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Johnson & Johnson Medical Devices & Diagnostics Businesses Expanding Market Leadership with Innovative Products and Customer-Focused Solutions

- More than 30 major product filings planned through 2016**
- Leading the industry in emerging market sales**

NEW BRUNSWICK, N.J., May 22, 2014 /PRNewswire/ -- At a meeting today with members of the investment community, senior leaders from the Medical Devices and Diagnostics (MD&D) segment of Johnson & Johnson (NYSE: JNJ) will outline plans to improve patient outcomes and expand their market leadership through innovative products, new business models and a significant focus on fast-growing emerging markets.

Creating Value through Innovation

Johnson & Johnson's MD&D segment is the world's largest medical devices and diagnostics business, with \$28.5 billion in total sales for 2013, driven by ten \$1 billion-plus platforms that hold the number one or number two positions in their respective categories. The company's MD&D businesses compete in approximately 30 percent of the estimated \$370 billion global market, and many of the key markets in which these businesses compete are projected to grow faster than the overall market over the next 5 years.

To expand its global leadership position, the MD&D segment invested nearly \$1.8 billion in research and development in 2013. The company's MD&D businesses are positioned for continued growth with many recently launched products and a pipeline of more than 30 major product filings planned by the end of 2016. This meaningful innovation is intended to help health care systems, governments and providers improve clinical outcomes, increase patient satisfaction and contain costs; three tenets shared by most global health care reform acts, known widely as the Triple Aim.

"Our businesses are uniquely positioned to continue helping patients while also leading the industry by capitalizing on our breadth, depth and scale," said Dominic J. Caruso, Vice President, Finance and Chief Financial Officer for Johnson & Johnson. "We are developing innovative products and working with health care systems on customer-focused solutions to ultimately improve outcomes for patients."

Global Reach, Local Focus

The medical device segment of emerging markets is growing three-to-four times faster than the developed markets, and with almost \$6 billion in sales in the MD&D segment coming from these markets - more than 20 percent of its worldwide 2013 sales - Johnson & Johnson is leading the industry. Through innovative partnerships and dedicated strategies to meet the significant unmet needs of patients in emerging markets, Johnson & Johnson is well positioned to lead through the current evolution health care is experiencing worldwide.

In Russia, the company's **Vision Care** business is piloting new business models to engage both eye care professionals and consumers. The acquisition of Spectrum Vision, which is to be fully integrated this year, dramatically increases the company's market penetration and customer service quality. Today, more than 85 percent of ACUVUE® Brand Contact Lenses can be delivered the same or the next day across all time zones in Russia -- addressing the consumer's need for speed and convenience.

The company's MD&D segment grew at 18 percent* operationally in China in 2013 with sales of approximately \$1.4 billion, making it the largest of Johnson & Johnson's three business segments in the country. In 2013, the orthopaedic business received approval to manufacture and distribute trauma products from its plant in Suzhou. As the products launch this year, this local-supplier model will give the company access to a new market segment and new reimbursement opportunities.

In China, the company's **Diabetes Solutions** business has a number one market position in a country that is home to a quarter of all of the world's diabetics. The business has signed an exclusive original equipment manufacturer (OEM) agreement with Nova Biomedical Corporation to market StatStrip® point-of-care blood glucose testing systems to hospital customers in China - demonstrating its commitment to serving the needs of emerging markets.

"We have a strong business in both developed and emerging markets," said Mr. Caruso. "Building on our 28 year history in China, we are capitalizing on our established footprint to grow and expand our overall business."

Excellence in Execution

DePuy Synthes Companies, the orthopaedics business of the MD&D segment, continues to lead in an attractive and evolving worldwide market. DePuy Synthes is realizing revenue and cost synergies from its integration and has established a strong foundation for capturing the full growth potential of the combined businesses. The business is also today announcing the launch of three new products:

- The GLOBAL[®] UNITE[®] Anatomic Shoulder System is part of a larger platform enabling surgeons to repair or replace shoulders in a simpler and more efficient manner while optimizing the patient's range of motion.
- The CORAIL[®] Revision Hip System is the first tapered wedge revision system in the U.S. and is engineered to reduce the operating room footprint while delivering patient benefits through its bone-preserving design.
- The TRUMATCH[®] Resection Guide for the recently launched ATTUNE[®] Rotating Platform Knee. TRUMATCH[®] Personalized Solutions provides patient-specific instruments developed from a CT scan to reduce surgical steps and customize the procedure to each patient.

The **Global Surgery** business of Johnson & Johnson is focusing on leveraging its scale to deliver a pipeline of innovative products that serve large, unmet health care needs, providing both clinical and economic benefits. The Global Surgery business has several key products whose innovation is expected to significantly drive growth for the company, including:

- HARMONIC ACE[®]+ 7 Shears with Advanced Hemostasis - the first purely ultrasonic device with a 7mm vessel sealing indication (Ethicon)
- EVARREST[™] Fibrin Sealant Patch to stop bleeding (Ethicon)
- THERMOCOOL[®] SMARTTOUCH[™] Contact Force Sensing Catheter for atrial fibrillation (Boston Scientific)
- INCRAFT[®] Stent Graft System for abdominal aortic aneurysms (AAA) (Cordis)

Leading with Purpose

The Johnson & Johnson mission is to care for the world one person at a time. Last year, Johnson & Johnson donated more than \$1 billion in products and services around the world, making life-changing, long-term differences in human health. The businesses in the MD&D segment are leading with purpose through their support of organizations that educate and help patients return to living healthy, active lives, and through global training centers and institutes that are enhancing the standard of care in emerging markets.

About Today's Meeting

The meeting will be live-streamed via webcast starting at 9:30 a.m. today and can be accessed along with the meeting agenda, list of speakers, speaker bios, and full copies of the presentations via the Johnson & Johnson Investor Relations website www.investor.jnj.com. A replay and podcast will be available approximately two hours after the live webcast. A live Twitter feed for today's meeting is accessible via #JNJMDD14.

Users of the Johnson & Johnson Investor Relations mobile app for the iPad[®] and iPhone[®] can also access the event. This free app is available in the iTunes[®] store and includes stock information, news releases, company information, webcasts, SEC filings and Annual Reports, among other information.

About Johnson & Johnson

Caring for the world, one person at a time inspires and unites the people of Johnson & Johnson. We embrace research and science - bringing innovative ideas, products and services to advance the health and well-being of people. Our approximately 128,300 employees at more than 275 Johnson & Johnson operating companies work with partners in health care to touch the lives of over a billion people every day, throughout the world.

*Ex. net Synthes; reported growth of 25 percent less currency of 3.2 percent and net Synthes impact of 3.8 percent.

This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. 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 development, including obtaining regulatory approvals; challenges to patents; the impact of patent expirations; significant adverse litigation or

government action, including related to product liability claims; the impact of business combinations and divestitures; changes in behavior and spending patterns or financial distress of purchasers of health care products and services; changes to governmental laws and regulations and domestic and foreign health care reforms; general industry conditions including trends toward health care cost containment; increased scrutiny of the health care industry by government agencies; financial instability of international economies and sovereign risk; disruptions due to natural disasters; manufacturing difficulties or delays; complex global supply chains with increasing regulatory requirements; and product efficacy or safety concerns resulting in product recalls or regulatory action. A further list and description 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 December 29, 2013, including in Exhibit 99 thereto, and our subsequent filings with the Securities and Exchange Commission. Copies of these filings are available online at www.sec.gov, www.investor.jnj.com, or on request from Johnson & Johnson. Johnson & Johnson does not undertake to update any forward-looking statement as a result of new information or future events or developments.

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