

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

<i>(Dollars in Millions Except Per Share Data)</i>	First Quarter		% Incr. / (Decr.)
	2014	2013	
Earnings before provision for taxes on income - as reported	\$ 5,424	4,261	27.3 %
Litigation expenses	-	529	
Synthes integration/transaction costs	118	258	
In-process research and development	18	64	
Other	-	(42)	
Earnings before provision for taxes on income - as adjusted	<u>\$ 5,560</u>	<u>5,070</u>	<u>9.7 %</u>
Net Earnings - as reported	\$ 4,727	3,497	35.2 %
Litigation expenses	-	391	
Synthes integration/transaction costs	84	183	
In-process research and development	13	42	
Tax benefit associated with Conor Medsystems	(398)	-	
Other	-	(6)	
Net Earnings - as adjusted	<u>\$ 4,426</u>	<u>4,107</u>	<u>7.8 %</u>
Diluted Net Earnings per share - as reported	\$ 1.64	1.22	34.4 %
Litigation expenses	-	0.14	
Synthes integration/transaction costs	0.03	0.06	
In-process research and development	0.01	0.02	
Tax benefit associated with Conor Medsystems	(0.14)	-	
Other	-	-	
Diluted Net Earnings per share - as adjusted	<u>\$ 1.54</u>	<u>1.44</u>	<u>6.9 %</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.