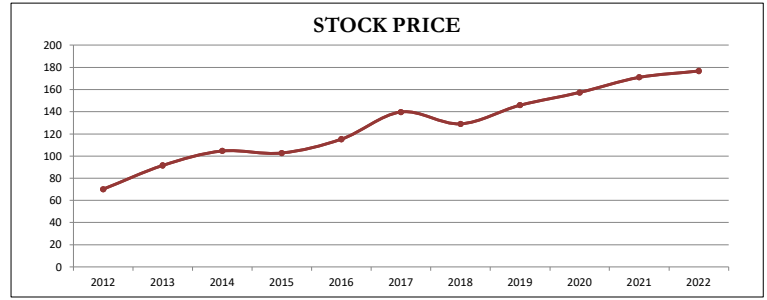
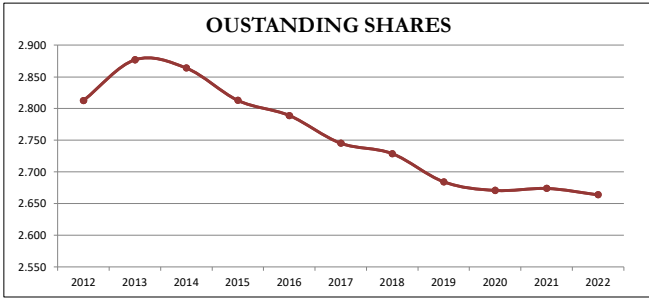


# JOHNSON & JOHNSON

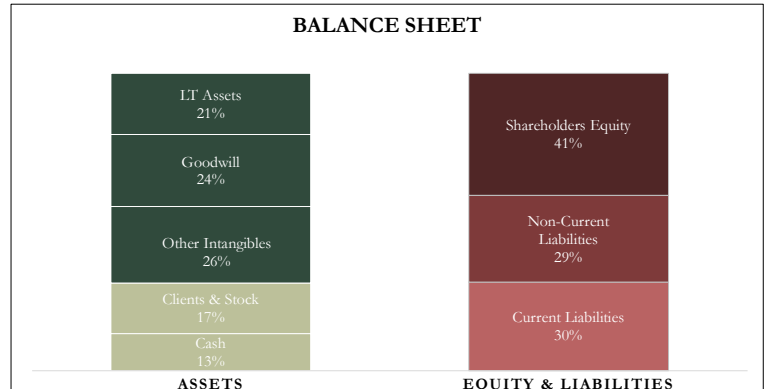
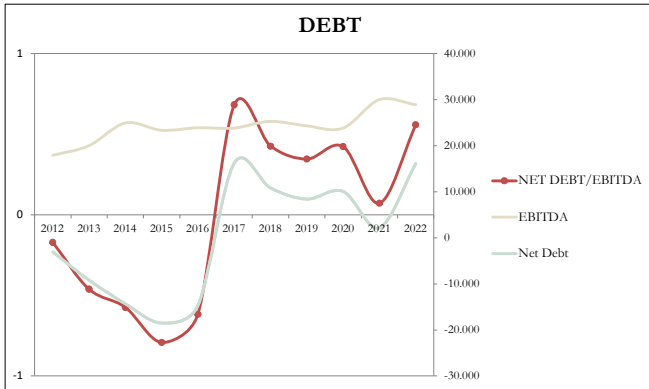
Report Date: 04/03/2023  
 Fical Year End Date: 31 December



2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(Fiscal Year End date)
2,813	2,877	2,864	2,813	2,789	2,745	2,729	2,684	2,671	2,674	2,664	2,664	Ousting Shares (Millions) Δ Ousting Shares vs Last Year CAGR
	2.29%	-0.46%	-1.78%	-0.85%	-1.56%	-0.60%	-1.63%	-0.51%	0.12%	-0.38%	-0.54%	
70.10	91.59	104.57	102.72	115.21	139.72	129.05	145.87	157.38	171.07	176.65	155.00	Share Price (\$)
197.163	263.504	299.478	288.941	321.309	383.573	352.139	391.559	420.315	457.441	470.578	412.905	Market Cap. (\$ Millions)

## SHARE REPURCHASE - SCORE

Share Repurchase 4



2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(\$ Millions)
46,116	56,407	59,311	60,210	65,032	43,088	46,033	45,274	51,237	60,979	55,294		SHORT TERM ASSETS
21,089	29,206	33,089	38,376	41,907	18,296	19,687	19,287	25,185	31,608	23,519		Cash
7,495	7,878	8,184	8,053	8,144	8,765	8,599	9,020	9,344	10,387	12,483		Stock & Clients
17,532	19,323	18,038	13,781	14,981	16,027	17,747	16,967	16,708	18,984	19,292		Other Short Term Assets
75,231	76,276	71,808	73,201	76,176	114,215	112,454	123,491	121,039	132,084	132,084		LONG TERM ASSETS
22,424	22,798	21,832	21,629	22,805	31,905	30,453	33,639	36,393	35,246	45,231		Goodwill
28,752	27,947	27,222	25,764	26,876	53,228	47,611	47,643	53,402	46,392	48,325		Other Intangibles
42%	38%	37%	36%	35%	54%	52%	51%	52%	45%	50%		% INTANGIBLES / TOTAL ASSETS
121,347	132,683	131,119	133,411	141,208	157,303	152,954	157,728	174,728	182,018	187,378		TOTAL ASSETS
24,262	25,675	25,085	27,747	26,287	30,537	31,230	35,964	42,493	45,226	55,802		CURRENT LIABILITIES
4,676	4,852	3,638	7,004	4,684	3,906	2,796	1,202	2,631	3,766	12,771		Short Term Debt
19,586	20,823	21,447	20,743	21,603	26,631	28,434	34,762	39,862	41,460	43,031		Other Current Liabilities
32,259	32,955	36,282	34,514	44,503	66,606	61,972	62,293	68,957	62,769	54,772		NON-CURRENT LIABILITIES
13,328	15,122	15,122	12,857	22,442	30,675	27,684	26,494	32,635	29,985	26,888		Long Term Debt
56,521	58,630	61,367	62,261	70,790	97,143	93,202	98,257	111,450	107,995	110,574		TOTAL LIABILITIES
64,826	74,053	69,752	71,150	70,418	60,160	59,752	59,471	63,278	74,023	76,804		TOTAL EQUITY
85,992	89,493	97,245	103,879	110,551	101,793	106,216	110,959	113,890	123,060	128,545		Retained Earnings
1,204	193	38	220	77	1,786	-	-	-	-	-		Minority Interests
53%	56%	53%	53%	50%	38%	39%	38%	36%	41%	41%		FINANCIAL AUTONOMY
1,90	2,20	2,36	2,17	2,47	1,41	1,47	1,26	1,21	1,35	0,99		LIQUIDITY RATIO
0,87	1,14	1,32	1,38	1,59	0,60	0,63	0,59	0,59	0,70	0,42		CASH RATIO
-3,085	-9,232	-14,329	-18,515	-14,781	16,285	10,793	8,409	10,081	2,143	16,140		Net Debt
47%	44%	47%	47%	50%	62%	62%	61%	64%	59%	59%		Debt Ratio
43%	44%	41%	45%	37%	31%	34%	37%	38%	42%	50%		Debt Quality
-0,17	-0,46	-0,57	-0,79	-0,62	0,68	0,43	0,35	0,42	0,07	0,56		NET DEBT/EBITDA

## BALANCE SHEET - SCORE

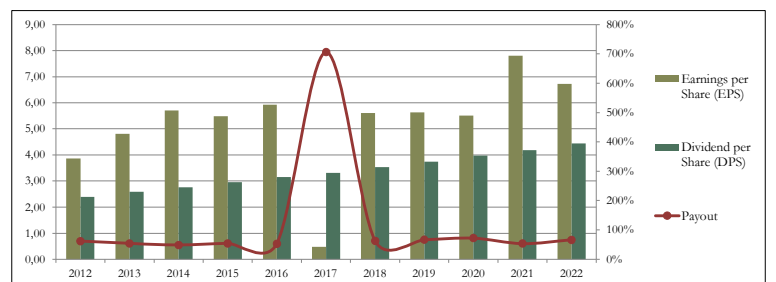
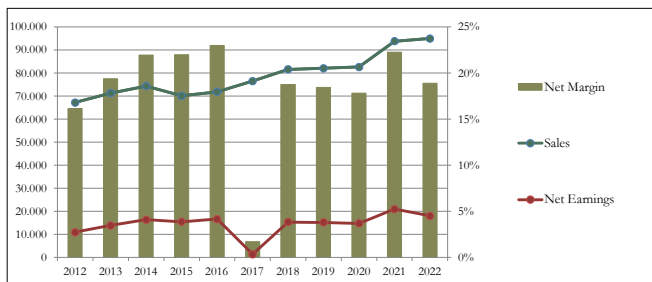
Intangibles	<u>3</u>
Debt	<u>4</u>
Liquidity	<u>0</u>
Retained Earnings	<u>4</u>
Financial Autonomy	<u>4</u>

## INCOME STATEMENT

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(\$ Millions)
67.224	71.312	74.331	70.074	71.890	76.450	81.581	82.059	82.584	93.775	94.943		Sales
	6,1%	4,2%	-5,7%	2,6%	6,3%	6,7%	0,6%	0,6%	13,6%	1,2%		Δ Sales vs Last Year
											3,51%	CAGR
17.909	19.983	24.944	23.366	23.915	23.864	25.322	24.298	23.818	30.033	28.909	34.000	EBITDA
14.243	15.879	21.049	19.620	20.161	18.222	18.393	17.289	16.587	22.643	21.939		EBIT
13.775	15.471	20.563	19.196	19.803	17.673	17.999	17.328	16.497	22.776	21.725		EBT
10.853	13.831	16.323	15.409	16.540	1.300	15.297	15.119	14.714	20.878	17.941		Net Earnings
21%	22%	28%	28%	28%	24%	23%	21%	20%	24%	23%		Operating Margin
16%	19%	22%	22%	23%	2%	19%	18%	18%	22%	19%		Net Margin
9%	10%	12%	12%	12%	1%	10%	10%	8%	11%	10%		ROA
17%	19%	23%	22%	23%	2%	25%	25%	23%	28%	23%		ROE
23%	24%	38%	37%	36%	24%	26%	25%	23%	30%	24%		ROCE

## INCOME STATEMENT - SCORE

Sales	3
Net Margin	5
ROE/ROCE/ROA	4



## DIVIDEND

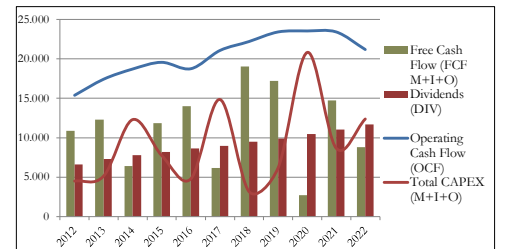
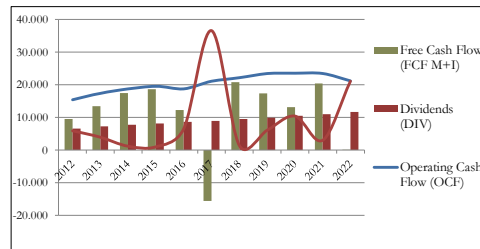
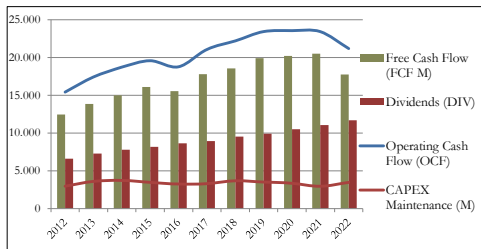
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(\$ Millions)
3,86	4,81	5,70	5,48	5,93	0,47	5,61	5,63	5,51	7,81	6,73	9,34	Earnings per Share (EPS)
	24,6%	18,5%	-3,9%	8,2%	-92,1%	1093,6%	0,4%	-2,1%	41,7%	-13,8%		Δ EPS vs Last Year
											5,72%	CAGR
2,40	2,59	2,76	2,95	3,15	3,32	3,54	3,75	3,98	4,19	4,45		Dividend per Share (DPS)
	7,92%	6,56%	6,88%	6,78%	5,40%	6,63%	5,93%	6,13%	5,28%	6,21%		Δ DPS vs Last Year
62%	54%	48%	54%	53%	706%	63%	67%	72%	54%	66%		Payout
3,42%	2,83%	2,64%	2,87%	2,73%	2,38%	2,74%	2,57%	2,53%	2,45%	2,52%		Dividend Yield

3,91%	Expected Dividend Yield in 5Y
5,32%	Expected Dividend Yield in 10Y
6,37%	CAGR

## DIVIDEND - SCORE

Dividend	0
Growth	1
Payout	3

## CASH FLOW

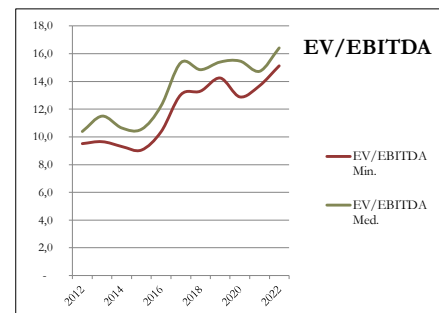
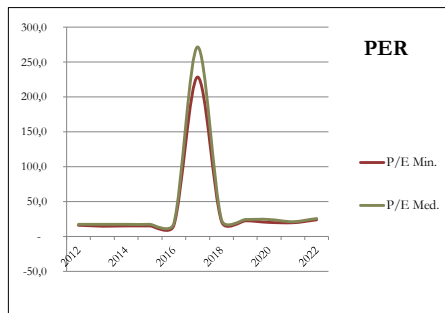
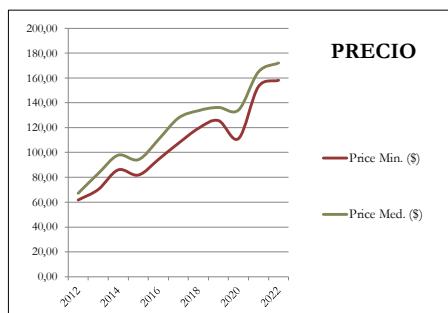


2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	(\$ Millions)
15.396	17.414	18.710	19.569	18.767	21.056	22.201	23.416	23.536	23.410	21.194		Operating Cash Flow (OCF)
2.934	3.595	3.714	3.463	3.226	3.279	3.670	3.498	3.347	2.941	3.466		CAPEX Maintenance (M)
5.911	3.972	1.212	953	6.468	36.598	1.366	6.043	10.365	3.001	21.118		CAPEX Maintenance + Investment (M+I)
4.510	5.103	12.305	7.735	4.761	14.868	3.167	6.194	20.825	8.683	12.371		Total CAPEX (M+I+O)
12.462	13.819	14.996	16.106	15.541	17.777	18.531	19.918	20.189	20.469	17.728		Free Cash Flow (FCF M)
9.485	13.442	17.498	18.616	12.299	-15.542	20.835	17.373	13.171	20.409	76		Free Cash Flow (FCF M+I)
10.886	12.311	6.405	11.834	14.006	6.188	19.034	17.222	2.711	14.727	8.823		Free Cash Flow (FCF M+I+O)
6.614	7.286	7.768	8.173	8.621	8.943	9.494	9.917	10.481	11.032	11.682		Dividends (DIV)
3.666	4.104	3.895	3.746	3.754	5.642	6.929	7.009	7.231	7.390	6.970		Depreciation / Amortization

## CASH FLOW - SCORE

Cash Flow	3
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## ANALYSIS - VALUATION



2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2025 (e)	
18,2	19,0	18,3	18,7	19,4	297,3	23,0	25,9	28,6	21,9	26,2		P/E (Fiscal Year End date)
10,8	12,7	11,4	11,6	12,8	16,8	14,3	16,5	18,1	15,3	16,8		EV/EBITDA (Fiscal Year End date)
72,74	95,99	109,49	106,50	126,07	147,80	148,14	146,84	157,38	176,47	186,01		Price Max. (\$)
61,71	70,50	86,09	81,79	94,28	107,40	119,40	125,72	111,14	153,03	158,14		Price Min. (\$)
67,23	83,15	97,79	94,15	110,18	127,60	133,77	136,28	134,26	164,75	172,08		Price Med. (\$)
17,4	17,3	17,2	17,2	18,6	271,5	23,8	24,2	24,4	21,1	25,6		P/E Med.
16,0	14,6	15,1	14,9	15,9	228,5	21,3	22,3	20,2	19,6	23,5		P/E Min.
170.481	193.021	232.224	211.552	248.156	311.130	336.600	345.879	306.903	411.345	437.409		EV Min.
185.992	229.976	265.732	246.305	292.486	366.585	375.811	374.225	368.649	442.685	474.531		EV Med.
9,5	9,7	9,3	9,1	10,4	13,0	13,3	14,2	12,9	13,7	15,1		EV/EBITDA Min.
10,4	11,5	10,7	10,5	12,2	15,4	14,8	15,4	15,5	14,7	16,4		EV/EBITDA Med.
2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
19.576	21.142	22.833	24.660	26.633	28.764	31.065	33.550	36.234	39.133	42.263		FCF Forecast (\$)
	19.220	18.871	18.528	18.191	17.860	17.535	17.216	16.903	16.596	16.294	16.783	FCF Discounted (\$)

### PRICE MULTIPLES VALUATION

By <b>PER Med.</b>	\$222,44
By <b>EV/EBITDA Med.</b>	\$190,18
By <b>Closer Support</b>	\$162,00
By <b>PER Min.</b>	\$199,64
By <b>EV/EBITDA Min.</b>	\$170,69
By <b>Farther Support</b>	\$155,00

### PRICES (DISCOUNTED CASH FLOW)

CAGR 10Y	8%	
Perpetual CAGR	3%	
Discount	10%	
<b>Target Price</b>	<b>\$159,23</b>	
Security Margin	15%	<b>\$135,34</b>
Security Margin	30%	<b>\$111,46</b>

### PRICE RANGE

<b>1° TARGET PRICE</b>	<b>\$177</b>
<b>2° TARGET PRICE</b>	<b>\$159</b>

These prices are calculated based on an average between Discounted Cash Flows and Historical Prices. For discounts, we estimate a free cash flow based on the average of the last 4 years, while the multiples are generated from the average and minimum PER and EV/EBITDA ratios from 2017.

### TOTAL SCORE

#### FINANCIAL HEALTH

Intangibles	3
Debt	4
Liquidity	0
Retained Earnings	4
Financial Autonomy	4

#### PROFITABILITY

Sales	3
Net Margin	5
Ratios	4
Adjustment	5

#### DIVIDEND

Dividend	0
Growth	1
Payout	3
Repurchase	4
Cash Flow	3

### CONCLUSION

Should have scored more in Liquidity, Ratios, Retained Earnings, Cash Flow...

**DIVIDEND ST. - FINAL SCORE** **3,07**