# **BD Announces Results For 2011 First Fiscal Quarter**

- -- Reports diluted earnings per share from continuing operations of \$1.35, including approximately \$0.07 related to the timing of certain tax benefits. These benefits were included in the Company's full year guidance provided on its 2010 year-end earnings conference call.
- -- Reports revenues of \$1.842 billion, a decrease of 1.4 percent year-overyear.
- -- Reaffirms full fiscal year 2011 guidance of reported revenues and EPS to increase about 4 percent and between 11 percent and 13 percent, respectively.

FRANKLIN LAKES, N.J., Feb. 7, 2011 /PRNewswire/ -- BD (Becton, Dickinson and Company) (NYSE: BDX), a leading global medical technology company, today reported quarterly revenues of \$1.842 billion for the first fiscal quarter ended December 31, 2010, representing a decrease of 1.4 percent from the prior-year period. On a foreign currency-neutral basis, revenue decreased 1.5 percent. The revenue decline reflects an unfavorable comparison to the prior year of about 4 percentage points due to strong sales related to the pandemic flu and U.S. stimulus revenues in fiscal 2010.

The Company also repurchased \$837 million of its common stock during the quarter. BD continues to plan aggregate share repurchases of \$1.5 billion in fiscal 2011 and an additional \$600 million in fiscal 2012.

"We are pleased with our performance in the first fiscal quarter given the challenging environment," said Edward J. Ludwig, Chairman and Chief Executive Officer. "While revenue came in slightly below our expectations, our discipline around operational excellence enabled us to deliver earnings per share in line with our previous guidance. We continued to return significant value to shareholders, while also investing in geographic expansion, new product platforms and operational excellence programs."

# First Quarter Earnings

Reported diluted earnings per share for the first quarter were \$1.35, compared with \$1.25 in the prior-year period, representing an 8.0 percent increase. On a foreign currency-neutral basis, diluted earnings per share for the first quarter increased by 4.8 percent.

For the quarter, reported diluted earnings per share from continuing operations included an approximate \$0.07 favorable impact due to the timing of certain tax benefits. These benefits, which were reflected in our previous full year guidance, resulted from certain first quarter events, including the retroactive extension of the U.S. research tax credit.

# Segment Results

In the BD Medical segment, worldwide revenues for the quarter were \$927 million, representing a decrease of 4.5 percent compared with the prior-year period, or a decrease of 4.3 percent on a foreign currency-neutral basis. The segment's revenue decline reflects an unfavorable comparison to the prior year of about 6 percentage points due to strong sales related to the H1N1 flu pandemic in fiscal year 2010, partially offset by solid growth in the Diabetes Care unit with particularly strong growth in pen needles.

In the BD Diagnostics segment, worldwide revenues for the quarter were \$602 million, representing an increase of 1.0 percent compared with the prior-year period, or 0.6 percent on a foreign currency-neutral basis. Segment revenue growth was negatively impacted by about 2 percentage points due to strong sales related to the flu pandemic in fiscal year 2010. The segment growth was primarily driven by strong sales in Preanalytical Systems safety-engineered products, and Women's Health and Cancer in the Diagnostic Systems unit.

In the BD Biosciences segment, worldwide revenues for the quarter were \$314 million, representing an increase of 3.7 percent compared with the prior-year period, or 3.5 percent on a foreign currency-neutral basis. Segment revenue growth was negatively impacted by about 2 percentage points due to strong sales related to stimulus spending in the U.S. in fiscal year 2010. Segment growth was primarily driven by instrument and reagent sales in the Cell Analysis unit.

#### **Geographic Results**

First quarter revenues in the U.S. were \$829 million, representing a decrease of 2.9 percent compared with the prior-year period, including a negative impact of 6.0 percentage points due to flu pandemic-related sales in fiscal year 2010. Revenues outside of the U.S. were \$1.013 billion, representing a decrease of 0.2 percent compared with the prior-year period, or a decrease of 0.3 percent on a foreign currency-neutral basis. International revenue growth was negatively impacted by about 3 percentage points related to the flu pandemic in fiscal year 2010. Revenues reflected continued strength in emerging markets, which was partially offset by a decline in sales in Europe.

# **Company Reaffirms Previously Communicated Fiscal Year 2011 Guidance**

The Company continues to estimate that reported revenues for the full fiscal year 2011 will increase about 4 percent compared to fiscal year 2010. The Company also continues to expect reported diluted earnings per share from continuing operations for fiscal year 2011 to be between \$5.45 and \$5.55, an increase of approximately 11 to 13 percent over fiscal year 2010. Diluted earnings per share from continuing operations for fiscal year 2011 are expected to increase 10 to 12 percent over adjusted diluted earnings per share from continuing operations, excluding specified item, of \$4.94 for fiscal year 2010. The specified item represents a 2010 non-cash charge of \$0.04 cents per share related to healthcare reform impacting Medicare Part D reimbursements.

#### **Conference Call Information**

A conference call regarding BD's first quarter results and its expectations for the full fiscal year 2011 will be broadcast live on BD's website, <a href="https://www.bd.com/investors">www.bd.com/investors</a>, along with related slides, at 10:00 a.m. (ET) Tuesday, February 8, 2011. The related slides are available concurrent with this press release at <a href="https://www.bd.com/investors">www.bd.com/investors</a>. The conference call will be available for replay on BD's website, <a href="https://www.bd.com/investors">www.bd.com/investors</a>, or at 1-800-642-1687

(domestic) and 1-706-645-9291 (international) through the close of business on Tuesday, February 15, 2011, access code 37117544.

#### **Non-GAAP Financial Measures**

This news release contains certain non-GAAP financial measures. Reconciliations of these and other non-GAAP measures to the comparable GAAP measures are included in the attached financial tables and the Form 8-K that BD filed today with the SEC.

#### **About BD**

BD is a leading global medical technology company that develops, manufactures and sells medical devices, instrument systems and reagents. The Company is dedicated to improving people's health throughout the world. BD is focused on improving drug delivery, enhancing the quality and speed of diagnosing infectious diseases and cancers, and advancing research, discovery and production of new drugs and vaccines. BD's capabilities are instrumental in combating many of the world's most pressing diseases. Founded in 1897 and headquartered in Franklin Lakes, New Jersey, BD employs approximately 29,000 associates in more than 50 countries throughout the world. The Company serves healthcare institutions, life science researchers, clinical laboratories, the pharmaceutical industry and the general public. For more information, please visit <a href="https://www.bd.com">www.bd.com</a>.

This press release contains certain estimates and other forward-looking statements (as defined under Federal securities laws) regarding BD's performance, including future revenues and earnings per share. Forward-looking statements may be identified by the use of words such as "expect", "estimate" or words of similar meaning in conjunction with statements of our future performance. All such statements are based upon current expectations of BD and involve a number of business risks and uncertainties. Actual results could vary materially from anticipated results described, implied or projected in any forwardlooking statement. With respect to forward-looking statements contained herein, a number of factors could cause actual results to vary materially from any forward-looking statement. These factors include, but are not limited to: the unknown consequences of the recentlyenacted healthcare reform in the United States, including the impact of the reduction in Medicare and Medicaid payments to hospitals, pharmaceutical companies and other customers, which could reduce demand for our products and increase downward pricing pressure; adverse changes in regional, national or foreign economic conditions, including any impact that may result from the current global economic downturn on our ability to access credit markets and finance our operations, the demand for our products and services, or our suppliers' ability to provide products needed for our operations; changes in interest or foreign currency exchange rates; competitive factors; pricing and market share pressures; difficulties inherent in product development and delays in product introductions; increases in energy costs and their effect on, among other things, the cost of producing BD's products; fluctuations in costs and availability of raw materials and in BD's ability to maintain favorable supplier arrangements and relationships; new or changing laws impacting our business or changes in enforcement practices with respect to such laws; uncertainties of litigation (as described in BD's filings with the Securities and Exchange Commission); future healthcare reform, including changes in government pricing and reimbursement policies or other cost containment reforms; the effects of potential pandemic diseases; our ability to successfully integrate any businesses we acquire; and issuance of new or revised accounting standards, as well as other factors discussed in BD's filings with the Securities and Exchange Commission. We do not intend to update any forward-looking statements to

reflect events or circumstances after the date hereof except as required by applicable laws or regulations.

# BECTON DICKINSON AND COMPANY

# CONSOLIDATED INCOME STATEMENTS

(Unaudited; Amounts in thousands, except per share data)

	Th	nree Months I	Ended Decemb	ber 31,
		2010	2009	% Change
REVENUES	\$	1,842,005 \$	1,868,818	(1.4)
Cost of products sold		865,431	894,324	(3.2)
Selling and administrative		447,954	445,673	0.5
Research and development		115,542	99,151	16.5
TOTAL OPERATING COSTS				
AND EXPENSES		1,428,927	1,439,148	(0.7)
OPERATING INCOME		413,078	429,670	(3.9)
Interest income		15,222	8,789	73.2
Interest expense		(15,553)	(12,987)	19.8
Other expense, net		(4,596)	(2,354)	95.2
INCOME FROM CONTINUING OPERATIONS BEFORE				
INCOME TAXES		408,151	423,118	(3.5)
Income tax provision		93,875	119,025	(21.1)
INCOME FROM CONTINUING OPERATIONS		314,276	304,093	3.3

INCOME FROM DISCONTINUED OPERATIONS

NET OF INCOME TAX PROVISION OF			
\$223 AND \$4,617, RESPECTIVELY	1,661	12,283	NM
NET INCOME	\$ 315,937	\$ 316,376	(0.1)
ELDUTUG DED GUADE			
EARNINGS PER SHARE			
Basic:			
Income from continuing operations	\$ 1.38	\$ 1.28	7.8
Income from discontinued operations	\$ 0.01	\$ 0.05	(80.0)
Net income	\$ 1.39	\$ 1.33	4.5
Diluted:			
Income from continuing operations	\$ 1.35	\$ 1.25	8.0
Income from discontinued operations	\$ 0.01	\$ 0.05	(80.0)
Net income	\$ 1.36	\$ 1.30	4.6
AVERAGE SHARES OUTSTANDING			
Basic	228,083	237,360	
Diluted	232,915	242,965	
		2.2,303	

NM - Not Meaningful

BECTON DICKINSON AND COMPANY

SUPPLEMENTAL REVENUE INFORMATION

REVENUES BY SEGMENT AND GEOGRAPHIC AREA

# (Unaudited; Amounts in thousands)

TI	nree Months	5 E	Ended Decem	ber 31,
	2010		2009	% Change
\$	405,527	\$	432,576	(6.3)
	521,020		538,096	(3.2)
\$	926,547	\$	970,672	(4.5)
\$	308,851	\$	310,205	(0.4)
	292,871		285,269	2.7
\$	601,722	\$	595,474	1.0
\$	114,224	\$	110,636	3.2
	199,512		192,036	3.9
\$	313,736	\$	302,672	3.7
\$	828,602	\$	853,417	(2.9)
	1,013,403		1,015,401	(0.2)
	\$ \$ \$ \$ \$	2010 \$ 405,527 521,020 \$ 926,547 \$ 308,851 292,871 \$ 601,722 \$ 114,224 199,512 \$ 313,736	\$ 405,527 \$ 521,020 \$ \$ 926,547 \$ \$ 308,851 \$ 292,871 \$ \$ 601,722 \$ \$ 114,224 \$ 199,512 \$ \$ 313,736 \$ \$ 828,602 \$	\$ 405,527

BECTON DICKINSON AND COMPANY
SUPPLEMENTAL REVENUE INFORMATION
REVENUES BY BUSINESS SEGMENTS AND UNITS

TOTAL \$ 1,842,005 \$ 1,868,818 (1.4)

# Three Months Ended December 31,

(Unaudited; Amounts in thousands)

#### United States

	Ur	nited Sta	ate	es	
		2010		2009	% Change
BD MEDICAL					
Medical Surgical Systems	\$	254,254	\$	273,991	(7.2)
Diabetes Care		99,585		96,564	3.1
Pharmaceutical Systems		51,688		62,021	(16.7)
TOTAL	\$	405,527	\$	432,576	(6.3)
BD DIAGNOSTICS					
Preanalytical Systems	\$	162,059	\$	156,236	3.7
Diagnostic Systems		146,792		153,969	(4.7)
TOTAL	\$	308,851	\$	310,205	(0.4)
BD BIOSCIENCES					
Cell Analysis	\$	80,255	\$	77,604	3.4
Discovery Labware		33,969		33,032	2.8
TOTAL	\$	114,224	\$	110,636	3.2
TOTAL UNITED STATES	\$	828,602	\$	853,417	(2.9)

BECTON DICKINSON AND COMPANY

SUPPLEMENTAL REVENUE INFORMATION

REVENUES BY BUSINESS SEGMENTS AND UNITS

Three Months Ended December 31, (continued)

# (Unaudited; Amounts in thousands)

#### International

			% Change		
	2010	2009	Reported	FXN	FX Impact
BD MEDICAL					
Medical Surgical Systems	\$ 258,474	\$ 259,186	(0.3)	(2.2)	1.9
Diabetes Care	114,297	\$ 104,957	8.9	8.8	0.1
Pharmaceutical Systems	148,249	\$ 173,953	(14.8)	(10.9)	(3.9)
TOTAL	\$ 521,020	\$ 538,096	(3.2)	(2.8)	(0.4)
BD DIAGNOSTICS					
Preanalytical Systems	\$ 150,569	\$ 143,930	4.6	4.0	0.6
Diagnostic Systems	142,302	141,339	0.7	(0.3)	1.0
TOTAL	\$ 292,871	\$ 285,269	2.7	1.9	0.8
BD BIOSCIENCES					
Cell Analysis	\$ 160,487	\$ 153,731	4.4	4.6	(0.2)
Discovery Labware	39,025	38,305	1.9	(0.1)	2.0
TOTAL	\$ 199,512	\$ 192,036	3.9	3.6	0.3
TOTAL INTERNATIONAL	\$ 1,013,403	\$ 1,015,401	(0.2)	(0.3)	0.1

BECTON DICKINSON AND COMPANY

SUPPLEMENTAL REVENUE INFORMATION

REVENUES BY BUSINESS SEGMENTS AND UNITS

Three Months Ended December 31, (continued)

(Unaudited; Amounts in thousands)

Total

			% Change		
	2010	2009	Reported	FXN	FX Impact
BD MEDICAL					
Medical Surgical Systems	\$ 512,728	\$ 533,177	(3.8)	(4.7)	0.9
Diabetes Care	213,882	201,521	6.1	6.1	-
Pharmaceutical Systems	199,937	235,974	(15.3)	(12.4)	(2.9)
TOTAL	\$ 926,547	\$ 970,672	(4.5)	(4.3)	(0.2)
BD DIAGNOSTICS					
Preanalytical Systems	\$ 312,628	\$ 300,166	4.2	3.9	0.3
Diagnostic Systems	289,094	295,308	(2.1)	(2.6)	0.5
TOTAL	\$ 601,722	\$ 595,474	1.0	0.6	0.4
BD BIOSCIENCES					
Cell Analysis	\$ 240,742	\$ 231,335	4.1	4.2	(0.1)
Discovery Labware	72,994	71,337	2.3	1.2	1.1
TOTAL	\$ 313,736	\$ 302,672	3.7	3.5	0.2
TOTAL REVENUES	\$ 1,842,005	\$ 1,868,818	(1.4)	(1.5)	0.1

BECTON DICKINSON AND COMPANY
SUPPLEMENTAL REVENUE INFORMATION
SAFETY REVENUES

(Unaudited; Amounts in thousands)

# Three Months Ended December 31,

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	2010	2009	Reported	FXN	FX Impact
TOTAL SAFETY REVENUES					
United States	\$ 283,782	291,815	(2.8)	(2.8)	-
International	169,254	155,129	9.1	7.5	1.6
TOTAL	\$ 453,036	446,944	1.4	0.9	0.5
BY SEGMENT					
BD Medical	\$ 213,309	221,174	(3.6)	(4.3)	0.7
BD Diagnostics	239,727	225,770	6.2	5.8	0.4
TOTAL	\$ 453,036	446,944	1.4	0.9	0.5

#### BECTON DICKINSON AND COMPANY

SUPPLEMENTAL REVENUE INFORMATION

REVENUES BY BUSINESS SEGMENTS AND UNITS FISCAL 2010

Revised for discontinued operations of certain Medical segment divestitures (Unaudited; Amounts in thousands)

#### United States

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year
BD MEDICAL					
Medical Surgical Systems	\$ 273,991	\$ 237,174	\$ 239,866	\$ 256,290	\$ 1,007,322
Diabetes Care	96,564	92,515	96,071	98,633	383,783
Pharmaceutical Systems	62,021	52,078	45,824	45,308	205,231
TOTAL	\$ 432,576	\$ 381,767	\$ 381,761	\$ 400,231	\$ 1,596,336

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Preanalytical Systems	\$ 156,236	\$ 149,932	\$ 159,228	\$ 162,024	\$ 627,421
Diagnostic Systems	153,969	142,909	144,293	145,697	586,867
TOTAL	\$ 310,205	\$ 292,841	\$ 303,521	\$ 307,721	\$ 1,214,288
BD BIOSCIENCES					
Cell Analysis	\$ 77,604	\$ 78,183	\$ 84,365	\$ 86,765	\$ 326,916
Discovery Labware	33,032	38,968	39,781	37,244	149,025
TOTAL	\$ 110,636	\$ 117,151	\$ 124,146	\$ 124,009	\$ 475,941
TOTAL UNITED STATES	\$ 853,417	\$ 791,759	\$ 809,428	\$ 831,961	\$ 3,286,565

	Internation	nal				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year	
BD MEDICAL						
Medical Surgical Systems	\$ 259,186	\$ 244,090 \$	253,687 \$	245,724 \$	1,002,687	
Diabetes Care	104,957	95,471	101,081	100,468	401,976	
Pharmaceutical Systems	173,953	200,305	208,993	212,182	795,433	
TOTAL	\$ 538,096	539,866 \$	563,761 \$	558,374 \$	2,200,096	
BD DIAGNOSTICS						
Preanalytical Systems	\$ 143,930	\$ 137,738 \$	144,298 \$	144,421 \$	570,386	
Diagnostic Systems	141,339	125,093	128,450	139,322	534,205	

TOTAL	\$ 285,269	\$ 262,831	\$ 272,748	\$ 283,743	\$ 1,104,591
BD BIOSCIENCES					
Cell Analysis	\$ 153,731	\$ 164,292	\$ 146,068	\$ 160,230	\$ 624,322
Discovery Labware	38,305	40,661	38,906	38,887	156,759
TOTAL	\$ 192,036	\$ 204,953	\$ 184,974	\$ 199,117	\$ 781,081

TOTAL INTERNATIONAL \$ 1,015,401 \$ 1,007,650 \$ 1,021,483 \$ 1,041,234 \$ 4,085,768

	Total									
	Quarter	1	Quarter	2	Quarter	3	Qu	arter	4	Year
BD MEDICAL										
Medical Surgical Systems	\$ 533,177		\$ 481,264		\$ 493,553		\$ 50	2,014	9	\$ 2,010,009
Diabetes Care	201,521		187,986		197,152		19	9,101		785,759
Pharmaceutical Systems	235,974		252,383		254,817		25	7,490		1,000,664
T0TAL	\$ 970,672		\$ 921,633		\$ 945,522		\$ 95	8,605	9	\$ 3,796,432
BD DIAGNOSTICS										
Preanalytical Systems	\$ 300,166		\$ 287,670		\$ 303,526		\$ 30	6,445	9	\$ 1,197,807
Diagnostic Systems	295,308		268,002		272,743		28	5,019		1,121,072
TOTAL	\$ 595,474		\$ 555,672		\$ 576,269		\$ 59	1,464	9	\$ 2,318,879
BD BIOSCIENCES										
Cell Analysis	\$ 231,335		\$ 242,475		\$ 230,433		\$ 24	6,995	9	\$ 951,238
Discovery Labware	71,337		79,629		78,687		76	, 131		305,784

TOTAL \$ 302,672 \$ 322,104 \$ 309,120 \$ 323,126 \$ 1,257,022

TOTAL REVENUES \$ 1,868,818 \$ 1,799,409 \$ 1,830,911 \$ 1,873,195 \$ 7,372,333

Certain quarterly amounts may not add to the year-to-date totals due to rounding.

#### BECTON DICKINSON AND COMPANY

SUPPLEMENTAL REVENUE INFORMATION

REVENUES BY BUSINESS SEGMENTS AND UNITS FISCAL 2009

Revised for discontinued operations of certain Medical segment divestitures (Unaudited; Amounts in thousands)

	United States									
		Quarter 1		Quarter 2		Quarter 3		Quarter 4		Year
BD MEDICAL										
Medical Surgical Systems	\$	244,037	\$	231,041	\$	244,077	\$	255,168	\$	974,324
Diabetes Care		88,465		83,233		91,330		88,590		351,618
Pharmaceutical Systems		42,652		43,065		43,460		48,353		177,529
TOTAL	\$	375,154	\$	357,339	\$	378,867	\$	392,111	\$	1,503,471
BD DIAGNOSTICS										
Preanalytical Systems	\$	149,230	\$	147,436	\$	155,760	\$	156,328	\$	608,754
Diagnostic Systems		138,338		137,677		143,614		149,160		568,789
TOTAL	\$	287,568	\$	285,113	\$	299,374	\$	305,488	\$	1,177,543

Cell Analysis	\$ 77,379	\$ 71,770	\$ 70,518	\$ 84,179	\$ 303,846
Discovery Labware	36,372	32,269	37,618	39,046	145,305
TOTAL	\$ 113,751	\$ 104,039	\$ 108,136	\$ 123,225	\$ 449,151
TOTAL UNITED STATES	5 \$ 776,473	\$ 746,491	\$ 786,377	\$ 820,824	\$ 3,130,165

#### International Quarter 2 Quarter 3 Quarter 4 Quarter 1 Year BD MEDICAL Medical Surgical \$ 211,595 \$ 219,079 \$ 230,934 \$ 253,384 \$ 914,990 Systems Diabetes Care 91,541 85,159 94,521 92,098 363,319 Pharmaceutical 152,129 178,085 220,503 774,914 Systems 224,195 T0TAL \$ 455,265 \$ 482,323 \$ 569,677 \$ 545,958 \$ 2,053,223 BD DIAGNOSTICS Preanalytical \$ 128,924 \$ 131,029 \$ 136,427 \$ 138,297 Systems \$ 534,677 Diagnostic Systems 123,699 123,498 130,578 136,224 513,999 T0TAL \$ 254,527 \$ 267,005 \$ 1,048,676 \$ 252,623 \$ 274,521 BD BIOSCIENCES Cell Analysis \$ 159,223 \$ 139,251 \$ 150,055 \$ 600,671 \$ 152,142 Discovery Labware 36,645 40,578 37,818 38,946 153,987 T0TAL \$ 188,787 \$ 199,801 \$ 177,069 \$ 189,001 \$ 754,658

\$ 936,651

\$ 990,032

\$ 1,033,199 \$ 3,856,557

TOTAL INTERNATIONAL \$ 896,675

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year
BD MEDICAL					
Medical Surgical Systems	\$ 455,632	\$ 450,120	\$ 475,011	\$ 508,552	\$ 1,889,314
Diabetes Care	180,006	168,392	185,851	180,688	714,937
Pharmaceutical Systems	194,781	221,150	263,963	272,548	952,443
TOTAL	\$ 830,419	\$ 839,662	\$ 924,825	\$ 961,788	\$ 3,556,694
BD DIAGNOSTICS					
Preanalytical Systems	\$ 278,154	\$ 278,465	\$ 292,187	\$ 294,625	\$ 1,143,431
Diagnostic Systems	262,037	261,175	274,192	285,384	1,082,788
TOTAL	\$ 540,191	\$ 539,640	\$ 566,379	\$ 580,009	\$ 2,226,219
BD BIOSCIENCES					
Cell Analysis	\$ 229,521	\$ 230,993	\$ 209,769	\$ 234,234	\$ 904,517
Discovery Labware	73,017	72,847	75,436	77,992	299,292
TOTAL	\$ 302,538	\$ 303,840	\$ 285,205	\$ 312,226	\$ 1,203,809
TOTAL REVENUES	\$ 1,673,148	\$ 1,683,142	\$ 1,776,409	\$ 1,854,023	\$ 6,986,722

Certain quarterly amounts may not add to the year-to-date totals due to rounding.

#### Contact:

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SOURCE BD (Becton, Dickinson and Company)