

JOHNSON & JOHNSON NYSE-JNJ										RECENT PRICE	214.17	P/E RATIO	19.1 (Trailing: 22.1; Median: 17.0)	RELATIVE P/E RATIO	1.03	DIV'D YLD	2.4%	VALUE LINE	
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TIMELINESS 2 Lowered 8/22/25	SAFETY 1 New 7/27/90	TECHNICAL 3 Raised 12/26/25	BETA .60 (1.00 = Market)	High: 109.5 Low: 86.1	106.5 81.8	126.1 94.3	144.4 110.8	149.0 118.6	147.8 125.0	157.7 109.2	179.9 151.5	186.7 155.7	180.9 145.0	168.9 142.8	215.2 140.7	Target Price Range		
																2028	2029	2030

18-Month Target Price Range										LEGENDS									
Low-High Midpoint (% to Mid)										Options: Yes									
\$151-\$239 \$195 (-10%)										Shaded area indicates recession									
2028-30 PROJECTIONS										Ann'l Total Return									
Price Gain Ann'l Total Return										Options: Yes									
High 250 (+15%) 7%										Options: Yes									
Low 205 (-5%) 2%										Options: Yes									
Institutional Decisions										Percent shares traded									
to Buy 10/2025 20/2025 30/2025										Options: Yes									
to Sell 1915 1756 1937										Options: Yes									
Hld's(000) 1945 2020 1849										Options: Yes									
Hld's(000) 173068617807191733484										Options: Yes									
Percent shares traded										Options: Yes									
15										Options: Yes									
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22.47	22.49	23.87	24.19	25.28	26.71	25.44	26.56	28.50	30.64	31.17	31.37	35.67	36.33	35.38	36.90	39.10	41.30	Sales per sh ^A	48.80
5.69	5.92	6.25	6.48	7.08	7.26	6.95	7.50	7.64	9.11	9.82	9.12	11.00	11.37	11.78	11.24	12.10	12.85	"Cash Flow" per sh	15.10
4.63	4.76	5.00	5.10	5.52	5.70	5.48	5.93	5.41	8.18	8.68	8.03	9.80	10.15	9.92	9.98	10.85	11.50	Earnings per sh ^{A B}	13.50
1.93	2.11	2.25	2.40	2.59	2.76	2.95	3.15	3.32	3.54	3.75	3.98	4.19	4.45	4.70	4.91	5.20	5.50	Div'ds Decl'd per sh ^C	6.45
.86	.87	1.06	1.06	1.27	1.33	1.26	1.19	1.22	1.38	1.33	1.27	1.39	1.53	1.89	1.84	1.95	2.05	Cap'l Spending per sh	2.40
18.37	20.66	20.95	23.33	26.25	25.06	25.83	26.02	22.43	22.44	22.59	24.04	28.16	29.39	28.57	29.70	35.30	41.30	Book Value per sh ^D	61.50
2754.3	2738.1	2724.4	2778.5	2820.6	2783.3	2755.0	2706.5	2682.5	2662.3	2632.5	2632.5	2629.0	2613.6	2407.1	2406.9	2405.0	2405.0	Common Shs Outst'g ^E	2405.0
12.5	13.1	12.7	13.1	15.6	17.7	18.2	19.1	23.9	16.3	15.6	18.2	16.9	17.0	16.2	15.6	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	17.0
.83	.83	.80	.83	.88	.93	.92	1.00	1.20	.88	.83	.93	.91	.98	.90	.82			Relative P/E Ratio	.95
3.3%	3.4%	3.5%	3.6%	3.0%	2.7%	3.0%	2.8%	2.6%	2.7%	2.8%	2.7%	2.5%	2.6%	2.9%	3.2%			Avg Ann'l Div'd Yield	2.8%

CAPITAL STRUCTURE as of 9/28/25		70074	71890	76450	81581	82059	82584	93775	94943	85159	88821	94000	99400	Sales (\$mill) ^	117000
Total Debt \$49.0 bill. Due in 5 Yrs \$18.0 bill.		31.1%	34.6%	31.7%	37.3%	41.1%	33.2%	34.4%	34.4%	35.7%	34.4%	36.0%	36.5%	Operating Margin	36.5%
LT Debt \$39.4 bill. LT Interest \$860 mill. (30% of Capital)		3746.0	3754.0	5642.0	1935.0	2537.0	2580.0	2729.0	2678.0	2954.0	2822.0	2850	2950	Depreciation (\$mill)	3480
Leases, Uncapitalized Annual rentals \$0.2 bill.		15409	16540	14856	22315	23310	21433	26195	27038	25409	24242	26300	27900	Net Profit (\$mill)	32800
Pension Assets-12/24 \$33.4 bill. Oblig. \$28.9 bill.		19.7%	16.5%	15.9%	16.4%	17.4%	15.7%	14.0%	15.2%	14.8%	16.3%	18.0%	18.5%	Income Tax Rate	18.5%
		22.0%	23.0%	19.4%	27.4%	28.4%	26.0%	27.9%	28.5%	29.8%	27.3%	28.0%	28.1%	Net Profit Margin	28.0%
Preferred Stock None		32463	38745	12551	14803	9310.0	8744.0	15753	d508.0	7213.0	5572.0	5900	6230	Working Cap'l (\$mill)	7360
		12857	22442	30675	27684	26494	32635	29985	26888	25881	30651	31000	32800	Long-Term Debt (\$mill)	38700
Common Stock 2,409,295,102 shares as of 10/17/25		71150	70418	60160	59752	59471	63278	74023	76804	68774	71490	84900	99400	Shr. Equity (\$mill)	148000
		18.6%	18.2%	16.9%	26.1%	27.3%	22.5%	25.3%	26.2%	27.3%	24.1%	23.0%	21.5%	Return on Total Cap'l	18.0%
MARKET CAP: \$516 billion (Large Cap)		21.7%	23.5%	24.7%	37.3%	39.2%	33.9%	35.4%	35.2%	36.9%	33.9%	31.0%	28.0%	Return on Shr. Equity	22.0%
		10.2%	11.2%	9.8%	21.5%	22.5%	17.3%	20.5%	20.0%	19.8%	17.4%	16.0%	14.5%	Retained to Com Eq	11.5%
CURRENT POSITION 2023 2024 9/28/25 (\$mill.)		53%	52%	60%	43%	43%	49%	42%	43%	46%	49%	48%	48%	All Div'ds to Net Prof	48%

ANNUAL RATES										Shares of Johnson & Johnson have been rising with other pharmaceutical stocks. Since our late September report, J&J shares are up 21%, which is in line with the sector's strong showing. The largest factor has been a reprieve in policy concerns, led by deals to lower prices for Medicaid patients in exchange for a three-year reprieve from import tariffs. The company's improved outlook has also led us to increase its long-term prospects. CAPLYTA, one of several promising J&J treatments, received FDA approval in November as an adjunctive therapy for the treatment of major depressive disorder (MDD) in adults. This treatment has sizable growth potential. Moreover, the company's third-quarter earnings largely matched our forecast, but doing so was impressive as improved margins were able to overcome a higher tax rate. As such, we have also increased our nearer-term earnings projections. Legal issues pose uncertainties. Famous Johnson's Baby Powder was introduced in 1894, but 1950's reports indicated that talc could be contaminated with asbestos during mining. The extent to which									
Past 10 Yrs. Past 5 Yrs. Est'd '22-'24 of change (per sh)										J&J knew this, had asbestos in its talc, that the asbestos was harmful, and that the whole company should pay damages caused by just one product, are at issue. In 2021, J&J was ordered to pay \$2.2 billion to 22 women who got ovarian cancer after using its talc-based products. After 40,000 lawsuits were filed against it, J&J performed a legal maneuver putting all the liabilities in a subsidiary, which then filed for bankruptcy. The issue is also racially influenced, as the product was heavily marketed to black women, and a J&J-funded experiment injected black inmates with asbestos to compare the effects. In 2023, J&J replaced talc with cornstarch in its baby powder. On March 31st, J&J's effort to settle 58,000 cases for \$9 billion was dismissed. As such, the final outcome could be substantially higher. The stock, which still holds our highest score for Price Stability, fell 8% on the news. These shares are timely for year-ahead relative performance. But long-term investors should hold off, given the uncertain legal situation and the shares' subpar 3- to 5-year total-return prospects. Stephen Jones, CFA December 26, 2025									
Sales										Consumer Health (baby care, beauty, skin care, oral care, wound care, etc.). Employs approx. 138,100. Officers/directors beneficially own less than 1.0% of common stock; Vanguard, 9.5%; BlackRock, 7.7%; State Street, 5.5% (3/25 Proxy). Chairman & CEO: Joaquin Duato. Inc.: NJ. Address: One Johnson & Johnson Plaza, New Brunswick, NJ 08933. Tel.: 732-524-0400. Internet: www.jnj.com.									
"Cash Flow"										Annual Rates									
Earnings										Past 10 Yrs. Past 5 Yrs. Est'd '22-'24 of change (per sh)									
Dividends										3.5% 4.0% 5.0%									
Book Value										5.0% 5.5% 4.5%									

Cal- endar	QUARTERLY SALES (\$ mill.) ^A					Full Year
	Mar.Per	Jun.Per	Sep.Per	Dec.Per		
2022	23426	24020	23791	23706	94943	
2023	24746	25530	21351	21395	85159	
2024	21383	22447	22471	22520	88821	
2025	21893	23743	23993	24371	94000	
2026	23800	25000	25200	25400	99400	
Cal- endar	EARNINGS PER SHARE ^{AB}					Full Year
	Mar.Per	Jun.Per	Sep.Per	Dec.Per		
2022	2.67	2.59	2.55	2.34	10.15	
2023	2.42	2.55	2.66	2.29	9.92	
2024	2.71	2.81	2.42	2.04	9.98	
2025	2.77	2.77	2.80	2.51	10.85	
2026	2.95	2.96	2.97	2.62	11.50	
Cal- endar	QUARTERLY DIVIDENDS PAID ^C					Full Year
	Mar.31	Jun.30	Sep.30	Dec.31		
2021	1.01	1.06	1.06	1.06	4.19	
2022	1.06	1.13	1.13	1.13	4.45	
2023	1.13	1.19	1.19	1.19	4.70	
2024	1.19	1.24	1.24	1.24	4.91	
2025	1.24	1.30	1.30	1.30		

Medicaid patients in exchange for a three-year reprieve from import tariffs.

The company's improved outlook has also led us to increase its long-term prospects. CAPLYTA, one of several promising J&J treatments, received FDA approval in November as an adjunctive therapy for the treatment of major depressive disorder (MDD) in adults. This treatment has sizable growth potential. Moreover, the company's third-quarter earnings largely matched our forecast, but doing so was impressive as improved margins were able to overcome a higher tax rate. As such, we have also increased our nearer-term earnings projections.

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lawsuits were filed against it; J&J performed a legal maneuver putting all the liabilities in a subsidiary, which then filed for bankruptcy. The issue is also racially influenced, as the product was heavily marketed to black women, and a J&J-funded experiment injected black inmates with asbestos to compare the effects. In 2023, J&J replaced talc with cornstarch in its baby powder. On March 31st, J&J's effort to settle 58,000 cases for \$9 billion was dismissed. As such, the final outcome could be substantially higher. The stock, which still holds our highest score for Price Stability, fell 8% on the news.

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Stephen Jones, CFA *December 26, 2025*