

Johnson & Johnson reports Q4 and Full-Year 2025 results

2026-01-21

- 2025 Fourth-Quarter reported sales growth of 9.1% to \$24.6 Billion with operational growth of 7.1%* and adjusted operational growth of 6.1%*; 2025 Fourth-Quarter earnings per share (EPS) of \$2.10 and adjusted EPS of \$2.46, both include \$(0.10) due to the acquisition of Halda Therapeutics
- 2025 Full-Year reported sales growth of 6.0% to \$94.2 Billion with operational growth of 5.3%* and adjusted operational growth of 4.2%*; 2025 Full-Year earnings per share (EPS) of \$11.03 and adjusted EPS of \$10.79, both include \$(0.10) due to the acquisition of Halda Therapeutics
- Significant innovation including approvals of CAPLYTA for major depressive disorder and RYBREXANT FASPRO plus LAZCLUZE for non-small cell lung cancer, landmark data for TECVAYLI plus DARZALEX FASPRO as a potential standard of care as early as second line for patients with relapsed/refractory multiple myeloma, the acquisition of Halda Therapeutics, and submission of OTTAVA Robotic Surgical System
- Company issues guidance for 2026 with estimated reported sales of \$100.5 Billion or 6.7% at the midpoint, and adjusted EPS⁴ of \$11.53 or 6.9% at the midpoint

NEW BRUNSWICK, N.J.--(BUSINESS WIRE)-- Johnson & Johnson (NYSE: JNJ) today announced results for fourth-quarter and full-year 2025. "2025 was a catapult year for Johnson & Johnson, fueled by the strongest portfolio and pipeline in our history," said Joaquin Duato, Chairman and Chief Executive Officer, Johnson & Johnson. "Last year kicked off a new era of accelerated growth, driven by medical innovation that is transforming lives in our six key businesses: Oncology, Immunology, Neuroscience, Cardiovascular, Surgery, and Vision. In each of these important areas, our leadership is expanding driven by game-changing science and technology."

Overall financial results

(\$ in Millions, except EPS)	Q4			Full Year		
	2025	2024	% Change	2025	2024	% Change
Reported Sales	\$24,564	\$22,520	9.1%	\$94,193	\$88,821	6.0%
Net Earnings	\$5,116	\$3,431	49.1%	\$26,804	\$14,066	90.6%
EPS (diluted)	\$2.10	\$1.41	48.9%	\$11.03	\$5.79	90.5%
Non-GAAP* (\$ in Millions, except EPS)	Q4			Full Year		
	2025	2024	% Change	2025	2024	% Change
Operational Sales ^{1,2}			7.1%			5.3%
Adjusted Operational Sales ^{1,3}			6.1%			4.2%
Adjusted Net Earnings ^{1,4}	\$6,009	\$4,946	21.5%	\$26,215	\$24,242	8.1%
Adjusted EPS (diluted) ^{1,4}	\$2.46	\$2.04	20.6%	\$10.79	\$9.98	8.1%
Free Cash Flow ^{5,6}				~\$19,700	\$19,842	

- 1 Non-GAAP financial measure; refer to reconciliations of non-GAAP financial measures included in accompanying schedules
- 2 Excludes the impact of translational currency
- 3 Excludes the net impact of acquisitions and divestitures and translational currency
- 4 Excludes intangible amortization expense and special items
- 5 Non-GAAP measure; defined as cash flow from operating activities, less additions to property, plant and equipment. Cash flow from operations, the most directly comparable GAAP financial measure, will be included in subsequent SEC filings.
- 6 Full year 2025 is estimated as of January 21, 2026.
- Note: values may have been rounded

Regional sales results

(\$ in Millions)	Q4			% Change			Adjusted Operational ^{1,3}
	2025	2024	Reported	Operational ^{1,2}	Currency	Operational ^{1,2}	
U.S.	\$14,195	\$13,204	7.5%	7.5	-	-	5.7
International	10,369	9,316	11.3	6.6	4.7	4.7	6.8
Worldwide	\$24,564	\$22,520	9.1%	7.1	2.0	2.0	6.1
(\$ in Millions)	Full Year			% Change			Adjusted Operational ^{1,3}
	2025	2024	Reported	Operational ^{1,2}	Currency	Operational ^{1,2}	
U.S.	\$53,752	\$50,302	6.9%	6.9	-	-	4.9
International	40,441	38,519	5.0	3.4	1.6	1.6	3.3
Worldwide	\$94,193	\$88,821	6.0%	5.3	0.7	0.7	4.2

- 1 Non-GAAP financial measure; refer to reconciliations of non-GAAP financial measures included in accompanying schedules
- 2 Excludes the impact of translational currency
- 3 Excludes the net impact of acquisitions and divestitures and translational currency
- Note: values may have been rounded

Segment sales results

(\$ in Millions)	Q4			% Change			Adjusted Operational ^{1,3}
	2025	2024	Reported	Operational ^{1,2}	Currency	Operational ^{1,2}	
Innovative Medicine	\$15,763	\$14,332	10.0%	7.9	2.1	2.1	6.2
MedTech	8,801	8,188	7.5	5.8	1.7	1.7	5.9
Worldwide	\$24,564	\$22,520	9.1%	7.1	2.0	2.0	6.1

Full Year	% Change				
(\$ in Millions)	2025	2024	Reported	Operational ^{1,2}	Adjusted Operational ^{1,3}
Innovative Medicine	\$60,401	\$56,964	6.0%	5.3	4.1
MedTech	33,792	31,857	6.1	5.4	4.3
Worldwide	\$94,193	\$88,821	6.0%	5.3	4.2

1

2 Non-GAAP financial measure; refer to reconciliations of non-GAAP financial measures included in accompanying schedules

3 Excludes the impact of translational currency

Excludes the net impact of acquisitions and divestitures and translational currency

Note: values may have been rounded

Full-year 2025 segment commentary:

Operational sales* reflected below excludes the impact of translational currency.

Innovative Medicine

Innovative Medicine worldwide operational sales grew 5.3%*, with net acquisitions and divestitures positively impacting growth by 1.2% primarily due to CAPLYTA. Growth was driven primarily by DARZALEX, CARVYKTI, ERLEADA, and RYBREVAANT/LAZCLUZE in Oncology, TREMFYA and SIMPONI/SIMPONI ARIA in Immunology, and SPRAVATO in Neuroscience. Growth was partially offset by an approximate (1,040) basis points impact from STELARA in Immunology.

MedTech

MedTech worldwide operational sales grew 5.4%*, with net acquisitions and divestitures positively impacting growth by 1.1% primarily due to Shockwave. Growth was driven primarily by electrophysiology products and Abiomed in Cardiovascular and wound closure products in General Surgery.

Full-year 2026 guidance:

Johnson & Johnson does not provide GAAP financial measures on a forward-looking basis because the company is unable to predict with reasonable certainty the ultimate outcome of legal proceedings, unusual gains and losses, acquisition-related expenses, and purchase accounting fair value adjustments without unreasonable effort. These items are uncertain, depend on various factors, and could be material to Johnson & Johnson's results computed in accordance with GAAP.

(\$ in Billions, except EPS)

Adjusted Operational Sales^{1,2}

Change vs. Prior Year / Mid-point

January 2026

5.4% – 6.4% / 5.9%

Operational Sales ² / Mid-point	\$99.5B – \$100.5B / \$100.0B
Change vs. Prior Year / Mid-point	5.7% – 6.7% / 6.2%
Estimated Reported Sales ³ / Mid-point	\$100.0B – \$101.0B / \$100.5B
Change vs. Prior Year / Mid-point	6.2% – 7.2% / 6.7%
Adjusted Operational EPS (Diluted) ^{2,4} / Mid-point	\$11.28 – \$11.48 / \$11.38
Change vs. Prior Year / Mid-point	4.5% – 6.5% / 5.5%
Adjusted EPS (Diluted) ^{3,4} / Mid-point	\$11.43 – \$11.63 / \$11.53
Change vs. Prior Year / Mid-point	5.9% – 7.9% / 6.9%

- 1 Non-GAAP financial measure; excludes the net impact of acquisitions and divestitures
2 Non-GAAP financial measure; excludes the impact of translational currency
3 Calculated using Euro Average Rate: January 2026 = \$1.17 (Illustrative purposes only)
4 Non-GAAP financial measure; excludes intangible amortization expense and special items
Note: percentages may have been rounded

Other modeling considerations will be provided on the **webcast**.

Notable announcements in the quarter:

The information contained in this section should be read together with Johnson & Johnson's other disclosures filed with the Securities and Exchange Commission, including its Current Reports on Form 8-K, Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K. Copies of these filings are available online at www.sec.gov, www.jnj.com or on request from Johnson & Johnson. The reader is also encouraged to review all other news releases and information available in the Investor Relations section of the company's website at **Investor News**, as well as **Innovative Medicine Newsroom**, **MedTech News & Events**, and www.factsabouttalco.com.

Regulatory	Johnson & Johnson Submits OTTAVA Robotic Surgical System to the U.S. Food and Drug Administration ¹	Press Release
	Johnson & Johnson Receives FDA Approval for TRUFILL n-BCA Liquid Embolic System for the Treatment of Symptomatic Chronic Subdural Hematoma	Press Release
	U.S. FDA Approval of RYBREVANT FASPRO (amivantamab and hyaluronidase-lipuj) Enables the Simplest, Shortest Administration Time for a First-Line Combination Regimen when Combined with LAZCLUZE (lazertinib)	Press Release
	U.S. FDA approves AKEEGA as the first precision therapy for BRCA2-mutated metastatic castration-sensitive prostate cancer with 54% reduction in disease progression vs standard of care	Press Release
	DARZALEX FASPRO is the first and only treatment approved by the U.S. FDA for patients with high-risk smoldering multiple myeloma	Press Release
	FDA approval of CAPLYTA (lumateperone) has the potential to reset treatment expectations, offering hope for remission in adults with major depressive disorder	Press Release
Data Releases	New clinical data highlights CAPLYTA (lumateperone) as a promising option for achieving remission in adults with major depressive disorder ¹	Press Release
	TECVAYLI monotherapy demonstrates superior progression-free and overall survival versus standard of care as early as first relapse in patients with multiple myeloma predominantly refractory to anti-CD38 therapy and lenalidomide ¹	Press Release
	RYBREVANT (amivantamab-vmjw) longer-term results show promising and durable responses in difficult-to-treat colorectal cancer ¹	Press Release
	Johnson & Johnson unveils new data showing nipocalimab is the first and only investigational FcRn blocker with potential to reduce systemic lupus erythematosus (SLE) activity in a Phase 2 study ¹	Press Release
	Unprecedented results from the Phase 3 MajesTEC-3 study support TECVAYLI plus DARZALEX FASPRO as a potential standard of care as early as second line for patients with relapsed/refractory multiple myeloma	Press Release
	Earlier use of CARVYKTI demonstrated lasting treatment-free remissions at 2.5 years in patients with relapsed or refractory multiple myeloma	Press Release
	Johnson & Johnson's INLEXZO (gemcitabine intravesical system) delivers 74 percent disease-free survival at one year in BCG-unresponsive, high-risk, papillary-only NMIBC	Press Release
	New long-term data reinforces TREMFYA (guselkumab) as the only IL-23 inhibitor proven to substantially inhibit structural joint damage in active psoriatic arthritis	Press Release
	Johnson & Johnson announces first head-to-head study comparing IMAAVY with an alternative FcRn blocker in generalized myasthenia gravis (gMG) at AANEM Annual Meeting	Press Release
	Icotrokinra maintains standout combination of therapeutic benefit and a favorable safety profile in once-daily pill through 28 weeks in ulcerative colitis	Press Release
	TREMFYA (guselkumab), the first and only IL-23 inhibitor with a fully subcutaneous treatment regimen, demonstrates durable remission in Crohn's disease at two years	Press Release

	Published in The Lancet: Nipocalimab significantly decreased Sjögren's disease (SjD) activity and severity through substantial reduction in Sjögren's-related autoantibodies	Press Release
	icotrokinra long-term results affirm promise of targeted oral peptide with high rates of durable skin clearance and favorable safety profile in difficult-to-treat scalp and genital psoriasis	Press Release
	Subcutaneous amivantamab delivers promising 45 percent overall response rate with median duration of 7.2 months in recurrent or metastatic head and neck cancer	Press Release
	TECVAYLI plus DARZALEX FASPRO combination regimen significantly improves progression-free survival and overall survival versus standard of care	Press Release
Other	Johnson & Johnson Reaches Agreement with U.S. Government to Improve Access to Medicines and Lower Costs for Millions of Americans; Delivers on U.S. Manufacturing and Innovation Investments ¹	Press Release
	Johnson & Johnson completes acquisition of Halda Therapeutics and its novel platform to revolutionize cancer treatment and enable next-generation oral therapies	Press Release
	Johnson & Johnson Announces Intent to Separate Its Orthopaedics Business	Press Release

¹Subsequent to the quarter

Webcast information:

Johnson & Johnson will conduct a conference call with investors to discuss this earnings release today at 8:30 a.m., Eastern Time. A simultaneous webcast of the call for investors and other interested parties may be accessed by visiting the **Johnson & Johnson website**. A replay and podcast will be available approximately two hours after the live webcast in the Investor Relations section of the company's website at **events-and-presentations**.

About Johnson & Johnson:

At Johnson & Johnson, we believe health is everything. Our strength in healthcare innovation empowers us to build a world where complex diseases are prevented, treated, and cured, where treatments are smarter and less invasive, and solutions are personal. Through our expertise in Innovative Medicine and MedTech, we are uniquely positioned to innovate across the full spectrum of healthcare solutions today to deliver the breakthroughs of tomorrow, and profoundly impact health for humanity. Learn more at **www.jnj.com**.

Non-GAAP financial measures:

* "Operational sales growth" excluding the impact of translational currency, "adjusted operational sales growth" excluding the net impact of acquisitions and divestitures and translational currency, as well as "adjusted net earnings", "adjusted diluted earnings per share" and "adjusted operational diluted earnings per share" excluding after-tax intangible amortization expense and special items, are non-GAAP financial measures and should not be considered replacements for, and should be read together with, the most comparable GAAP financial measures. Except for guidance measures, reconciliations 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 **quarterly results**.

Copies of the financial schedules accompanying this earnings release are available on the company's website at **quarterly results**. These schedules include supplementary sales data, a condensed consolidated statement of earnings, reconciliations of non-GAAP financial measures, and sales of key products/franchises. Additional information on Johnson & Johnson, including adjusted income before tax by segment, an **Innovative Medicine pipeline** of selected compounds in late stage development and a copy of today's earnings call presentation can also be found in the Investor Relations section of the company's website at **quarterly results**.

Note to investors concerning forward-looking statements:

This press release 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, and market position and business strategy. 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 or changes to applicable laws and regulations; 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; and increased scrutiny of the health care industry by government agencies. A further list and descriptions of these risks, uncertainties and other factors can be found in Johnson & Johnson’s most recent Annual Report on Form 10-K, 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, investor.jnj.com, or on request from Johnson & Johnson. Any forward-looking statement made in this release speaks only as of the date of this release. Johnson & Johnson does not undertake to update any forward-looking statement as a result of new information or future events or developments.

Johnson & Johnson and Subsidiaries

Supplementary Sales Data

(Unaudited; Dollars in Millions)

	FOURTH QUARTER						TWELVE MONTHS					
	2025	2024	Percent Change				2025	2024	Percent Change			
			Total	Operations	Currency				Total	Operations	Currency	
Sales to customers by segment of business												
Innovative Medicine												
U.S.	\$ 9,689	8,977	7.9%	7.9	-	\$36,344	33,970	7.0%	7.0	-		
International	6,074	5,355	13.4	7.9	5.5	24,057	22,994	4.6	2.9	1.7		
	15,763	14,332	10.0	7.9	2.1	60,401	56,964	6.0	5.3	0.7		

MedTech										
U.S.	4,506	4,227	6.6	6.6	-	17,408	16,332	6.6	6.6	-
International	4,295	3,961	8.5	4.9	3.6	16,384	15,525	5.5	4.1	1.4
	8,801	8,188	7.5	5.8	1.7	33,792	31,857	6.1	5.4	0.7
U.S.	14,195	13,204	7.5	7.5	-	53,752	50,302	6.9	6.9	-
International	10,369	9,316	11.3	6.6	4.7	40,441	38,519	5.0	3.4	1.6
Worldwide	\$ 24,564	22,520	9.1%	7.1	2.0	\$ 94,193	88,821	6.0%	5.3	0.7

Note: Percentages have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely.

Johnson & Johnson and Subsidiaries

Supplementary Sales Data

(Unaudited; Dollars in Millions)

	FOURTH QUARTER					TWELVE MONTHS				
	Percent Change					Percent Change				
	2025	2024	Total	Operations	Currency	2025	2024	Total	Operations	Currency
Sales to customers by geographic area										
U.S.	\$ 14,195	13,204	7.5%	7.5	-	\$ 53,752	50,302	6.9%	6.9	-
Europe	5,598	4,921	13.8	5.2	8.6	21,535	20,212	6.5	2.4	4.1
Western Hemisphere excluding U.S.	1,271	1,135	12.0	11.0	1.0	4,875	4,714	3.4	8.4	(5.0)
Asia-Pacific, Africa	3,500	3,260	7.4	7.2	0.2	14,031	13,593	3.2	3.1	0.1
International	10,369	9,316	11.3	6.6	4.7	40,441	38,519	5.0	3.4	1.6
Worldwide	\$ 24,564	22,520	9.1%	7.1	2.0	\$ 94,193	88,821	6.0%	5.3	0.7

Note: Percentages have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely.

Johnson & Johnson and Subsidiaries

Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

	FOURTH QUARTER					
	2025		2024		Percent Increase (Decrease)	
	Amount	Percent to Sales	Amount	Percent to Sales		
Sales to customers	\$ 24,564	100.0	\$ 22,520	100.0	9.1	
Cost of products sold	7,968	32.4	7,128	31.6	11.8	
Gross Profit	16,596	67.6	15,392	68.4	7.8	
Selling, marketing and administrative expenses	6,753	27.5	6,453	28.6	4.6	
Research and development expense	4,252	17.3	5,298	23.5	(19.7)	
In-process research and development impairments	81	0.3	17	0.1		
Interest (income) expense, net	(23)	(0.1)	(144)	(0.6)		
Other (income) expense, net	483	2.0	(161)	(0.7)		
Restructuring	84	0.4	42	0.2		
Earnings before provision for taxes on income	4,966	20.2	3,887	17.3	27.8	
(Benefit from)/Provision for taxes on income	(150)	(0.6)	456	2.1	(132.9)	
Net earnings	\$ 5,116	20.8	\$ 3,431	15.2	49.1	
Net earnings per share (Diluted)	\$ 2.10		\$ 1.41		48.9	
Average shares outstanding (Diluted)	2,439.0		2,427.1			
Effective tax rate	(3.0) %		11.7 %			
Adjusted earnings before provision for taxes and net earnings (1)						

Earnings before provision for taxes on income	\$	7,046	28.7	\$	5,421	24.1	30.0
Net earnings	\$	6,009	24.5	\$	4,946	22.0	21.5
Net earnings per share (Diluted)	\$	2.46		\$	2.04		20.6
Effective tax rate		14.7 %			8.8 %		

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

Johnson & Johnson and Subsidiaries

Condensed Consolidated Statement of Earnings

(Unaudited; in Millions Except Per Share Figures)

	2025		2024		Percent Increase (Decrease)
	Amount	Percent to Sales	Amount	Percent to Sales	
Sales to customers	\$ 94,193	100.0	\$ 88,821	100.0	6.0
Cost of products sold	30,256	32.1	27,471	30.9	10.1
Gross Profit	63,937	67.9	61,350	69.1	4.2
Selling, marketing and administrative expenses	23,676	25.1	22,869	25.7	3.5
Research and development expense	14,665	15.6	17,232	19.4	(14.9)
In-process research and development impairments	81	0.1	211	0.2	
Interest (income) expense, net	(85)	(0.1)	(577)	(0.6)	
Other (income) expense, net	(7,209)	(7.6)	4,694	5.3	
Restructuring	228	0.2	234	0.3	
Earnings before provision for taxes on income	32,581	34.6	16,687	18.8	95.2
Provision for taxes on income	5,777	6.1	2,621	3.0	120.4
Net earnings	\$ 26,804	28.5	\$ 14,066	15.8	90.6
Net earnings per share (Diluted)	\$ 11.03		\$ 5.79		90.5
Average shares outstanding (Diluted)	2,429.4		2,429.4		
Effective tax rate	17.7 %		15.7 %		
Adjusted earnings before provision for taxes and net earnings (1)					
Earnings before provision for taxes on income	\$ 31,681	33.6	\$ 28,979	32.6	9.3
Net earnings	\$ 26,215	27.8	\$ 24,242	27.3	8.1
Net earnings per share (Diluted)	\$ 10.79		\$ 9.98		8.1
Effective tax rate	17.3 %		16.3 %		

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

Johnson & Johnson and Subsidiaries

Reconciliation of Non-GAAP Financial Measures

(Dollars in Millions Except Per Share Data)	Fourth Quarter		Twelve Months Ended	
	2025	2024	2025	2024
Net Earnings, after tax- as reported	\$5,116	\$3,431	\$26,804	\$14,066
Pre-tax Adjustments				
Litigation related	854	(16)	(6,040)	5,450
Intangible Asset Amortization expense	1,186	1,171	4,621	4,526
Restructuring related ¹	210	62	512	269
Acquisition, integration and divestiture related	(190)	298	285	1,226
IPR&D impairments	81	17	81	211
(Gains)/losses on securities	(100)	(68)	(427)	306
Orthopaedics Separation related	48	-	48	-
COVID-19 Vaccine related costs	-	23	-	100
Medical Device Regulation	-	47	-	204
Other	(9)	-	20	-
Tax Adjustments				

Tax impact on special item adjustments ^c	(445)	(80)	381	(2,135)
Tax legislation and other tax related	(742)	61	(70)	19
Adjusted Net Earnings, after tax	\$6,009	\$4,946	\$26,215	\$24,242
Average shares outstanding (Diluted)	2,439.0	2,427.1	2,429.4	2,429.4
Adjusted net earnings per share (Diluted)	\$2.46	\$2.04	\$10.79	\$9.98
Operational adjusted net earnings per share (Diluted)	\$2.35		\$10.58	

1 Notes:

In fiscal 2023, the company completed a prioritization of its research and development (R&D) investment within the Innovative Medicine segment to focus on the most promising medicines with the greatest benefit to patients. This resulted in the exit of certain programs within therapeutic areas. The R&D program exits were primarily in infectious diseases and vaccines including the discontinuation of its respiratory syncytial virus (RSV) adult vaccine program, hepatitis and HIV development. The restructuring expense of \$102 million in fiscal 2024 included the termination of partnered and non-partnered program costs, asset impairments and asset divestments. This program was completed in Q4 2024.

In fiscal 2023, the company initiated a restructuring program of its Orthopaedics franchise within the MedTech segment to streamline operations by exiting certain markets, product lines and distribution network arrangements. The restructuring expense of \$162 million in the fiscal fourth quarter of 2025 (\$307 million Q4 2025 YTD) and \$60 million in the fiscal fourth quarter of 2024 (\$167 million Q4 2024 YTD) primarily includes costs related to market and product exits. This program was substantially completed in Q4 2025.

In fiscal 2025, the company initiated a restructuring program of its Surgery franchise within the MedTech segment to simplify and focus operations by exiting certain non-strategic product lines and optimize select sites across the network. The restructuring expense of \$48 million in the fiscal fourth quarter of 2025 (\$205 million Q4 2025 YTD) primarily includes costs related to asset impairments and market and product exits. This program is expected to be substantially completed by the end of fiscal year 2026.

- 2 The tax impact related to special item adjustments reflects the current and deferred income taxes associated with the above pre-tax special items in arriving at adjusted earnings.

Johnson & Johnson and Subsidiaries
Reconciliation of Non-GAAP Financial Measure

Adjusted Operational Sales Growth
FOURTH QUARTER 2025 ACTUAL vs. 2024 ACTUAL
Segments

	Innovative Medicine	MedTech	Total
WW As Reported	10.0%	7.5%	9.1%
U.S.	7.9%	6.6%	7.5%
International	13.4%	8.5%	11.3%
WW Currency	2.1	1.7	2.0
U.S.	-	-	-
International	5.5	3.6	4.7
WW Operational	7.9%	5.8%	7.1%
U.S.	7.9%	6.6%	7.5%
International	7.9%	4.9%	6.6%
Caplyta	(1.7)		(1.1)
U.S.	(2.8)		(1.9)
International	0.0		0.0
All Other Acquisitions and Divestitures (A&D)	0.0	0.1	0.1
U.S.	0.0	0.1	0.1
International	0.1	0.2	0.2
WW Adjusted Operational Ex A&D	6.2%	5.9%	6.1%
U.S.	5.1%	6.7%	5.7%
International	8.0%	5.1%	6.8%

Note: Percentages are based on actual, non-rounded figures and may not sum

Johnson & Johnson and Subsidiaries
Reconciliation of Non-GAAP Financial Measure

Adjusted Operational Sales Growth
TWELVE MONTHS 2025 ACTUAL vs. 2024 ACTUAL
Segments

	Innovative Medicine	MedTech	Total
WW As Reported	6.0%	6.1%	6.0%
U.S.	7.0%	6.6%	6.9%
International	4.6%	5.5%	5.0%
WW Currency	0.7	0.7	0.7
U.S.	-	-	-
International	1.7	1.4	1.6
WW Operational	5.3%	5.4%	5.3%

U.S.	7.0%	6.6%	6.9%
International	2.9%	4.1%	3.4%
Shockwave		(1.4)	(0.5)
U.S.		(2.1)	(0.7)
International		(0.5)	(0.2)
Caplyta	(1.2)		(0.7)
U.S.	(2.1)		(1.4)
International	0.0		0.0
All Other Acquisitions and Divestitures (A&D)	0.0	0.3	0.1
U.S.	0.0	0.3	0.1
International	0.1	0.2	0.1
WW Adjusted Operational Ex A&D	4.1%	4.3%	4.2%
U.S.	4.9%	4.8%	4.9%
International	3.0%	3.8%	3.3%

Note: Percentages are based on actual, non-rounded figures and may not sum

	REPORTED SALES vs. PRIOR PERIOD (\$MM)						REPORTED SALES vs. PRIOR PERIOD (\$MM)					
	FOURTH QUARTER			% Change			TWELVE MONTHS			% Change		
	2025	2024	Reported	Operational	Currency		2025	2024	Reported	Operational	Currency	
INNOVATIVE MEDICINE SEGMENT (2)												
ONCOLOGY												
US	\$ 3,793	3,019		25.6%	25.6%	-	\$13,659	10,854		25.8%	25.8%	-
Intl	3,069	2,476		23.9%	17.3%	6.6%	11,721	9,926		18.1%	15.6%	2.5%
WW	6,861	5,497		24.8%	21.9%	2.9%	25,380	20,781		22.1%	20.9%	1.2%
<u>CARVYKTI</u>												
US	420	304		38.2%	38.2%	-	1,492	869		71.6%	71.6%	-
Intl	135	31		*	*	*	395	94		*	*	*
WW	555	334		65.8%	63.2%	2.6%	1,887	963		95.9%	94.3%	1.6%
<u>DARZALEX</u>												
US	2,332	1,799		29.6%	29.6%	-	8,266	6,588		25.5%	25.5%	-
Intl	1,571	1,285		22.3%	16.2%	6.1%	6,085	5,082		19.7%	17.5%	2.2%
WW	3,903	3,084		26.6%	24.1%	2.5%	14,351	11,670		23.0%	22.0%	1.0%
<u>ERLEADA</u>												
US	405	342		18.6%	18.6%	-	1,453	1,282		13.4%	13.4%	-
Intl	554	442		25.3%	17.5%	7.8%	2,121	1,717		23.5%	20.1%	3.4%
WW	959	784		22.4%	18.0%	4.4%	3,574	2,999		19.2%	17.2%	2.0%
<u>IMBRUVICA</u>												
US	207	250		(17.4)%	(17.4)%	-	892	1,020		(12.5)%	(12.5)%	-
Intl	478	481		(0.8)%	(7.5)%	6.7%	1,931	2,018		(4.3)%	(6.7)%	2.4%
WW	684	731		(6.5)%	(10.9)%	4.4%	2,823	3,038		(7.1)%	(8.6)%	1.5%
<u>RYBREVAANT / LAZCLUZE (3)</u>												
US	146	101		45.6%	45.6%	-	534	257		*	*	-
Intl	70	21		*	*	*	200	70		*	*	*
WW	216	122		78.0%	76.5%	1.5%	734	327		*	*	*
<u>TALVEY</u>												
US	105	68		53.8%	53.8%	-	340	241		40.9%	40.9%	-
Intl	44	17		*	*	*	123	46		*	*	*
WW	149	85		75.8%	73.1%	2.7%	463	287		61.3%	60.3%	1.0%
<u>TECVAYLI</u>												
US	110	108		2.7%	2.7%	-	444	418		6.3%	6.3%	-
Intl	66	38		72.2%	65.1%	7.1%	226	131		72.8%	70.4%	2.4%
WW	176	146		20.8%	18.9%	1.9%	670	549		22.1%	21.5%	0.6%
<u>ZYTIGA / abiraterone acetate</u>												
US	5	9		(41.4)%	(41.4)%	-	23	34		(33.2)%	(33.2)%	-
Intl	115	127		(9.9)%	(11.1)%	1.2%	480	597		(19.7)%	(20.5)%	0.8%
WW	119	135		(11.9)%	(13.0)%	1.1%	502	631		(20.4)%	(21.2)%	0.8%
OTHER ONCOLOGY												
US	61	39		54.8%	54.8%	-	214	145		47.5%	47.5%	-
Intl	39	36		8.4%	3.0%	5.4%	162	172		(6.0)%	(7.8)%	1.8%

WW
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100	75	32.9%	30.3%	2.6%	376	317	18.5%	17.5%	1.0%
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IMMUNOLOGY

REPORTED SALES vs. PRIOR PERIOD (\$MM)						REPORTED SALES vs. PRIOR PERIOD (\$MM)					
FOURTH QUARTER						TWELVE MONTHS					
% Change						% Change					
2025	2024	Reported	Operational	Currency		2025	2024	Reported	Operational	Currency	
US	\$ 2,495	2,856	(12.6)%	(12.6)%	-	\$ 9,872	11,355	(13.1)%	(13.1)%	-	
Intl	1,364	1,383	(1.4)%	(5.5)%	4.1%	5,856	6,473	(9.5)%	(10.2)%	0.7%	
WW	3,860	4,238	(8.9)%	(10.3)%	1.4%	15,728	17,828	(11.8)%	(12.0)%	0.2%	
REMICADE											
US	248	231	7.1%	7.1%	-	1,171	1,009	16.0%	16.0%	-	
US Exports ⁽⁴⁾	11	9	17.1%	17.1%	-	74	98	(24.8)%	(24.8)%	-	
Intl	110	117	(5.6)%	(7.3)%	1.7%	523	497	5.3%	6.2%	(0.9)%	
WW	370	359	3.2%	2.6%	0.6%	1,768	1,605	10.2%	10.5%	(0.3)%	
SIMPONI / SIMPONI											
ARIA											
US	287	262	9.6%	9.6%	-	1,193	1,082	10.3%	10.3%	-	
Intl	345	321	7.4%	3.7%	3.7%	1,475	1,108	33.1%	32.8%	0.3%	
WW	632	583	8.4%	6.4%	2.0%	2,668	2,190	21.8%	21.7%	0.1%	
STELARA											
US	766	1,699	(54.9)%	(54.9)%	-	3,847	6,720	(42.7)%	(42.7)%	-	
Intl	462	650	(28.8)%	(32.3)%	3.5%	2,230	3,641	(38.7)%	(39.3)%	0.6%	
WW	1,230	2,349	(47.7)%	(48.6)%	0.9%	6,078	10,361	(41.3)%	(41.5)%	0.2%	
TREMFYA											
US	1,145	654	75.1%	75.1%	-	3,529	2,443	44.5%	44.5%	-	
Intl	445	295	50.9%	44.0%	6.9%	1,626	1,227	32.5%	30.4%	2.1%	
WW	1,589	949	67.6%	65.4%	2.2%	5,155	3,670	40.5%	39.8%	0.7%	
OTHER											
IMMUNOLOGY											
US	39	0	*	*	-	59	3	*	*	-	
Intl	2	0	*	*	*	2	0	*	*	*	
WW	40	0	*	*	*	61	3	*	*	*	
NEUROSCIENCE											
US	1,439	1,148	25.4%	25.4%	-	5,151	4,398	17.1%	17.1%	-	
Intl	675	628	7.6%	4.3%	3.3%	2,686	2,718	(1.2)%	(1.8)%	0.6%	
WW	2,115	1,775	19.1%	17.9%	1.2%	7,837	7,115	10.1%	9.9%	0.2%	
CAPLYTA ⁽⁵⁾											
US	249	-	*	*	-	700	-	*	*	-	
Intl	-	-	-	-	-	-	-	-	-	-	
WW	249	-	*	*	-	700	-	*	*	-	
CONCERTA /											
Methylphenidate											
US	6	33	(79.6)%	(79.6)%	-	82	134	(38.6)%	(38.6)%	-	
Intl	126	125	(0.3)%	(1.4)%	1.1%	502	507	(1.2)%	(0.7)%	(0.5)%	
WW	132	159	(17.1)%	(17.8)%	0.7%	584	641	(9.0)%	(8.6)%	(0.4)%	
INVEGA SUSTENNA /											
XEPLION /											
INVEGA TRINZA /											
TREVICTA											
US	704	796	(11.5)%	(11.5)%	-	2,725	3,125	(12.8)%	(12.8)%	-	
Intl	281	267	5.2%	1.9%	3.3%	1,085	1,097	(1.1)%	(1.8)%	0.7%	
WW	986	1,063	(7.3)%	(8.2)%	0.9%	3,810	4,222	(9.8)%	(9.9)%	0.1%	
SPRAVATO											
US	438	269	63.0%	63.0%	-	1,485	929	59.9%	59.9%	-	
Intl	64	28	*	*	*	210	148	41.9%	39.1%	2.8%	
WW	503	297	69.0%	67.8%	1.2%	1,696	1,077	57.4%	57.0%	0.4%	
OTHER											
NEUROSCIENCE											
US	40	49	(18.3)%	(18.3)%	-	159	210	(24.5)%	(24.5)%	-	
Intl	205	206	(0.7)%	(4.3)%	3.6%	889	965	(7.9)%	(8.7)%	0.8%	
WW	245	255	(4.1)%	(6.9)%	2.8%	1,048	1,175	(10.9)%	(11.5)%	0.6%	

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REPORTED SALES vs. PRIOR PERIOD (\$MM)						REPORTED SALES vs. PRIOR PERIOD (\$MM)					
FOURTH QUARTER						TWELVE MONTHS					
% Change						% Change					
2025	2024	Reported	Operational	Currency		2025	2024	Reported	Operational	Currency	

PULMONARY HYPERTENSION												
US	\$	865	819	5.7%	5.7%	-	\$	3,223	3,143	2.6%	2.6%	-
Intl		319	274	16.4%	12.2%	4.2%		1,214	1,140	6.5%	4.9%	1.6%
WW		1,184	1,092	8.4%	7.4%	1.0%		4,437	4,282	3.6%	3.2%	0.4%
OPSUMIT / OPSYNVI												
US		458	408	11.9%	11.9%	-		1,633	1,557	4.8%	4.8%	-
Intl		185	162	14.8%	10.9%	3.9%		692	668	3.7%	2.1%	1.6%
WW		643	570	12.7%	11.6%	1.1%		2,325	2,225	4.5%	4.0%	0.5%
UPTRAVI												
US		397	391	1.6%	1.6%	-		1,536	1,511	1.7%	1.7%	-
Intl		94	75	26.9%	20.8%	6.1%		366	307	19.4%	17.4%	2.0%
WW		491	465	5.7%	4.7%	1.0%		1,902	1,817	4.7%	4.3%	0.4%
OTHER PULMONARY HYPERTENSION												
US		10	19	(43.7)%	(43.7)%	-		54	75	(27.0)%	(27.0)%	-
Intl		39	38	2.6%	1.2%	1.4%		155	165	(6.2)%	(6.8)%	0.6%
WW		49	57	(12.5)%	(13.5)%	1.0%		209	240	(12.7)%	(13.0)%	0.3%
INFECTIOUS DISEASES												
US		303	331	(8.5)%	(8.5)%	-		1,264	1,354	(6.6)%	(6.6)%	-
Intl		505	443	13.9%	5.6%	8.3%		1,977	2,042	(3.2)%	(6.5)%	3.3%
WW		807	774	4.3%	(0.4)%	4.7%		3,241	3,396	(4.6)%	(6.5)%	1.9%
EDURANT / rilpivirine												
US		5	7	(39.1)%	(39.1)%	-		26	31	(18.4)%	(18.4)%	-
Intl		379	315	20.6%	11.1%	9.5%		1,461	1,241	17.7%	13.0%	4.7%
WW		383	322	19.2%	9.9%	9.3%		1,486	1,272	16.9%	12.2%	4.7%
PREZISTA / PREZCOBIX / REZOLSTA / SYMTUZA												
US		294	321	(8.4)%	(8.4)%	-		1,226	1,311	(6.5)%	(6.5)%	-
Intl		89	86	3.6%	(2.9)%	6.5%		353	401	(11.9)%	(13.7)%	1.8%
WW		383	407	(5.8)%	(7.2)%	1.4%		1,579	1,712	(7.7)%	(8.1)%	0.4%
OTHER INFECTIOUS DISEASES												
US		4	1	92.9%	92.9%	-		12	11	6.6%	6.6%	-
Intl		37	43	(14.5)%	(18.0)%	3.5%		163	401	(59.3)%	(59.5)%	0.2%
WW		40	45	(9.9)%	(13.2)%	3.3%		175	412	(57.5)%	(57.7)%	0.2%
CARDIOVASCULAR / METABOLISM / OTHER												
US		794	805	(1.4)%	(1.4)%	-		3,175	2,866	10.8%	10.8%	-
Intl		142	153	(6.3)%	(10.7)%	4.4%		603	696	(13.3)%	(13.8)%	0.5%
WW		936	957	(2.2)%	(2.9)%	0.7%		3,778	3,562	6.1%	6.0%	0.1%
XARELTO												
US		687	676	1.7%	1.7%	-		2,633	2,373	11.0%	11.0%	-
Intl		-	-	-	-	-		-	-	-	-	-
WW		687	676	1.7%	1.7%	-		2,633	2,373	11.0%	11.0%	-
OTHER												
US		107	130	(17.4)%	(17.4)%	-		542	494	9.8%	9.8%	-
Intl		142	153	(6.3)%	(10.7)%	4.4%		603	696	(13.3)%	(13.8)%	0.5%
WW		249	281	(11.4)%	(13.8)%	2.4%		1,145	1,189	(3.7)%	(4.0)%	0.3%
TOTAL INNOVATIVE MEDICINE												
US		9,689	8,977	7.9%	7.9%	-		36,344	33,970	7.0%	7.0%	-
Intl		6,074	5,355	13.4%	7.9%	5.5%		24,057	22,994	4.6%	2.9%	1.7%
WW		\$15,763	\$14,332	10.0%	7.9%	2.1%		\$60,401	\$56,964	6.0%	5.3%	0.7%

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	REPORTED SALES vs. PRIOR PERIOD (\$MM)						REPORTED SALES vs. PRIOR PERIOD (\$MM)					
	FOURTH QUARTER			% Change			TWELVE MONTHS			% Change		
	2025	2024	Reported	Operational	Currency		2025	2024	Reported	Operational	Currency	
	2025	2024	Reported	Operational	Currency		2025	2024	Reported	Operational	Currency	
MEDTECH SEGMENT ⁽²⁾												
CARDIOVASCULAR												
US	\$	1,374	1,221	12.5%	12.5%	-	\$	5,305	4,513	17.5%	17.5%	-
Intl		925	841	10.1%	6.8%	3.3%		3,623	3,194	13.4%	11.9%	1.5%

WW	2,299	2,062	11.5%	10.1%	1.4%	8,928	7,707	15.8%	15.2%	0.6%
<u>ELECTROPHYSIOLOGY</u>										
US	746	681	9.5%	9.5%	-	2,891	2,738	5.6%	5.6%	-
Intl	679	640	6.2%	3.2%	3.0%	2,743	2,529	8.5%	7.3%	1.2%
WW	1,425	1,321	7.9%	6.5%	1.4%	5,634	5,267	7.0%	6.4%	0.6%
<u>ABIOMED</u>										
US	358	308	16.5%	16.5%	-	1,393	1,213	14.9%	14.9%	-
Intl	102	77	33.1%	25.4%	7.7%	358	284	26.4%	22.0%	4.4%
WW	460	384	19.8%	18.3%	1.5%	1,751	1,496	17.1%	16.2%	0.9%
<u>SHOCKWAVE</u>										
US	238	202	18.0%	18.0%	-	897	442	*	*	-
Intl	80	56	42.3%	40.7%	1.6%	249	122	*	*	*
WW	318	258	23.3%	22.9%	0.4%	1,146	564	*	*	*
<u>OTHER</u>										
<u>CARDIOVASCULAR</u>										
US	31	31	(0.1)%	(0.1)%	-	124	120	3.1%	3.1%	-
Intl	64	68	(6.7)%	(8.8)%	2.1%	273	260	4.9%	4.1%	0.8%
WW	95	99	(4.6)%	(6.1)%	1.5%	397	380	4.3%	3.8%	0.5%
<u>ORTHOPAEDICS</u>										
US	1,520	1,460	4.2%	4.2%	-	5,720	5,689	0.5%	0.5%	-
Intl	918	856	7.3%	2.3%	5.0%	3,538	3,470	2.0%	(0.2)%	2.2%
WW	2,438	2,315	5.3%	3.5%	1.8%	9,258	9,158	1.1%	0.3%	0.8%
<u>HIPS</u>										
US	284	272	4.3%	4.3%	-	1,080	1,057	2.1%	2.1%	-
Intl	154	146	5.5%	0.4%	5.1%	594	581	2.2%	0.1%	2.1%
WW	439	418	4.7%	2.9%	1.8%	1,674	1,638	2.1%	1.4%	0.7%
<u>KNEES</u>										
US	251	238	5.1%	5.1%	-	924	922	0.2%	0.2%	-
Intl	181	160	13.7%	9.2%	4.5%	663	623	6.5%	4.6%	1.9%
WW	432	398	8.6%	6.8%	1.8%	1,587	1,545	2.7%	2.0%	0.7%
<u>TRAUMA</u>										
US	543	514	5.6%	5.6%	-	2,058	2,013	2.2%	2.2%	-
Intl	270	250	7.9%	2.7%	5.2%	1,088	1,036	5.0%	2.7%	2.3%
WW	813	764	6.4%	4.7%	1.7%	3,146	3,049	3.2%	2.4%	0.8%
<u>SPINE, SPORTS & OTHER</u>										
US	442	434	1.9%	1.9%	-	1,658	1,696	(2.2)%	(2.2)%	-
Intl	312	300	4.2%	(0.7)%	4.9%	1,193	1,230	(3.0)%	(5.3)%	2.3%
WW	756	735	2.8%	0.8%	2.0%	2,852	2,926	(2.5)%	(3.5)%	1.0%

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	REPORTED SALES vs. PRIOR PERIOD (\$MM)						REPORTED SALES vs. PRIOR PERIOD (\$MM)					
	FOURTH QUARTER						TWELVE MONTHS					
	2025	2024	% Change	Reported	Operational	Currency	2025	2024	% Change	Reported	Operational	Currency
<u>SURGERY</u>												
US	\$ 1,081	1,038	4.2%	4.2%	-	-	\$ 4,157	4,003	3.9%	3.9%	-	-
Intl	1,563	1,469	6.4%	3.4%	3.0%	3.0%	5,980	5,842	2.4%	1.5%	0.9%	0.9%
WW	2,644	2,507	5.5%	3.7%	1.8%	1.8%	10,137	9,845	3.0%	2.5%	0.5%	0.5%
<u>ADVANCED</u>												
US	489	478	2.5%	2.5%	-	-	1,900	1,838	3.4%	3.4%	-	-
Intl	687	673	1.9%	(0.8)%	2.7%	2.7%	2,678	2,650	1.0%	0.1%	0.9%	0.9%
WW	1,175	1,151	2.2%	0.6%	1.6%	1.6%	4,577	4,488	2.0%	1.5%	0.5%	0.5%
<u>GENERAL</u>												
US	592	560	5.6%	5.6%	-	-	2,258	2,165	4.3%	4.3%	-	-
Intl	876	795	10.2%	6.9%	3.3%	3.3%	3,302	3,192	3.4%	2.7%	0.7%	0.7%
WW	1,468	1,357	8.3%	6.3%	2.0%	2.0%	5,560	5,358	3.8%	3.3%	0.5%	0.5%
<u>VISION</u>												
US	531	509	4.3%	4.3%	-	-	2,225	2,128	4.6%	4.6%	-	-
Intl	889	794	11.9%	8.5%	3.4%	3.4%	3,243	3,018	7.4%	5.9%	1.5%	1.5%
WW	1,420	1,303	8.9%	6.8%	2.1%	2.1%	5,468	5,146	6.3%	5.3%	1.0%	1.0%
<u>CONTACT LENSES / OTHER</u>												
US	417	396	5.3%	5.3%	-	-	1,754	1,684	4.1%	4.1%	-	-
Intl	592	541	9.3%	5.3%	4.0%	4.0%	2,157	2,049	5.3%	3.2%	2.1%	2.1%
WW	1,008	937	7.6%	5.3%	2.3%	2.3%	3,910	3,733	4.8%	3.6%	1.2%	1.2%
<u>SURGICAL</u>												

US	113	113	0.6%	0.6%	-	471	444	6.1%	6.1%	-
Intl	297	252	17.7%	15.3%	2.4%	1,086	969	12.1%	11.6%	0.5%
WW	411	365	12.4%	10.8%	1.6%	1,558	1,413	10.2%	9.9%	0.3%
TOTAL MEDTECH										
US	4,506	4,227	6.6%	6.6%	-	17,408	16,332	6.6%	6.6%	-
Intl	4,295	3,961	8.5%	4.9%	3.6%	16,384	15,525	5.5%	4.1%	1.4%
WW	\$ 8,801	\$ 8,188	7.5%	5.8%	1.7%	\$33,792	\$31,857	6.1%	5.4%	0.7%

Note: Columns and rows within tables may not add due to rounding. Percentages have been calculated using actual, non-rounded figures and, therefore, may not recalculate precisely

* Percentage greater than 100% or not meaningful

(1) Operational growth excludes the effect of translational currency

(2) Unaudited

(3) Includes the sales of RYBREVANT and RYBREVANT + LAZCLUZE

(4) Reported as U.S. sales

(5) Acquired with Intra-Cellular Therapies on April 2, 2025

Johnson & Johnson and Subsidiaries
GAAP to Non-GAAP Reconciliation
\$ in Millions

Quarter to Date

	Fourth Quarter Dec. 28, 2025 GAAP	Intangible asset amortization	Litigation related	In-process research and development impairments	Restructuring related	Acquisition, integration and divestiture related	(Loss)/gain on securities	Orthopaedics Separation Related	Tax legislation and other tax related	Other	Fourth Quarter Dec. 28, 2025 Non- GAAP
Innovative Medicine											
Cost of products sold	\$ 3,976	(704)				(11)					3,261
Selling, marketing and admin expenses	3,456										3,456
Research and development expense	3,466										3,466
Other segment items	(193)		16	(11)		(52)	101			4	(135)
Adjusted Income Before Tax by Segment	5,058	704	(16)	11	-	63	(101)	-	-	(4)	5,715
MedTech											
Cost of products sold	\$ 3,973	(482)				(56)					3,435
Selling, marketing and admin expenses	3,035										3,035
Research and development expense	786										786
Other segment items	806		(818)	(70)	(154)	290	(1)	(48)		5	10
Adjusted Income Before Tax by Segment	201	482	818	70	210	(290)	1	48	-	(5)	1,535
Expenses not allocated to segments											
	Fourth Quarter Dec. 28, 2025 GAAP	Intangible asset amortization	Litigation related	In-process research and development impairments	Restructuring related	Acquisition, integration and divestiture related	(Loss)/gain on securities	Orthopaedics Separation Related	Tax legislation and other tax related	Other	Fourth Quarter Dec. 28, 2025 Non- GAAP

Cost of products sold	\$	19											19
Selling, marketing and admin expenses		262											262
Research and development expense		-											-
Other segment items		12		(52)			(37)						(77)
Adjusted Income Before Tax by Segment		(293)	-	52	-	-	37	-	-	-	-	-	(204)
Johnson & Johnson Consolidated	Fourth Quarter Dec. 28, 2025 GAAP	Intangible asset amortization	Litigation related	In-process research and development impairments	Restructuring related	Acquisition, integration and divestiture related	(Loss)/gain on securities	Orthopaedics Separation Related	Tax legislation and other tax related	Other	Fourth Quarter Dec. 28, 2025 Non-GAAP		
Cost of products sold	\$ 7,968	(1,186)				(56)	(11)				6,715		
Selling, marketing and admin expenses	6,753										6,753		
Research and development expense	4,252										4,252		
Other (Income) / Expense	483		(854)			(70)	201	100	(48)	9	(179)		
In-process research and development impairments	81			(81)							-		
Interest (Income)/Expense	(23)										(23)		
Restructuring	84					(84)					-		
Adjusted Income Before Tax	4,966	1,186	854	81	210	(190)	(100)	48	-	(9)	7,046		
Provision for taxes on income	(150)	226	32	18	35	149	(23)	11	742	(3)	1,037		
Net Earnings	\$ 5,116	960	822	63	175	(339)	(77)	37	(742)	(6)	6,009		

Johnson & Johnson and Subsidiaries
GAAP to Non-GAAP Reconciliation
\$ in Millions

Quarter to Date

	Fourth Quarter Dec. 29, 2024 GAAP	Intangible asset amortization	Litigation related	In-process research and development impairments	Restructuring related	Acquisition, integration and divestiture related	(Loss)/gain on securities	Medical Device Regulation	COVID- 19 Vaccine Related Costs	Tax legislation and other tax related	Fourth Quarter Dec. 29, 2024 Non- GAAP
Innovative Medicine											
Cost of products sold	\$ 3,514	(685)									2,829
Selling, marketing and admin expenses	3,312										3,312
Research and development expense	3,698								(6)		3,692
Other segment items	(201)		41	(17)	(2)	(12)	50		(17)		(158)
Adjusted Income Before Tax by Segment	4,009	685	(41)	17	2	12	(50)	-	23	-	4,657

expenses	2,836							(4)			2,832
Research and development expense	1,600							(25)			1,575
Other segment items	84	(9)	29		(40)	(115)	18				(33)
Adjusted Income Before Tax by Segment	72	486	(29)	-	60	268	(18)	47	-	-	886
Expenses not allocated to segments	Fourth Quarter Dec. 29, 2024 GAAP	Intangible asset amortization	Litigation related	In-process research and development impairments	Restructuring related	Acquisition, integration and divestiture related	(Loss)/gain on securities	Medical Device Regulation	COVID-19 Vaccine Related Costs	Tax legislation and other tax related	Fourth Quarter Dec. 29, 2024 Non-GAAP
Cost of products sold	\$ 18										18
Selling, marketing and admin expenses	305										305
Research and development expense	-										-
Other segment items	(129)		(54)			(18)					(201)
Adjusted Income Before Tax by Segment	(194)	-	54	-	-	18	-	-	-	-	(122)
Johnson & Johnson Consolidated	Fourth Quarter Dec. 29, 2024 GAAP	Intangible asset amortization	Litigation related	In-process research and development impairments	Restructuring related	Acquisition, integration and divestiture related	(Loss)/gain on securities	Medical Device Regulation	COVID-19 Vaccine Related Costs	Tax legislation and other tax related	Fourth Quarter Dec. 29, 2024 Non-GAAP
Cost of products sold	\$ 7,128	(1,162)			(20)	(153)		(18)			5,775
Selling, marketing and admin expenses	6,453							(4)			6,449
Research and development expense	5,298							(25)	(6)		5,267
Other (Income) / Expense	(161)	(9)	16			(145)	68		(17)		(248)
In-process research and development impairments	17			(17)							-
Interest (Income)/Expense	(144)										(144)
Restructuring	42				(42)						-
Adjusted Income Before Tax	3,887	1,171	(16)	17	62	298	(68)	47	23	-	5,421
Provision for taxes on income	456	171	(158)	4	3	80	(34)	9	5	(61)	475
Net Earnings	\$ 3,431	1,000	142	13	59	218	(34)	38	18	61	4,946

Johnson & Johnson and Subsidiaries
GAAP to Non-GAAP Reconciliation
\$ in Millions

Year to Date

Innovative Medicine	Twelve Months Dec. 28, 2025 GAAP	Intangible asset amortization	Litigation related	In-process research and development impairments	Restructuring related	Acquisition, integration and divestiture related	(Loss)/gain on securities	Orthopaedics Separation Related	Tax legislation and other tax related	Other	Twelve Months Dec. 28, 2025 Non-GAAP
Cost of products sold	\$15,646	(2,706)				(35)					12,905
Selling, marketing and admin expenses	11,375										11,375
Research and development	-										-

expense	11,827										11,827
Other segment items	(713)		90	(11)		(327)	265			(10)	(706)
Adjusted Income Before Tax by Segment	22,266	2,706	(90)	11	-	362	(265)	-	-	10	25,000
	Twelve Months Dec. 28, 2025 GAAP	Intangible asset amortization	Litigation related	In-process research and development impairments	Restructuring related	Acquisition, integration and divestiture related	(Loss)/gain on securities	Orthopaedics Separation Related	Tax legislation and other tax related	Other	Twelve Months Dec. 28, 2025 Non-GAAP
MedTech											
Cost of products sold	\$14,549	(1,915)			(91)	(52)					12,491
Selling, marketing and admin expenses	11,354										11,354
Research and development expense	2,838					37					2,875
Other segment items	938		(896)	(70)	(421)	135	162	(48)		(10)	(210)
Adjusted Income Before Tax by Segment	4,113	1,915	896	70	512	(120)	(162)	48	-	10	7,282
	Twelve Months Dec. 28, 2025 GAAP	Intangible asset amortization	Litigation related	In-process research and development impairments	Restructuring related	Acquisition, integration and divestiture related	(Loss)/gain on securities	Orthopaedics Separation Related	Tax legislation and other tax related	Other	Twelve Months Dec. 28, 2025 Non-GAAP
Expenses not allocated to segments											
Cost of products sold	\$ 61										61
Selling, marketing and admin expenses	947										947
Research and development expense	-										-
Other segment items	(7,210)		6,846			(43)					(407)
Adjusted Income Before Tax by Segment	6,202	-	(6,846)	-	-	43	-	-	-	-	(601)
	Twelve Months Dec. 28, 2025 GAAP	Intangible asset amortization	Litigation related	In-process research and development impairments	Restructuring related	Acquisition, integration and divestiture related	(Loss)/gain on securities	Orthopaedics Separation Related	Tax legislation and other tax related	Other	Twelve Months Dec. 28, 2025 Non-GAAP
Johnson & Johnson Consolidated											
Cost of products sold	\$30,256	(4,621)			(91)	(87)					25,457
Selling, marketing and admin expenses	23,676										23,676
Research and development expense	14,665					37					14,702
Other (Income) / Expense	(7,209)		6,040		(193)	(235)	427	(48)		(20)	(1,238)
In-process research and development impairments	81			(81)							-
Interest (Income)/Expense	(85)										(85)
Restructuring	228				(228)						-
Adjusted Income Before Tax	32,581	4,621	(6,040)	81	512	285	(427)	48	-	20	31,681
Provision for taxes on income	5,777	829	(1,509)	18	93	267	(96)	11	70	6	5,466
Net Earnings	\$26,804	3,792	(4,531)	63	419	18	(331)	37	(70)	14	26,215

Johnson & Johnson and Subsidiaries
GAAP to Non-GAAP Reconciliation
\$ in Millions

Year to Date

	Twelve Months Dec. 29, 2024 GAAP	Intangible asset amortization	Litigation related	In-process research and development impairments	Restructuring related	Acquisition, integration and divestiture related	(Loss)/gain on securities	Medical Device Regulation	COVID- 19 Vaccine Related Costs	Tax legislation and other tax related	Twelve Months Dec. 29, 2024 Non- GAAP
Innovative Medicine											
Cost of products sold	\$14,036	(2,772)							(8)		11,256
Selling, marketing and admin expenses	10,906										10,906
Research and development expense	13,529								(25)		13,504
Other segment items	(426)		(358)	(211)	(102)	(66)	76		(67)		(1,154)
Adjusted Income Before Tax by Segment	18,919	2,772	358	211	102	66	(76)	-	100	-	22,452
MedTech											
Cost of products sold	\$13,345	(1,745)			(35)	(359)		(84)			11,122
Selling, marketing and admin expenses	10,812							(16)			10,796
Research and development expense	3,703					(69)		(104)			3,530
Other segment items	257	(9)	14		(132)	(587)	(30)				(487)
Adjusted Income Before Tax by Segment	3,740	1,754	(14)	-	167	1,015	30	204	-	-	6,896
Expenses not allocated to segments											
Cost of products sold	\$ 90										90
Selling, marketing and admin expenses	1,151										1,151
Research and development expense	-										-
Other segment items	4,731		(5,106)			(145)	(352)				(872)
Adjusted Income Before Tax by Segment	(5,972)	-	5,106	-	-	145	352	-	-	-	(369)
Johnson & Johnson Consolidated											
Cost of products sold	\$27,471	(4,517)			(35)	(359)		(84)	(8)		22,468
Selling, marketing and admin expenses	22,869							(16)			22,853
Research and development expense	17,232					(69)		(104)	(25)		17,034
Other (Income) /											

Expense	4,694	(9)	(5,450)			(798)	(306)		(67)		(1,936)
In-process research and development impairments	211			(211)							-
Interest	(577)										(577)
(Income)/Expense	234				(234)						-
Restructuring	16,687	4,526	5,450	211	269	1,226	306	204	100	-	28,979
Adjusted Income Before Tax	2,621	644	1,066	47	45	302	(29)	38	22	(19)	4,737
Provision for taxes on income	\$14,066	3,882	4,384	164	224	924	335	166	78	19	24,242
Net Earnings											

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Source: Johnson & Johnson