

Summary of Operations and Statistical Data 2000-2010

(Dollars in Millions Except Per Share Figures)

| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Sales to customer — U.S. | \$29,450 | 30,889 | 32,309 | 32,444 | 29,775 | 28,377 | 27,770 | 25,274 | 22,455 | 19,825 | 17,316 |
| Sales to customer — International | 32,137 | 31,008 | 31,438 | 28,651 | 23,549 | 22,137 | 19,578 | 16,588 | 13,843 | 12,492 | 11,856 |
| Total sales | 61,587 | 61,897 | 63,747 | 61,095 | 53,324 | 50,514 | 47,348 | 41,862 | 36,298 | 32,317 | 29,172 |
| Cost of products sold | 18,792 | 18,447 | 18,511 | 17,751 | 15,057 | 14,010 | 13,474 | 12,231 | 10,498 | 9,622 | 8,987 |
| Selling, marketing and administrative expenses | 19,424 | 19,801 | 21,490 | 20,451 | 17,433 | 17,211 | 16,174 | 14,463 | 12,520 | 11,510 | 10,675 |
| Research and development expense | 6,844 | 6,986 | 7,577 | 7,680 | 7,125 | 6,462 | 5,344 | 4,834 | 4,094 | 3,704 | 3,186 |
| Purchased in-process research and development | — | — | 181 | 807 | 559 | 362 | 18 | 918 | 189 | 105 | 66 |
| Interest income | (107) | (90) | (361) | (452) | (829) | (487) | (195) | (177) | (256) | (456) | (429) |
| Interest expense, net of portion capitalized | 455 | 451 | 435 | 296 | 63 | 54 | 187 | 207 | 160 | 153 | 204 |
| Other (income) expense, net | (768) | (526) | (1,015) | 534 | (671) | (214) | 15 | (385) | 294 | 185 | (94) |
| Restructuring | — | 1,073 | — | 745 | — | — | — | — | — | — | — |
| | 44,640 | 46,142 | 46,818 | 47,812 | 38,737 | 37,398 | 35,017 | 32,091 | 27,499 | 24,823 | 22,595 |
| Earnings before provision for taxes on income | 16,947 | 15,755 | 16,929 | 13,283 | 14,587 | 13,116 | 12,331 | 9,771 | 8,799 | 7,494 | 6,577 |
| Provision for taxes on income | 3,613 | 3,489 | 3,980 | 2,707 | 3,534 | 3,056 | 4,151 | 2,923 | 2,522 | 2,089 | 1,813 |
| Net earnings | 13,334 | 12,266 | 12,949 | 10,576 | 11,053 | 10,060 | 8,180 | 6,848 | 6,277 | 5,405 | 4,764 |
| Percent of sales to customers | 21.7 | 19.8 | 20.3 | 17.3 | 20.7 | 19.9 | 17.3 | 16.4 | 17.3 | 16.7 | 16.3 |
| Diluted net earnings per share of common stock | \$ 4.78 | 4.40 | 4.57 | 3.63 | 3.73 | 3.35 | 2.74 | 2.29 | 2.06 | 1.75 | 1.55 |
| Percent return on average shareholders' equity | 24.9 | 26.4 | 30.2 | 25.6 | 28.3 | 28.2 | 27.3 | 27.1 | 26.4 | 24.0 | 25.3 |
| Percent increase (decrease) over previous year: | | | | | | | | | | | |
| Sales to customers | (0.5) | (2.9) | 4.3 | 14.6 | 5.6 | 6.7 | 13.1 | 15.3 | 12.3 | 10.8 | 6.6 |
| Diluted net earnings per share | 8.6 | (3.7) | 25.9 | (2.7) | 11.3 | 22.3 | 19.7 | 11.2 | 17.7 | 12.9 | 15.7 |
| Supplementary expense data: | | | | | | | | | | | |
| Cost of materials and services | \$27,586 | 27,651 | 29,346 | 27,967 | 22,912 | 22,328 | 21,053 | 18,568 | 16,540 | 15,333 | 14,113 |
| Total employment costs | 13,934 | 14,587 | 14,523 | 14,571 | 13,444 | 12,364 | 11,581 | 10,542 | 8,942 | 8,153 | 7,376 |
| Depreciation and amortization | 2,939 | 2,774 | 2,832 | 2,777 | 2,177 | 2,093 | 2,124 | 1,869 | 1,662 | 1,605 | 1,592 |
| Maintenance and repairs ⁽¹⁾ | 657 | 567 | 583 | 483 | 506 | 510 | 462 | 395 | 360 | 372 | 327 |
| Total tax expense ⁽²⁾ | 5,070 | 5,052 | 5,558 | 4,177 | 4,857 | 4,285 | 5,215 | 3,890 | 3,325 | 2,854 | 2,517 |
| Supplementary balance sheet data: | | | | | | | | | | | |
| Property, plant and equipment, net | 14,553 | 14,759 | 14,365 | 14,185 | 13,044 | 10,830 | 10,436 | 9,846 | 8,710 | 7,719 | 7,409 |
| Additions to property, plant and equipment | 2,384 | 2,365 | 3,066 | 2,942 | 2,666 | 2,632 | 2,175 | 2,262 | 2,099 | 1,731 | 1,689 |
| Total assets | 102,908 | 94,682 | 84,912 | 80,954 | 70,556 | 58,864 | 54,039 | 48,858 | 40,984 | 38,771 | 34,435 |
| Long-term debt | 9,156 | 8,223 | 8,120 | 7,074 | 2,014 | 2,017 | 2,565 | 2,955 | 2,022 | 2,217 | 3,163 |
| Operating cash flow | 16,385 | 16,571 | 14,972 | 15,022 | 14,248 | 11,799 | 11,089 | 10,571 | 8,135 | 8,781 | 6,889 |
| Common stock information | | | | | | | | | | | |
| Dividends paid per share | \$ 2.110 | 1.930 | 1.795 | 1.620 | 1.455 | 1.275 | 1.095 | 0.925 | 0.795 | 0.700 | 0.620 |
| Shareholders' equity per share | \$ 20.66 | 18.37 | 15.35 | 15.25 | 13.59 | 13.01 | 10.95 | 9.25 | 7.79 | 8.05 | 6.82 |
| Market price per share (year-end close) | \$ 61.85 | 64.41 | 58.56 | 67.38 | 66.02 | 60.10 | 63.42 | 50.62 | 53.11 | 59.86 | 52.53 |
| Average shares outstanding (millions) — basic | 2,751.4 | 2,759.5 | 2,802.5 | 2,882.9 | 2,936.4 | 2,973.9 | 2,968.4 | 2,968.1 | 2,998.3 | 3,033.8 | 2,993.5 |
| — diluted | 2,788.8 | 2,789.1 | 2,835.6 | 2,910.7 | 2,961.0 | 3,002.8 | 2,992.7 | 2,995.1 | 3,049.1 | 3,089.3 | 3,075.2 |
| Employees (thousands) | 114.0 | 115.5 | 118.7 | 119.2 | 122.2 | 115.6 | 109.9 | 110.6 | 108.3 | 101.8 | 100.9 |

⁽¹⁾ Also included in cost of materials and services category.

⁽²⁾ Includes taxes on income, payroll, property and other business taxes.