

Johnson & Johnson and Subsidiaries
Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

THIRD QUARTER

	2012		2011		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 17,052	100.0	\$ 16,005	100.0	6.5
Cost of products sold	5,597	32.8	5,072	31.7	10.4
Selling, marketing and administrative expenses	5,228	30.6	5,240	32.7	(0.2)
Research and development expense	1,923	11.3	1,773	11.1	8.5
In-process research and development	679	4.0	-	-	
Interest (income) expense, net	120	0.7	117	0.7	
Other (income) expense, net	(90)	(0.5)	(308)	(1.9)	
Earnings before provision for taxes on income	3,595	21.1	4,111	25.7	(12.6)
Provision for taxes on income	966	5.7	909	5.7	6.3
Net earnings	2,629	15.4	3,202	20.0	(17.9)
Add: Net loss attributable to noncontrolling interest	339	2.0	-	-	
Net earnings attributable to Johnson & Johnson	\$ 2,968	17.4	\$ 3,202	20.0	(7.3)
Net earnings per share attributable to Johnson & Johnson (Diluted)	\$ 1.05		\$ 1.15		(8.7)
Average shares outstanding (Diluted)	2,818.1		2,778.2		
Effective tax rate	26.9 %		22.1 %		
Adjusted earnings before provision for taxes and net earnings attributable to Johnson & Johnson (1)					
Earnings before provision for taxes on income	\$ 4,525	26.5	\$ 4,427	27.7	2.2
Net earnings attributable to Johnson & Johnson	\$ 3,521	20.6	\$ 3,443	21.5	2.3
Net earnings per share attributable to Johnson & Johnson (Diluted)	\$ 1.25		\$ 1.24		0.8
Effective tax rate	22.2 %		22.2 %		

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

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NINE MONTHS

	2012		2011		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 49,666	100.0	\$ 48,775	100.0	1.8
Cost of products sold	15,655	31.5	15,022	30.8	4.2
Selling, marketing and administrative expenses	15,208	30.6	15,511	31.8	(2.0)
Research and development expense	5,334	10.7	5,393	11.0	(1.1)
In-process research and development	1,108	2.2	-	-	
Interest (income) expense, net	379	0.8	332	0.7	
Other (income) expense, net	1,307	2.7	(115)	(0.2)	
Restructuring expense	-	-	589	1.2	
Earnings before provision for taxes on income	10,675	21.5	12,043	24.7	(11.4)
Provision for taxes on income	2,728	5.5	2,589	5.3	5.4
Net earnings	7,947	16.0	9,454	19.4	(15.9)
Add: Net loss attributable to noncontrolling interest	339	0.7	-	-	
Net earnings attributable to Johnson & Johnson	\$ 8,286	16.7	\$ 9,454	19.4	(12.4)
Net earnings per share attributable to Johnson & Johnson (Diluted)	\$ 2.96		\$ 3.40		(12.9)
Average shares outstanding (Diluted)	2,805.0		2,777.6		
Effective tax rate	25.6 %		21.5 %		
Adjusted earnings before provision for taxes and net earnings attributable to Johnson & Johnson (1)					
Earnings before provision for taxes on income	\$ 14,099	28.4	\$ 13,696	28.1	2.9
Net earnings attributable to Johnson & Johnson	\$ 10,969	22.1	\$ 10,738	22.0	2.2
Net earnings per share attributable to Johnson & Johnson (Diluted)	\$ 3.91		\$ 3.87		1.0
Effective tax rate	22.2 %		21.6 %		

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