



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

<i>(Dollars in Millions Except Per Share Data)</i>	Fourth Quarter		% Incr. / (Decr.)	Full Year		% Incr. / (Decr.)
	2008	2007		2008	2007	
<b>Net Earnings - as reported</b>	\$ 2,714	\$ 2,374	14.3%	\$ 12,949	\$ 10,576	22.4%
In-process research & development (IPR&D)	141	-		181	807	
Net gain on fourth quarter litigation	\$ (229)			\$ (229)		
Restructuring charges	-	-			528	
NATRECOR® intangible asset write-down	-	441		-	441	
International tax gain on restructuring	-	(267)		-	(267)	
<b>Net Earnings - as adjusted</b>	<b>\$ 2,626</b>	<b>2,548</b>	<b>3.1%</b>	<b>12,901</b>	<b>12,085</b>	<b>6.8%</b>
<b>Diluted net earnings per share - as reported</b>	\$ 0.97	\$ 0.82	18.3%	\$ 4.57	\$ 3.63	25.9%
In-process research & development (IPR&D)	0.05	-		0.06	0.28	
Net gain on fourth quarter litigation	(0.08)	-		(0.08)		
Restructuring charges	-	-			0.18	
NATRECOR® intangible asset write-down		0.15			0.15	
International tax gain on restructuring		(0.09)			(0.09)	
<b>Diluted net earnings per share - as adjusted</b>	<b>\$ 0.94</b>	<b>0.88</b>	<b>6.8%</b>	<b>\$ 4.55</b>	<b>4.15</b>	<b>9.6%</b>

The Company believes investors gain additional perspective of underlying business trends and results by providing a measure of net earnings and diluted net earnings per share that excludes IPR&D and other special items in order to evaluate ongoing business operations.