JOHNSON & JOHNSON
NYSE-JNJ

<table>
<thead>
<tr>
<th>Quarter</th>
<th>RECENT PRICE</th>
<th>PRICE RATIO</th>
<th>TRAILING:25a (Medium: 16a)</th>
<th>RELATIVE PRICE RATIO</th>
<th>DIVID YIELD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar.17</td>
<td>139.97</td>
<td>20.6</td>
<td>12.3 (16.3)</td>
<td>1.85</td>
<td>2.8%</td>
</tr>
<tr>
<td>Mar.18</td>
<td>139.97</td>
<td>20.6</td>
<td>12.3 (16.3)</td>
<td>1.85</td>
<td>2.8%</td>
</tr>
<tr>
<td>Mar.19</td>
<td>142.4</td>
<td>22.0</td>
<td>13.6 (17.6)</td>
<td>1.95</td>
<td>2.8%</td>
</tr>
<tr>
<td>Mar.20</td>
<td>142.4</td>
<td>22.0</td>
<td>13.6 (17.6)</td>
<td>1.95</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

2022-24 PROJECTIONS

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Price/Growth Option</th>
<th>Relative Price Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2022</td>
<td>(Low) $110,000</td>
<td>(High) $120,000</td>
</tr>
<tr>
<td>FY 2023</td>
<td>(Low) $105,000</td>
<td>(High) $115,000</td>
</tr>
<tr>
<td>FY 2024</td>
<td>(Low) $100,000</td>
<td>(High) $110,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>High: 72.8%</th>
<th>Low: 55.9%</th>
<th>Price: 66.2%</th>
<th>Relative: 80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>72.8</td>
<td>55.9</td>
<td>66.2</td>
<td>80</td>
</tr>
<tr>
<td>2021</td>
<td>72.8</td>
<td>55.9</td>
<td>66.2</td>
<td>80</td>
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<td>72.8</td>
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<td>66.2</td>
<td>80</td>
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</table>

Institutional Decisions

<table>
<thead>
<tr>
<th>Year</th>
<th>Year</th>
<th>Year</th>
<th>Year</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>2004</td>
<td>2005</td>
<td>2006</td>
<td>2007</td>
</tr>
<tr>
<td>% of shares</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>traded</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
</tr>
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<td></td>
<td>5%</td>
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<td>5%</td>
</tr>
</tbody>
</table>

BUSINESS: Johnson & Johnson is engaged in the research & development, manufacture, and sale of a broad range of products in the healthcare field. Has three business segments: Consumer (baby care, skin care, oral care, wound care, etc.), Pharmaceutical (antiinfective, antipsychotic, contraceptive, dermatology, gastro-intestinal, ophthalmic, etc.), and Medical (gastrointestinal, cardiovascular, etc.).

Talc-related litigation ought to remain an overhang. Management has forcefully denied a news article claiming that asbestos was included in its talc products, which are being hurt by competition from new generic drugs and biosimilars. Talc-related litigation ought to remain an overhang.

○ John J & Johnson posted a solid operational performance in the first quarter. Although the company’s sales were flat and net income declined, after eliminating the effects of a strong U.S. dollar and adjusting for divestitures and acquisitions, the top line rose a healthy 5.5%, on a year-over-year basis. Most of the success can be attributed to improvement in international operations as well as strong performance in the medical devices segment.

We are lowering our share earnings estimate for 2019, by $0.20. In the March interim, JNJ raised its dividend for the 55th consecutive year and also had to absorb extra costs due to talc-related litigation. On a GAAP basis, the company’s share earnings may now reach only $6.80 in 2019. With more than half of total revenues being derived from the sale of pharmaceuticals, profit margins and comparisons should start appearing more favorable. (Our assumption is that unusual charges will be manageable.) Leading the way in this sector should be STELARA (inflammatory diseases), IMBRUVICA (chronic lymphocytic leukemia, or "CLL"), and VELCADE (multiple myeloma), cirrhotic liver disease management, orthopedic joint reconstruction, etc. Congress approved about $135,100. Officers & directors less than 1% of common stock; Vanguard Group, 8.2%; BlackRock, 6.9% State Street, 5.7%. (3/19 Proxy). Chairman & CEO: Alex Gorsky.

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