

Introducing the Next Phase of Value Creation for BD

Tom Polen
President and Chief Operating Officer

J.P. Morgan Healthcare Conference
January 14, 2020



Forward-Looking Statements

- These materials include forward-looking statements and it's possible that actual results could differ from our expectations. Factors that could cause such differences appear in our Form 10-K filed 11/27/2019 with the SEC.

Non-GAAP Financial Measures

- These materials also include Non-GAAP financial measures. A reconciliation to the most directly comparable GAAP measures can be found in our earnings releases and their related financial schedules and earnings presentation slides.
- Certain financial information excludes the impact of the following items:
 1. Foreign currency translation.
 2. Adjustments to current and prior year periods as noted in the schedules in the appendix of this presentation.
- Reconciliations of certain forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures are omitted from the financial schedules attached hereto as we are unable to provide such reconciliations without unreasonable efforts. Sufficient information is not available to calculate certain forward-looking adjustments required for such reconciliations, including future restructuring charges and acquisition-related costs. We expect these future charges and costs could have a potentially significant impact on our future GAAP financial results.

The BD of Today



The BD of today is...

Market leader across our businesses...

 **Medical**
\$9.1B

Optimizing core healthcare delivery processes in:

- Medication management
- Drug delivery
- Infection prevention

 **Life Sciences**
\$4.3B

Improving diagnosis and selection of optimal treatment of:

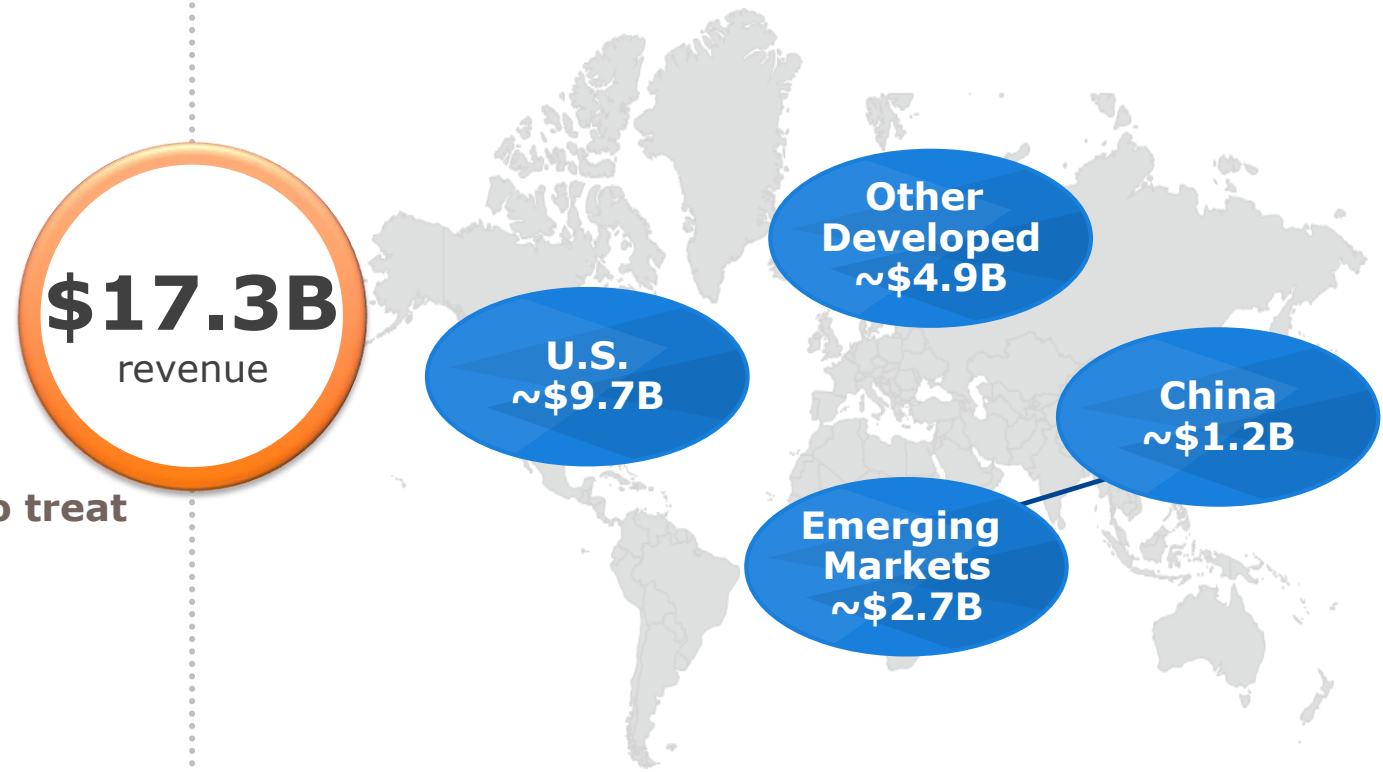
- Infectious disease
- Oncology

 **Interventional**
\$3.9B

Advancing technologies to treat high-burden diseases and conditions:

- Vascular disease
- Renal disease
- Urological disease
- Hernias
- Oncology

...with a strong global presence and scale



Note: Represents FY 2019 revenue



The Bard acquisition: advancing strategy, accelerating growth, and creating value



Strengthened core strategy



Broadened strategy around **clinical outcomes and disease management** with opportunity to leverage global capabilities



Accelerated **growth** through access to higher growth markets: increased total addressable market by **\$20B**



Successfully integrated key capabilities, including culture, talent and innovation



Delivered meaningful value



Maintained Bard's high growth profile

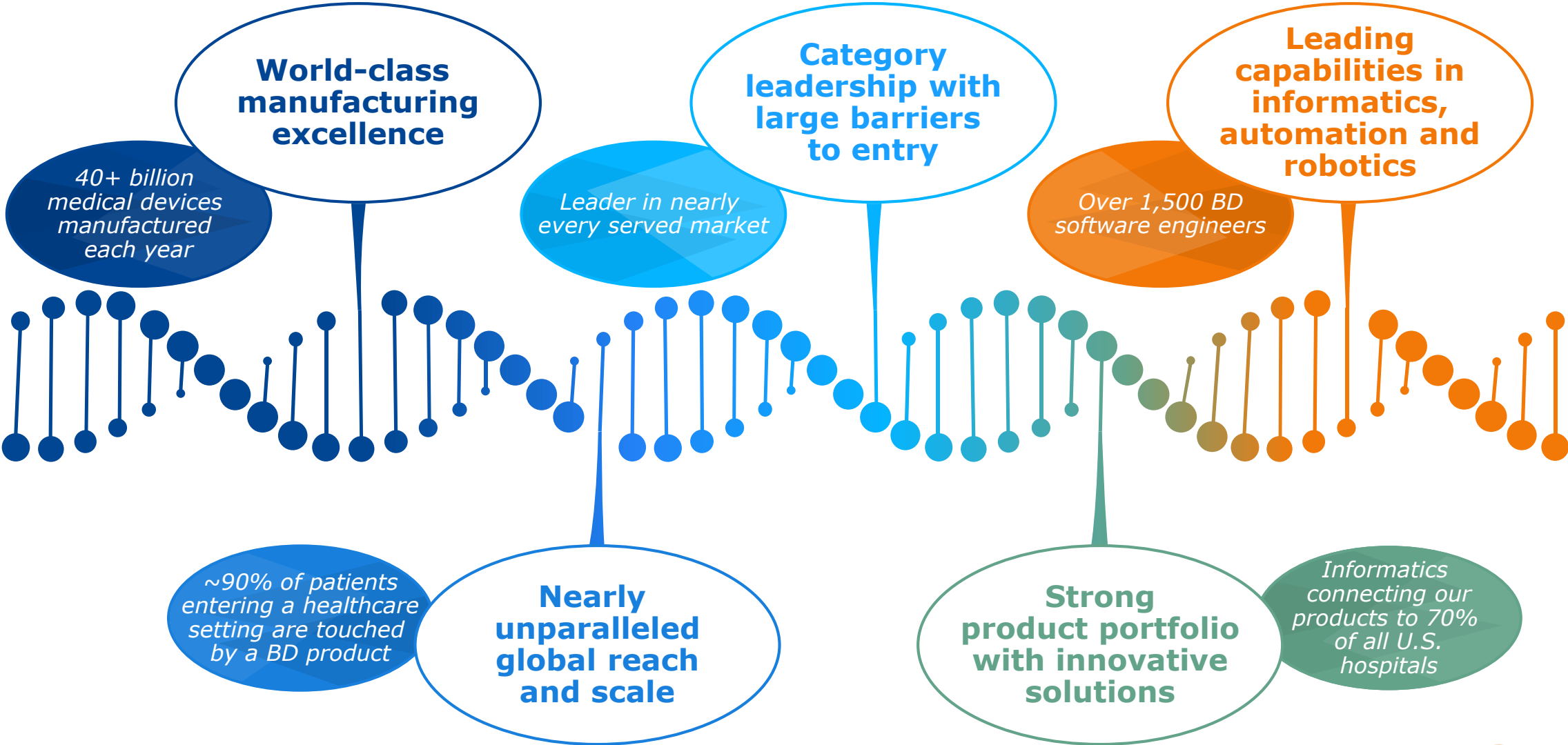


Achieving **\$250M** in revenue synergies by FY 2022



Realizing **\$300M** in cost synergies by FY 2020

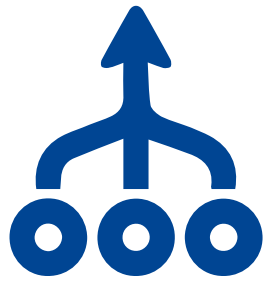
The DNA of the new BD



The BD of Tomorrow



BD is uniquely positioned to lead the way as healthcare continues to evolve



Customer
consolidation



Globalization
of care



Technology
revolution



Patients on
the move

Our playbook for the next phase of value creation



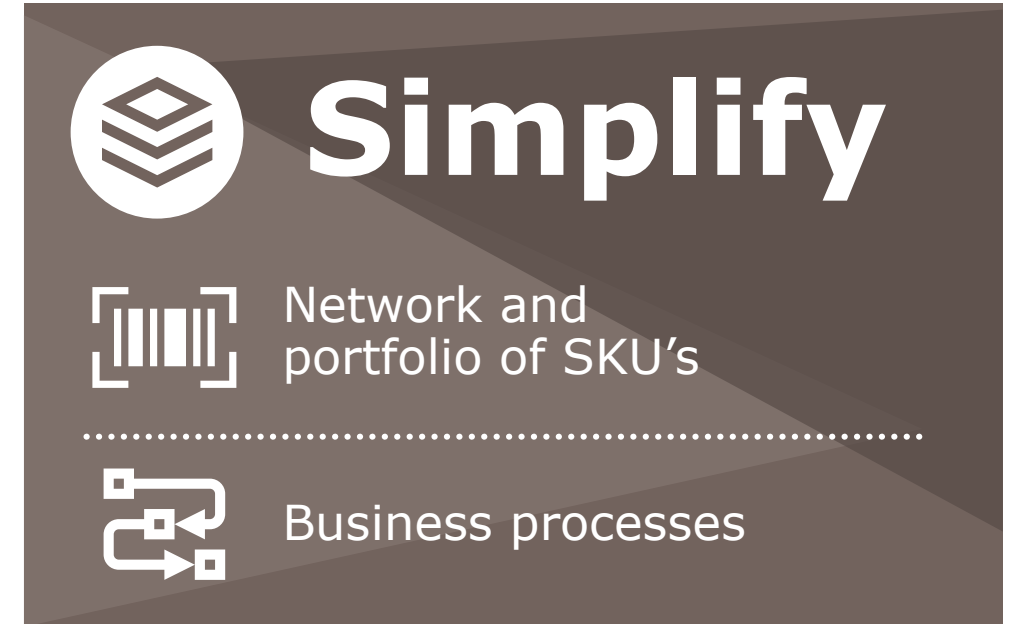
Grow

Category innovation

Customer outcomes

Globalization

The 'Grow' strategy is presented in an orange box. It features a large icon of three upward-pointing arrows. Below this, three sub-strategies are listed, each with an icon: a star in a laurel wreath for 'Category innovation', a line graph with an upward arrow for 'Customer outcomes', and a globe for 'Globalization'. Vertical dotted lines separate the sub-strategies.



Simplify

Network and portfolio of SKU's

Business processes

The 'Simplify' strategy is presented in a dark grey box. It features a large icon of stacked layers. Below this, two sub-strategies are listed, each with an icon: a bar chart for 'Network and portfolio of SKU's' and a flow diagram for 'Business processes'. A horizontal dotted line separates the two sub-strategies.



Empower

Digitalization

Strong teams

The 'Empower' strategy is presented in a blue box. It features a large icon of three people with a lightbulb above them. Below this, two sub-strategies are listed, each with an icon: a circuit board for 'Digitalization' and a group of three people for 'Strong teams'. A vertical dotted line separates the two sub-strategies.

Robust pipeline drives growth with innovative solutions



Medical



BD Provena™ Solo



BD Provena™ Midline Catheter with Max Barrier+ Kits



BD PowerMidline™ Catheter with Max Barrier+ Kits



BD InSyte™ Autoguard™ BC Pro



BD Intraosseous Vascular Access System



BD HealthSight™: MedSafety, Clinical Advisor & Infusion Diversion



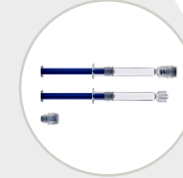
BD Pyxis™ Logistics 1.2



BD Intevia™ 1ml



BD Ultrasafe Plus™ 2.25



BD Hylok™ for IV



Life Sciences



BD Eclipse™ Ultrafill Blood Collection Safety Needle



BD Synapsys™ 3.1



BD COR™ GX/PX with Onclarity™



BD Kiestra™ Identifa



BD Kiestra™ ReadA Compact



BD FACSymphony™ S6 Sorter



BD OptiBuild™ Reagents



BD FACSMelody™ 4-way Sorting



BD FACSDuet™ Enhancements



Interventional



SureStep™ Vacutainer®



Ultraverse™ 014 and 018



Lutonix® AV Low Profile



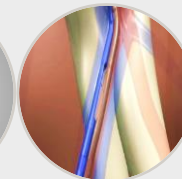
3D Max™ MID



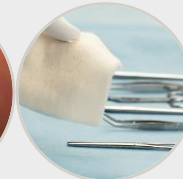
Caterpillar™ Embolization Device



BD PurPrep™



WavelinQ™ 4F+



Layered Non-woven Hemostat



Dry-Doc™ Vacuum Station



Arctic Sun® Stat Temperature Management System



Elevation™ Breast Biopsy Device



Bone Biopsy Device

Redefining categories through innovation ecosystems

Focus:



Diagnosis of disease **and selection** of proper treatment



Optimizing the **underlying processes** of healthcare



Advancing the **diagnosis of high burden diseases**

Example:



Integrated Microbiology Laboratory Automation



Vascular Access Management



Dialysis Access Solutions

Reinventing medication management with connected solutions

Electronic Medical Record

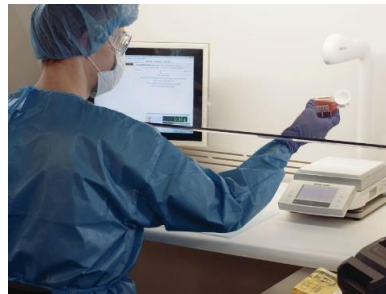


Inventory



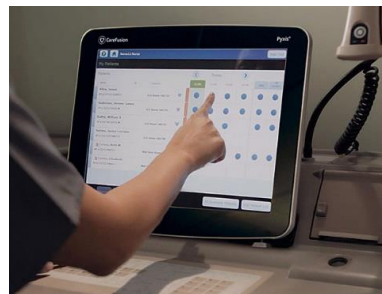
BD Pyxis™ Logistics

Prep



BD Pyxis™ IV Prep

Dispensing

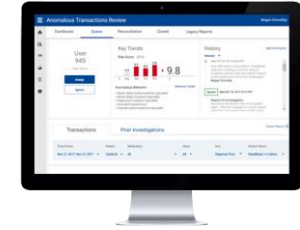


BD Pyxis™
MedStation™ ES

Drug Delivery



BD Alaris™



Delivering actionable insights to improve outcomes and simplify workflow

BD HealthSight™
Diversion Analytics

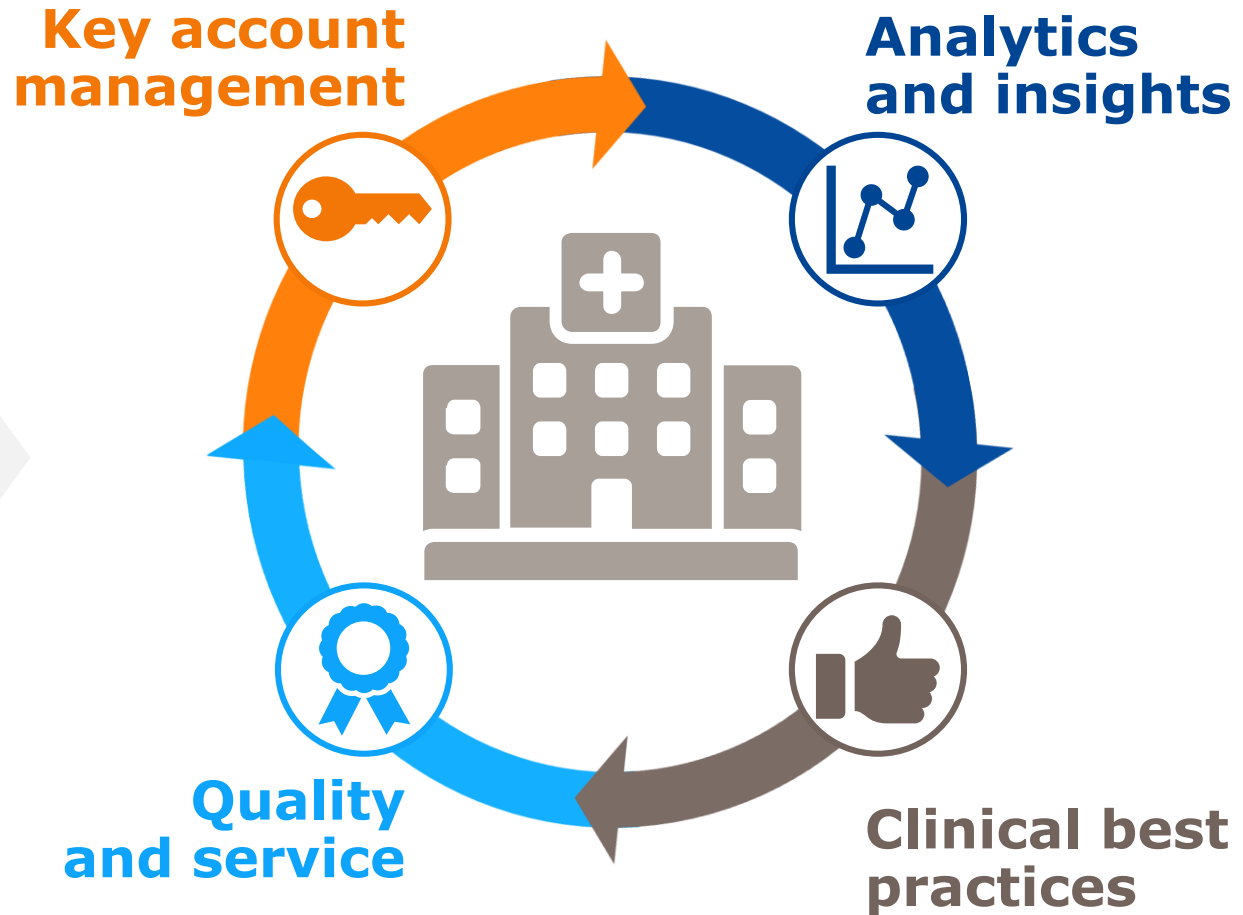
BD HealthSight™
Inventory Optimization

BD HealthSight™
Clinical Advisor

Transforming our “go-to-market” approach to be a top strategic partner for our customers

From:

- Individual business unit selling model
- Selling products
- Indirect model with numerous stakeholders



Unparalleled global scale enables continued growth around the world



Local innovations

Launching >10 “In China for China” products over the next three years

Localized manufacturing

Opening 4th manufacturing plant in China

Leveraging our global channel

Submitting ~250 international BDI product registrations in FY 2020

Globalization of combined portfolio

~100 sales representatives in European surgery business

Creating value and expanding margins by reducing complexity

Opportunities to Simplify



Simplify Network and portfolio of SKUs



~300

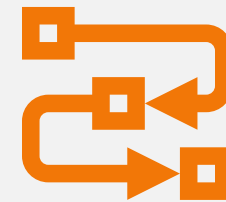
Worldwide locations



80k+

SKUs

Simplify and digitize business processes



Manual and legacy business processes

The BD long-term financial outlook



Our long-term growth profile will consistently deliver strong returns

Revenue Growth

5% to 6%

Operating Margin Expansion

50-100
bps per year

Earnings Growth

10%+

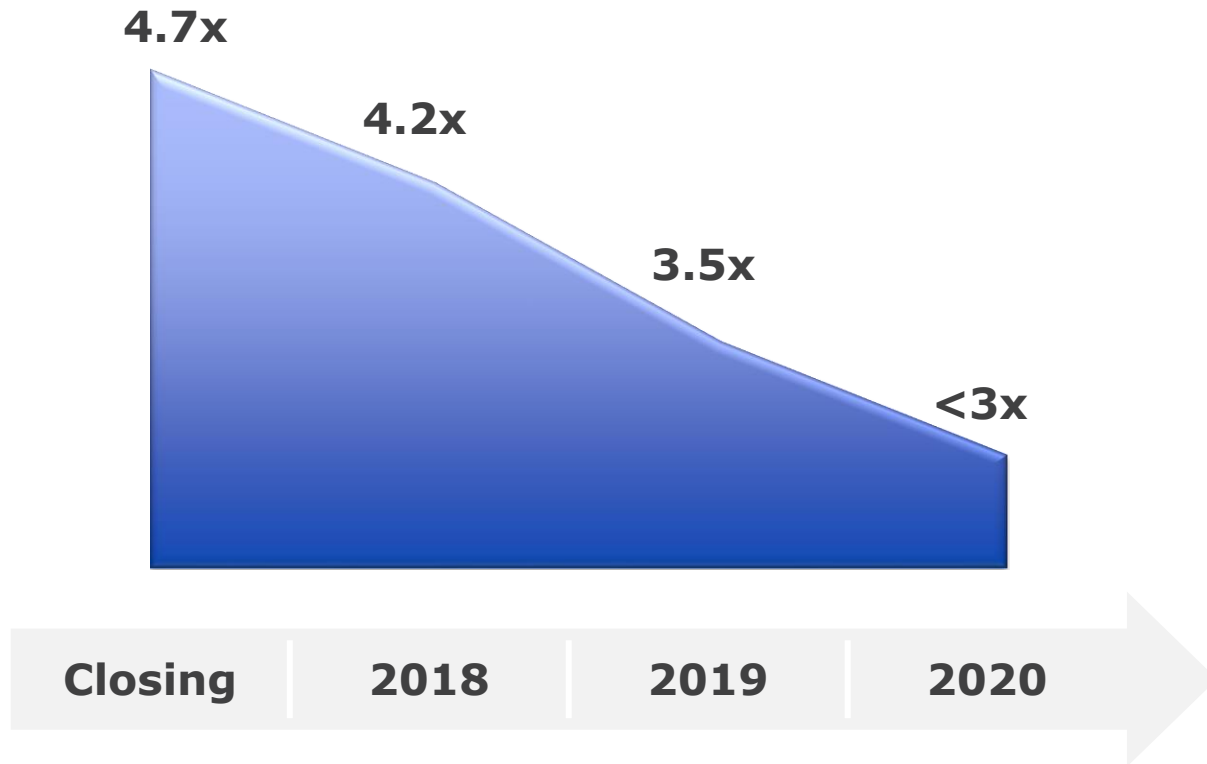
Total Return Profile

**Double
-digits**

Note: Total return profile reflects earnings growth plus dividend

Double-digit earnings growth fueled by new capital allocation opportunities

On-track to pay down debt through 2020...



...and create more flexibility going forward to drive growth

- **\$2 to \$3 billion available** for value creation starting in FY 2021
- Increased **tuck-in M&A** focused on high growth and high impact areas
- Return to a consistent **share repurchase** program
- Increase **annual dividend**

Key takeaways

BD is **ideally positioned** to tackle healthcare's biggest challenges

Leverage our **core strengths** and **new capabilities** that will enable us to grow and help our customers

We will **simplify** BD creating a better experience for customers and associates

Delivering **significant value** for customer, patients, associates and shareholders



Looking forward to seeing you at our analyst day

BD Analyst Day

May 28, 2020

Tribeca, New York

Thank you

