



T R A N S F O R M

pharmaceuticals, inc.

Johnson & Johnson

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FOR IMMEDIATE RELEASE

Johnson & Johnson to Acquire TransForm Pharmaceuticals
Acquisition Enhances Ability to Create New Therapies

New Brunswick, NJ, & Lexington, MA, March 9, 2005 – Johnson & Johnson (NYSE:JNJ) today announced a definitive agreement under the terms of which it will acquire TransForm Pharmaceuticals, Inc., a privately held company that specializes in the discovery of superior formulations and novel crystalline forms of drug molecules.

The cash-for-stock transaction is valued at approximately \$230 million and is expected to close in the second quarter of 2005, subject to customary closing conditions and regulatory approvals. Upon closing, Johnson & Johnson is expected to incur an estimated one-time after-tax charge of approximately \$50 million, or \$0.02 per share, reflecting the expensing of in-process research and development (IPR&D) charges. This transaction does not affect Johnson & Johnson's guidance (which excluded special charges) as reviewed at the year-end analyst meeting held on January 25, 2005.

“TransForm is a strong, strategic addition to our pharmaceutical research, discovery and development model,” said Harlan Weisman, M.D., company group chairman, research and development, pharmaceuticals, at Johnson & Johnson. “The scientific expertise and intellectual property estate at TransForm provide value-creating opportunities across Johnson & Johnson's diverse pipeline, and immediately expand our ability to create new therapies. We are also excited about welcoming the talented people in TransForm's research laboratories who can bring creative solutions to some of our drug development challenges.”

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Formed in 1999, TransForm currently has approximately 80 employees. Johnson & Johnson expects TransForm to remain in its headquarters in Lexington, MA, where TransForm has created a new facility housing its suite of technologies for the formulation and crystallization of pharmaceutical products.

“Johnson & Johnson’s decision to acquire the technology, expertise and pipeline of TransForm endorses the importance of breakthrough formulation technologies in drug discovery and medical technology,” said Nick Galakatos, Ph.D., chairman and founder of TransForm. “Since inception, we have successfully collaborated with several pharmaceuticals partners, including Johnson & Johnson, to develop wholly new approaches that add value across product life cycles. We believe Johnson & Johnson’s unique presence across several healthcare markets from pharmaceuticals and devices to consumer products provides TransForm the best chance to execute on its vision and to realize its full potential.”

Johnson & Johnson, with approximately 109,900 employees, is the world's most comprehensive and broadly based manufacturer of health care products, as well as a provider of related services, for the consumer, pharmaceutical and medical devices and diagnostics markets. Johnson & Johnson has more than 200 operating companies in 57 countries, selling products throughout the world.

(This press release contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from the Company’s expectations and projections. Risks and uncertainties include general industry conditions and competition; economic conditions, such as interest rate and currency exchange rate fluctuations; technological advances and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approvals; domestic and foreign health care reforms and governmental laws and regulations; and trends toward health care cost containment. A further list and description of these risks, uncertainties and other factors can be found in Exhibit 99(b) of the Company’s Annual Report on Form 10-K for the fiscal year ended December 28, 2003. Copies of this Form 10-K are available online at www.sec.gov or on request from the Company. The Company assumes no obligation to update any forward-looking statements as a result of new information or future events or developments.)

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