

2nd Quarter 2022 Results



2nd Quarter 2022 Sales

Worldwide Increased ▲
\$24.0B | **3.0%** | Excluding acquisitions/divestitures on an operational basis | Worldwide Increased ▲
8.1%*

Diluted Earnings Per Share

Adjusted Diluted Earnings Per Share*

Decreased ▼
\$1.80 | **(23.4)%** | Increased ▲
\$2.59 | **4.4%**



“Our solid second quarter results across Johnson & Johnson reflect the strength and resilience of our Company’s market leadership in the midst of macroeconomic challenges. I am continually energized by the focus and passion of my Johnson & Johnson colleagues and their dedication toward delivering transformative healthcare solutions to patients and consumers around the world.”

Joaquin Duato
 Chief Executive Officer
 Johnson & Johnson



\$3.8 Billion



Worldwide Consumer Health Sales²

Consumer Health worldwide reported sales decreased (1.3)%, but increased 2.3% operationally¹. Primary operational drivers:



\$13.3 Billion



Worldwide Pharmaceutical Sales²

Pharmaceutical worldwide reported sales increased 6.7% or 12.3% operationally¹. Primary operational drivers:



\$6.9 Billion



Worldwide MedTech Sales

MedTech worldwide reported sales decreased (1.1)%, but increased 3.4% operationally¹. Primary operational drivers:



Note: values may have been rounded; the MedTech segment was previously referred to as the Medical Devices segment.

For full financial data and non-GAAP reconciliations, please refer to Johnson & Johnson’s earnings release issued on July 19, 2022, 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.

¹Non-GAAP measure; excludes the impact of translational currency.

²Certain international OTC products, primarily in China, were reclassified from the Pharmaceutical segment to the Consumer Health segment based on operational changes.

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 July 19, 2022, 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.

Cautionary Note on Forward-looking Statements

This presentation 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 viewer 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; 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; the New Consumer Health Company’s ability to succeed as a standalone publicly traded company; and risks related to the impact of the COVID-19 global pandemic, such as the scope and duration of the outbreak, government actions and restrictive measures implemented in response, material delays and cancellations of medical procedures, supply chain disruptions and other impacts to the business, or on the company’s ability to execute business continuity plans, as a result of the COVID-19 pandemic. 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 2, 2022, 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, www.jnj.com or on request from Johnson & Johnson. Any forward-looking statement made in this presentation speaks only as of the date of this presentation. Johnson & Johnson does not undertake to update any forward-looking statement as a result of new information or future events or developments.

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/sales-earnings.cfm.

Strategic Partnerships, Collaborations & Licensing Arrangements

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

Immunology	REMICADE and SIMPONI/ SIMPONI ARIA marketing partners are Schering-Plough (Ireland) Company, a subsidiary of Merck & Co., Inc. and Mitsubishi Tanabe Pharma Corporation; TREMFYA discovered using MorphoSys AG antibody technology
Neuroscience	INVEGA SUSTENNA/ XEPLION/ INVEGA TRINZA/ TREVICTA/ INVEGA HAFYERA are subject to a technology license agreement from Alkermes Pharma Ireland Limited, and RISPERDAL CONSTA developed in collaboration with Alkermes, Inc.
Infectious Diseases	PREZCOBIX / REZOLSTA fixed-dose combination, SYMTUZA and ODEFSEY developed in collaboration with Gilead Sciences, Inc., and JULUCA and CABENUVA developed in collaboration with ViiV Healthcare UK. Research and development activities for the Company's COVID-19 vaccine, including the ENSEMBLE clinical trial and the delivery of doses for the U.S., have been funded in part with federal funds from the U.S. Department of Health and Human Services, Office of the Assistant Secretary for Preparedness and Response, Biomedical Advanced Research and Development Authority (BARDA), under Contract No. HHSO100201700018C, and in collaboration with the National Institute of Allergy and Infectious Diseases (NIAID), part of the National Institutes of Health (NIH) at the U.S. Department of Health and Human Services (HHS)
Cardiovascular/ Metabolism/Other	INVOKANA/ INVOKAMET/ VOKANAMET/ INVOKAMET XR fixed-dose combination licensed from Mitsubishi Tanabe Pharma Corporation; XARELTO co-developed with Bayer HealthCare AG; PROCRI/ EPREX licensed from Amgen Inc., and X-Linked Retinitis Pigmentosa: AAV-RPGR licensed from MeiraGTx
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 and DARZALEX FASPRO licensed from Genmab A/S, BALVERSA licensed and discovered in collaboration with Astex Pharmaceuticals, Inc.; ERLEADA licensed from Regents of California and Memorial Sloan Kettering; ciltacel licensed and developed in collaboration with Legend Biotech USA Inc. and Legend Biotech Ireland Limited, niraparib licensed from TESARO, Inc., an oncology-focused business within GSK, lazertinib licensed from Yuhan Corporation, DuoBody platform licensed from Genmab A/S relates to several bispecific antibody programs, ENHANZE platform licensed from Halozyme Therapeutics, Inc.
Pulmonary Hypertension	UPTRAVI license and supply agreement with Nippon Shinyaku (co-promotion in Japan), and OPSUMIT co-promotion agreement with Nippon Shinyaku in Japan
Global Public Health	Janssen's Monovalent Ebola Vaccine is developed in collaboration with Bavarian Nordic A/S, and MVA-BN-Filo® is licensed-in from Bavarian Nordic A/S. The program has benefited from funding and preclinical services from the National Institute of Allergy and Infectious Diseases (NIAID), part of NIH, NIAID support included 2 product development contracts starting in 2008 and 8 pre-clinical services contracts. This program is also receiving funding from the IMI2 Joint Undertaking under EBOVAC1 (grant nr. 115854), EBOVAC2 (grant nr. 115861), EBOVAC3 (grant nr. 800176), EBOMAN (grant nr. 115850) and EBODAC (grant nr. 115847). The IMI2 Joint Undertaking receives support from the European Union's Horizon 2020 research and innovation program and the European Federation of Pharmaceutical Industries and Associations (EFPIA). Further funding for the Ebola vaccine regimen has been provided by BARDA, within the U.S. Department of Health and Human Services' Office of the Assistant Secretary for Preparedness and Response, under Contract Numbers HHSO100201700013C and HHSO100201500008C.. The initial work on Ebola was conducted which was extended from 2002 until 2011. 2002 and 2007 via a Cooperative Research and Development Agreement (CRADA is AI-0114) between Janssen/Crucell and the Vaccine Research Center (VRC)/NIAID, part of the NIH. Janssen/Crucell have licenses to much of VRC's Ebola IP specific for human adenovirus under the Ad26/Ad35 Ebola vaccine CRADA invention. VAC69120 (Filovirus multivalent vaccine) developed in collaboration with Bavarian Nordic; funding: NIH Division of Microbiology and Infectious Diseases (DMID), under Contract Number HHSN272200800056C.

2nd Quarter 2022 Earnings Call

July 19, 2022

Johnson & Johnson



Joaquin Duato

Chief Executive Officer









TYLENOL
Extra Strength
Extra Force
150 mg
50 mg

ZARBEES
SLEEP
SLEEP SUPPLEMENT
SLEEP SPECIFIC
SLEEP SUPPLEMENT

SPF 50+
SUNSCREEN
SUNSCREEN

Aveeno baby
Germexa
moisturizing cream
clinically proven to
relieve itchy, eczema
rash due to eczema

TYLENOL
Rapid Release
Acetaminophen
400 mg

nicorette
Quasi-Real Cough Spray
Cough Spray

DR. CI:LABO
Aqua-Collagen-Gel
Enrich-Lift-EX

nicorette
Quick-Relief
Smart Patch
150 mg
transdermal nicotine

Johnson's
Baby Face & Body Lotion
50 ml

BAND-AID
OURTONE
Flexible fabric
Stays on for up to 24 hours
30 ASSORTED SIZES

TYLENOL

Your journey, your way
Your quit journey
Your quit journey

Lubriderm
Advanced Therapy
Intensely Hydrates
Extra Dry Skin
Fragrance Free

ZYRTEC
ALLERGY
Cetirizine HCl Tablets
10 mg

Neutrogena
Hydro Boost
Intense Hydration
50 ml

Neutrogena
RETINOL BOOST
Laser-Prep
Light

EXTRA STRENGTH
damage-reversal
coconut
miracle oil
CONDITIONER

BAND-AID
STAR WARS
20

Enriched with
Electrolytes
&
Vitamin C
READY TO SERVE

ORSI
Lemon Drink
Enriched with
Electrolytes
&
Vitamin C
READY TO SERVE

Aveeno
Daily Moisturizing
LOTION
Intensely Nourishes
Dry Skin

LISTERINE
COOL MINT
DEEP CLEANSING AND
FRESH BREATH

Johnson's
Baby Wash
Gentle Cleansing
100 ml

NEOSTRATA
NEOSTRATA

ob. ORGANIC
100% Organic Cotton
Normal
16 tampons

LISTERINE
TOTAL CARE
MOUTHWASH

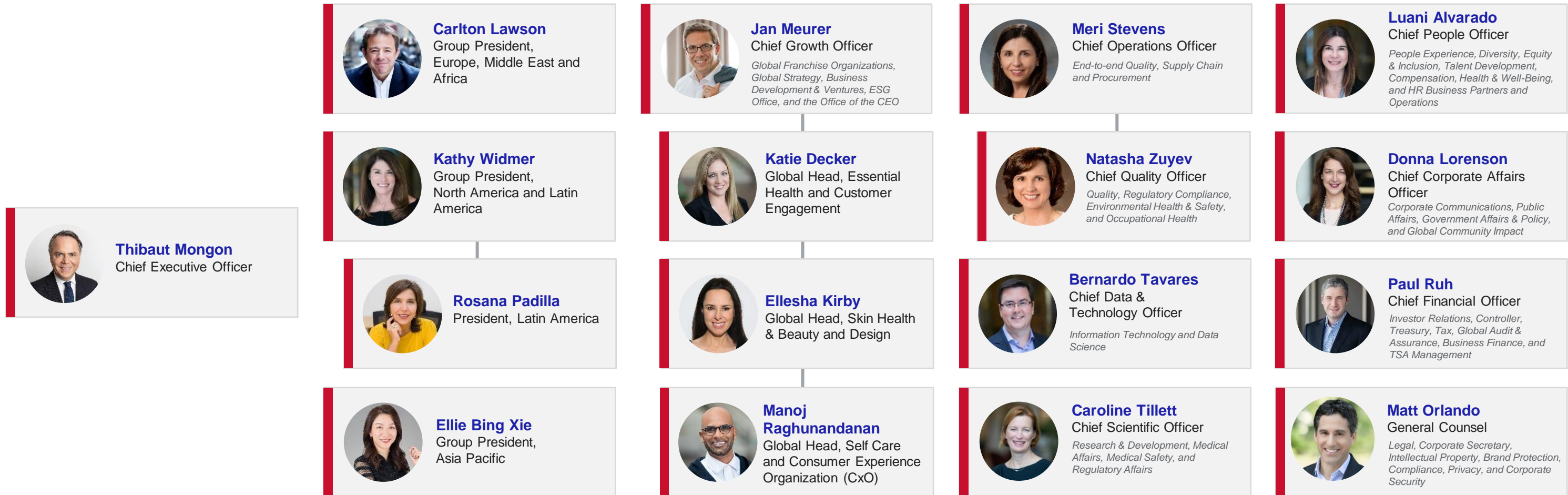
purple toning
drops

BAND-AID
SENSITIVE SKIN

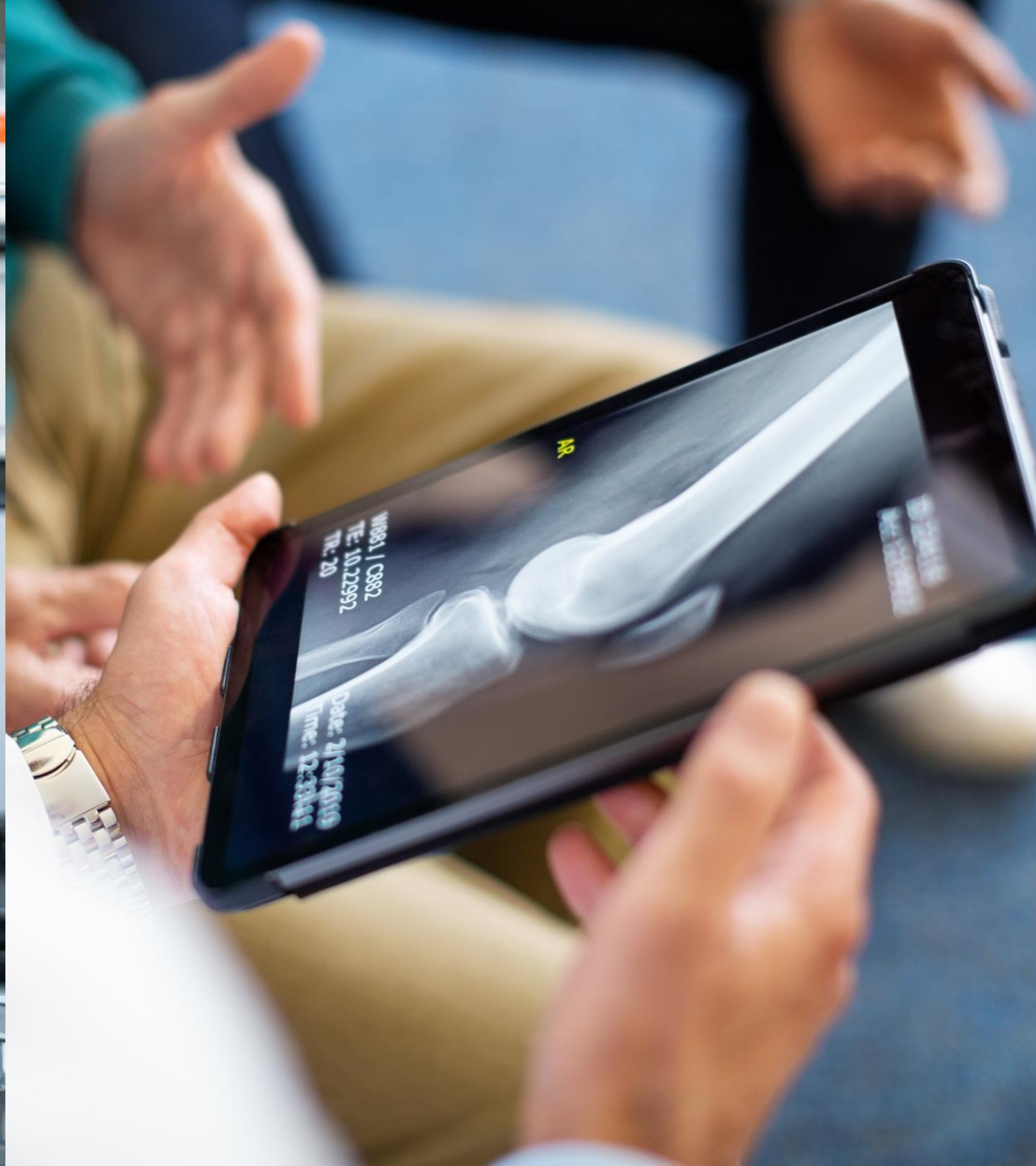
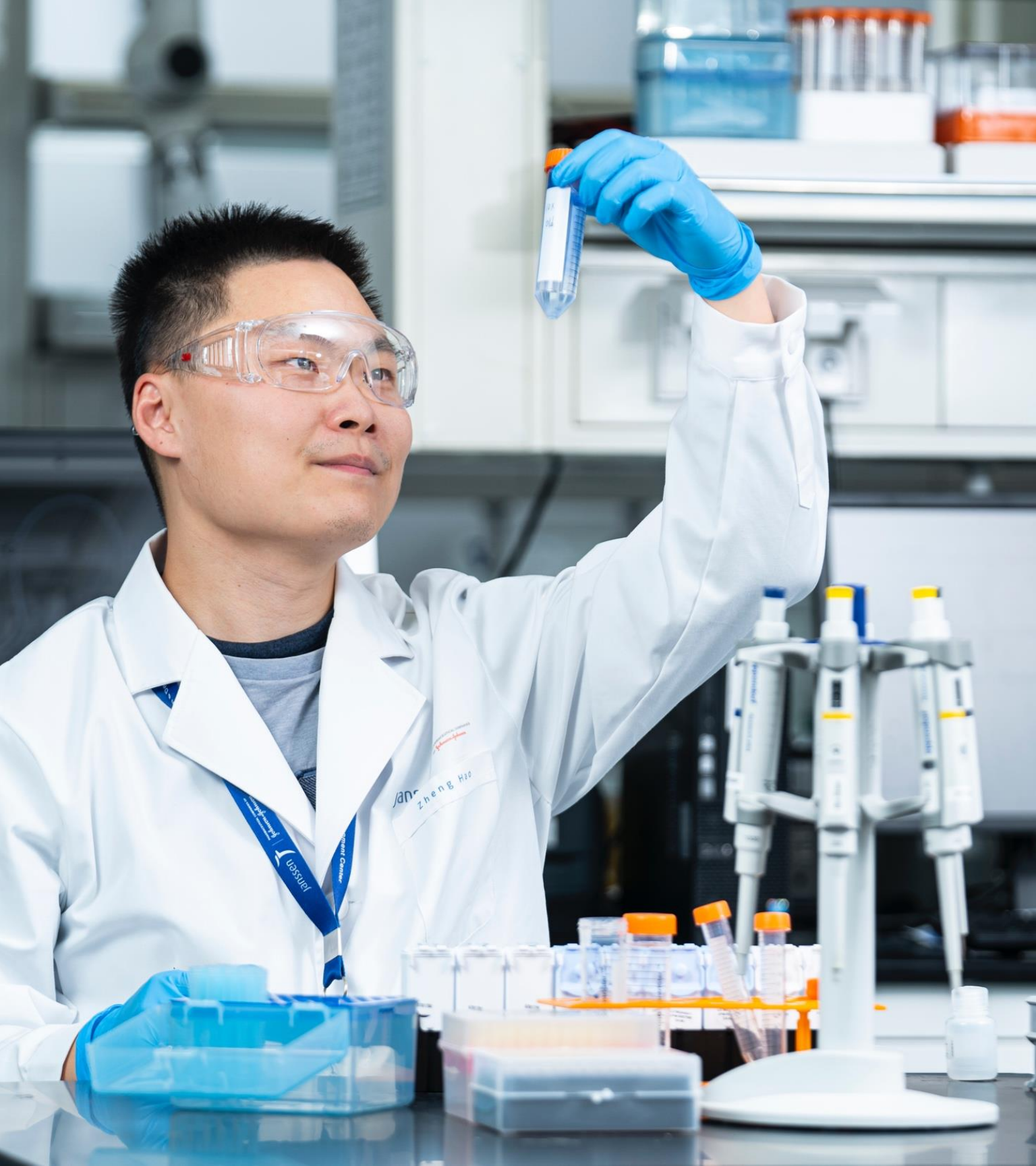
ORSI PLUS
Orange Drink
Enriched with
Taurine,
Electrolytes
&
Vitamin C
READY TO SERVE

Neutrogena
STUBBORN MARKS
IN-TREATMENT
1.0 FL. OZ. (29 mL)

New Consumer Health Company Designate Leadership Team



Note: Roles to be assumed upon completion of the planned separation, expected to occur in 2023





Agenda

- ① CEO Remarks
- ② Sales Performance and Earnings Review
- ③ Capital Allocation and Guidance
- ④ Q&A



Joaquin Duato
Chief Executive Officer



Joseph J. Wolk
Executive Vice President
Chief Financial Officer



Jessica Moore
Vice President
Investor Relations

2nd Quarter 2022 Sales

Dollars in Billions Regional Sales Results	Q2 2022	Q2 2021	% CHANGE	
			Reported	Operational ¹
U.S.	\$12.2	\$11.9	2.3%	2.3%
Europe	6.1	5.7	7.3	20.7
Western Hemisphere (ex U.S.)	1.5	1.4	12.4	14.9
Asia-Pacific, Africa	4.2	4.4	(3.6)	4.7
International	11.8	11.4	3.8	13.9
Worldwide (WW)	\$24.0	\$23.3	3.0%	8.0%

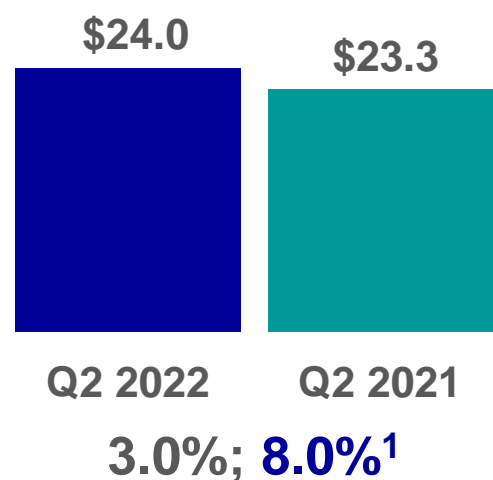


¹ Non-GAAP measure; excludes the impact of translational currency; see reconciliation schedules in the Investors section of the [company's website](#)
Note: Values may not add due to rounding

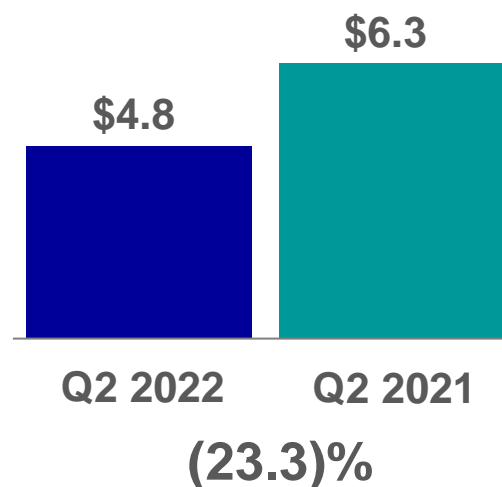
2nd Quarter 2022 Financial Highlights

Dollars in Billions, except EPS
Reported %; Operational %¹

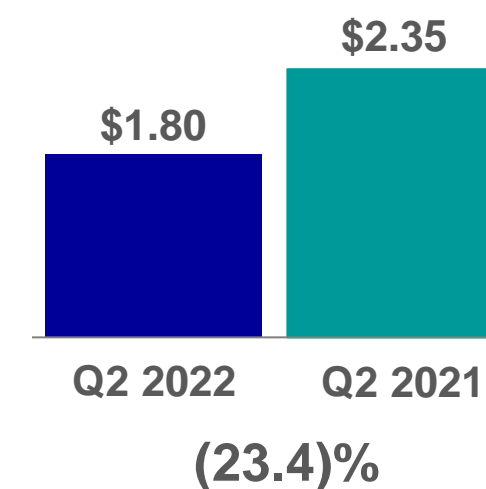
Sales



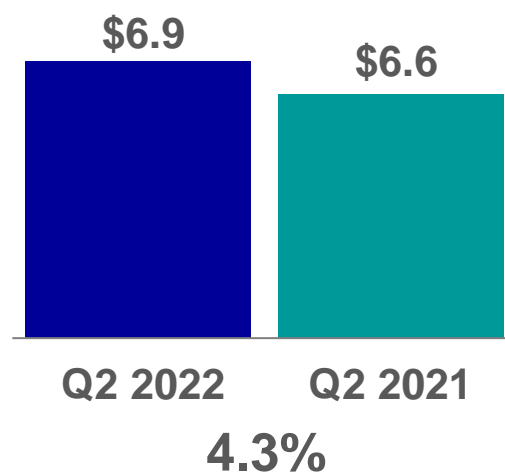
GAAP Earnings



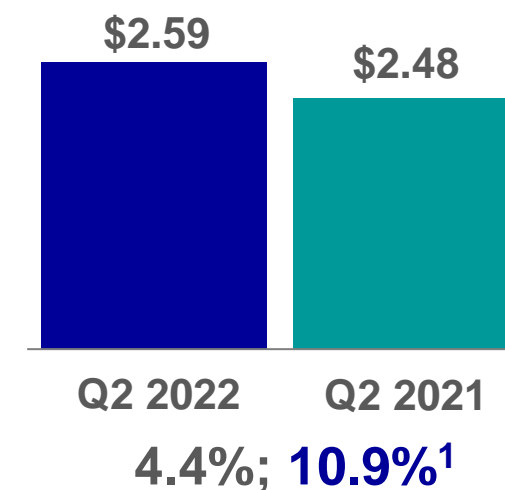
GAAP EPS



Adjusted Earnings²



Adjusted EPS²



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² Non-GAAP measure; excludes intangible amortization expense and special items; see reconciliation schedules in the Investors section of the [company's website](#)

Consumer Health Highlights – 2nd Quarter 2022

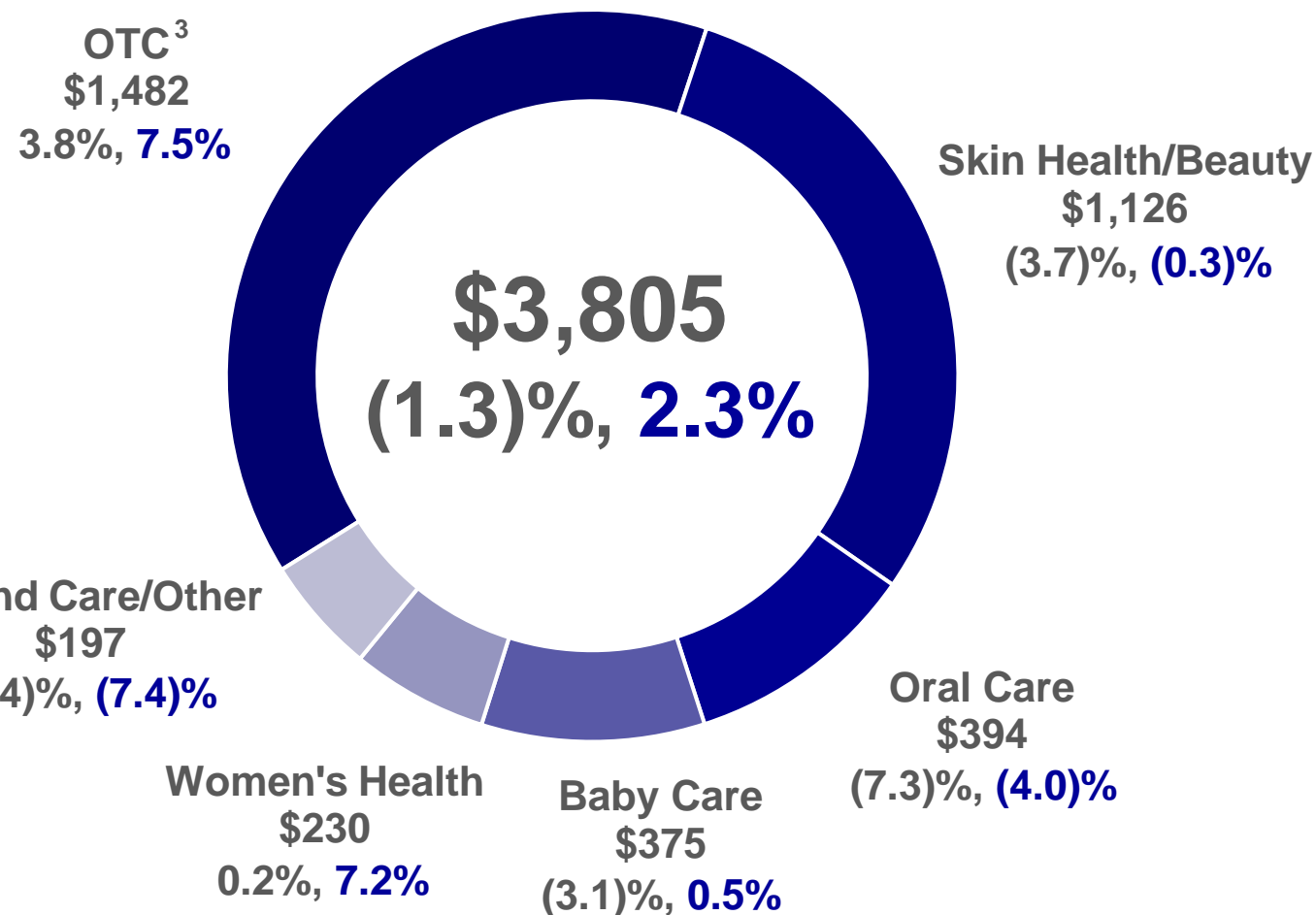
Solid adjusted operational growth² driven by OUS OTC

Reported³: WW (1.3)%, U.S. (3.6)%, Int'l 0.6%

Operational^{1,3}: WW 2.3%, U.S. (3.6)%, Int'l 7.3%

WW Sales \$MM

■ Reported Growth ■ Operational Growth¹



Key Drivers of Operational Performance^{1,3}

OTC ³	<ul style="list-style-type: none"> Growth driven by strong OUS Cough/Cold/Flu season and strong performance of IMODIUM due to digestive health category recovery in EMEA as well as antifungal performance in ASPAC coupled with price actions partially offset by supply constraints and softer allergy season in the U.S.
Skin Health/Beauty	<ul style="list-style-type: none"> Decline driven by supply constraints, competitive pressures, DR. CI LABO Sedona divestiture in ASPAC and regional COVID-19 related mobility restrictions partially offset by pricing actions coupled with lapping prior year negative one-time events and strong new product introductions in ASPAC
Oral Care	<ul style="list-style-type: none"> Decline driven by regional COVID-19 related mobility restrictions, divestiture in EMEA and lapping prior year COVID-19 related demand increases
Baby Care	<ul style="list-style-type: none"> Slight growth driven by OUS performance due to price actions in LATAM and higher demand in ASPAC mostly offset by supply constraints primarily in the U.S.
Women's Health	<ul style="list-style-type: none"> Growth driven by ASPAC performance due to strength in STAYFREE Secure XL in India, price actions and strong consumer demand and increased distribution in EMEA
Wound Care/Other	<ul style="list-style-type: none"> Decline driven by lapping prior year higher demand and professional tape divestiture partially offset by supply recovery in Canada

Adjusted Operational Sales^{2,3}: WW 2.9%, U.S. (3.4)%, Int'l 8.1%



¹ Non-GAAP measure; excludes the impact of translational currency; see reconciliation schedules in the Investors section of the [company's website](#)

² Non-GAAP measure; excludes acquisitions and divestitures and translational currency; see reconciliation schedules in the Investors section of the [company's website](#)

³ Certain international OTC products, primarily in China, were reclassified from the Pharmaceutical segment to the Consumer Health segment based on operational changes; Note: Values may not add due to rounding

Pharmaceutical Highlights – 2nd Quarter 2022

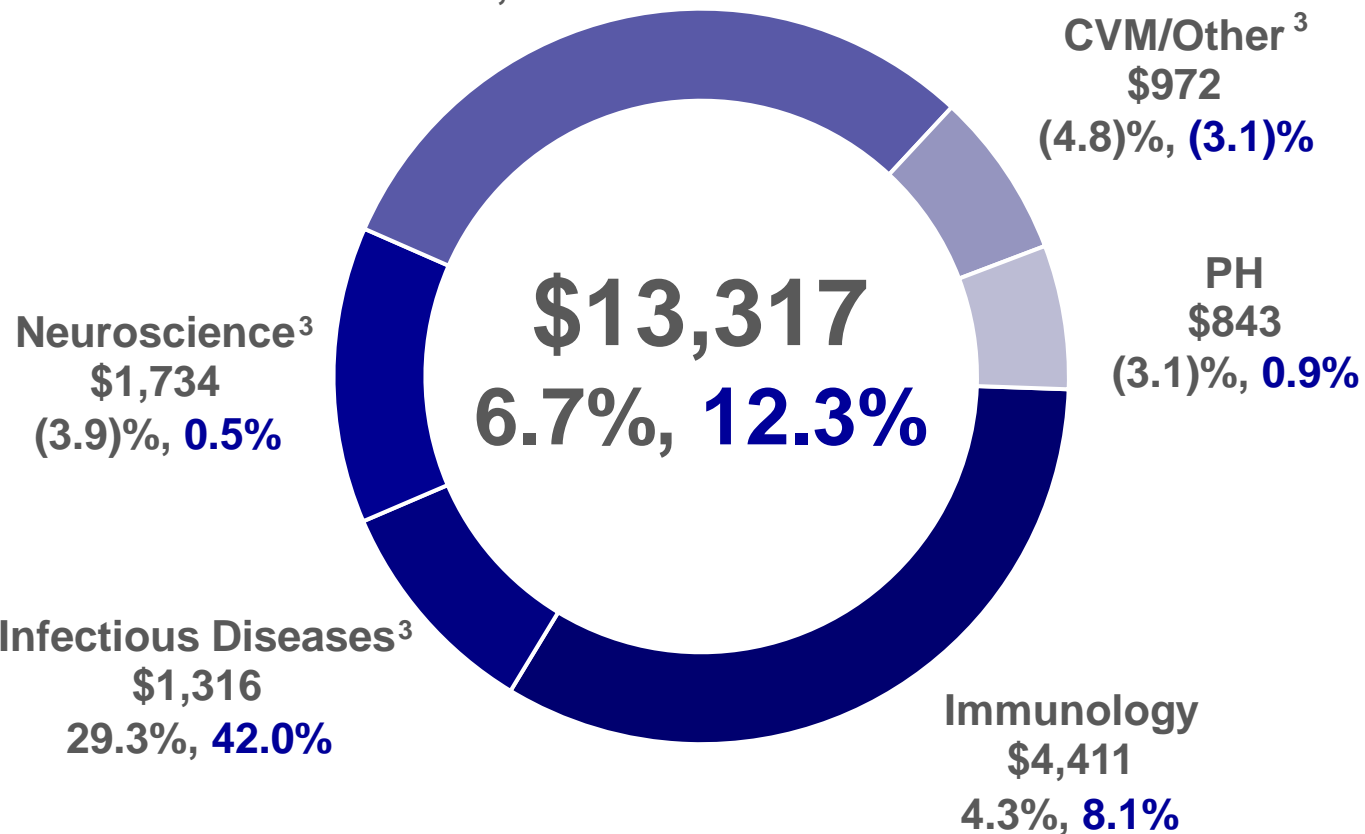
Continued above-market performance primarily driven by Oncology and Immunology

Reported³: WW 6.7%, U.S. 4.2%, Int'l 9.8%

Operational^{1,3}: WW 12.3%, U.S. 4.2%, Int'l 22.1%

WW Sales \$MM

■ Reported Growth ■ Operational Growth¹



Key Drivers of Operational Performance^{1,3}

Immunology	<ul style="list-style-type: none"> Growth driven by continued strong uptake of STELARA in Crohn's Disease and Ulcerative Colitis, as well as the net benefit of favorable discounts partially offset by a prior period adjustment Strength in TREMFYA due to market share gains in both Psoriasis and Psoriatic Arthritis partially offset by an unfavorable prior period adjustment REMICADE decline due to biosimilar competition
Infectious Diseases³	<ul style="list-style-type: none"> Growth driven by the contribution of the COVID-19 Vaccine Partially offset by increased competition for PREZISTA/PREZCOBIX/REZOLSTA and PREZISTA OUS LOE
Neuroscience³	<ul style="list-style-type: none"> Paliperidone long-acting injectables growth due to strength of INVEGA SUSTENNA/XEPLION and INVEGA TRINZA/TREVICTA driven by new patient starts and persistency, as well as the launch of INVEGA HAFYERA
Oncology	<ul style="list-style-type: none"> DARZALEX increase driven by share gains in all regions, continued strong market growth and solid uptake of the subcutaneous formulation Continued strong global launch uptake of ERLEADA IMBRUVICA maintained its market leadership position but declined due to competitive pressures. U.S. decline partially offset by growth in all regions OUS
Cardiovascular/ Metabolism/ Other (CVM/Other)³	<ul style="list-style-type: none"> XARELTO driven by volume growth and share gains from commercial access changes INVOKANA/INVOKAMET decline due to continued share erosion
Pulmonary Hypertension (PH)	<ul style="list-style-type: none"> Growth driven by strong demand and share gains from UPTRAVI Partially offset by COVID-19 related market constraints across the portfolio and unfavorable patient mix in OPSUMIT Continued declines in Other Pulmonary Hypertension

Adjusted Operational Sales^{2,3}: WW 12.4%, U.S. 4.4%, Int'l 22.2%



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MedTech Highlights – 2nd Quarter 2022

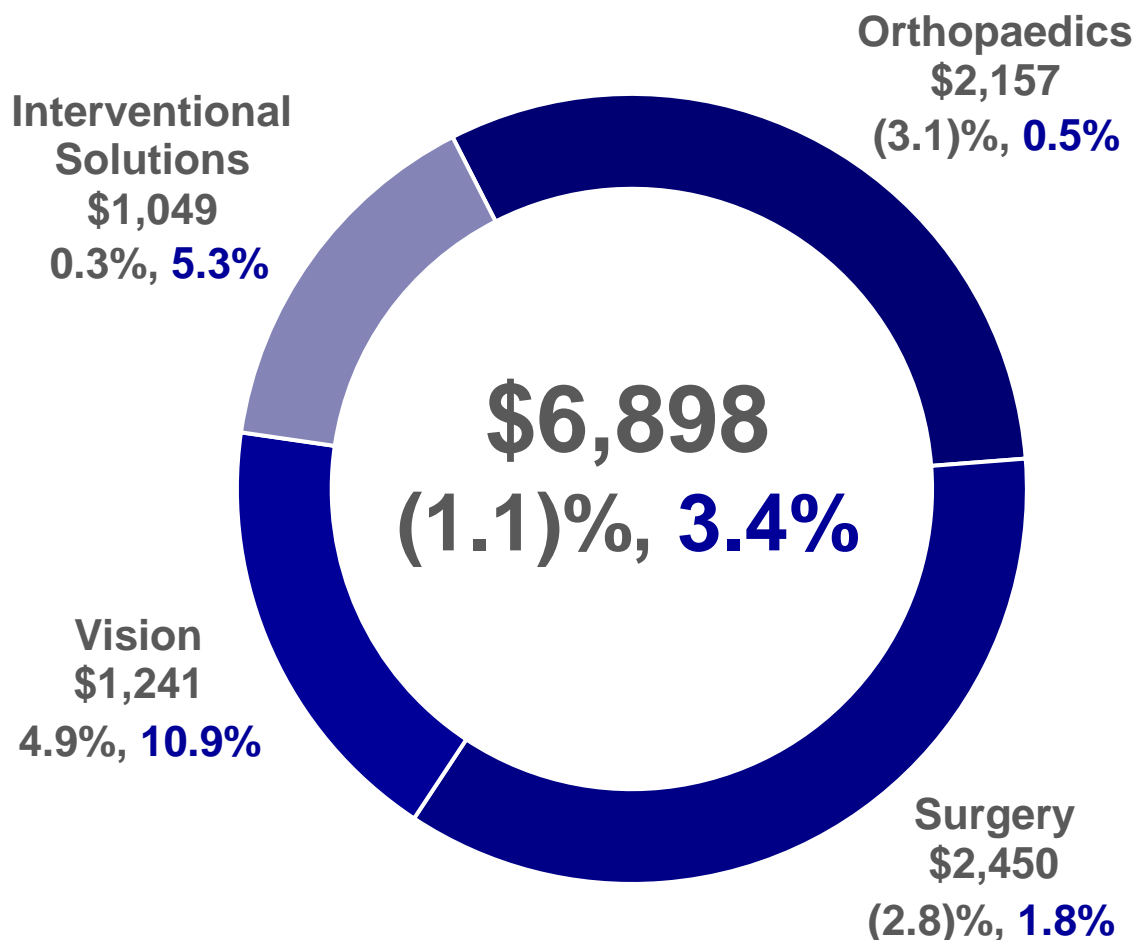
Operational growth¹ reflects continued commercial execution & innovation partially offset by impacts related to COVID-19

Reported: WW (1.1)%, U.S. 1.6%, Int'l (3.6)%

Operational¹: WW 3.4%, U.S. 1.6%, Int'l 5.1%

WW Sales \$MM

■ Reported Growth ■ Operational Growth¹



Key Drivers of Operational Performance¹

Interventional Solutions	<ul style="list-style-type: none"> Market growth in U.S., EMEA, & LATAM coupled with success of new products and commercial strategies continuing to enhance competitiveness partially offset by regional COVID-19 related mobility restrictions
Orthopaedics	<ul style="list-style-type: none"> Hips: Growth reflects strength of the portfolio (ACTIS Stem and enabling technologies KINCISE & VELYS Hip Navigation) and momentum in the U.S. Ambulatory Surgery Center channel partially offset by regional COVID-19 related mobility restrictions Trauma: Growth driven by uptake of new products (Cannulated Compression Headless Screws, Advanced Nailing Systems and FIBULINK) partially offset by regional COVID-19 related mobility restrictions Knees: Growth driven primarily by market recovery and new products, including pull through related to the VELYS Robotic assisted solution partially offset by regional COVID-19 related mobility restrictions and timing of OUS tenders (~ -200bps) Spine, Sports & Other: Decline driven primarily by continued complex Spine procedural softness and regional COVID-19 related mobility restrictions partially offset by new products in Sports, Spine & VELYS Digital Solutions <ul style="list-style-type: none"> Spine: WW: ~ -8%, U.S.: ~ -9%, OUS ~ -7%
Surgery	<ul style="list-style-type: none"> Advanced: <ul style="list-style-type: none"> Endocutters: ~ +4% Driven by commercial activities to expand access and new products (ECHELON Staple Line Reinforcement) aided by a reclass from General Surgery (~ +200bps) partially offset by regional COVID-19 related mobility restrictions and competitive pressures in the U.S. Biosurgery: ~ +2% Reflects market expansion efforts and success of new products (VISTASEAL & SURGICEL POWDER) partially offset by strong market demand in the prior year for infection prevention products and regional COVID-19 related mobility restrictions Energy: ~ +4% Driven by new product penetration (ENSEAL X1 Curved & HARMONIC 1100) coupled with competitive supply challenges and stocking OUS (~ +250bps) partially offset by regional COVID-19 related mobility restrictions General: Reflects strength of the Suture portfolio and technology penetration (Barbed Sutures & Topical Skin Adhesives) mostly offset by regional COVID-19 related mobility restrictions and softness in Breast Augmentation market
Vision	<ul style="list-style-type: none"> Contact Lenses/Other: Growth driven primarily by market, commercial execution, new products partially offset by lapping prior year stocking in the U.S. (~ -200bps) and regional COVID-19 related mobility restrictions Surgical: Growth primarily driven by Cataract market recovery and market share gains driven by recent TECNIS Eyhance and Synergy IOL launches, and timing of stocking in ASPAC (~ +250bps) partially offset by high prior year comp in Refractive

Adjusted Operational Sales²: WW 3.4%, U.S. 1.4%, Int'l 5.3%



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 Note: Values may not add due to rounding; The MedTech segment was previously referred to as the Medical Devices segment



Condensed Consolidated Statement of Earnings

2nd Quarter 2022

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

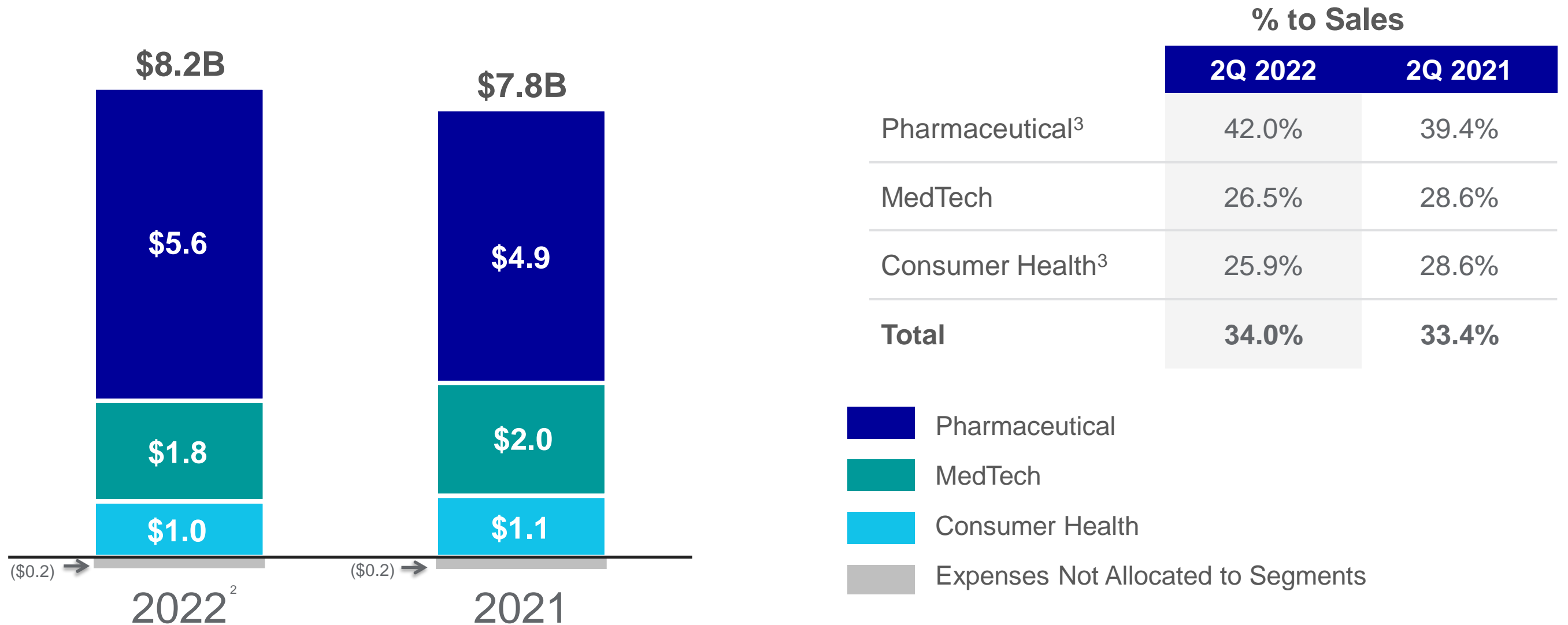
	2022		2021		% Increase (Decrease)
	Amount	% to Sales	Amount	% to Sales	
Sales to customers	\$24,020	100.0	\$23,312	100.0	3.0
Cost of products sold	7,919	33.0	7,587	32.5	4.4
Gross Profit	16,101	67.0	15,725	67.5	2.4
Selling, marketing and administrative expenses	6,226	25.9	6,073	26.1	2.5
Research and development expense	3,703	15.4	3,394	14.6	9.1
In-process research and development	-	-	-	-	-
Interest (income) expense, net	(26)	(0.1)	28	0.1	-
Other (income) expense, net	273	1.1	(488)	(2.1)	-
Restructuring	85	0.4	56	0.2	-
Earnings before provision for taxes on income	5,840	24.3	6,662	28.6	(12.3)
Provision for taxes on income	1,026	4.3	384	1.7	167.2
Net Earnings	\$4,814	20.0	\$6,278	26.9	(23.3)
Net earnings per share (Diluted)	\$1.80		\$2.35		(23.4)
Average shares outstanding (Diluted)	2,667.9		2,671.6		
Effective tax rate	17.6%		5.8%		
Adjusted earnings before provision for taxes and net earnings¹					
Earnings before provision for taxes on income	\$8,171	34.0	\$7,776	33.4	5.1
Net earnings	\$6,912	28.8	\$6,625	28.4	4.3
Net earnings per share (Diluted)	\$2.59		\$2.48		4.4
Effective tax rate	15.4%		14.8%		



¹ Non-GAAP measure; excludes intangible amortization expense and special items; see reconciliation schedules in the Investors section of the [company's website](#)

Adjusted Income Before Tax by Segment¹

2nd Quarter 2022



¹ Non-GAAP measure; excludes amortization expense and special items; see reconciliation schedules in the Investors section of the [company's website](#)

² Estimated as of 7/19/2022

³ Certain international OTC products, primarily in China, were reclassified from the Pharmaceutical segment to the Consumer Health segment based on operational changes

Joseph J. Wolk

Executive Vice President,
Chief Financial Officer



Notable Announcements in 2nd Quarter 2022¹

Pharmaceutical

- Regulatory Decisions:
 - European Commission Grants Conditional Approval of CARVYKTI (ciltacabtagene autoleucel), Janssen’s First Cell Therapy, for the Treatment of Patients with Relapsed and Refractory Multiple Myeloma
 - Janssen Announces U.S. FDA Breakthrough Therapy Designation Granted for Talquetamab for the Treatment of Relapsed or Refractory Multiple Myeloma
 - Janssen Receives Positive CHMP Opinion for IMBRUVICA (ibrutinib) in a Fixed-Duration Combination Regimen for Adult Patients with Previously Untreated Chronic Lymphocytic Leukemia (CLL)
- Other:
 - New Data Show TREMFYA (guselkumab) Binds to Both Inflammatory Cells and Interleukin (IL)-23, Supporting a Hypothesis for a Differentiated Mechanism from Risankizumab
 - Janssen to Highlight Science, Innovation and Advances in Robust Oncology Portfolio and Pipeline Through More Than 60 Data Presentations at ASCO and EHA

MedTech

- ETHICON Launches Next Generation ECHELON 3000 Stapler Designed for Exceptional Access and Control

Enterprise

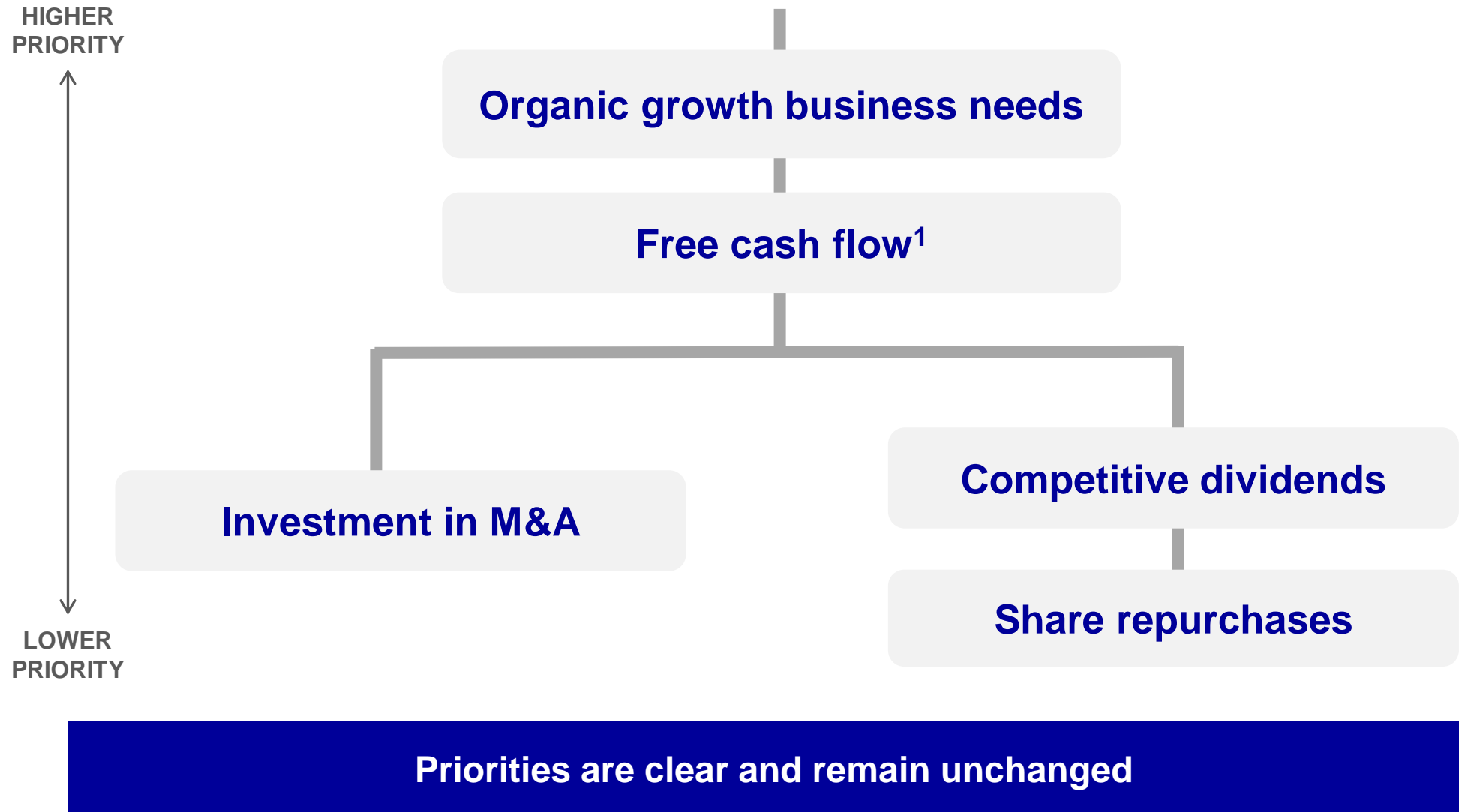
- Johnson & Johnson Appoints Thibaut Mongon as CEO Designate of Planned New Consumer Health Company
- Johnson & Johnson Releases 2021 Health for Humanity Report Highlighting Performance on ESG Priorities and Progress Against Public Commitments



¹ These developments and all other news releases are available online in the Investors section of the company’s website at [news releases](#), as well as [www.factsabouttalco.com](#), [www.factsaboutourprescriptionopioids.com](#), and [www.LTLManagementInformation.com](#)

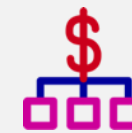
Capital Allocation Strategy

Capital Allocation



Dollars in Billions	Q2 2022
Cash and Marketable Securities	\$33
Debt	(\$33)
Net Debt	\$0
Free Cash Flow ^{1,2}	~\$8

Note: values may have been rounded



Q2 2022:

\$3.7B invested in R&D;
\$7.2B year-to-date

\$3.0B in dividends paid
to shareholders;
\$5.8B year-to-date

2022 P&L Guidance

Company maintains midpoints of Adjusted Operational Sales and Adjusted Operational EPS

	July	April	Comments
Adjusted Operational Sales^{1,2,6}	6.5% - 7.5%	6.5% - 7.5%	Maintain
Operational Sales^{2,6}	\$97.3B - \$98.3B 6.5% - 7.5%	\$97.3B - \$98.3B 6.5% - 7.5%	Maintain
Estimated Reported Sales^{3,6}	\$93.3B - \$94.3B 2.1% - 3.1%	\$94.8B - \$95.8B 3.8% - 4.8%	Incremental FX (\$1.5B)
Adjusted Pre-Tax Operating Margin^{4,5}	Approximately Flat	~50 bps improvement	Decreasing due to prolonged inflationary pressures
Net Other Income⁴	\$1.4 - \$1.5 billion	\$1.2 - \$1.4 billion	Increasing & tightening of the range
Net Interest Expense / (Income)	\$0	\$0 - \$100 million	Decreasing based on year-to-date trends
Effective Tax Rate⁴	15.0% - 15.5%	15.5% - 16.5%	Lowering & tightening of the range
Adjusted EPS (Operational)^{2,4}	\$10.65 - \$10.75 8.7% - 9.7%	\$10.60 - \$10.80 8.2% - 10.2%	Tightening of range Maintain midpoint
Adjusted EPS (Reported)^{3,4}	\$10.00 - \$10.10 2.1% - 3.1%	\$10.15 - \$10.35 3.6% - 5.6%	Incremental FX (\$0.20)



¹ Non-GAAP measure; excludes acquisitions and divestitures

² Non-GAAP measure; excludes the impact of translational currency

³ Euro Average Rate: July 2022 = \$1.05; Euro Spot Rate: July 2022 = \$1.00

Note: Percentages may be rounded.

⁴ Non-GAAP measure; excludes intangible amortization expense and special items

⁵ Sales less: COGS, SM&A and R&D expenses

⁶ Excludes COVID-19 Vaccine

Euro Falls to Equal the U.S. Dollar for the First Time in 20 Years

How many dollars one euro buys



2022 Sales Considerations

	July	April
Adjusted Operational Sales ^{1,2,4}	6.5% - 7.5%	6.5% - 7.5%
Operational Sales ^{2,4}	\$97.3B - \$98.3B 6.5% - 7.5%	\$97.3B - \$98.3B 6.5% - 7.5%
Estimated Reported Sales ^{3,4}	\$93.3B - \$94.3B 2.1% - 3.1%	\$94.8B - \$95.8B 3.8% - 4.8%

Phasing Considerations by Segment

Consumer Health

- Anticipate external supply constraints to lessen throughout remainder of the year
- Benefit of strategic price increases in the back half of the year

MedTech

- Anticipate stronger 2H vs. 1H due to continued market recovery, competitive momentum, and growth from recently launched products
- Expect Q4 to slightly outperform Q3
- Continue to monitor COVID-19 and related dynamics

Pharmaceutical

- Continue to anticipate another year of above-market adjusted operational sales growth
- Expect modest sales acceleration through the end of the year

Q&A



Joaquin Duato
Chief Executive Officer



Joseph J. Wolk
Executive Vice President,
Chief Financial Officer



Jessica Moore
Vice President,
Investor Relations

Johnson & Johnson