

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

<i>(Dollars in Millions Except Per Share Data)</i>	Third Quarter		% Incr. / (Decr.)	Nine Months YTD		% Incr. / (Decr.)
	2015	2014		2015	2014	
Earnings before provision for taxes on income - as reported	\$ 4,122	6,810	(39.5) %	\$ 15,438	17,860	(13.6) %
Intangible asset amortization expense	639	417		1,269	1,259	
Ortho-Clinical Diagnostics divestiture net gain	-	(1,948)		(29)	(1,948)	
Litigation expense, net	409	285		141	561	
Additional year of Branded Prescription Drug Fee	-	220		-	220	
Synthes integration costs	32	167		113	429	
In-process research and development	10	-		10	22	
DePuy ASR TM Hip program	-	126		148	126	
Earnings before provision for taxes on income - as adjusted	<u>\$ 5,212</u>	<u>6,077</u>	<u>(14.2) %</u>	<u>\$ 17,090</u>	<u>18,529</u>	<u>(7.8) %</u>
Net Earnings - as reported	\$ 3,358	4,749	(29.3) %	\$ 12,194	13,802	(11.7) %
Intangible asset amortization expense	437	313		893	938	
Ortho-Clinical Diagnostics divestiture net gain	-	(1,149)		(24)	(1,149)	
Litigation expense, net	348	231		118	573 (1)	
Additional year of Branded Prescription Drug Fee	-	220		-	220	
Synthes integration costs	23	130		85	318	
In-process research and development	6	-		6	16	
DePuy ASR TM Hip program	-	111		130	111	
Tax benefit associated with Conor Medsystems	-	-		-	(398)	
Net Earnings - as adjusted	<u>\$ 4,172</u>	<u>4,605</u>	<u>(9.4) %</u>	<u>\$ 13,402</u>	<u>14,431</u>	<u>(7.1) %</u>
Diluted Net Earnings per share - as reported	\$ 1.20	1.66	(27.7) %	\$ 4.33	4.81	(10.0) %
Intangible asset amortization expense	0.16	0.11		0.32	0.32	
Ortho-Clinical Diagnostics divestiture net gain	-	(0.40)		(0.01)	(0.40)	
Litigation expense, net	0.12	0.08		0.04	0.19	
Additional year of Branded Prescription Drug Fee	-	0.08		-	0.08	
Synthes integration costs	0.01	0.04		0.03	0.11	
In-process research and development	-	-		-	0.01	
DePuy ASR TM Hip program	-	0.04		0.05	0.04	
Tax benefit associated with Conor Medsystems	-	-		-	(0.14)	
Diluted Net Earnings per share - as adjusted	<u>\$ 1.49</u>	<u>1.61</u>	<u>(7.5) %</u>	<u>\$ 4.76</u>	<u>5.02</u>	<u>(5.2) %</u>
Operational Diluted Net Earnings per share - as adjusted*	<u>\$ 1.63</u>	<u>1.61</u>	<u>1.2 %</u>	<u>\$ 5.22</u>	<u>5.02</u>	<u>4.0 %</u>

*Excludes the effect of translational currency

⁽¹⁾ Includes adjustment to deferred tax asset related to deductibility by tax jurisdiction

Operational Sales Growth Excluding Acquisitions, Divestitures and Hepatitis C Sales⁽¹⁾

THIRD QUARTER 2015 ACTUAL vs. 2014 ACTUAL

	Segments			
	Consumer	Pharmaceutical	Medical Devices	Total
	Operational % ⁽²⁾			
WW As Reported:	3.1%	(0.3)%	0.9%	0.8%
U.S.	8.9%	(4.5)%	2.0%	(0.6)%
International	0.4%	5.5%	0.1%	2.1%
Wound Care / Other				
BENECOL ®	0.8			0.1
U.S.	0.0			0.0
International	1.0			0.2
Diagnostics				
Ortho-Clinical Diagnostics			0.3	0.1
U.S.			0.0	0.0
International			0.5	0.2
Other Neuroscience				
NUCYNTA ®		0.4		0.2
U.S.		0.6		0.4
International		0.0		0.0
All Other Acquisitions and Divestitures	0.1		0.1	0.1
U.S.	0.0		0.0	0.0
International	0.1		0.2	0.1
WW Ops excluding Acquisitions and Divestitures	4.0%	0.1%	1.3%	1.3%
U.S.	8.9%	(3.9)%	2.0%	(0.2)%
International	1.5%	5.5%	0.8%	2.6%
Hepatitis C		10.0		4.3
U.S.		15.4		7.9
International		3.0		1.2
WW Ops excluding Hepatitis C only		9.7%		5.1%
U.S.		10.9%		7.3%
International		8.5%		3.3%
WW Ops excluding Acquisitions, Divestitures and Hepatitis C	4.0%	10.1%	1.3%	5.6%
U.S.	8.9%	11.5%	2.0%	7.7%
International	1.5%	8.5%	0.8%	3.8%

⁽¹⁾ Hepatitis C products include OLYSIO ® /SOVRIAD ® and INCIVO ®

⁽²⁾ Operational growth excludes the effect of translational currency

Operational Sales Growth Excluding Acquisitions, Divestitures and Hepatitis C Sales⁽¹⁾

NINE MONTHS 2015 ACTUAL vs. 2014 ACTUAL

	Segments			
	Consumer	Pharmaceutical	Medical Devices	Total
	Operational % ⁽²⁾			
WW As Reported:	2.9%	3.4%	(2.9)%	1.0%
U.S.	5.0%	2.7%	(3.4)%	0.8%
International	1.9%	4.3%	(2.4)%	1.1%
Women's Health				
K-Y®	0.3			0.1
U.S.	0.5			0.1
International	0.2			0.1
Wound Care / Other				
BENECOL®	0.8			0.1
U.S.	0.0			0.0
International	1.1			0.3
Diagnostics				
Ortho-Clinical Diagnostics			4.2	1.6
U.S.			4.9	1.8
International			3.6	1.4
Other Neuroscience				
NUCYNTA®		0.3		0.1
U.S.		0.5		0.3
International		0.0		0.0
All Other Acquisitions and Divestitures	(0.1)		0.1	0.0
U.S.	0.0		0.0	0.0
International	(0.2)		0.1	0.0
WW Ops excluding Acquisitions and Divestitures	3.9%	3.7%	1.4%	2.9%
U.S.	5.5%	3.2%	1.5%	3.0%
International	3.0%	4.3%	1.3%	2.9%
Hepatitis C		7.3		3.0
U.S.		13.9		6.5
International		0.2		0.0
WW Ops excluding Hepatitis C only		10.7%		4.0%
U.S.		16.6%		7.3%
International		4.5%		1.1%
WW Ops excluding Acquisitions, Divestitures and Hepatitis C	3.9%	11.0%	1.4%	5.9%
U.S.	5.5%	17.1%	1.5%	9.5%
International	3.0%	4.5%	1.3%	2.9%

⁽¹⁾ Hepatitis C products include OLYSIO® /SOVRIAD® and INCIVO® ⁽²⁾ Operational growth excludes the effect of translational currency