

Consolidated Statements of Earnings

Johnson & Johnson and Subsidiaries

(Dollars in Millions Except Per Share Figures) (Note 1)

	2009	2008	2007
Sales to customers	\$61,897	63,747	61,095
Cost of products sold	18,447	18,511	17,751
Gross profit	43,450	45,236	43,344
Selling, marketing and administrative expenses	19,801	21,490	20,451
Research expense	6,986	7,577	7,680
Purchased in-process research and development (Note 20)	—	181	807
Interest income	(90)	(361)	(452)
Interest expense, net of portion capitalized (Note 4)	451	435	296
Other (income) expense, net	(526)	(1,015)	534
Restructuring (Note 22)	1,073	—	745
Earnings before provision for taxes on income	15,755	16,929	13,283
Provision for taxes on income (Note 8)	3,489	3,980	2,707
Net earnings	\$12,266	12,949	10,576
Basic net earnings per share (Notes 1 and 15)	\$ 4.45	4.62	3.67
Diluted net earnings per share (Notes 1 and 15)	\$ 4.40	4.57	3.63
Cash dividends per share	\$ 1.930	1.795	1.620
Basic average shares outstanding (Notes 1 and 15)	2,759.5	2,802.5	2,882.9
Diluted average shares outstanding (Notes 1 and 15)	2,789.1	2,835.6	2,910.7

See Notes to Consolidated Financial Statements