

Johnson & 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 %		
Adjusted earnings before provision for taxes and net earnings⁽¹⁾					
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 %		

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