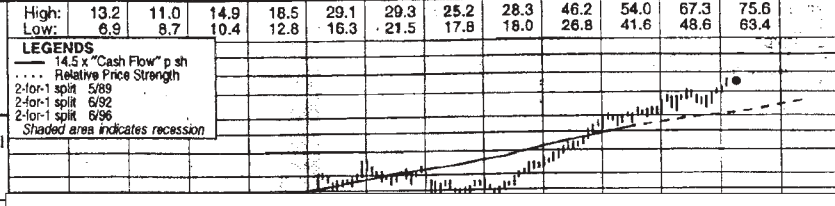


Value Line Reports, Johnson & Johnson, March 1998

JOHNSON & JOHNSON NYSE-JNJ **RECENT PRICE 73** **P/E RATIO 27.3** (Trailing: 29.6 Median: 17.0) **RELATIVE P/E RATIO 1.48** **DIVID YLD 1.4%** **VALUE LINE 222**

TIMELINESS 3 Lowered 6/1/97
SAFETY 1 New 7/27/90
TECHNICAL 4 Lowered 1/23/98
BETA 1.10 (1.00 = Market)
2001-03 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	100	(+35%)	10%
Low	85	(+15%)	6%



High	13.2	11.0	14.9	18.5	29.1	29.3	25.2	28.3	46.2	54.0	67.3	75.6
Low	6.9	8.7	10.4	12.8	16.3	21.5	17.8	18.0	26.8	41.6	48.6	63.4

Insider Decisions

	A	M	J	J	A	S	O	N	D
To Buy	0	0	0	0	0	0	1	0	0
To Sell	1	3	1	1	0	0	1	3	4
To Hold	0	2	1	1	0	0	0	1	2

Institutional Decisions

	10/97	2/97	10/97
To Buy	396	429	479
To Sell	417	388	386
Hld's (000)	742330	741095	730090

Redacted
For
Excerpt

% TOT. RETURN 2/98	100
1 yr.	32.5
3 yr.	177.0
5 yr.	287.9

	1982	1983	1984	1985
3.81	3.90	4.19	4.39	
.46	.49	.51	.59	
.35	.36	.34	.42	
.12	.14	.15	.16	
.31	.26	.25	.25	
1.85	1.98	2.00	2.29	
1513.0	1530.6	1462.8	1462.8	
14.6	15.9	12.5	13.3	
1.61	1.34	1.16	1.08	
2.4%	2.4%	3.4%	2.9%	

9000.0	9757.0	11232	12447	13753	14138	15734	18842	21620	22629	23950	26300
19.9%	21.3%	22.0%	21.3%	20.9%	21.3%	22.4%	23.2%	24.6%	25.0%	26.5%	27.5%
391.0	414.0	474.0	493.0	595.0	617.0	724.0	857.0	1009.0	1060	1120	1225
974.0	1082.0	1270.0	1461.0	1625.0	1787.0	2006.0	2403.0	2887.0	3303	3685	4200
30.2%	28.5%	28.0%	28.3%	26.4%	23.4%	25.2%	27.6%	28.4%	27.8%	28.0%	29.5%
10.8%	11.1%	11.3%	11.7%	11.8%	12.6%	12.7%	12.8%	13.4%	14.6%	15.4%	16.0%
1635.0	1849.0	2041.0	2244.0	1996.0	2005.0	2414.0	3550.0	4186.0	5230	5450	5950
1166.0	1170.0	1316.0	1301.0	1365.0	1493.0	2199.0	2107.0	1410.0	1130	1115	1110
3503.0	4148.0	4900.0	5626.0	5171.0	5568.0	7122.0	9045.0	10836	13005	15395	18145
22.0%	21.6%	21.3%	21.8%	25.7%	26.1%	22.3%	22.3%	24.2%	23.5%	22.5%	22.0%
27.8%	26.1%	25.9%	26.0%	31.4%	32.1%	28.2%	26.6%	26.6%	25.5%	24.0%	23.0%
18.5%	17.1%	17.0%	16.9%	20.1%	20.3%	18.0%	17.4%	17.7%	16.5%	15.0%	14.5%
34%	34%	34%	35%	36%	37%	34%	34%	34%	34%	35%	35%

Sales per sh	26.00
"Cash Flow" per sh	6.00
Earnings per sh	4.75
Div'ds Decl'd per sh	1.65
Cap'l Spending per sh	1.50
Book Value per sh	21.50
Common Shs Outstg	1343.7
Avg Ann'l P/E Ratio	19.5
Relative P/E Ratio	1.40
Avg Ann'l Div'd Yield	1.8%

CAPITAL STRUCTURE as of 9/28/97
Total Debt \$2096 mill. Due in 5 Yrs \$1101 mill.
LT Debt \$1257 mill. LT Interest \$90 mill. (9% of Cap'l)
Leases, Uncapitalized Annual rentals \$80.0 mill.
Pension Liability None in '96 vs. \$148 mill. in '95.
Pfd Stock None

9000.0	9757.0	11232	12447	13753	14138	15734	18842	21620	22629	23950	26300
19.9%	21.3%	22.0%	21.3%	20.9%	21.3%	22.4%	23.2%	24.6%	25.0%	26.5%	27.5%
391.0	414.0	474.0	493.0	595.0	617.0	724.0	857.0	1009.0	1060	1120	1225
974.0	1082.0	1270.0	1461.0	1625.0	1787.0	2006.0	2403.0	2887.0	3303	3685	4200
30.2%	28.5%	28.0%	28.3%	26.4%	23.4%	25.2%	27.6%	28.4%	27.8%	28.0%	29.5%
10.8%	11.1%	11.3%	11.7%	11.8%	12.6%	12.7%	12.8%	13.4%	14.6%	15.4%	16.0%
1635.0	1849.0	2041.0	2244.0	1996.0	2005.0	2414.0	3550.0	4186.0	5230	5450	5950
1166.0	1170.0	1316.0	1301.0	1365.0	1493.0	2199.0	2107.0	1410.0	1130	1115	1110
3503.0	4148.0	4900.0	5626.0	5171.0	5568.0	7122.0	9045.0	10836	13005	15395	18145
22.0%	21.6%	21.3%	21.8%	25.7%	26.1%	22.3%	22.3%	24.2%	23.5%	22.5%	22.0%
27.8%	26.1%	25.9%	26.0%	31.4%	32.1%	28.2%	26.6%	26.6%	25.5%	24.0%	23.0%
18.5%	17.1%	17.0%	16.9%	20.1%	20.3%	18.0%	17.4%	17.7%	16.5%	15.0%	14.5%
34%	34%	34%	35%	36%	37%	34%	34%	34%	34%	35%	35%

Sales (\$mill)	35000
Operating Margin	30.0%
Depreciation (\$mill)	1550
Net Profit (\$mill)	6365
Income Tax Rate	30.0%
Net Profit Margin	18.2%
Working Cap'l (\$mill)	7875
Long-Term Debt (\$mill)	995
Shr. Equity (\$mill)	29000
Return on Total Cap	21.5%
Return on Shr. Equity	22.0%
Retained to Com Eq	14.5%
All Div'ds to Net Prof	95%

3. Common Stock 1,343,674,855 shs. outstanding as of 10/24/97 (91% of Cap'l)
MARKET CAP: \$98 billion (Large Cap)

CURRENT POSITION 1995 1996 9/28/97

Cash	3116	3628	3628
Receiv	2633	2633	2633
Inven	1762	1762	1762
Other	1139	1139	1139
Cur	1412	1412	1412
Accts	839	839	839
Debt	3229	3229	3229
Other	5480	5480	5480
Cur			

1. BUSINESS: Johnson & Johnson is a leading manufacturer of health-care products. Its segments are: Consumer (toiletries, first aid products, hygienic and baby care); Professional (medical equipment, surgical products and apparel, and dental products); and Pharmaceutical (contraceptives, therapeutics, and veterinary). Brands include Tylenol, Band-Aid, Stayfree, Neutrogena, Modess, and Roach. International business, 48% of '97 sales. 1996 depreciation rate: 11.2%. R&D, 8.8% of '97 sales. Has 90,500 employees, 138,500 stockholders. R.W. Johnson Foundation owns 5.4% of stock, Off./Dir. control 1% (3/97 Proxy). Chairman & Chief Executive Officer: Ralph S. Larsen, Inc. No. Address: 501 George Street, New Brunswick, NJ 08903. Telephone: 908-524-0400.

Redacted
For
Excerpt

Johnson & Johnson's top line has been months of recessionary growth, but it grew on below a whole generated, versus due to facing areas. the U.S. cember-year ov lion. Th

1. new care surgical tact lens-ances and 1. A note-the recent ing rights cking food d. Finally, ow, though e small. ntinue to duct mix, rinkage of ve costs as

1995	.51	.51	.48	.36	1.86
1996	.59	.60	.56	.42	2.17
1997	.68	.68	.64	.47	2.47
1998	.75	.75	.70	.55	2.75
1999	.85	.85	.80	.65	3.15

2. Risperdal, now has one major rival and may soon have another. Lastly, the over-the-counter acid-blocker Pepcid AC and the Nicotrol nicotine patch seem unlikely to gain much additional market share. The company is putting increased focus on sales growth. R&D spending should continue to rise strongly in order to sustain or increase the rate of new product output. The Pharmaceutical group, which has dozens of promising new drugs and new uses for existing drugs in the pipeline,

	1996	1997	1998	1999
Consumer	6384 (5.7%)	6490 (4.5%)	6850 (6.5%)	7378 (7.1%)
Professional	8058 (17.6%)	8435 (18.0%)	8600 (18.5%)	9400 (20.4%)
Pharmaceutical	7188 (34.5%)	7696 (34.5%)	8500 (39.0%)	9525 (40.4%)
Company Total	21620 (19.7%)	22629 (21.5%)	23950 (22.0%)	26300 (23.5%)

(A) Year ends on Sunday nearest to the end of December. (B) Primary eggs, until 1996; dit. thereafter. Excl. nonrecur. charges: '82, 7c; '90, 10c; '92, 45c. Incl. nonrecur. charges: '83, 8c; '86, 55c. Next eggs. rpt. due mid-April. (C) Next div. meeting about April 25th. Goes ex. about May 15th. Div. payment dates: about the 10th of Mar., June, Sept., Dec. Div. reinvest-ment plan available. (D) Accel. deprec. in U.S. (E) In mills., adj. for stock splits. (F) Includes intangibles in '96: \$3394 mill., \$2.55/sh. (G) After depr. and corp. exp.

Company's Financial Strength A++
Stock's Price Stability 70
Price Growth Persistence 85
Earnings Predictability 100

To subscribe call 1-800-833-0046.