



# **Raymond James 34th Annual Institutional Investors Conference**

**March 5, 2013**

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Acting Chief Financial Officer, Senior Vice President and Controller

## 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 first quarter earnings release and in our recent SEC filings.

## Non-GAAP Financial Measures

- These materials also include Non-GAAP financial measures. A reconciliation to the comparable GAAP measures can be found in our first quarter fiscal year 2013 earnings release and quarterly fiscal year 2012 earnings releases, the financial schedules attached thereto and the related earnings call slides, all of which are posted on the "Investors" section of the BD.com website.

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# Focus on Growth and Innovation

# The Focus of Our Strategy Remains Unchanged

**BD's Strategy** is to Apply Technology and Clinical Knowledge to **Make Healthcare More Effective, Efficient and Safe.**  
The Five Areas of Focus Are:

- 1 Enable **safer, simpler and more effective** parenteral drug delivery
- 2 Improve clinical outcomes through **more accurate, timely and efficient** diagnostics
- 3 Provide tools and technologies to the research community that **facilitate the understanding of the cell, cellular diagnostics and cell therapy**
- 4 Enhance **disease management** in diabetes, women's health and cancer, and infection control
- 5 Improve clinical, laboratory and research practices in **emerging markets**

# We Remain Focused on Growth and Innovation

## Growth

- Emerging markets
- Expanding addressable markets
- New product launches
- Seeking new acquisition opportunities

## Innovation

- Building capabilities for new customer environment
  - ◆ Stronger Marketing and Health Economics functions
  - ◆ Globalize public policy
- Institutionalizing the management of innovation
- Globalizing R&D
- Increasing spend in new product development

# **First Quarter Results and Fiscal Year 2013 Outlook**

- Pleased with our first quarter results:
  - ◆ Solid revenue growth of 5.2%
  - ◆ Double-digit EPS Growth of 15.8%
- Growth across Medical and Diagnostics, improvement in Biosciences
- Continued growth in international safety and emerging markets
  - ◆ Emerging Market growth of 12.7%
  - ◆ China growth of 24.4%
  - ◆ Emerging Markets Safety growth of 19.6%

**Raised the bottom end of previous revenue and EPS guidance ranges**



	Adjusted FY 2012	Q1 FY 2013	Guidance FY 2013 Total Year
<b>Revenues – FXN</b>	4.3%	5.2%	4.0% – 4.5%
<b>Gross Profit</b>	51.4%	52.9%	51.5% – 51.7%
<b>SSG&amp;A</b>	24.9%	26.1%	24.9% – 25.1%*
<b>R&amp;D</b>	6.1%	6.2%	6.1% – 6.3%
<b>Operating Income</b>	20.5%	20.6%	20.9% – 21.1%**

## Improved Quality of Earnings and Operating Income Leverage from:

- Improved GP through revenue mix
- ReLoCo I and II
- Continuous manufacturing improvement
- G&A efficiencies
- Emerging markets rapid return on investment

Note: Amounts restated for continuing operations. Values are reported, unless otherwise noted. \* Excludes the estimated impact of the Medical Device Tax (\$40M to \$50M, or on average, ~60 bps).

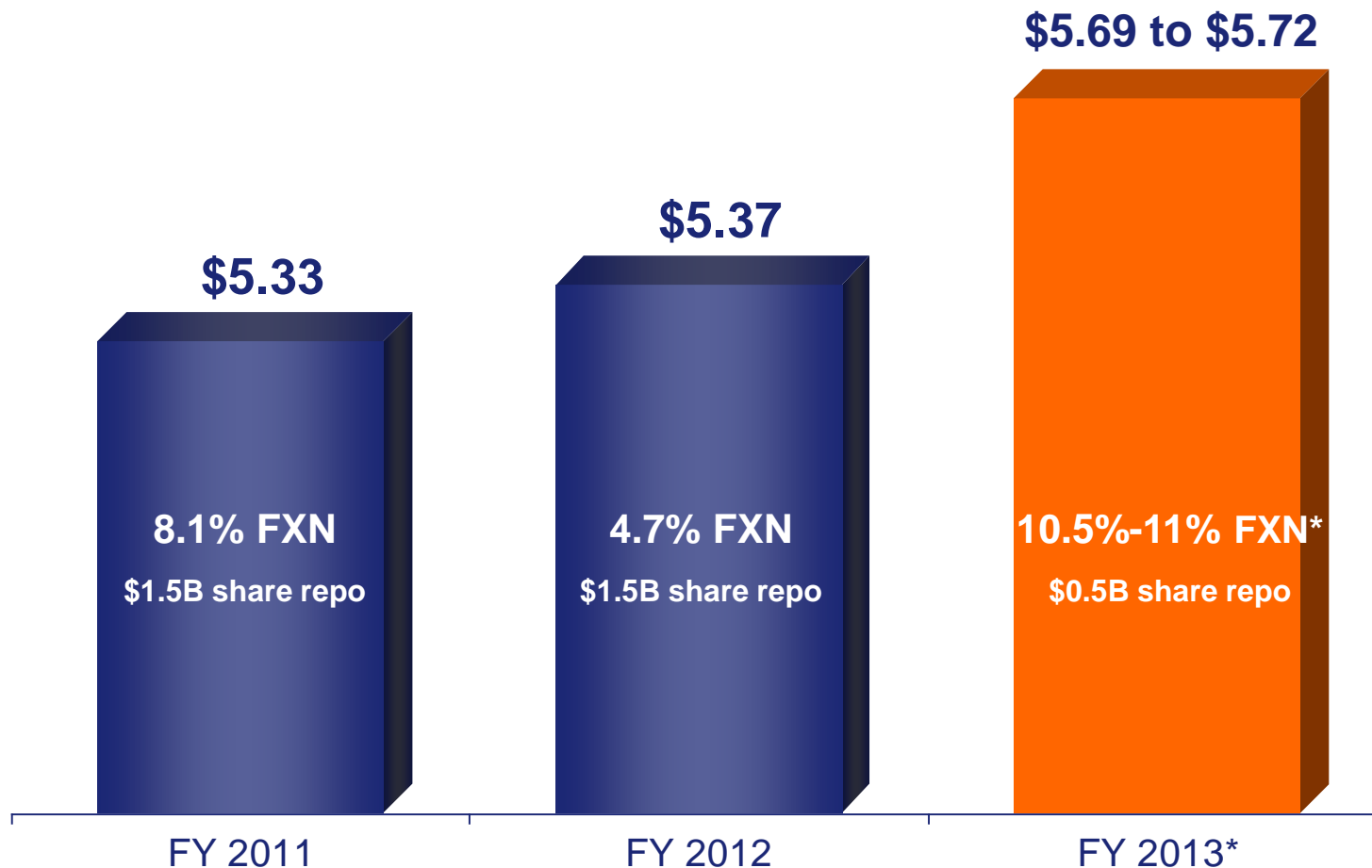
\*\* Excludes the Medical Device Tax estimates and the impact of foreign currency (~30bps).



# Return to Double-Digit Earnings Growth in Fiscal Year 2013

Adjusted Earnings per Share

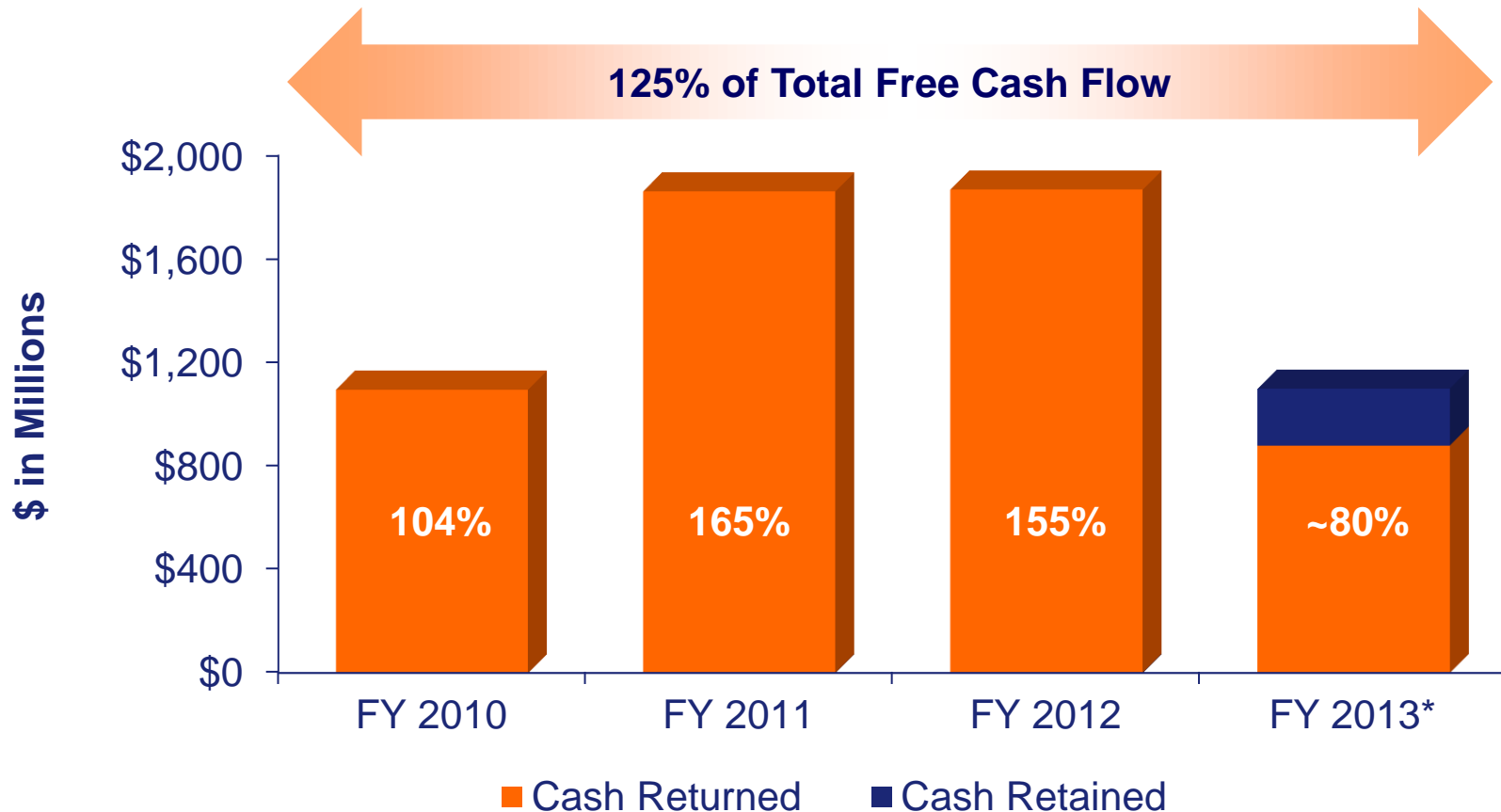
EPS growth 10.5% to 11% FXN\*



Note: Amounts restated for continuing operations. FY 2011 and FY 2012 EPS dollar values are adjusted, EPS growth rates are foreign currency neutral (FXN) and share repurchase values are as reported.

\* FY 2013 Guidance Estimate. EPS growth of 10.5% to 11% excludes the estimated impact of the Medical Device Tax and the estimated unfavorable impact of foreign currency.

## % of Cash Returned to Shareholders



# Growth Drivers



# Enhancing Top-Line Growth Through Recent Tuck-In Acquisitions

## BD Medical

- ✓ Carmel Pharma AB
- ✓ Safety Syringes, Inc.

## BD Diagnostics

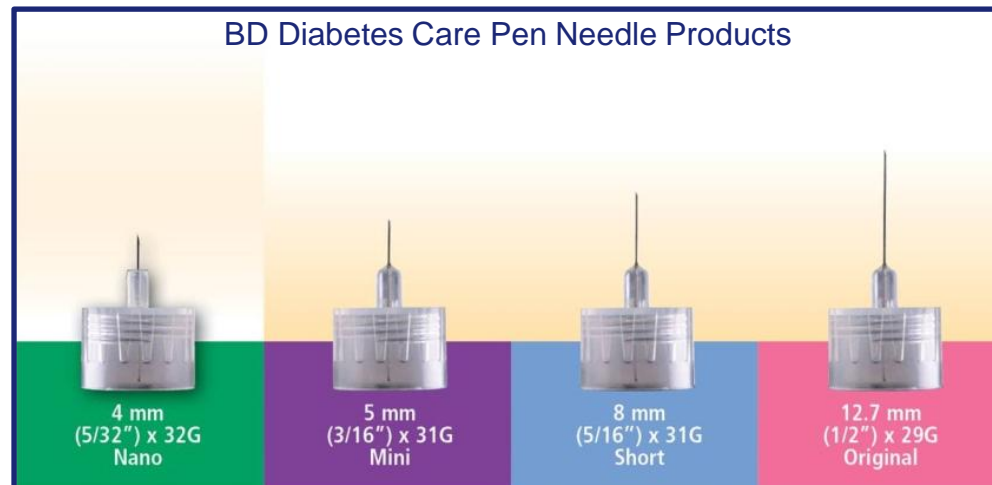
- ✓ Kiestra Lab Automation BV

## BD Biosciences

- ✓ Accuri Cytometers, Inc.
- ✓ Sirigen Group Limited

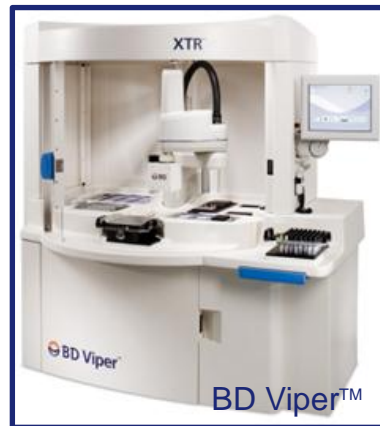


## BD Medical



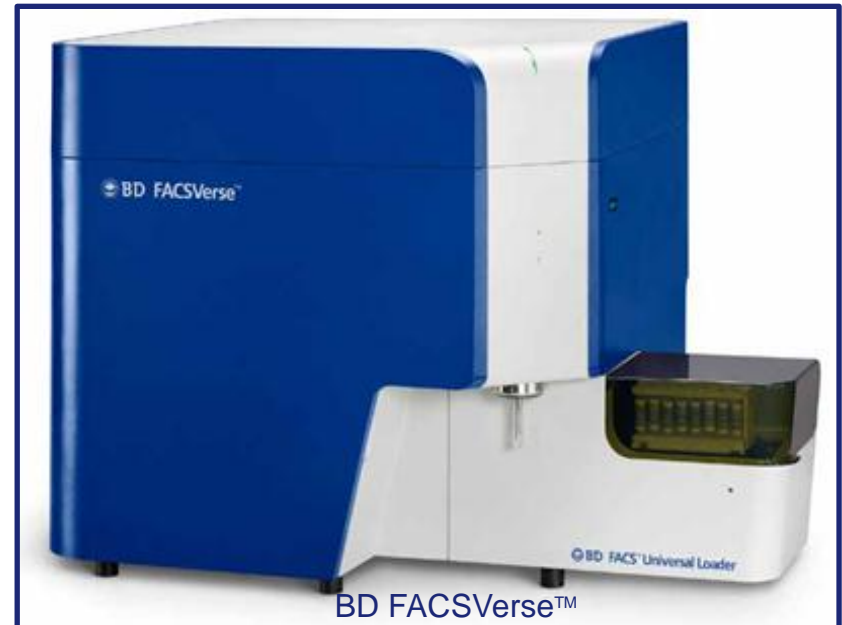
**We Are Targeting First-to-Market Innovations Across Our Three Segments**

## BD Diagnostics



**We Are Targeting First-to-Market Innovations Across Our Three Segments**

## BD Biosciences



**We Are Targeting First-to-Market Innovations Across Our Three Segments**

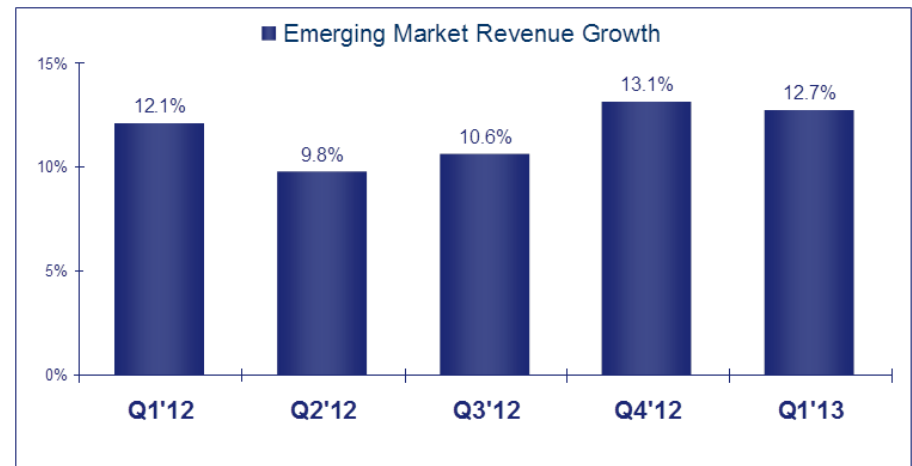




# Strong Continued Double-Digit Earnings Growth in Emerging Markets



- Emerging markets serve as key growth opportunity
  - ◆ China
  - ◆ India
  - ◆ Latin America
- Focused on geographic expansion and demographic expansion
- BD products meet unique needs of emerging countries



Above percentages exclude the impact of foreign currency. Emerging markets include Eastern Europe, Middle East, Africa, Latin America, and Asia Pacific (excluding Japan).

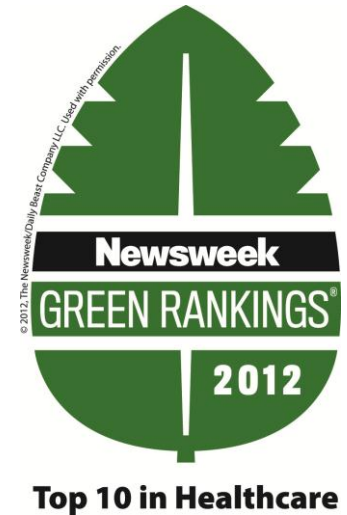
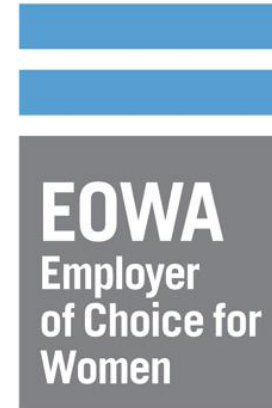
# Strong Safety Sales Remain a Key Growth Driver



- BD has served as global leader in safety for two decades
- Safety sales account for 26% of total revenues
- Continued strong growth rates in developed and emerging countries



# Summary



- Solid start to the new year
- Invested heavily in our business for the past two years
- Our strategy for growth and innovation delivering results
- Many new growth opportunities:
  - ◆ Strategic opportunities through tuck-in acquisitions
  - ◆ New products in all three segments
  - ◆ Geographic expansion
- FY 2013 guidance:
  - ◆ Deliver improved top-line growth
  - ◆ Operating margin expansion
  - ◆ Improved quality of earnings

**Simplify, Focus, Finish**

