



BD

# Annual Meeting of Shareholders

Vincent A. Forlenza  
Chairman, Chief Executive  
Officer and President

January 26, 2016

## 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 fourth 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 fourth quarter 2015 earnings release, 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



# Topics for Discussion



**Accelerating Our Strategy**



**Growth Drivers and Value Creation**



**Performance and Outlook**



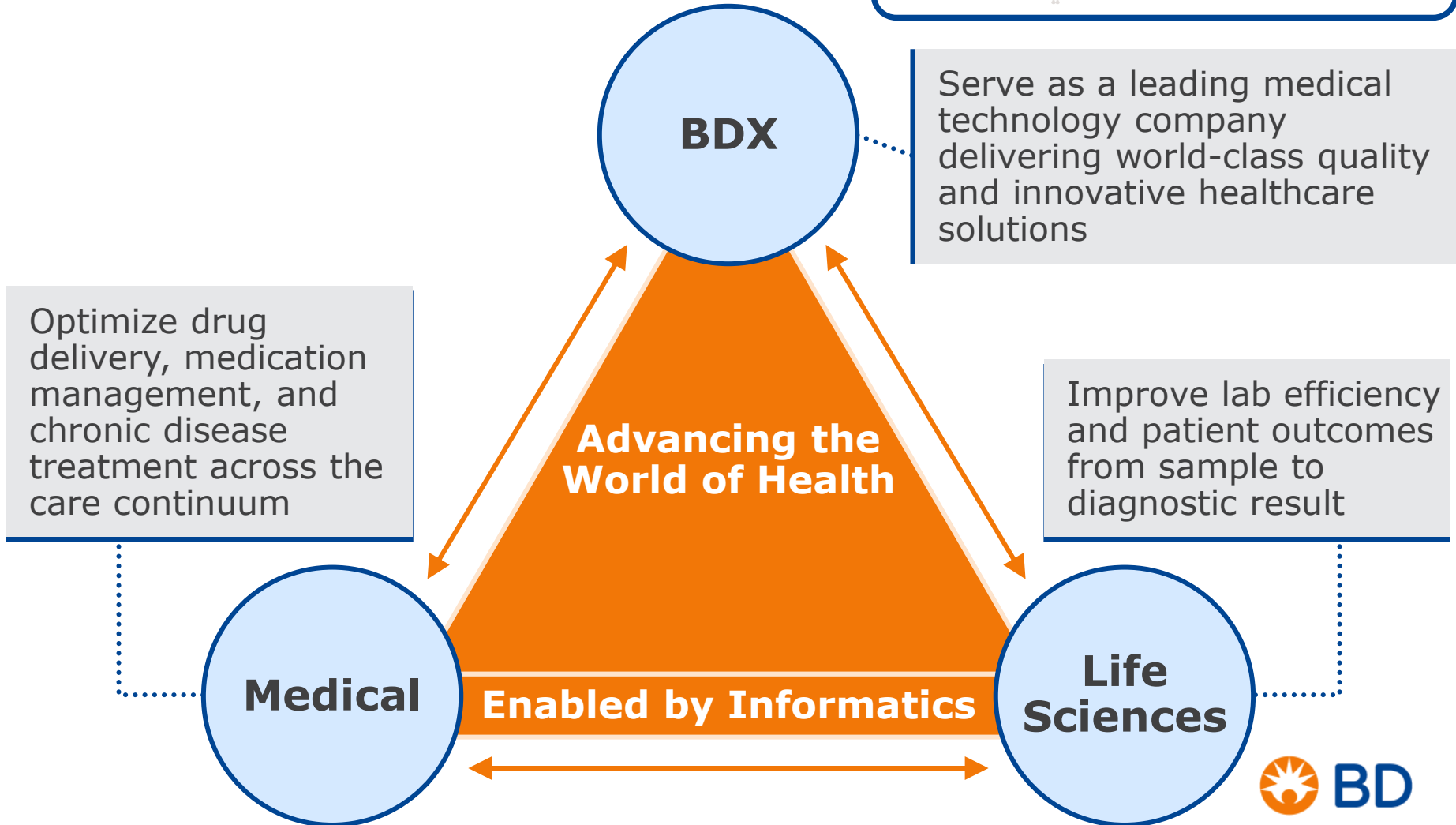
**Advancing the World of Health**

# Accelerating Our Strategy

**SOLUTIONS ACROSS CARE CONTINUUM:**



**DISCOVERY | DIAGNOSTICS | DELIVERY**



# BD Medical: Medication and Patient Safety Solutions

**\$8.5B Revenue**

**\$3.4B**

**\$2.1B**

**\$1.0B**

**\$0.9B**

**\$1.2B**

## Medication & Procedural Solutions



## Medication Management Systems



## Diabetes Care



## Respiratory Solutions



## Pharmaceutical Systems



**Medication Management**



**Chronic Disease Management & Adherence**



**Addressing Needs Across the Continuum of Care**



# Leader in Medication Management

Healthcare IT/Electronic Medical Record

BD Smartworks & Knowledge Portal



Pharmogistics



Cato & Phaseal



Pyxis ES



Alaris



MedMined



Smartworks

Procure

Prepare

Track & Dispense

Administer & Document

Integrating Products, Informatics and Interoperability



# BD Life Sciences: Improving Lab Efficiency and Outcomes

**\$3.8B Revenue**

**\$1.4B**

**\$1.3B**

**\$1.1B**

## Preanalytical Systems



## Diagnostic Systems



## Biosciences



**Improving Lab Efficiency  
and Patient Outcomes**



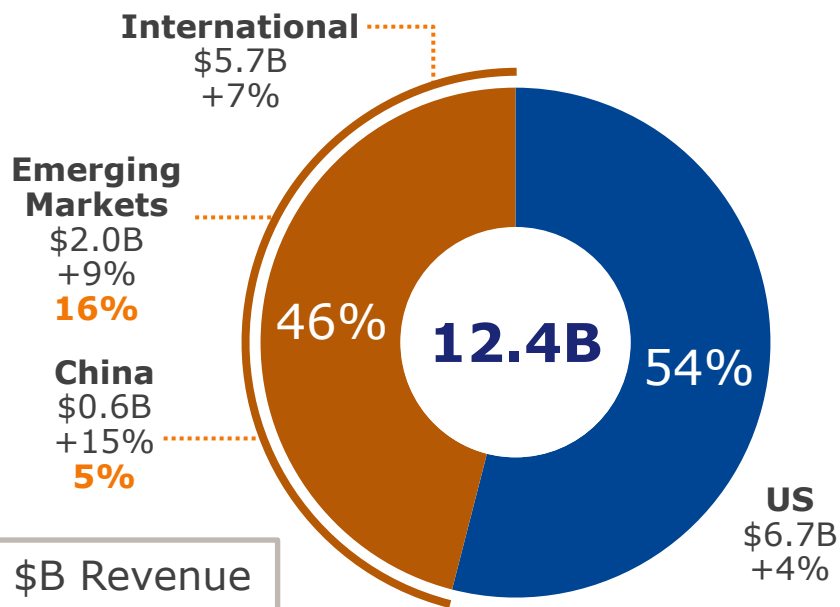
**Advancing Cellular  
Research**



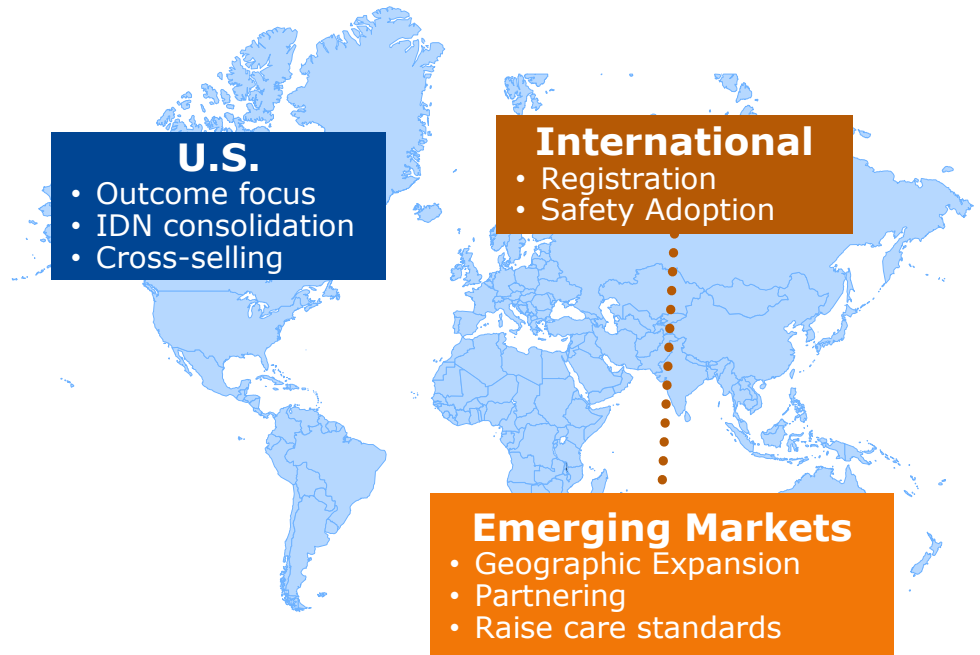
# Leveraging Our International Infrastructure

## Diverse Geographic Revenue Base

## Opportunities Across the Globe



\$B Revenue  
FXN Growth  
% of Sales





# Integration Off to a Great Start

## Integration



- Focus of the entire company
- Dedicated Integration Management Office
- Completed commercial integration for key accounts

## Talent Retention And Culture



- New brand launch
- “Best of the Best” approach
- Key leadership in place

## Cost Synergies



- Raised cost synergy target to \$325 to \$350M by FY 2018
- Incremental opportunities across the organizational transformation, including manufacturing and functions

## Revenue Synergies

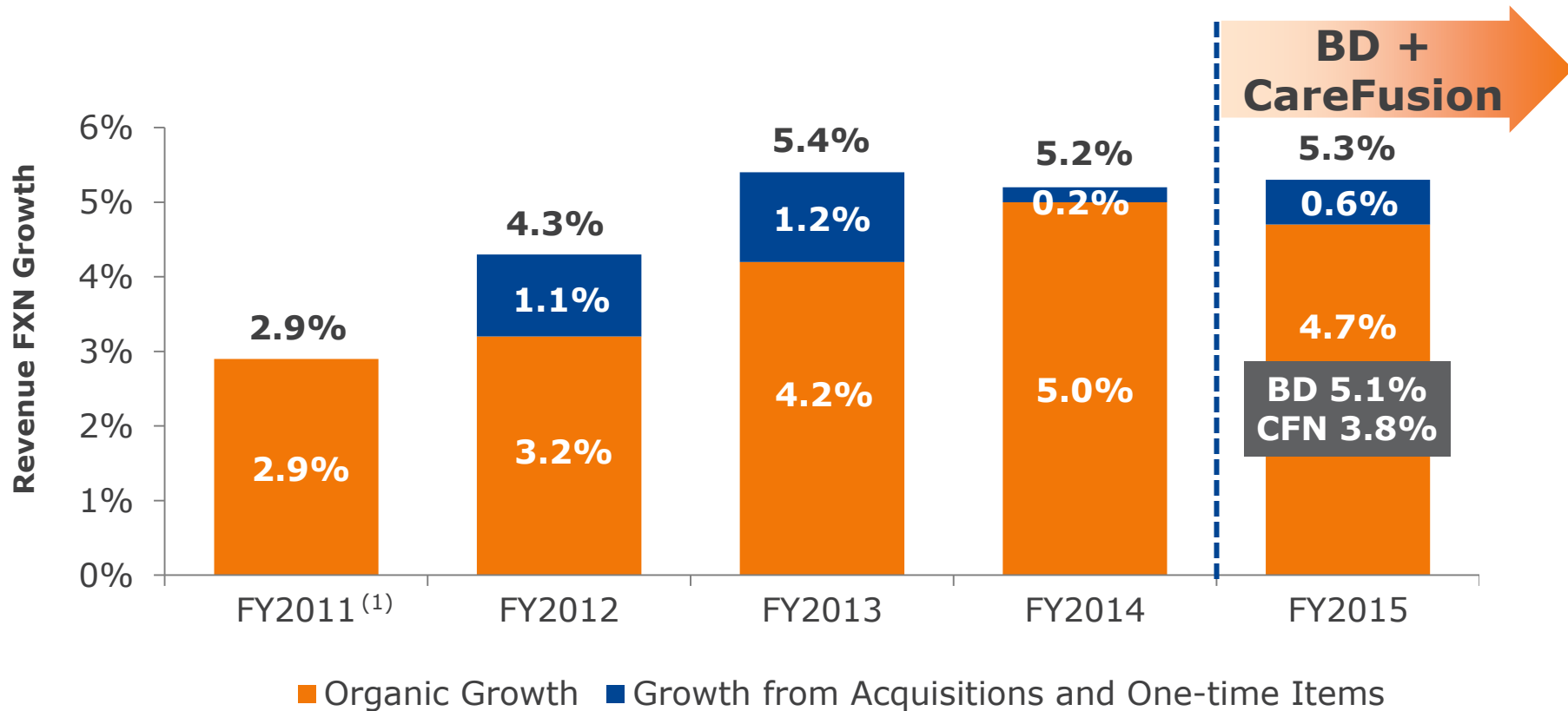


- Actively registering CFN products in x-US markets, as anticipated
- Confidence in ability to deliver revenue synergies in FY 2017

# FY 2015 Highlights

- Strong revenue growth of 5.3%
- Expanded in two strategic areas: Medication Management and Genomics
- Emerging markets performed well and increased contribution from developed markets
- Significant underlying margin expansion of ~100 bps demonstrated solid execution towards integration and ~\$50M cost synergy capture
- Maintained our capital commitments
  - 43rd consecutive year of increased dividends
  - Continued progress towards our leverage target

# Accelerating Organic Revenues



FY2011 – FY2014: FXN = Estimated foreign exchange-neutral currency growth; FY2015 : Comparable FXN = Estimated foreign exchange-neutral currency growth including BD and CareFusion in current and prior year periods.

(1) FY2011 adjusted for prior-year impact related to pandemic flu, U.S. stimulus spending and Japan supplemental spending.

# Margin Gains and Earnings Growth

## Margin FXN Expansion

**~100 bps**



FY 2015

### Key Drivers

- Transformation across functions through:
  - Leveraging of shared service centers
  - Leaning infrastructure
  - End to end process improvement
- Rationalizing and automating manufacturing footprint

## Earnings FXN Growth

**21.2%**



FY 2015

### Key Drivers

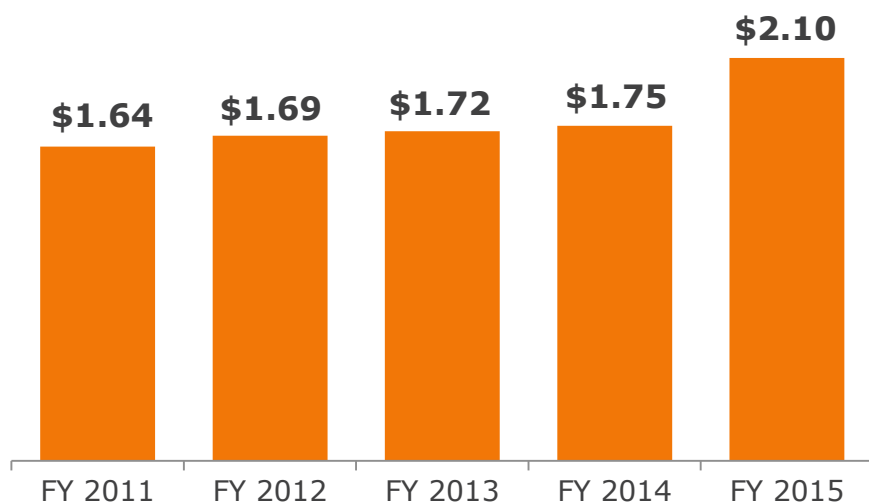
- Mid-single-digit revenue growth
- Margin expansion driven by base plans + synergies
- Efficient capital and tax structures



# Significant Operating Cash Flow

## Adjusted Operating Cash Flow

\$ in Billions



## Capital Allocation Strategy

- Reinvest for growth: R&D, Emerging Markets, Capital Spend and M&A
- Fund a rising annual dividend
- Share repurchase program suspended, except in the case of divestitures



# Advancing the World of Health

Named to Fortune Magazine's first-ever *Change the World* list



**Innovation:** Advancing the quality, accessibility, safety and affordability of healthcare around the world



**Access:** Improving Global Health through Public Private Partnerships, Product Development Partnerships, and Advocacy and Policy Alignment



**Efficiency:** Reducing environmental footprint across our supply chain while addressing climate change impacts



**Empowerment:** Advancing our purpose-driven culture



**FORTUNE**  
*Change the World*

MEMBER OF

**Dow Jones**  
**Sustainability Indices**

In Collaboration with RobecoSAM

2015  
Outstanding  
Corporate Innovator



FTSE4Good



**FORTUNE**  
**WORLD'S MOST**  
**ADMIRED**  
**COMPANIES** 2015



# Closing Remarks

**SOLUTIONS ACROSS CARE CONTINUUM:**



**DISCOVERY | DIAGNOSTICS | DELIVERY**

## Accelerating Our Strategy



Providing healthcare solutions across care continuum addressing global health needs

## Growth in Medical and Life Sciences



Strong Core, Organic Innovation, Strategic Acquisitions & Partnerships

## Strong Performance and Outlook



Accelerating Organic Revenues, Continued Margin Expansion, High Quality of Earnings

## Focused on Driving Sustainable Value



For our customers, our end markets, and our stakeholders

**Advancing the World of Health**



Thank you

