

JOHNSON & JOHNSON
Form S-4
February 16, 2005

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As filed with the Securities and Exchange Commission on February 16, 2005

Registration No. []

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Johnson & Johnson

(Exact name of registrant as specified in its charter)

New Jersey
(State or other jurisdiction of
incorporation or organization)

2834
(Primary Standard Industrial
Classification Code Number)

22-1024240
(I.R.S. Employer
Identification No.)

One Johnson & Johnson Plaza

New Brunswick, New Jersey 08933
Telephone: (732) 524-0400

(Address, including ZIP Code, and telephone number, including area code, of registrant's principal executive offices)

James R. Hilton, Esq.
Steven M. Rosenberg, Esq.
Johnson & Johnson
One Johnson & Johnson Plaza
New Brunswick, New Jersey 08933
Telephone: (732) 524-0400

(Name, address, including ZIP Code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale of the securities to the public: Upon consummation of the merger.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

CALCULATION OF REGISTRATION FEE

| Title of each class of securities to be registered(1) | Amount to be registered(2) | Proposed maximum offering price per unit | Proposed maximum aggregate offering price(3) | Amount of registration fee(4) |
|---|----------------------------|--|--|-------------------------------|
| Common Stock, par value \$1.00 per share | 292,297,359 | N/A | \$15,137,335,245 | \$1,781,664 |

- (1) This Registration Statement relates to securities of the registrant issuable to holders of common stock, without par value (Guidant common stock), of Guidant Corporation, an Indiana corporation (Guidant), in the proposed merger of Shelby Merger Sub, Inc., an Indiana corporation and a wholly owned subsidiary of the registrant (Shelby Merger Sub), with and into Guidant.
- (2) Based on the maximum number of shares to be issued in connection with the merger, calculated as the product of (a) 355,419,940, the aggregate number of shares of Guidant common stock outstanding as of February 9, 2005 (other than shares owned by Guidant, Shelby Merger Sub or the registrant) or issuable pursuant to the exercise of outstanding options prior to the date the merger is expected to be completed and (b) an exchange ratio of 0.8224 shares of the registrant s common stock for each share of Guidant common stock, representing the cap on the share consideration issuable in the merger.
- (3) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act, and calculated pursuant to Rule 457(f) under the Securities Act. Pursuant to Rule 457(f)(1) under the Securities Act, the proposed maximum aggregate offering price of the registrant s common stock was calculated based upon the market value of shares of Guidant common stock (the securities to be cancelled in the merger) in accordance with Rule 457(c) under the Securities Act as follows: (a) \$72.99, the average of the high and low prices per share of Guidant common stock on February 9, 2005, as reported on the New York Stock Exchange Composite Transactions Tape, multiplied by (b) 355,419,940, the aggregate number of shares of Guidant common stock outstanding as of February 9, 2005 (other than shares owned by Guidant, Shelby Merger Sub or the registrant) or issuable pursuant to the exercise of outstanding options prior to the date the merger is expected to be completed, less (c) the minimum amount of cash to be paid by registrant in exchange for shares of Guidant common stock (which equals \$30.40 times 355,419,940, the aggregate number of shares of Guidant common stock outstanding as of February 9, 2005 (other than shares owned by Guidant, Shelby Merger Sub or the registrant) or issuable pursuant to the exercise of outstanding options prior to the date the merger is expected to be completed).
- (4) Calculated by multiplying the proposed maximum aggregate offering price for all securities by 0.00011770.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this proxy statement/prospectus is not complete and may be changed. Johnson & Johnson may not distribute or issue the shares of Johnson & Johnson common stock being registered pursuant to this registration statement until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement/prospectus is not an offer to distribute these securities and Johnson & Johnson is not soliciting offers to receive these securities in any state where such offer or distribution is not permitted.

SUBJECT TO COMPLETION DATED FEBRUARY 16, 2005

111 Monument Circle, 29th Floor
Indianapolis, Indiana 46204-5129

[], 2005

Dear Shareholder:

We cordially invite you to attend a special meeting of Guidant shareholders to be held on [], 2005 at [], at [] ([]). At the special meeting, we will ask you to consider and vote on a proposal to approve the Agreement and Plan of Merger we entered into as of December 15, 2004 with Johnson & Johnson and its wholly owned subsidiary, Shelby Merger Sub, Inc., pursuant to which Shelby Merger Sub will merge with and into Guidant. As a result of the merger, Guidant will become a wholly owned subsidiary of Johnson & Johnson.

Upon completion of the merger, each share of Guidant common stock you hold will be converted into the right to receive a combination of (i) \$30.40 in cash and (ii) shares of Johnson & Johnson common stock. The number of shares of Johnson & Johnson common stock you receive will depend on the volume weighted average trading price of Johnson & Johnson common stock during the 15 trading days ending three trading days prior to the completion of the merger. If the volume weighted average trading price of Johnson & Johnson's stock during this period is between \$55.45 and \$67.09, then you will receive a number of shares of Johnson & Johnson common stock having a value of \$45.60 in exchange for each of your shares of Guidant common stock. If the volume weighted average trading price of Johnson & Johnson's common stock during this period is \$55.45 or less, then you will receive 0.8224 shares of Johnson & Johnson stock in exchange for each of your shares of Guidant common stock. If the volume weighted average trading price of Johnson & Johnson's common stock during this period is \$67.09 or more, then you will receive 0.6797 shares of Johnson & Johnson common stock in exchange for each of your shares of Guidant common stock.

Johnson & Johnson common stock is listed on the New York Stock Exchange under the trading symbol JNJ and on [], 2005, its closing price was \$[] per share.

The Guidant board of directors has carefully reviewed and considered the terms and conditions of the merger agreement. Based on its review, the Guidant board of directors, with one director absent because of a pre-existing commitment, unanimously determined that the merger is in the best interests of Guidant and its shareholders, adopted the merger agreement and recommends that you vote FOR approval of the merger agreement.

Your vote is very important. We cannot complete the merger unless the merger agreement is approved by the affirmative vote of the holders of a majority of the outstanding shares of Guidant common stock entitled to vote at the special meeting. Only shareholders who owned shares of Guidant common stock at the close of business on [], 2005, the record date for the special meeting, will be entitled to vote at the special meeting. Please complete and return the enclosed request for admittance card as soon as possible if you plan to attend the special meeting. If you return the request card, Guidant will send you an admittance card. **Whether or not you plan to be present at the special meeting, please complete, sign, date and return the enclosed proxy card or submit your proxy by telephone or on the Internet as soon as possible.** If you hold your shares in street name, you should instruct your broker how to vote in accordance with your voting instruction form. If you do not submit your proxy, instruct your broker how to vote your shares, or vote in person at the special meeting, it will have the same effect as a vote against approval of the merger agreement. If you hold your shares under Guidant's employee stock ownership plan you may instruct the plan trustee as to how to vote your shares. If you do not instruct the plan trustee as to how to vote your shares, the plan trustee may vote those shares at its discretion.

The accompanying proxy statement/prospectus explains the merger and merger agreement and provides specific information concerning the special meeting. Please review this document carefully. You should consider the matters discussed under **Risk Factors Relating to the Merger on page 11 of the accompanying proxy statement/prospectus before voting.**

On behalf of the Guidant board of directors, I thank you for your support and appreciate your consideration of this matter.

Sincerely,

Ronald W. Dollens
President and Chief Executive Officer

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved the merger described in this proxy statement/prospectus or the Johnson & Johnson common stock to be issued in connection with the merger, or determined if this proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated [], 2005,

and is first being mailed to shareholders on or about [], 2005.

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REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about Johnson & Johnson and Guidant from documents that are not included in or delivered with this proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain the documents incorporated by reference in this proxy statement/prospectus by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

| | |
|--|---------------------------------|
| JOHNSON & JOHNSON | GUIDANT CORPORATION |
| One Johnson & Johnson Plaza | 111 Monument Circle, 29th Floor |
| New Brunswick, NJ 08933 | Indianapolis, IN 46204-5129 |
| Attention: Office of Corporate Secretary | Attention: Secretary |
| Telephone: (732) 524-2455 | Telephone: (317) 971-2000 |

If you would like to request documents, please do so by [], 2005 in order to receive them before the special meeting.

See **Where You Can Find More Information** on page 89.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

Q: What am I being asked to vote on?

A: You are being asked to vote to approve the merger agreement entered into among Johnson & Johnson, Shelby Merger Sub, a wholly owned subsidiary of Johnson & Johnson, and Guidant. In the merger, Shelby Merger Sub will be merged with and into Guidant.

Q: What will happen to Guidant as a result of the merger?

A: If the merger is completed, Guidant will become a wholly owned subsidiary of Johnson & Johnson.

Q: What will I receive in the merger?

A: Upon completion of the merger, you will receive a combination of (i) \$30.40 in cash and (ii) shares of Johnson & Johnson common stock. The number of shares of Johnson & Johnson common stock you receive will depend on the volume weighted average trading price of Johnson & Johnson common stock during the 15 trading days ending three trading days prior to the completion of the merger:

You will receive \$45.60 in shares of Johnson & Johnson common stock in exchange for each share of Guidant common stock that you own if the volume weighted average trading price of Johnson & Johnson common stock during this period is between \$55.45 and \$67.09 per share.

You will receive 0.8224 shares of Johnson & Johnson common stock in exchange for each share of Guidant common stock that you own if the volume weighted average trading price of Johnson & Johnson common stock during this period is \$55.45 or below.

You will receive 0.6797 shares of Johnson & Johnson common stock in exchange for each share of Guidant common stock that you own if the volume weighted average trading price of Johnson & Johnson common stock during this period is \$67.09 or above.

Q: Does the Guidant board of directors support the merger?

A: Yes. The Guidant board of directors believes that the merger and the other transactions contemplated by the merger agreement are in the best interests of Guidant and its shareholders, and unanimously, with one director absent because of a pre-existing commitment, adopted the merger agreement and recommends that Guidant shareholders vote **FOR** approval of the merger agreement.

Q: Where and when is the special meeting of shareholders?

A: The Guidant special meeting will be held on [], 2005 at [], at [] ([]). You may attend the special meeting and vote your shares in person, rather than completing, signing, dating and returning your proxy. However, you must have an admittance card to attend the special meeting. To obtain an admittance card, please return the enclosed request for admittance card.

Q: Who can vote at the special meeting?

A: You can vote at the special meeting if you owned shares of Guidant common stock at the close of business on [], 2005, the record date for the special meeting. As of the close of business on that day, [] shares of Guidant common stock were outstanding.

Q: What do I need to do now?

A: After carefully reading and considering the information contained in this proxy statement/prospectus, please complete, sign and date your proxy and return it in the enclosed postage-paid return envelope or submit your proxy by telephone or on the Internet as soon as possible, so that your shares may be represented at the special meeting. If you sign and send in your proxy and do not indicate how you want to vote, we will count your proxy as a vote in favor of approval of the merger agreement. Because the required vote of Guidant shareholders is based upon the number of outstanding shares of Guidant common stock, rather than upon the shares actually voted, the failure by the holder of any such shares to submit a proxy or to vote in person at the special meeting, including

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abstentions and broker non-votes, will have the same effect as a vote against approval of the merger agreement.

Q: Can I change my vote after I have mailed my signed proxy?

A: Yes. You can change your vote at any time before your proxy is voted at the special meeting. You can do this in one of three ways. First, you can send a written notice stating that you would like to revoke your proxy. Second, you can complete and submit a new valid proxy bearing a later date by Internet, telephone or mail. If you choose to send a written notice or to mail your new proxy, you must submit your notice of revocation or your new proxy to Guidant Corporation at 111 Monument Circle, 29th Floor, Indianapolis, Indiana 46204-5129, Attention: Secretary. Third, you can attend the special meeting and vote in person. Attendance at the special meeting will not in and of itself constitute revocation of a proxy.

Q: If my Guidant shares are held in street name by my broker, will my broker vote my shares for me?

A: Your broker will vote your Guidant shares only if you provide instructions on how to vote. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares. Without instructions, your shares will not be voted, which will have the effect of a vote against the approval of the merger agreement.

Q: If my Guidant shares are held under Guidant's employee stock ownership plan, will the plan trustee vote my shares for me?

A: If you are a participant in Guidant's employee stock ownership plan and wish to instruct the plan trustee how to vote your shares, you should follow the instructions provided by the plan trustee. The plan trustee under Guidant's employee stock ownership plan may vote shares at its discretion for which timely instructions are not received.

Q: Should I send in my stock certificates now?

A: No. After the merger is completed, you will receive a transmittal form with instructions for the surrender of Guidant common stock certificates. Please do not send in your stock certificates with your proxy.

Q: Is the merger expected to be taxable to me?

A: Generally, yes. The receipt of the merger consideration for Guidant common stock pursuant to the merger will be a taxable transaction for United States federal income tax purposes. For United States federal income tax purposes, generally you will recognize gain or loss as a result of the merger measured by the difference, if any, between (i) the fair market value of the Johnson & Johnson common stock as of the effective time of the merger and the cash received and (ii) your adjusted tax basis in the Guidant common stock exchanged therefor in the merger.

You should read "The Merger - Material United States Federal Income Tax Consequences of the Merger" beginning on page 44 for a more complete discussion of the United States federal income tax consequences of the merger. Tax matters can be complicated and the tax consequences of the merger to you will depend on your particular tax situation. **You should consult your tax advisor to determine the tax consequences of the merger to you.**

Q: When do you expect the merger to be completed?

A: We are working to complete the merger as quickly as possible. If approved by the Guidant shareholders, we hope to complete the merger as early as the third quarter of 2005. However, it is possible that factors outside our control could require us to complete the merger at a later time or not complete it at all.

Q: Can I dissent and require appraisal of my shares?

A: No. Guidant shareholders have no dissenters' rights under Indiana law in connection with the merger.

Q: Who can help answer my questions?

A: If you have any questions about the merger or if you need additional copies of this proxy statement/prospectus or the enclosed proxy, you should contact:

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Georgeson Shareholder Communications, Inc.
17 State Street
New York, New York 10004

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SUMMARY

*This summary highlights selected information from this proxy statement/prospectus and may not contain all the information that is important to you. To understand the merger fully and for a more complete description of the legal terms of the merger, you should carefully read this entire proxy statement/prospectus and the other documents to which we refer you, including in particular the copies of the merger agreement and the opinions of J.P. Morgan Securities Inc. and Morgan Stanley & Co. Incorporated that are attached to this proxy statement/prospectus as Annexes 1, 2 and 3, respectively. See also *Where You Can Find More Information* on page 89. We have included page references parenthetically to direct you to a more complete description of the topics presented in this summary.*

General

What Guidant Shareholders Will Receive in the Merger (page 18)

In the merger, holders of Guidant common stock will receive, for each share of Guidant common stock they own, a combination of (i) \$30.40 in cash and (ii) a number of shares of Johnson & Johnson common stock with a value, based upon the volume weighted average trading price of Johnson & Johnson common stock for the 15 trading days ending three trading days prior to the closing of the merger, of \$45.60, so long as the volume weighted average trading price per share of Johnson & Johnson's common stock during this period is within the range of \$55.45 to \$67.09. Outside of this range, each share of Guidant common stock will be converted into the right to receive a combination of (i) \$30.40 in cash and (ii) a fixed number of shares of Johnson & Johnson common stock equal to 0.6797, if the volume weighted average trading price is above the range, and 0.8224, if the volume weighted average trading price is below the range. Holders of Guidant common stock will receive cash for any fractional shares of Johnson & Johnson common stock they otherwise would have received in the merger. The amount of cash for any fractional shares each holder of Guidant common stock will receive will be calculated by multiplying the fractional share interest to which that shareholder is entitled by the closing price of Johnson & Johnson common stock on the date on which the merger is completed, as reported on the New York Stock Exchange Composite Transactions Tape.

The \$30.40 in cash, the Johnson & Johnson common stock and any additional cash received by Guidant shareholders in lieu of any fractional shares of Johnson & Johnson common stock that they otherwise would have received, is referred to collectively as the merger consideration in this proxy statement/prospectus.

The exchange ratio will be determined shortly before we complete the merger. On [], 2005, the latest practicable date before the date of this proxy statement/prospectus, Johnson & Johnson common stock closed at \$[] per share on the New York Stock Exchange. If this were the volume weighted average trading price per share of Johnson & Johnson common stock used to calculate the exchange ratio, the exchange ratio would be []. The actual exchange ratio and, accordingly, the actual number of shares of Johnson & Johnson common stock issued in respect of each share of Guidant common stock in the merger, may differ from this example and will not be known at the special meeting because the merger will not be completed until after the special meeting.

Outstanding Guidant stock options at the time of the closing will be converted into options to purchase Johnson & Johnson common stock, with appropriate adjustments made to the number of shares and the exercise price under such options based on the value of the merger consideration. For a more complete description of the treatment of Guidant stock options, see *The Merger Effect on Awards Outstanding Under Guidant Stock Incentive Plans* .

Ownership of Johnson & Johnson Following the Merger (page 43)

Based on the number of outstanding shares of Guidant common stock on the record date and the number of outstanding shares of Johnson & Johnson common stock on [], 2005, we anticipate that Guidant shareholders will own between approximately []% and []% of the outstanding shares of Johnson & Johnson common stock following the merger.

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Dissenters Rights (page 46)

Under Indiana law, Guidant shareholders will not have dissenters rights in connection with the merger.

Material United States Federal Income Tax Consequences of the Merger (page 44)

The receipt of the merger consideration in exchange for Guidant common stock pursuant to the merger will be a taxable transaction for United States federal income tax purposes. For United States federal income tax purposes, generally you will recognize gain or loss as a result of the merger measured by the difference, if any, between (i) the fair market value of the Johnson & Johnson common stock as of the effective time of the merger and the cash received and (ii) your adjusted tax basis in the Guidant common stock exchanged therefor in the merger.

You should read The Merger Material United States Federal Income Tax Consequences of the Merger beginning on page 44 for a more complete discussion of the United States federal income tax consequences of the merger. **Tax matters can be complicated, and the tax consequences of the merger to you will depend on your particular tax situation. We urge you to consult your tax advisor to determine the tax consequences of the merger to you.**

Recommendation of the Guidant Board of Directors (page 21)

The Guidant board of directors believes that the merger and the other transactions contemplated by the merger agreement are in the best interests of Guidant and its shareholders and unanimously, with one director absent because of a pre-existing commitment, adopted the merger agreement and recommends that the shareholders vote **FOR** the approval of the merger agreement.

To review the background of and reasons for the merger, as well as certain risks related to the merger, see pages 11 through 12 and pages 18 through 21.

Opinions of J.P. Morgan Securities Inc. and Morgan Stanley & Co. Incorporated (page 24)

In deciding to approve the merger, the Guidant board of directors considered the separate opinions of J.P. Morgan Securities Inc. and Morgan Stanley & Co. Incorporated, its financial advisors in connection with the merger, that, as of December 15, 2004, the date of the merger agreement, and based upon and subject to certain matters described in their respective opinions, the merger consideration was fair, from a financial point of view, to Guidant shareholders. The opinions address only the fairness of the merger consideration to Guidant shareholders from a financial point of view, do not address the merits of the underlying decision by Guidant to engage in the merger and do not constitute a recommendation to any Guidant shareholder as to how to vote on the proposal to approve the merger agreement. The full text of the written opinions of J.P. Morgan Securities Inc. and Morgan Stanley & Co. Incorporated, which set forth the assumptions made, matters considered and limitations on the review undertaken in connection with each of the opinions, are attached to this proxy statement/prospectus as Annexes 2 and 3, respectively. You are urged to read each of the opinions carefully and in its entirety.

Interests of Guidant Directors and Executive Officers in the Merger (page 37)

In considering the recommendation of the Guidant board of directors in favor of the approval of the merger agreement, Guidant shareholders should be aware that the members of the Guidant board of directors and Guidant's executive officers have personal interests in the merger that are different from, or in addition to, the interests of other Guidant shareholders. These interests include the following:

all outstanding options to purchase Guidant common stock issued prior to the date of the merger agreement under Guidant's stock incentive plans, including those held by Guidant executive officers and directors, would become fully exercisable upon receipt of shareholder approval of the merger. Based upon options outstanding as of [], 2005, options held by Guidant's executive officers and directors relating to [] shares of Guidant common stock would be subject to accelerated vesting if Guidant shareholders approve the merger

all outstanding options to purchase Guidant common stock existing at the time of the

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completion of the merger, including those held by Guidant executive officers and directors, will be assumed by Johnson & Johnson and will become options to purchase Johnson & Johnson common stock with appropriate adjustments made to the number of shares and the exercise price under such options based on the value of the merger consideration at the time of the completion of the merger

all restrictions imposed on restricted stock granted prior to the date of the merger agreement under Guidant's stock incentive plans, including restricted stock held by Guidant executive officers and directors, would immediately lapse upon receipt of shareholder approval of the merger. Based upon grants outstanding as of [], 2005, restricted stock grants held by Guidant's executive officers and directors relating to [] shares of Guidant common stock would be subject to accelerated vesting if Guidant shareholders approve the merger

Guidant's entering into the merger agreement constituted a change in control under its change in control plan, which generally entitles the executive officers of Guidant to certain severance payments and other benefits if any such executive officer's employment is terminated during the period ending two years after consummation of the merger either by Guidant without cause or by the executive officer for good reason (as such terms are defined in the plan)

shareholder approval of the merger, as well as completion of the merger, will constitute a change in control for purposes of establishing a 30-day period beginning on the one year anniversary of the change in control during which an executive officer may terminate his or her employment for any reason and receive severance benefits and

Johnson & Johnson and Guidant entered into letter agreements with certain Guidant executive officers that modify such executive officers' rights and obligations under Guidant's change in control plan. Pursuant to the letter agreements, the consummation of the merger (but not the execution of the merger agreement or shareholder approval of the merger agreement) will constitute a change in control under the plan, and the executive officers will forgo their right to benefits under the plan if they terminate employment without good reason (as such term is defined in the plan and as modified by the letter agreements) either during the 30-day period beginning on the one year anniversaries of shareholder approval or consummation of the merger. The letter agreements provide further that these executive officers will be entitled to retention bonus payments based upon their continued employment with Guidant and that Guidant will not terminate such executive officers' employment prior to completion of the merger other than for cause (as such term is defined in the plan and as modified by the letter agreements).

The Guidant board of directors was aware of these interests and considered them, among other matters, when adopting the merger agreement.

For a more complete description, see The Merger Interests of Guidant Directors and Executive Officers in the Merger .

Comparison of Rights of Common Shareholders of Johnson & Johnson and Guidant (page 76)

Guidant shareholders, whose rights are currently governed by the Guidant amended articles of incorporation, the Guidant by-laws and Indiana law, will, upon completion of the merger, become shareholders of Johnson & Johnson and their rights will be governed by the Johnson & Johnson certificate of incorporation, the Johnson & Johnson by-laws and New Jersey law.

The Special Meeting (page 13)

The special meeting of Guidant shareholders will be held at [], located at [], at [] a.m., local time, on []. At the special meeting, Guidant shareholders will be asked to approve the merger agreement.

Record Date; Voting Power (page 13)

Guidant shareholders are entitled to vote at the special meeting if they owned shares of

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Guidant common stock as of the close of business on [], the record date.

On the record date, there were [] shares of Guidant common stock entitled to vote at the special meeting. Shareholders will have one vote at the special meeting for each share of Guidant common stock that they owned on the record date.

Vote Required (page 13)

Approval of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares Guidant common stock entitled to vote on the record date.

Shares Owned by Guidant Directors and Executive Officers and their Affiliates (page 13)

On the record date, directors and executive officers of Guidant and their affiliates beneficially owned and were entitled to vote [] shares of Guidant common stock, which represented approximately []% of the shares of Guidant common stock outstanding on that date.

The Merger (page 52)

The merger agreement is attached as Annex 1 to this proxy statement/prospectus. We encourage you to read the merger agreement because it is the principal document governing the merger.

Conditions to the Completion of the Merger (page 52)

Johnson & Johnson and Guidant are obligated to complete the merger only if they satisfy, or in some cases, waive, several conditions, including the following:

the merger agreement has been approved by the affirmative vote of shareholders of Guidant representing a majority of the shares of Guidant common stock outstanding and entitled to vote at the special meeting

the shares of Johnson & Johnson common stock to be issued to Guidant shareholders upon completion of the merger have been approved for listing on the New York Stock Exchange

the waiting period applicable to the merger under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 has expired or has been terminated

the European Commission has issued, or has been deemed to have issued, a decision under Article 6(1)(b), 8(1) or 8(2) of the EC Merger Regulation declaring the merger compatible with the Common Market (and/or, as may be the case, any national competition authority in the European Community to which all or part of the case may have been transferred has issued, or has been deemed to have issued, a decision with similar effect)

no temporary restraining order, injunction or other court order or statute, law, rule, legal restraint or prohibition is in effect that prevents the completion of the merger

the registration statement on Form S-4, of which this proxy statement/prospectus forms a part, has been declared effective by the Securities and Exchange Commission and is not the subject of any stop order or proceedings seeking a stop order and

other customary contractual conditions set forth in the merger agreement.

In addition, Johnson & Johnson is obligated to complete the merger only if there is no pending suit, action or proceeding by any governmental entity:

seeking to restrain or prohibit the consummation of the merger

seeking to impose limitations on the ownership of shares of Guidant common stock by Johnson & Johnson

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seeking to prohibit Johnson & Johnson from effectively controlling in any material respect the business or operations of Guidant seeking any divestiture that is not required to be effected pursuant to the merger agreement or that has had, or would reasonably be expected to have, a material adverse effect on Guidant.

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Further, Johnson & Johnson is obligated to complete the merger only if there is no temporary restraining order, injunction or other court order or statute, law, rule, legal restraint or prohibition that is in effect that would reasonably be expected to result in any of the effects referred to in the immediately preceding paragraph.

For a more complete description of the conditions to completion of the merger, see [The Merger Agreement](#) [Conditions to the Completion of the Merger](#) .

Termination of the Merger Agreement; Termination Fee (pages 57 and 58)

The merger agreement contains provisions addressing the circumstances under which Johnson & Johnson or Guidant may terminate the merger agreement. In addition, the merger agreement provides that, in several circumstances, Guidant may be required to pay Johnson & Johnson a termination fee of \$750 million and Johnson & Johnson may be required to pay Guidant a termination fee of \$700 million. For a more complete description, see [The Merger Agreement](#) [Termination of the Merger Agreement](#) and [Fees and Expenses](#) .

Additional Terms (pages 60)

Subject to the terms and conditions of the merger agreement, Johnson & Johnson and Guidant have agreed to use all reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary to consummate and make effective, in the most expeditious manner practicable, the merger and the other transactions contemplated by the merger agreement, including using reasonable best efforts to accomplish the following:

the taking of all acts necessary to cause the conditions to closing to be satisfied as promptly as practicable

the obtaining of all necessary actions or nonactions, waivers, consents and approvals from governmental entities and the making of all necessary registrations and filings and the taking of all steps as may be necessary to obtain an approval or waiver from, or to avoid an action or proceeding by, any governmental entity

the avoidance of each and every impediment under any antitrust, merger control, competition or trade regulation law that may be asserted by any governmental entity with respect to the merger and

the obtaining of all necessary consents, approvals or waivers from third parties, including any such consents, approvals or waivers required in connection with any divestiture.

As a result of these requirements, Johnson & Johnson and Guidant may be required, conditional upon closing, to divest certain assets.

Regulatory Matters (page 46)

United States antitrust laws prohibit Johnson & Johnson and Guidant from completing the merger until they have furnished certain information and materials to the Antitrust Division of the United States Department of Justice and the Federal Trade Commission and a required waiting period has ended. Johnson & Johnson and Guidant filed the required notification and report forms with the Antitrust Division and the Federal Trade Commission on January 18 and 19, 2005, respectively.

Both Johnson & Johnson and Guidant conduct business in member states of the European Union. Council Regulation No. 139/2004, as amended, and accompanying regulations require notification to and approval by the European Commission of specific mergers or acquisitions involving parties with worldwide sales and individual European Union sales exceeding specified thresholds before these mergers and acquisitions can be implemented. Johnson & Johnson and Guidant intend to seek approval of the European Commission for the merger.

Fees and Expenses (page 58)

Each of Johnson & Johnson and Guidant will pay its own fees and expenses in connection with the merger, except that they will share equally the expenses incurred in connection with the printing and mailing of the registration statement of which this proxy statement/prospectus is a part.

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The Companies (page 16)

Johnson & Johnson

One Johnson & Johnson Plaza
New Brunswick, New Jersey 08933
Telephone: (732) 524-0400

Johnson & Johnson, with approximately 109,200 employees, is engaged in the manufacture and sale of a broad range of products in the health care field. Johnson & Johnson has more than 200 operating companies in 57 countries, selling products throughout the world.

Guidant Corporation

111 Monument Circle, 29th Floor
Indianapolis, Indiana 46204-5129
Telephone: (317) 971-2000

Guidant is a multinational company that designs, develops, manufactures and markets innovative, high quality, therapeutic medical devices for use in treating cardiac and vascular disease. Approximately 12,000 employees develop, manufacture and market Guidant's medical devices in nearly 100 countries, with key operations in the United States, Europe and Asia.

Market Prices and Dividend Information (page 73)

Shares of Johnson & Johnson common stock and Guidant common stock are listed on the New York Stock Exchange. The following table presents:

the last reported sale price of a share of Johnson & Johnson common stock, as reported by the New York Stock Exchange Composite Transactions Tape

the last reported sale price of a share of Guidant common stock, as reported by the New York Stock Exchange Composite Transactions Tape

the market value of Guidant common stock on an equivalent price per share basis, as determined by reference to the value of the merger consideration to be received in respect of each share of Guidant common stock in the merger, in each case on December 15, 2004, the last full trading day prior to the public announcement of the merger, and on [], the last practicable trading day prior to the date of this proxy statement/prospectus. The equivalent price per share of Guidant common stock is always equal to \$76.00 to the extent that the volume weighted average trading price per share of Johnson & Johnson's common stock during the 15 trading days ending three trading days prior to the closing of the merger is within the range of \$55.45 to \$67.09. Within this range, the \$76.00 equivalent price per share represents the cash consideration of \$30.40 to be paid in respect of each share of Guidant common stock in the merger plus the stock consideration of shares of Johnson & Johnson having a value of \$45.60 to be issued in respect of each share of Guidant common stock in the merger. However, the equivalent price per share of Guidant common stock will be less than \$76.00 to the extent that the volume weighted average trading price of Johnson & Johnson's common stock during such period falls below \$55.45 and will be more than \$76.00 to the extent that the volume weighted average trading price of Johnson & Johnson's common stock during such period rises above \$67.09.

| Date | Johnson & Johnson Common Stock | Guidant Common Stock | Equivalent Price per Share of Guidant Common Stock |
|--------------------------------|--------------------------------------|----------------------------|---|
| December 15, 2004 [], 2005 | \$60.90 | \$72.05 | \$76.00 |

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These prices will fluctuate prior to the special meeting and the consummation of the merger, and shareholders are urged to obtain current market quotations prior to making any decision with respect to the merger.

Johnson & Johnson and Guidant declare and pay regular quarterly dividends. See Comparative Stock Prices and Dividends .

Table of Contents**Comparative Per Share Information**

The following table sets forth for the periods presented certain per share data of Johnson & Johnson and Guidant on a historical basis and on an unaudited pro forma basis after giving effect to the merger under the purchase method of accounting. The historical per share data of Johnson & Johnson and Guidant has been derived from, and should be read in conjunction with, the historical financial statements of Johnson & Johnson and Guidant incorporated by reference in this proxy statement/prospectus. See *Where You Can Find More Information* . The unaudited pro forma per share data has been derived from, and should be read in conjunction with, the unaudited pro forma condensed consolidated financial statements included elsewhere in this proxy statement/prospectus. See *Unaudited Pro Forma Condensed Consolidated Financial Statements* .

The Guidant unaudited pro forma equivalent data was calculated by multiplying the corresponding Johnson & Johnson unaudited pro forma consolidated data by an assumed exchange ratio of 0.7480, which was calculated by assuming that the weighted average trading price of Johnson & Johnson common stock utilized to derive the exchange ratio was equal to \$60.96, which is the volume weighted average trading price of Johnson & Johnson common stock for the 15 trading days ending three trading days prior to December 15, 2004, the last trading day prior to announcement of the merger. The exchange ratio does not include the \$30.40 per share cash portion of the merger consideration. The actual exchange ratio may vary as described in this proxy statement/prospectus. This data shows how each share of Guidant common stock would have participated in net income and book value of Johnson & Johnson if the companies had always been consolidated for accounting and financial reporting purposes for all periods presented. These amounts, however, are not intended to reflect future per share levels of net income and book value of Johnson & Johnson.

| | <u>Year Ended Dec. 28, 2003</u> | <u>Nine Months Ended Sept. 26, 2004</u> |
|--|-------------------------------------|---|
| JOHNSON & JOHNSON HISTORICAL | | |
| Per common share data: | | |
| Net earnings: | | |
| Basic | \$ 2.42 | \$ 2.46 |
| Diluted | 2.40 | 2.43 |
| Dividends paid per share | 0.925 | 0.81 |
| Unaudited book value per share (basic) | 9.05 | 10.62 |
| GUIDANT HISTORICAL(1) | | |
| Per common share data: | | |
| Income from continuing operations: | | |
| Basic | \$ 1.37 | \$ 1.45 |
| Diluted | 1.34 | 1.40 |
| Dividends declared per common share | 0.24 | 0.30 |
| Unaudited book value per share (basic) | 8.89 | 11.09 |
| JOHNSON & JOHNSON UNAUDITED PRO FORMA CONSOLIDATED WITH GUIDANT | | |
| Per common share data: | | |
| Income from continuing operations: | | |
| Basic | \$ 2.20 | \$ 2.27 |
| Diluted | 2.17 | 2.24 |
| Dividends paid per share | 0.925 | 0.81 |
| Unaudited book value per share (basic) | | 14.81 |
| GUIDANT UNAUDITED PRO FORMA EQUIVALENTS | | |
| Per common share data: | | |
| Income from continuing operations: | | |
| Basic | \$ 1.65 | \$ 1.70 |
| Diluted | 1.62 | 1.68 |
| Dividends declared per common share | 0.69 | 0.61 |
| Unaudited book value per share (basic) | | 11.08 |

- (1) Guidant reports its financial information on a calendar period basis, while Johnson & Johnson reports its financial information on a fiscal year basis. Guidant's financial information is as of and for the year ended December 31, 2003 and as of and for the nine months ended September 30, 2004.

Table of Contents**Selected Historical Consolidated Financial Data of Johnson & Johnson**

The following selected consolidated financial information of Johnson & Johnson as of and for each of the five fiscal years in the period ended December 28, 2003, has been derived from Johnson & Johnson's audited historical financial statements incorporated by reference in this proxy statement/prospectus. The financial statements for those periods were audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm. The financial information for Johnson & Johnson as of and for the nine month periods ended September 28, 2003 and September 26, 2004 has been derived from the unaudited consolidated financial statements contained in Johnson & Johnson's Quarterly Report on Form 10-Q for the nine month period ended September 26, 2004 incorporated by reference in this proxy statement/prospectus and, in the opinion of Johnson & Johnson management, includes all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of such information for the interim periods. The operating results for the nine month period ended September 26, 2004 are not necessarily indicative of results for the full fiscal year ending January 2, 2005. This information should be read in conjunction with management's discussion and analysis of results of operations and financial condition of Johnson & Johnson and the consolidated financial statements and notes thereto of Johnson & Johnson incorporated by reference into this proxy statement/prospectus. While selected consolidated financial information for Guidant as of and for the year ended December 31, 2004 has been included in this proxy statement/prospectus, comparable consolidated financial information for Johnson & Johnson as of and for the fiscal year ended January 2, 2005 is not yet available.

| | Fiscal Year Ended | | | | | Nine Months Ended | |
|---|-------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| | Jan. 2, 2000 | Dec. 31, 2000 | Dec. 30, 2001 | Dec. 29, 2002 | Dec. 28, 2003 | Sept. 28, 2003 | Sept. 26, 2004 |
| (in millions, except per share data) | | | | | | | |
| EARNINGS DATA: | | | | | | | |
| Sales to customers | \$27,357 | \$29,172 | \$32,317 | \$36,298 | \$41,862 | \$30,608 | \$34,596 |
| Costs and expenses | 21,480 | 22,304 | 24,419 | 27,007 | 31,554 | 22,674 | 24,383 |
| Earnings before provisions for taxes on income | 5,877 | 6,868 | 7,898 | 9,291 | 10,308 | 7,934 | 10,213 |
| Net earnings | 4,273 | 4,953 | 5,668 | 6,597 | 7,197 | 5,352 | 7,292 |
| Diluted net earnings per share | 1.39 | 1.61 | 1.84 | 2.16 | 2.40 | 1.78 | 2.43 |
| Dividends paid per share | 0.55 | 0.62 | 0.70 | 0.795 | 0.925 | 0.685 | 0.81 |
| BALANCE SHEET DATA (as of period end): | | | | | | | |
| Total assets | \$31,064 | \$34,245 | \$38,488 | \$40,556 | \$48,263 | \$46,659 | \$52,089 |
| Long-term debt | 3,429 | 3,163 | 2,217 | 2,022 | 2,955 | 3,149 | 2,961 |
| Shareholders' equity | 16,995 | 20,395 | 24,233 | 22,697 | 26,869 | 25,738 | 31,513 |

Table of Contents**Selected Historical Consolidated Financial Data of Guidant Corporation**

The following selected consolidated financial information of Guidant as of and for each of the five fiscal years in the period ended December 31, 2004, has been derived from Guidant's historical consolidated financial statements incorporated by reference in this proxy statement/prospectus. The consolidated financial statements for those periods were audited by Ernst & Young LLP, an independent registered public accounting firm. While selected consolidated financial information for Guidant as of and for the year ended December 31, 2004 has been included in this proxy statement/prospectus, comparable consolidated financial information for Johnson & Johnson as of and for the fiscal year ended January 2, 2005 is not yet available. Accordingly, for comparative purposes selected consolidated financial information for Guidant as of and for the nine month periods ended September 30, 2003 and 2004 is included and has been derived from the unaudited consolidated financial statements contained in Guidant's Quarterly Report on Form 10-Q for the nine month period ended September 30, 2004 incorporated by reference in this proxy statement/prospectus and, in the opinion of the Guidant management, includes all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of such information for the interim periods. The following information should be read in conjunction with management's discussion and analysis of results of operations and financial condition of Guidant and the consolidated financial statements and notes thereto of Guidant incorporated by reference into this proxy statement/prospectus.

| | Year Ended December 31, | | | | | Nine Months Ended September 30, | |
|--|-------------------------|-----------|-----------|-----------|-----------|------------------------------------|-----------|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2003 | 2004 |
| (in millions, except per share data) | | | | | | | |
| CONSOLIDATED STATEMENTS OF OPERATIONS DATA: | | | | | | | |
| Net sales | \$2,464.3 | \$2,636.8 | \$3,120.9 | \$3,644.8 | \$3,765.6 | \$2,704.6 | \$2,797.4 |
| Gross profit | 1,894.0 | 2,023.9 | 2,378.9 | 2,767.4 | 2,844.0 | 2,058.6 | 2,107.8 |
| Income from continuing operations | 397.2 | 538.5 | 669.3 | 419.3 | 573.0 | 219.8 | 449.3 |
| Net income | 374.3 | 484.0 | 611.8 | 330.3 | 524.0 | 125.4 | 419.5 |
| Earnings per share basic: | | | | | | | |
| Income from continuing operations | \$ 1.32 | \$ 1.79 | \$ 2.22 | \$ 1.37 | \$ 1.84 | \$ 0.72 | \$ 1.45 |
| Loss from discontinued operations, net of income taxes | (0.08) | (0.18) | (0.19) | (0.29) | (0.16) | (0.31) | (0.10) |
| Net income | \$ 1.24 | \$ 1.61 | \$ 2.03 | \$ 1.08 | \$ 1.68 | \$ 0.41 | \$ 1.35 |
| Earnings per share diluted: | | | | | | | |
| Income from continuing operations | \$ 1.28 | \$ 1.76 | \$ 2.19 | \$ 1.34 | \$ 1.78 | \$ 0.71 | \$ 1.40 |
| Loss from discontinued operations, net of income taxes | (0.07) | (0.18) | (0.19) | (0.28) | (0.15) | (0.31) | (0.09) |
| Net income | \$ 1.21 | \$ 1.58 | \$ 2.00 | \$ 1.06 | \$ 1.63 | \$ 0.40 | \$ 1.31 |
| Dividends declared per common share | | | | \$ 0.24 | \$ 0.40 | \$ 0.16 | \$ 0.30 |
| FINANCIAL POSITION DATA | | | | | | | |
| (as of period end): | | | | | | | |
| Total assets | \$2,521.4 | \$2,916.8 | \$3,716.1 | \$4,640.1 | \$5,372.2 | \$4,425.1 | \$5,155.0 |
| Borrowings (long and short term) | 808.9 | 760.0 | 368.5 | 948.3 | 659.2 | 448.4 | 776.9 |
| Shareholders' equity | 1,183.5 | 1,545.8 | 2,321.8 | 2,713.3 | 3,742.1 | 2,629.0 | 3,445.3 |

Table of Contents**Selected Unaudited Pro Forma Condensed Consolidated Financial Information**

The following selected unaudited pro forma condensed consolidated financial information of Johnson & Johnson and Guidant combine the consolidated financial information of Johnson & Johnson for the year ended December 28, 2003 and as of and for the nine month period ended September 26, 2004, with the consolidated financial information of Guidant for the year ended December 31, 2003 and as of and for the nine month period ended September 30, 2004. The selected unaudited pro forma condensed consolidated financial information is derived from the unaudited pro forma condensed consolidated financial statements contained elsewhere in this proxy statement/prospectus.

We present the unaudited pro forma condensed consolidated financial information for informational purposes only. The pro forma information is not necessarily indicative of what Johnson & Johnson's financial position or results of operations actually would have been had we completed the merger on the dates indicated. In addition, the unaudited pro forma condensed consolidated financial information does not purport to project the future financial position or operating results of the combined company.

We prepared the unaudited pro forma condensed consolidated financial information using the purchase method of accounting with Johnson & Johnson treated as the acquiror. The unaudited pro forma condensed consolidated financial information does not give effect to any potential cost savings or other operating efficiencies that could result from the merger. In addition, Johnson & Johnson's cost to acquire Guidant will be allocated to the assets acquired and liabilities assumed based upon their estimated fair values as of the date of acquisition. The allocation is dependent upon certain valuations and other studies that have not progressed to a stage where there is sufficient information to make a definitive allocation. Accordingly, the purchase price allocation pro forma adjustments are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed consolidated financial information in this proxy statement/prospectus.

| | Year Ended December 28, 2003 | Nine Months Ended September 26, 2004 |
|--|---------------------------------|---|
| (in millions, except per share data) | | |
| EARNINGS DATA: | | |
| Sales to customers | \$45,442 | \$37,319 |
| Costs and expenses | 35,567 | 27,241 |
| Earnings before provisions for taxes on income | 9,875 | 10,078 |
| Income from continuing operations | 7,026 | 7,277 |
| Basic earnings per share | 2.20 | 2.27 |
| Diluted net earnings per share | 2.17 | 2.24 |
| Dividends paid per share | 0.925 | 0.81 |
| BALANCE SHEET DATA (as of period end): | | |
| Total assets | | \$72,878 |
| Long-term debt | | 3,488 |
| Shareholders' equity | | 47,408 |

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RISK FACTORS RELATING TO THE MERGER

In addition to the other information included and incorporated by reference in this proxy statement/prospectus, Guidant shareholders should consider carefully the matters described below in determining whether to approve the merger agreement.

Holders of Guidant common stock may receive Johnson & Johnson common stock with an initial value of less than \$45.60 as the stock portion of the merger consideration. Each share of Guidant common stock will be converted into the right to receive a combination of (i) \$30.40 in cash and (ii) a number of shares of Johnson & Johnson common stock with a value, based upon the volume weighted average trading price of Johnson & Johnson common stock for the 15 trading days ending three trading days prior to the closing, of \$45.60, so long as the volume weighted average trading price per share of Johnson & Johnson's common stock during this period is within the range of \$55.45 to \$67.09. If the weighted average trading price of Johnson & Johnson common stock used to calculate the exchange ratio is less than \$55.45, the exchange ratio will be fixed at 0.8224. If this occurs, and the price of Johnson & Johnson common stock at the completion of the merger is less than \$55.45, the initial value of the Johnson & Johnson common stock to be received by holders of Guidant common stock will be less than \$45.60.

In addition, the price of Johnson & Johnson common stock at the completion of the merger could be lower than the weighted average trading price used to determine the exchange ratio. Therefore, even if the weighted average trading price used to determine the exchange ratio is greater than \$55.45, holders of Guidant common stock could also receive Johnson & Johnson common stock with an initial value of less than \$45.60.

The prices of Johnson & Johnson common stock and Guidant common stock at the closing of the merger may vary from their respective prices on the date of this proxy statement/prospectus and on the date of the special meeting. These prices may vary as a result of changes in the business, operations or prospects of Johnson & Johnson or Guidant, market assessments of the likelihood that the merger will be completed, the timing of the completion of the merger, the prospects of post-merger operations, regulatory considerations, general market and economic conditions and other factors.

The exchange ratio could be significantly different from what it would be if determined before the special meeting. Because the exchange ratio will not be determined until the third trading day before completion of the merger, you must decide whether or not to approve the merger agreement before knowing the actual exchange ratio. Changes in the price of Johnson & Johnson common stock prior to the completion of the merger may cause the actual exchange ratio to differ significantly from the exchange ratio that would have existed if it had been calculated as of the date of the special meeting.

The integration of Johnson & Johnson and Guidant following the merger may present significant challenges. Johnson & Johnson and Guidant may face significant challenges in combining their operations and product lines in a timely and efficient manner and retaining key Guidant personnel. The integration will be complex and time-consuming. The failure to integrate successfully Johnson & Johnson and Guidant and to manage successfully the challenges presented by the integration process may result in Johnson & Johnson not achieving the anticipated potential benefits of the merger.

The price of Johnson & Johnson common stock may be affected by factors different from those affecting the price of Guidant common stock. Upon completion of the merger, holders of Guidant common stock will become holders of Johnson & Johnson common stock. Johnson & Johnson's business is different from that of Guidant, and Johnson & Johnson's results of operations, as well as the price of Johnson & Johnson common stock, may be affected by factors different than those affecting Guidant's results of operations and price of Guidant common stock. For a discussion of Johnson & Johnson's and Guidant's businesses and certain factors to consider in connection with such businesses, see Johnson & Johnson's Annual Report on Form 10-K for the fiscal year ended December 28, 2003 and Quarterly Report on Form 10-Q for the nine months ended September 26, 2004, and Guidant's Annual Report on

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Form 10-K for the fiscal year ended December 31, 2004, each of which is incorporated by reference in this proxy statement/prospectus.

We will incur transaction, integration and restructuring costs in connection with the merger. Johnson & Johnson and Guidant expect to incur costs associated with transaction fees and other costs related to the merger. Specifically, we expect to incur approximately \$135 million for transaction costs related to the merger, which costs are expected to be recorded as a component of the purchase price. In addition, we will incur integration and restructuring costs following the completion of the merger as we integrate the businesses of Guidant with those of Johnson & Johnson. Although Johnson & Johnson and Guidant expect that the realization of efficiencies related to the integration of the businesses may offset incremental transaction, merger-related and restructuring costs over time, we cannot give any assurance that this net benefit will be achieved in the near term, or at all.

Obtaining required approvals and satisfying closing conditions may delay or prevent completion of the merger. Completion of the merger is conditioned upon the receipt of all material governmental authorizations, consents, orders and approvals, including the expiration or termination of the applicable waiting periods, and any extension of the waiting periods, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and approval by the European Commission under EC merger regulations. Johnson & Johnson and Guidant intend to pursue all required approvals in accordance with the merger agreement. These consents, orders and approvals may impose conditions on or require divestitures relating to the divisions, operations or assets of Johnson & Johnson or Guidant. Such conditions or divestitures may jeopardize or delay completion of the merger or may reduce the anticipated benefits of the merger. Further, no assurance can be given that the required consents and approvals will be obtained or that the required conditions to closing will be satisfied, and, if all such consents and approvals are obtained and the conditions are satisfied, no assurance can be given as to the terms, conditions and timing of the approvals or that they will satisfy the terms of the merger agreement. See *The Merger Agreement - Conditions for the Completion of the Merger* for a discussion of the conditions to the completion of the merger and *The Merger - Regulatory Matters* for a description of the regulatory approvals necessary in connection with the merger.

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THE SPECIAL MEETING

We are furnishing this proxy statement/prospectus to Guidant shareholders as of the record date as part of the solicitation of proxies by the Guidant board of directors for use at the special meeting.

Date, Time and Place

The Guidant special meeting will be held on [], 2005 at [], at [] ([]). Please complete and return the enclosed request for admittance card as soon as possible if you plan to attend the special meeting. If you return the request card, Guidant will send you an admittance card.

Purpose of the Special Meeting

At the special meeting, Guidant shareholders will be asked to consider and vote upon a proposal to approve the merger agreement, pursuant to which Shelby Merger Sub will merge with and into Guidant, with Guidant becoming a wholly owned subsidiary of Johnson & Johnson, and each outstanding share of Guidant common stock will be converted into the right to receive a combination of (i) \$30.40 in cash and (ii) a number of shares of Johnson & Johnson common stock based on an exchange ratio that will be calculated based upon the volume weighted average trading price of Johnson & Johnson common stock during a period prior to the completion of the merger. It is currently contemplated that no other matters will be considered at the special meeting.

The Guidant board of directors, with one director absent because of a pre-existing commitment, unanimously determined that the merger is in the best interests of Guidant and its shareholders, adopted the merger agreement and recommends that you vote **FOR** approval of the merger agreement.

Record Date; Shares Entitled to Vote; Quorum

Only holders of record of Guidant common stock at the close of business on [], 2005, the record date for the special meeting, are entitled to notice of, and to vote at, the special meeting and any adjournment or postponement of it. On the record date, [] shares of Guidant common stock were issued and outstanding and held by approximately [] holders of record.

A quorum is present at the special meeting if a majority of all the shares of Guidant common stock issued and outstanding on the record date and entitled to vote at the special meeting are represented at the special meeting in person or by a properly executed proxy. Abstentions and broker non-votes (described below) will be treated as present at the special meeting for purposes of determining the presence or absence of a quorum for the transaction of all business. In the event that a quorum is not present at the special meeting, it is expected that the meeting will be adjourned or postponed to solicit additional proxies. Holders of record of Guidant common stock on the record date are entitled to one vote per share on each matter submitted to a vote at the special meeting.

Vote Required

The approval of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Guidant common stock entitled to vote on the record date. Because the required vote of Guidant shareholders is based upon the number of outstanding shares of Guidant common stock entitled to vote, rather than upon the shares actually voted, the failure by the holder of any such shares to submit a proxy or to vote in person at the special meeting, including abstentions and broker non-votes, will have the same effect as a vote against approval of the merger agreement.

Shares Owned by Guidant Directors and Executive Officers and their Affiliates

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At the close of business on the record date, directors and executive officers of Guidant and their affiliates beneficially owned and were entitled to vote [] shares of Guidant common stock, which represented approximately []% of the shares of Guidant common stock outstanding on that date.

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Voting of Proxies

Shareholders of record may vote their shares by attending the special meeting and voting their shares in person at the meeting, or by completing the enclosed proxy card, signing and dating it and mailing it in the enclosed postage pre-paid envelope. Shareholders also may submit their proxy by telephone or on the Internet by following the instructions provided in the enclosed proxy card. If a proxy card is signed by a shareholder of record and returned without specific voting instructions, the shares represented by the proxy will be voted **FOR** the proposal presented at the special meeting.

Shareholders whose shares are held in street name must either instruct the record holder of their shares how to vote their shares or obtain a proxy from the record holder to vote at the special meeting. Please check the voting form used by your bank, broker, nominee, fiduciary or other custodian for information on how to submit your instructions to them.

Shareholders whose shares are held under Guidant's employee stock ownership plan may instruct the plan trustee as to how to vote their shares. If a shareholder does not instruct the plan trustee as to how to vote his or her shares, the plan trustee may vote those shares at its discretion. Please consult the voting form used by the plan trustee for information on how to submit your instructions to the plan trustee.

The persons named as proxies by a shareholder may propose and vote for one or more adjournments of the special meeting, including adjournments to permit further solicitations of proxies. Any adjournment may be made at any time by shareholders representing a majority of the votes present in person or by proxy at the special meeting, whether or not a quorum exists, without further notice other than by an announcement made at the meeting. Guidant does not currently intend to seek an adjournment of its special meeting. No proxy voted against the proposal to approve the merger agreement will be voted in favor of any such adjournment or postponement.

Guidant does not expect that any matter other than the proposal to approve the merger agreement will be brought before the special meeting. If, however, other matters are properly brought before the special meeting, or any adjourned meeting, the persons named as proxies will vote in accordance with their judgment.

Revocability of Proxies

Shareholders of record may revoke their proxy at any time prior to the time it is voted at the meeting. Shareholders of record may revoke their proxy by:

executing a later-dated proxy card relating to the same shares and delivering it to Guidant's Secretary before the taking of the vote at the special meeting

filing with Guidant's Secretary before the taking of the vote at the special meeting a written notice of revocation bearing a later date than the proxy card or

attending the special meeting and voting in person (although attendance at the special meeting will not, in and of itself, revoke a proxy).

Any written revocation or subsequent proxy card should be delivered to Guidant Corporation, 111 Monument Circle, 29th Floor, Indianapolis, Indiana 46204-5129, Attention: Secretary, or hand delivered to Guidant's Secretary or his representative before the taking of the vote at the special meeting.

Solicitation of Proxies

Guidant is soliciting proxies for the special meeting and will bear all expenses in connection with solicitation of proxies, except those expenses incurred in connection with the printing and mailing of this proxy statement/prospectus will be shared equally by Guidant and Johnson & Johnson. Upon request, Guidant will pay banks, brokers, nominees, fiduciaries or other custodians their reasonable expenses for sending proxy material to, and obtaining instructions from, persons for whom they hold shares.

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Guidant has retained Georgeson Shareholder Communications, Inc. to assist with the solicitation of proxies. Georgeson will receive customary fees as compensation for its services plus reimbursement for its related out-of-pocket expenses.

Guidant expects to solicit proxies primarily by mail, but directors, officers and other employees of Guidant or Georgeson may also solicit in person or by Internet, telephone or mail.

Guidant shareholders who receive more than one proxy card or voting instruction form have shares registered in different forms or in more than one account. Please complete, sign, date and return all proxy cards and provide instructions for all voting instruction forms received to ensure that all shares are voted.

Shareholders should not send stock certificates with their proxies. A transmittal form with instructions for the surrender of Guidant common stock certificates will be mailed to Guidant shareholders shortly after completion of the merger.

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THE COMPANIES

Johnson & Johnson

Johnson & Johnson, with approximately 109,200 employees, is engaged in the manufacture and sale of a broad range of products in the health care field. Johnson & Johnson has more than 200 operating companies in 57 countries, selling products throughout the world.

Johnson & Johnson's worldwide business is divided into three segments: consumer, pharmaceutical and medical devices and diagnostics. The consumer segment's principal products are personal care and hygienic products, including oral and baby care products, first aid products, nonprescription drugs, sanitary protection products and adult skin and hair care products. These products are marketed principally to the general public and distributed both to wholesalers and directly to independent and chain retail outlets.

The pharmaceutical segment's principal worldwide franchises are in the anti-infective, anti-fungal, anti-anemia, central nervous system, contraceptive, dermatology, gastrointestinal and pain management fields. These products are distributed both directly and through wholesalers for use by health care professionals and the general public.

The medical devices and diagnostics segment includes suture and mechanical wound closure products, minimally invasive surgical instruments, diagnostic products, cardiology products, disposable contact lenses, surgical instruments, orthopedic joint replacements and products for wound management and infection prevention and other medical equipment and devices. These products are used principally in the professional fields by physicians, nurses, therapists, hospitals, diagnostic laboratories and clinics. Distribution to these markets is done both directly and through surgical supply and other dealers.

Johnson & Johnson was organized in the State of New Jersey in 1887. The address of its principal executive offices is One Johnson & Johnson Plaza, New Brunswick, New Jersey 08933, and the telephone number at that address is (732) 524-0400.

Guidant

Guidant is a multinational company that designs, develops, manufactures and markets innovative, high quality, therapeutic medical devices for use in treating cardiac and vascular disease. Approximately 12,000 employees develop, manufacture and market Guidant's medical devices in nearly 100 countries, with key operations in the United States, Europe and Asia.

Guidant products that focus on the treatment of coronary arrhythmias, heart failure and coronary and peripheral disease include:

implantable defibrillator systems used to detect and treat abnormally fast heart rhythms (tachycardia) that could result in sudden cardiac death, including implantable cardiac resynchronization therapy defibrillator systems used to treat heart failure

implantable pacemaker systems used to manage slow or irregular heart rhythms (bradycardia), including implantable cardiac resynchronization therapy pacemaker systems used to treat heart failure

coronary stent systems for the treatment of coronary artery disease

angioplasty systems including dilatation catheters and related accessories for the treatment of coronary artery disease

cardiac surgery systems&nb