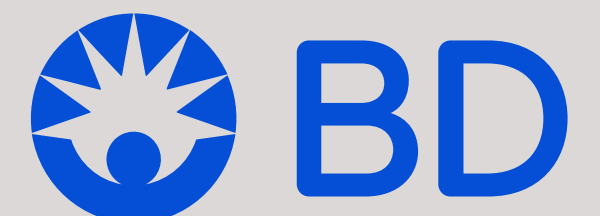


# Delivering value for all stakeholders

40<sup>th</sup> Annual J.P. Morgan Conference  
January 11, 2022



Tom Polen  
Chairman, CEO, and President



# Caution Concerning Forward-Looking Statements

This presentation contains certain estimates and other forward-looking statements (as defined under Federal securities laws) regarding BD's future prospects and performance, including, but not limited to, future revenues, margins, and earnings per share, leverage targets, capital deployment, and the proposed spinoff of the diabetes care business. 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 forward-looking statement. For a discussion of certain factors that could cause our actual results to differ from our expectations in any forward-looking statements see our latest Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. BD expressly disclaims any undertaking to update or revise any forward-looking statements set forth herein to reflect events or circumstances after the date hereof, except as required by applicable laws or regulations.

# Caution Concerning Non-GAAP Financial Measures


To supplement financial measures prepared in accordance with generally accepted accounting principles in the United States. ("GAAP"), we use financial measures not prepared in accordance with GAAP, including base business margins, base revenue, adjusted earnings per share, adjusted gross margin, adjusted operating margin, free cash flow, free cash flow conversion and net leverage. BD management believes that the use of non-GAAP measures to adjust for items that are considered by management to be outside of BD's underlying operational results or that affect period to period comparability helps investors to gain a better understanding of our performance year-over-year, to analyze underlying trends in our businesses, to analyze our base operating results, and understand future prospects. Management uses these non-GAAP financial measures to measure and forecast the company's performance, especially when comparing such results to previous periods or forecasts. We believe presenting such adjusted metrics provides investors with greater transparency to the information used by BD management for its operational decision-making and for comparison for other companies within the medical technology industry. Although BD's management believes non-GAAP results are useful in evaluating the performance of its business, its reliance on these measures is limited since items excluded from such measures may have a material impact on BD's net income, earnings per share or cash flows calculated in accordance with GAAP. Therefore, management typically uses non-GAAP results in conjunction with GAAP results to address these limitations. BD strongly encourages investors to review its consolidated financial statements and publicly filed reports in their entirety and cautions investors that the non-GAAP measures used by BD may differ from similar measures used by other companies, even when similar terms are used to identify such measures. Non-GAAP measures should not be considered replacements for, and should be read together with, the most comparable GAAP financial measures.

Reconciliations of these and other non-GAAP measures to the comparable GAAP measures are included in the financial tables at the end of this presentation and in our November 4, 2021, earnings press release. Within these financial tables, certain columns and rows may not add due to the use of rounded numbers. Percentages and earnings per share amounts presented are calculated from the underlying amounts. Current, prior-quarter and prior-year adjusted diluted earnings per share results exclude, among other things, the impact of purchase accounting adjustments, integration and restructuring costs, spin-off related charges, certain transaction gains, certain legal defense and product remediation costs, certain regulatory costs, certain investment gains and asset impairments and the impact of the extinguishment of debt.


We also provide these measures, as well as revenues, on a currency-neutral basis after eliminating the effect of foreign currency translation, where applicable. We calculate foreign currency-neutral percentages by converting our current-period local currency financial results using the prior period foreign currency exchange rates and comparing these adjusted amounts to our current-period results. Reconciliations of these amounts to the most directly comparable GAAP measures are included in the financial tables at the end of this presentation and in our November 4, 2021, earnings press release.

# BD is an innovative med tech leader


*Unmatched scale and global reach to address healthcare's most pressing challenges*




**45B +**  
devices made annually




**190 +**  
countries served



**29,000 +**  
active patents

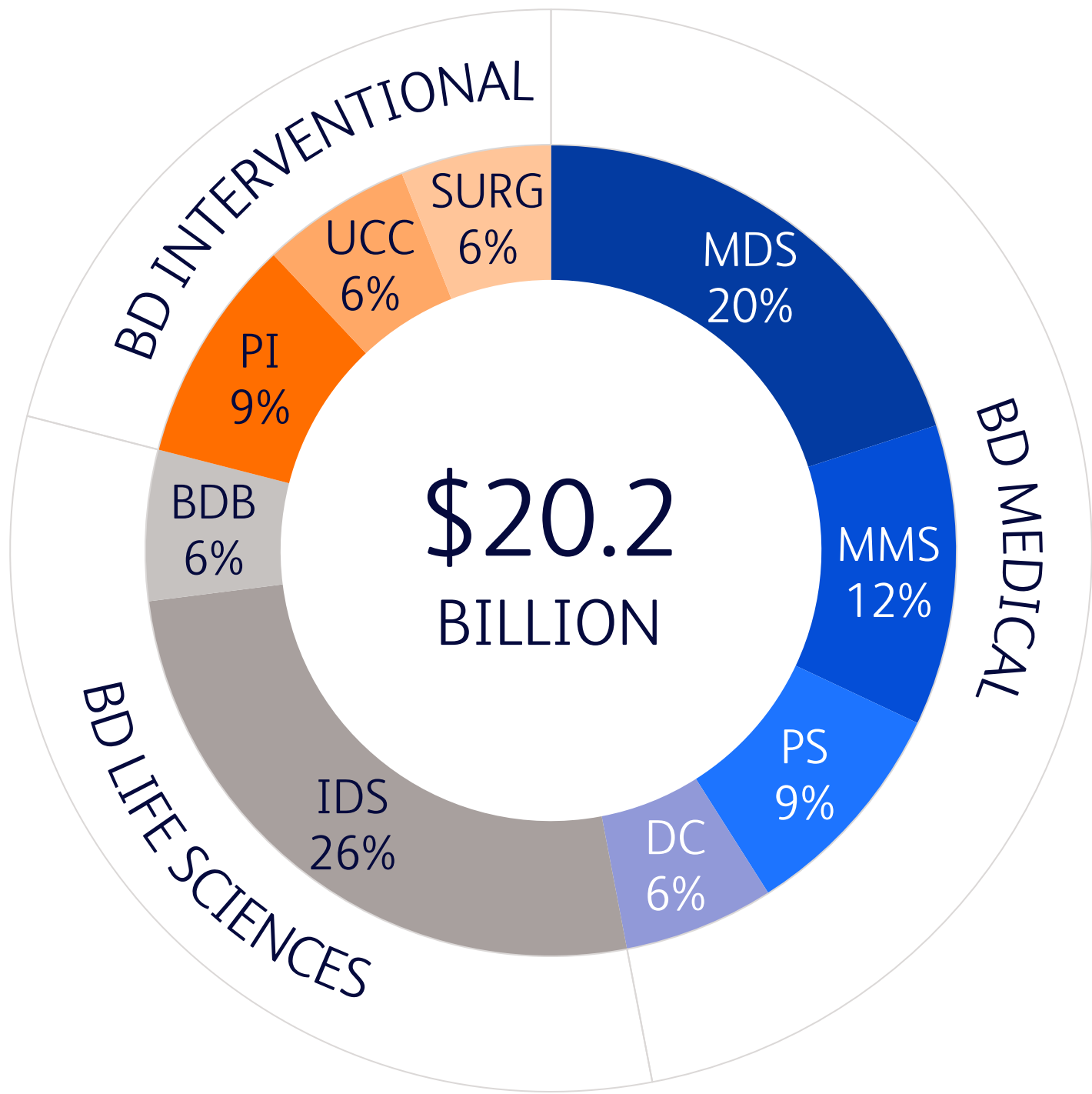


**\$1B +**  
annual R&D spending

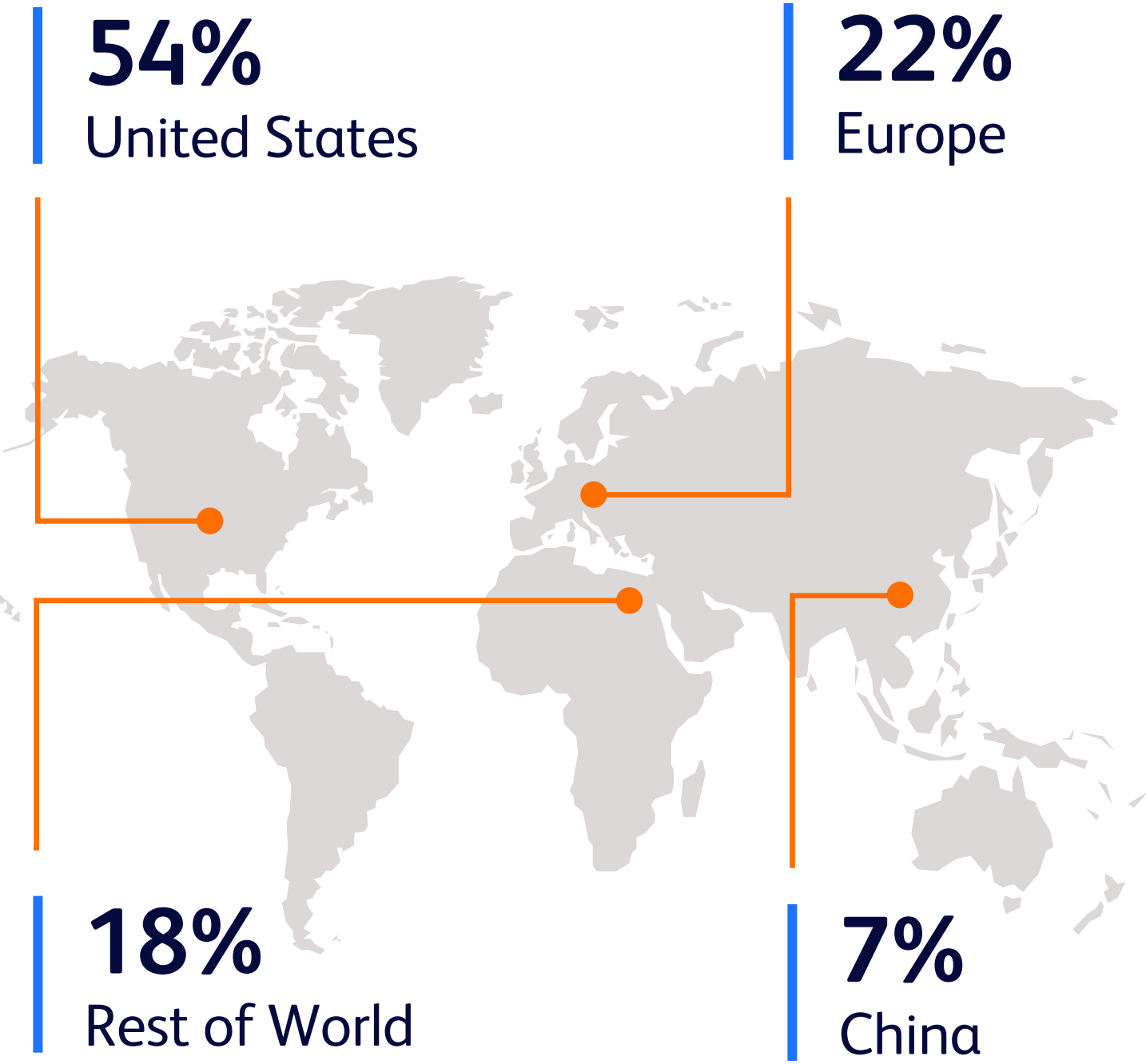


**75,000 +**  
BD associates

REVENUE BY SEGMENT



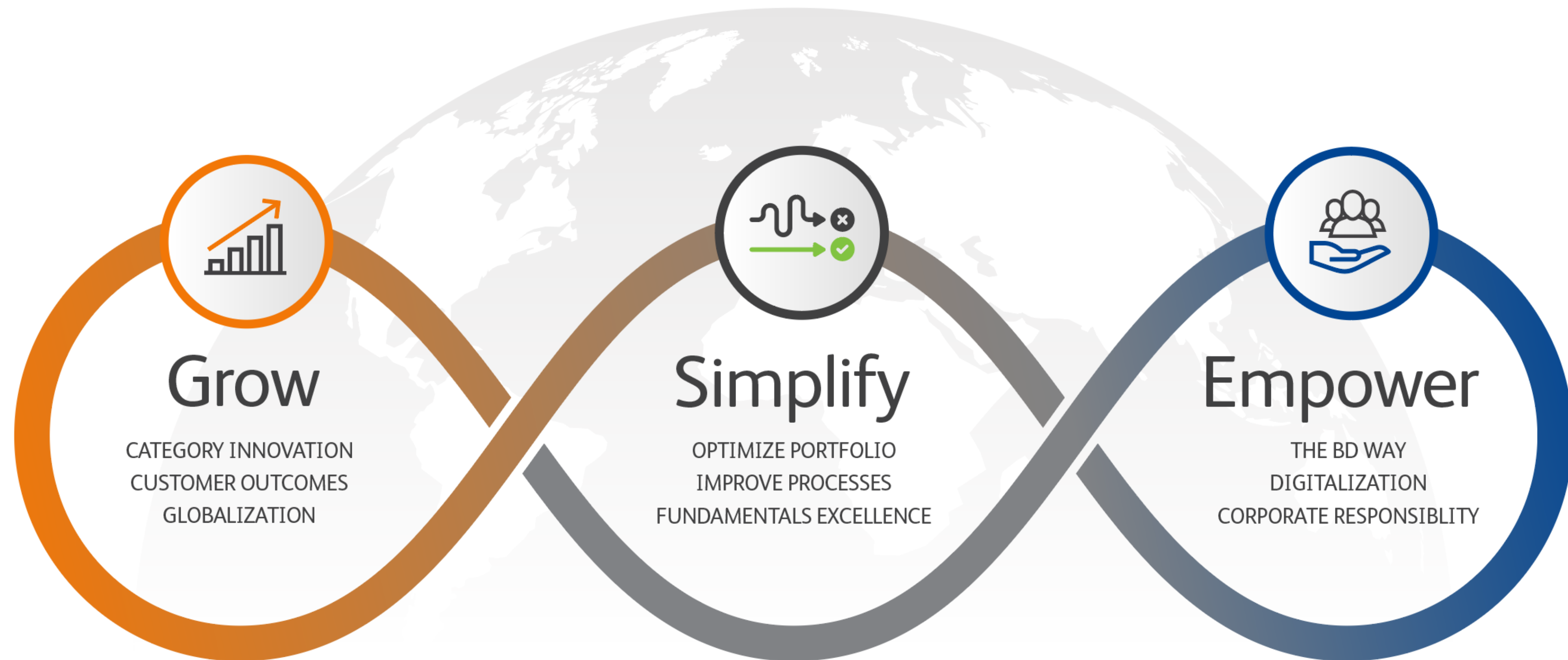
FY21 REVENUE BY REGION





# Strong performance is creating momentum behind our BD2025 strategy

*Accelerating growth and driving stronger margins*



# Our plan for substantial, sustained shareholder value creation

1

Strengthened  
long-term  
targeted growth  
profile of 5.5%+

*Bold actions over the  
past 24 months have  
accelerated our  
BD 2025 strategy*

2

Reshaped  
innovation  
pipeline and  
tuck-in M&A  
strategy towards  
**higher growth  
markets**

*Increasing growth and  
margins in markets  
where BD is uniquely  
positioned to win*

3

Expanded  
simplification  
programs  
underway driving  
double-digit EPS

*Improving margins  
to pre-pandemic  
levels and beyond*

4

Disciplined and  
balanced capital  
deployment  
strategy

*Strong cash flow  
enables investment into  
business and capital  
return to shareholders*

5

Strong team  
focused on  
execution  
and delivering  
shareholder value

# Delivering reliable and consistent growth in our durable core

*Extending our unmatched relevance, global presence and capabilities*

Ubiquitous to  
healthcare

- ~90% of hospital patients will be touched by one of our 45 billion devices
- Leader in a large majority of served categories
- ~85% recurring revenue stream
- Leading global presence

Purposeful  
investments

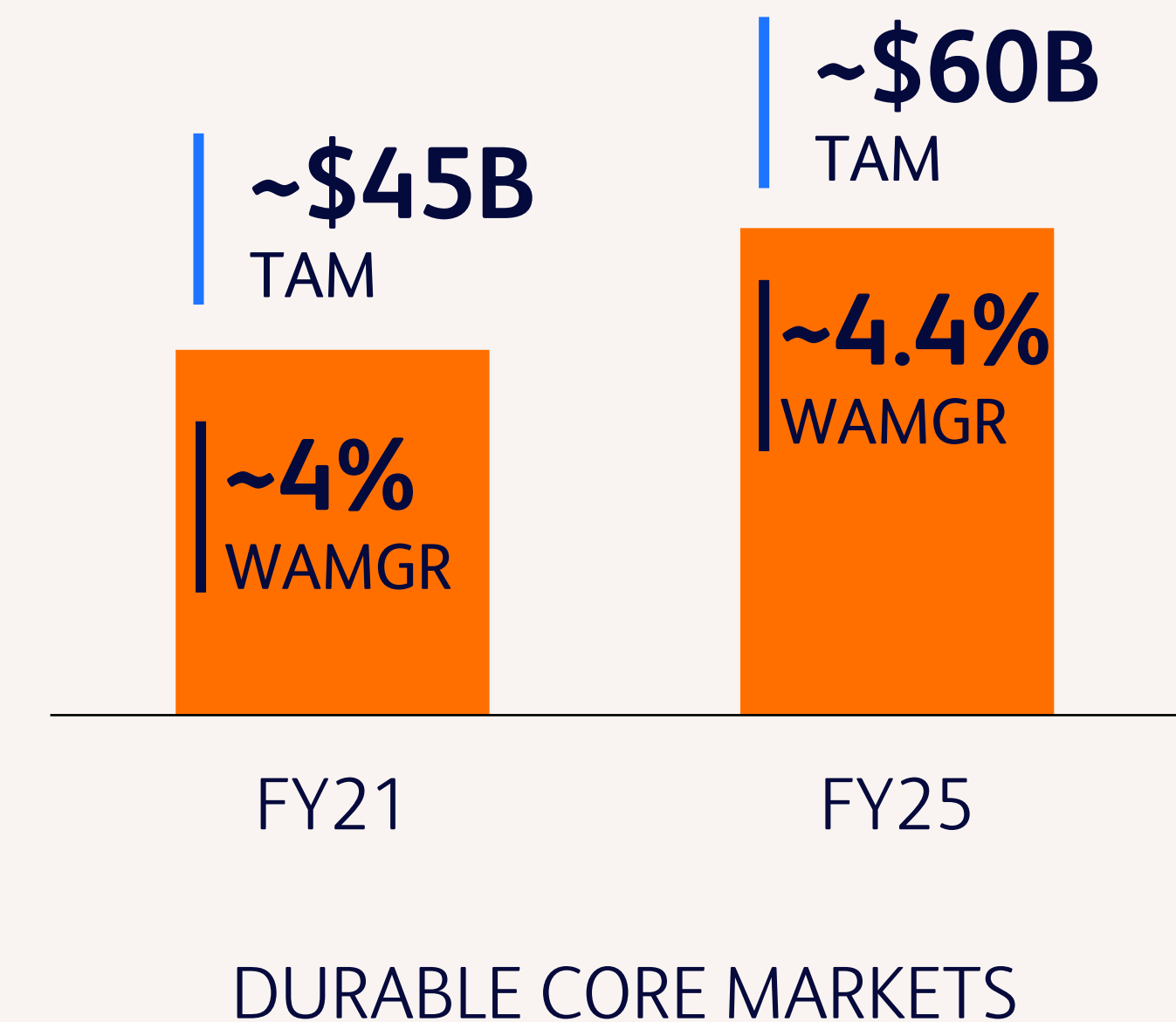
- Targeted innovation to expand our leadership position and redefine the basis of competition
- Continuing to extend our manufacturing leadership
- Capitalizing on global market expansion

Broad and  
unrivalled digital  
capabilities

- 2M+ BD smart devices in market
- Multiple advanced analytics and AI solutions
- Connected to ~70% of U.S. EMR's
- 2,000+ software engineers and data scientists

## Targeted FY21 – FY25

Growing our durable core  
faster than the market





# BD is investing in three irreversible forces reinventing healthcare

*Fueling our next phase of growth*

## SMART CONNECTED CARE

**AI, informatics, and robotics** will transform healthcare processes, tools and treatments



## NEW CARE SETTINGS

Shift into **new settings** creates major opportunities to **improve patient outcomes** and costs



## CHRONIC DISEASE OUTCOMES

Medical technology will have a growing role in **improving outcomes in chronic diseases**



# We are accelerating our investments into transformative solutions

*Leveraging BD's competitive advantages into faster growing, higher margin markets*



Smart  
connected  
care

Category Growth: **High-single Digits to Double Digits**

- Smart medical devices
- Lab automation and informatics
- Connected medication management



New care  
settings

Category Growth: **Double Digits to High-teens**

- Point of care blood collection and diagnostics
- Non-acute medication management
- Self-administered drug delivery
- Home incontinence

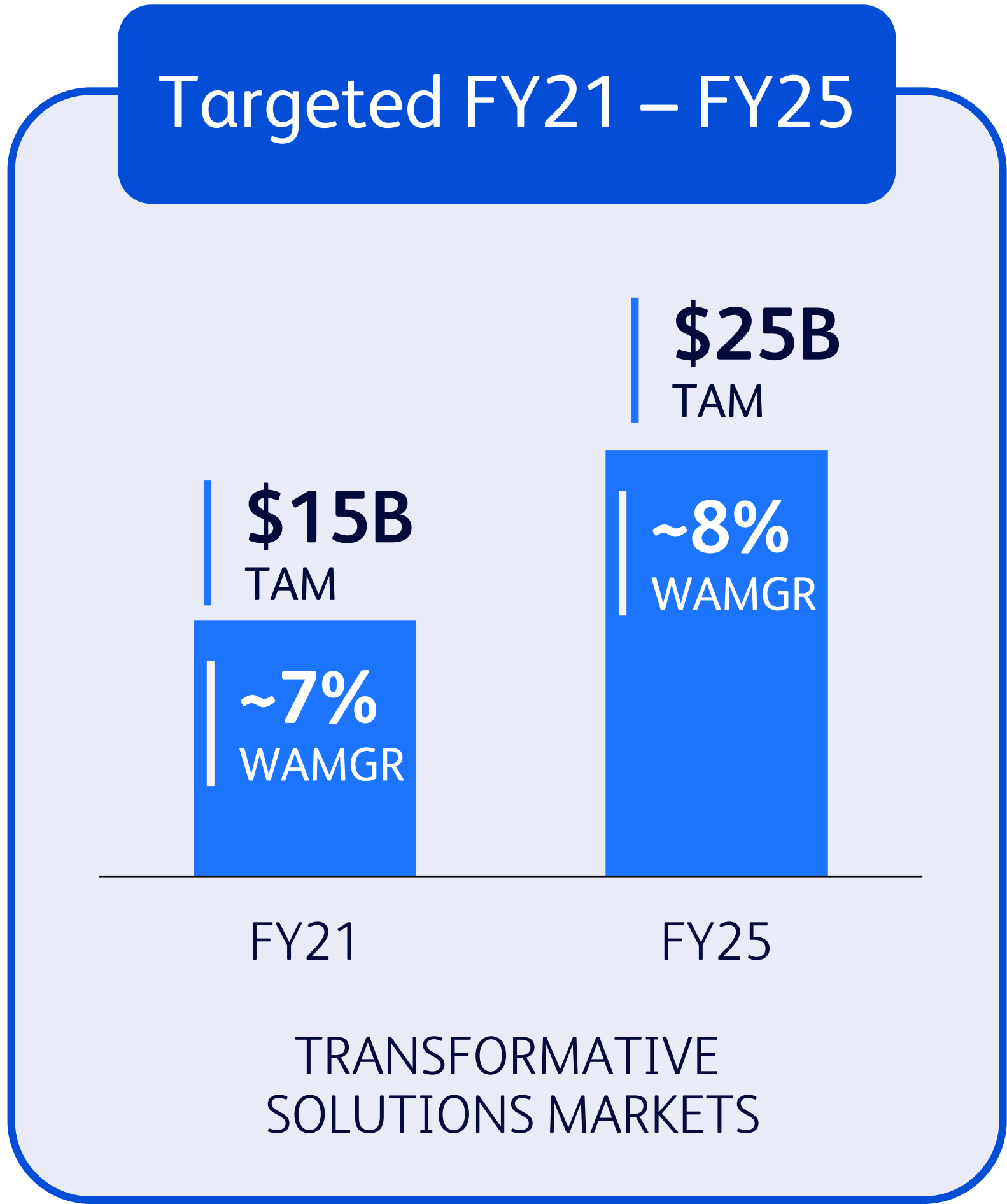


Chronic  
disease  
outcomes

Category Growth: **High-single Digits to Double Digits**

- Peripheral vascular disease
- Tissue regeneration / reconstruction
- Molecular diagnostics
- End-stage Kidney Disease

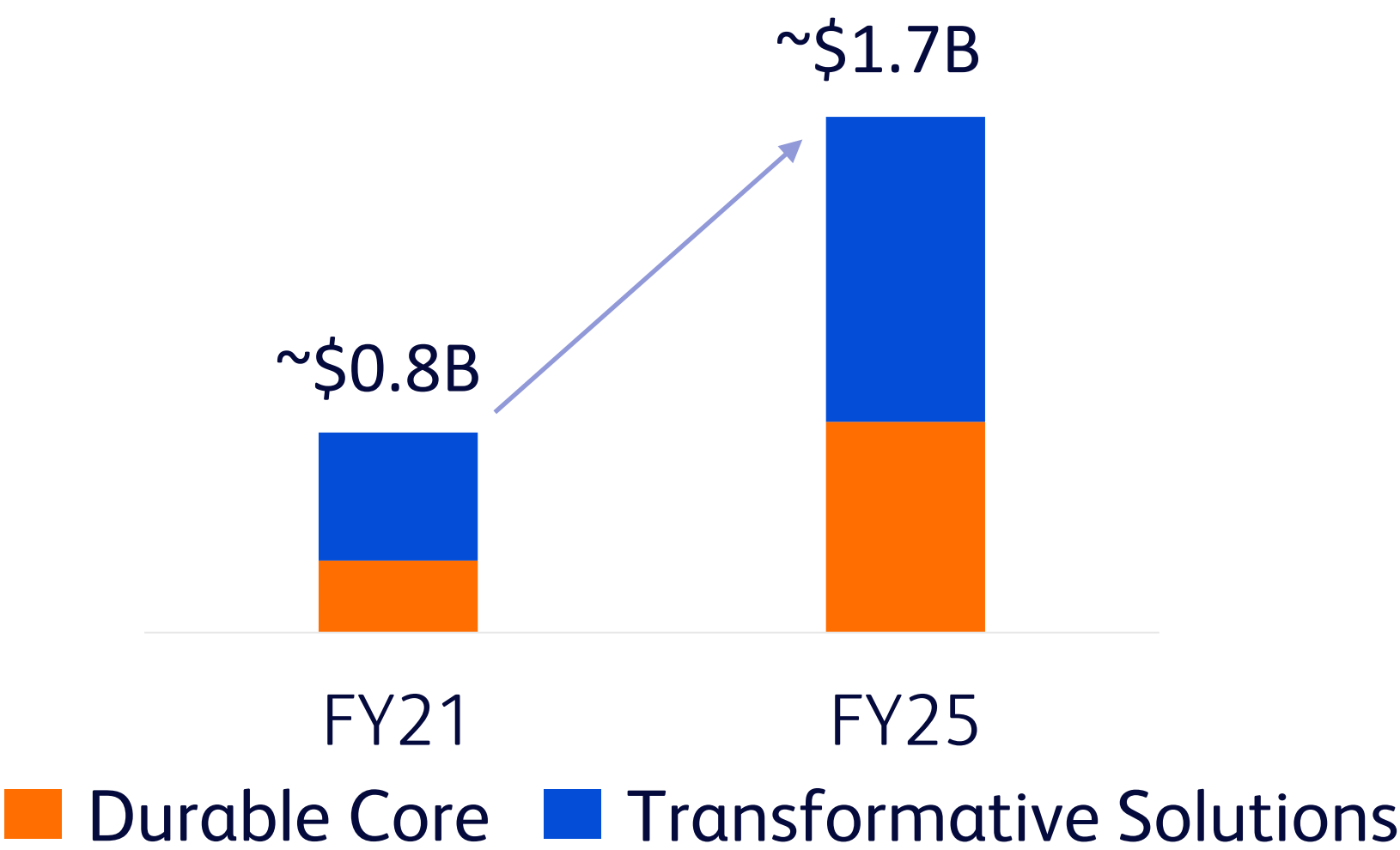
Targeted FY21 – FY25





# R&D initiatives expected to double new product revenue by FY25

## INCREMENTAL NEW PRODUCT REVENUE<sup>1</sup>



- Competitive R&D investment of ~6% of revenue
- Investments focused on areas with higher than corporate average growth rates

>100

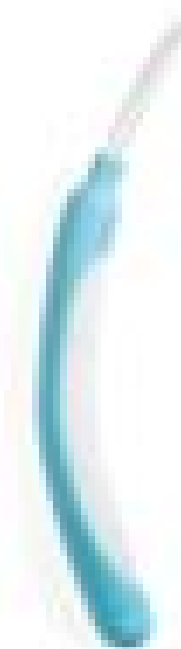
New product launches expected by FY25

>25

New products with potential to generate \$50m+ per year<sup>2</sup>

>20

New products with potential to generate \$30m - \$50m per year<sup>2</sup>



# Tuck-in M&A is a new lever for accelerating our strategy

*Meaningful capital allocation through our strengthened balance sheet*

## DISCIPLINED EXECUTION

16 transactions closed since FY20

Built **multi-year pipeline**, including new **early-stage investment** portfolio

Capacity for **up to ~\$2B** in tuck-in M&A per year

## FINANCIAL CONTRIBUTION

Over **\$1.3 billion** capital deployed since FY20, with **~80%** towards transformative solutions

**\$200M+** expected FY22 revenue from recent M&A<sup>1</sup>

Durable Core



Smart Connected Care



New Care Settings



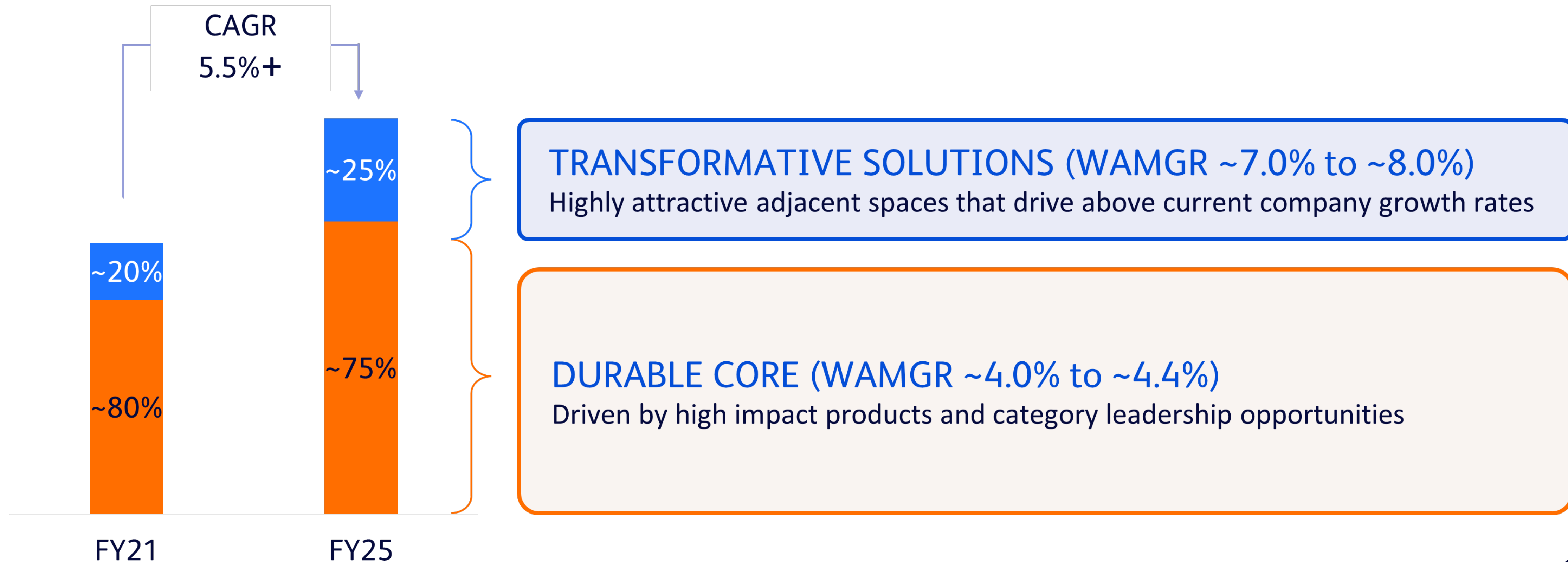
Chronic Disease Outcomes



# Targeting reliable and consistent above market growth of 5.5%+

*Driven by tuck-in M&A and R&D weighted towards transformative solutions*

## BD REVENUE MIX





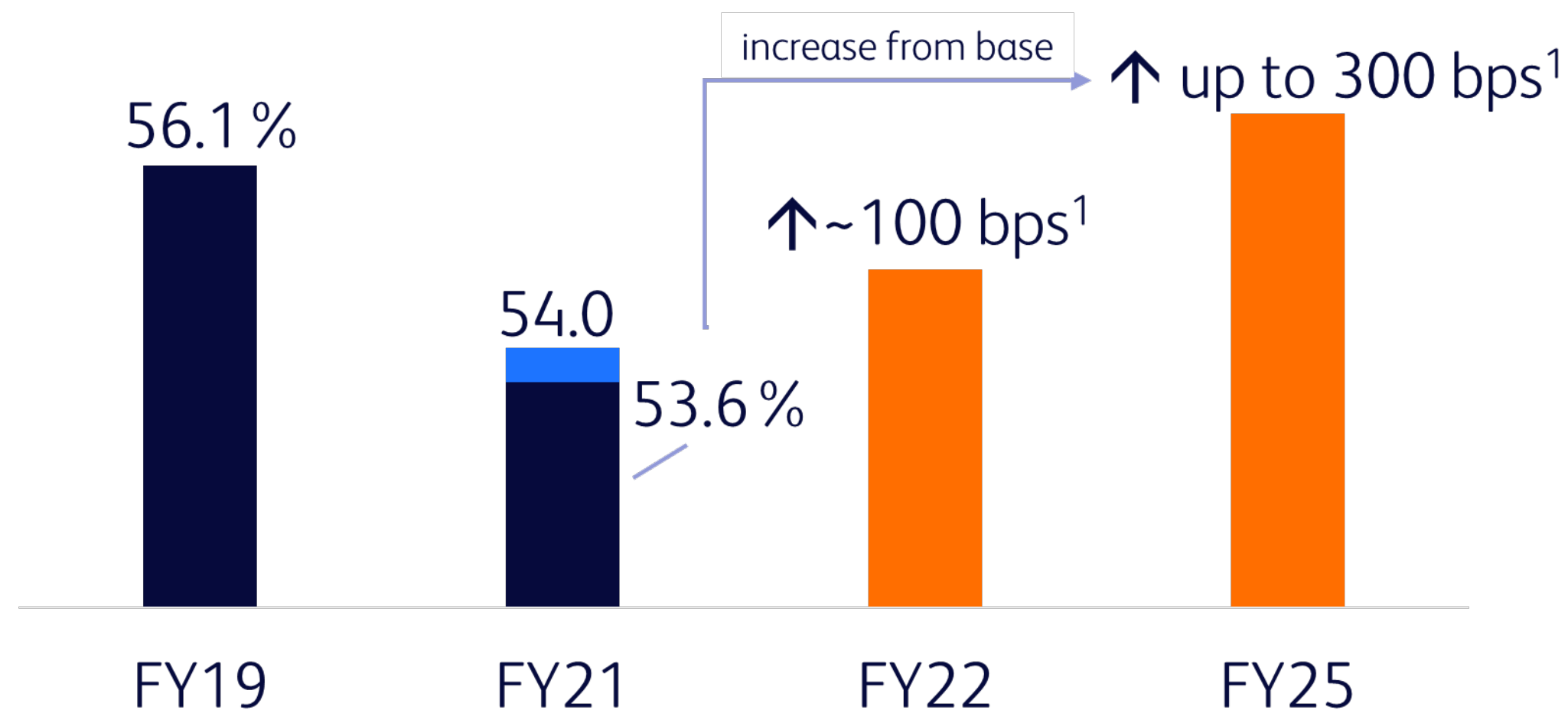
# Margins expected to exceed historic peak levels by FY24

Targeting ~400 bps base operating margin improvement from FY21 through FY25

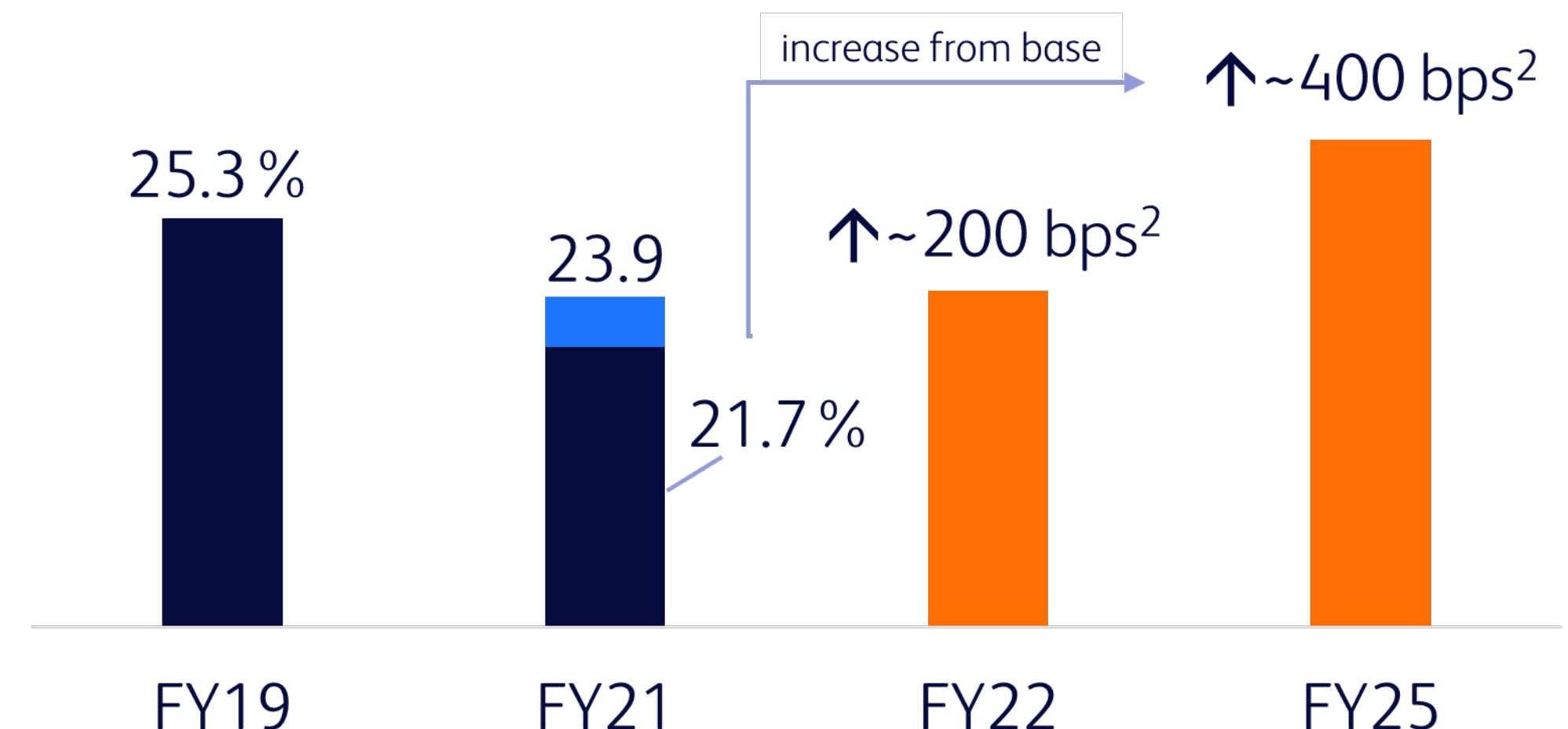
## MARGIN DRIVERS THROUGH FY25



## ADJUSTED GROSS MARGIN



## ADJUSTED OPERATING MARGIN



1. Projected margin expansion is calculated off the base adjusted gross margin in FY21  
2. Projected margin expansion is calculated off the base adjusted operating margin in FY21  
See slide 17 for basis of presentation.  
See appendix for GAAP to non-GAAP reconciliations

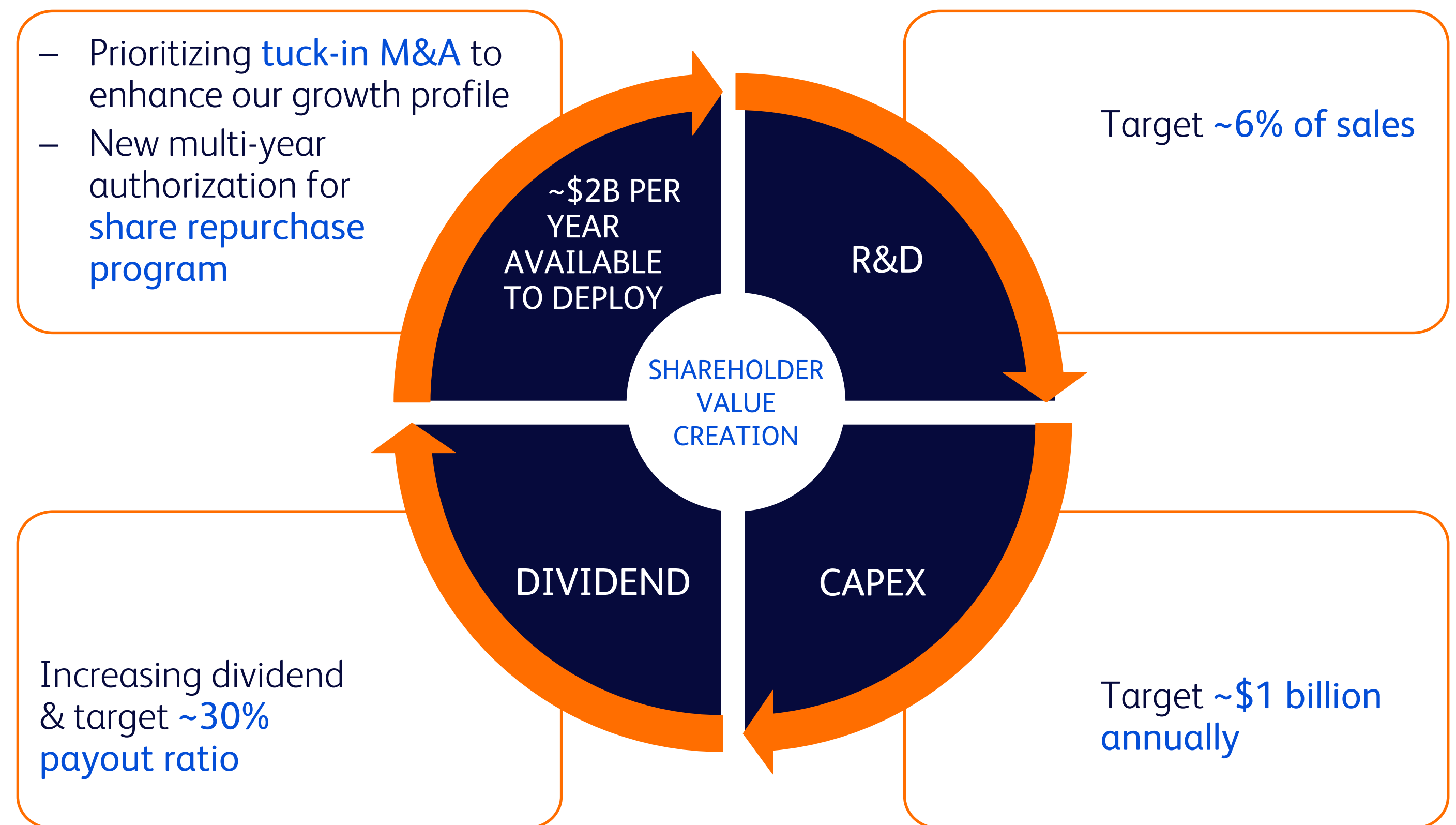
Disciplined financial policy, supported by strong cash flows, creates continuous value creation opportunities

Financial policy anchored on maintaining **a strong, flexible balance sheet**.

Managing capital deployment around our **2.5x long-term net leverage target** and **full investment grade credit ratings**

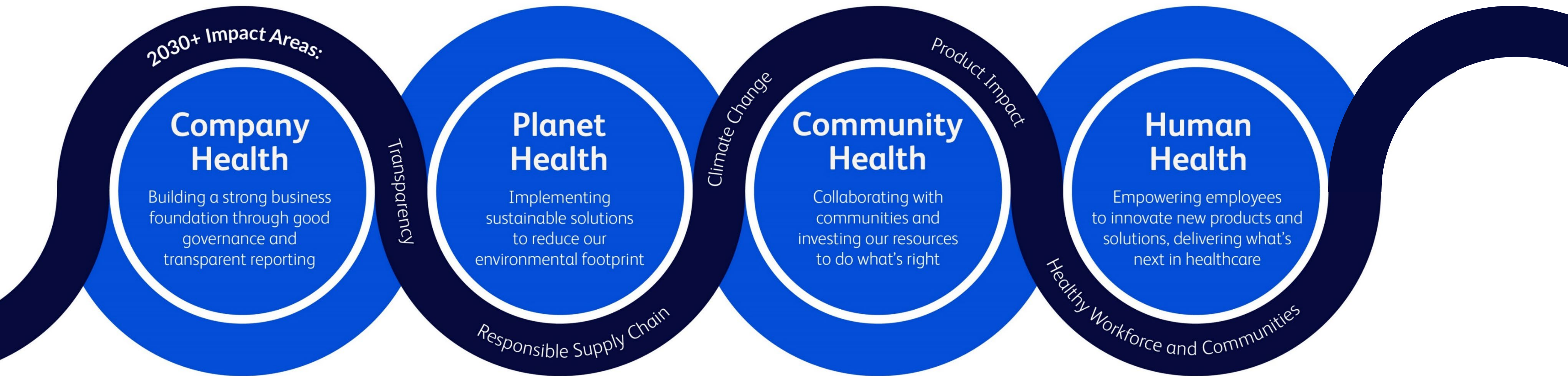
## ILLUSTRATIVE FY22 – FY25 CASH ALLOCATION

~\$18B available for deployment after investing in R&D





# Our ESG strategy and 2030+ goals support human health, communities and the planet



WE ARE  
COMMITTED  
TO:

- Setting **science-based targets** that will:
  - reduce our Scope 1 and 2 greenhouse gas emissions 46% by 2030 (from a 2019 baseline)
  - achieve carbon neutrality across our direct operations by 2040
- **Provide transparency** through established reporting frameworks
- Ensuring **equal pay by gender** worldwide
- **Paying competitive market rates** utilizing living wage assessments in key regions or countries
- **Improving employee ethnic and gender diversity** year over year



# Well-positioned for strong and expanding value creation

## Targeted long-term growth profile<sup>1</sup>



**STRONG CASH FLOW AND BALANCE SHEET PROVIDES  
ADDITIONAL VALUE CREATION OPPORTUNITIES**

# Appendix

# Basis of Presentation

- All dollar amounts presented are USD (\$) in millions, unless otherwise indicated, except per share figures.
- Certain financial information, described as FXN (defined below), excludes the impact of foreign currency translation.
- Revenue year-over-year change comparisons are on a FXN basis unless otherwise noted.
- All forward looking targets are through fiscal 2025, unless noted otherwise.
- Base business margins adjusts for the net impact of estimated COVID-19 diagnostic testing profitability and the related profit reinvestments back into our business.
- Base revenue denotes total revenues less estimated revenues for COVID-19 diagnostic testing
- COVID diagnostic testing includes our BD Veritor™ and BD Max™ COVID assays as well as estimated collection, transport, and swab related to COVID.
- FXN denotes currency neutral basis. We calculate foreign currency-neutral percentages by converting our current-period local currency financial results using the prior period foreign currency exchange rates and comparing these adjusted amounts to our current-period results.
- Unless noted otherwise, all references to market sizes, market share positions, and market growth rates (i.e. weighted average growth rate [WAMGR] and total addressable market [TAM]) are BD estimates.
- NewCo refers to the diabetes care business unit on a pro forma basis as an independent publicly traded company.
- RemainCo refers to BD on a pro forma basis post the separation of the diabetes care business.
- Total return refers to adjusted EPS growth plus dividend yield.



# Caution Concerning Products

Not all products in the coming section are launched, and some are only launched/available in some regions given regulatory authorizations. Furthermore:

The **BD Veritor System for Rapid Detection of SARS-CoV-2** has not been FDA cleared or approved, but has been authorized by FDA under an EUA for use by authorized laboratories, and has been authorized only for the detection of proteins from SARSCoV-2, not for any other viruses or pathogens.

The **BD Veritor System™ for Rapid Detection of SARS-CoV-2 and Flu A+B** have not been FDA cleared or approved; but have been authorized by FDA under an EUA for use by authorized laboratories; these products have been authorized only for the detection of proteins from SARS-CoV-2, influenza A and influenza B, not for any other viruses or pathogens.

The **BD Veritor At-Home COVID-19 Test** has not been FDA cleared or approved; but has been authorized by FDA under an EUA; the product has been authorized only for the detection of proteins from SARS- CoV-2, not for any other viruses or pathogens.

The **BD SARS-CoV-2 Reagents for BD MAX System™** has not been FDA cleared or approved, but has been authorized for emergency use by FDA under an EUA for use by authorized laboratories, and has been authorized only for the detection of nucleic acid from SARS-CoV-2, not for any other viruses or pathogens.

The **BD SARS-CoV-2/Flu for BD MAX System** has not been FDA cleared or approved, but has been authorized for emergency use by FDA under an EUA for use by authorized laboratories, and has been authorized only for the detection of nucleic acid of SARSCoV-2, influenza A, and influenza B, not for any other viruses or pathogens.

These products are only authorized for the duration of the declaration that circumstances exist justifying the authorization of emergency use of in vitro diagnostics for detection and/or diagnosis of COVID-19 under Section 564(b)(1) of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 360bbb3(b)(1), unless the declaration is terminated or authorization is revoked sooner.

# Supplemental Non-GAAP Reconciliation

## Yearly Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change

	Revenues	Gross Profit	SSG&A	R&D	Acquisitions and Other Restructurings	Other (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
<b>Twelve Months Ended Sep 30, 2021</b>												
<b>Reported \$ for Twelve Months Ended Sep 30, 2021</b>	<b>\$20,248</b>	<b>\$9,427</b>	<b>\$4,867</b>	<b>\$1,339</b>	<b>\$185</b>	<b>\$238</b>	<b>\$2,799</b>	<b>(\$460)</b>	<b>(\$97)</b>	<b>\$150</b>	<b>\$2,092</b>	<b>\$6.85</b>
<i>Reported % of Revenues</i>		46.6%	24.0%	6.6%			13.8%				10.3%	
<i>Reported effective tax rate</i>										6.7%		
<b>Specified items:</b>												
Purchase accounting adjustments pre-tax <sup>(1)</sup>	-	1,399	(11)	(7)	-	-	1,417	(7)	(5)	-	1,406	4.82
Integration costs pre-tax <sup>(2)</sup>	-	-	-	-	(135)	-	135	-	-	-	135	0.46
Restructuring costs pre-tax <sup>(2)</sup>	-	-	-	-	(50)	-	50	-	-	-	50	0.17
Separation & Related costs <sup>(3)</sup>	-	-	-	-	-	(35)	35	-	-	-	35	0.12
Transaction gain/loss, product and other litigation-related matters pre-tax <sup>(4)</sup>	-	63	-	-	-	(203)	265	-	6	-	272	0.93
European regulatory initiatives-related costs pre-tax <sup>(5)</sup>	-	41	(1)	(93)	-	-	135	-	-	-	135	0.46
Investment gains/losses and asset impairments pre-tax <sup>(6)</sup>	-	-	-	-	-	-	-	-	(46)	-	(46)	(0.16)
Impacts of debt extinguishment pre-tax	-	-	-	-	-	-	-	6	178	-	185	0.63
Income tax benefit of special items and impact of tax reform	-	-	-	-	-	-	-	-	-	353	(353)	(1.21)
<b>Adjusted \$ for Twelve Months Ended Sep 30, 2021</b>	<b>A \$20,248</b>	<b>\$10,930</b>	<b>\$4,855</b>	<b>\$1,239</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,835</b>	<b>(\$460)</b>	<b>\$37</b>	<b>\$503</b>	<b>\$3,909</b>	<b>\$13.08</b>
<i>Adjusted % of Adjusted Revenues</i>		54.0%	24.0%	6.1%			23.9%				19.3%	
Adjusted FXN % of Adjusted Revenues (A adjusted for E)		54.7%	24.0%	6.2%			24.5%					
<i>Adjusted effective tax rate</i>										11.4%		

1. Includes amortization and other adjustments related to the purchase accounting for acquisitions impacting identified intangible assets and valuation of fixed assets and debt.
2. Represents amounts associated with integration and restructuring activities resulting from acquisitions, as well as simplification and other cost saving initiatives.
3. Represents costs recorded to Other operating expense, net which were incurred for consulting, legal, tax and other advisory services associated with the planned spin-off of BD's Diabetes Care business.
4. The 2021 amount includes gains of \$158 million on sale-leaseback transactions. The amount in 2021 include charges to record product liability reserves, including related legal defense costs, of \$361 million. The sale-leaseback gains and product liability-related charges were recorded to Other operating expense, net. The amount in 2021 also include charges of \$56 million recorded to Cost of products sold related to the estimate of future product remediation costs.
5. Represents costs required to develop processes and systems to comply with regulations such as the EUMDR and GDPR.
6. The amount in 2021 includes unrealized gains recorded within Other (expense) income, net relating to certain investments.

# Supplemental Non-GAAP Reconciliation

## Yearly Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change

	Revenues	Gross Profit	SSG&A	R&D	Acquisitions and Other Restructurings	Other (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
<b>Twelve Months Ended Sep 30, 2019</b>												
Reported \$ for Twelve Months Ended Sep 30, 2019	\$17,290	\$8,288	\$4,332	\$1,062	\$480	\$654	\$1,760	(\$627)	\$43	(\$57)	\$1,233	\$3.94
Reported % of Revenues		47.9%	25.1%	6.1%			10.2%				7.1%	
Reported effective tax rate										-4.8%		
<b>Specified items:</b>												
Purchase accounting adjustments pre-tax <sup>(1)</sup>	-	1,374	(8)	-	-	-	1,382	(5)	122	-	1,499	5.46
Integration costs pre-tax <sup>(2)</sup>	-	25	-	-	(298)	-	323	-	-	-	323	1.18
Restructuring costs pre-tax <sup>(2)</sup>	-	-	-	-	(180)	-	180	-	-	-	180	0.66
Transaction gain/loss and product liability-related matters pre-tax <sup>(3)</sup>	-	-	11	-	-	(654)	643	-	3	-	646	2.35
European regulatory initiatives-related costs pre-tax <sup>(4)</sup>	-	15	(4)	(33)	-	-	51	-	-	-	51	0.19
Investment gains/losses and asset impairments pre-tax <sup>(5)</sup>	-	-	-	(30)	-	-	30	-	(13)	-	17	0.06
Impacts of debt extinguishment pre-tax	-	-	-	-	-	-	-	(5)	59	-	54	0.20
Hurricane-related (insurance proceeds) recovery costs pre-tax	-	-	-	-	-	-	-	-	(24)	-	(24)	(0.09)
Transaction costs pre-tax <sup>(2)</sup>	-	-	-	-	(1)	-	1	-	-	-	1	-
Income tax benefit of special items	-	-	-	-	-	-	-	-	-	622	(622)	(2.26)
Adjusted \$ for Twelve Months Ended Sep 30, 2019	B \$17,290	\$9,701	\$4,331	\$999	(\$0)	\$0	\$4,372	(\$637)	\$190	\$565	\$3,360	\$11.68
Adjusted % of Revenues		56.1%	25.1%	5.8%			25.3%				19.4%	
Adjusted effective tax rate										14.4%		

1. Includes amortization and other adjustments related to the purchase accounting for acquisitions impacting identified intangible assets and valuation of fixed assets and debt.
2. Represents integration and restructuring costs associated with acquisitions.
3. Includes amounts recorded to Other operating expense, net to record product liability reserves, including related legal defense costs, of \$914 million in 2019. The amount in 2019 also includes the estimated cumulative costs of a product recall of \$75 million recorded to Other operating expense, net, as well as the pre-tax gain of \$336 million related to BD's sale of its Advanced Bioprocessing business which was recorded to Other operating expense, net.
4. Represents costs required to develop processes and systems to comply with emerging regulations such as the EUMDR and GDPR.
5. Includes charges recorded in Cost of products sold and Research and development expense to write down the carrying values of certain assets. The amount in 2019 also includes an unrealized gain recorded within Other income, net relating to an investment.



# Supplemental Non-GAAP Reconciliation Reported Diluted EPS to Adjusted EPS

<i>(unaudited)</i>	2021	2019
<b>Reported Diluted Earnings per Share</b>	<b>\$6.85</b>	<b>\$3.94</b>
Purchase accounting adjustments (\$1.406 billion and \$1.499 billion pre-tax, respectively) <sup>1</sup>	4.82	5.46
Integration costs (\$135 million and \$323 million pre-tax, respectively) <sup>2</sup>	0.46	1.18
Restructuring costs (\$50 million and \$180 million pre-tax, respectively) <sup>2</sup>	0.17	0.66
Separation and related costs (\$35 million pre-tax) <sup>3</sup>	0.12	-
Transaction gain/loss, product and other litigation-related matters (\$272 million and \$646 million pre-tax, respectively) <sup>4</sup>	0.93	2.35
European regulatory initiative-related costs (\$135 million and \$51 million pre-tax, respectively) <sup>5</sup>	0.46	0.19
Investment gains/losses and asset impairments (\$46) million and \$17 million re-tax, respectively) <sup>6</sup>	(0.16)	0.06
Impacts of debt extinguishment (\$185 million and \$54 million pre-tax, respectively)	0.63	0.20
Income tax benefit of special items and impact of tax reform (\$353) million and \$(622) million, respectively)	(1.21)	(2.26)
Hurricane-related (insurance proceeds) recovery costs (\$24) million)	-	(0.09)
<b>Adjusted Diluted Earnings per Share</b>	<b>\$13.08</b>	<b>\$11.68</b>

1. Includes amortization and other adjustments related to the purchase accounting for acquisitions impacting identified intangible assets and valuation of fixed assets and debt.

2. Represents amounts associated with integration and restructuring activities resulting from acquisitions, as well as simplification and other cost saving initiatives.

3. Represents costs recorded to Other operating expense, net which were incurred for consulting, legal, tax and other advisory services associated with the planned spin-off of BD's Diabetes Care business.

4. The 2021 amount includes gains of \$158 million on sale-leaseback transactions as well as charges to record product liability reserves, including related legal defense costs, of \$361 million. The sale-leaseback gains and product liability-related charges were recorded to Other operating expense, net. The amounts in 2021 also includes charges of \$56 million, recorded to Cost of products sold related to the estimate of future product remediation costs. 2019 includes amounts recorded to Other operating expense, net to record product liability reserves, including related legal defense costs, of \$914 million and the estimated cumulative costs of a product recall of \$75 million. Also includes the pre-tax gain of \$336 million recognized in Other operating expense, net related to BD's sale of its Advanced Bioprocessing business.

5. Represents costs required to develop processes and systems to comply with regulations such as the EUMDR and GDPR.

6. The amount in 2021 and 2019 includes unrealized gains recorded within Other (expense) income, net relating to certain investments. The prior-period amount also includes charges recorded in Cost of products sold and Research and development expense to write down the carrying values of certain assets.

# Free Cash Flow Reconciliation

<i>Fiscal Year Ended September 30<sup>th</sup>, (\$ in millions)</i>	2018	2019	2020	2021
Net Cash Provided by Operating Activities (OCF)	2,865	3,330	3,539	4,647
Capital Expenditures	(895)	(957)	(810)	(1,231)
<b>Free Cash Flow (FCF)</b>	<b>1,970</b>	<b>2,373</b>	<b>2,729</b>	<b>3,416</b>
	2021 FCF from Covid Testing <sup>1</sup>			(800)
	<b>2021 Adjusted Free Cash Flow</b>			<b>2,616</b>

# Free Cash Flow Conversion Reconciliation

<i>Fiscal Year Ended September 30<sup>th</sup>, (\$ in millions)</i>	2018	2019	2020	2021
Net Income Applicable to Common Shareholders	159	1,082	767	2,002
After-Tax Impact of Specified Items <sup>1</sup>	2,674	2,127	2,114	1,818
Adjusted Net Income for Common	2,833	3,208	2,881	3,819
Free Cash Flow <sup>2</sup>	1,970	2,373	2,729	3,416
<b>Free Cash Flow Conversion<sup>3</sup></b>	<b>69%</b>	<b>74%</b>	<b>95%</b>	<b>89%</b>

1. Specified items include purchase accounting adjustments, integration costs, restructuring costs, separation costs related to the Diabetes Care spin, litigation-related charges, transaction gains/losses, debt extinguishment charges and other specified items in the 10-K filings
2. See "Free Cash Flow Reconciliation" for details
3. Free Cash Flow divided by Adjusted Net Income for Common



# Net Leverage Reconciliation

<i>Fiscal Ended September 30<sup>th</sup>, (\$ million)</i>	2018 <sup>(1)</sup>	2019	2020	2021
Net Income (Loss)	(81)	1,233	874	2,092
Provision for (Benefit from) Income Taxes	1,044	(57)	111	150
Interest Expense	721	639	528	469
Depreciation & Amortization <sup>(2)</sup>	2,032	2,253	2,154	2,273
Stock Based Compensation	337	261	244	237
Specified Items <sup>(3)</sup>	1,409	1,178	1,119	754
<b>Adjusted EBITDA</b>	<b>5,461</b>	<b>5,507</b>	<b>5,030</b>	<b>5,975</b>
Total Debt	21,496	19,390	17,931	17,610
Cash & Equivalents	1,140	536	2,825	2,283
Short-Term Investments	17	30	20	12
<b>Net Debt<sup>(4)</sup></b>	<b>20,338</b>	<b>18,824</b>	<b>15,085</b>	<b>15,315</b>
<b>Net Leverage<sup>(5)</sup></b>	<b>3.7x</b>	<b>3.4x</b>	<b>3.0x</b>	<b>2.6x</b>

1. Includes one remaining quarter of Bard

2. Purchase accounting is included in Depreciation & Amortization and is a specified item in the 10-K filings

3. Specified items include litigation-related charges, acquisition-related transaction costs, losses on debt extinguishment and other specified items in the 10-K filings

4. Net Debt defined as Total Debt minus Cash & Equivalents and Short-Term Investments

5. Net Leverage defined as Net Debt divided by Adjusted EBITDA

# Glossary

Acronym	Defined Term	Acronym	Defined Term
AI	Artificial intelligence	IDS	Integrated Diagnostics Solutions
BDB	Biosciences	LDD	Low double-digit
BPS	Basis points	M&A	Mergers and acquisitions
CAGR	Compounded annual growth rate	MDS	Medication Delivery Solutions
Capex	Capital expenditures	MMS	Medication Management Solutions
CFN	CareFusion	MSD	Mid-single digit
DC	Diabetes Care	PI	Peripheral Intervention
DD	Double digit	POC	Point of care
EMR	Electronic medical records	PS	Pharmaceutical Systems
EPS	Earnings per share	R&D	Research and development
ERP	Enterprise resource planning	SURG	Surgery
ESG	Environmental, Social, Governance	TAM	Total addressable market
FCF	Free cash flow	TB	Tuberculosis
FY	Fiscal year	UCC	Urology & Critical Care
HSD	High single digit	WAMGR	Weighted average market growth rate





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