








Johnson & Johnson

JNJ NYSE

Pharmaceuticals - Diversified

Market Capitalization USD: **\$174,533.15 mm**

CONCERN LEVEL: HIGH

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance. 
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group. 
- 7 The company's dilution from equity incentives is 10 percent or less. 
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket. 

CEO: William C. Weldon

Age: 63 CEO Since: 2002

	2009	2010	2011
Base Salary	\$1,802,500	\$1,851,154	\$1,907,215
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$12,831,146	\$12,043,200	\$14,336,394
Benefits and Perquisites	\$196,587	\$254,436	\$321,153
TOTAL ANNUAL COMPENSATION	\$14,830,233	\$14,148,790	\$16,564,762
Increase in Post-Retirement Benefits	\$7,983,010	\$7,084,673	\$3,435,000
Stock Option Awards	\$5,238,069	\$4,713,177	\$4,189,483
Stock Awards	\$2,762,532	\$2,773,851	\$2,608,694
TOTAL COMPENSATION	\$30,813,844	\$28,720,491	\$26,797,939
Median of Other Named Executive Officers Total Compensation	\$6,987,169	\$7,434,992	\$7,746,969
Value Realized on Exercise of Stock Option	\$1,297,556	\$1,828,382	\$5,183,089
Value Realized on Vesting of Stock	\$2,161,160	\$2,383,411	\$2,635,589
TOTAL REALIZED EQUITY COMPENSATION	\$3,458,716	\$4,211,793	\$7,818,678

Proxy Date: 14 Mar 2012

Annual Meeting Date: 26 Apr 2012

Equity Reserves: 35.16%

Stock Option Run Rate: 0.55%

Johnson & Johnson

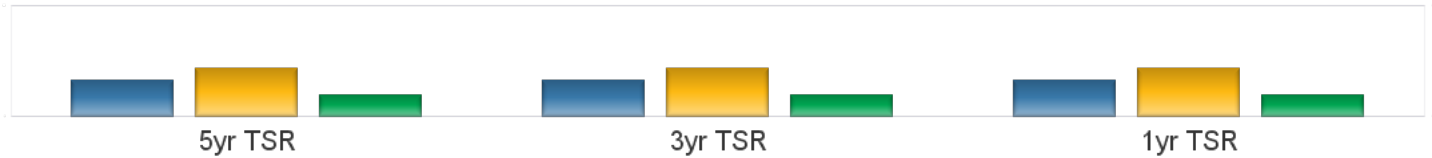
JNJ NYSE

Pharmaceuticals - Diversified

Market Capitalization USD: \$174,533.15 mm

Performance Comparison

■ vs S&P500 ■ vs Industry ■ JNJ



Peer Comparisons (TRBC) =Pharmaceuticals - Diversified

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
JNJ	Johnson & Johnson	\$30,813,844	\$28,720,491	\$26,797,939	\$174,533,153,520
PFE	Pfizer Inc.	\$14,898,038	\$24,688,849	\$25,013,348	\$137,941,598,570
MRK	Merck & Co., Inc.	\$49,653,063	\$24,572,871		\$100,742,061,638
ABT	Abbott Laboratories	\$26,213,996	\$25,564,283	\$24,010,902	\$79,143,333,507

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

3M Company (MMM), Abbott Laboratories (ABT), The Boeing Company (BA), Bristol-Myers Squibb Company (BMY), Cisco Systems, Inc. (CSCO), The Coca-Cola Company (KO), Eli Lilly & Co. (LLY), General Electric Company (GE), Hewlett-Packard Company (HPQ), Honeywell International Inc. (HON), Intel Corporation (INTC), International Business Machines Corporation (IBM), Merck & Co., Inc. (MRK), PepsiCo, Inc. (PEP), Pfizer Inc. (PFE), The Procter & Gamble Company (PG), United Technologies Corporation (UTX)

Performance Peer Group

Abbott Laboratories, Amgen Inc., AstraZeneca PLC, Bristol-Myers Squibb Company, Eli Lilly and Company, GlaxoSmithKline plc, Merck & Co., Inc., Novartis AG, Pfizer Inc., Roche Holding AG, Sanofi SA, Abbott Laboratories (Vascular & Diagnostics), Allergan, Inc. (Obesity and Aesthetics), Bayer AG (Diagnostics), Boston Scientific Corporation, C. R. Bard, Inc., Covidien plc, Edwards Lifesciences Corporation, Medtronic, Inc., The Cooper Companies, Inc. (CooperVision), Roche Holdings AG (Diagnostics), Smith & Nephew plc, St. Jude Medical, Inc., Stryker Corporation, Synthes, Inc., Zimmer Holdings Inc., Beiersdorf AG, Colgate-Palmolive Company, GlaxoSmithKline plc (Consumer Healthcare), Kimberly-Clark Corporation, The L'Oréal Group, Novartis AG (Consumer Healthcare), The Procter & Gamble Company, Merck & Co., Inc. (Consumer Care), Pfizer Inc. (Consumer Healthcare).

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Charles O. Prince	Chairman	62	Male	6	Outside
Anne M. Mulcahv	Member	59	Female	3	Outside
Michael M.E. Johns	Member	70	Male	7	Outside
Ronald A. Williams	Member	62	Male	1	Outside
William D. Perez	Member	64	Male	5	Outside

This report is for informational purposes only, and should not be considered a solicitation to buy or sell any security. Thomson Reuters Business Classification (TRBC) is a global industry classification system that is owned and operated by Thomson Reuters and has been licensed for use by GMI Ratings.

COPYRIGHT 2012 | GMI Ratings | ALL RIGHTS RESERVED