

# 1st Quarter 2022 Results



**1st Quarter 2022 Sales**

**\$23.4B** | Worldwide Increased ▲ **5.0%** | Excluding acquisitions/divestitures on an operational basis | Worldwide Increased ▲ **7.9%\***

**\$1.93** | Diluted Earnings Per Share | Decreased ▼ **(16.8)%** | **\$2.67** | Adjusted Diluted Earnings Per Share\* | Increased ▲ **3.1%**



“Our first quarter results demonstrate strong performance across the enterprise, despite macro-economic headwinds. I am incredibly proud of Johnson & Johnson’s 144,000 employees for their relentless passion and Credo-based commitment to delivering transformative healthcare solutions to patients and customers around the world. Looking ahead, I remain confident in the future of Johnson & Johnson as we continue advancing our portfolio and innovative pipeline.”

**Joaquin Duato**  
Chief Executive Officer  
Johnson & Johnson

**\$3.6 Billion**

**Worldwide Consumer Health Sales<sup>2</sup>**

Consumer Health worldwide reported sales decreased (1.5)%, but increased 0.8% operationally<sup>1</sup>. Primary operational drivers:



**TYLENOL** | **ZYRTEC** | **Motrin<sup>IB</sup>**

**Imodium** | **Benadryl** | **Lubriderm**

**\$12.9 Billion**

**Worldwide Pharmaceutical Sales<sup>2</sup>**

Pharmaceutical worldwide reported sales increased 6.3% or 9.3% operationally<sup>1</sup>. Primary operational drivers:



**Stelara<sup>®</sup>** (ustekinumab) | **DARZALEX<sup>®</sup>** (daratumumab) injection for intravenous infusion 100 mg/5 mL, 400 mg/20 mL | **Tremfya<sup>®</sup>** (guselkumab)

**Erleada<sup>®</sup>** (apalutamide) 60mg tablets | **Upravi<sup>®</sup>** (selexipag) tablets 200, 600mg | **INVEGA SUSTENNA<sup>®</sup>** (paliperidone palmitate)

**\$7.0 Billion**

**Worldwide MedTech Sales**

MedTech worldwide reported sales increased 5.9% or 8.5% operationally<sup>1</sup>. Primary operational drivers:



**Electrophysiology** | **Contact Lens** | **Wound Closure** | **Surgical Vision** | **Hips**

**Biosurgery** | **Trauma** | **Endocutters** | **Knees**

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 April 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.

<sup>1</sup>Non-GAAP measure; excludes the impact of translational currency.

<sup>2</sup>Certain international OTC products, primarily in China, were reclassified from the Pharmaceutical segment to the Consumer Health segment based on operational changes in their respective regions.

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 April 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.

# 1<sup>st</sup> Quarter 2022 Earnings Call

April 19, 2022

*Johnson & Johnson*

# 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 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; 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](http://www.sec.gov), [www.jnj.com](http://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](http://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:

<b>Immunology</b>	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
<b>Neuroscience</b>	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.
<b>Infectious Diseases</b>	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)
<b>Cardiovascular/ Metabolism/Other</b>	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
<b>Oncology</b>	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; ciltacab 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.
<b>Pulmonary Hypertension</b>	UPTRAVI license and supply agreement with Nippon Shinyaku (co-promotion in Japan), and OPSUMIT co-promotion agreement with Nippon Shinyaku in Japan
<b>Global Public Health</b>	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.

# Agenda

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



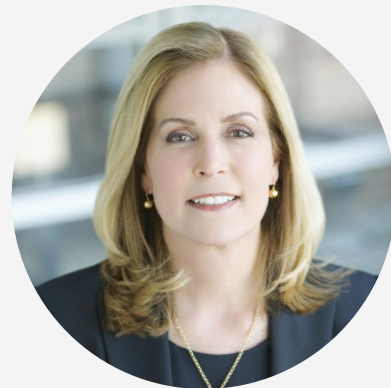
**Ashley McEvoy**

Executive Vice President  
Worldwide Chairman,  
MedTech



**Thibaut Mongon**

Executive Vice President  
Worldwide Chairman,  
Consumer Health



**Jennifer Taubert**

Executive Vice President  
Worldwide Chairman,  
Pharmaceuticals



**Joseph J. Wolk**

Executive Vice President  
Chief Financial Officer



**Jessica Moore**

Vice President  
Investor Relations

# 1<sup>st</sup> Quarter 2022 Sales

Dollars in Billions Regional Sales Results	Q1 2022	Q1 2021	% CHANGE	
			Reported	Operational <sup>1</sup>
<b>U.S.</b>	\$11.4	\$11.1	<b>2.7%</b>	<b>2.7%</b>
Europe	6.0	5.4	11.3	19.5
Western Hemisphere (ex U.S.)	1.5	1.4	4.1	5.1
Asia-Pacific, Africa	4.5	4.4	3.1	6.6
<b>International</b>	<b>12.0</b>	<b>11.2</b>	<b>7.2</b>	<b>12.6</b>
<b>Worldwide (WW)</b>	<b>\$23.4</b>	<b>\$22.3</b>	<b>5.0%</b>	<b>7.7%</b>

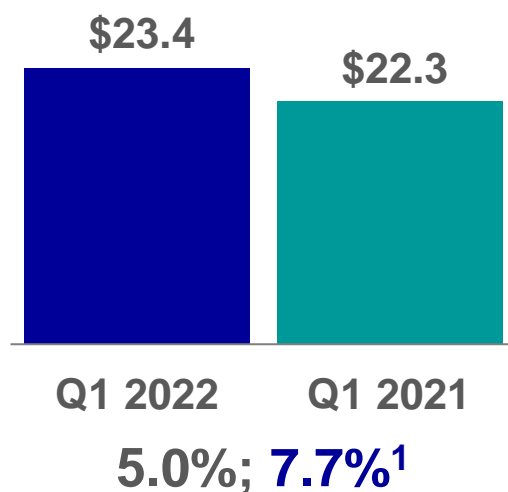


<sup>1</sup> Non-GAAP measure; excludes the impact of translational currency; see reconciliation schedules in the Investors section of the [company's website](#)  
Note: Values may not add due to rounding

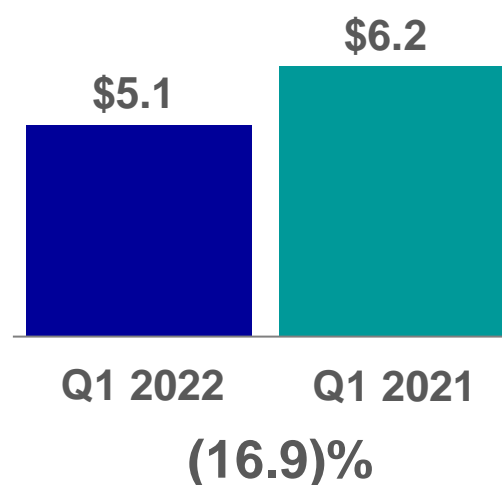
# 1<sup>st</sup> Quarter 2022 Financial Highlights

Dollars in Billions, except EPS  
Reported %; Operational %<sup>1</sup>

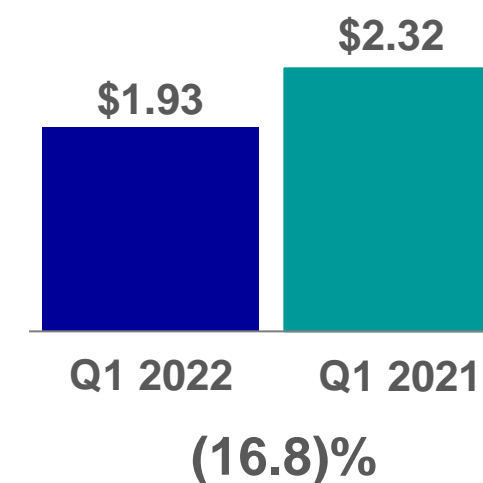
## Sales



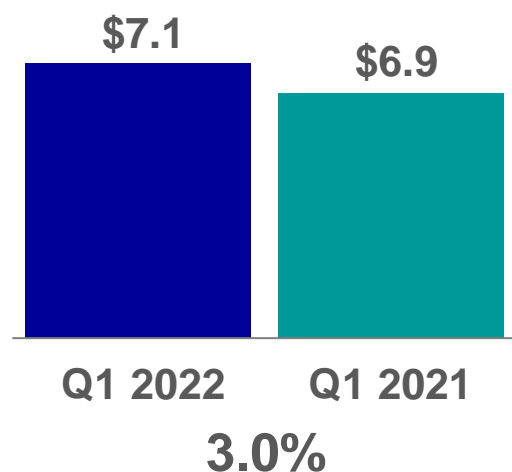
## GAAP Earnings



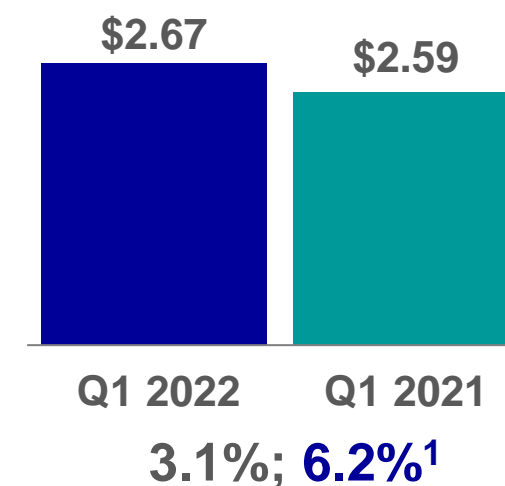
## GAAP EPS



## Adjusted Earnings<sup>2</sup>



## Adjusted EPS<sup>2</sup>



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

<sup>2</sup> 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 – 1<sup>st</sup> Quarter 2022

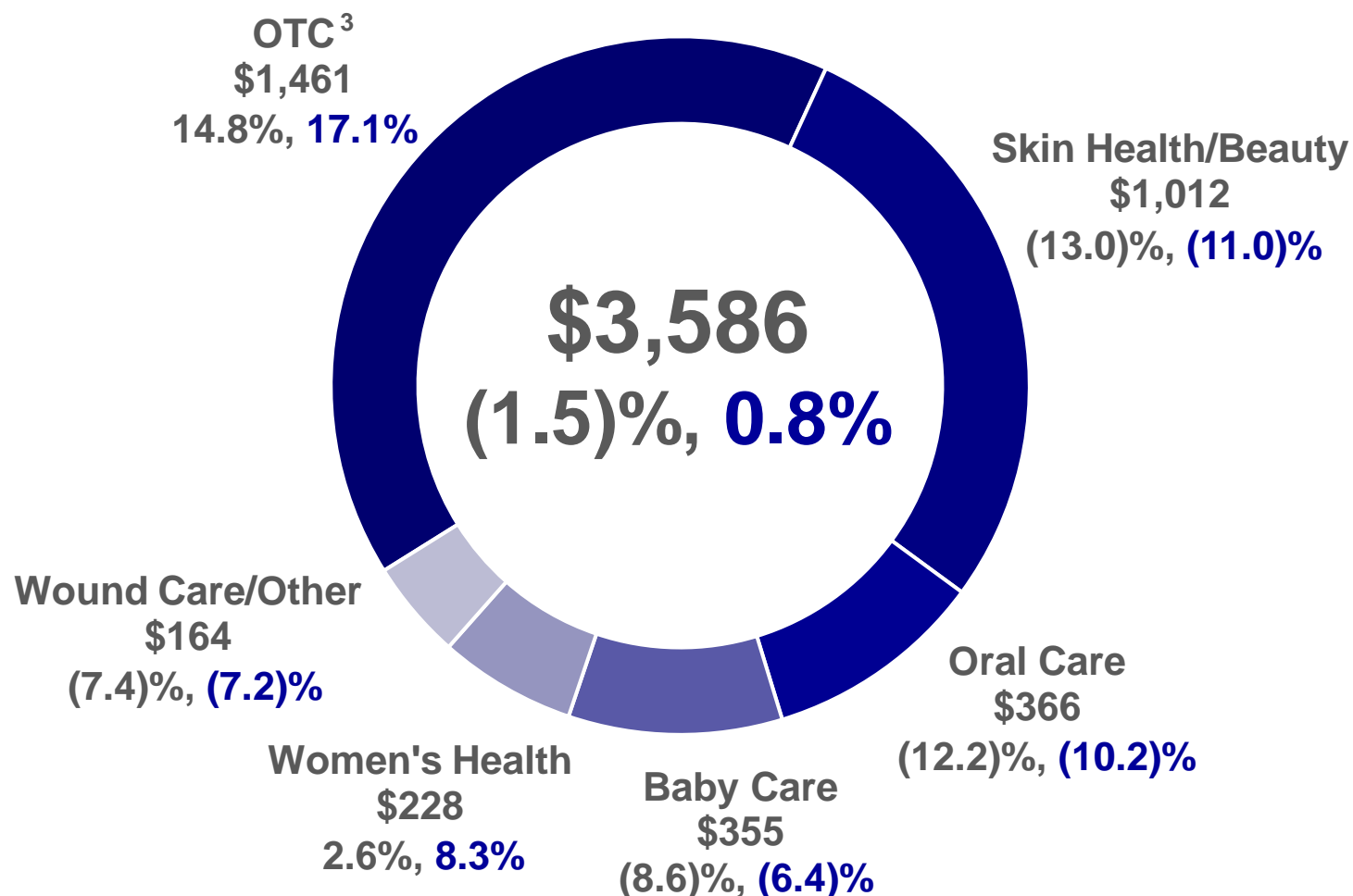
*Solid adjusted operational growth<sup>2</sup> driven by OTC*

Reported<sup>3</sup>: WW (1.5)%, U.S. (3.4)%, Int'l 0.0%

Operational<sup>1,3</sup>: **WW 0.8%, U.S. (3.4)%, Int'l 4.1%**

## WW Sales \$MM

■ Reported Growth ■ Operational Growth<sup>1</sup>



## Key Drivers of Operational Performance<sup>1,3</sup>

OTC <sup>3</sup>	<ul style="list-style-type: none"> <li>Growth driven by increased U.S. and ASPAC adult and pediatric fever incidences (TYLENOL &amp; MOTRIN) coupled with EMEA category recovery for Cough &amp; Cold and Digestive Health, as well as U.S. market and share gains across multiple brands (TYLENOL, MOTRIN, IMODIUM &amp; PEPCID)</li> </ul>
Skin Health/Beauty	<ul style="list-style-type: none"> <li>Decline driven by supply constraints, DR. CI LABO - Sedona divestiture in ASPAC, competitive pressures, and the negative impact of reserves true-up outside the U.S., partially offset by U.S. category recovery and strength in LATAM and ASPAC</li> </ul>
Oral Care	<ul style="list-style-type: none"> <li>Decline driven by strategic SKU rationalization in the U.S. and lapping prior year COVID-19 related increased demand outside the U.S.</li> </ul>
Baby Care	<ul style="list-style-type: none"> <li>Decline driven by supply constraints in the U.S. and EMEA, as well as the negative impact of reserves true-up outside the U.S.</li> </ul>
Women's Health	<ul style="list-style-type: none"> <li>Growth driven by EMEA due to increased stocking and LATAM due to price increases</li> </ul>
Wound Care/Other	<ul style="list-style-type: none"> <li>Decline driven by professional tape divestiture along with comparison to prior year COVID-19 related positive impacts for NEOSPORIN in the U.S. and BAND-AID<sup>®</sup> Brand Adhesive Bandages outside the U.S. This decline was partially offset by U.S. BAND-AID<sup>®</sup> Brand Adhesive Bandages increased promotions and innovation.</li> </ul>

Adjusted Operational Sales<sup>2,3</sup>: WW 1.6%, U.S. (3.2)%, Int'l 5.3%



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



# Pharmaceutical Highlights – 1<sup>st</sup> Quarter 2022

*Continued above-market performance driven by Oncology, Immunology, and Neuroscience*

Reported<sup>3</sup>: WW 6.3%, U.S. 2.9%, Int'l 10.3%

Operational<sup>1,3</sup>: WW 9.3%, U.S. 2.9%, Int'l 16.7%

## WW Sales \$MM

■ Reported Growth ■ Operational Growth<sup>1</sup>

**Oncology**  
\$3,950

10.6%, 14.9%

**CVM/Other<sup>3</sup>**  
\$910

(12.8)%, (11.9)%

**PH**  
\$852

(1.1)%, 1.2%

**\$12,869**

6.3%, 9.3%

**Neuroscience<sup>3</sup>**  
\$1,741

1.5%, 5.0%

**Infectious Diseases<sup>3</sup>**  
\$1,297

30.0%, 33.1%

**Immunology**  
\$4,119

5.2%, 7.5%

## Key Drivers of Operational Performance<sup>1,3</sup>

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

Adjusted Operational Sales<sup>2,3</sup>: WW 9.3%, U.S. 2.9%, Int'l 16.7%



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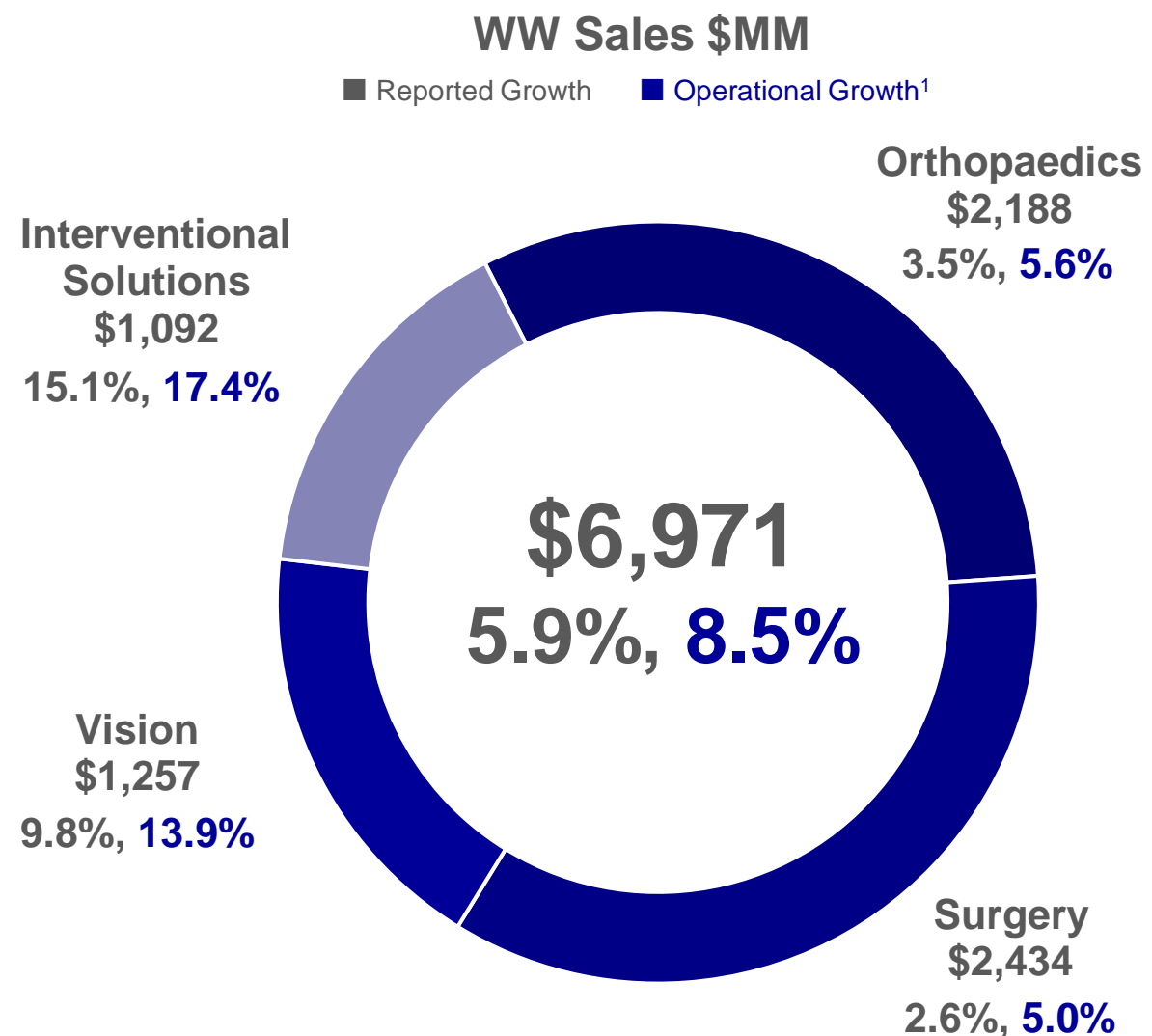
# MedTech Highlights – 1<sup>st</sup> Quarter 2022

*Growth driven by COVID-19 market recovery, driving market expansion, and innovation*

**Reported:** WW 5.9%, U.S. 5.6%, Int'l 6.3%

**Operational<sup>1</sup>:** WW 8.5%, U.S. 5.6%, Int'l 11.1%

## Key Drivers of Operational Performance<sup>1</sup>



<b>Interventional Solutions</b>	<ul style="list-style-type: none"> <li>Market recovery, success of new products (VIZIGO, CARTO and SMARTTOUCH) and commercial strategies continuing to enhance global leadership</li> </ul>
<b>Orthopaedics</b>	<ul style="list-style-type: none"> <li><b>Hips:</b> Growth from market recovery, strength of the portfolio (ACTIS stem and enabling technologies KINCISE &amp; VELYS Hip Navigation), and momentum in the U.S. Ambulatory Surgery Center channel</li> <li><b>Trauma:</b> Growth driven by global market recovery and uptake of new products (Cannulated Compression Headless Screws, Advanced Nailing Systems and FIBULINK)</li> <li><b>Knees:</b> Growth due to market recovery, momentum in the U.S. Ambulatory Surgery Center channel, and new products (ATTUNE Revision, Cementless Mobile Bearing &amp; portfolio pull through related to the launch of the VELYS Robotic Assisted Solution)</li> <li><b>Spine, Sports &amp; Other:</b> Recovery across most specialties, new products in Sports, Spine &amp; VELYS Digital Solutions, and prior year China distribution channel change partially offset by market softness and competitive pressures in Spine               <ul style="list-style-type: none"> <li><b>Spine:</b> WW: ~(3%), U.S.: ~(11%), OUS ~+9%</li> </ul> </li> </ul>
<b>Surgery</b>	<ul style="list-style-type: none"> <li><b>Advanced:</b> <ul style="list-style-type: none"> <li><b>Endocutters:</b> ~+3% Driven by market recovery, commercial activities to expand access, and new products (ECHELON Staple Line Reinforcement) aided by a reclass from General Surgery ~+200 bps partially offset by COVID-19 market slow down in the Asia Pacific region and competitive pressures in the U.S.</li> <li><b>Biosurgery:</b> ~+10% Market recovery and share momentum driven by market expansion efforts and success of new products (VISTASEAL &amp; SURGICEL POWDER)</li> <li><b>Energy:</b> ~FLAT with market recovery and new product penetration (ENSEAL X1 Curved &amp; HARMONIC 1100) mostly offset by COVID-19 market slow downs in ASPAC</li> </ul> </li> <li><b>General:</b> Growth primarily driven by market recovery, strength of the Suture portfolio, and technology penetration (Barbed Sutures &amp; Topical Skin Adhesives)</li> </ul>
<b>Vision</b>	<ul style="list-style-type: none"> <li><b>Contact Lenses/Other:</b> Growth driven primarily by market recovery and new products (ACUVUE OASYS Multifocal and ACUVUE DEFINE Fresh). U.S. benefit related to current year forward buy ahead of a list price increase primarily offset by the negative impact from prior year stocking</li> <li><b>Surgical:</b> Growth primarily driven by Cataract market recovery and market share momentum driven by uptake of recently launched products (TECNIS EYHANCE and TECNIS SYNERGY)</li> </ul>

**Adjusted Operational Sales<sup>2</sup>: WW 8.6%, U.S. 5.7%, Int'l 11.2%**



<sup>1</sup> Non-GAAP measure; excludes the impact of translational currency; see reconciliation schedules in the Investors section of the [company's website](#)  
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# Condensed Consolidated Statement of Earnings

## 1<sup>st</sup> Quarter 2022

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

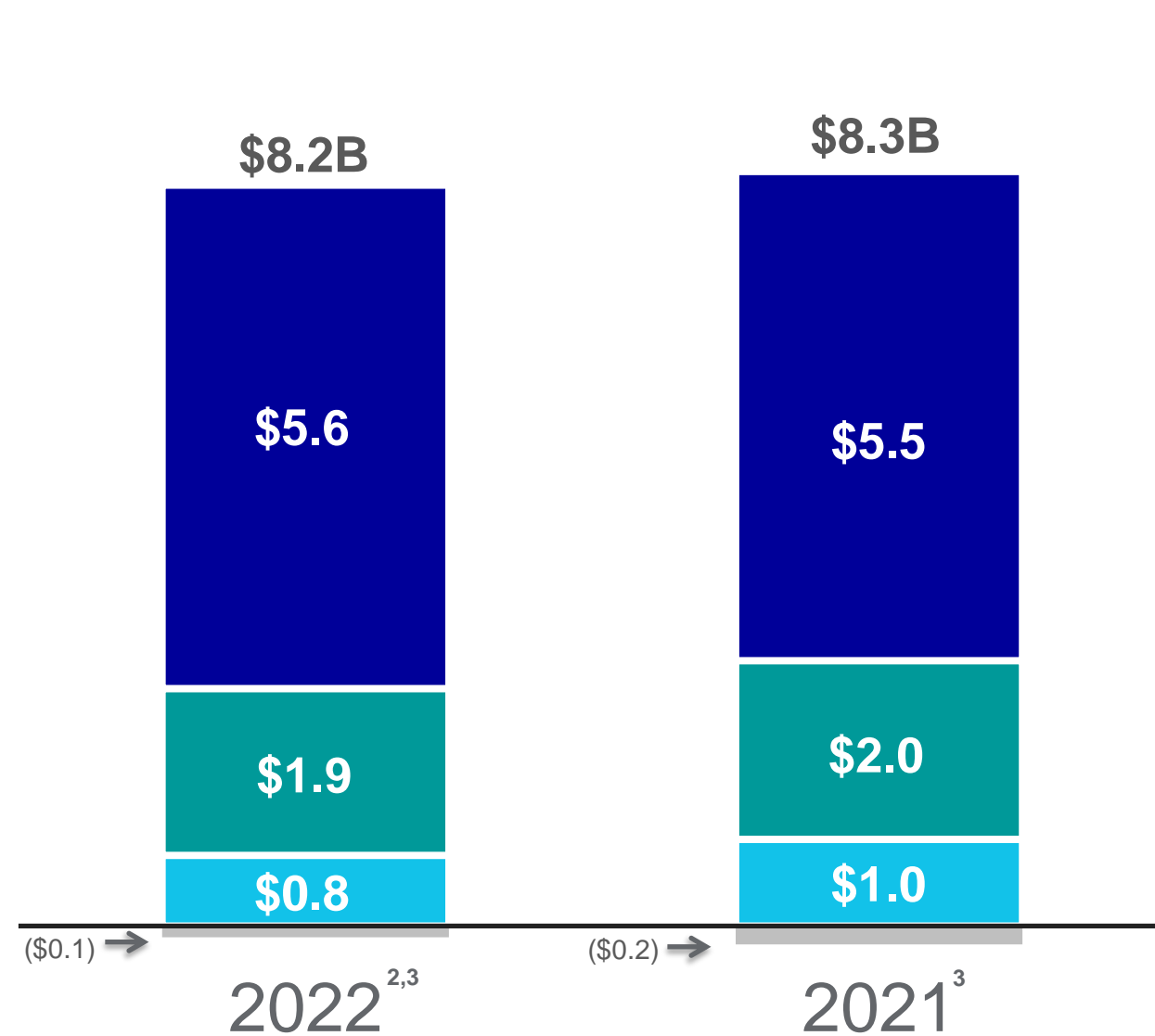
	2022		2021		% Increase (Decrease)
	Amount	% to Sales	Amount	% to Sales	
Sales to customers	\$23,426	100.0	\$22,321	100.0	5.0
Cost of products sold	7,598	32.4	7,063	31.7	7.6
<b>Gross Profit</b>	<b>15,828</b>	<b>67.6</b>	<b>15,258</b>	<b>68.3</b>	<b>3.7</b>
Selling, marketing and administrative expenses	5,938	25.4	5,432	24.3	9.3
Research and development expense	3,462	14.8	3,178	14.2	8.9
In-process research and development	610	2.6	-	-	
Interest (income) expense, net	(12)	(0.1)	48	0.2	
Other (income) expense, net	(102)	(0.4)	(882)	(3.9)	
Restructuring	70	0.3	53	0.2	
Earnings before provision for taxes on income	5,862	25.0	7,429	33.3	(21.1)
Provision for taxes on income	713	3.0	1,232	5.5	(42.1)
<b>Net Earnings</b>	<b>\$5,149</b>	<b>22.0</b>	<b>\$6,197</b>	<b>27.8</b>	<b>(16.9)</b>
Net earnings per share (Diluted)	\$1.93		\$2.32		(16.8)
Average shares outstanding (Diluted)	2,666.5		2,672.7		
Effective tax rate	12.2%		16.6%		
<b>Adjusted earnings before provision for taxes and net earnings<sup>1</sup></b>					
Earnings before provision for taxes on income	\$8,218	35.1	\$8,291	37.1	(0.9)
Net earnings	\$7,129	30.4	\$6,924	31.0	3.0
Net earnings per share (Diluted)	\$2.67		\$2.59		3.1
Effective tax rate	13.3%		16.5%		



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

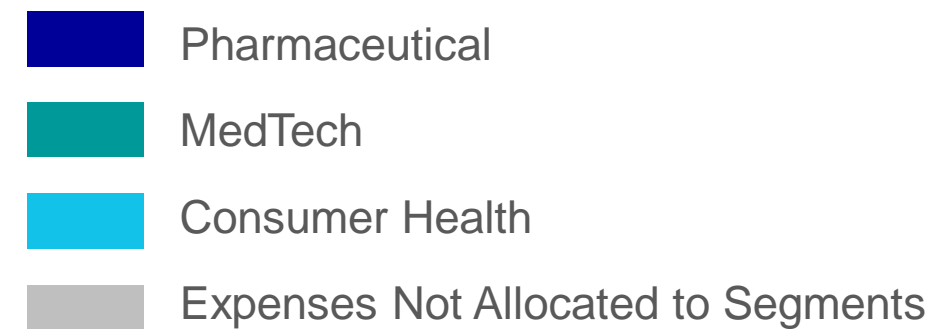
# Adjusted Income Before Tax by Segment<sup>1</sup>

## 1<sup>st</sup> Quarter 2022



% to Sales

	1Q 2022	1Q 2021
Pharmaceutical <sup>3</sup>	44.1%	45.5%
MedTech	27.0%	30.6%
Consumer Health <sup>3</sup>	22.1%	26.8%
<b>Total</b>	<b>35.1%</b>	<b>37.1%</b>



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

<sup>2</sup> Estimated as of 4/19/2022

<sup>3</sup> Certain international OTC products, primarily in China, were reclassified from the Pharmaceutical segment to the Consumer Health segment based on operational changes in their respective regions

# Joseph J. Wolk

Executive Vice President,  
Chief Financial Officer



# Notable Announcements in 1<sup>st</sup> Quarter 2022<sup>1</sup>

## Pharmaceutical

- Regulatory Decisions:

- U.S. FDA Approves CARVYKTI (ciltacabtagene autoleucel), Janssen's First Cell Therapy, a BCMA-Directed CAR-T Immunotherapy for the Treatment of Patients with Relapsed or Refractory Multiple Myeloma
- U.S. FDA Approves CABENUVA (rilpivirine and cabotegravir) for Use Every Two Months, Expanding the Label of the First and Only Long-Acting HIV Treatment
- U.S. FDA Approves CABENUVA (cabotegravir and rilpivirine) for Adolescents, Expanding the Indication of the First and Only Complete Long-Acting Injectable HIV Regimen<sup>2</sup>
- U.S. FDA Approves Streamlined Process for Initiating HIV Therapy with CABENUVA (cabotegravir and rilpivirine), the First and Only Complete Long-Acting Injectable HIV Treatment

- Regulatory Submissions:

- Janssen Submits Marketing Authorisation Application to the European Medicines Agency Seeking Approval of Bispecific Antibody Teclistamab for the Treatment of Patients with Relapsed or Refractory Multiple Myeloma
- Janssen Seeks Approval of a New Indication for IMBRUVICA (ibrutinib) for Use in Patients with Untreated Mantle Cell Lymphoma

- Other:

- Janssen Presents New Data Demonstrating the Combination of Niraparib and Abiraterone Acetate Plus Prednisone Significantly Improved Radiographic Progression-Free Survival as a First-Line Therapy in Patients with HRR Gene-Mutated Metastatic Castration-Resistant Prostate Cancer
- Janssen Initiates First-of-its-Kind Clinical Study to Bridge Critical Gaps in Care for People of Color with Moderate to Severe Plaque Psoriasis

## MedTech

- Other:

- DePuy Synthes Further Reimagines Knee Restoration with the Addition of Two New Innovations to the ATTUNE Knee Portfolio

## Enterprise

- Other:

- Johnson & Johnson Statement on Nationwide Opioid Settlement Agreement
- Johnson & Johnson Statement on War in Ukraine

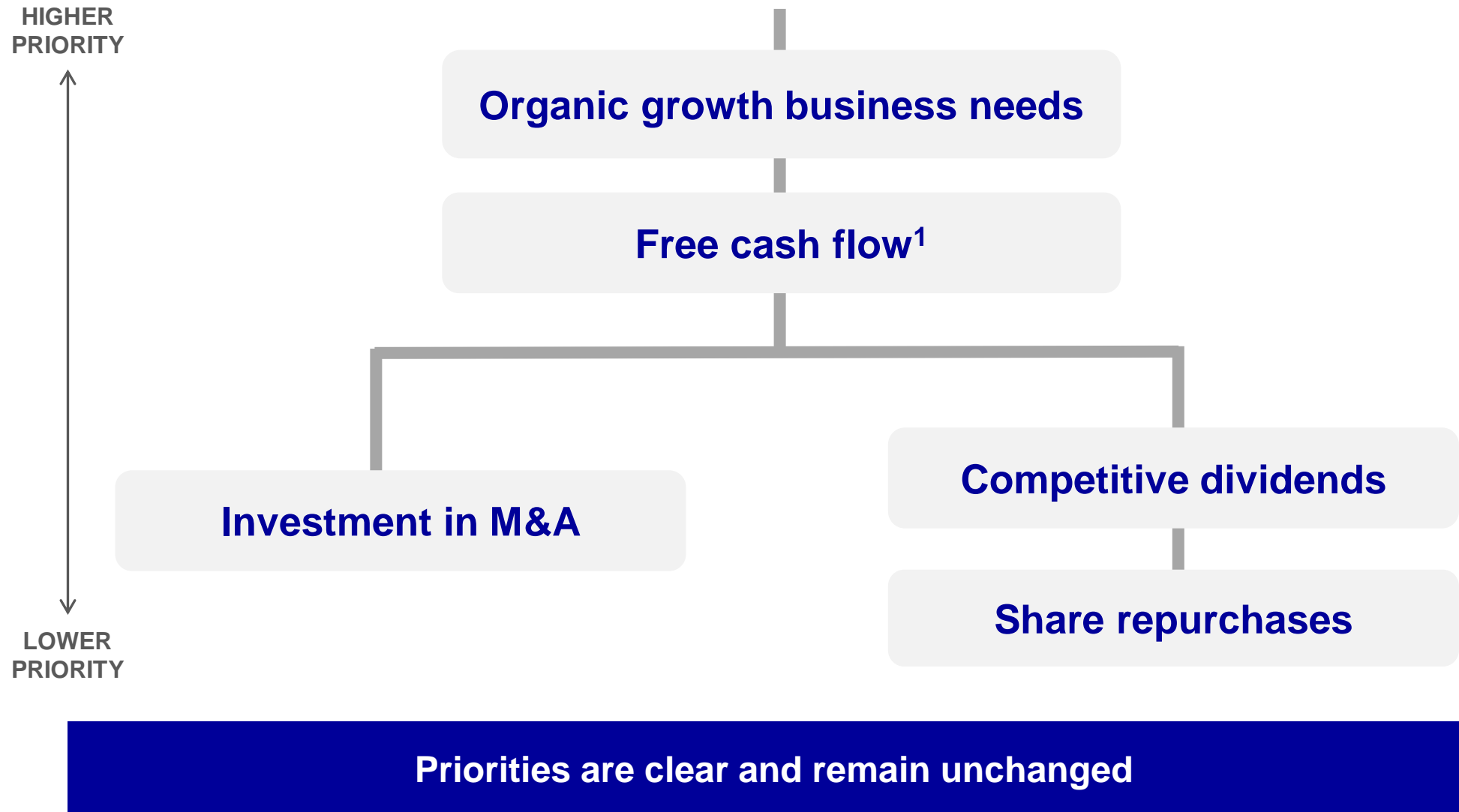


<sup>1</sup> These developments and all other news releases are available online in the Investors section of the company's website at [news releases](#), as well as [www.factsabouttalc.com](#), [www.factsaboutourprescriptionopioids.com](#), and [www.LTLManagementInformation.com](#)

<sup>2</sup> Subsequent to the quarter

# Capital Allocation Strategy

## **Capital Allocation**



Dollars in Billions	Q1 2022
Cash and Marketable Securities	\$30
Debt	(\$33)
Net Debt	(\$3)
Free Cash Flow <sup>1,2</sup>	~\$3.4

Note: values may have been rounded


**Q1 2022:**

**\$3.5B** invested in R&D

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**\$2.8B** in dividends paid to shareholders

<sup>1</sup> Non-GAAP measure; cash flow from operations less CAPEX

<sup>2</sup> Estimated as of April 19, 2022. Cash flow from operations, the most directly comparable GAAP financial measure, will be included in subsequent SEC filings

# 2022 P&L Guidance

*Company maintains Adjusted Operational EPS; suspends guidance for COVID-19 Vaccine sales*

	April	January	Comments
<b>Adjusted Operational Sales<sup>1,2,6</sup></b>	6.5% - 7.5%	6.5% - 7.5%	Maintain
<b>Operational Sales<sup>2,6</sup></b>	\$97.3B - \$98.3B 6.5% - 7.5%	\$97.3B - \$98.3B 6.5% - 7.5%	Maintain
<b>Estimated Reported Sales<sup>3,6</sup></b>	\$94.8B - \$95.8B 3.8% - 4.8%	\$95.9B - \$96.9B 5.0% - 6.0%	Incremental FX (\$1.1B)
<b>Adjusted Pre-Tax Operating Margin<sup>4,5</sup></b>	~50 bps improvement	~50 bps improvement	Maintain
<b>Net Other Income<sup>4</sup></b>	\$1.2 - \$1.4 billion	\$1.2 - \$1.4 billion	Maintain
<b>Net Interest Expense / (Income)</b>	\$0 - \$100 million	\$0 - \$100 million	Maintain
<b>Effective Tax Rate<sup>4</sup></b>	15.5% - 16.5%	15.5% - 16.5%	Maintain
<b>Adjusted EPS (Operational)<sup>2,4</sup></b>	\$10.60 - \$10.80 8.2% - 10.2%	\$10.60 - \$10.80 8.2% - 10.2%	Maintain
<b>Adjusted EPS (Reported)<sup>3,4</sup></b>	\$10.15 - \$10.35 3.6% - 5.6%	\$10.40 - \$10.60 6.1% - 8.2%	Incremental FX (\$0.25)



<sup>1</sup> Non-GAAP measure; excludes acquisitions and divestitures

<sup>2</sup> Non-GAAP measure; excludes the impact of translational currency

<sup>3</sup> Euro Average Rate: April 2022 = \$1.09; Euro Spot Rate: April 2022 = \$1.08

Note: Percentages may be rounded.

<sup>4</sup> Non-GAAP measure; excludes intangible amortization expense and special items

<sup>5</sup> Sales less: COGS, SM&A and R&D expenses

<sup>6</sup> Excludes COVID-19 Vaccine



# 2022 Sales Considerations

*Excludes COVID-19 Vaccine sales*

	April	January
Adjusted Operational Sales <sup>1,2,4</sup>	6.5% - 7.5%	6.5% - 7.5%
Operational Sales <sup>2,4</sup>	\$97.3B - \$98.3B 6.5% - 7.5%	\$97.3B - \$98.3B 6.5% - 7.5%
Estimated Reported Sales <sup>3,4</sup>	\$94.8B - \$95.8B 3.8% - 4.8%	\$95.9B - \$96.9B 5.0% - 6.0%

## Phasing Considerations by Segment

### Consumer Health

- Anticipate external supply constraints to continue throughout year, with lessened impact in the second half, primarily in Skin Health / Beauty
- Expect the second half of 2022 to outperform the first half

### MedTech

- Anticipate continued market recovery and competitive momentum as year progresses with continued growth from major prior year launches
- Strong market recovery in second quarter of 2021
- Continue to monitor COVID-19 dynamics

### Pharmaceutical

- Continue to anticipate another year of above-market adjusted operational sales growth
- Relatively consistent growth throughout remainder of the year



<sup>1</sup> Non-GAAP measure; excludes acquisitions and divestitures

<sup>2</sup> Non-GAAP measure; excludes the impact of translational currency

<sup>3</sup> Euro Average Rate: April 2022 = \$1.09; Euro Spot Rate: April 2022 = \$1.08

<sup>4</sup> Excludes COVID-19 Vaccine

Note: Percentages may be rounded

# Q&A



**Ashley McEvoy**

Executive Vice President  
Worldwide Chairman,  
MedTech



**Thibaut Mongon**

Executive Vice President  
Worldwide Chairman,  
Consumer Health



**Jennifer Taubert**

Executive Vice President  
Worldwide Chairman,  
Pharmaceuticals



**Joseph J. Wolk**

Executive Vice President,  
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*Johnson & Johnson*