

Johnson & Johnson and Subsidiaries
Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)	RECAST FIRST QUARTER*		REPORTED FIRST QUARTER	
	2016		2016	
	Amount	Percent to Sales	Amount	Percent to Sales
Sales to customers	\$ 17,482	100.0	\$ 17,482	100.0
Cost of products sold	5,329	30.5	5,329	30.5
Selling, marketing and administrative expenses	4,688	26.8	4,688	26.8
Research and development expense	2,013	11.5	2,013	11.5
Interest (income) expense, net	77	0.4	77	0.4
Other (income) expense, net	(39)	(0.2)	(39)	(0.2)
Restructuring	120	0.7	120	0.7
Earnings before provision for taxes on income	5,294	30.3	5,294	30.3
Provision for taxes on income	837	4.8	1,002	5.7
Net earnings	\$ 4,457	25.5	\$ 4,292	24.6
Net earnings per share (Diluted)	\$ 1.59		\$ 1.54	
Average shares outstanding (Diluted)	2,803.8		2,795.4	
Effective tax rate	15.8 %		18.9 %	
Adjusted earnings before provision for taxes and net earnings⁽¹⁾				
Earnings before provision for taxes on income	\$ 5,801	33.2	\$ 5,801	33.2
Net earnings	\$ 4,854	27.8	\$ 4,689	26.8
Net earnings per share (Diluted)	\$ 1.73		\$ 1.68	
Effective tax rate	16.3 %		19.2 %	

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

*Recast first quarter reflects impact of adoption of Accounting Standards Update 2016-09 Compensation - Stock Compensation (Topic 718) in the second quarter of 2016.