

# JOHNSON & JOHNSON

## **FORM 8-K** (Current report filing)

Filed 04/18/17 for the Period Ending 04/18/17

Address	ONE JOHNSON & JOHNSON PLZ NEW BRUNSWICK, NJ 08933
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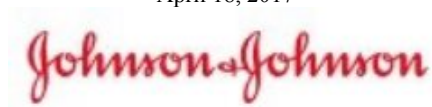
UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

**FORM 8-K**

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of report (Date of earliest event reported):

April 18, 2017



(Exact name of registrant as specified in its charter)

New Jersey  
(State or Other Jurisdiction of  
Incorporation)

I-3215  
(Commission File Number)

22-1024240  
(IRS Employer Identification No.)

One Johnson & Johnson Plaza, New Brunswick, New Jersey 08933

(Address of Principal Executive Offices)  
(Zip Code)

Registrant's telephone number, including area code:  
732-524-0400

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02 Results of Operations and Financial Condition**

On April 18, 2017, Johnson & Johnson issued the attached press release announcing its sales and earnings for the first quarter ended April 2, 2017.

**Item 9.01 Financial Statements and Exhibits**

Exhibit No.	Description of Exhibit
99.15	Press Release dated April 18, 2017 for the period ended April 2, 2017.
99.20	Unaudited Comparative Supplementary Sales Data and Condensed Consolidated Statement of Earnings for the first quarter.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Johnson & Johnson**  
(Registrant)

Date: April 18, 2017

By: /s/ Ronald A. Kapusta  
Ronald A. Kapusta  
Controller  
(Principal Accounting Officer)

**Johnson & Johnson Reports 2017 First-Quarter Results:**

**2017 First-Quarter Sales of \$17.8 Billion Increased 1.6% versus 2016**

**2017 First-Quarter EPS was \$1.61**

**2017 Adjusted First-Quarter EPS of \$1.83 Increased 5.8%\***

*Acquisition of Actelion Remains on Track to Close in Second Quarter*

New Brunswick, N.J. (April 18, 2017) - Johnson & Johnson (NYSE: JNJ) today announced sales of \$17.8 billion for the first quarter of 2017, an increase of 1.6% as compared to the first quarter of 2016. Operational sales results increased 2.0% and the negative impact of currency was 0.4%. Domestic sales increased 0.6%. International sales increased 2.8%, reflecting operational growth of 3.6% and a negative currency impact of 0.8%. Excluding the net impact of acquisitions and divestitures, on an operational basis, worldwide sales increased 1.2%, domestic sales decreased 0.7% and international sales increased 3.4%. \*

Net earnings and diluted earnings per share for the first quarter of 2017 were \$4.4 billion and \$1.61, respectively. First-quarter 2017 net earnings included after-tax intangible amortization expense of approximately \$0.2 billion and a charge for after-tax special items of approximately \$0.4 billion. First-quarter 2016 net earnings included after-tax intangible amortization expense of approximately \$0.2 billion and a charge for after-tax special items of approximately \$0.2 billion. Excluding after-tax intangible amortization expense and special items, adjusted net earnings for the current quarter were \$5.0 billion and adjusted diluted earnings per share were \$1.83, representing increases of 3.8% and 5.8%, respectively, as compared to the same period in 2016. \* On an operational basis, adjusted diluted earnings per share also increased 7.5%. \* A reconciliation of non-GAAP financial measures is included as an accompanying schedule.

“Johnson & Johnson’s first-quarter results are in line with our expectations and we are confident we will achieve the full-year financial guidance we established at the beginning of the year,” said Alex Gorsky, Chairman and Chief Executive Officer. “The pending acquisition of Actelion demonstrates our ongoing commitment to bringing innovation to patients with significant unmet needs, and provides a unique opportunity for us to expand our portfolio with leading, differentiated in-market medicines and promising late-stage products. We look forward to the associates from Actelion joining the Johnson & Johnson Family of Companies.”

The Company is now including the estimated impact of the Actelion transaction in its financial guidance. As such, the Company increased its sales guidance for the full-year 2017 to \$75.4 billion to \$76.1 billion. Additionally, the Company increased its adjusted earnings guidance for full-year 2017 to \$7.00 - \$7.15 per share.\*

Worldwide Consumer sales of \$3.2 billion for the first quarter 2017 represented an increase of 1.0% versus the prior year, consisting of an operational increase of 0.8% and a positive impact from currency of 0.2%. Domestic sales increased 4.1%; international sales decreased 1.3%, which reflected an operational decrease of 1.6% and a positive currency impact of 0.3%. Excluding the net impact of acquisitions and divestitures, on an operational basis, worldwide sales decreased 2.3%, domestic sales decreased 2.9% and international sales decreased 1.9% \*

Worldwide operational results, excluding the net impact of acquisitions and divestitures, were negatively impacted by LISTERINE<sup>®</sup> oral care products, baby care products, and wound care products, partially offset by growth in over-the-counter products, including domestic TYLENOL<sup>®</sup> analgesics.

Worldwide Pharmaceutical sales of \$8.2 billion for the first quarter 2017 represented an increase of 0.8% versus the prior year with an operational increase of 1.4% and a negative impact from currency of 0.6%. Domestic sales decreased 1.3%; international sales increased 4.1%, which reflected an operational increase of 5.6% and a negative currency impact of 1.5%. Excluding the net impact of acquisitions and divestitures, on an operational basis, worldwide sales increased 2.2%, domestic sales decreased 0.4% and international sales increased 6.1%. \*

Worldwide operational results, excluding the net impact of acquisitions and divestitures, were driven by new products and the strength of core products. Strong growth in new products include DARZALEX<sup>®</sup> (daratumumab), for the treatment of patients with multiple myeloma and IMBRUVICA<sup>®</sup> (ibrutinib), an oral, once-daily therapy approved for use in treating certain B-cell malignancies, a type of blood or lymph node cancer. Additional contributors to operational sales growth included STELARA<sup>®</sup> (ustekinumab), a biologic for the treatment of a number of immune-mediated inflammatory diseases, and INVEGA<sup>®</sup> SUSTENNA<sup>®</sup> /XEPLION<sup>®</sup> /TRINZA<sup>®</sup> (paliperidone palmitate), long-acting, injectable atypical antipsychotics for the treatment of schizophrenia in adults. Sales growth was negatively impacted by a positive adjustment of rebate accruals in the first quarter of 2016, which did not occur to the same degree in the first quarter of 2017.

During the quarter, the Company announced a definitive agreement to acquire Actelion Ltd., a leading biopharmaceutical company, for approximately \$30 billion. The public tender offer for Actelion has been declared successful based on the number of shares tendered and regulatory approval has been obtained in six of seven jurisdictions in which the company filed for such approval, with antitrust approval from the European Commission pending. The transaction is expected to close in the second quarter of 2017, subject to the satisfaction of remaining closing conditions.

Also in the quarter, the Committee for Medicinal Products for Human Use of the European Medicines Agency issued a positive opinion recommending broadening the existing marketing authorization for DARZALEX<sup>®</sup> (daratumumab) for use in combination with lenalidomide and dexamethasone; or bortezomib and dexamethasone, for the treatment of multiple myeloma in patients who have received at least one prior therapy. A supplemental New Drug Application was submitted to the U.S. Food and Drug Administration for IMBRUVICA<sup>®</sup> (ibrutinib) for the treatment of chronic Graft-Versus-Host Disease after failure of one or more lines of systemic therapy.

In April, subsequent to the quarter, a marketing authorization application was submitted to the European Medicines Agency for ZYTIGA<sup>®</sup> (abiraterone acetate) to expand the existing indication to include treatment of men with newly diagnosed high-risk metastatic hormone sensitive prostate cancer.

Worldwide Medical Devices sales of \$6.3 billion for the first quarter 2017 represented an increase of 3.0% versus the prior year consisting of an operational increase of 3.4% and a negative currency impact of 0.4%. Domestic sales increased 2.2%; international sales increased 3.8%, which reflected an operational increase of 4.7% and a negative currency impact of 0.9%. Excluding the net impact of acquisitions and divestitures, on an operational basis, worldwide sales increased 1.7%, domestic sales decreased 0.2% and international sales increased 3.7%. \*

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Worldwide operational results, excluding the net impact of acquisitions and divestitures, were driven by electrophysiology products in the Cardiovascular business; ACUVUE<sup>®</sup> contact lenses in the Vision Care business and endocutters in the Advanced Surgery business, partially offset by declines in the Diabetes Care business.

During the quarter, the company completed the acquisition of Abbott Medical Optics, a wholly-owned subsidiary of Abbott and global leader in ophthalmic surgery, for approximately \$4.3 billion.

Additionally, the acquisitions of Megadyne Medical Products, Inc., a privately held medical device company that develops, manufactures and markets electrosurgical tools, and Torax Medical Inc., a privately held medical device company that manufactures and markets the LINX<sup>™</sup> Reflux Management System for the surgical treatment of gastroesophageal reflux disease, were completed.

In April, subsequent to the quarter, the acquisition of Neuravi Limited, a privately held medical device company that develops and markets medical devices for neurointerventional therapy, was completed.

### 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 130,800 employees at more than 250 Johnson & Johnson operating companies work with partners in health care to touch the lives of over a billion people every day, throughout the world.

\* Operational sales growth excluding the net impact of acquisitions and divestitures, as well as adjusted net earnings, adjusted diluted earnings per share and operational adjusted diluted earnings per share excluding after-tax intangible amortization expense and 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. Except for guidance measures, reconciliations 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 does not provide GAAP financial measures on a forward-looking basis because the company is unable to predict with reasonable certainty the ultimate outcome of legal proceedings, unusual gains and losses, acquisition-related expenses and purchase accounting fair value adjustments without unreasonable effort. These items are uncertain, depend on various factors, and could be material to Johnson & Johnson's results computed in accordance with GAAP.

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, reconciliations of non-GAAP financial measures, and sales of key products/franchises. Additional information on Johnson & Johnson, including adjusted income before tax by segment, a pharmaceutical pipeline of selected compounds

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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 CONCERNING FORWARD-LOOKING STATEMENTS

This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 regarding, among other things, future operating and financial performance, product development, market position and business strategy. 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 product research and development, including uncertainty of clinical success and obtaining regulatory approvals; uncertainty of commercial success for new and existing products; challenges to patents; the impact of patent expirations; the ability of the company to successfully execute strategic plans, including restructuring plans; market conditions and the possibility that the on-going share repurchase program may be delayed, suspended or discontinued; the impact of business combinations and divestitures, including the planned acquisition of Actelion Ltd.; significant adverse litigation or government action, including related to product liability claims; changes to applicable laws and regulations, including tax laws and global health care reforms; trends toward health care cost containment; changes in behavior and spending patterns or financial distress of purchasers of health care products and services; financial instability of international economies and legal systems and sovereign risk; manufacturing difficulties or delays, internally or within the supply chain; product efficacy or safety concerns resulting in product recalls or regulatory action; increased scrutiny of the health care industry by government agencies; and the potential failure to meet obligations in compliance agreements with government bodies. A further list and descriptions 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 January 1, 2017, including in the sections captioned "Cautionary Note Regarding Forward-Looking Statements" and "Item 1A. Risk Factors," 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 of this release. Johnson & Johnson does not undertake to update any forward-looking statement as a result of new information or future events or developments.



## Johnson &amp; Johnson and Subsidiaries

## Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

FIRST QUARTER

	2017		2016		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 17,766	100.0	\$ 17,482	100.0	1.6
Cost of products sold	5,386	30.3	5,329	30.5	1.1
Selling, marketing and administrative expenses	4,737	26.6	4,688	26.8	1.0
Research and development expense	2,060	11.6	2,013	11.5	2.3
Interest (income) expense, net	83	0.5	77	0.4	
Other (income) expense, net	(160)	(0.9)	(39)	(0.2)	
Restructuring	85	0.5	120	0.7	
Earnings before provision for taxes on income	5,575	31.4	5,294	30.3	5.3
Provision for taxes on income	1,153	6.5	837	4.8	37.8
Net earnings	4,422	24.9	4,457	25.5	(0.8)
Net earnings per share (Diluted)	\$ 1.61		\$ 1.59		1.3
Average shares outstanding (Diluted)	2,754.5		2,803.8		
Effective tax rate	20.7 %		15.8 %		
<b>Adjusted earnings before provision for taxes and net earnings <sup>(1)(A)</sup></b>					
Earnings before provision for taxes on income	\$ 6,103	34.4	\$ 5,801	33.2	5.2
Net earnings	\$ 5,038	28.4	\$ 4,854	27.8	3.8
Net earnings per share (Diluted)	\$ 1.83		\$ 1.73		5.8
Effective tax rate	17.5 %		16.3 %		

<sup>(1)</sup> See Reconciliation of Non-GAAP Financial Measures.

<sup>(A)</sup> NON-GAAP FINANCIAL MEASURES "Adjusted earnings before provision for taxes on income," "adjusted net earnings," "adjusted net earnings per share (diluted)," and "adjusted effective tax rate" are non-GAAP financial measures and should not be considered replacements for GAAP results. The Company provides earnings before provision for taxes on income, net earnings, net earnings per share (diluted), and effective tax rate on an adjusted basis because management believes that these measures provide useful information to investors. Among other things, these measures may assist investors in evaluating the Company's results of operations period over period. In various periods, these measures may exclude such items as intangible asset amortization expense, significant costs associated with acquisitions, restructuring, litigation, and changes in applicable laws and regulations (including significant accounting or tax matters). Special items may be highly variable, difficult to predict, and of a size that sometimes has substantial impact on the Company's reported results of operations for a period. Management uses these measures internally for planning, forecasting and evaluating the performances of the Company's businesses, including allocating resources and evaluating results relative to employee performance compensation targets. Unlike earnings before provision for taxes on income, net earnings, net earnings per share (diluted), and effective tax rate prepared in accordance with GAAP, adjusted earnings before provision for taxes on income, adjusted net earnings, adjusted net earnings per share (diluted), and adjusted effective tax rate may not be comparable with the calculation of similar measures for other companies. The limitations of using these non-GAAP financial measures as performance measures are that they provide a view of the Company's results of operations without including all events during a period, such as intangible asset amortization expense, the effects of an acquisition, restructuring, litigation, and changes in applicable laws and regulations (including significant accounting or tax matters) and do not provide a comparable view of the Company's performance to other companies in the health care industry. Investors should consider non-GAAP financial measures in addition to, and not as replacements for, or superior to, measures of financial performance prepared in accordance with GAAP.

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

(Unaudited; Dollars in Millions)

**FIRST QUARTER**

	2017	2016	Total	Percent Change	
				Operations	Currency
<b>Sales to customers by segment of business</b>					
Consumer					
U.S.	\$ 1,414	1,358	4.1 %	4.1	—
International	1,814	1,837	(1.3)	(1.6)	0.3
	3,228	3,195	1.0	0.8	0.2
Pharmaceutical					
U.S.	4,872	4,937	(1.3)	(1.3)	—
International	3,373	3,241	4.1	5.6	(1.5)
	8,245	8,178	0.8	1.4	(0.6)
Medical Devices					
U.S.	3,092	3,026	2.2	2.2	—
International	3,201	3,083	3.8	4.7	(0.9)
	6,293	6,109	3.0	3.4	(0.4)
U.S.	9,378	9,321	0.6	0.6	—
International	8,388	8,161	2.8	3.6	(0.8)
Worldwide	\$ 17,766	17,482	1.6 %	2.0	(0.4)

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

(Unaudited; Dollars in Millions)

**FIRST QUARTER**

	2017	2016	Total	Percent Change	
				Operations	Currency
<b>Sales to customers by geographic area</b>					
U.S.	\$ 9,378	9,321	0.6 %	0.6	—
Europe	3,858	3,847	0.3	4.2	(3.9)
Western Hemisphere excluding U.S.	1,454	1,331	9.2	2.5	6.7
Asia-Pacific, Africa	3,076	2,983	3.1	3.4	(0.3)
International	8,388	8,161	2.8	3.6	(0.8)
Worldwide	\$ 17,766	17,482	1.6 %	2.0	(0.4)

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

<i>(Dollars in Millions Except Per Share Data)</i>	First Quarter		% Incr. /
	2017	2016	(Decr.)
Earnings before provision for taxes on income - as reported	\$ 5,575	5,294	5.3 %
Intangible asset amortization expense	329	282	
Restructuring/Other <sup>(1)</sup>	161	137	
Litigation expense, net	—	66	
AMO acquisition related cost	38	—	
Other	—	22	
Earnings before provision for taxes on income - as adjusted	\$ 6,103	5,801	5.2 %
Net Earnings - as reported	\$ 4,422	4,457	(0.8) %
Intangible asset amortization expense	244	205	
Restructuring/Other	121	120	
Litigation expense, net	—	56	
AMO acquisition related cost	251	—	
Other	—	16	
Net Earnings - as adjusted	\$ 5,038	4,854	3.8 %
Diluted Net Earnings per share - as reported	\$ 1.61	1.59	1.3 %
Intangible asset amortization expense	0.09	0.07	
Restructuring/Other	0.04	0.04	
Litigation expense, net	—	0.02	
AMO acquisition related cost	0.09	—	
Other	—	0.01	
Diluted Net Earnings per share - as adjusted	\$ 1.83	1.73	5.8 %
Operational Diluted Net Earnings per share - as adjusted at 2015 foreign currency exchange rates		1.77	
Impact of currency at 2016 foreign currency exchange rates	0.03	(0.04)	
Operational Diluted Net Earnings per share - as adjusted at 2016 foreign currency exchange rates	\$ 1.86	1.73	7.5 %

<sup>(1)</sup> Includes \$4M recorded in cost of products sold and \$72M recorded in other (income) expense in the first quarter 2017 and \$17M recorded in cost of products sold in the first quarter 2016.



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

**Operational Sales Growth Excluding Acquisitions and Divestitures** <sup>(A)</sup>  
FIRST QUARTER 2017 ACTUAL vs. 2016 ACTUAL

	Segments			
	Consumer	Pharmaceutical	Medical Devices	Total
	<b>Operational % <sup>(1)</sup></b>			
<b>WW As Reported:</b>	<b>0.8%</b>	<b>1.4%</b>	<b>3.4%</b>	<b>2.0%</b>
U.S.	4.1%	(1.3)%	2.2%	0.6%
International	(1.6)%	5.6%	4.7%	3.6%
<b>Beauty</b>				
<i>Vogue</i>	<b>(3.0)</b>			<b>(0.6)</b>
U.S.	(6.3)			(0.9)
International	(0.7)			(0.1)
<b>Other Neuroscience</b>				
<i>Controlled Substance Raw Material and API Business</i>		<b>0.8</b>		<b>0.4</b>
U.S.		0.9		0.5
International		0.5		0.2
<b>Diagnostics</b>				
<i>Ortho-Clinical Diagnostics</i>			<b>0.5</b>	<b>0.2</b>
U.S.			0.0	0.0
International			1.0	0.4
<b>Vision Care</b>				
<i>Abbott Medical Optics</i>			<b>(2.0)</b>	<b>(0.7)</b>
U.S.			(1.7)	(0.6)
International			(2.3)	(0.9)
<b>All Other Acquisitions and Divestitures</b>	<b>(0.1)</b>		<b>(0.2)</b>	<b>(0.1)</b>
U.S.	(0.7)		(0.7)	(0.3)
International	0.4		0.3	0.2
<b>WW Ops excluding Acquisitions and Divestitures</b>	<b>(2.3)%</b>	<b>2.2%</b>	<b>1.7%</b>	<b>1.2%</b>
U.S.	(2.9)%	(0.4)%	(0.2)%	(0.7)%
International	(1.9)%	6.1%	3.7%	3.4%

<sup>(1)</sup> Operational growth excludes the effect of translational currency

<sup>(A)</sup> NON-GAAP FINANCIAL MEASURE "Operational sales growth excluding the net impact of acquisitions and divestitures" is a non-GAAP financial measure. Investors should consider non-GAAP financial measures in addition to, and not as replacements for, or superior to, measures of financial performance prepared in accordance with GAAP. Due to the variable nature of acquisitions and divestitures, and the impact they may have on the analysis of underlying business performance and trends, management believes that providing this measure enhances an investor's understanding of the Company's performance and may assist in the evaluation of ongoing business operations period over period. This non-GAAP financial measure is presented to permit investors to more fully understand how management assesses the performance of the Company, including for internal evaluation of the performance of the Company's businesses and planning and forecasting for future periods. The use of this non-GAAP financial measure as a performance measure is limited in that it provides a view of the Company's results of operations without including all events during a period and may not provide a comparable view of the Company's performance to that of other companies in the health care industry.

# Johnson & Johnson

Segment Sales  
(Dollars in Millions)

## FIRST QUARTER

	2017	2016	% Change		
			Reported	Operational <sup>(1)</sup>	Currency
<b>CONSUMER SEGMENT <sup>(2)(3)</sup></b>					
<b>BABY CARE</b>					
US	\$ 113	121	(6.6)%	(6.6)%	— %
Intl	342	362	(5.5)	(6.1)	0.6
WW	455	483	(5.8)	(6.3)	0.5
<b>BEAUTY</b>					
US	567	484	17.1	17.1	—
Intl	414	395	4.8	5.0	(0.2)
WW	981	879	11.6	11.7	(0.1)
<b>ORAL CARE</b>					
US	156	170	(8.2)	(8.2)	—
Intl	206	215	(4.2)	(4.5)	0.3
WW	362	385	(6.0)	(6.2)	0.2
<b>OTC</b>					
US	477	466	2.4	2.4	—
Intl	536	533	0.6	0.7	(0.1)
WW	1,013	999	1.4	1.5	(0.1)
<b>WOMEN'S HEALTH</b>					
US	3	6	(50.0)	(50.0)	—
Intl	239	245	(2.4)	(4.2)	1.8
WW	242	251	(3.6)	(5.3)	1.7
<b>WOUND CARE/OTHER</b>					
US	98	111	(11.7)	(11.7)	—
Intl	77	87	(11.5)	(12.3)	0.8
WW	175	198	(11.6)	(11.9)	0.3
<b>TOTAL CONSUMER</b>					
US	1,414	1,358	4.1	4.1	—
Intl	1,814	1,837	(1.3)	(1.6)	0.3
WW	\$ 3,228	3,195	1.0 %	0.8 %	0.2 %

See footnotes at end of schedule

# Johnson & Johnson

Segment Sales  
(Dollars in Millions)

## FIRST QUARTER

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

#### IMMUNOLOGY

	2017	2016	% Change		
			Reported	Operational <sup>(1)</sup>	Currency
US	\$ 2,123	2,171	(2.2)%	(2.2)%	— %
Intl	807	739	9.2	9.0	0.2
WW	2,930	2,910	0.7	0.6	0.1

#### REMICADE

US	1,182	1,211	(2.4)	(2.4)	—
US Exports <sup>(4)</sup>	165	233	(29.2)	(29.2)	—
Intl	325	335	(3.0)	(4.8)	1.8
WW	1,672	1,779	(6.0)	(6.3)	0.3

#### SIMPONI / SIMPONI ARIA

US	229	216	6.0	6.0	—
Intl	199	174	14.4	13.4	1.0
WW	428	390	9.7	9.2	0.5

#### STELARA

US	547	511	7.0	7.0	—
Intl	276	224	23.2	26.1	(2.9)
WW	823	735	12.0	12.9	(0.9)

#### OTHER IMMUNOLOGY

US	—	—	—	—	—
Intl	7	6	16.7	12.1	4.6
WW	7	6	16.7	12.1	4.6

#### INFECTIOUS DISEASES

US	326	358	(8.9)	(8.9)	—
Intl	423	418	1.2	2.8	(1.6)
WW	749	776	(3.5)	(2.6)	(0.9)

#### EDURANT / RILPIVIRINE

US	12	11	9.1	9.1	—
Intl	137	108	26.9	30.4	(3.5)
WW	149	119	25.2	28.3	(3.1)

#### PREZISTA / PREZCOBIX / REZOLSTA

US	259	277	(6.5)	(6.5)	—
Intl	171	175	(2.3)	0.2	(2.5)
WW	430	452	(4.9)	(3.9)	(1.0)

#### OTHER INFECTIOUS DISEASES

US	55	70	(21.4)	(21.4)	—
Intl	115	135	(14.8)	(15.9)	1.1
WW	170	205	(17.1)	(17.8)	0.7

See footnotes at end of schedule



# Johnson & Johnson

Segment Sales  
(Dollars in Millions)

	FIRST QUARTER				
	2017	2016	% Change		
			Reported	Operational <sup>(1)</sup>	Currency
<b>PHARMACEUTICAL SEGMENT</b> <sup>(2)</sup> <sup>(3)</sup> (Continued)					
<b>NEUROSCIENCE</b>					
US	\$ 664	680	(2.4)%	(2.4)%	— %
Intl	833	869	(4.1)	(2.9)	(1.2)
WW	1,497	1,549	(3.4)	(2.7)	(0.7)
<u>CONCERTA / METHYLPHENIDATE</u>					
US	108	134	(19.4)	(19.4)	—
Intl	101	97	4.1	4.2	(0.1)
WW	209	231	(9.5)	(9.5)	0.0
<u>INVEGA SUSTENNA / XEPLION / TRINZA</u>					
US	372	305	22.0	22.0	—
Intl	232	208	11.5	14.3	(2.8)
WW	604	513	17.7	18.8	(1.1)
<u>RISPERDAL CONSTA</u>					
US	95	95	0.0	0.0	—
Intl	112	136	(17.6)	(15.7)	(1.9)
WW	207	231	(10.4)	(9.3)	(1.1)
<u>OTHER NEUROSCIENCE</u>					
US	89	146	(39.0)	(39.0)	—
Intl	388	428	(9.3)	(8.9)	(0.4)
WW	477	574	(16.9)	(16.6)	(0.3)
<b>ONCOLOGY</b>					
US	664	549	20.9	20.9	—
Intl	930	805	15.5	18.3	(2.8)
WW	1,594	1,354	17.7	19.3	(1.6)
<u>DARZALEX</u>					
US	201	101	99.0	99.0	—
Intl	54	—	*	*	—
WW	255	101	*	*	—
<u>IMBRUVICA</u>					
US	190	132	43.9	43.9	—
Intl	219	129	69.8	73.7	(3.9)
WW	409	261	56.7	58.6	(1.9)
<u>VELCADE</u>					
US	—	—	—	—	—
Intl	280	304	(7.9)	(5.0)	(2.9)
WW	280	304	(7.9)	(5.0)	(2.9)
<u>ZYTIGA</u>					
US	233	272	(14.3)	(14.3)	—
Intl	290	286	1.4	2.7	(1.3)
WW	523	558	(6.3)	(5.6)	(0.7)
<u>OTHER ONCOLOGY</u>					
US	40	44	(9.1)	(9.1)	—
Intl	87	86	1.2	4.1	(2.9)
WW	127	130	(2.3)	(0.4)	(1.9)

See footnotes at end of schedule



# Johnson & Johnson

Segment Sales  
(Dollars in Millions)

## FIRST QUARTER

	2017	2016	% Change		
			Reported	Operational <sup>(1)</sup>	Currency
<b>PHARMACEUTICAL SEGMENT</b> <sup>(2) (3)</sup> (Continued)					
<b>CARDIOVASCULAR / METABOLISM / OTHER</b>					
US	\$ 1,095	1,179	(7.1)%	(7.1)%	— %
Intl	380	410	(7.3)	(4.5)	(2.8)
WW	1,475	1,589	(7.2)	(6.5)	(0.7)
<u>XARELTO</u>					
US	513	567	(9.5)	(9.5)	—
Intl	—	—	—	—	—
WW	513	567	(9.5)	(9.5)	—
<u>INVOKANA / INVOKAMET</u>					
US	247	297	(16.8)	(16.8)	—
Intl	37	28	32.1	32.8	(0.7)
WW	284	325	(12.6)	(12.5)	(0.1)
<u>PROCIT / EPREX</u>					
US	169	183	(7.7)	(7.7)	—
Intl	78	91	(14.3)	(13.1)	(1.2)
WW	247	274	(9.9)	(9.5)	(0.4)
<u>OTHER</u>					
US	166	132	25.8	25.8	—
Intl	265	291	(8.9)	(5.4)	(3.5)
WW	431	423	1.9	4.3	(2.4)
<b>TOTAL PHARMACEUTICAL</b>					
US	4,872	4,937	(1.3)	(1.3)	—
Intl	3,373	3,241	4.1	5.6	(1.5)
WW	\$ 8,245	8,178	0.8 %	1.4 %	(0.6)%

See footnotes at end of schedule

# Johnson & Johnson

Segment Sales  
(Dollars in Millions)

## FIRST QUARTER

	2017	2016	% Change		
			Reported	Operational <sup>(1)</sup>	Currency
<b>MEDICAL DEVICES SEGMENT <sup>(2)</sup></b>					
<b>CARDIOVASCULAR</b>					
US	\$ 259	231	12.1 %	12.1 %	— %
Intl	240	212	13.2	14.2	(1.0)
WW	499	443	12.6	13.1	(0.5)
<b>DIABETES CARE</b>					
US	154	180	(14.4)	(14.4)	—
Intl	245	249	(1.6)	(0.8)	(0.8)
WW	399	429	(7.0)	(6.5)	(0.5)
<b>DIAGNOSTICS</b>					
US	—	—	—	—	—
Intl	1	28	**	**	**
WW	1	28	**	**	**
<b>ORTHOPAEDICS</b>					
US	1,379	1,392	(0.9)	(0.9)	—
Intl	946	949	(0.3)	1.0	(1.3)
WW	2,325	2,341	(0.7)	(0.2)	(0.5)
<b><u>HIPS</u></b>					
US	209	203	3.0	3.0	—
Intl	143	139	2.9	4.5	(1.6)
WW	352	342	2.9	3.5	(0.6)
<b><u>KNEES</u></b>					
US	246	244	0.8	0.8	—
Intl	152	145	4.8	7.0	(2.2)
WW	398	389	2.3	3.1	(0.8)
<b><u>TRAUMA</u></b>					
US	391	381	2.6	2.6	—
Intl	251	261	(3.8)	(3.1)	(0.7)
WW	642	642	0.0	0.3	(0.3)
<b><u>SPINE &amp; OTHER</u></b>					
US	533	564	(5.5)	(5.5)	—
Intl	400	404	(1.0)	0.3	(1.3)
WW	933	968	(3.6)	(3.1)	(0.5)

See footnotes at end of schedule

# Johnson & Johnson

Segment Sales  
(Dollars in Millions)

## FIRST QUARTER

### MEDICAL DEVICES SEGMENT <sup>(2)</sup> (Continued)

#### SURGERY

	2017	2016	% Change		
			Reported	Operational <sup>(1)</sup>	Currency
US	\$ 995	981	1.4 %	1.4 %	— %
Intl	1,276	1,247	2.3	3.3	(1.0)
WW	2,271	2,228	1.9	2.5	(0.6)

#### ADVANCED

US	392	352	11.4	11.4	—
Intl	485	464	4.5	5.9	(1.4)
WW	877	816	7.5	8.3	(0.8)

#### GENERAL

US	423	419	1.0	1.0	—
Intl	651	651	0.0	1.2	(1.2)
WW	1,074	1,070	0.4	1.1	(0.7)

#### SPECIALTY

US	180	210	(14.3)	(14.3)	—
Intl	140	132	6.1	4.8	1.3
WW	320	342	(6.4)	(6.9)	0.5

#### VISION CARE

US	305	242	26.0	26.0	—
Intl	493	398	23.9	23.6	0.3
WW	798	640	24.7	24.5	0.2

#### CONTACT LENSES / OTHER

US	256	242	5.8	5.8	—
Intl	427	398	7.3	7.0	0.3
WW	683	640	6.7	6.5	0.2

#### SURGICAL

US	49	—	**	**	—
Intl	66	—	**	**	—
WW	115	—	**	**	—

#### TOTAL MEDICAL DEVICES

US	3,092	3,026	2.2	2.2	—
Intl	3,201	3,083	3.8	4.7	(0.9)
WW	\$ 6,293	6,109	3.0 %	3.4 %	(0.4)%

\* Percentage greater than 100%

\*\* Not meaningful

<sup>(1)</sup> Operational growth excludes the effect of translational currency

<sup>(2)</sup> Unaudited

<sup>(3)</sup> Prior year amounts have been reclassified to conform to current year product disclosure

<sup>(4)</sup> Reported as U.S. sales