

Full Year 2021 Results

Johnson & Johnson

2021 Sales

\$93.8B | Worldwide Increased ▲ **13.6%** | Excluding acquisitions/divestitures on an operational basis | Worldwide Increased ▲ **12.8%***

Diluted Earnings Per Share

\$7.81 | Increased ▲ **41.7%**

Adjusted Diluted Earnings Per Share*

\$9.80 | Increased ▲ **22.0%**



“Our 2021 performance reflects continued strength across all segments of our business. Guided by Our Credo, I am honored to assume the role of CEO, leading our global teams in continuing our work to deliver life-changing solutions to consumers, patients, and health care providers. Given our strong results, financial profile, and innovative pipeline we are well positioned for success in 2022 and beyond.”

Joaquin Duato

Chief Executive Officer
Johnson & Johnson

**\$14.6
Billion**



Worldwide Consumer Health Sales

Consumer Health worldwide reported sales increased 4.1% or 2.8% operationally¹. Primary operational drivers:



**\$52.1
Billion**



Worldwide Pharmaceutical Sales

Pharmaceutical worldwide reported sales increased 14.3% or 13.1% operationally¹. Primary operational drivers:

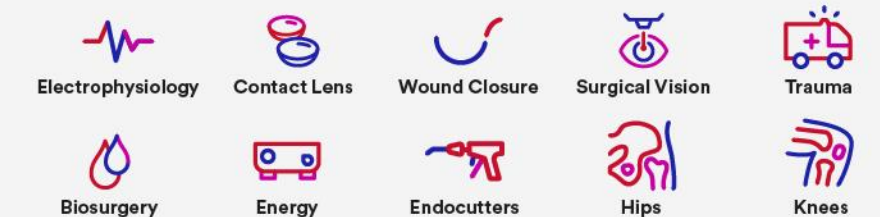


**\$27.1
Billion**



Worldwide Medical Devices Sales

Medical Devices worldwide reported sales increased 17.9% or 16.2% operationally¹. Primary operational drivers:



Note: values may have been rounded



For full financial data and non-GAAP reconciliations, please refer to Johnson & Johnson's earnings release issued on January 25, 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.

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 January 25, 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.

4th Quarter 2021 Earnings Call

January 25, 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, 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: 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; 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, including restructuring 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; and the New Consumer Health Company’s ability to succeed as a standalone publicly traded company. 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 3, 2021 including in the sections captioned “Cautionary Note Regarding Forward-Looking Statements” and “Item 1A. Risk Factors,” and in the Company’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.

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. 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; PROCRIT/ 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; cilta-cel 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.



Agenda

- ① Enterprise Highlights
- ② Sales Performance and Earnings Review
- ③ Capital Allocation and Guidance
- ④ CEO Remarks
- ⑤ Q&A



Joaquin Duato
Chief Executive Officer



Joseph J. Wolk
Executive Vice President,
Chief Financial Officer



Jessica Moore
Vice President,
Investor Relations

4th Quarter 2021 Sales

Dollars in Billions Regional Sales Results	Q4 2021	Q4 2020	% CHANGE	
			Reported	Operational ¹
U.S.	\$12.2	\$11.8	3.0%	3.0%
Europe	6.9	5.3	31.4	34.7
Western Hemisphere (ex U.S.)	1.5	1.4	3.9	5.0
Asia-Pacific, Africa	4.3	4.0	6.6	9.0
International	12.6	10.7	18.5	21.2
Worldwide (WW)	\$24.8	\$22.5	10.4%	11.6%



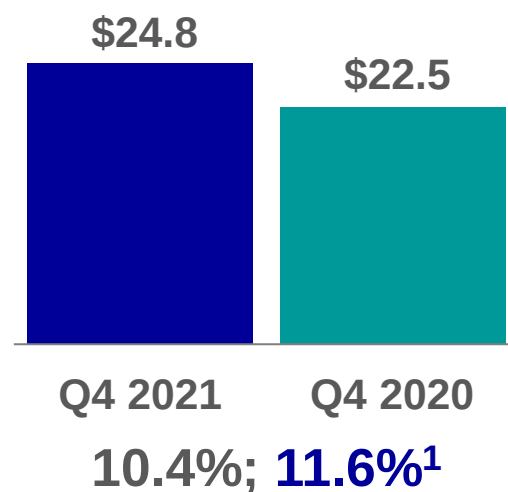
¹ Non-GAAP measure; excludes the impact of translational currency; see reconciliation schedules in the Investors section of the [company's website](#)
Note: Values may not add due to rounding

4th Quarter 2021 Financial Highlights

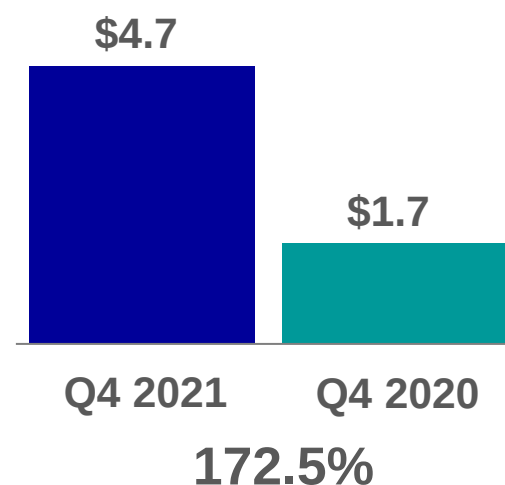
Dollars in Billions, except EPS

Reported %; **Operational %¹**

Sales



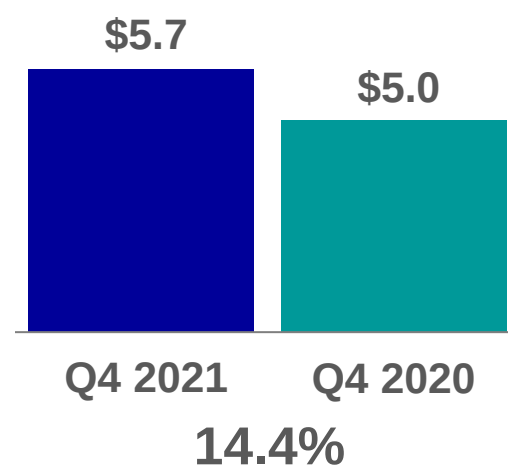
GAAP Earnings



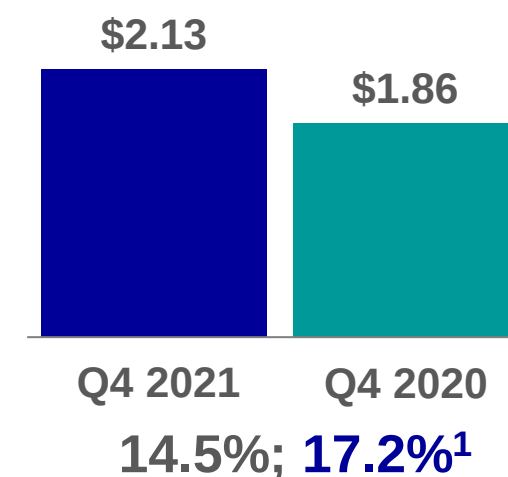
GAAP EPS



Adjusted Earnings²



Adjusted EPS²



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Full Year 2021 Sales

Dollars in Billions			% CHANGE	
Regional Sales Results	2021	2020	Reported	Operational ¹
U.S.	\$47.2	\$43.1	9.3%	9.3%
Europe	23.6	19.0	24.3	20.7
Western Hemisphere (ex U.S.)	5.8	5.3	7.8	7.3
Asia-Pacific, Africa	17.3	15.1	14.1	11.4
International	46.6	39.5	18.2	15.3
Worldwide (WW)	\$93.8	\$82.6	13.6%	12.2%

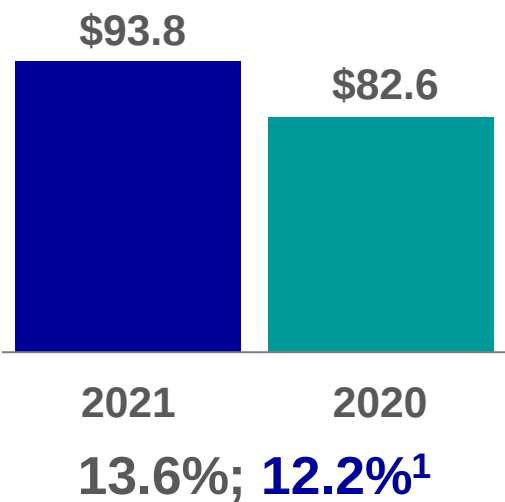


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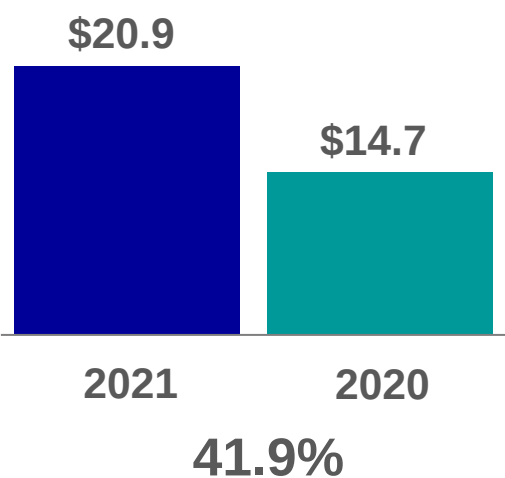
Full Year 2021 Financial Highlights

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

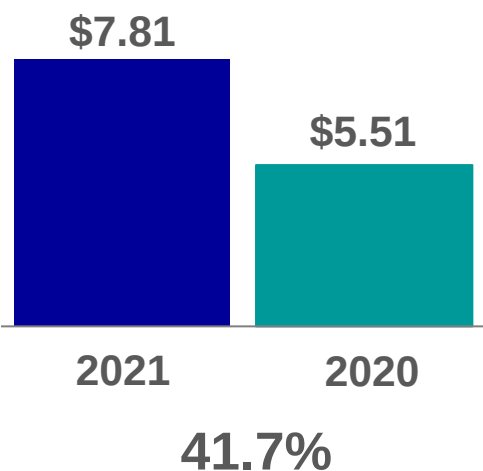
Sales



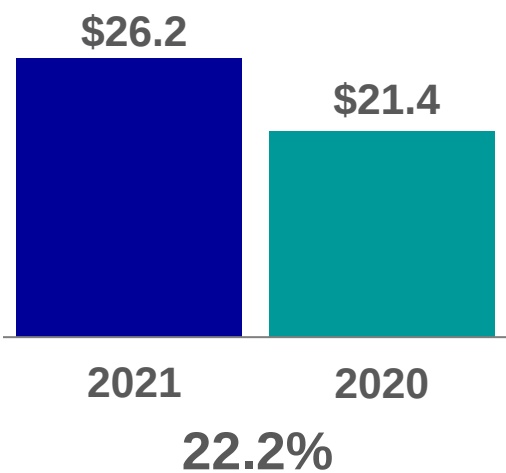
GAAP Earnings



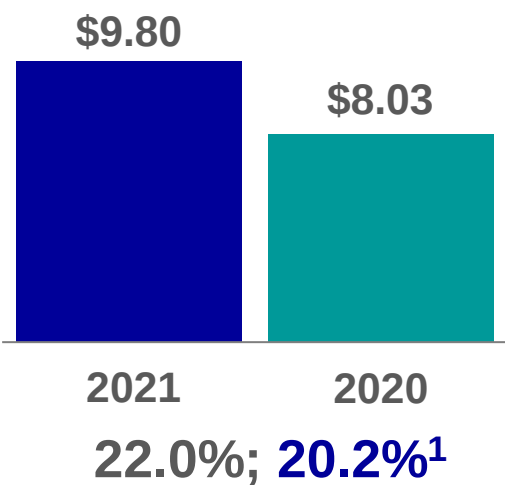
GAAP EPS



Adjusted Earnings²



Adjusted EPS²



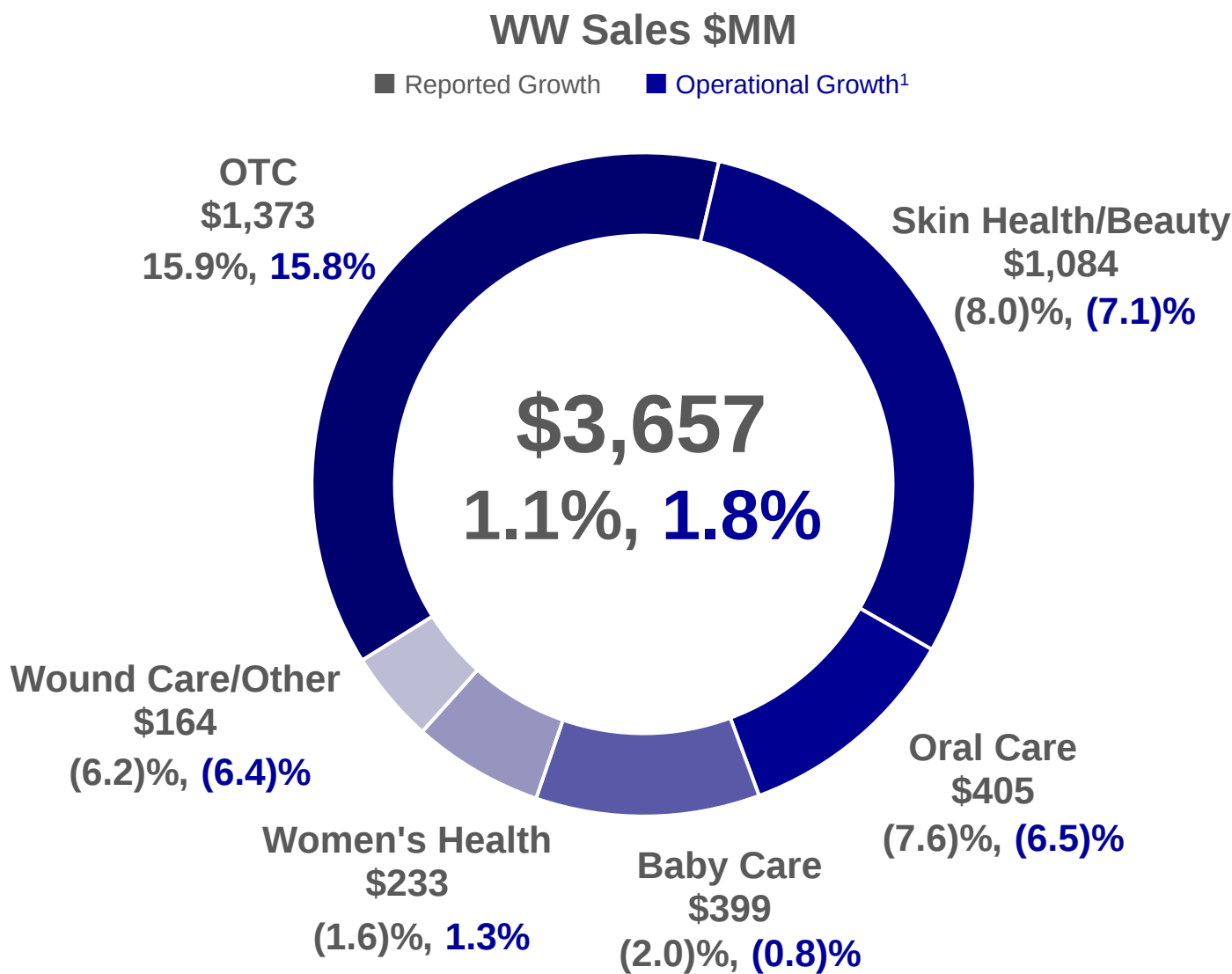
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² Non-GAAP measure; excludes intangible amortization expense and special items; see reconciliation schedules in the Investors section of the [company's website](#)

Consumer Health Highlights – 4th Quarter 2021

Solid adjusted operational growth² driven by OTC

Reported: WW 1.1%, U.S. 1.3%, Int'l 0.9%

Operational¹: WW 1.8%, U.S. 1.3%, Int'l 2.1%



Key Drivers of Operational Performance¹

OTC	Growth driven by increased U.S. adult and pediatric fever incidences (TYLENOL, MOTRIN) and WW category recovery for Cough, Cold, & Flu and Digestive Health, as well as U.S. share gains across multiple brands (TYLENOL, MOTRIN) partially offset by lapping prior year additional shipping days
Skin Health/Beauty	Decline driven by DR. CI LABO - Sedona divestiture in ASPAC, lapping prior year additional shipping days, and U.S. external supply constraints partially offset by WW COVID-19 recovery and e-commerce strength
Oral Care	Decline driven by lapping prior year additional shipping days, floss divestiture and category declines in EMEA partially offset by successful brand building and promotional campaigns in ASPAC
Baby Care	Decline driven by lapping prior year additional shipping days and retailer stocking, coupled with U.S. external supply constraints partially offset by AVEENO Baby strength primarily due to ASPAC e-commerce growth
Women's Health	Growth driven by COVID-19 market recovery in LATAM partially offset by lapping prior year additional shipping days
Wound Care/Other	Decline driven by lapping prior year additional shipping days and professional tape divestiture, along with product discontinuations in ASPAC partially offset by U.S. category growth and U.S. strength in BAND-AID® Brand Adhesive Bandages

Adjusted Operational Sales²: WW 2.9%, U.S. 1.9%, Int'l 3.6%
Additional 2020 shipping days negatively impacted WW growth by ~4%



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Note: Values may not add due to rounding



Pharmaceutical Highlights – 4th Quarter 2021

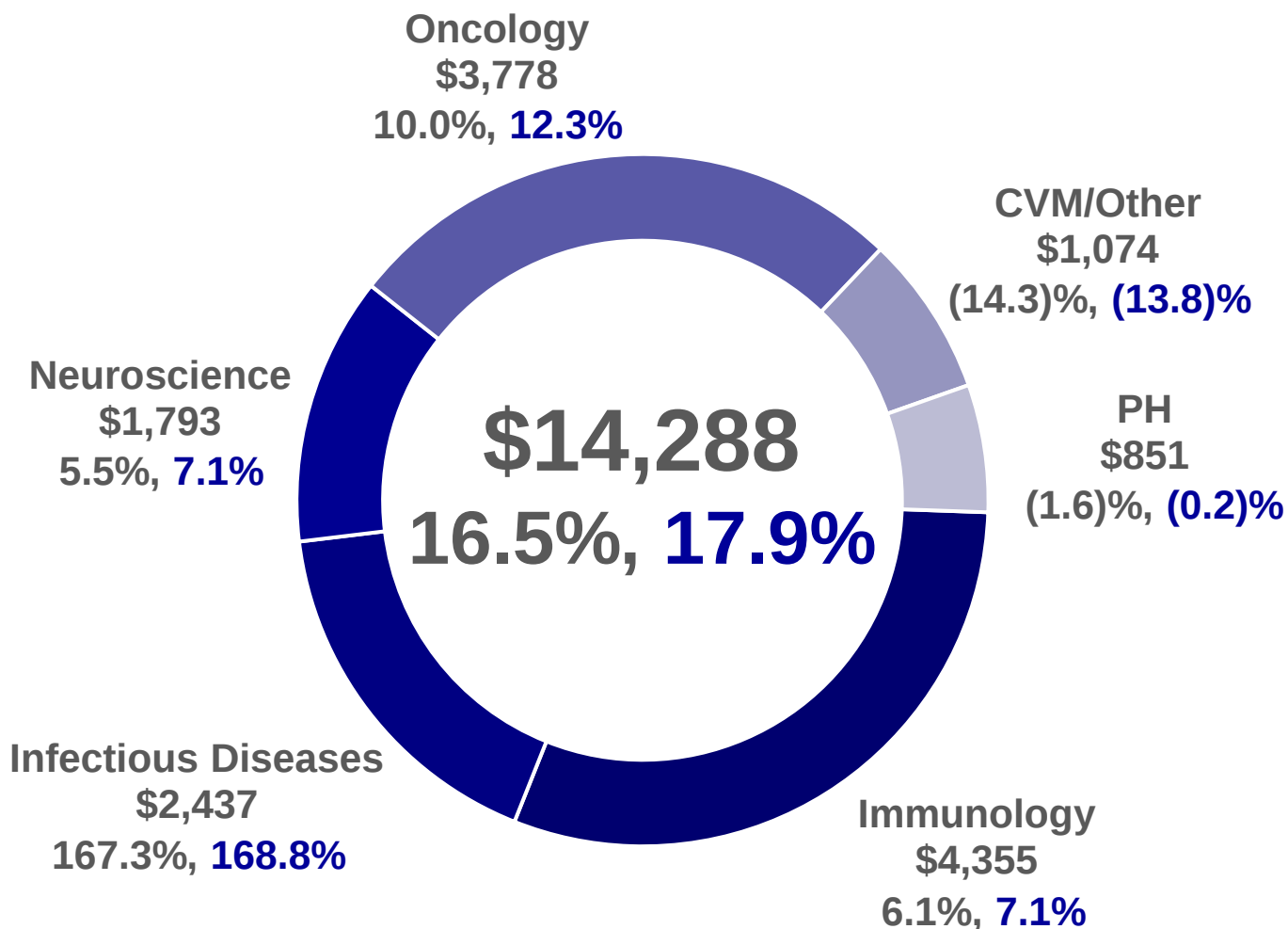
Continued above-market performance driven by Oncology, Immunology, and Neuroscience

Reported: WW 16.5%, U.S. 4.2%, Int'l 33.4%

Operational¹: WW 17.9%, U.S. 4.2%, Int'l 36.9%

WW Sales \$MM

■ Reported Growth ■ Operational Growth¹



Key Drivers of Operational Performance¹

Immunology	- Growth driven by continued strong uptake of STELARA in Crohn's Disease and Ulcerative Colitis, partially offset by negative U.S. prior period rebate adjustment and reserve adjustment - Strength in TREMFYA in Psoriasis and uptake in Psoriatic Arthritis - REMICADE decline due to biosimilar competition
Infectious Diseases	- Growth driven by the contribution of the COVID-19 vaccine - Partially offset by increased competition for PREZISTA/PREZCOBIX/REZOLSTA and PREZISTA OUS LOE
Neuroscience	Paliperidone long-acting injectables growth due to strength of INVEGA SUSTENNA/XEPLION and INVEGA TRINZA/TREVICTA from new patient starts and persistency, as well as the launch of INVEGA HAFYERA
Oncology	- DARZALEX increase driven by continued strong market growth and share gains in all regions and solid uptake of the subcutaneous formulation launched in 2020 - Continued strong global launch uptake of ERLEADA - IMBRUVICA maintained its market leadership 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.
Cardiovascular/ Metabolism/ Other (CVM/Other)	- Decline driven by lower sales of PROCIT/EPREX due to biosimilar competition - INVOKANA/INVOKAMET decline due to continued share erosion
Pulmonary Hypertension (PH)	Portfolio was roughly flat due to COVID-19 related market restraints and generic entrants in Other Pulmonary Hypertension offset by U.S. share uptake in both OPSUMIT and UPTRAVI

Adjusted Operational Sales²: WW 18.6%, U.S. 4.2%, Int'l 38.6%
Additional 2020 shipping days negatively impacted WW growth by ~4%



Medical Devices Highlights – 4th Quarter 2021

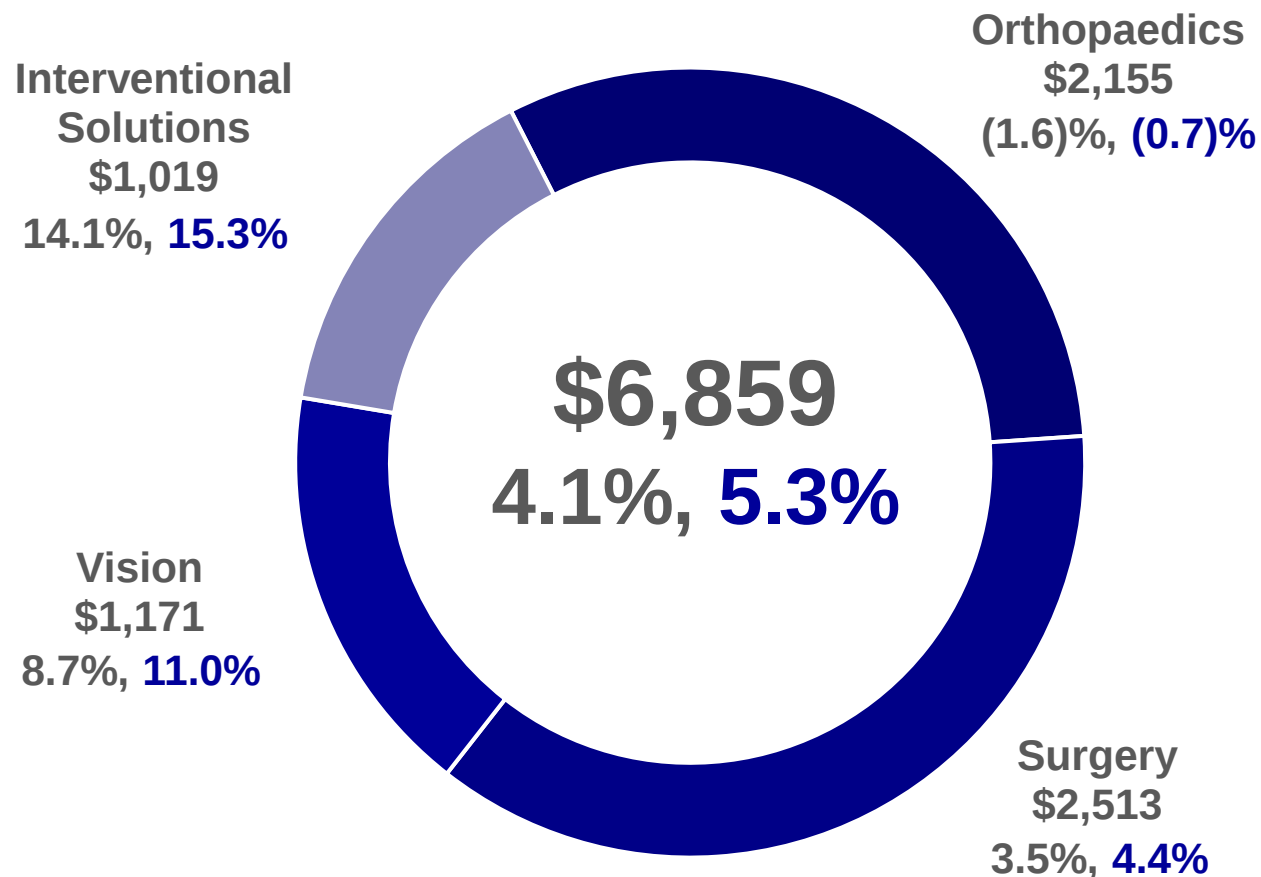
Growth primarily driven by COVID-19 market recovery, commercial initiatives, and innovation

Reported: WW 4.1%, U.S. 1.0%, Int'l 7.0%

Operational¹: WW 5.3%, U.S. 1.0%, Int'l 9.3%

WW Sales \$MM

■ Reported Growth ■ Operational Growth¹



Key Drivers of Operational Performance¹

Interventional Solutions	Market recovery, success of new products (VIZIGO and CARTO V7) and commercial strategies continuing to enhance global leadership
Orthopaedics	Hips: Growth reflects market recovery combined with continued strength of our portfolio including the ACTIS stem and enabling technologies – KINCISE and VELYS Hip Navigation Trauma: Growth reflects global market recovery and uptake of new products including Cannulated Compression Headless Screws, Advanced Nailing Systems and FIBULINK Knees: Flat reflecting variability in regional procedure recovery due to COVID-19, channel mix and the positive impact of new products Spine, Sports & Other: Decline driven primarily by COVID-19 related impacts on the market partially offset by new products (X-PAC, CONDUIT and SYMPHONY) and inventory fluctuations in ASPAC Spine: WW: ~(9%), U.S.: ~(15%), OUS Flat
Surgery	Advanced: Endocutters: ~+2% Driven by market recovery, new products (ECHELON Staple Line Reinforcement) and market expansion offsetting competitive pressure in the U.S. Biosurgery: ~+10% Market recovery and share momentum driven by success of newer products (VISTASEAL and SURGICEL POWDER) and ASPAC market expansion Energy: ~+10% Primarily due to market recovery, new products (ENSEAL X1) and market expansion offsetting competitive pressures in the U.S. General: Growth primarily driven by market recovery and continued strength of the Suture portfolio
Vision	Contact Lenses/Other: Growth driven primarily by market recovery, new products (ACUVUE OASYS Multifocal and ACUVUE DEFINE Fresh) and stocking fluctuations in the U.S. Surgical: Growth primarily due to market recovery and market share momentum driven by uptake of recently launched products (TECNIS EYHANCE and TECNIS SYNERGY)

Adjusted Operational Sales²: WW 5.6%, U.S. 1.2%, Int'l 9.8%
Additional 2020 shipping days negatively impacted WW growth by ~4%



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](#)
Note: Values may not add due to rounding; Beginning in the fiscal first quarter of 2022, the Medical Devices segment will be referred to as the MedTech segment



Condensed Consolidated Statement of Earnings

4th Quarter 2021

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

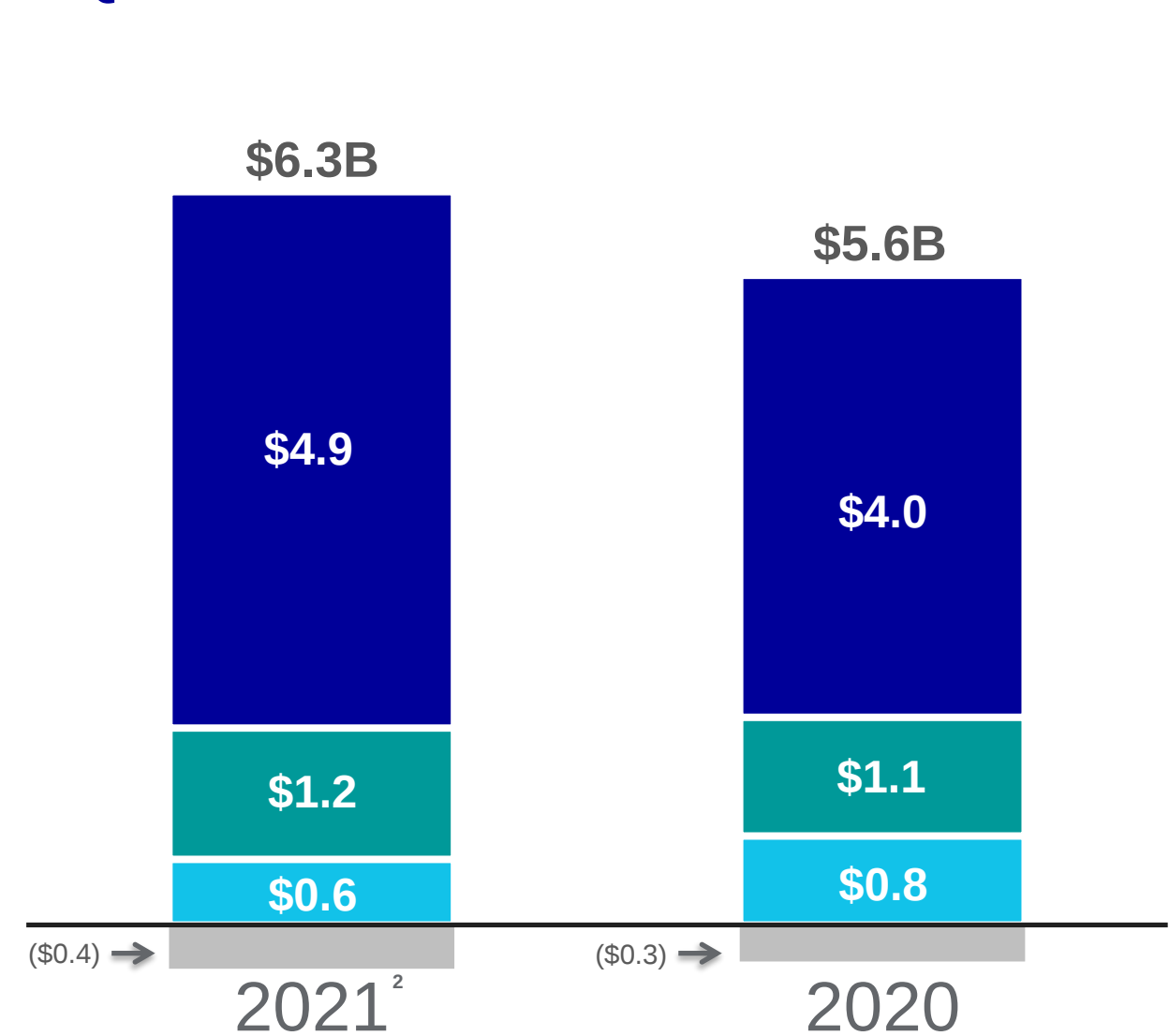
	2021		2020		% Increase (Decrease)
	Amount	% to Sales	Amount	% to Sales	
Sales to customers	\$24,804	100.0	\$22,475	100.0	10.4
Cost of products sold	7,955	32.1	7,814	34.8	1.8
Gross Profit	16,849	67.9	14,661	65.2	14.9
Selling, marketing and administrative expenses	7,154	28.9	6,457	28.7	10.8
Research and development expense	4,720	19.0	4,032	17.9	17.1
In-process research and development	0	0.0	37	0.2	
Interest (income) expense, net	47	0.2	74	0.3	
Other (income) expense, net	9	0.0	2,354	10.5	
Restructuring	83	0.3	60	0.3	
Earnings before provision for taxes on income	4,836	19.5	1,647	7.3	193.6
Provision for/(Benefit from) taxes on income	100	0.4	(91)	(0.4)	(209.9)
Net Earnings	\$4,736	19.1	\$1,738	7.7	172.5
Net earnings per share (Diluted)	\$1.77		\$0.65		172.3
Average shares outstanding (Diluted)	2,670.2		2,669.2		
Effective tax rate	2.1%		(5.5)%		
Adjusted earnings before provision for taxes and net earnings¹					
Earnings before provision for taxes on income	\$6,339	25.6	\$5,601	24.9	13.2
Net earnings	\$5,678	22.9	\$4,965	22.1	14.4
Net earnings per share (Diluted)	\$2.13		\$1.86		14.5
Effective tax rate	10.4%		11.4%		



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

4th Quarter 2021



	% to Sales	
	4Q 2021	4Q 2020
Pharmaceutical	34.0%	32.9%
Medical Devices	18.1%	16.5%
Consumer Health	17.9%	22.5%
Total	25.6%	24.9%

- Pharmaceutical
- Medical Devices
- Consumer Health
- Expenses Not Allocated to Segments

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 1/25/2022

Condensed Consolidated Statement of Earnings

Full Year 2021

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

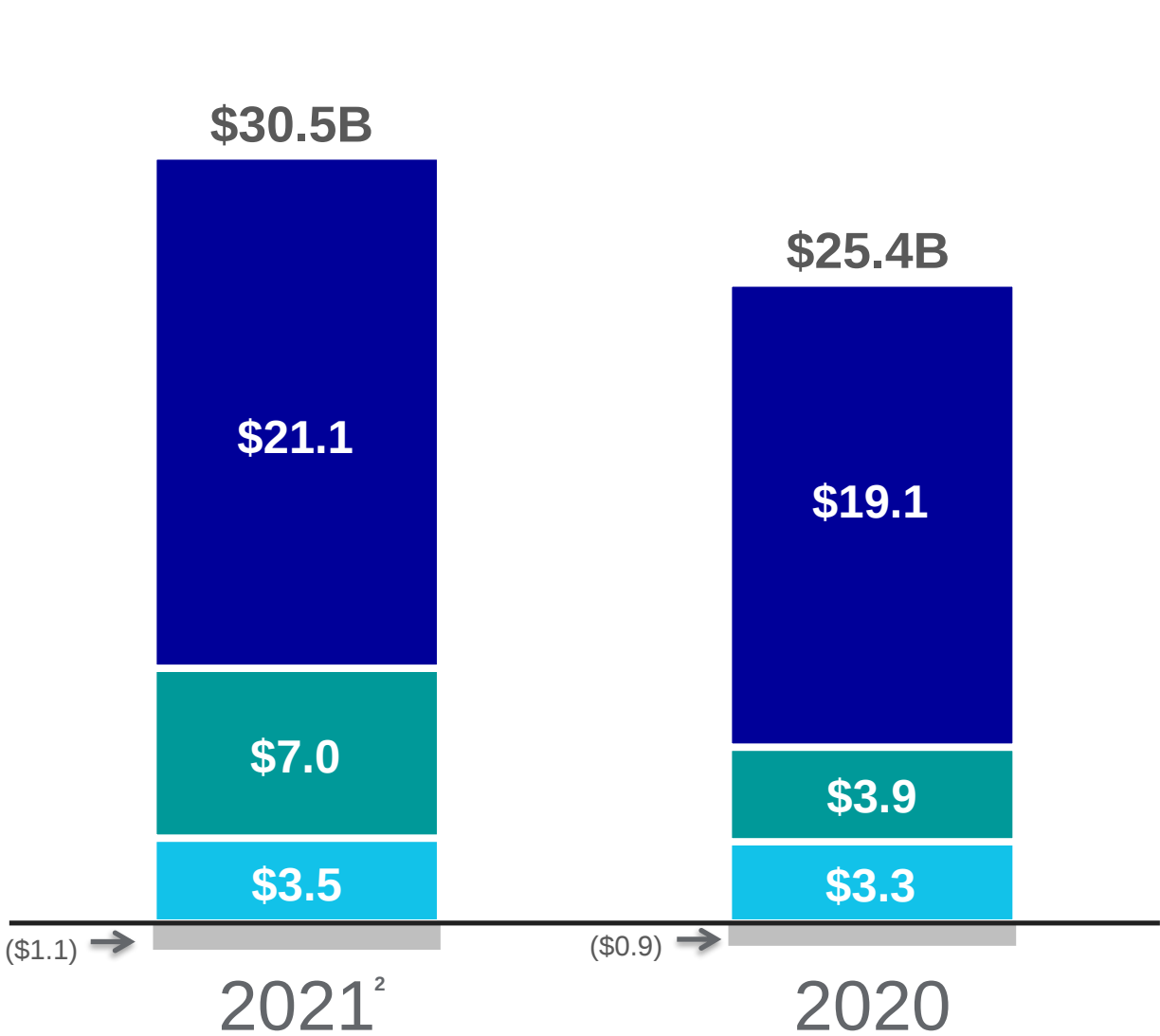
	2021		2020		% Increase (Decrease)
	Amount	% to Sales	Amount	% to Sales	
Sales to customers	\$93,775	100.0	\$82,584	100.0	13.6
Cost of products sold	29,855	31.8	28,427	34.4	5.0
Gross Profit	63,920	68.2	54,157	65.6	18.0
Selling, marketing and administrative expenses	24,659	26.3	22,084	26.8	11.7
Research and development expense	14,714	15.7	12,159	14.7	21.0
In-process research and development	900	1.0	181	0.2	
Interest (income) expense, net	130	0.1	90	0.1	
Other (income) expense, net	489	0.5	2,899	3.5	
Restructuring	252	0.3	247	0.3	
Earnings before provision for taxes on income	22,776	24.3	16,497	20.0	38.1
Provision for taxes on income	1,898	2.0	1,783	2.2	6.4
Net Earnings	\$20,878	22.3	\$14,714	17.8	41.9
Net earnings per share (Diluted)	\$7.81		\$5.51		41.7
Average shares outstanding (Diluted)	2,674.0		2,670.7		
Effective tax rate	8.3%		10.8%		
Adjusted earnings before provision for taxes and net earnings¹					
Earnings before provision for taxes on income	\$30,464	32.5	\$25,428	30.8	19.8
Net earnings	\$26,195	27.9	\$21,433	26.0	22.2
Net earnings per share (Diluted)	\$9.80		\$8.03		22.0
Effective tax rate	14.0%		15.7%		



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

Full Year 2021



	% to Sales	
	2021	2020
Pharmaceutical	40.5%	42.0%
Medical Devices	25.7%	17.0%
Consumer Health	23.8%	23.8%
Total	32.5%	30.8%

- Pharmaceutical
- Medical Devices
- Consumer Health
- Expenses Not Allocated to Segments

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 1/25/2022

Notable New Announcements in 4th Quarter 2021¹

Pharmaceutical

- Regulatory Decisions:
 - European Commission Approves BYANLI® (6-monthly Paliperidone Palmitate; PP6M) for the Maintenance Treatment of Schizophrenia in Adults
 - U.S. FDA Approves DARZALEX FASPRO® (daratumumab and hyaluronidase-fihj) in Combination with Carfilzomib and Dexamethasone for Patients with Multiple Myeloma After First or Subsequent Relapse
 - Janssen EMEA Receives Conditional Marketing Authorisation for RYBREVANT® (amivantamab), the First Treatment Approved for Patients with Advanced NonSmall Cell Lung Cancer (NSCLC) with EGFR Exon 20 Insertion Mutations After Failure of Platinum-Based Therapy
 - Johnson & Johnson COVID-19 Vaccine Booster Shot Authorized for Emergency Use by U.S. FDA
 - World Health Organization Strategic Advisory Group of Experts (SAGE) Interim Recommendation Supports Use of Johnson & Johnson COVID-19 Vaccine as a Booster
 - Johnson & Johnson Announces Positive CHMP Opinion for a Booster Shot of its COVID-19 Vaccine
 - FDA Approves Two New Indications for XARELTO® (rivaroxaban) to Help Prevent and Treat Blood Clots in Pediatric Patients
- Regulatory Submission:
 - Janssen Seeks Approval of IMBRUVICA® (ibrutinib) in a Fixed-Duration Regimen for Patients with Untreated Chronic Lymphocytic Leukaemia (CLL) (EU)
 - Janssen Submits Biologics License Application to U.S. FDA Seeking Approval of Teclistamab for the Treatment of Patients with Relapsed or Refractory Multiple Myeloma
- Other:
 - Johnson & Johnson COVID-19 Booster, Administered Six Months After Two-Dose Regimen of BNT162b2, Shows Substantial Increase in Antibody and T-cell Responses
 - Johnson & Johnson Enters into Agreement to Provide its Single-Shot COVID-19 Vaccine for the World's Most Vulnerable People through Novel Humanitarian Buffer
 - Johnson & Johnson COVID-19 Vaccine Demonstrates 85 Percent Effectiveness against Hospitalization in South Africa when Omicron was Dominant

Medical Devices

- Regulatory Decisions:
 - U.S. FDA Approves New MENTOR® MemoryGel BOOST™ Breast Implant²
- Other:
 - Johnson & Johnson Medical Devices Companies Announces Strategic Partnership with Microsoft to Further Enable its Digital Surgery Solutions²

Enterprise

- Other
 - Johnson & Johnson Announces Plans to Accelerate Innovation, Serve Patients and Consumers, and Unlock Value through Intent to Separate Consumer Health Business
 - Johnson & Johnson Appoints Senior Leaders to Executive Committee
 - Johnson & Johnson announces significant progress towards its climate goals – 100% renewable electricity for all sites in the United States, Canada and Europe by 2023



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.factsabouttalc.com](#), [www.factsaboutourprescriptionopioids.com](#), and [www.LTLManagementInformation.com](#)

² Subsequent to the quarter

Joseph J. Wolk

Executive Vice President,
Chief Financial Officer



Creating Two Global Leaders That Will Advance Our Mission

We are taking a bold, Credo-based action to evolve our business in order to provide value to our stakeholders today, tomorrow, and in the decades ahead



Deliver Improved Health
Outcomes for Patients
and Consumers



Pursue More Targeted
Business Strategies and
Accelerate Growth

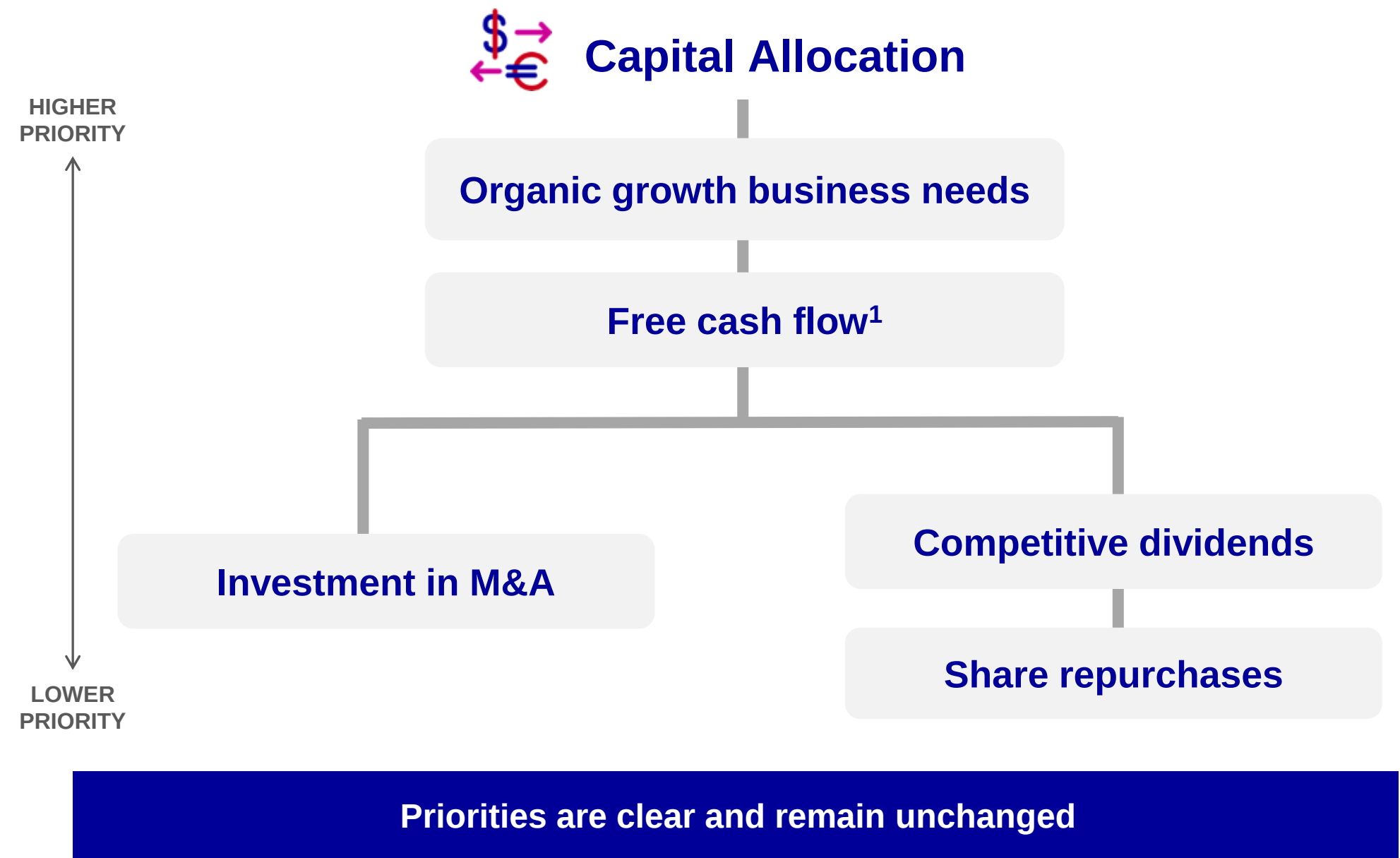


Create Opportunities for
Our Talented Global Team



Carry on Johnson & Johnson's
Legacy of Putting the
People We Serve First

Capital Allocation Strategy



Dollars in Billions

Q4 2021

Cash and Marketable Securities

\$32

Debt

(\$34)

Net Debt

(\$2)

Free Cash Flow^{1,2}

~\$20

Note: values may have been rounded



Full Year 2021:

\$14.7B invested in R&D

\$11.0B in dividends paid to shareholders

¹ Non-GAAP measure; cash flow from operations less CAPEX

² Estimated as of January 25, 2022. Cash flow from operations, the most directly comparable GAAP financial measure, will be included in subsequent SEC filings

2022 Sales Guidance

	January (Base Business)	January (Incl. COVID-19 Vaccine)	Comments
Adjusted Operational Sales ^{1,2}	6.5% - 7.5%	7.0% - 8.5%	
Operational Sales ²	\$97.3B - \$98.3B 6.5% - 7.5%	\$100.3B - \$101.8B 7.0% - 8.5%	Estimated COVID-19 Vaccine sales of \$3.0B - \$3.5B
Estimated Reported Sales ³	\$95.9B - \$96.9B 5.0% - 6.0%	\$98.9B - \$100.4B 5.5% - 7.0%	

Phasing Considerations by Segment

Consumer Health	Medical Devices	Pharmaceutical
- Anticipate external supply constraints to continue and estimate the majority of impact will be in first half of 2022, primarily the first quarter, in Skin Health/Beauty - Expect the second half of 2022 to outperform the first half	- Expect some continued COVID-19 headwinds, but anticipate overall market recovery to improve throughout the year - Assume continued competitive momentum as year progresses with value maximization of significant prior year launches	- Anticipate another year of above-market growth - Relatively consistent growth across all four quarters



¹ Non-GAAP measure; excludes acquisitions and divestitures

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

³ Euro Average Rate: January 2022 = \$1.14

Note: Percentages may be rounded

2022 P&L Guidance

	January (Incl. COVID-19 Vaccine)	Comments
Adjusted Operational Sales ^{1,2}	7.0% - 8.5%	Midpoint of 7.7%
Operational Sales ²	\$100.3B - \$101.8B 7.0% – 8.5%	Estimated COVID-19 Vaccine sales of \$3.0B - \$3.5B
Estimated Reported Sales ³	\$98.9B - \$100.4B 5.5% – 7.0%	FX (\$1.4B) or (1.5%) impact Midpoint of \$99.6B or 6.2%
Adjusted Pre-Tax Operating Margin ^{4,5}	~50 bps improvement	OPEX leverage partially offset by inflationary pressures in COGS
Net Other Income ⁴	\$1.2 - \$1.4 billion	Generally consistent with 2021 levels
Net Interest Expense / (Income)	\$0 - \$100 million	
Effective Tax Rate ⁴	15.5% - 16.5%	Geographic mix and the impact of 2022 OUS tax legislation changes ⁶
Adjusted EPS (Operational) ^{2,4}	\$10.60 - \$10.80 8.2% - 10.2%	Midpoint of \$10.70 or 9.2%
Adjusted EPS (Reported) ^{3,4}	\$10.40 - \$10.60 6.1% - 8.2%	FX (\$0.20) or (2.1%) impact Midpoint of \$10.50 or 7.1%



¹ Non-GAAP measure; excludes acquisitions and divestitures

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

³ Euro Average Rate: January 2022 = \$1.14

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

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

⁶ Comment updated 1-26-2022

Note: Percentages may be rounded

4TH QUARTER 2021
EARNINGS

Joaquin Duato

Chief Executive Officer



OUR CREDO

WE BELIEVE OUR FIRST RESPONSIBILITY IS TO THE PATIENTS, DOCTORS AND NURSES, TO MOTHERS AND FATHERS AND ALL OTHERS WHO USE OUR PRODUCTS AND SERVICES. IN MEETING THEIR NEEDS EVERYTHING WE DO MUST BE OF HIGH QUALITY. WE MUST CONSTANTLY STRIVE TO PROVIDE VALUE, REDUCE OUR COSTS AND MAINTAIN REASONABLE PRICES. CUSTOMERS' ORDERS MUST BE SERVICED PROMPTLY AND ACCURATELY. OUR BUSINESS PARTNERS MUST HAVE AN OPPORTUNITY TO MAKE A FAIR PROFIT.

WE ARE RESPONSIBLE TO OUR EMPLOYEES WHO WORK WITH US THROUGHOUT THE WORLD. WE MUST PROVIDE AN INCLUSIVE WORK ENVIRONMENT WHERE EACH PERSON MUST BE CONSIDERED AS AN INDIVIDUAL. THEIR DIVERSITY AND DIGNITY AND

WE ARE RESPONSIBLE TO THE COMMUNITY. WE MUST SUPPORT AND WORK AND TO THE COMMUNITY. WE MUST HELP PEOPLE BE HEALTHIER BY SUPPORTING CARE IN MORE PLACES AROUND THE WORLD. WE MUST AND EDUCATION, AND BEAR OUR FAIR SHARE OF THE COSTS. WE MUST MAINTAIN IN GOOD ORDER THE PRODUCTION OF OUR PRODUCTS. WE MUST USE, PROTECTING THE ENVIRONMENT.

OUR FINAL RESPONSIBILITY IS TO CARRY OUT OUR BUSINESS. WE MUST MAKE A SOUND PROFIT. WE MUST INNOVATE. WE MUST DEVELOP NEW IDEAS. RESEARCH MUST BE CARRIED OUT. WE MUST DEVELOP, INVESTMENTS MADE FOR THE FUTURE. WE MUST PAID FOR. NEW EQUIPMENT MUST BE









Q&A



Joaquin Duato

Chief Executive Officer



Joseph J. Wolk

Executive Vice President,
Chief Financial Officer



Jessica Moore

Vice President,
Investor Relations

Johnson & Johnson

Consumer Health Highlights – Full Year 2021

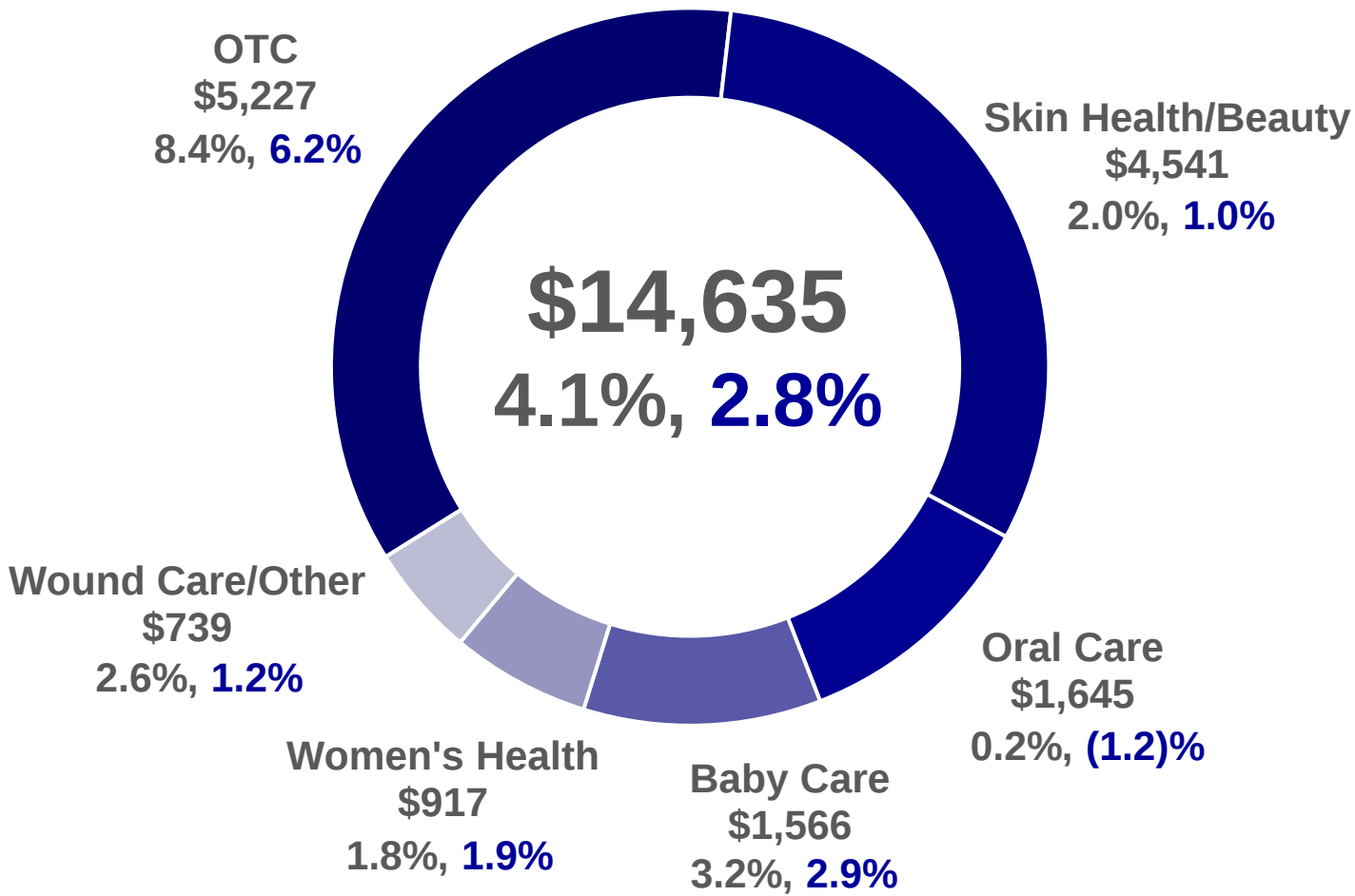
Solid growth across all regions primarily driven by OTC

Reported: WW 4.1%, U.S. 2.4%, Int'l 5.6%

Operational¹: WW 2.8%, U.S. 2.4%, Int'l 3.1%

WW Sales \$MM

■ Reported Growth ■ Operational Growth¹



Key Drivers of Operational Performance¹

OTC	Growth driven by increased U.S. adult & pediatric fever and allergy incidences, Cough, Cold, & Flu and Digestive Health category recovery, continued momentum in NICORETTE, China MOTRIN recovery, ORSL HCP recommendations, and U.S. and Korea Adult TYLENOL increased consumption for vaccination symptom relief
Skin Health/Beauty	Growth driven by COVID-19 recovery, strong performance of NEUTROGENA and AVEENO, and e-commerce acceleration partially offset by divestitures of DR. CI LABO – Sedona and ROC
Oral Care	Decline driven by floss divestiture and U.S. external supply constraints partially offset by market growth in the U.S. along with strong performance in ASPAC due to successful brand building and promotional campaigns
Baby Care	Growth driven by AVEENO ASPAC e-commerce strength, innovation and COVID-19 recovery, coupled with LATAM price actions and share gains
Women's Health	Growth driven by COVID-19 recovery, price actions, and strong brand building in ASPAC partially offset by flooding negatively impacting EMEA
Wound Care/Other	Growth driven by strong performance in BAND-AID® Brand Adhesive Bandages in the U.S. partially offset by product discontinuations and competitive pressures in ASPAC

Adjusted Operational Sales²: WW 3.8%, U.S. 3.0%, Int'l 4.4%
Additional 2020 shipping days negatively impacted WW growth by ~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](#)
Note: Values may not add due to rounding



Pharmaceutical Highlights – Full Year 2021

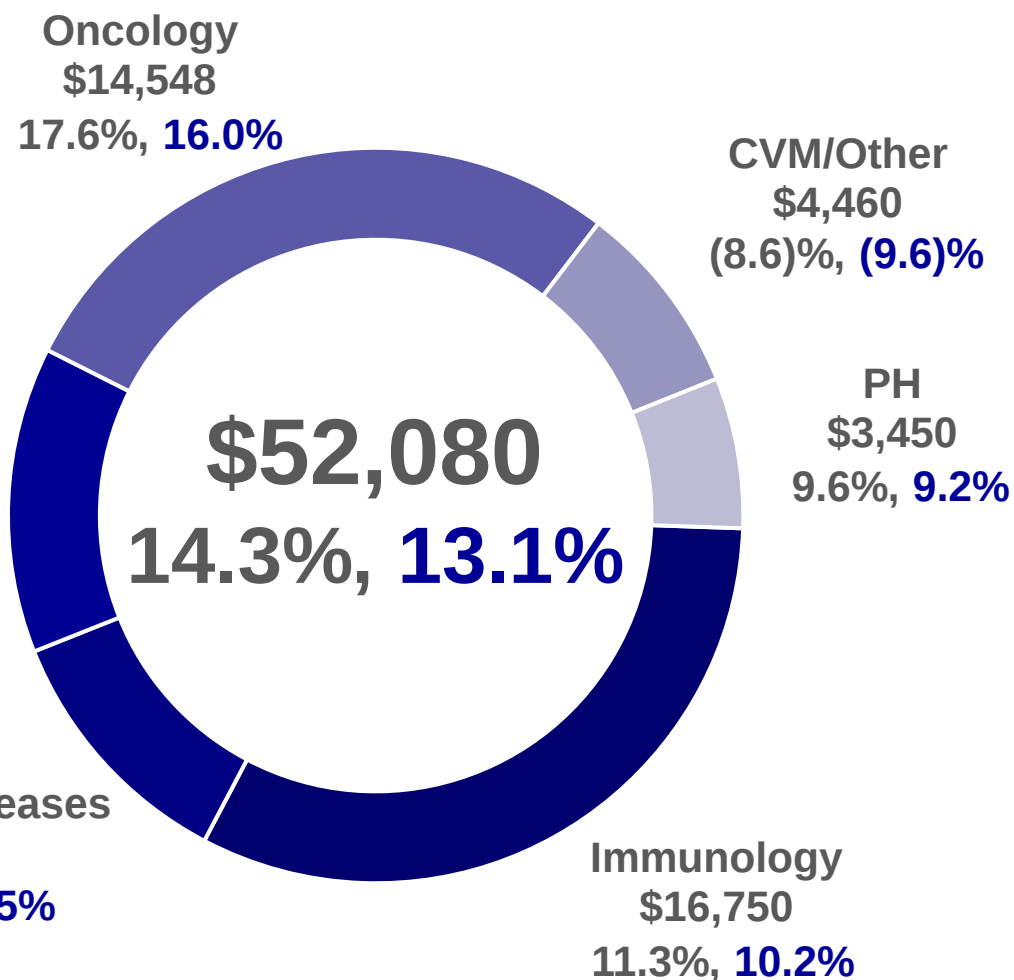
10th consecutive year of above-market performance driven by double-digit growth in key products

Reported: WW 14.3%, U.S. 8.6%, Int'l 21.6%

Operational¹: WW 13.1%, U.S. 8.6%, Int'l 18.8%

WW Sales \$MM

■ Reported Growth ■ Operational Growth¹



Key Drivers of Operational Performance¹

Immunology	- Growth driven by continued strong uptake of STELARA in Crohn's Disease and Ulcerative Colitis, strength of TREMFYA in Psoriasis and uptake in Psoriatic Arthritis - REMICADE decline due to biosimilar competition
Infectious Diseases	- Growth driven by the contribution of the COVID-19 vaccine - Partially offset by increased competition for PREZISTA/PREZCOBIX/REZOLSTA and PREZISTA OUS LOE
Neuroscience	Paliperidone long-acting injectables growth due to strength of INVEGA SUSTENNA/XEPLION and INVEGA TRINZA/TREVICTA from new patient starts and persistency, and the launch of INVEGA HAFYERA
Oncology	- DARZALEX increase driven by continued strong market growth and share gains in all regions and solid uptake of the subcutaneous formulation launched in 2020 - IMBRUVICA growth primarily driven by market and continued share leadership, partially offset by COVID-19 related market dynamics including continued delays in new patient starts as well as competitive pressures - Continued strong global launch uptake of ERLEADA
Cardiovascular/ Metabolism/ Other (CVM/Other)	- Decline driven by lower sales of PROCIT/EPREX due to biosimilar competition - INVOKANA/INVOKAMET decline due to continued share erosion
Pulmonary Hypertension (PH)	Growth driven by strong sales of OPSUMIT and UPTRAVI due to continued share gains and market growth

Adjusted Operational Sales²: WW 13.6%, U.S. 8.6%, Int'l 20.2%
Additional 2020 shipping days negatively impacted WW growth by ~1%



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Note: Values may not add due to rounding

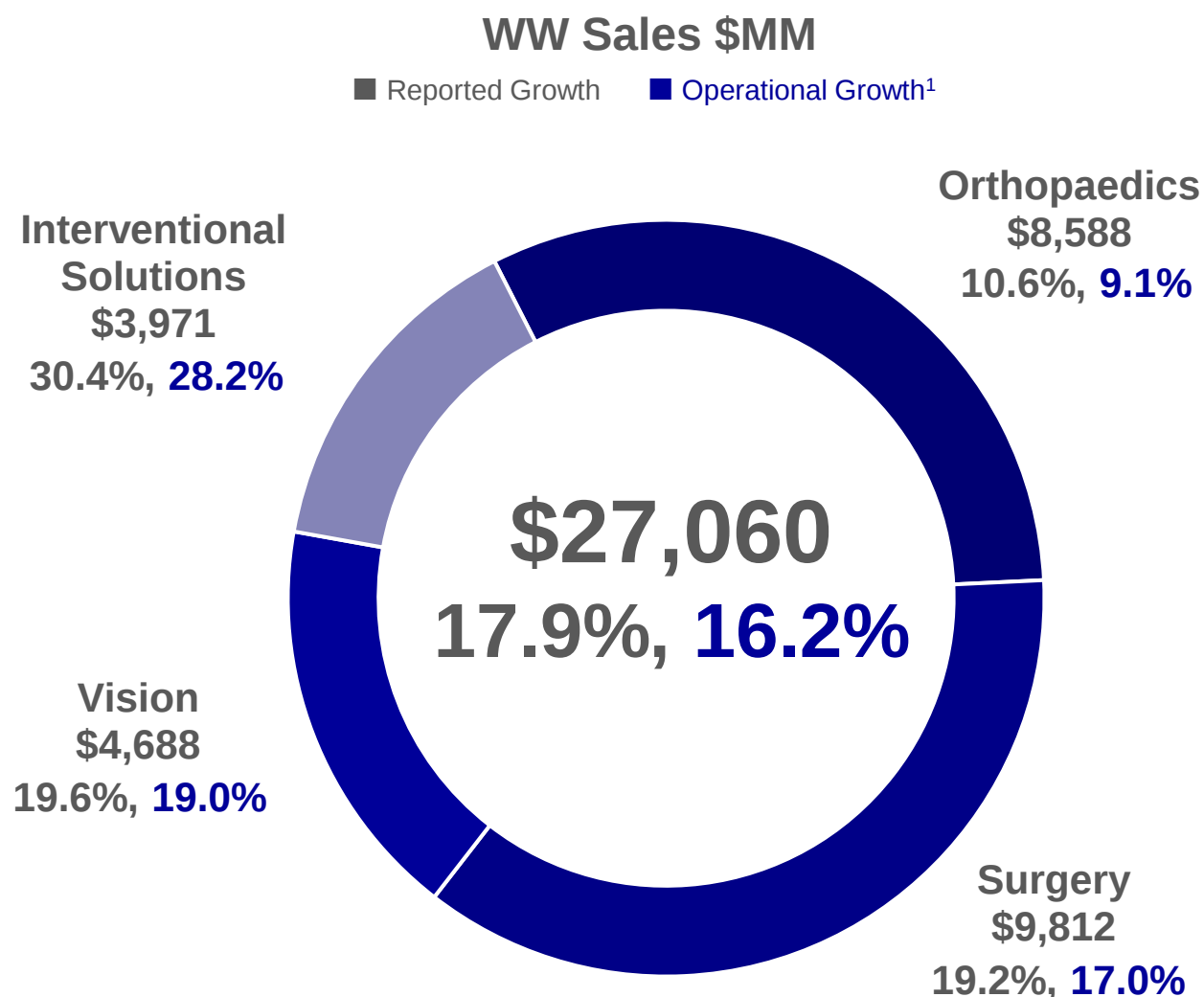


Medical Devices Highlights – Full Year 2021

Growth primarily driven by COVID-19 related market recovery, commercial initiatives and innovation

Reported: WW 17.9%, U.S. 14.9%, Int'l 20.6%

Operational¹: WW 16.2%, U.S. 14.9%, Int'l 17.3%



Key Drivers of Operational Performance¹

Interventional Solutions	Market recovery, success of new products (VIZIGO and CARTO V7) and commercial strategies continuing to enhance global leadership
Orthopaedics	Hips: Growth reflects market recovery combined with continued strength of our portfolio including the ACTIS stem and enabling technologies – KINCISE & VELYS Hip Navigation Trauma: Growth reflects global market recovery and uptake of new products including Cannulated Compression Headless Screws, Advanced Nailing Systems and FIBULINK Knees: Growth primarily driven by procedure recovery and new product introductions Spine, Sports & Other: Growth driven primarily by COVID-19 market recovery and new products in Spine and Sports Spine: WW: ~+4%, U.S.: ~+3%, OUS: ~+5%
Surgery	Advanced: Endocutters: ~+16% Driven by market recovery and new products (ECHELON Staple Line Reinforcement) offsetting competitive pressure in the U.S. Biosurgery: ~+19% Market recovery and share expansion driven by success of newer products (VISTASEAL and SURGICEL POWDER) and ASPAC market expansion Energy: ~+18% Primarily due to market recovery, new products and market expansion offsetting competitive pressures in the U.S. General: Growth primarily driven by market recovery and continued strength of the Suture portfolio
Vision	Contact Lenses/Other: Growth driven primarily by market recovery and market share gains from new products (ACUVUE OASYS Multifocal and ACUVUE DEFINE Fresh). Surgical: Growth primarily due to market recovery and market share gains from uptake of recently launched products (TECNIS EYHANCE and TECNIS SYNERGY)

Adjusted Operational Sales²: WW 16.8%, U.S. 15.3%, Int'l 18.3%
Additional 2020 shipping days negatively impacted WW growth by ~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](#)

Note: Values may not add due to rounding; Beginning in the fiscal first quarter of 2022, the Medical Devices segment will be referred to as the MedTech segment

