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| --- | --- |
|  | **FOR IMMEDIATE RELEASE** |



* **2023 Second-Quarter reported sales growth of 6.3% to $25.5 Billion with operational growth of 7.5%\* and adjusted operational growth of 6.2%\*. Operational growth excluding COVID-19 Vaccine of 8.9%\***
* **Earnings per share (EPS) of $1.96 increasing 8.9% and adjusted EPS of $2.80 increasing by 8.1%\***
* **Company is increasing 2023 full-year guidance midpoints for adjusted operational sales excluding COVID-19 Vaccine and adjusted operational EPS**
* **Johnson & Johnson intends to "split off" Kenvue shares through an exchange offer as the form of its next step in the separation, subject to market conditions**

**New Brunswick, N.J. (July 20, 2023)** – Johnson & Johnson (NYSE: JNJ) today announced results for second- quarter 2023. “Our robust performance in the second quarter and first half of 2023 is a testament to the hard work and commitment of our colleagues around the world,” said Joaquin Duato, Chairman of the Board and Chief Executive Officer. “We are entering the back half of the year from a position of strength with numerous catalysts, including becoming a two-sector company focused on Pharmaceutical and MedTech innovation.”

# OVERALL FINANCIAL RESULTS

|  |  |  |  |
| --- | --- | --- | --- |
| **Q2** | | | |
| **($ in Millions, except EPS)** | **2023** | **2022** | **% Change** |
| Reported Sales | $25,530 | $24,020 | 6.3% |
| Net Earnings/(Loss) | $5,144 | $4,814 | 6.9% |
| EPS (diluted) | $1.96 | $1.80 | 8.9% |
|  | | | |
| **Q2** | | | |
| **Non-GAAP\* ($ in Millions, except EPS)** | **2023** | **2022** | **% Change** |
| Operational Sales1,2 |  |  | 7.5% |
| Adjusted Operational Sales1,3 |  |  | 6.2% |
| Adjusted Net Earnings1,4 | $7,358 | $6,912 | 6.5% |
| Adjusted EPS (diluted)1,4 | $2.80 | $2.59 | 8.1% |

1 Non-GAAP financial measure; refer to reconciliations of non-GAAP financial measures included in accompanying schedules

2 Excludes the impact of translational currency

3 Excludes the net impact of acquisitions and divestitures and translational currency

4 Excludes intangible amortization expense and special items Note: values may have been rounded

# REGIONAL SALES RESULTS

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Q2** |  |  |  | **% Change** | |  |
| **($ in Millions)** | **2023** | **2022** | **Reported** | **Operational1,2** | **Currency** | **Adjusted Operational1,3** |
| U.S. | $13,444 | $12,197 | 10.2% | 10.2 | - | 8.0 |
| International | 12,086 | 11,823 | 2.2 | 4.7 | (2.5) | 4.4 |
| Worldwide | $25,530 | $24,020 | 6.3% | 7.5 | (1.2) | 6.2 |

1 Non-GAAP financial measure; refer to reconciliations of non-GAAP financial measures included in accompanying schedules

2 Excludes the impact of translational currency

3 Excludes the net impact of acquisitions and divestitures and translational currency Note: Values may have been rounded

# SEGMENT SALES RESULTS

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Q2** |  |  |  | **% Change** | |  |
| **($ in Millions)** | **2023** | **2022** | **Reported** | **Operational1,2** | **Currency** | **Adjusted Operational1,3** |
| Consumer Health | $4,011 | $3,805 | 5.4% | 7.7 | (2.3) | 7.7 |
| Pharmaceutical | 13,731 | 13,317 | 3.1 | 3.8 | (0.7) | 3.9 |
| MedTech | 7,788 | 6,898 | 12.9 | 14.7 | (1.8) | 9.9 |
| Worldwide | $25,530 | $24,020 | 6.3% | 7.5 | (1.2) | 6.2 |

1 Non-GAAP financial measure; refer to reconciliations of non-GAAP financial measures included in accompanying schedules

2 Excludes the impact of translational currency

3 Excludes the net impact of acquisitions and divestitures and translational currency Note: Values may have been rounded

# SECOND QUARTER 2023 SEGMENT COMMENTARY:

Adjusted operational sales\* reflected below excludes the net impact of acquisitions and divestitures and translational currency.

**Pharmaceutical**

Pharmaceutical worldwide adjusted operational sales grew 3.9%\*. Excluding the COVID-19 Vaccine, adjusted operational sales grew 6.2%\*. Growth was driven by DARZALEX (daratumumab), ERLEADA (apalutamide), and CARVYKTI (ciltacabtagene autoleucel) in Oncology, STELARA (ustekinumab) and TREMFYA (guselkumab) in Immunology, UPTRAVI (selexipag) and OPSUMIT (macitentan) in Pulmonary Hypertension, and SPRAVATO (esketamine) in Neuroscience. Growth was partially offset by ZYTIGA (abiraterone acetate) and IMBRUVICA (ibrutinib) in Oncology, COVID-19 Vaccine (Ad26.COV2.S) in Infectious Diseases, and REMICADE (infliximab) in Immunology.

**MedTech**

MedTech worldwide adjusted operational sales grew 9.9%\*, driven primarily by electrophysiology products in Interventional Solutions, trauma in Orthopaedics, wound closure products in General Surgery, biosurgery in Advanced Surgery, and contact lenses in Vision. MedTech worldwide operational sales grew 14.7%\*, with the acquisition of Abiomed contributing 4.8%.

**Consumer Health**

Consumer Health worldwide adjusted operational sales increased 7.7%\* largely driven by over-the-counter (OTC) products. Major contributors to growth in OTC were TYLENOL and MOTRIN analgesics, upper respiratory products, international smoking cessation products, and IMODIUM in digestive health products. Additional contributors to growth were NEUTROGENA in Skin Health/Beauty products and Women’s Health products outside the United States.

# NOTABLE NEW ANNOUNCEMENTS IN THE QUARTER:

The information contained in this section should be read in conjunction with Johnson & Johnson’s other disclosures filed with the Securities and Exchange Commission, including its Current Reports on Form 8-K, Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K. Copies of these filings are available online at [www.sec.gov](https://www.sec.gov/), [www.jnj.com](https://www.jnj.com/) or on request from Johnson & Johnson. The reader is also encouraged to review all other news releases and information available in the Investors section of the company’s website at [news releases](https://johnsonandjohnson.gcs-web.com/press-releases), as well as [www.factsabouttalc.com](http://www.factsabouttalc.com/), [www.factsaboutourprescriptionopioids.com](http://www.factsaboutourprescriptionopioids.com/), and [www.LTLManagementInformation.com](http://www.ltlmanagementinformation.com/).

|  |  |  |
| --- | --- | --- |
| Regulatory | Janssen Marks First Approval Worldwide for AKEEGA (Niraparib and Abiraterone Acetate Dual Action Tablet) with EC Authorisation for the Treatment of Patients with Metastatic Castration Resistant Prostate Cancer with BRCA1/2 Mutations | [Press](https://johnsonandjohnson.gcs-web.com/static-files/3772e064-085b-4d4b-835d-98b478ae3828) [Release](https://johnsonandjohnson.gcs-web.com/static-files/3772e064-085b-4d4b-835d-98b478ae3828) |
| Milvexian Granted U.S. FDA Fast Track Designation for All Three Indications Under Evaluation in Phase 3 Librexia Program: Ischemic Stroke, Acute Coronary Syndrome and Atrial Fibrillation | [Press](https://johnsonandjohnson.gcs-web.com/static-files/4120e707-3112-4f0b-a1d2-7015893e855c) [Release](https://johnsonandjohnson.gcs-web.com/static-files/4120e707-3112-4f0b-a1d2-7015893e855c) |
| Janssen Submits New Drug Application to U.S. FDA Seeking Approval of Investigational Single Tablet Combination Therapy of Macitentan and Tadalafil for Treatment of Patients with Pulmonary Arterial Hypertension (PAH) | [Press](https://johnsonandjohnson.gcs-web.com/static-files/70824a67-b52f-4e0a-a0df-7166910f872d) [Release](https://johnsonandjohnson.gcs-web.com/static-files/70824a67-b52f-4e0a-a0df-7166910f872d) |
| Janssen Submits Supplemental Biologics License Application to U.S. FDA Seeking Approval of CARVYKTI for the Earlier Treatment of Patients with Relapsed or Refractory Multiple Myeloma | [Press](https://johnsonandjohnson.gcs-web.com/static-files/4ad1ff1a-b1fc-44d1-be5d-392a30af7b79) [Release](https://johnsonandjohnson.gcs-web.com/static-files/4ad1ff1a-b1fc-44d1-be5d-392a30af7b79) |
| Data Release | Janssen Reports First Results from Phase 2 SunRISe-1 Study of TAR-200 and Anti-PD-1 Antibody Cetrelimab in Patients with Bacillus Calmette-Guérin-Unresponsive Non-Muscle- Invasive Bladder Cancer | [Press](https://johnsonandjohnson.gcs-web.com/static-files/19865853-6dbb-4c78-86dc-fa81dd0d62da) [Release](https://johnsonandjohnson.gcs-web.com/static-files/19865853-6dbb-4c78-86dc-fa81dd0d62da) |
| First Phase 3 TREMFYA (guselkumab) Data in Inflammatory Bowel Disease Show Positive Induction Results Among Patients with Moderately to Severely Active Ulcerative Colitis | [Press](https://johnsonandjohnson.gcs-web.com/static-files/e4b41e8c-23c2-4039-b37b-73312f1549a1) [Release](https://johnsonandjohnson.gcs-web.com/static-files/e4b41e8c-23c2-4039-b37b-73312f1549a1) |
| New Data Published on Biosense Webster QDOT MICRO Catheter – the Latest Advancement in Focal RF Ablation for Treating AFib | [Press](https://johnsonandjohnson.gcs-web.com/static-files/25bd57e7-9a0e-4ec5-b6fb-173ac360db00) [Release](https://johnsonandjohnson.gcs-web.com/static-files/25bd57e7-9a0e-4ec5-b6fb-173ac360db00) |
| Janssen to Highlight Scientific Advances and Commitment to Transform Cancer Care at ASCO and EHA with More than 90 Presentations Showcasing Robust, Differentiated Portfolio and Pipeline in Hematologic Malignancies and Solid Tumors | [Press](https://johnsonandjohnson.gcs-web.com/static-files/a6b05ebe-8b48-40ad-8d48-cb8cf68c3c96) [Release](https://johnsonandjohnson.gcs-web.com/static-files/a6b05ebe-8b48-40ad-8d48-cb8cf68c3c96) |
| New Phase 2 Data Demonstrate Potential Benefit of Nipocalimab for Pregnant Individuals at High Risk of Early-Onset Severe Hemolytic Disease of the Fetus and Newborn (HDFN) | [Press](https://johnsonandjohnson.gcs-web.com/static-files/79b37180-2823-4132-9c94-87a21c613f3c) [Release](https://johnsonandjohnson.gcs-web.com/static-files/79b37180-2823-4132-9c94-87a21c613f3c) |
| [Janssen Announces Positive Topline Results for JNJ-2113—a Novel, First and Only Oral IL-](https://johnsonandjohnson.gcs-web.com/static-files/d4c20396-96fa-48b7-b057-e24d6f320b6b) [23 Receptor Antagonist Peptide in Development for Moderate-to-Severe Plaque Psoriasis](https://johnsonandjohnson.gcs-web.com/static-files/d4c20396-96fa-48b7-b057-e24d6f320b6b)1 | [Press](https://johnsonandjohnson.gcs-web.com/static-files/d4c20396-96fa-48b7-b057-e24d6f320b6b) [Release](https://johnsonandjohnson.gcs-web.com/static-files/d4c20396-96fa-48b7-b057-e24d6f320b6b) |
| Treatment with RYBREVANT (amivantamab-vmjw) Plus Chemotherapy Resulted in Statistically Significant and Clinically Meaningful Improvement in Progression-Free Survival in Patients with Newly Diagnosed EGFR Exon 20 Insertion Mutation-Positive Non-Small Cell Lung Cancer1 | [Press](https://johnsonandjohnson.gcs-web.com/static-files/dcf5527d-ef30-44d5-9140-f0d2f23125fb) [Release](https://johnsonandjohnson.gcs-web.com/static-files/dcf5527d-ef30-44d5-9140-f0d2f23125fb) |
| Other | Johnson & Johnson Announces Launch of Kenvue Inc. IPO Roadshow | [Press](https://johnsonandjohnson.gcs-web.com/static-files/f9fa0064-a292-4e6a-a8a2-a69e758b5406) [Release](https://johnsonandjohnson.gcs-web.com/static-files/f9fa0064-a292-4e6a-a8a2-a69e758b5406) |
| Janssen Enters Worldwide Collaboration and License Agreement with Cellular Biomedicine Group to Develop Next Generation CAR-T Therapies | [Press](https://johnsonandjohnson.gcs-web.com/static-files/57dc6e78-c04a-4976-8347-9d7395f16381) [Release](https://johnsonandjohnson.gcs-web.com/static-files/57dc6e78-c04a-4976-8347-9d7395f16381) |

1 Subsequent to the quarter

# FULL-YEAR 2023 GUIDANCE:

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.

|  |  |  |
| --- | --- | --- |
| *($ in Billions, except EPS)* | **July 2023** | **April 2023** |
| Adjusted Operational Sales1,2,5 Change vs. Prior Year / Mid-point | 6.0% – 7.0% / 6.5% | 4.5% – 5.5% / 5.0% |
| Operational Sales2,5/ Mid-point Change vs. Prior Year / Mid-point | $99.3B – $100.3B / $99.8B 7.0% – 8.0% / 7.5% | $97.9B – $98.9B / $98.4B 5.5% – 6.5% / 6.0% |
| Estimated Reported Sales3,5/ Mid-point Change vs. Prior Year / Mid-point | $98.8B – $99.8B / $99.3B 6.5% – 7.5% / 7.0% | $97.9B – $98.9B / $98.4B 5.5% – 6.5% / 6.0% |
|  | | |
| Adjusted Operational EPS (Diluted)2,4/ Mid-point Change vs. Prior Year / Mid-point | $10.60 – $10.70 / $10.65 4.5% – 5.5% / 5.0% | $10.50 – $10.60 / $10.55 3.5% – 4.5% / 4.0% |
| Adjusted EPS (Diluted)3,4 / Mid-point Change vs. Prior Year / Mid-point | $10.70 – $10.80 / $10.75 5.5% – 6.5% / 6.0% | $10.60 – $10.70 / $10.65 4.5% – 5.5% / 5.0% |

1 [Non-GAAP financial measure;](#_bookmark0) excludes the net impact of acquisitions and divestitures

2 [Non-GAAP financial measure;](#_bookmark0) excludes the impact of translational currency

3 Calculated using Euro Average Rate: July 2023 = $1.09 and April 2023 = $1.10 (Illustrative purposes only)

4 [Non-GAAP financial measure;](#_bookmark0) excludes intangible amortization expense and special items

5 Excludes COVID-19 Vaccine

Note: percentages may have been rounded

Other modeling considerations will be provided on the [webcast](https://event.webcasts.com/starthere.jsp?ei=1618604&tp_key=9deb9655ac).

# WEBCAST INFORMATION:

Johnson & Johnson will conduct a conference call with investors to discuss this earnings 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](https://www.jnj.com/johnson-johnson-to-host-investor-conference-call-on-second-quarter-2023-results). A replay and podcast will be available approximately two hours after the live webcast in the Investors section of the company's website at [events-and-presentations](https://johnsonandjohnson.gcs-web.com/events-and-presentations).

# ABOUT JOHNSON & JOHNSON:

At Johnson & Johnson, we believe good health is the foundation of vibrant lives, thriving communities and forward progress. That’s why for more than 135 years, we have aimed to keep people well at every age and every stage of life. Today, as the world’s largest, most diversified healthcare products company, we are committed to using our reach and size for good. We strive to improve access and affordability, create healthier communities, and put a healthy mind, body and environment within reach of everyone, everywhere. We are blending our heart, science and ingenuity to profoundly change the trajectory of health for humanity.

# NON-GAAP FINANCIAL MEASURES:

\* “Operational sales growth” excluding the impact of translational currency, “adjusted operational sales growth” excluding the net impact of acquisitions and divestitures and translational currency, as well as “adjusted net earnings”, “adjusted diluted earnings per share” and “adjusted operational 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 Investors section of the company's website at [quarterly results](https://johnsonandjohnson.gcs-web.com/financial-information/quarterly-results).

Copies of the financial schedules accompanying this earnings release are available on the company’s website at [quarterly results](https://johnsonandjohnson.gcs-web.com/financial-information/quarterly-results). 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](http://www.investor.jnj.com/pharmaceutical-pipeline) of selected compounds in late stage development and a copy of today’s earnings call presentation can also be found in the Investors section of the company's website at [quarterly results](https://johnsonandjohnson.gcs-web.com/financial-information/quarterly-results).

# 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, and the anticipated separation of the Company’s Consumer Health business. 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 new 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; the impact of business combinations and divestitures; manufacturing difficulties or delays, internally or within the supply chain; product efficacy or safety concerns resulting in product recalls or regulatory action; 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 of purchasers of health care products and services; financial instability of international economies and legal systems and sovereign risk; increased scrutiny of the health care industry by government agencies; the Company’s ability to satisfy the necessary conditions to consummate the separation of the Company’s Consumer Health business on a timely basis or at all; the Company’s ability to successfully separate the Company’s Consumer Health business and realize the anticipated benefits from the separation; and the New Consumer Health Company’s ability to succeed as a standalone publicly traded company. 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, 2023, including in the sections captioned “Cautionary Note Regarding Forward-Looking Statements” and “Item 1A. Risk Factors,” and in Johnson & Johnson’s subsequent Quarterly Reports on Form 10-Q and other filings with the Securities and Exchange Commission. Copies of these filings are available online at [www.sec.gov](http://www.sec.gov/), [www.jnj.com](http://www.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.

**Press Contacts: Investor Contacts:**

Tesia Williams Jessica Moore

[media-relations@its.jnj.com](mailto:media-relations@its.jnj.com) [investor-relations@its.jnj.com](mailto:investor-relations@its.jnj.com)

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Johnson & Johnson and Subsidiaries** |  | | | | | | | | | | |
| **Supplementary Sales Data** |  |  |  |  |  |  |  |  |  |  |  |
| (Unaudited; Dollars in Millions) |  |  | **SECOND QUARTER** |  |  |  |  |  | **SIX MONTHS** |  |  |
|  |  |  |  | Percent Change |  |  |  |  |  | Percent Change |  |
|  | **2023** | **2022** | Total | Operations | Currency |  | **2023** | **2022** | Total | Operations | Currency |
| **Sales to customers by segment of business** |  |  |  |  |  |  |  |  |  |  |  |
| Consumer Health U.S. | **$ 1,787** | **1,687** | 6.0 % | 6.0 | - |  | **$ 3,522** | **3,244** | 8.6 % | 8.6 | - |
| International | **2,224** | **2,118** | 5.0 | 9.0 | (4.0) |  | **4,341** | **4,147** | 4.7 | 10.1 | (5.4) |
|  | **4,011** | **3,805** | 5.4 | 7.7 | (2.3) |  | **7,863** | **7,391** | 6.4 | 9.5 | (3.1) |
| Pharmaceutical (1) |  |  |  |  |  |  |  |  |  |  |  |
| U.S. | **7,818** | **7,159** | 9.2 | 9.2 | - |  | **14,841** | **13,791** | 7.6 | 7.6 | - |
| International | **5,913** | **6,158** | (4.0) | (2.5) | (1.5) |  | **12,303** | **12,395** | (0.7) | 3.1 | (3.8) |
|  | **13,731** | **13,317** | 3.1 | 3.8 | (0.7) |  | **27,144** | **26,186** | 3.7 | 5.5 | (1.8) |
| Pharmaceutical excluding COVID-19 Vaccine (1) |  |  |  |  |  |  |  |  |  |  |  |
| U.S. | **7,818** | **7,114** | 9.9 | 9.9 | - |  | **14,841** | **13,671** | 8.6 | 8.6 | - |
| International | **5,628** | **5,659** | (0.5) | 1.5 | (2.0) |  | **11,271** | **11,514** | (2.1) | 1.9 | (4.0) |
|  | **13,446** | **12,773** | 5.3 | 6.2 | (0.9) |  | **26,112** | **25,185** | 3.7 | 5.5 | (1.8) |
| MedTech (1) |  |  |  |  |  |  |  |  |  |  |  |
| U.S. | **3,839** | **3,351** | 14.6 | 14.6 | - |  | **7,598** | **6,576** | 15.5 | 15.5 | - |
| International | **3,949** | **3,547** | 11.3 | 14.7 | (3.4) |  | **7,671** | **7,293** | 5.2 | 10.3 | (5.1) |
|  | **7,788** | **6,898** | 12.9 | 14.7 | (1.8) |  | **15,269** | **13,869** | 10.1 | 12.8 | (2.7) |
| U.S. | **13,444** | **12,197** | 10.2 | 10.2 | - |  | **25,961** | **23,611** | 10.0 | 10.0 | - |
| International | **12,086** | **11,823** | 2.2 | 4.7 | (2.5) |  | **24,315** | **23,835** | 2.0 | 6.5 | (4.5) |
| Worldwide | **25,530** | **24,020** | 6.3 | 7.5 | (1.2) |  | **50,276** | **47,446** | 6.0 | 8.2 | (2.2) |
| U.S. | **13,444** | **12,152** | 10.6 | 10.6 | - |  | **25,961** | **23,491** | 10.5 | 10.5 | - |
| International | **11,801** | **11,324** | 4.2 | 7.0 | (2.8) |  | **23,283** | **22,954** | 1.4 | 6.1 | (4.7) |
| Worldwide excluding COVID-19 Vaccine (1) | **$ 25,245** | **23,476** | 7.5 % | 8.9 | (1.4) |  | **$ 49,244** | **46,445** | 6.0 % | 8.3 | (2.3) |

**Note:** Percentages have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely.

(1) Refer to supplemental sales reconciliation schedule

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Johnson & Johnson and Subsidiaries** |  | | | | | | | | | |
| **Supplementary Sales Data** |  |  |  |  |  |  |  |  |  |  |
| (Unaudited; Dollars in Millions) |  |  | **SECOND QUARTER** |  |  |  |  | **SIX MONTHS** |  |  |
|  |  |  | Percent Change |  |  |  |  |  | Percent Change |  |
|  | **2023** | **2022** | Total Operations | Currency |  | **2023** | **2022** | Total | Operations | Currency |
| **Sales to customers by geographic area** |  |  |  |  |  |  |  |  |  |  |
| U.S. | **$ 13,444** | **12,197** | 10.2 % 10.2 | - |  | **$ 25,961** | **23,611** | 10.0 % | 10.0 | - |
| Europe | **5,894** | **6,085** | (3.1) (3.9) | 0.8 |  | **12,226** | **12,109** | 1.0 | 3.0 | (2.0) |
| Western Hemisphere excluding U.S. | **1,713** | **1,536** | 11.5 17.7 | (6.2) |  | **3,300** | **3,018** | 9.3 | 16.1 | (6.8) |
| Asia-Pacific, Africa | **4,479** | **4,202** | 6.6 12.5 | (5.9) |  | **8,789** | **8,708** | 0.9 | 8.2 | (7.3) |
| International | **12,086** | **11,823** | 2.2 4.7 | (2.5) |  | **24,315** | **23,835** | 2.0 | 6.5 | (4.5) |
| Worldwide | **$ 25,530** | **24,020** | 6.3 % 7.5 | (1.2) |  | **$ 50,276** | **47,446** | 6.0 % | 8.2 | (2.2) |

**Note**: Percentages have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Johnson & Johnson and Subsidiaries** |  | | | | | |
| **Condensed Consolidated Statement of Earnings** |  |  |  |  |  |  |
| **(Unaudited; in Millions Except Per Share Figures)** |  |  |  | **SECOND QUARTER** |  |  |
|  |  | **2023** |  | **2022** |  | Percent |
|  | **Amount** |  | **Percent**  **to Sales** | **Amount** | **Percent**  **to Sales** | Increase  (Decrease) |
| **Sales to customers** | **$ 25,530** |  | **100.0** | **$ 24,020** | **100.0** | 6.3 |
| **Cost of products sold** | **8,212** |  | **32.2** | **7,919** | **33.0** | 3.7 |
| **Gross Profit** | **17,318** |  | **67.8** | **16,101** | **67.0** | 7.6 |
| **Selling, marketing and administrative expenses** | **6,665** |  | **26.1** | **6,226** | **25.9** | 7.1 |
| **Research and development expense** | **3,829** |  | **15.0** | **3,703** | **15.4** | 3.4 |
| **Interest (income) expense, net** | **(23)** |  | **(0.1)** | **(26)** | **(0.1)** |  |
| **Other (income) expense, net\*** | **(60)** |  | **(0.2)** | **273** | **1.1** |  |
| **Restructuring** | **145** |  | **0.5** | **85** | **0.4** |  |
| **Earnings before provision for taxes on income** | **6,762** |  | **26.5** | **5,840** | **24.3** | 15.8 |
| **Provision for taxes on income** | **1,618** |  | **6.4** | **1,026** | **4.3** | 57.7 |
| **Net earnings** | **$ 5,144** |  | **20.1** | **$ 4,814** | **20.0** | 6.9 |
| **Net earnings per share (Diluted)** | **$ 1.96** |  |  | **$ 1.80** |  | 8.9 |
| **Average shares outstanding (Diluted)** | **2,625.7** |  |  | **2,667.9** |  |  |
| **Effective tax rate** | **23.9** | **%** |  | **17.6 %** |  |  |
| **Adjusted earnings before provision for taxes and net earnings (1)** |  |  |  |  |  |  |
| **Earnings before provision for taxes on income** | **$ 8,824** |  | **34.6** | **$ 8,171** | **34.0** | 8.0 |
| **Net earnings** | **$ 7,358** |  | **28.8** | **$ 6,912** | **28.8** | 6.5 |
| **Net earnings per share (Diluted)** | **$ 2.80** |  |  | **$ 2.59** |  | 8.1 |
| **Effective tax rate** | **16.6** | **%** |  | **15.4 %** |  |  |

\* Fiscal second quarter Other (income) expense, net includes $37 million related to the Company's 10.4% non-controlling interest in Kenvue, Inc. from the time of the initial public offering on May 8, 2023 through the end of the fiscal second quarter.

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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Johnson & Johnson and Subsidiaries** |  | | | | | | |
| **Condensed Consolidated Statement of Earnings** |  |  |  |  |  |  |  |
| **(Unaudited; in Millions Except Per Share Figures)** |  |  |  |  | **SIX MONTHS** |  |  |
|  |  | **2023** |  |  | **2022** |  | Percent |
|  |  |  | **Percent** |  |  | **Percent** | Increase |
|  | **Amount** |  | **to Sales** |  | **Amount** | **to Sales** | (Decrease) |
| **Sales to customers** | **$ 50,276** |  | **100.0** |  | **$ 47,446** | **100.0** | 6.0 |
| **Cost of products sold** | **16,607** |  | **33.0** |  | **15,517** | **32.7** | 7.0 |
| **Gross Profit** | **33,669** |  | **67.0** |  | **31,929** | **67.3** | 5.4 |
| **Selling, marketing and administrative expenses** | **12,803** |  | **25.5** |  | **12,164** | **25.6** | 5.3 |
| **Research and development expense** | **7,392** |  | **14.7** |  | **7,165** | **15.1** | 3.2 |
| **In-process research and development** | **49** |  | **0.1** |  | **610** | **1.3** |  |
| **Interest (income) expense, net** | **(43)** |  | **(0.1)** |  | **(38)** | **(0.1)** |  |
| **Other (income) expense, net\*** | **7,168** |  | **14.3** |  | **171** | **0.4** |  |
| **Restructuring** | **275** |  | **0.5** |  | **155** | **0.3** |  |
| **Earnings before provision for taxes on income** | **6,025** |  | **12.0** |  | **11,702** | **24.7** | (48.5) |
| **Provision for taxes on income** | **949** |  | **1.9** |  | **1,739** | **3.7** | (45.4) |
| **Net earnings** | **$ 5,076** |  | **10.1** |  | **$ 9,963** | **21.0** | (49.1) |
| **Net earnings per share (Diluted)** | **$ 1.93** |  |  |  | **$ 3.73** |  | (48.3) |
| **Average shares outstanding (Diluted)** | **2,630.7** |  |  |  | **2,669.2** |  |  |
| **Effective tax rate** | **15.8** | **%** |  |  | **14.9 %** |  |  |
| **Adjusted earnings before provision for taxes and net earnings (1)** |  |  |  |  |  |  |  |
| **Earnings before provision for taxes on income** | **$ 17,292** |  | **34.4** |  | **$ 16,389** | **34.5** | 5.5 |
| **Net earnings** | **$ 14,426** |  | **28.7** |  | **$ 14,041** | **29.6** | 2.7 |
| **Net earnings per share (Diluted)** | **$ 5.48** |  |  |  | **$ 5.26** |  | 4.2 |
| **Effective tax rate** | **16.6** | **%** |  |  | **14.3 %** |  |  |

\* Fiscal six months Other (income) expense, net includes $37 million related to the Company's 10.4% non-controlling interest in Kenvue, Inc. from the time of the initial public offering on May 8, 2023 through the end of the fiscal second quarter.

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

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

**Second Quarter Six Months Ended**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| (Dollars in Millions Except Per Share Data) | **2023** | **2022** | | **2023** | | **2022** | |
| Net Earnings, after tax- as reported | **$5,144** |  | **$4,814** |  | **$5,076** |  | **$9,963** |
| *Pre-tax Adjustments* |  |  |  |  |  |  |  |
| Litigation related | 137 |  | 385 |  | 7,037 |  | 385 |
| Intangible Asset Amortization expense | 1,211 |  | 1,095 |  | 2,415 |  | 2,203 |
| COVID-19 Vaccine related costs 1 | 165 |  | 276 |  | 609 |  | 276 |
| Consumer Health separation costs | 282 |  | 268 |  | 582 |  | 370 |
| Restructuring related 2 | 145 |  | 128 |  | 275 |  | 200 |
| Medical Device Regulation 3 | 85 |  | 70 |  | 149 |  | 130 |
| Acquisition, integration and divestiture related | 38 |  | - |  | 80 |  | - |
| (Gains)/losses on securities | (1) |  | 109 |  | 71 |  | 520 |
| IPR&D | - |  | - |  | 49 |  | 610 |
| Other | - |  | - |  | - |  | (7) |
| *Tax Adjustments*  Tax impact on special item adjustments 4 | (373) |  | (313) |  | (2,430) |  | (706) |
| Consumer Health separation tax related costs | 546 |  | 2 |  | 557 |  | 98 |
| Tax legislation and other tax related | (21) |  | 78 |  | (44) |  | (1) |
| Adjusted Net Earnings, after tax | **$7,358** |  | **$6,912** |  | **$14,426** |  | **$14,041** |
| Average shares outstanding (Diluted) | 2,625.7 |  | 2,667.9 |  | 2,630.7 |  | 2,669.2 |
| Adjusted net earnings per share (Diluted) | **$2.80** |  | **$2.59** |  | **$5.48** |  | **$5.26** |
| Operational adjusted net earnings per share (Diluted) | **$2.84** |  |  |  | **$5.59** |  |  |

**Notes:**

1 COVID-19 Vaccine related costs include remaining commitments and obligations, including external manufacturing network exit costs and required clinical trial expenses, associated with the Company's completion of its COVID-19 vaccine contractual commitments.

2 In the first and second quarter of 2023, the company completed a prioritization of its research and development (R&D) investment within the Pharmaceutical segment to focus on the most promising medicines with the greatest benefit to patients. This resulted in the exit of certain programs within therapeutic areas. The R&D program exits are primarily in infectious diseases and vaccines including the discontinuation of its respiratory syncytial virus (RSV) adult vaccine program, hepatitis and HIV development. The restructuring expenses of $145 million in the quarter ($275 million Q2 YTD) include the termination of partnered and non-partnered program costs and asset impairments.

3 European Medical Device Regulation (MDR) costs represent one-time compliance costs for the Company’s previously registered products. MDR is a replacement of the existing European Medical Devices Directive regulatory framework, and manufacturers of currently marketed medical devices were required to comply with EU MDR beginning in May 2021. The Company considers the adoption of EU MDR to be a significant one-time regulatory change and is not indicative of on-going operations. The Company has excluded only external third-party regulatory and consulting costs from its MedTech operating segments' measures of profit and loss used for making operating decisions and assessing performance which is expected to be completed during 2024.

4 The tax impact related to special item adjustments reflects the current and deferred income taxes associated with the above pre-tax special items in arriving at adjusted earnings.

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

**Adjusted Operational Sales Growth SECOND QUARTER 2023 ACTUAL vs. 2022 ACTUAL**

**Segments**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | **Consumer Health** |  | **Pharmaceutical** |  | **MedTech** |  | **Total** |
|  |  |  |  |  |  |  |
| **WW As Reported** |  | **5.4%** |  | **3.1%** |  | **12.9%** |  | **6.3%** |
| U.S. |  | 6.0% |  | 9.2% |  | 14.6% |  | 10.2% |
| International |  | 5.0% |  | (4.0)% |  | 11.3% |  | 2.2% |
| **WW Currency**  U.S.  International |  | **(2.3)**  **-**  (4.0) |  | **(0.7)**  **-**  (1.5) |  | **(1.8)**  **-**  (3.4) |  | **(1.2)**  **-**  (2.5) |
| **WW Operational** |  | **7.7%** |  | **3.8%** |  | **14.7%** |  | **7.5%** |
| U.S. |  | 6.0% |  | 9.2% |  | 14.6% |  | 10.2% |
| International |  | 9.0% |  | (2.5)% |  | 14.7% |  | 4.7% |
| **Abiomed** |  |  |  |  |  | **(4.8)** |  | **(1.4)** |
| U.S. |  |  |  |  |  | (8.1) |  | (2.2) |
| International |  |  |  |  |  | (1.7) |  | (0.5) |
| **All Other Acquisitions and Divestitures** |  | **0.0** |  | **0.1** |  | **0.0** |  | **0.1** |
| U.S. |  | 0.0 |  | 0.0 |  | 0.0 |  | 0.0 |
| International |  | 0.0 |  | 0.3 |  | 0.0 |  | 0.2 |
| **WW Adjusted Operational** |  | **7.7%** |  | **3.9%** |  | **9.9%** |  | **6.2%** |
| U.S. |  | 6.0% |  | 9.2% |  | 6.5% |  | 8.0% |
| International |  | 9.0% |  | (2.2)% |  | 13.0% |  | 4.4% |

**Note:** Percentages are based on actual, non-rounded figures and may not sum

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

**Adjusted Operational Sales Growth**

**SIX MONTHS 2023 ACTUAL vs. 2022 ACTUAL**

**Segments**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Consumer Health** |  | **Pharmaceutical** |  | **MedTech** |  | **Total** |
|  |  |  |  |  |  |  |  |  |
| **WW As Reported** |  | **6.4%** |  | **3.7%** |  | **10.1%** |  | **6.0%** |
| U.S. |  | 8.6% |  | 7.6% |  | 15.5% |  | 10.0% |
| International |  | 4.7% |  | (0.7)% |  | 5.2% |  | 2.0% |
| **WW Currency**  U.S.  International |  | **(3.1)**  **-**  (5.4) |  | **(1.8)**  **-**  (3.8) |  | **(2.7)**  **-**  (5.1) |  | **(2.2)**  **-**  (4.5) |
| **WW Operational** |  | **9.5%** |  | **5.5%** |  | **12.8%** |  | **8.2%** |
| U.S. |  | 8.6% |  | 7.6% |  | 15.5% |  | 10.0% |
| International |  | 10.1% |  | 3.1% |  | 10.3% |  | 6.5% |
| **Abiomed** |  |  |  |  |  | **(4.7)** |  | **(1.4)** |
| U.S. |  |  |  |  |  | (8.2) |  | (2.3) |
| International |  |  |  |  |  | (1.6) |  | (0.5) |
| **All Other Acquisitions and Divestitures** |  | **0.0** |  | **0.1** |  | **0.0** |  | **0.1** |
| U.S. |  | 0.0 |  | 0.0 |  | 0.0 |  | 0.0 |
| International |  | 0.0 |  | 0.3 |  | 0.0 |  | 0.2 |
| **WW Adjusted Operational** |  | **9.5%** |  | **5.6%** |  | **8.1%** |  | **6.9%** |
| U.S. |  | 8.6% |  | 7.6% |  | 7.3% |  | 7.7% |
| International |  | 10.1% |  | 3.4% |  | 8.7% |  | 6.2% |

**Note**: Percentages are based on actual, non-rounded figures and may not sum



**REPORTED SALES vs. PRIOR PERIOD ($MM) REPORTED SALES vs. PRIOR PERIOD ($MM)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **SECOND QUARTER** | | | | | |
|  |  |  | **% Change** | | |
| **2023** | **2022** |  | **Reported** | **Operational (1)** | **Currency** |
| **$ 712** |  | **663** | 7.5% | 7.5% | - |
| **947** |  | **818** | 15.7% | 19.0% | -3.3% |
| **1,659** | **1,482** | | 12.0% | 13.9% | -1.9% |
| **650** | **629** | | 3.4% | 3.4% | - |
| **498** | **497** | | 0.3% | 3.8% | -3.5% |
| **1,148** | **1,126** | | 2.0% | 3.5% | -1.5% |
| **173** | **170** | | 1.7% | 1.7% | - |
| **225** | **224** | | 0.3% | 3.4% | -3.1% |
| **398** | **394** | | 0.9% | 2.7% | -1.8% |
| **99** | **88** | | 12.5% | 12.5% | - |
| **261** | **287** | | -9.1% | -4.0% | -5.1% |
| **360** | **375** | | -4.0% | -0.2% | -3.8% |
| **4** | **3** | | -2.1% | -2.1% | - |
| **235** | **228** | | 3.5% | 10.2% | -6.7% |
| **238** | **230** | | 3.4% | 10.0% | -6.6% |
| **149** | **133** | | 12.3% | 12.3% | - |
| **58** | **65** | | -10.3% | -4.6% | -5.7% |
| **207** | **197** | | 4.9% | 6.8% | -1.9% |
| **1,787** | **1,687** | | **6.0%** | **6.0%** | **-** |
| **2,224** | **2,118** | | **5.0%** | **9.0%** | **-4.0%** |
| **$ 4,011** | **3,805** | | **5.4%** | **7.7%** | **-2.3%** |
|  |  | |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SIX MONTHS** | | | | |
|  |  | **% Change** | | |
| **2023** | **2022** | **Reported** | **Operational (1)** | **Currency** |
| **$ 1,457** | **1,333** | 9.3% | 9.3% | - |
| **1,844** | **1,609** | 14.6% | 19.4% | -4.8% |
| **3,301** | **2,943** | 12.2% | 14.8% | -2.6% |
| **1,267** | **1,173** | 8.0% | 8.0% | - |
| **991** | **965** | 2.7% | 8.1% | -5.4% |
| **2,258** | **2,138** | 5.6% | 8.0% | -2.4% |
| **332** | **313** | 6.2% | 6.2% | - |
| **427** | **447** | -4.7% | -0.3% | -4.4% |
| **759** | **760** | -0.2% | 2.4% | -2.6% |
| **195** | **173** | 12.7% | 12.7% | - |
| **524** | **557** | -6.0% | 0.1% | -6.1% |
| **719** | **730** | -1.6% | 3.1% | -4.7% |
| **7** | **7** | -0.1% | -0.1% | - |
| **449** | **452** | -0.7% | 7.2% | -7.9% |
| **455** | **458** | -0.6% | 7.1% | -7.7% |
| **264** | **245** | 7.9% | 7.9% | - |
| **107** | **117** | -8.4% | -1.5% | -6.9% |
| **371** | **361** | 2.6% | 4.9% | -2.3% |
| **3,522** | **3,244** | **8.6%** | **8.6%** | **-** |
| **4,341** | **4,147** | **4.7%** | **10.1%** | **-5.4%** |
| **$ 7,863** | **7,391** | **6.4%** | **9.5%** | **-3.1%** |
|  |  |  |  |  |

**CONSUMER HEALTH SEGMENT (2)**

OTC US

Intl WW

SKIN HEALTH / BEAUTY US

Intl WW

ORAL CARE US

Intl WW

BABY CARE US

Intl WW

WOMEN'S HEALTH US

Intl WW

WOUND CARE / OTHER US

Intl WW

**TOTAL CONSUMER HEALTH US**

**Intl WW**

See footnotes at end of schedule

**REPORTED SALES vs. PRIOR PERIOD ($MM) REPORTED SALES vs. PRIOR PERIOD ($MM)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SECOND QUARTER** | | | | |
|  |  | **% Change** | | |
| **2023** | **2022** | **Reported** | **Operational (1)** | **Currency** |
| **$ 2,865** | **2,853** | 0.4% | 0.4% | - |
| **1,631** | **1,559** | 4.7% | 6.6% | -1.9% |
| **4,496** | **4,411** | 1.9% | 2.6% | -0.7% |
| **277** | **391** | -29.3% | -29.3% | - |
| **33** | **44** | -24.9% | -24.9% | - |
| **152** | **212** | -28.2% | -25.2% | -3.0% |
| **462** | **647** | -28.6% | -27.6% | -1.0% |
| **285** | **301** | -5.1% | -5.1% | - |
| **244** | **266** | -8.2% | -4.3% | -3.9% |
| **529** | **566** | -6.6% | -4.7% | -1.9% |
| **1,817** | **1,731** | 4.9% | 4.9% | - |
| **981** | **868** | 13.0% | 14.1% | -1.1% |
| **2,797** | **2,599** | 7.6% | 8.0% | -0.4% |
| **450** | **382** | 17.8% | 17.8% | - |
| **255** | **214** | 19.4% | 21.0% | -1.6% |
| **706** | **597** | 18.3% | 18.9% | -0.6% |
| **4** | **3** | 17.8% | 17.8% | - |
| **0** | **0** | - | - | - |
| **4** | **3** | 17.8% | 17.8% | - |
| **395** | **415** | -4.9% | -4.9% | - |
| **727** | **901** | -19.4% | -22.0% | 2.6% |
| **1,121** | **1,316** | -14.8% | -16.6% | 1.8% |
| **-** | **45** | \* | \* | - |
| **285** | **499** | -43.0% | -47.4% | 4.4% |
| **285** | **544** | -47.7% | -51.8% | 4.1% |
| **8** | **9** | -9.0% | -9.0% | - |
| **258** | **215** | 19.9% | 17.3% | 2.6% |
| **266** | **225** | 18.6% | 16.2% | 2.4% |
| **382** | **355** | 7.6% | 7.6% | - |
| **109** | **110** | -0.2% | -1.0% | 0.8% |
| **491** | **464** | 5.8% | 5.6% | 0.2% |
| **5** | **6** | -27.2% | -27.2% | - |
| **74** | **77** | -3.5% | 3.6% | -7.1% |
| **79** | **83** | -5.2% | 1.3% | -6.5% |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SIX MONTHS** | | | | |
|  |  | **% Change** | | |
| **2023** | **2022** | **Reported** | **Operational (1)** | **Currency** |
| **$ 5,313** | **5,354** | -0.8% | -0.8% | - |
| **3,295** | **3,176** | 3.8% | 8.2% | -4.4% |
| **8,608** | **8,530** | 0.9% | 2.6% | -1.7% |
| **553** | **749** | -26.2% | -26.2% | - |
| **74** | **124** | -40.3% | -40.3% | - |
| **322** | **437** | -26.2% | -22.5% | -3.7% |
| **949** | **1,310** | -27.5% | -26.3% | -1.2% |
| **556** | **588** | -5.4% | -5.4% | - |
| **510** | **549** | -7.1% | -1.1% | -6.0% |
| **1,066** | **1,137** | -6.2% | -3.3% | -2.9% |
| **3,268** | **3,110** | 5.1% | 5.1% | - |
| **1,974** | **1,777** | 11.1% | 15.2% | -4.1% |
| **5,241** | **4,887** | 7.2% | 8.7% | -1.5% |
| **856** | **773** | 10.7% | 10.7% | - |
| **489** | **413** | 18.4% | 22.8% | -4.4% |
| **1,346** | **1,187** | 13.4% | 15.0% | -1.6% |
| **7** | **9** | -30.2% | -30.2% | - |
| **0** | **0** | - | - | - |
| **7** | **9** | -30.2% | -30.2% | - |
| **787** | **876** | -10.2% | -10.2% | - |
| **1,920** | **1,737** | 10.5% | 12.3% | -1.8% |
| **2,707** | **2,613** | 3.6% | 4.7% | -1.1% |
| **-** | **120** | \* | \* | - |
| **1,032** | **881** | 17.1% | 18.4% | -1.3% |
| **1,032** | **1,001** | 3.0% | 4.2% | -1.2% |
| **17** | **18** | -5.3% | -5.3% | - |
| **529** | **454** | 16.4% | 18.0% | -1.6% |
| **546** | **473** | 15.6% | 17.1% | -1.5% |
| **760** | **724** | 5.0% | 5.0% | - |
| **208** | **242** | -13.9% | -12.1% | -1.8% |
| **968** | **965** | 0.3% | 0.7% | -0.4% |
| **10** | **14** | -30.6% | -30.6% | - |
| **151** | **160** | -5.6% | -1.2% | -4.4% |
| **161** | **174** | -7.6% | -3.6% | -4.0% |

**PHARMACEUTICAL SEGMENT (2,3) IMMUNOLOGY**

US

Intl WW

REMICADE US

US Exports (4)

Intl WW

SIMPONI / SIMPONI ARIA US

Intl WW

STELARA US

Intl WW

TREMFYA US

Intl WW

OTHER IMMUNOLOGY US

Intl WW

**INFECTIOUS DISEASES**

US

Intl WW

COVID-19 VACCINE US

Intl WW

EDURANT / rilpivirine US

Intl WW

PREZISTA / PREZCOBIX / REZOLSTA / SYMTUZA US

Intl WW

OTHER INFECTIOUS DISEASES US

Intl WW

**REPORTED SALES vs. PRIOR PERIOD ($MM) REPORTED SALES vs. PRIOR PERIOD ($MM)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **SECOND QUARTER** | | | | | |
|  |  |  | **% Change** | | |
| **2023** | **2022** |  | **Reported** | **Operational (1)** | **Currency** |
| **1,029** |  | **896** | 14.9% | 14.9% | - |
| **764** |  | **837** | -8.8% | -4.6% | -4.2% |
| **1,793** | **1,734** | | 3.5% | 5.5% | -2.0% |
| **64** | **38** | | 68.2% | 68.2% | - |
| **143** | **123** | | 16.3% | 21.3% | -5.0% |
| **208** | **161** | | 28.6% | 32.4% | -3.8% |
| **721** | **691** | | 4.3% | 4.3% | - |
| **310** | **362** | | -14.4% | -12.6% | -1.8% |
| **1,031** | **1,054** | | -2.1% | -1.5% | -0.6% |
| **144** | **74** | | 93.2% | 93.2% | - |
| **25** | **11** | | \* | \* | \* |
| **169** | **85** | | 98.2% | 98.5% | -0.3% |
| **100** | **93** | | 9.3% | 9.3% | - |
| **286** | **341** | | -16.4% | -9.9% | -6.5% |
| **386** | **433** | | -10.9% | -5.8% | -5.1% |
| **2,069** | **1,679** | | 23.2% | 23.2% | - |
| **2,329** | **2,362** | | -1.4% | 0.1% | -1.5% |
| **4,398** | **4,042** | | 8.8% | 9.7% | -0.9% |
| **114** | **24** | | \* | \* | - |
| **3** | **-** | | \* | \* | \* |
| **117** | **24** | | \* | \* | \* |
| **1,322** | **1,021** | | 29.5% | 29.5% | - |
| **1,110** | **965** | | 15.0% | 17.0% | -2.0% |
| **2,431** | **1,986** | | 22.4% | 23.4% | -1.0% |
| **241** | **233** | | 3.6% | 3.6% | - |
| **326** | **218** | | 49.7% | 51.7% | -2.0% |
| **567** | **450** | | 25.9% | 26.9% | -1.0% |
| **262** | **349** | | -24.9% | -24.9% | - |
| **579** | **620** | | -6.7% | -5.7% | -1.0% |
| **841** | **970** | | -13.2% | -12.6% | -0.6% |
| **9** | **19** | | -55.2% | -55.2% | - |
| **218** | **486** | | -55.1% | -53.8% | -1.3% |
| **227** | **505** | | -55.1% | -53.8% | -1.3% |
| **122** | **33** | | \* | \* | - |
| **92** | **72** | | 27.8% | 29.4% | -1.6% |
| **214** | **106** | | \* | \* | \* |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **SIX MONTHS** | | | | | |
|  |  |  | **% Change** | | |
| **2023** |  | **2022** | **Reported** | **Operational (1)** | **Currency** |
|  | **2,007** | **1,739** | 15.4% | 15.4% | - |
|  | **1,590** | **1,735** | -8.4% | -3.8% | -4.6% |
|  | **3,597** | **3,475** | 3.5% | 5.8% | -2.3% |
|  | **134** | **73** | 84.0% | 84.0% | - |
|  | **279** | **245** | 13.9% | 20.7% | -6.8% |
|  | **414** | **318** | 30.0% | 35.3% | -5.3% |
|  | **1,434** | **1,352** | 6.0% | 6.0% | - |
|  | **641** | **749** | -14.5% | -10.7% | -3.8% |
|  | **2,075** | **2,102** | -1.3% | 0.1% | -1.4% |
|  | **255** | **135** | 88.3% | 88.3% | - |
|  | **45** | **20** | \* | \* | \* |
|  | **300** | **155** | 93.1% | 93.8% | -0.7% |
|  | **184** | **179** | 3.1% | 3.1% | - |
|  | **625** | **721** | -13.4% | -8.7% | -4.7% |
|  | **809** | **900** | -10.1% | -6.4% | -3.7% |
|  | **3,958** | **3,261** | 21.4% | 21.4% | - |
|  | **4,552** | **4,731** | -3.8% | 0.0% | -3.8% |
|  | **8,510** | **7,992** | 6.5% | 8.8% | -2.3% |
|  | **184** | **24** | \* | \* | - |
|  | **5** | **-** | \* | \* | \* |
|  | **189** | **24** | \* | \* | \* |
|  | **2,513** | **1,974** | 27.3% | 27.3% | - |
|  | **2,182** | **1,868** | 16.8% | 21.5% | -4.7% |
|  | **4,695** | **3,842** | 22.2% | 24.5% | -2.3% |
|  | **490** | **439** | 11.8% | 11.8% | - |
|  | **619** | **412** | 50.3% | 55.9% | -5.6% |
|  | **1,109** | **850** | 30.4% | 33.2% | -2.8% |
|  | **532** | **719** | -26.0% | -26.0% | - |
|  | **1,136** | **1,288** | -11.8% | -8.8% | -3.0% |
|  | **1,668** | **2,008** | -16.9% | -15.0% | -1.9% |
|  | **25** | **38** | -34.7% | -34.7% | - |
|  | **447** | **1,006** | -55.6% | -53.0% | -2.6% |
|  | **472** | **1,044** | -54.8% | -52.3% | -2.5% |
|  | **214** | **67** | \* | \* | - |
|  | **162** | **156** | 3.6% | 7.1% | -3.5% |
|  | **376** | **224** | 68.0% | 70.4% | -2.4% |

**NEUROSCIENCE**

US

Intl WW

CONCERTA / Methylphenidate US

Intl WW

INVEGA SUSTENNA / XEPLION / INVEGA TRINZA / TREVICTA

US

Intl WW

SPRAVATO US

Intl WW

OTHER NEUROSCIENCE US

Intl WW

**ONCOLOGY**

US

Intl WW

CARVYKTI

US

Intl WW

DARZALEX US

Intl WW

ERLEADA US

Intl WW

IMBRUVICA US

Intl WW

ZYTIGA / abiraterone acetate US

Intl WW

OTHER ONCOLOGY US

Intl WW

**REPORTED SALES vs. PRIOR PERIOD ($MM) REPORTED SALES vs. PRIOR PERIOD ($MM)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **SECOND QUARTER** | | | | | |
|  |  |  | **% Change** | | |
| **2023** | **2022** |  | **Reported** | **Operational (1)** | **Currency** |
| **684** |  | **560** | 22.0% | 22.0% | - |
| **289** |  | **284** | 2.0% | 5.7% | -3.7% |
| **972** | **843** | | 15.3% | 16.5% | -1.2% |
| **328** | **265** | | 23.7% | 23.7% | - |
| **179** | **173** | | 3.4% | 6.0% | -2.6% |
| **507** | **438** | | 15.7% | 16.7% | -1.0% |
| **338** | **272** | | 24.2% | 24.2% | - |
| **61** | **56** | | 10.0% | 14.1% | -4.1% |
| **399** | **328** | | 21.8% | 22.5% | -0.7% |
| **18** | **23** | | -23.8% | -23.8% | - |
| **48** | **55** | | -10.9% | -3.7% | -7.2% |
| **66** | **78** | | -14.7% | -9.7% | -5.0% |
| **776** | **757** | | 2.6% | 2.6% | - |
| **174** | **215** | | -19.0% | -18.3% | -0.7% |
| **950** | **972** | | -2.2% | -2.0% | -0.2% |
| **637** | **609** | | 4.7% | 4.7% | - |
| **-** | **-** | | - | - | - |
| **637** | **609** | | 4.7% | 4.7% | - |
| **138** | **148** | | -6.3% | -6.3% | - |
| **174** | **215** | | -19.0% | -18.3% | -0.7% |
| **313** | **363** | | -13.8% | -13.4% | -0.4% |
| **7,818** | **7,159** | | **9.2%** | **9.2%** | **-** |
| **5,913** | **6,158** | | **-4.0%** | **-2.5%** | **-1.5%** |
| **$ 13,731** | **13,317** | | **3.1%** | **3.8%** | **-0.7%** |
|  |  | |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SIX MONTHS** | | | | |
|  |  | **% Change** | | |
| **2023** | **2022** | **Reported** | **Operational (1)** | **Currency** |
| **1,284** | **1,132** | 13.4% | 13.4% | - |
| **561** | **563** | -0.4% | 5.5% | -5.9% |
| **1,844** | **1,695** | 8.8% | 10.8% | -2.0% |
| **601** | **538** | 11.6% | 11.6% | - |
| **346** | **343** | 0.9% | 6.1% | -5.2% |
| **947** | **881** | 7.5% | 9.5% | -2.0% |
| **642** | **541** | 18.7% | 18.7% | - |
| **119** | **112** | 6.6% | 11.7% | -5.1% |
| **761** | **653** | 16.6% | 17.5% | -0.9% |
| **41** | **53** | -23.0% | -23.0% | - |
| **95** | **108** | -11.7% | -2.8% | -8.9% |
| **136** | **161** | -15.5% | -9.5% | -6.0% |
| **1,491** | **1,429** | 4.3% | 4.3% | - |
| **386** | **453** | -14.7% | -12.0% | -2.7% |
| **1,877** | **1,882** | -0.3% | 0.4% | -0.7% |
| **1,215** | **1,117** | 8.8% | 8.8% | - |
| **-** | **-** | - | - | - |
| **1,215** | **1,117** | 8.8% | 8.8% | - |
| **275** | **312** | -11.8% | -11.8% | - |
| **386** | **453** | -14.7% | -12.0% | -2.7% |
| **662** | **765** | -13.5% | -11.9% | -1.6% |
| **14,841** | **13,791** | **7.6%** | **7.6%** | **-** |
| **12,303** | **12,395** | **-0.7%** | **3.1%** | **-3.8%** |
| **$ 27,144** | **26,186** | **3.7%** | **5.5%** | **-1.8%** |
|  |  |  |  |  |

**PULMONARY HYPERTENSION**

US

Intl WW

OPSUMIT US

Intl

WW

UPTRAVI US

Intl WW

OTHER PULMONARY HYPERTENSION US

Intl WW

**CARDIOVASCULAR / METABOLISM / OTHER**

US

Intl WW

XARELTO US

Intl WW

OTHER US

Intl WW

**TOTAL PHARMACEUTICAL US**

**Intl WW**

See footnotes at end of schedule

**REPORTED SALES vs. PRIOR PERIOD ($MM) REPORTED SALES vs. PRIOR PERIOD ($MM)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **SECOND QUARTER** | | | | | |
|  |  |  | **% Change** | | |
| **2023** | **2022** |  | **Reported** | **Operational (1)** | **Currency** |
| **$ 908** |  | **525** | 73.1% | 73.1% | - |
| **712** |  | **525** | 35.7% | 40.7% | -5.0% |
| **1,620** | **1,049** | | 54.4% | 56.9% | -2.5% |
| **609** | **499** | | 22.0% | 22.0% | - |
| **587** | **469** | | 25.1% | 30.0% | -4.9% |
| **1,196** | **968** | | 23.5% | 25.9% | -2.4% |
| **272** | **-** | | \* | \* | - |
| **59** | **-** | | \* | \* | \* |
| **331** | **-** | | \* | \* | \* |
| **27** | **26** | | 4.5% | 4.5% | - |
| **67** | **56** | | 20.0% | 25.3% | -5.3% |
| **93** | **81** | | 15.1% | 18.8% | -3.7% |
| **1,388** | **1,338** | | 3.7% | 3.7% | - |
| **878** | **820** | | 7.0% | 9.0% | -2.0% |
| **2,265** | **2,157** | | 5.0% | 5.7% | -0.7% |
| **250** | **240** | | 4.1% | 4.1% | - |
| **147** | **148** | | -0.8% | 1.2% | -2.0% |
| **397** | **388** | | 2.2% | 3.0% | -0.8% |
| **221** | **216** | | 2.4% | 2.4% | - |
| **142** | **133** | | 6.3% | 8.0% | -1.7% |
| **363** | **349** | | 3.9% | 4.5% | -0.6% |
| **483** | **464** | | 4.3% | 4.3% | - |
| **255** | **232** | | 9.9% | 10.9% | -1.0% |
| **739** | **696** | | 6.1% | 6.5% | -0.4% |
| **433** | **418** | | 3.5% | 3.5% | - |
| **334** | **306** | | 9.0% | 11.6% | -2.6% |
| **766** | **724** | | 5.8% | 7.0% | -1.2% |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SIX MONTHS** | | | | |
|  |  | **% Change** | | |
| **2023** | **2022** | **Reported** | **Operational (1)** | **Currency** |
| **$ 1,771** | **1,019** | 73.8% | 73.8% | - |
| **1,352** | **1,123** | 20.5% | 27.0% | -6.5% |
| **3,123** | **2,141** | 45.8% | 49.3% | -3.5% |
| **1,180** | **969** | 21.7% | 21.7% | - |
| **1,109** | **1,001** | 10.8% | 17.3% | -6.5% |
| **2,288** | **1,970** | 16.2% | 19.5% | -3.3% |
| **536** | **-** | \* | \* | - |
| **119** | **-** | \* | \* | \* |
| **655** | **-** | \* | \* | \* |
| **55** | **50** | 10.8% | 10.8% | - |
| **125** | **121** | 2.8% | 8.9% | -6.1% |
| **180** | **171** | 5.1% | 9.5% | -4.4% |
| **2,751** | **2,627** | 4.7% | 4.7% | - |
| **1,759** | **1,719** | 2.3% | 6.4% | -4.1% |
| **4,510** | **4,345** | 3.8% | 5.4% | -1.6% |
| **491** | **465** | 5.6% | 5.6% | - |
| **296** | **312** | -5.1% | -1.3% | -3.8% |
| **787** | **777** | 1.3% | 2.8% | -1.5% |
| **447** | **417** | 7.2% | 7.2% | - |
| **284** | **271** | 4.8% | 8.8% | -4.0% |
| **731** | **688** | 6.3% | 7.9% | -1.6% |
| **974** | **939** | 3.7% | 3.7% | - |
| **522** | **505** | 3.2% | 7.0% | -3.8% |
| **1,496** | **1,444** | 3.6% | 4.9% | -1.3% |
| **839** | **805** | 4.1% | 4.1% | - |
| **657** | **630** | 4.2% | 8.7% | -4.5% |
| **1,495** | **1,436** | 4.2% | 6.1% | -1.9% |

**MEDTECH SEGMENT (2,3)**

**INTERVENTIONAL SOLUTIONS**

US

Intl WW

ELECTROPHYSIOLOGY

US

Intl WW

ABIOMED

US

Intl WW

OTHER INTERVENTIONAL SOLUTIONS

US

Intl WW

**ORTHOPAEDICS**

US

Intl WW

HIPS US

Intl WW

KNEES US

Intl WW

TRAUMA US

Intl WW

SPINE, SPORTS & OTHER US

Intl WW

**REPORTED SALES vs. PRIOR PERIOD ($MM) REPORTED SALES vs. PRIOR PERIOD ($MM)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SECOND QUARTER** | | | | |
|  |  | **% Change** | | |
| **2023** | **2022** | **Reported** | **Operational (1)** | **Currency** |
| **1,015** | **992** | 2.2% | 2.2% | - |
| **1,580** | **1,458** | 8.4% | 12.6% | -4.2% |
| **2,594** | **2,450** | 5.9% | 8.4% | -2.5% |
| **466** | **454** | 2.7% | 2.7% | - |
| **757** | **702** | 7.8% | 12.1% | -4.3% |
| **1,222** | **1,156** | 5.8% | 8.4% | -2.6% |
| **548** | **538** | 1.9% | 1.9% | - |
| **823** | **756** | 8.9% | 13.1% | -4.2% |
| **1,372** | **1,294** | 6.0% | 8.4% | -2.4% |
| **529** | **496** | 6.6% | 6.6% | - |
| **778** | **745** | 4.6% | 7.1% | -2.5% |
| **1,308** | **1,241** | 5.4% | 6.9% | -1.5% |
| **409** | **374** | 9.1% | 9.1% | - |
| **530** | **519** | 2.2% | 4.8% | -2.6% |
| **939** | **894** | 5.1% | 6.6% | -1.5% |
| **120** | **122** | -1.1% | -1.1% | - |
| **249** | **225** | 10.1% | 12.3% | -2.2% |
| **369** | **347** | 6.2% | 7.6% | -1.4% |
| **3,839** | **3,351** | **14.6%** | **14.6%** | **-** |
| **3,949** | **3,547** | **11.3%** | **14.7%** | **-3.4%** |
| **$ 7,788** | **6,898** | **12.9%** | **14.7%** | **-1.8%** |
|  |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SIX MONTHS** | | | | |
|  |  | **% Change** | | |
| **2023** | **2022** | **Reported** | **Operational (1)** | **Currency** |
| **1,990** | **1,913** | 4.0% | 4.0% | - |
| **3,039** | **2,971** | 2.3% | 7.7% | -5.4% |
| **5,028** | **4,884** | 3.0% | 6.3% | -3.3% |
| **910** | **871** | 4.5% | 4.5% | - |
| **1,430** | **1,431** | 0.0% | 5.3% | -5.3% |
| **2,340** | **2,302** | 1.7% | 5.0% | -3.3% |
| **1,079** | **1,042** | 3.6% | 3.6% | - |
| **1,608** | **1,540** | 4.5% | 10.0% | -5.5% |
| **2,688** | **2,582** | 4.1% | 7.4% | -3.3% |
| **1,087** | **1,017** | 6.9% | 6.9% | - |
| **1,521** | **1,481** | 2.7% | 7.5% | -4.8% |
| **2,608** | **2,498** | 4.4% | 7.2% | -2.8% |
| **853** | **774** | 10.1% | 10.1% | - |
| **1,039** | **1,030** | 0.9% | 6.3% | -5.4% |
| **1,892** | **1,804** | 4.9% | 8.0% | -3.1% |
| **234** | **243** | -3.6% | -3.6% | - |
| **482** | **451** | 6.7% | 10.2% | -3.5% |
| **716** | **694** | 3.1% | 5.4% | -2.3% |
| **7,598** | **6,576** | **15.5%** | **15.5%** | **-** |
| **7,671** | **7,293** | **5.2%** | **10.3%** | **-5.1%** |
| **$ 15,269** | **13,869** | **10.1%** | **12.8%** | **-2.7%** |
|  |  |  |  |  |

**SURGERY**

US

Intl WW

ADVANCED US

Intl WW

GENERAL US

Intl WW

**VISION**

US

Intl WW

CONTACT LENSES / OTHER US

Intl WW

SURGICAL US

Intl WW

**TOTAL MEDTECH US**

**Intl WW**

**Note:** Columns and rows within tables may not add due to rounding. Percentages have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely

\* Percentage greater than 100% or not meaningful

1. Operational growth excludes the effect of translational currency
2. Unaudited
3. Certain prior year amounts have been reclassified to conform to current year product disclosures
4. Reported as U.S. sales

**Supplemental Sales Reconciliation (Unaudited)**

(Dollars in Millions)

**SECOND QUARTER SIX MONTHS**

Percent Change Percent Change

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **2023** | **2022** | Total | Operations | Currency |  | **2023** | **2022** | Total | Operations | Currency |
| **Pharmaceutical**  U.S. | **$ 7,818** | **7,159** | 9.2 **%** | 9.2 | - |  | **$ 14,841** | **13,791** | 7.6 **%** | 7.6 | - |
| International | **5,913** | **6,158** | (4.0) | (2.5) | (1.5) |  | **12,303** | **12,395** | (0.7) | 3.1 | (3.8) |
| Worldwide | **13,731** | **13,317** | 3.1 | 3.8 | (0.7) |  | **27,144** | **26,186** | 3.7 | 5.5 | (1.8) |
| COVID-19 Vaccine |  |  |  |  |  |  |  |  |  |  |  |
| U.S. | **-** | **45** | \* | \* | - |  | **-** | **120** | \* | \* | - |
| International | **285** | **499** | (43.0) | (47.4) | 4.4 |  | **1,032** | **881** | 17.1 | 18.4 | (1.3) |
| Worldwide | **285** | **544** | (47.7) | (51.8) | 4.1 |  | **1,032** | **1,001** | 3.0 | 4.2 | (1.2) |
| Pharmaceutical excluding COVID-19 Vaccine |  |  |  |  |  |  |  |  |  |  |  |
| U.S. | **7,818** | **7,114** | 9.9 | 9.9 | - |  | **14,841** | **13,671** | 8.6 | 8.6 | - |
| International | **5,628** | **5,659** | (0.5) | 1.5 | (2.0) |  | **11,271** | **11,514** | (2.1) | 1.9 | (4.0) |
| Worldwide | **13,446** | **12,773** | 5.3 | 6.2 | (0.9) |  | **26,112** | **25,185** | 3.7 | 5.5 | (1.8) |

**Worldwide**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| U.S. | **13,444** | **12,197** | 10.2 | 10.2 | - |  | **25,961** | **23,611** | 10.0 | 10.0 | - |
| International | **12,086** | **11,823** | 2.2 | 4.7 | (2.5) |  | **24,315** | **23,835** | 2.0 | 6.5 | (4.5) |
| Worldwide | **25,530** | **24,020** | 6.3 | 7.5 | (1.2) |  | **50,276** | **47,446** | 6.0 | 8.2 | (2.2) |
| COVID-19 Vaccine |  |  |  |  |  |  |  |  |  |  |  |
| U.S. | **-** | **45** | \* | \* | - |  | **-** | **120** | \* | \* | - |
| International | **285** | **499** | (43.0) | (47.4) | 4.4 |  | **1,032** | **881** | 17.1 | 18.4 | (1.3) |
| Worldwide **285** | | **544** | (47.7) | (51.8) | 4.1 |  | **1,032** | **1,001** | 3.0 | 4.2 | (1.2) |
| Worldwide  U.S. **13,444** | | **12,152** | 10.6 | 10.6 | - |  | **25,961** | **23,491** | 10.5 | 10.5 | - |
| International **11,801** | | **11,324** | 4.2 | 7.0 | (2.8) |  | **23,283** | **22,954** | 1.4 | 6.1 | (4.7) |

Worldwide excluding COVID-19 Vaccine

**$ 25,245**

**23,476** 7.5 **%** 8.9 (1.4) **$**

**49,244**

**46,445** 6.0 **%** 8.3 (2.3)

**Note**: Columns and rows within tables may not add due to rounding

\* Percentage greater than 100% or not meaningful

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

Q2 QTD - Income Before Tax by Segment\* Dollars in Millions

Consumer Health Pharmaceutical MedTech Unallocated

Consumer Health

Separation Costs

Worldwide Total

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | 2022 | | | 2023 | | 2022 | | 2023 | | 2022 | | 2023 | | 2022 | | 2023 | | 2022 | | 2023 | | 2022 | |
| Reported Income Before Tax by Segment | $ 860 | 784 | | | 4,862 | | 4,420 | | 1,699 | | 1,141 | | (377) | | (237) | | (282) | | (268) | | 6,762 | | 5,840 | |
| ***% to Sales*** | ***21.4%*** | ***20.6%*** | | | ***35.4%*** | | ***33.2%*** | | ***21.8%*** | | ***16.5%*** | | ***-1.5%*** | | ***-1.0%*** | | ***-1.1%*** | | ***-1.1%*** | | ***26.5%*** | | ***24.3%*** | |
| Intangible asset amortization expense | 81 | 100 | | | 748 | | 736 | | 382 | | 259 | | - | | - | | - | | - | | 1,211 | | 1,095 | |
| In-process research and development | - | | | - | - | | - | | - | | - | | - - - | | | | | | - | | - | | - | |
| Litigation related | - | | | 78 | (93) | | 36 | | 60 | | 271 | | 170 - - | | | | | | - | | 137 | | 385 | |
| COVID-19 Vaccine related costs | - | | | - | 165 | | 276 | | - | | - | | - - - | | | | | | - | | 165 | | 276 | |
| Loss/(gain) on securities | - | | | - | 38 | | 102 | | (39) | | 7 | | - - - | | | | | | - | | (1) | | 109 | |
| Restructuring related | - | | | 25 | 145 | | 23 | | - | | 80 | | - - - | | | | | | - | | 145 | | 128 | |
| Acquisition, integration and divestiture related | - | | | - | - | | - | | 38 | | - | | - - - | | | | | | - | | 38 | | - | |
| Medical Device Regulation | - | | | - | - | | - | | 85 | | 70 | | - - - | | | | | | - | | 85 | | 70 | |
| Consumer Health separation costs  Other | -  - | | | -  - | -  - | | -  - | | -  - | | -  - | | - - 282  - - - | | | | | | 268  - | | 282  - | | 268  - | |
| Adjusted Income Before Tax by Segment | $ 941 |  | 987 | |  | 5,865 |  | 5,593 |  | 2,225 |  | 1,828 |  | (207) |  | (237) |  | - |  | - |  | 8,824 |  | 8,171 |
| ***% to Sales*** | ***23.5%*** |  | ***25.9%*** | |  | ***42.7%*** |  | ***42.0%*** |  | ***28.6%*** |  | ***26.5%*** |  | ***-0.8%*** |  | ***-1.0%*** |  | ***0.0%*** |  | ***0.0%*** |  | ***34.6%*** |  | ***34.0%*** |
| \*Estimated as of 7/20/2023 |  |  |  | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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

Q2 YTD - Income Before Tax by Segment\* Dollars in Millions

Consumer Health Pharmaceutical MedTech Unallocated

Consumer Health

Separation Costs

Worldwide Total

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | 2022 | | 2023 | | 2022 | | 2023 | | 2022 | | 2023 | | 2022 | | 2023 | | 2022 | | 2023 | | 2022 | |
| Reported Income Before Tax by Segment | $ 1,636 | 1,470 | | 9,306 | | 8,344 | | 3,144 | | 2,618 | | (7,479) | | (360) | | (582) | | (370) | | 6,025 | | 11,702 | |
| ***% to Sales*** | ***20.8%*** | ***19.9%*** | | ***34.3%*** | | ***31.9%*** | | ***20.6%*** | | ***18.9%*** | | ***-14.9%*** | | ***-0.8%*** | | ***-1.2%*** | | ***-0.8%*** | | ***12.0%*** | | ***24.7%*** | |
| Intangible asset amortization expense | 163 | 194 | | 1,487 | | 1,496 | | 765 | | 513 | | - | | - | | - | | - | | 2,415 | | 2,203 | |
| In-process research and development | - | - | | - | | 610 | | 49 | | - | | - | | - | | - | | - | | 49 | | 610 | |
| Litigation related | - 78 | | | (93) | | 36 | | 60 | | 271 | | 7,070 | | - - - | | | | | | 7,037 | | 385 | |
| COVID-19 Vaccine related costs | - - | | | 609 | | 276 | | - | | - | | - | | - - - | | | | | | 609 | | 276 | |
| Loss/(gain) on securities | - - | | | 76 | | 496 | | (5) | | 24 | | - | | - - - | | | | | | 71 | | 520 | |
| Restructuring related | - 39 | | | 275 | | 9 | | - | | 152 | | - | | - - - | | | | | | 275 | | 200 | |
| Acquisition, integration and divestiture related | - - - - 80 | | | | | | | | | - | | - - | | | | - | | - | | 80 | | - | |
| Medical Device Regulation | - - - - 149 | | | | | | | | | 130 | | - - | | | | - | | - | | 149 | | 130 | |
| Consumer Health separation costs | - - - - - | | | | | | | | | - | | - - | | | | 582 | | 370 | | 582 | | 370 | |
| Other | - - - - - | | | | | | | | | - | | - (7) | | | | - | | - | | - | | (7) | |
| Adjusted Income Before Tax by Segment | $ 1,799 |  | 1,781 |  | 11,660 |  | 11,267 |  | 4,242 |  | 3,708 |  | (409) |  | (367) |  | - |  | - |  | 17,292 |  | 16,389 |
| ***% to Sales*** | ***22.9%*** |  | ***24.1%*** |  | ***43.0%*** |  | ***43.0%*** |  | ***27.8%*** |  | ***26.7%*** |  | ***-0.8%*** |  | ***-0.8%*** |  | ***0.0%*** |  | ***0.0%*** |  | ***34.4%*** |  | ***34.5%*** |
| \*Estimated as of 7/20/2023 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | | | | | | | | | | **Johnson & Johnson and Subsidiaries**  **GAAP to Non-GAAP Reconciliation**  **$ in Millions** |  | | | | | | | | | | | | |
| **Quarter to Date** |  |  |  |  |  |  |  |  |  |  |  |
|  | **Second Quarter July 2, 2023** |  | **Intangible asset** |  |  |  | **In-process research and** |  | **Restructuring** |  | **Acquisition, integration and (Loss)/gain on** |  | **Medical Device** |  | **COVID-19 Vaccine** |  | **Consumer Health** |  | **Consumer Health separation tax** |  | **Tax legislation and other tax** |  |  | **Second Quarter July 3, 2022** |
|  | **GAAP** |  | **amortization** |  | **Litigation related** |  | **development** |  | **related** |  | **divestiture related securities** |  | **Regulation** |  | **Related Costs** |  | **separation costs** |  | **related costs** |  | **related** |  | **Other** | **Non-GAAP** |
| Cost of products sold | $ 8,212 |  | (1,211) |  |  |  |  |  | - |  |  |  | (34) |  | 38 |  | (14) |  | - |  | - |  |  | - 6,991 |
| Selling, marketing and admin expenses | 6,665 |  |  |  |  |  |  |  |  |  |  |  | (8) |  |  |  | (44) |  |  |  |  |  |  | 6,613 |
| Research and development expense | 3,829 |  |  |  |  |  |  |  |  |  | - |  | (44) |  | (46) |  | (2) |  |  |  |  |  |  | 3,737 |
| Other (Income) / Expense | (60) |  | - |  | (137) |  |  |  | - |  | (38) 1 |  |  |  | (156) |  | (221) |  | - |  |  |  |  | - (611) |
| In-process research and development | - |  |  |  |  |  | - |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | - |
| Interest (Income)/Expense | (23) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (1) |  |  |  |  |  |  | (24) |
| Restructuring | 145 |  |  |  |  |  |  |  | (145) |  |  |  |  |  |  |  |  |  |  |  |  |  |  | - |
| Provision for taxes on income | 1,618 |  | 194 |  | 29 |  | - |  | 37 |  | 12 (1) |  | 15 |  | 38 |  | 49 |  | (546) |  | 21 |  |  | - 1,466 |
| Net Earnings | 5,144 |  | 1,017 |  | 108 |  | - |  | 108 |  | 26 - |  | 71 |  | 126 |  | 233 |  | 546 |  | (21) |  |  | - 7,358 |
|  | **Second Quarter July 3, 2022** |  | **Intangible asset** |  |  |  | **In-process research and** |  | **Restructuring** |  | **Acquisition, integration and (Loss)/gain on** |  | **Medical Device** |  | **COVID-19 Vaccine** |  | **Consumer Health** |  | **Consumer Health separation tax** |  | **Tax legislation and other tax** |  |  | **Second Quarter July 3, 2022** |
|  | **GAAP** |  | **amortization** |  | **Litigation related** |  | **development** |  | **related** |  | **divestiture related securities** |  | **Regulation** |  | **Related Costs** |  | **separation costs** |  | **related costs** |  | **related** |  | **Other** | **Non-GAAP** |
| Cost of products sold | $ 7,919 |  | (1,083) |  |  |  |  |  | (17) |  |  |  | (25) |  | (194) |  | - |  | - |  | - |  |  | - 6,600 |
| Selling, marketing and admin expenses | 6,226 |  |  |  |  |  |  |  |  |  |  |  | (6) |  |  |  |  |  |  |  |  |  |  | 6,220 |
| Research and development expense | 3,703 |  |  |  |  |  |  |  |  |  | - |  | (39) |  | (110) |  |  |  |  |  |  |  |  | 3,554 |
| Other (Income) / Expense | 273 |  | (12) |  | (385) |  |  |  | (26) |  | - (109) |  |  |  | 28 |  | (268) |  | - |  |  |  |  | - (499) |
| In-process research and development | - |  |  |  |  |  | - |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | - |
| Restructuring | 85 |  |  |  |  |  |  |  | (85) |  |  |  |  |  |  |  |  |  |  |  |  |  |  | - |
| Provision for taxes on income | 1,026 |  | 170 |  | (29) |  | - |  | 25 |  | - 25 |  | 13 |  | 65 |  | 44 |  | (2) |  | (78) |  |  | - 1,259 |
| Net Earnings | 4,814 |  | 925 |  | 414 |  | - |  | 103 |  | - 84 |  | 57 |  | 211 |  | 224 |  | 2 |  | 78 |  |  | - 6,912 |
| **Year to Date** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **Six Months July 2, 2023** |  | **Intangible asset** |  |  |  | **In-process research and** |  | **Restructuring** |  | **Acquisition, integration and (Loss)/gain on** |  | **Medical Device** |  | **COVID-19 Vaccine** |  | **Consumer Health** |  | **Consumer Health separation tax** |  | **Tax legislation and other tax** |  |  | **Six Months July 2, 2023** |

**GAAP**

**amortization Litigation related**

**development**

**related**

**divestiture related**

**securities**

**Regulation**

**Related Costs**

**separation costs**

**related costs**

**related**

**Other**

**Non-GAAP**

Cost of products sold

$ 16,607

(2,411) - (57) (168) (26) 13,945

Selling, marketing and admin expenses 12,803 (15) (82) 12,706

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Research and development expense | 7,392 |  |  |  |  | (16) |  | (78) | (62) | (4) |  |  | 7,232 |
| Other (Income) / Expense | 7,168 | (4) | (7,037) |  | - | (64) | (71) |  | (378) | (506) | - |  | - (892) |
| In-process research and development | 49 |  |  | (49) |  | - |  |  | - |  |  |  | - |
| Interest (Income)/Expense | (43) |  |  |  |  |  |  |  |  | 36 |  |  | (7) |
| Restructuring | 275 |  |  |  | (275) |  |  |  |  |  |  |  | - |
| Provision for taxes on income | 949 | 388 | 1,651 | 11 | 69 | 17 | 15 | 27 | 143 | 109 | (557) | 44 | - 2,866 |
| Net Earnings | 5,076 | 2,027 | 5,386 | 38 | 206 | 63 | 56 | 123 | 465 | 473 | 557 | (44) | - 14,426 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Six Months**  **July 3, 2022 GAAP** |  | **Intangible asset amortization** |  | **Litigation related** |  | **In-process**  **research and development** |  | **Restructuring related** |  | **Acquisition, integration and divestiture related** |  | **(Loss)/gain on securities** |  | **Medical Device Regulation** |  | **COVID-19 Vaccine Related Costs** |  | **Consumer Health separation costs** |  | **Consumer Health**  **separation tax related costs** |  | **Tax legislation**  **and other tax related** |  | **Other** |  | **Six Months**  **July 3, 2022 Non-GAAP** |
| Cost of products sold | $ 15,517 |  | (2,191) |  |  |  |  |  | (33) |  |  |  |  |  | (47) |  | (194) |  |  |  |  |  |  |  |  |  | 13,052 |
| Selling, marketing and admin expenses | 12,164 |  |  |  |  |  |  |  |  |  |  |  |  |  | (12) |  |  |  |  |  |  |  |  |  |  |  | 12,152 |
| Research and development expense | 7,165 |  |  |  |  |  |  |  |  |  | - |  |  |  | (71) |  | (110) |  |  |  |  |  |  |  |  |  | 6,984 |
| Other (Income) / Expense | 171 |  | (12) |  | (385) |  |  |  | (12) |  | - |  | (520) |  |  |  | 28 |  | (370) |  | - |  |  |  | 7 |  | (1,093) |
| In-process research and development | 610 |  |  |  |  |  | (610) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | - |
| Restructuring | 155 |  |  |  |  |  |  |  | (155) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | - |
| Provision for taxes on income | 1,739 |  | 338 |  | (82) |  | 138 |  | 37 |  | - |  | 121 |  | 24 |  | 65 |  | 67 |  | (98) |  | 1 |  | (2) |  | 2,348 |
| Net Earnings | 9,963 |  | 1,865 |  | 467 |  | 472 |  | 163 |  | - |  | 399 |  | 106 |  | 211 |  | 303 |  | 98 |  | (1) |  | (5) |  | 14,041 |