

Johnson & Johnson and Subsidiaries**Condensed Consolidated Statement of Earnings**

(Unaudited; in Millions Except Per Share Figures)

THIRD QUARTER

	2009		2008		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 15,081	100.0	\$ 15,921	100.0	(5.3)
Cost of products sold	4,434	29.4	4,774	30.0	(7.1)
Selling, marketing and administrative expenses	4,767	31.6	5,195	32.6	(8.2)
Research expense	1,617	10.7	1,861	11.7	(13.1)
Interest (income)expense, net	114	0.7	25	0.2	
Other (income)expense, net	(96)	(0.6)	(224)	(1.4)	
Earnings before provision for taxes on income	4,245	28.2	4,290	26.9	(1.0)
Provision for taxes on income	900	6.0	980	6.1	(8.2)
Net earnings	\$ 3,345	22.2	\$ 3,310	20.8	1.1
Net earnings per share (Diluted)	\$ 1.20		\$ 1.17		2.6
Average shares outstanding (Diluted)	2,793.0		2,831.3		
Effective tax rate	21.2 %		22.8 %		

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NINE MONTHS

	2009		2008		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 45,346	100.0	\$ 48,565	100.0	(6.6)
Cost of products sold	13,135	29.0	14,139	29.1	(7.1)
Selling, marketing and administrative expenses	14,172	31.3	15,825	32.6	(10.4)
Research expense	4,773	10.5	5,469	11.3	(12.7)
In-process research & development	-	-	40	0.1	
Interest (income)expense, net	280	0.6	57	0.1	
Other (income)expense, net	(165)	(0.4)	(377)	(0.8)	
Earnings before provision for taxes on income	13,151	29.0	13,412	27.6	(1.9)
Provision for taxes on income	3,091	6.8	3,177	6.5	(2.7)
Net earnings	\$ 10,060	22.2	\$ 10,235	21.1	(1.7)

Net earnings per share (Diluted) \$ 3.61 \$ 3.60 0.3

Average shares outstanding (Diluted) 2,787.9 2,847.8

Effective tax rate 23.5 % 23.7 %

Adjusted earnings before provision for taxes and net earnings					
Earnings before provision for taxes on income	\$ 13,151	29.0	\$ 13,452 (1)	27.7	(2.2)
Net earnings	\$ 10,060	22.2	\$ 10,275 (1)	21.2	(2.1)
Net earnings per share (Diluted)	\$ 3.61		\$ 3.61 (1)		0.0
Effective tax rate	23.5%		23.6%		

(1) The difference between as reported earnings and as adjusted earnings before provision for taxes on income and net earnings and net earnings per share (diluted) is IPR&D of \$40 million with no tax benefit and \$0.01 per share, respectively.