



Unique & Compelling Value Proposition

January 26, 2017

Today's Speakers



Alex Gorsky



Jean-Pierre Garnier



Joaquin Duato



Paul Stoffels



Jean-Paul Clozel



Dominic Caruso

Cautionary Note on Forward-Looking Statements

These presentations contain "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 regarding, among other things, the potential transaction between Johnson & Johnson and Actelion Ltd. The viewer is cautioned not to rely on these forward-looking statements. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or known or unknown risks or uncertainties materialize, actual results could vary materially from the expectations and projections of Johnson & Johnson and Actelion. Risks and uncertainties include, but are not limited to: satisfaction of closing conditions for the transaction, including clearance by relevant merger control authorities and the receipt of regulatory approvals for the transaction; the possibility that the transaction will not be completed in the expected timeframe or at all; the potential that the expected benefits and opportunities of the transaction, if completed, may not be realized or may take longer to realize than expected; challenges inherent in product research and development, including the uncertainty of clinical success and obtaining regulatory approvals; uncertainty of commercial success for new and existing products; economic conditions, including currency exchange and interest rate fluctuations; competition, including technological advances, new products and patents attained by competitors; changes to applicable laws and regulations, including tax laws and domestic and foreign health care reforms; adverse litigation or government action; changes in behavior and spending patterns or financial distress of purchasers of health care products and services; and trends toward health care cost containment. In addition, if and when the transaction is consummated, there will be risks and uncertainties related to the ability of the Johnson & Johnson family of companies to successfully integrate the products, employees/operations and clinical work of Actelion, as well as the ability to ensure continued performance or market growth of Actelion's products. A further list and description of these risks, uncertainties and other factors and the general risks associated with the respective businesses of Johnson & Johnson and Actelion can be found in Johnson & Johnson's publicly available filings with the U.S. Securities and Exchange Commission, and Actelion's publicly available filings on its website. Copies of these filings, as well as subsequent filings, are available online at www.sec.gov, www.jnj.com, www.actelion.com or on request from Johnson & Johnson or Actelion. Neither Johnson & Johnson nor Actelion undertakes to update any forward-looking statement as a result of new information or future events or developments.

Cautionary Note on Non-GAAP Financial Measures

These presentations refer to certain non-GAAP financial measures. These non-GAAP financial measures should not be considered replacements for, and should be read together with, the most comparable GAAP financial measures.

A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the accompanying financial schedules of the earnings release and the Investor Relations section of the Company's website at www.investor.jnj.com.

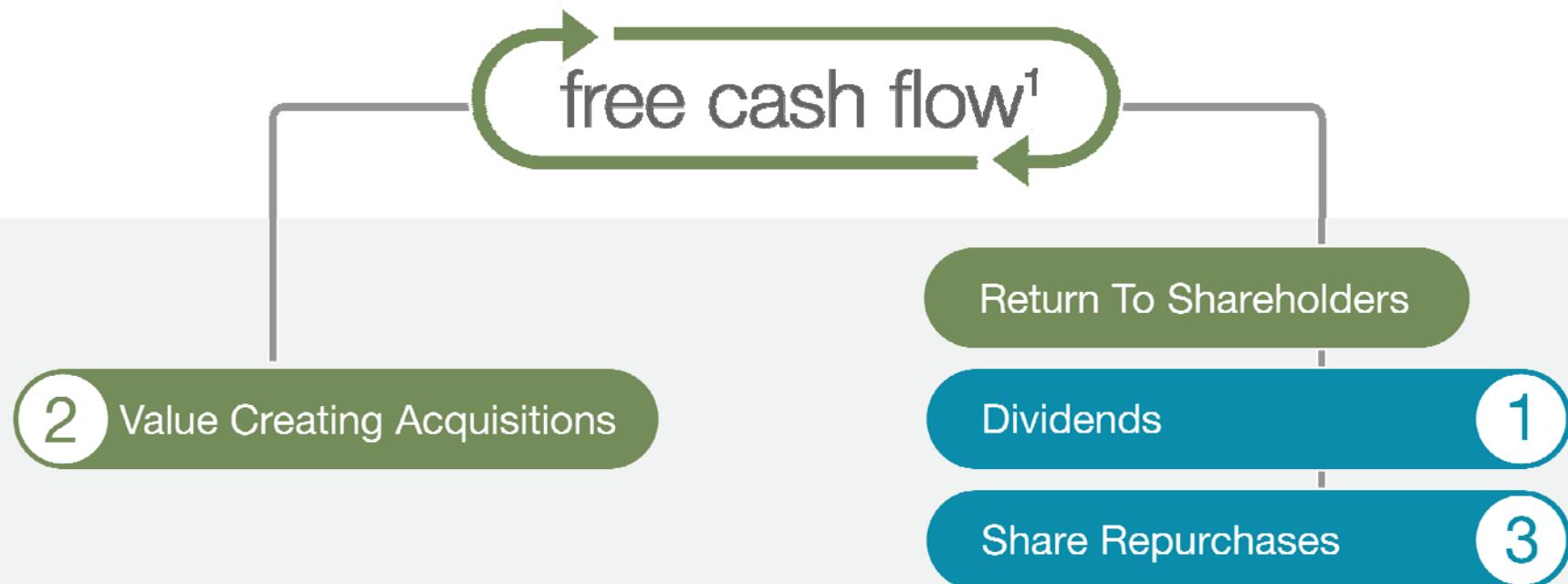




Alex Gorsky
Chairman of the Board
&
Chief Executive Officer



Deploying Capital Aligned with Our Framework



Johnson & Johnson

ACTELION

¹ Non-GAAP measure; defined as operating cash flow less capital spending

Unique & Compelling Value Proposition for Actelion Shareholders

Highly attractive transaction with upside potential



All-cash tender offer for \$280 per share, payable in U.S. dollars
(CHF 280.08 per share as of 1/25/17)



Ownership interest in new, standalone R&D company

Significant Value Creation for Johnson & Johnson

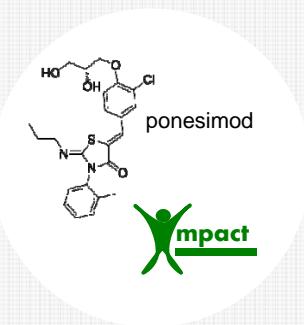
Right transaction, right time, right partner



Expected to accelerate near- and long-term revenue and earnings growth rates and be immediately accretive to Johnson & Johnson adjusted EPS



Expands and complements Janssen portfolio with leading, differentiated in-market medicines for pulmonary arterial hypertension (PAH)



Reinforces Janssen's already robust late-stage pipeline



Johnson & Johnson's global presence and commercial capabilities extend Actelion products' geographic and commercial reach



Additional value from Johnson & Johnson ownership interest in R&D NewCo

卷之三

我們的信條

我們要對世界、對社會、以及全世界的個體。我們必須維護他們的尊嚴、安全、誠實、公理、工作環境必須清潔、合法、幫助員工履行他們對家庭的責任。必須讓員工有言、對於合格的人，必須給予平等的獎勵、發展、備稱職的管理人員，他們的行為必須公正並符

我們要對我們所生活和工作的社會，
支援對社會有益的活動和慈善事業，邀請我們
社會環境，促進健康和教育事業。我們必須
環境和天然資源。

最後，我們要對全體股東負責。嘗試新的構想。必須堅持研究工作，研究正。必須購置新設備，提供新設施，推動之需。如果我們依照這些原則進行

Johnson & Johnson

שלוט הוא לרופאים. לאחיתות ולחולים. לעודו על צורכיים. כל אחד מהארחים משאמשים מומחיות וכישוריהם. בכדי בזאת מתחם להפוך את האקליטות במרתף מלחה. עליים לאשוחם. אונן מודוק ונגה. לספקים ולפוצחים שלן רוח ואהה. והו שמי העוכרים עמו ברוחבי העולם. כל אחד נלכד את כובד העוצם ולכיד בערם. והוא יונחת בצל האלוהים. בצל האלוהים.

Our Credo

We believe our first responsibility is to the doctors, nurses and patients, to mothers and fathers and all others who use our products and services. In meeting their needs everything we do must be of high quality. We must constantly strive to reduce our costs in order to maintain reasonable prices. Customers' orders must be serviced promptly and accurately. Our suppliers and distributors must have an opportunity to make a fair profit.

We are responsible to our employees, the men and women who work with us throughout the world. Everyone must be considered as an individual. We must respect their dignity and recognize their merit. They must have a sense of security in their jobs. Compensation must be fair and adequate, and working conditions clean, orderly and safe. We must be mindful of ways to help our employees fulfill their family responsibilities. Employees must feel free to make suggestions and complaints. There must be equal opportunity for employment, development and advancement for those qualified. We must provide competent management, and their actions must be just and ethical.

We are responsible to the communities in which we live and work and to the world community as well. We must be good citizens — support good works and charities and bear our fair share of taxes. We must encourage civic improvements and better health and education. We must maintain in good order the property we are privileged to use, protecting the environment and natural resources.

Our final responsibility is to our stockholders. Business must make a sound profit. We must experiment with new ideas. Research must be carried on, innovative programs developed and mistakes paid for. New equipment must be purchased, new facilities provided and new products launched. Reserves must be created to provide for adverse times. When we operate according to these principles, the stockholders should realize a fair return.

Johnson & Johnson

Nosso Credo

...é para com os médicos,

लिम्बोदार हो जो हमारे साथ है परवानगा आहिए। हमें उनमधी ना आहिए। उनमधी आपनी नोकटी की प्रयत्नी होना चाहिए, तथा कार्य त नोकटी चाहिए। हमें आपने ताहिने ताकिं वे अपेक्षा परिवार के बड़े सुझाव और सिकाकात करने में सकोच ताकि तथा उन्नति के समान अवसर आहिए तथा उनकी कार्यविहीनी

empleados deben cumplir con su deber y asesores. Debe existir *“qual oportunidad”* para aquellos que estén calificados, y sus asesores han de tener el deber de cumplir con su deber y asesores. Debe existir *“qual oportunidad”* para aquellos que estén calificados, y sus asesores han de

“apoyar las obras de beneficio social y cargar con los impuestos. Debemos fomentar el desarrollo y educación. Debemos mantener el privilegio de las autoridades.

98 con nuestros accionistas. Avance tener en buen uso, protegiendo el continúar.

“...nuestros en...”
“...la investigación...”
“...necesaria. Debemos

Наша основная ответственность – перед врачами и медицинскими сестрами, перед пациентами, перед отшами и матерями, перед всеми, кто пользуется нашей продукцией и услугами. В соответствии с их потребностями мы должны обеспечивать высокие стандарты качества во всем, что мы делаем. Мы должны постоянно стремиться к снижению затрат, чтобы поддерживать приемлемый уровень цен. Заказы клиентов должны выполняться точно в срок. Наша поставщики и дистрибуторы должны иметь возможность получать достойную прибыль. Мы наем ответственность перед нашими сотрудниками и инженерами, которые работают у нас по всему миру, – и за то, чтобы они могли работать в каждой стране и придавать им чувство удовлетворения от своего труда.

uestro Credo

mos que nuestra primera responsabilidad es con los médicos, meras y pacientes, con las madres y padres y todos los demás. Utilizan nuestros productos y servicios. Para responder a sus necesidades, todo lo que hagamos debe ser de primera calidad. Nos luchar constantemente por reducir nuestros costos a fin de tener precios razonables. Los pedidos de los clientes deben ser respondidos rápidamente y con precisión. Nuestros proveedores deben tener la oportunidad de conseguir una satisfacción completa.

... ante nuestros empleados, los hombres y mujeres
... en nosotros en todo el mundo. Cada uno de ellos debe
... o como persona. Hemos de respetar su dignidad y
... irito. Deben tener un sentido de seguridad en
... ción tiene que ser justa y a
... ordenadas y se



Jean-Pierre Garnier
Chairman of the Board

Johnson & Johnson



Johnson & Johnson

Joaquin Duato
Executive Vice President &
Worldwide Chairman,
Pharmaceuticals

Johnson & Johnson

 ACTELION

Overview of Actelion

Leader in the science and medicine of Pulmonary Arterial Hypertension

- Founded in 1997
- Based in Allschwil, Switzerland
- Significant advances in the scientific understanding and development of new therapies for pulmonary arterial hypertension
- Portfolio of PAH treatments covers the spectrum of disease, from WHO Functional Class (FC) II through to FC IV, with oral, inhaled and intravenous medications



PAH is a Life-threatening and Often Misunderstood Condition



Normal artery

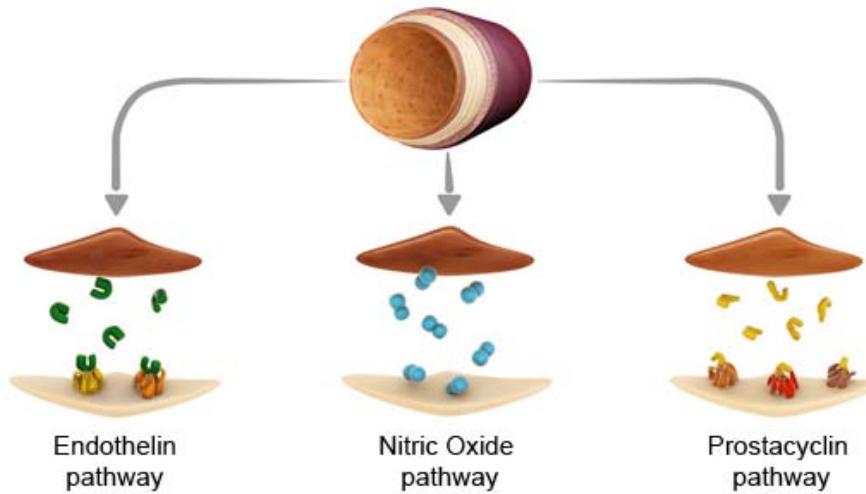
Artery showing vasoconstriction

Diseased artery showing tissue thickening and fibrosis

- Pulmonary arterial hypertension is a disease of the blood vessels carrying blood from the heart to the lungs – the pulmonary arteries
- When PAH develops, blood circulating through these vessels becomes restricted, and the right side of the heart is put under increasing strain to pump blood through the lungs
- PAH affects a significant number of people, with more than 100,000 patients diagnosed in the US and other major markets.
- The symptoms of PAH range from mild breathlessness through to severe restrictions on exercise capacity, and eventually heart failure.

Leading Franchise of Differentiated, Innovative Products Treating PAH

Attractive portfolio of in-market products



- Over **65,000 Patients** currently treated with an Actelion medication
- Over US \$2 billion in sales in 2015 from in-market products

OPSUMIT®

Offers opportunities for expansion in ERA class



- Opsumit (macitentan) is an orally available Endothelin receptor antagonist (ERA)
- Opens narrow blood vessels between the heart and lungs
- Demonstrated long-term outcomes in delaying disease progression
- Excellent safety profile
- Once daily dosing
- Approved for the treatment of PAH in over 35 countries, including the United States in October 2013, the European Union in December 2013 and Japan in March 2015

UPTRAVI®

Offers opportunities for expansion in ERA class

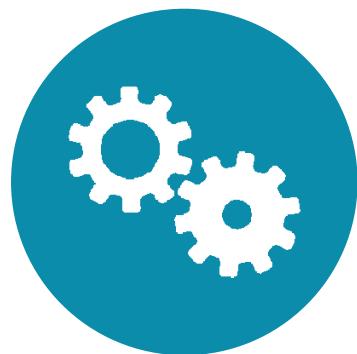
- Uptravi® (selexipag) is an orally available, selective IP receptor agonist, targeting and activating the prostacyclin pathway
- Indicated for treatment of PAH to delay diseases progression and reduce the risk of hospitalization
- Strong clinical results and positive post-marketing experience
- Potential to drive earlier use and combination treatment with ERA
- Approved for the treatment of PAH in the United States in December 2015 and the European Union in May 2016



Johnson & Johnson Capabilities to Expand Value of Existing and Future Products



Global Presence



Proven
Commercial
Capabilities



R&D and
Medical Expertise



Paul Stoffels, MD
Executive Vice President,
Chief Scientific Officer



Promising Late Stage Pipeline

Ponesimod	Cadazolid	ACT-132577 (Option)
<ul style="list-style-type: none">• In Phase 3 development for relapsing Multiple Sclerosis (MS)• 1 in 5 MS patients experience relapse• Offers unique properties vs. current standard of care• Potential for greater flexibility and patient control	<ul style="list-style-type: none">• Novel antibiotic in Phase 3 development for <i>C. difficile</i> associated with diarrhea• Designated by FDA as a fast-tracked development program and a qualified infectious disease product	<ul style="list-style-type: none">• In Phase 2 development for resistant hypertension





Jean-Paul Clozel
Actelion Ltd. Chief Executive Officer
& Founding Member



R&D NewCo Recipe for Success

- Science conquering uncharted territories
- Entrepreneurial – non-hierarchical – risk taking
- Engaged & passionate people
- Challenge conventional wisdom
- “Can do” and “get it done” mentality
- Hands-on management



Johnson & Johnson

ACTELION

Unique Pipeline Characteristics

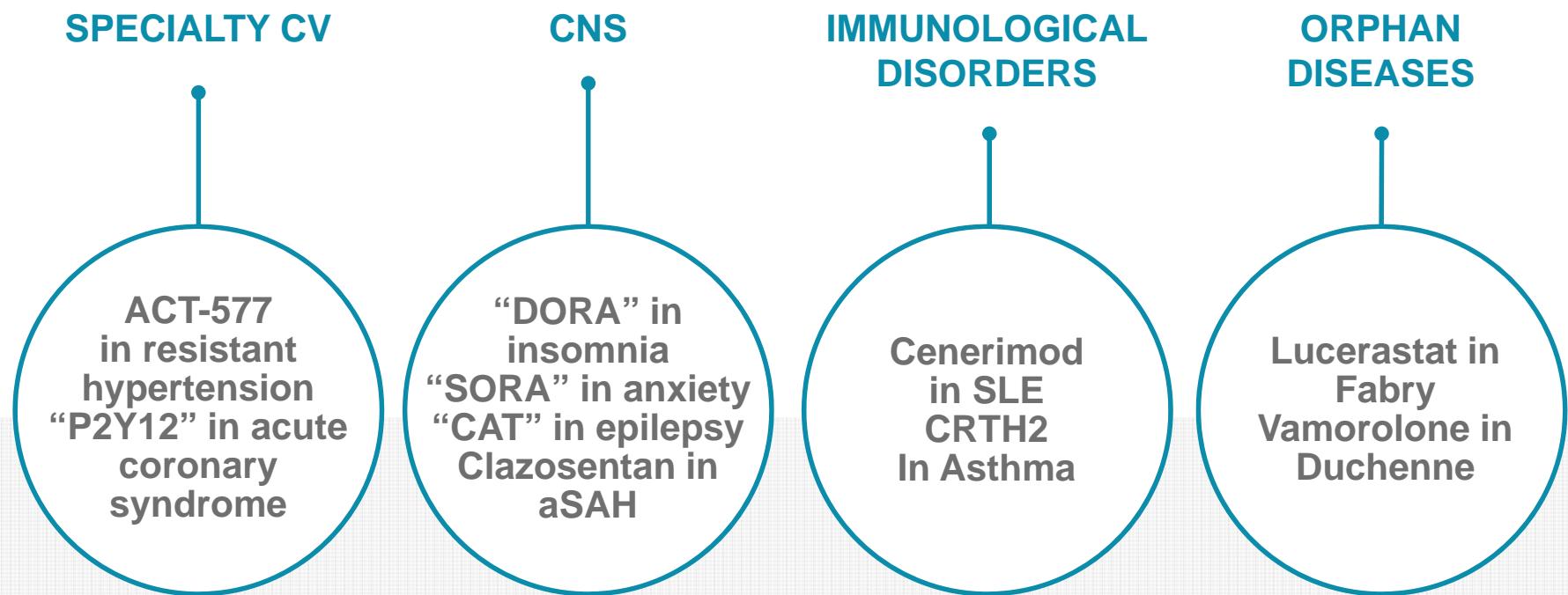
Products discovered internally

Highly innovative - only **first** or **best** in class

Shifting the treatment paradigm

Address high unmet medical needs

Differentiated Pipeline





Dominic Caruso
Executive Vice President,
Chief Financial Officer



Transaction Creates Significant Shareholder Value

- Johnson & Johnson to launch an all-cash tender offer for 100% of the outstanding shares of Actelion for \$280 per share, or CHF 280.08 per share as of 1/25/17
- Actelion to spin off its drug discovery operations and early-stage clinical development assets into a newly created Swiss biopharmaceutical company
 - Actelion shareholders to receive one share of R&D NewCo for each Actelion share as stock dividend
 - Johnson & Johnson will initially hold 16% of the shares of R&D NewCo and have rights to an additional 16% of R&D NewCo equity through a convertible note

The transaction has been unanimously approved
by the Boards of Directors of both companies



Accelerates Revenue Growth



Accelerates Johnson & Johnson's near- and long-term top line growth by 1% above current consensus



Expect ongoing growth and revenue synergies for Actelion's market-leading products, resulting from combined capabilities

Accretive Impact on EPS

Long-Term Growth Rate	+1.5% to 2% above consensus estimates
Immediately Accretive	+\$0.35 to \$0.40 in first full year
Drivers	<ul style="list-style-type: none">• Well-run business with impressive operating margins enhanced by synergies• Convertible loan structure with potential for upside• Flexibility for incremental R&D investment



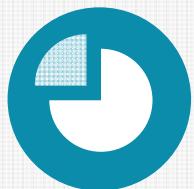
Additional Financial Details



Transaction allows for deployment of OUS cash



Johnson & Johnson expects to maintain its AAA-credit rating



After-tax charges related to the cost of the transaction expected to be \$500 million to \$600 million in 2017

- Will be reflected as special charges

Roadmap to Completion

- Transaction is expected to close by the end of the second quarter of 2017, subject to regulatory approvals
- Johnson & Johnson intends to file a prospectus and commence the tender offer in mid-February
 - Transaction is conditioned upon tender of at least 67% of all Actelion shares that are issued and outstanding at the end of the offer period
 - Tender offer is conditioned on the completion of the separation
- Actelion to convene an Extraordinary General Meeting (EGM) for shareholders to approve the distribution of shares of R&D NewCo
- Actelion CEO has committed to tender all Actelion shares he owns into the offer and to vote his shares in favor of the transaction at the EGM

Johnson & Johnson

