

Johnson & Johnson and Subsidiaries

Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

FIRST QUARTER

	2020		2019		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 20,691	100.0	\$ 20,021	100.0	3.3
Cost of products sold	7,062	34.1	6,615	33.0	6.8
Gross Profit	13,629	65.9	13,406	67.0	1.7
Selling, marketing and administrative expenses	5,203	25.1	5,219	26.1	(0.3)
Research and development expense	2,580	12.5	2,858	14.3	(9.7)
In-process research and development	-	-	890	4.4	
Interest (income) expense, net	(42)	(0.2)	3	0.0	
Other (income) expense, net	(679)	(3.3)	(22)	(0.1)	
Restructuring	58	0.3	36	0.2	
Earnings before provision for taxes on income	6,509	31.5	4,422	22.1	47.2
Provision for taxes on income	713	3.5	673	3.4	5.9
Net earnings	5,796	28.0	3,749	18.7	54.6
Net earnings per share (Diluted)	\$ 2.17		\$ 1.39		56.1
Average shares outstanding (Diluted)	2,671.0		2,698.8		
Effective tax rate	11.0 %		15.2 %		
Adjusted earnings before provision for taxes and net earnings ⁽¹⁾					
Earnings before provision for taxes on income	\$ 7,244	35.0	\$ 6,867	34.3	5.5
Net earnings	\$ 6,154	29.7	\$ 5,661	28.3	8.7
Net earnings per share (Diluted)	\$ 2.30		\$ 2.10		9.5
Effective tax rate	15.0 %		17.6 %		

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