



Free Cash Flow  
(Dollars in Billions)

	Full Year <u>2013*</u>	Full Year <u>2012</u>	'13 vs. '12 <u>% change</u>
Net Cash flows from operating activities	\$ 17.4	15.4	
Additions to property, plant and equipment	<u>(3.6)</u>	<u>(2.9)</u>	
Free Cash Flow	<u>\$ 13.8</u>	<u>12.5</u>	10.4%

\*Estimate as of January 21, 2014; Subject to change



Reconciliation of Pre-Tax Operating Profit  
(Dollars in Millions)

	<u>Full Year 2013</u>	<u>Percent to Sales</u>	<u>Full Year 2012</u>	<u>Percent to Sales</u>
Earnings before provision for taxes on income	\$ 15,471	21.7 %	\$ 13,775	20.5 %
Synthes integration costs*	147	0.2	387	0.5
In-process research and development	580	0.8	1,163	1.7
Interest expense	408	0.6	468	0.7
Other expense	2,498	3.5	1,626	2.5
Pre-Tax Operating Profit as adjusted	<u>\$ 19,104</u>	<u>26.8 %</u>	<u>\$ 17,419</u>	<u>25.9 %</u>

\*Inventory step-up included in Cost of products sold