3RD QUARTER 2018 RESULTS

Johnson & Johnson

Q3 2018 SALES

$20.3B WORLDWIDE INCREASED ▲ **3.6%**

Excluding acquisitions/divestitures on an operational basis worldwide sales INCREASED ▲ **6.1%***

DILUTED EARNINGS PER SHARE **$1.44**

ADJUSTED DILUTED EARNINGS PER SHARE* **$2.05** INCREASE ▲ **7.9%**

"We are pleased with our strong third-quarter performance, which reflects continued above-market growth in our Pharmaceutical business, accelerating sales momentum in our Consumer business and consistent progress in our Medical Devices business," said Alex Gorsky, Chairman and Chief Executive Officer. "I'm confident that with our collaborative and inspired J&J colleagues around the world, unique broad-based business model and strategic investments in innovation, we are well positioned for success today and into the future."

WORLDWIDE CONSUMER SALES

$3.4B

Consumer worldwide sales increased: **1.8%**

Primary contributors to growth:

OGX beauty pure and simple · Neutrogena · Motrin IB · Zyrtec · nicorette · Zarbee's Naturals

WORLDWIDE PHARMACEUTICAL SALES

$10.3B

Pharmaceutical worldwide sales increased: **6.7%**

Primary contributors to growth:

Stelara (ustekinumab) · Zytiga abiraterone acetate · Invega Sustenna paliperidone palmitate · Simponi ARIA golimumab for infusion · imbruvica (ibrutinib) 140mg capsules · Opsumit macitentan · Tremfya (guselkumab) · Darzalex (daratumumab)

WORLDWIDE MEDICAL DEVICES SALES

$6.6B

Medical Devices worldwide sales decreased: **(0.2%)**

Primary contributors to growth:

ELECTROPHYSIOLOGY · ENDOCUTTERS · BIOSURGERY · ACUVUE® CONTACT LENSES · ENERGY · SURGICAL VISION · WOUND CLOSURE

Note: values may have been rounded

For full financial data and non-GAAP reconciliations, please refer to Johnson & Johnson's earnings release issued on October 16, 2018, available at http://www.investor.jnj.com/sales-earnings.cfm.

*Non-GAAP financial measure; non-GAAP financial measures should not be considered replacements for, and should be read together with, the most comparable GAAP financial measures.

Caution Concerning Forward-Looking Statements: This document contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 regarding future operating and financial performance. You are cautioned not to rely on these forward-looking statements, which are based on current expectations of future events. For important information about the risks and uncertainties that could cause actual results to vary materially from the assumptions, expectations, and projections expressed in any forward-looking statements, review the "Note to Investors Concerning Forward-Looking Statements" included in the Johnson & Johnson earnings release issued on October 16, 2018, as well as the most recently filed Johnson & Johnson Reports on Forms 10-K and 10-Q. Johnson & Johnson does not undertake to update any forward-looking statement as a result of new information or future events or developments.

3rd Quarter 2018 Earnings Call

October 16, 2018

Johnson & Johnson

Christopher DelOrefice

Vice President,

Investor Relations

Agenda

Sales Performance and Highlights

Enterprise Update

Financial Results Review and Guidance

Q&A

Cautionary Note on Forward-looking Statements

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Cautionary Note on Non-GAAP Financial Measures

This presentation refers to certain non-GAAP financial measures. These non-GAAP financial measures should not be considered replacements for, and should be read together with, the most comparable GAAP financial measures.

A reconciliation 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 Investor Relations section of the Company’s website at www.investor.jnj.com.

Strategic Partnerships, Collaborations & Licensing Arrangements

During the course of this morning's presentation, we will discuss a number of products and compounds developed in collaboration with strategic partners or licensed from other companies. Following is an acknowledgement of those relationships:

Consumer	RHINOCORT licensed from AstraZeneca; DR. CI:LABO brand skincare products in collaboration with Ci:z Holdings Co., Ltd.
Immunology	REMICADE and SIMPONI/ SIMPONI ARIA marketing partners are Schering-Plough (Ireland) Company, a subsidiary of Merck & Co., Inc. and Mitsubishi Tanabe Pharma Corporation, and TREMFYA discovered using MorphoSys AG antibody technology
Neuroscience	INVEGA SUSTENNA/ XEPLION/ INVEGA TRINZA/ TREVICTA includes technology licensed from Alkermes Pharma Ireland Limited
Infectious Diseases & Virology	PREZCOBIX/ REZOLSTA fixed-dose combination, SYMTUZA and ODEFSEY developed in collaboration with Gilead Sciences, Inc., and JULUCA developed in collaboration with ViiV Healthcare UK
Cardiovascular/ Metabolism/Other	INVOKANA/ INVOKAMET/ VOKANAMET/ INVOKAMET XR fixed-dose combination licensed from Mitsubishi Tanabe Pharma Corporation, XARELTO co-developed with Bayer HealthCare AG, and PROCRIT/EPREX licensed from Amgen Inc.
Oncology	IMBRUVICA developed in collaboration and co-marketed in the U.S. with Pharmacyclics, LLC, an AbbVie company, ZYTIGA licensed from BTG International Ltd., VELCADE developed in collaboration with Millennium: The Takeda Oncology Company, DARZALEX licensed from Genmab A/S, and erdafitinib discovered in collaboration with Astex Pharmaceuticals, Inc.
Pulmonary Hypertension	UPTRAVI license and supply agreement with Nippon Shinyaku (co-promotion in Japan), OPSUMIT co-promotion agreement with Nippon Shinyaku in Japan

3rd Quarter 2018 Sales

$ U.S. Billions

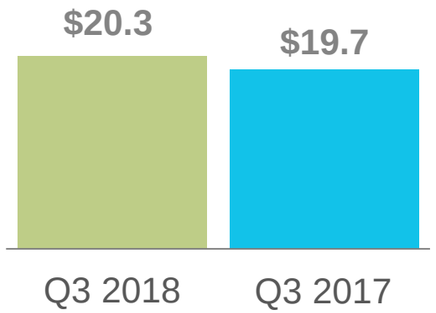
Total Company	3Q 2018	3Q 2017	% Change	
			Reported	Operational[1]
U.S	$10.7	$10.3	3.6%	3.6%
Europe	4.4	4.3	2.5	5.1
Western Hemisphere (ex U.S.)	1.6	1.6	(1.2)	11.2
Asia-Pacific, Africa	3.7	3.5	6.7	8.6
International	9.7	9.4	3.5	7.5
Worldwide (WW)	$20.3	$19.7	3.6%	5.5%

[1] Excludes impact of translational currency
Note: values may have been rounded

3rd Quarter 2018 Financial Highlights

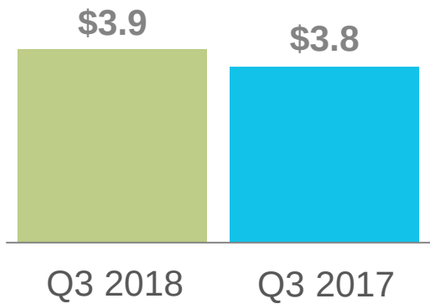
$ U.S. Billions, except EPS
Reported %; Operational %

Sales



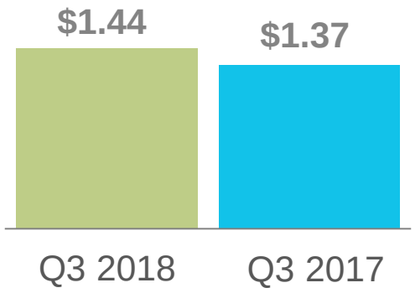
3.6%; 5.5%[1]

GAAP Earnings



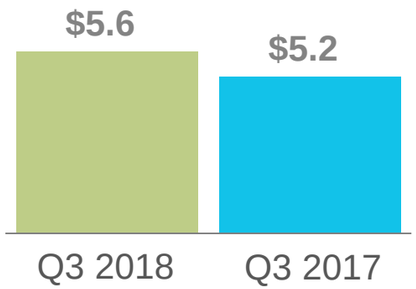
4.5%

GAAP EPS



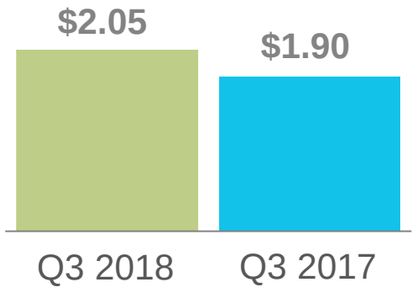
5.1%

Adjusted Earnings[2]



7.3%

Adjusted EPS[2]



7.9%; 9.5%[1]

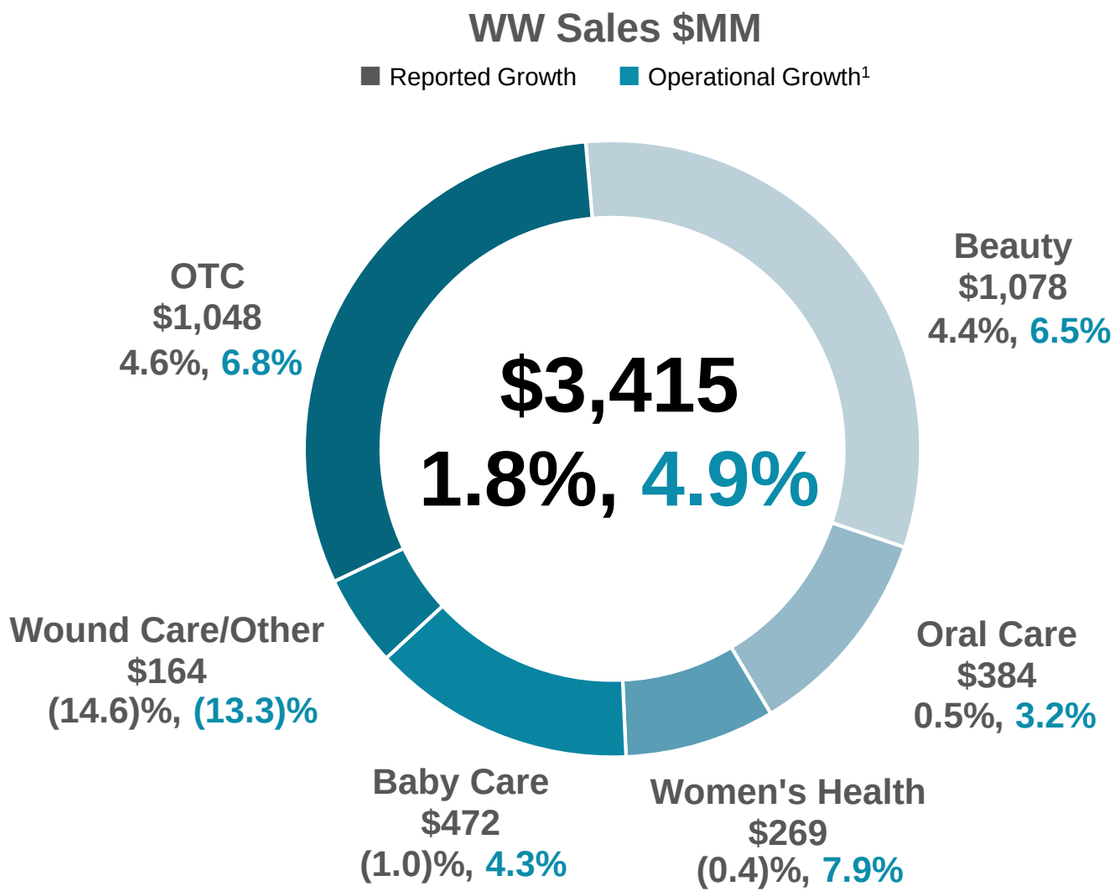
[1] Excludes impact of translational currency
[2] Non-GAAP measure; excludes intangible amortization expense and special items; see reconciliation

Consumer Highlights – 3rd Quarter 2018

Improved operational performance across all franchises and all major regions driving above-market growth

Reported: WW 1.8%, U.S. 6.6%, Int'l (1.3)%

Operational[1]: WW 4.9%, U.S. 6.6%, Int'l 3.7%



Key Drivers of Operational Performance[1]

Baby Care	• JOHNSON's U.S. relaunch pipeline replenishment; excluding pipeline fill WW results are flat
Beauty	• Growth driven by ASPAC premium expansion (DR. CI:LABO) and DABAO strong consumption, NEUTROGENA market and sales growth through channel expansion and HYDROBOOST performance coupled with OGX, MAUI MOISTURE share gains and NEOSTRATA growth primarily due to market/product expansion
Oral Care	• LISTERINE new product launches such as Ready Tabs in the US, reformulated Total Care, LISTERINE Kids and Nightly Reset in ASPAC
OTC	• Share and consumption growth primarily in ZYRTEC, TYLENOL, IMODIUM and Children's MOTRIN as well as NICORETTE Quickmist performance and the ZARBEE's acquisition
Women's Health	• Growth primarily driven by liners in LATAM
Wound Care/Other	• COMPEED OUS divestiture

Sales excl. acquisition and divestiture[2]: WW 6.1%, U.S. 6.4%, OUS 5.9%

[1] Excludes impact of translational currency

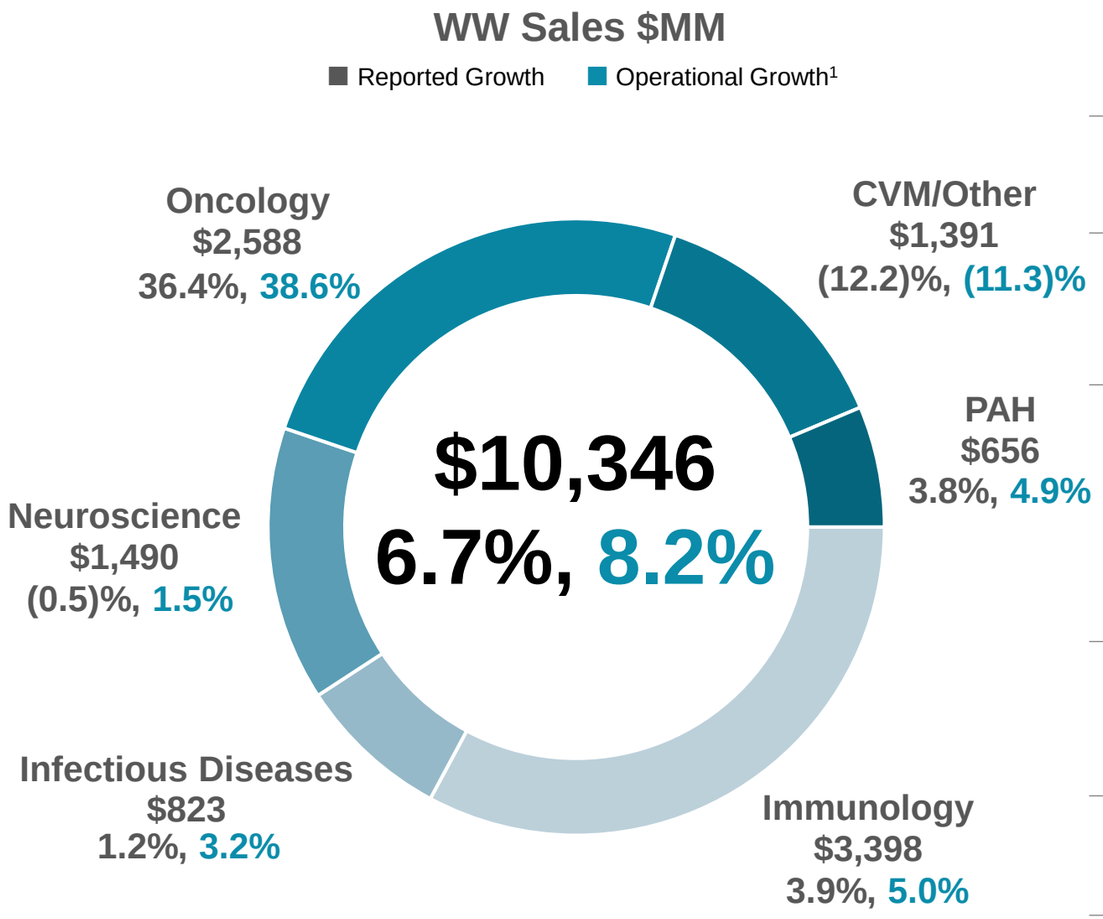
[2] Non-GAAP measure; see reconciliation

Pharmaceutical Highlights – 3rd Quarter 2018

Above market performance driven by double-digit growth in nine key products

Reported: WW 6.7%, U.S. 4.8%, Int'l 9.5%

Operational[1]: WW 8.2%, U.S. 4.8%, Int'l 13.2%



Key Drivers of Operational Performance[1]	
Immunology	• Growth driven by strong uptake of STELARA in Crohn's Disease, expanded indications of SIMPONI/SIMPONI ARIA, strong launch uptake of TREMFYA and U.S. immunology market growth • Lower sales of REMICADE due to increased discounts/rebates and biosimilar competition
Infectious Diseases	• Strong sales of PREZCOBIX/REZOLSTA, continued success of ODEFSEY and launch of SYMTUZA and JULUCA, offset by lower sales of PREZISTA
Neuroscience	• Paliperidone long-acting injectables growth due to strength of INVEGA TRINZA/TREVICTA and INVEGA SUSTENNA/XEPLION, partially offset by cannibalization of RISPERDAL CONSTA and generic competition for CONCERTA
Oncology	• DARZALEX continued strong uptake and share gain in the U.S. and EU, especially 1-prior line setting; commercially available in 31 countries in EMEA. Strong growth in Japan • Strong sales of IMBRUVICA due to increased patient uptake globally; higher market share and growth across multiple indications; U.S. new and total patient share leader for 1st and 2nd line CLL and 2nd line MCL and total patient share leader in WM • Strong sales and share growth of ZYTIGA driven by LATITUDE data and market growth • Addition of newly launched ERLEADA sales in non-metastatic CRPC
Cardiovascular/ Metabolism/ Other (CVM/Other)	• XARELTO lower sales driven by higher discounts and rebates, partially offset by increase in market share • INVOKANA/INVOKAMET lower sales due to increased contracting discounts and higher managed care rebates and share loss due to competitive pressures
Pulmonary Hypertension (PAH)	• Growth driven by strong sales of OPSUMIT and UPTRAVI due to continued market growth and share gains • Lower sales of TRACLEER due to market share loss to OPSUMIT and generics

Sales excl. acquisition and divestiture[2]: WW 8.2%, U.S. 4.8%, OUS 13.2%

[1] Excludes impact of translational currency

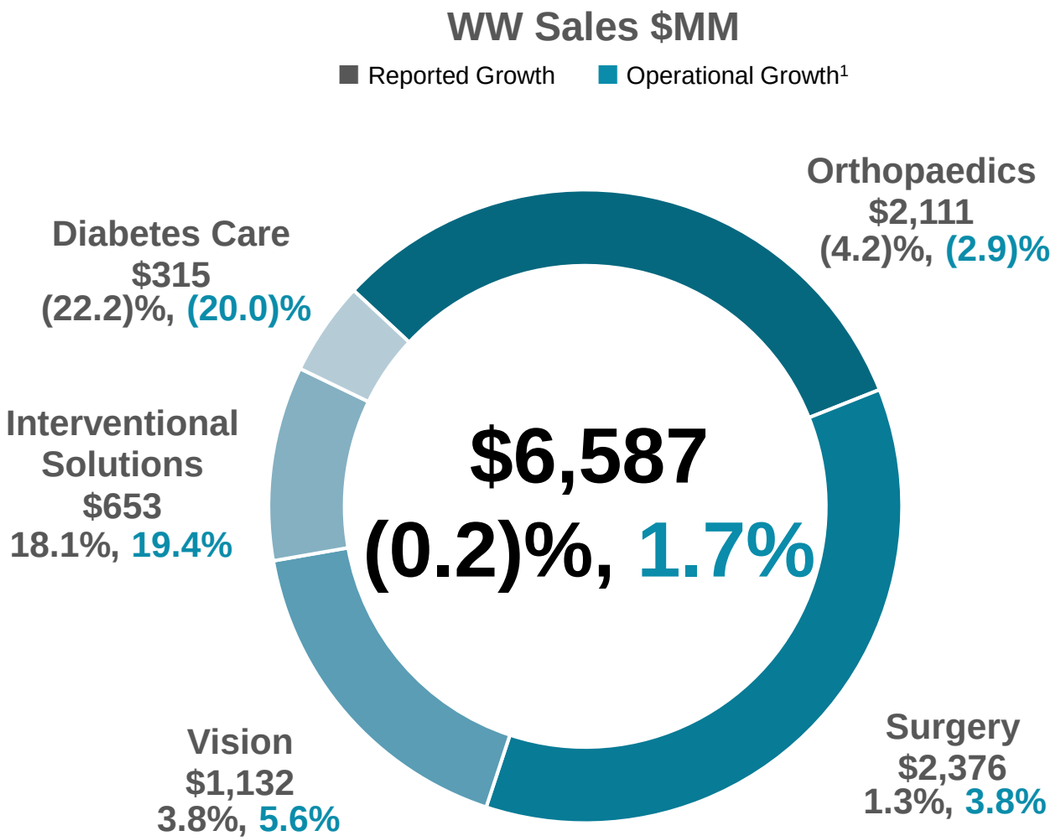
[2] Non-GAAP measure; see reconciliation

Medical Devices Highlights – 3rd Quarter 2018

Consistent sales momentum fueled by Interventional Solutions, Advanced Surgery and Vision

Reported: **WW (0.2)%, U.S. 0.3%, Int'l (0.6)%**

Operational[1]: WW 1.7%, U.S. 0.3%, Int'l 3.0%



Key Drivers of Operational Performance[1]

Interventional Solutions	• Electrophysiology growth of +23% primarily driven by Atrial Fibrillation procedure growth coupled with strong THERMOCOOL SMARTTOUCH SF Contact Force Sensing Catheter and diagnostic catheter sales
Diabetes Care	• Pump discontinuation, BGM price declines in the U.S., as well as category and share softness in EMEA
Orthopaedics	• **Hips:** Driven by leadership position in the anterior approach and strong market demand for the ACTIS stem • **Knees:** Growth driven by ATTUNE Revision uptake and aided by one-time prior year impact of price legislation in India • **Trauma:** Flat due to lower market growth along with continued pricing pressure, primarily in the U.S. • **Spine & Other:** Codman divestiture and share decline in Spine partially offset by new product launches • **Spine:** WW: ~(3%), U.S. ~(2%), OUS: ~(4%)

Surgery	• **Advanced:**
	  • **Endocutters:** +10% driven by double-digit procedure growth in China and continued success of new products across all OUS markets
	  • **Biosurgery:** +9% driven by Topical Absorbable Hemostat and Biologics
	  • **Energy:** +4.5% driven by OUS growth, primarily double-digit growth in ASPAC
	• **General:** Led by Wound Closure growth driven by strength in ASPAC aided by the WHO & CDC guidelines recommending our Plus Suture product
	• **Specialty:** Primarily driven by ASP growth

Vision	• **Contact Lenses/Other:** Growth due to the strength of the astigmatism and daily disposable lenses in the OASYS family partially offset by prior year comparisons • **Surgical:** Strength in international cataracts, primarily in Asia Pac / Japan

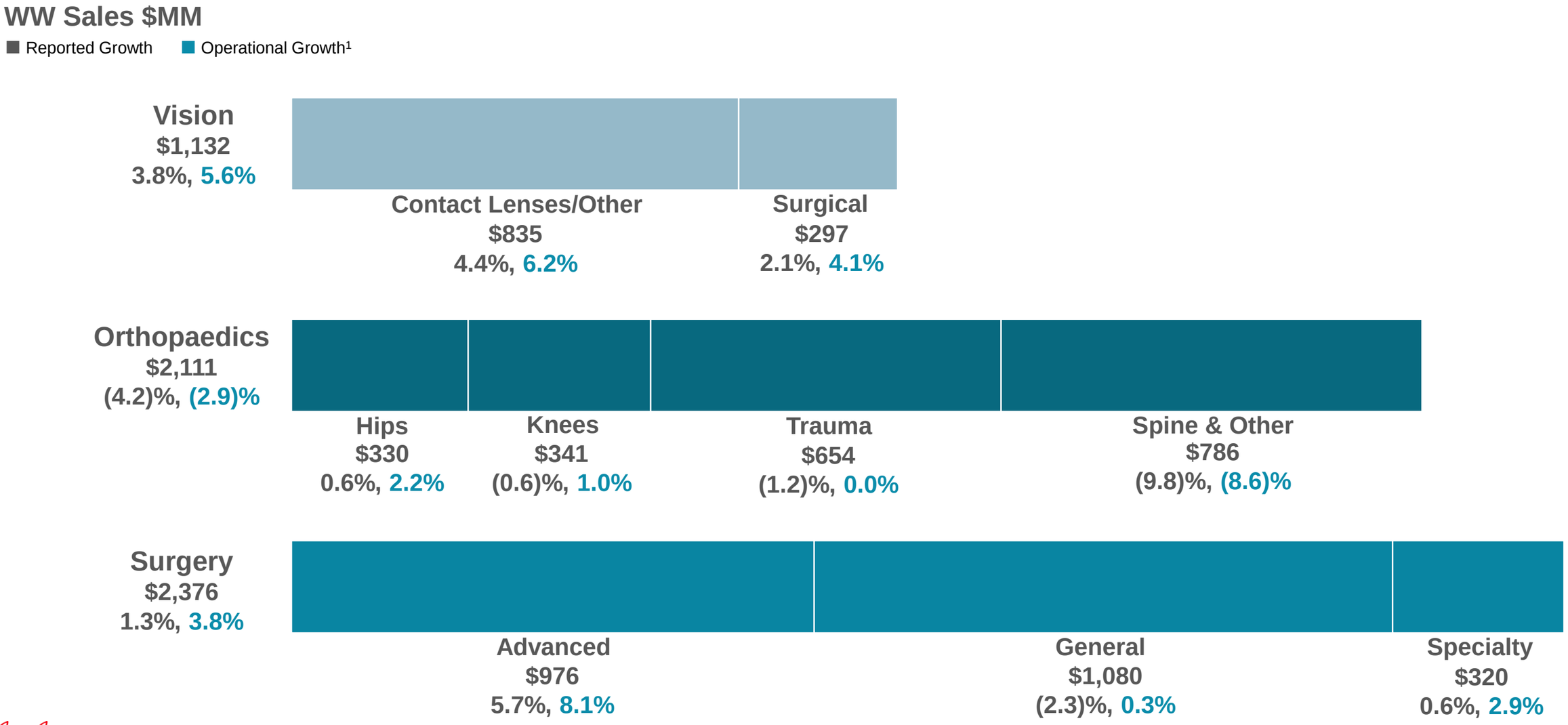
Sales excl. acquisition and divestiture[2]: WW 2.9%, U.S. 1.2%, OUS 4.4%

[1] Excludes impact of translational currency

[2] Non-GAAP measure; see reconciliation

Medical Devices Platforms

Consistent sales momentum fueled by Interventional Solutions, Advanced Surgery and Vision



[1] Excludes impact of translational currency

Important Developments in 3rd Quarter 2018

- The U.S. Food and Drug Administration (FDA) approved and the European Commission (EC) granted marketing authorization for SYMTUZA (D/C/F/TAF), a complete darunavir-based single-tablet regimen for the treatment of HIV-1 infection
- Completed the acquisition of Zarbee's, Inc., a leader in naturally-based healthcare products
- A supplemental Biologics License Application was submitted to the FDA and a Type II Variation to the European Medicines Agency (EMA) seeking approval of a split dosing regimen for DARZALEX (daratumumab)
- Received European CE mark approval for BRAVO Flow Diverter for use in the treatment of patients suffering from intracranial aneurysms
- A supplemental New Drug Application was submitted to the FDA seeking to broaden the use of IMBRUVICA (ibrutinib) in chronic lymphocytic leukemia or small lymphocytic lymphoma to include combination use with a non-chemotherapy agent, obinutuzumab, in the frontline setting
- The FDA approved an additional indication for IMBRUVICA (ibrutinib) in combination with rituximab as a non-chemotherapy combination regimen for patients with Waldenström's Macroglobulinemia, a rare blood cancer
- A Type II Variation was submitted to the EMA seeking to expand the indication of OPSUMIT (macitentan) to include the treatment of adults with inoperable chronic thromboembolic pulmonary hypertension (CTEPH), WHO Group 4, to improve exercise capacity and pulmonary vascular resistance
- The EC granted marketing authorization for DARZALEX (daratumumab) in combination with VELCADE (bortezomib), a proteasome inhibitor, melphalan, an alkylating agent, and prednisone for the treatment of newly diagnosed multiple myeloma patients who are ineligible for autologous stem cell transplant
- A New Drug Application was submitted to the FDA for esketamine nasal spray, a rapidly acting antidepressant for treatment-resistant depression in adults
- A New Drug Application was submitted to the FDA for erdafitinib, a once-daily, oral pan-fibroblast growth factor receptor (FGFR) inhibitor for the treatment of locally advanced or metastatic urothelial cancer
- Completed the acquisition of Emerging Implant Technologies GmbH, a privately held manufacturer of 3D-printed titanium interbody implants for spinal fusion surgery
- A binding offer was accepted from Fortive Corporation to acquire Advanced Sterilization Products business for an aggregate value of approximately $2.8 billion, subject to customary adjustments
- Launched SENTIO MMG, a first-of-its-kind digital mechanomyography platform designed to assess nerve status and identify and avoid peripheral nerves during spine surgery
- Announced the decision to discontinue the collaboration and license agreement with Geron Corporation for imetelstat
- Reassessed fair value of Alios Biopharma Inc., in-process research and development asset. This resulted in a partial impairment of approximately $0.6 billion after-tax
- Completed the divestiture of the LifeScan business to Platinum Equity for approximately $2.1 billion, subject to customary adjustments[1]
- An exclusive worldwide license agreement was entered into with Arrowhead Pharmaceuticals, Inc. to develop and commercialize a new treatment for chronic Hepatitis B viral infection[1]
- The FDA approved an additional indication for XARELTO (rivaroxaban) to reduce the risk of major cardiovascular (CV) events, such as CV death, myocardial infarction and stroke, in people with chronic coronary or peripheral artery disease[1]
- A Marketing Authorization Application was submitted to the EMA for esketamine nasal spray, a rapidly acting antidepressant for treatment-resistant depression in adults[1]

[1] Subsequent to the quarter

Joseph J. Wolk

Executive Vice President,
Chief Financial Officer

Condensed Consolidated Statement Of Earnings

3rd Quarter 2018

(Unaudited; Dollar and Shares in Millions Except Per Share Figures)

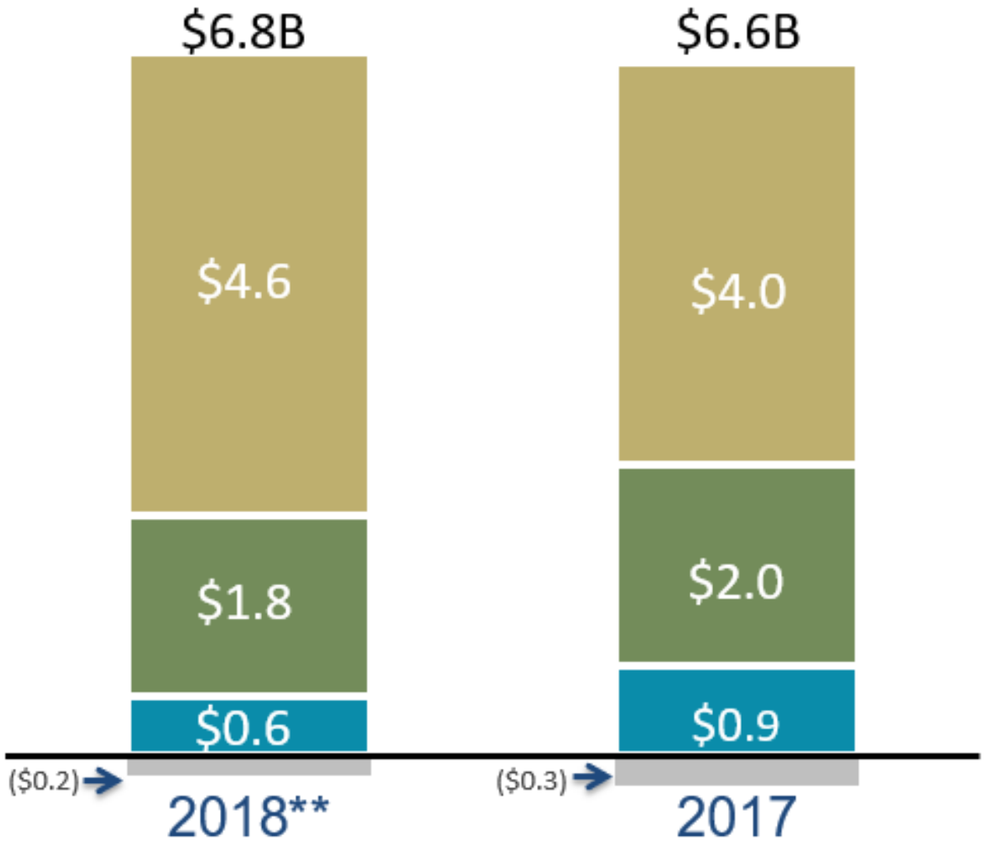
	2018		2017*		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	**$ 20,348**	**100.0**	**$ 19,650**	**100.0**	3.6
Cost of products sold	**6,589**	**32.4**	**6,925**	**35.2**	(4.9)
Gross Profit	**13,759**	**67.6**	**12,725**	**64.8**	8.1
Selling, marketing and administrative expenses	**5,543**	**27.3**	**5,423**	**27.6**	2.2
Research and development expense	**2,508**	**12.3**	**2,585**	**13.2**	(3.0)
In-process research and development	**1,126**	**5.6**	**-**	**-**	
Interest (income) expense, net	**68**	**0.3**	**155**	**0.8**	
Other (income) expense, net	**3**	**0.0**	**(297)**	**(1.5)**	
Restructuring	**88**	**0.4**	**69**	**0.3**	
Earnings before provision for taxes on income	**4,423**	**21.7**	**4,790**	**24.4**	(7.7)
Provision for taxes on income	**489**	**2.4**	**1,026**	**5.2**	(52.3)
Net earnings	**$ 3,934**	**19.3**	**$ 3,764**	**19.2**	4.5
Net earnings per share (Diluted)	**$ 1.44**		**$ 1.37**		5.1
Average shares outstanding (Diluted)	**2,727.6**		**2,737.7**		
Effective tax rate	**11.1 %**		**21.4 %**		
Adjusted earnings before provision for taxes and net earnings [(1)]					
Earnings before provision for taxes on income	**$ 6,780**	**33.3**	**$ 6,573**	**33.5**	3.1
Net earnings	**$ 5,590**	**27.5**	**$ 5,208**	**26.5**	7.3
Net earnings per share (Diluted)	**$ 2.05**		**$ 1.90**		7.9
Effective tax rate	**17.6 %**		**20.8 %**		

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

*2017 Statement of Earnings line items have been restated to reflect impact of ASU 2017-07

Adjusted Income Before Tax by Segment*

3rd Quarter 2018



	% to Sales	
	Q3 2018	**Q3 2017**
Pharmaceutical	44.8%	41.0%
Medical Devices	27.1%	30.1%
Consumer	17.1%	28.0%
Total	**33.3%**	**33.5%**

Pharmaceutical
Medical Devices
Consumer
Expenses Not Allocated to Segments

* Non-GAAP measure; excludes amortization expense and special items; see reconciliation at www.investor.jnj.com
** Estimated as of 10/16/18


Johnson & Johnson

2018 Guidance - Sales

October 2018	Estimated Operational[1]	Estimated Currency	Estimated Reported[2]
Sales Change vs. PY	$80.6B - $81.0B 5.5% - 6.0%	$0.4B 0.5%	$81.0B - $81.4B 6.0% - 6.5%
Net Impact: Acq./Div.	*(~1.0%)*		
Sales ex. Acq./Div. Change vs. PY	4.5% - 5.0%		

July 2018	Estimated Operational[1]	Estimated Currency	Estimated Reported[2]
Sales Change vs. PY	$79.9B - $80.7B 4.5% - 5.5%	$0.6B 0.8%	$80.5B - $81.3B 5.3% - 6.3%
Net Impact: Acq./Div.	*(~1.0%)*		
Sales ex. Acq./Div. Change vs. PY	3.5% - 4.5%		

[1] Excludes the impact of translational currency

[2] Euro Average Rate: October 2018 = $1.18; July 2018 = $1.19

2018 Guidance

	October 2018	July 2018
Adjusted Pre-Tax Operating Margin[1,2]	Improve by at least 150 basis points	Improve by approximately 150 basis points
Net Interest Expense	$450 - $500 million	$500 - $600 million
Net Other Income[1]	$1.5 - $1.7 billion	$1.5 - $1.7 billion
Effective Tax Rate[1]	17.5% - 18.0%	17.0% - 18.0%

[1] Non-GAAP measure; excludes intangible amortization expense and special items
[2] Sales less: COGS, SM&A and R&D expenses

2018 Guidance - EPS

October 2018	Estimated Operational[2]	Estimated Currency	Estimated Reported[3]
Adjusted EPS[1]	$7.98 - $8.03	$0.15	$8.13 - $8.18
Change vs. PY	9.3% - 10.0%	2.0%	11.4% - 12.1%

July 2018	Estimated Operational[2]	Estimated Currency	Estimated Reported[3]
Adjusted EPS[1]	$7.92 - $8.02	$0.15	$8.07 - $8.17
Change vs. PY	8.5% - 9.9%	2.0%	10.5% - 11.9%

1 Non-GAAP measure; excludes intangible amortization expense and special items
2 Excludes the impact of translational currency
3 Euro Average Rate: October 2018 = $1.18; July 2018 = $1.19
Note: values may have been rounded

2018 Guidance – Sales and EPS Summary

October 2018	Estimated Operational[1]	Estimated Currency	Estimated Reported[2]
Sales Change vs. PY	$80.6B - $81.0B 5.5% - 6.0%	$0.4B 0.5%	$81.0B - $81.4B 6.0% - 6.5%
Sales ex. Acq./Div. Change vs. PY[3]	4.5% - 5.0%		
Adjusted EPS[4] Change vs. PY	$7.98 - $8.03 9.3% - 10.0%	$0.15 2.0%	$8.13 - $8.18 11.4% - 12.1%

1 Excludes the impact of translational currency
2 Euro Average Rate: October 2018 = $1.18
3 Excludes Acq./Div impact of (~1.0%)
4 Non-GAAP measure; excludes intangible amortization expense and special items
Note: values may have been rounded

Q&A

Ashley McEvoy
Executive Vice President,
Worldwide Chairman, Medical Devices

Jorge Mesquita
Executive Vice President,
Worldwide Chairman, Consumer

Jennifer Taubert
Executive Vice President,
Worldwide Chairman, Pharmaceuticals

Joseph J. Wolk
Executive Vice President,
Chief Financial Officer


Johnson & Johnson