										
US	1,020	259	*	*	-	1,581	497	*	*	-
Intl	742	711	4.4%	3.5%	0.9%	1,381	1,288	7.2%	6.6%	0.6%
WW	1,762	970	81.6%	80.9%	0.7%	2,962	1,785	65.9%	65.5%	0.4%
<b>EDURANT</b>										
US	6	3	100.0%	100.0%	-	11	6	83.3%	83.3%	-
Intl	86	53	62.3%	57.7%	4.6%	162	93	74.2%	70.3%	3.9%
WW	92	56	64.3%	60.0%	4.3%	173	99	74.7%	71.0%	3.7%
<b>INCIVO</b>										
US	-	-	-	-	-	-	-	-	-	-
Intl	97	172	-43.6%	-42.5%	-1.1%	183	334	-45.2%	-44.8%	-0.4%
WW	97	172	-43.6%	-42.5%	-1.1%	183	334	-45.2%	-44.8%	-0.4%
<b>OLYSIO/SOVRIAD</b>										
US	725	-	*	*	-	1,016	-	*	*	-
Intl	106	-	*	*	0.0%	169	-	*	*	0.0%
WW	831	-	*	*	0.0%	1,185	-	*	*	0.0%
<b>PREZISTA</b>										
US	239	196	21.9%	21.9%	-	453	363	24.8%	24.8%	-
Intl	253	239	5.9%	4.7%	1.2%	484	439	10.3%	9.6%	0.7%
WW	492	435	13.1%	12.4%	0.7%	937	802	16.8%	16.4%	0.4%
<b>OTHER INFECTIOUS DISEASES</b>										
US	50	60	-16.7%	-16.7%	-	101	128	-21.1%	-21.1%	-
Intl	200	247	-19.0%	-19.6%	0.6%	383	422	-9.2%	-9.0%	-0.2%
WW	250	307	-18.6%	-19.0%	0.4%	484	550	-12.0%	-11.9%	-0.1%

**REPORTED SALES vs. PRIOR PERIOD (\$MM)**

	SECOND QUARTER					SIX MONTHS					
	2014	2013	% Change			2014	2013	% Change			
			Reported	Operational <sup>(1)</sup>	Currency			Reported	Operational <sup>(1)</sup>	Currency	
<b>NEUROSCIENCE</b>											
US	600	626	-4.2%	-4.2%	-	1,201	1,372	-12.5%	-12.5%	-	
Intl	1,027	1,054	-2.6%	-2.4%	-0.2%	2,064	2,052	0.6%	2.5%	-1.9%	
WW	1,627	1,680	-3.2%	-3.1%	-0.1%	3,265	3,424	-4.6%	-3.5%	-1.1%	
<b>CONCERTA/METHYLPHENIDATE</b>											
US	28	85	-67.1%	-67.1%	-	63	224	-71.9%	-71.9%	-	
Intl	117	130	-10.0%	-8.3%	-1.7%	232	247	-6.1%	-3.0%	-3.1%	
WW	145	215	-32.6%	-31.6%	-1.0%	295	471	-37.4%	-35.8%	-1.6%	
<b>INVEGA</b>											
US	89	76	17.1%	17.1%	-	175	147	19.0%	19.0%	-	
Intl	69	74	-6.8%	-7.5%	0.7%	148	135	9.6%	11.3%	-1.7%	
WW	158	150	5.3%	5.0%	0.3%	323	282	14.5%	15.3%	-0.8%	
<b>INVEGA SUSTENNA/ XEPLION</b>											
US	202	158	27.8%	27.8%	-	384	322	19.3%	19.3%	-	
Intl	192	132	45.5%	42.3%	3.2%	383	252	52.0%	51.0%	1.0%	
WW	394	290	35.9%	34.4%	1.5%	767	574	33.6%	33.2%	0.4%	
<b>RISPERDAL CONSTA</b>											
US	110	107	2.8%	2.8%	-	216	213	1.4%	1.4%	-	
Intl	192	229	-16.2%	-17.7%	1.5%	396	458	-13.5%	-13.4%	-0.1%	
WW	302	336	-10.1%	-11.1%	1.0%	612	671	-8.8%	-8.7%	-0.1%	
<b>OTHER NEUROSCIENCE</b>											
US	171	200	-14.5%	-14.5%	-	363	466	-22.1%	-22.1%	-	
Intl	457	489	-6.5%	-4.9%	-1.6%	905	960	-5.7%	-2.4%	-3.3%	
WW	628	689	-8.9%	-7.8%	-1.1%	1,268	1,426	-11.1%	-8.9%	-2.2%	
<b>ONCOLOGY</b>											
US	278	206	35.0%	35.0%	-	518	405	27.9%	27.9%	-	
Intl	833	679	22.7%	21.6%	1.1%	1,615	1,274	26.8%	27.1%	-0.3%	
WW	1,111	885	25.5%	24.6%	0.9%	2,133	1,679	27.0%	27.2%	-0.2%	
<b>VELCADE</b>											
US	-	-	-	-	-	-	-	-	-	-	
Intl	403	379	6.3%	6.2%	0.1%	811	732	10.8%	12.2%	-1.4%	
WW	403	379	6.3%	6.2%	0.1%	811	732	10.8%	12.2%	-1.4%	
<b>ZYTIGA</b>											
US	235	174	35.1%	35.1%	-	464	335	38.5%	38.5%	-	
Intl	327	221	48.0%	45.1%	2.9%	610	404	51.0%	49.4%	1.6%	
WW	562	395	42.3%	40.7%	1.6%	1,074	739	45.3%	44.4%	0.9%	
<b>OTHER ONCOLOGY</b>											
US	43	32	34.4%	34.4%	-	54	70	-22.9%	-22.9%	-	
Intl	103	79	30.4%	29.2%	1.2%	194	138	40.6%	40.7%	-0.1%	
WW	146	111	31.5%	30.6%	0.9%	248	208	19.2%	19.2%	0.0%	

**REPORTED SALES vs. PRIOR PERIOD (\$MM)**

	<b>SECOND QUARTER</b>					<b>SIX MONTHS</b>				
	<b>2014</b>	<b>2013</b>	<b>% Change</b>			<b>2014</b>	<b>2013</b>	<b>% Change</b>		
			<b>Reported</b>	<b>Operational <sup>(1)</sup></b>	<b>Currency</b>			<b>Reported</b>	<b>Operational <sup>(1)</sup></b>	<b>Currency</b>
<b><u>TOTAL OTHER</u></b>										
US	862	708	21.8%	21.8%	-	1,653	1,357	21.8%	21.8%	-
Intl	516	541	-4.6%	-4.7%	0.1%	1,020	1,103	-7.5%	-6.7%	-0.8%
WW	1,378	1,249	10.3%	10.3%	0.0%	2,673	2,460	8.7%	9.0%	-0.3%
<b><u>PROCRIT/EPREX</u></b>										
US	178	190	-6.3%	-6.3%	-	354	423	-16.3%	-16.3%	-
Intl	141	145	-2.8%	-3.4%	0.6%	275	290	-5.2%	-5.0%	-0.2%
WW	319	335	-4.8%	-5.1%	0.3%	629	713	-11.8%	-11.7%	-0.1%
<b><u>XARELTO</u></b>										
US	361	189	91.0%	91.0%	-	680	347	96.0%	96.0%	-
Intl	-	-	-	-	-	-	-	-	-	-
WW	361	189	91.0%	91.0%	-	680	347	96.0%	96.0%	-
<b><u>OTHER</u></b>										
US	323	329	-1.8%	-1.8%	-	619	587	5.5%	5.5%	-
Intl	375	396	-5.3%	-5.1%	-0.2%	745	813	-8.4%	-7.4%	-1.0%
WW	698	725	-3.7%	-3.6%	-0.1%	1,364	1,400	-2.6%	-2.0%	-0.6%
<b><u>TOTAL PHARMACEUTICAL</u></b>										
US	4,613	3,377	36.6%	36.6%	-	8,353	6,848	22.0%	22.0%	-
Intl	3,896	3,648	6.8%	6.9%	-0.1%	7,654	6,945	10.2%	11.6%	-1.4%
WW	<u>\$ 8,509</u>	<u>7,025</u>	21.1%	21.1%	0.0%	<u>\$ 16,007</u>	<u>13,793</u>	16.1%	16.8%	-0.7%

See footnotes at end of schedule

**REPORTED SALES vs. PRIOR PERIOD (\$MM)**

	<b>SECOND QUARTER</b>					<b>SIX MONTHS</b>				
	<u>2014</u>	<u>2013</u>	<u>% Change</u>			<u>2014</u>	<u>2013</u>	<u>% Change</u>		
			<u>Reported</u>	<u>Operational <sup>(1)</sup></u>	<u>Currency</u>			<u>Reported</u>	<u>Operational <sup>(1)</sup></u>	<u>Currency</u>
<b>MEDICAL DEVICES AND DIAGNOSTICS <sup>(2) (3)</sup></b>										
<u>CARDIOVASCULAR CARE</u>										
US	\$ 214	204	4.9%	4.9%	-	\$ 419	402	4.2%	4.2%	-
Intl	353	325	8.6%	8.7%	-0.1%	689	640	7.7%	9.1%	-1.4%
WW	567	529	7.2%	7.3%	-0.1%	1,108	1,042	6.3%	7.2%	-0.9%
<u>DIABETES CARE</u>										
US	222	259	-14.3%	-14.3%	-	414	542	-23.6%	-23.6%	-
Intl	336	330	1.8%	1.8%	0.0%	656	647	1.4%	2.4%	-1.0%
WW	558	589	-5.3%	-5.3%	0.0%	1,070	1,189	-10.0%	-9.5%	-0.5%
<u>DIAGNOSTICS</u>										
US	232	241	-3.7%	-3.7%	-	456	489	-6.7%	-6.7%	-
Intl	229	242	-5.4%	-4.3%	-1.1%	448	471	-4.9%	-2.6%	-2.3%
WW	461	483	-4.6%	-4.1%	-0.5%	904	960	-5.8%	-4.7%	-1.1%
<u>ORTHOPAEDICS</u>										
US	1,294	1,274	1.6%	1.6%	-	2,586	2,535	2.0%	2.0%	-
Intl	1,175	1,111	5.8%	5.3%	0.5%	2,304	2,235	3.1%	4.1%	-1.0%
WW	2,469	2,385	3.5%	3.3%	0.2%	4,890	4,770	2.5%	3.0%	-0.5%
<u>SPECIALTY SURGERY/OTHER <sup>(5)</sup></u>										
US	424	426	-0.5%	-0.5%	-	841	830	1.3%	1.3%	-
Intl	481	464	3.7%	4.7%	-1.0%	938	899	4.3%	6.8%	-2.5%
WW	905	890	1.7%	2.2%	-0.5%	1,779	1,729	2.9%	4.2%	-1.3%
<u>SURGICAL CARE</u>										
US	551	577	-4.5%	-4.5%	-	1,090	1,108	-1.6%	-1.6%	-
Intl	1,024	1,011	1.3%	1.9%	-0.6%	1,993	1,988	0.3%	2.1%	-1.8%
WW	1,575	1,588	-0.8%	-0.4%	-0.4%	3,083	3,096	-0.4%	0.8%	-1.2%
<u>VISION CARE</u>										
US	262	262	0.0%	0.0%	-	548	543	0.9%	0.9%	-
Intl	445	468	-4.9%	-4.0%	-0.9%	920	927	-0.8%	2.9%	-3.7%
WW	707	730	-3.2%	-2.7%	-0.5%	1,468	1,470	-0.1%	2.2%	-2.3%
<b><u>TOTAL MEDICAL DEVICES AND DIAGNOSTICS</u></b>										
US	3,199	3,243	-1.4%	-1.4%	-	6,354	6,449	-1.5%	-1.5%	-
Intl	4,043	3,951	2.3%	2.6%	-0.3%	7,948	7,807	1.8%	3.6%	-1.8%
WW	\$ 7,242	7,194	0.7%	0.9%	-0.2%	\$ 14,302	14,256	0.3%	1.3%	-1.0%

\* Percentage greater than 100%

(1) Operational growth excludes the effect of translational currency

(2) Unaudited

(3) Prior year amounts have been reclassified to conform to current year product disclosure

(4) Reported as U.S. sales

(5) Infection Prevention now reflected in Specialty Surgery/Other, previously reported independently