



# Third Quarter Results Fiscal Year 2012

August 2, 2012

## 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 third 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 herein, or in our earnings release and the financial schedules attached thereto.
- ***A copy of the release, including the financial schedules, is posted on the "Investors" section of the BD.com website.***

## Results from Continuing Operations

- The following financial information represents results from continuing operations. Certain financial information excludes the following items:
  1. The impact of foreign currency translation, including hedge gains or losses.
  2. The impact of a non-cash charge of \$9.3 million (3 cents diluted earnings per share from continuing operations) resulting from the discontinuance of a research program within the Diagnostic Systems unit that occurred in the fourth quarter of fiscal year 2011.
  3. The values reflected in this presentation, unless otherwise noted, reflect the reclassification change of the Discovery Labware unit to discontinued operations (excluding the Advanced Bioprocessing platform).

FXN = Estimated foreign exchange-neutral currency growth.

\$ = Dollars in millions except per share data.

Note: All figures on accompanying slides are rounded. Totals may not add due to rounding. Percentages are based on un-rounded figures.

**Vincent A. Forlenza**  
Chairman, CEO and President

- **Third quarter results in line with our expectations**
- **Growth driven by Medical and Diagnostics segments**
- **Continued growth in international safety and emerging markets**
- **Improved performance in back half of year, as expected**
- **Plans to acquire Safety Syringes, Inc.**
- **Raising currency-neutral revenue guidance to ~4%, the high end of our previously communicated range**
- **Reaffirm currency-neutral EPS growth of 4 to 5%**



# Q3 FY 2012 Revenue and EPS Results

	Third Quarter			Year-to-Date		
	2012	Reported Growth	FXN Growth	2012	Reported Growth	FXN Growth
<b>Revenues</b>	\$1,981	1.5%	4.9%	\$5,741	2.6%	4.1%
<b>EPS</b>	\$1.52	5.6%	9.7%	\$3.95	-1.7%	1.0%

Note: For the first quarter of fiscal year 2012, reported diluted earnings per share from continuing operations included an approximate \$0.04 favorable impact due to the timing of certain tax benefits. These benefits, which were reflected in our previous full year guidance, primarily relate to various tax settlements in multiple jurisdictions.

**David V. Elkins**  
Executive Vice President and CFO

- Discovery Labware sale on track, reclassified to discontinued operations
- Unless otherwise noted, all figures in this presentation reflect continuing operations
- Sequential improvements to Gross Profit and Operating Margins
- Raising bottom end of FXN revenue guidance to ~4%
- Reaffirming FXN EPS growth of 4 to 5 %
- Full year reported EPS estimated between \$5.33 and \$5.38, reflecting the Discovery Labware divestiture and expected unfavorable currency
- Repurchased ~\$250 million of common stock



# Q3 FY 2012 Revenue and EPS Results

Third Quarter	Including Discovery Labware			Excluding Discovery Labware		
	Pro Forma	Pro Forma Growth	FXN Pro Forma Growth	2012	Reported Growth	FXN Growth
Revenues	\$2,041	1.3%	4.8%	\$1,981	1.5%	4.9%
EPS	\$1.59	5.3%	9.3%	\$1.52	5.6%	9.7%

Note: For the first quarter of fiscal year 2012, reported diluted earnings per share from continuing operations included an approximate \$0.04 favorable impact due to the timing of certain tax benefits. These benefits, which were reflected in our previous full year guidance, primarily relate to various tax settlements in multiple jurisdictions.



# FY 2012 Revenues by Segment

	Third Quarter			Year-to-Date		
	\$	Reported Growth %	FXN %	\$	Reported Growth %	FXN %
<b>Total Revenues</b>	<b>\$1,981</b>	<b>1.5%</b>	<b>4.9%</b>	<b>\$5,741</b>	<b>2.6%</b>	<b>4.1%</b>
<b>Medical</b>	1,070	2.4%	6.4%	3,042	3.0%	4.8%
<b>Diagnostics</b>	642	1.7%	4.7%	1,893	3.0%	4.3%
<b>Biosciences</b>	268	-2.7%	0.2%	807	0.2%	1.3%



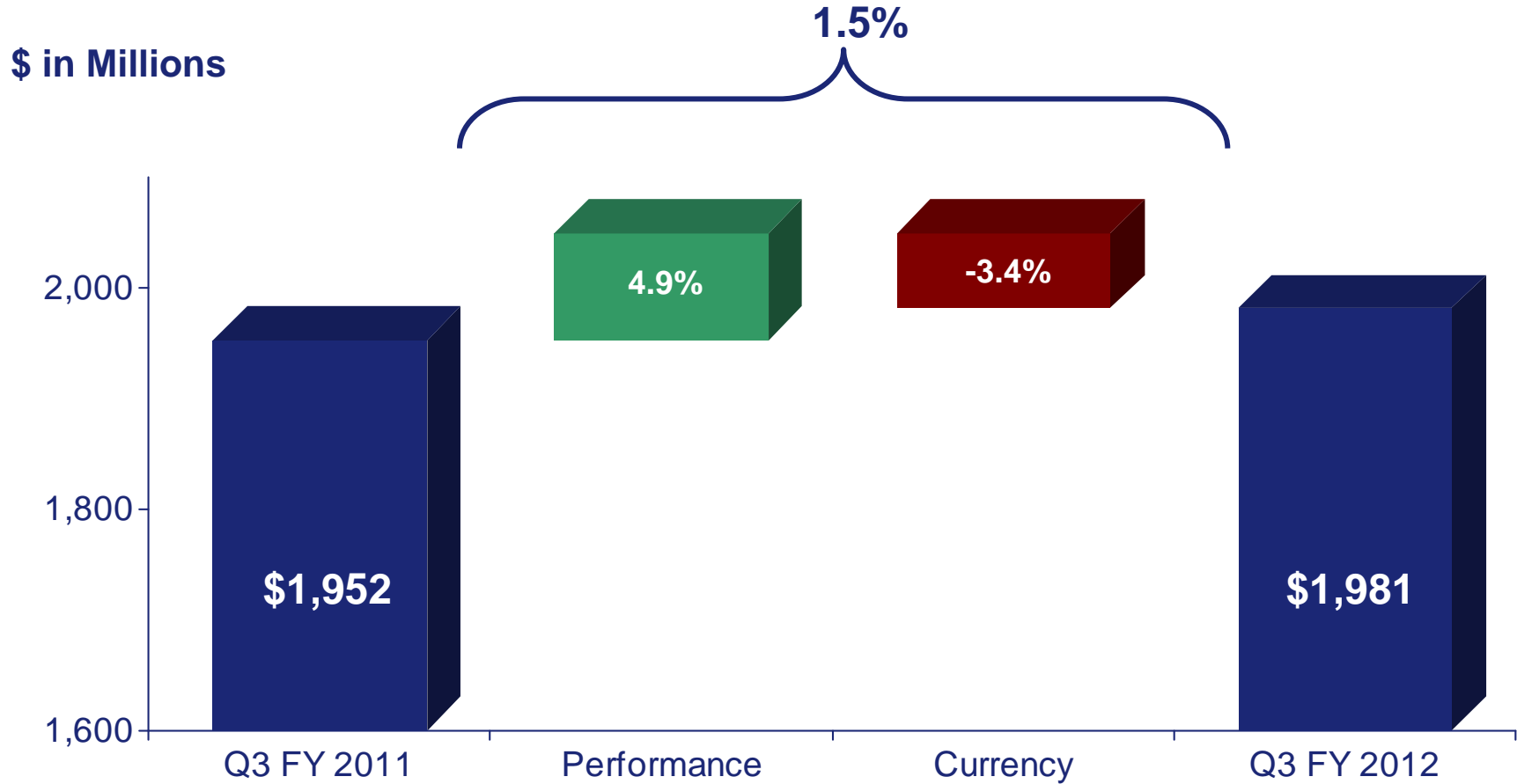
# FY 2012 U.S. and International Revenues

	Third Quarter			Year-to-Date		
	\$	Reported Growth %	FXN %	\$	Reported Growth %	FXN %
<b>U.S.</b>	<b>\$837</b>	<b>1.1%</b>	<b>1.1%</b>	<b>\$2,464</b>	<b>1.3%</b>	<b>1.3%</b>
<b>Medical</b>	<b>430</b>	<b>3.1%</b>	<b>3.1%</b>	<b>1,263</b>	<b>3.4%</b>	<b>3.4%</b>
<b>Diagnostics</b>	<b>315</b>	<b>0.8%</b>	<b>0.8%</b>	<b>945</b>	<b>1.4%</b>	<b>1.4%</b>
<b>Biosciences</b>	<b>92</b>	<b>-6.4%</b>	<b>-6.4%</b>	<b>256</b>	<b>-8.8%</b>	<b>-8.8%</b>
<b>International</b>	<b>\$1,144</b>	<b>1.7%</b>	<b>7.8%</b>	<b>\$3,277</b>	<b>3.6%</b>	<b>6.4%</b>
<b>Medical</b>	<b>640</b>	<b>2.0%</b>	<b>8.5%</b>	<b>1,779</b>	<b>2.7%</b>	<b>5.8%</b>
<b>Diagnostics</b>	<b>327</b>	<b>2.7%</b>	<b>8.5%</b>	<b>948</b>	<b>4.6%</b>	<b>7.3%</b>
<b>Biosciences</b>	<b>177</b>	<b>-0.7%</b>	<b>3.8%</b>	<b>551</b>	<b>5.0%</b>	<b>6.6%</b>

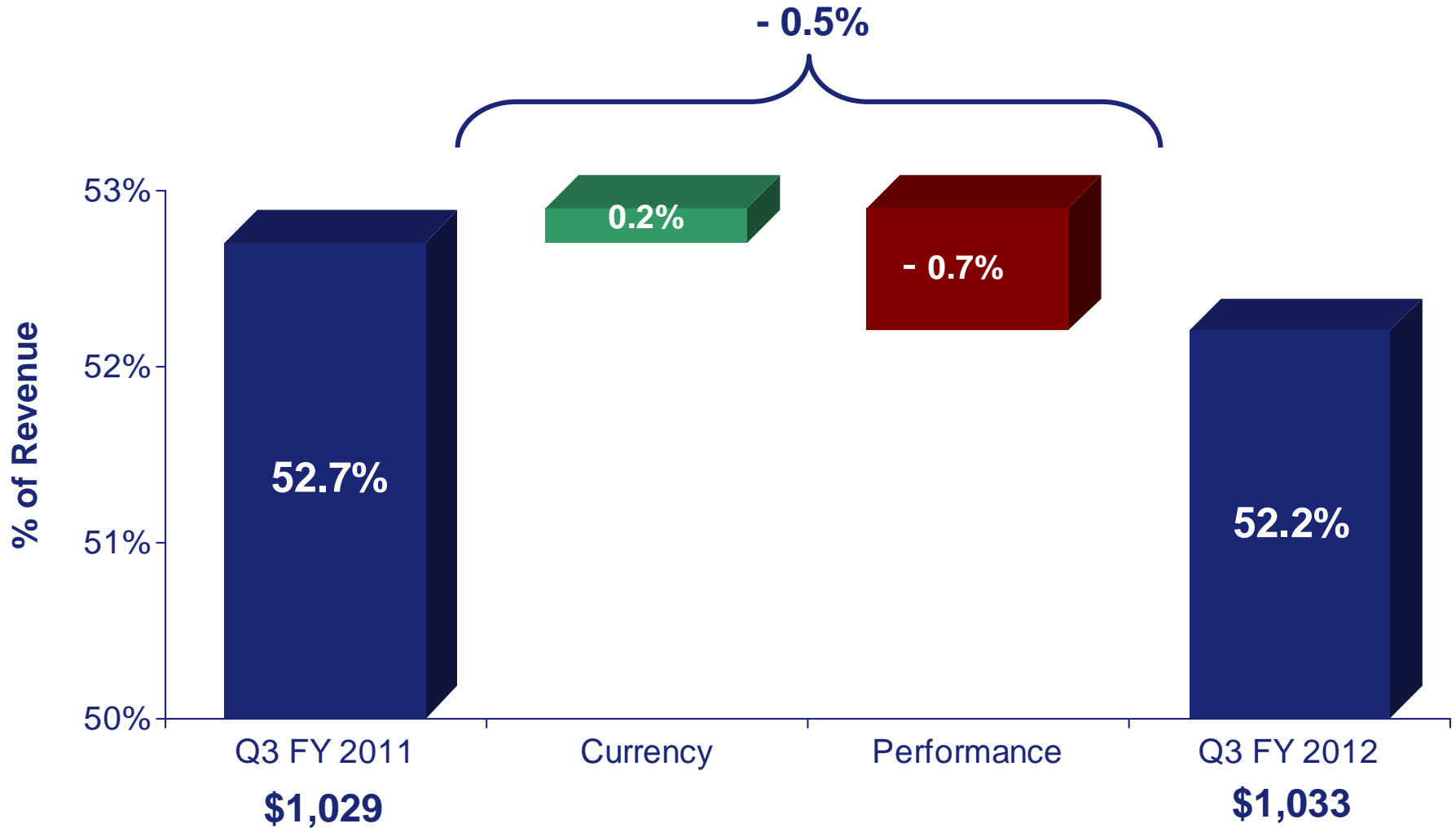
# FY 2012 Safety Revenues

	Third Quarter			Year-to-Date		
	\$	Reported Growth %	FXN %	\$	Reported Growth %	FXN %
<b>Total Safety</b>	<b>\$501</b>	<b>4.5%</b>	<b>7.4%</b>	<b>\$1,476</b>	<b>7.5%</b>	<b>8.8%</b>
<b>By Geography</b>						
U.S.	285	1.5%	1.5%	858	3.6%	3.6%
International	216	8.8%	15.7%	618	13.3%	16.7%
<b>By Segment</b>						
Medical	240	7.4%	9.8%	716	11.6%	12.4%
Diagnostics	261	2.0%	5.3%	761	3.9%	5.6%

# Q3 FY 2012 Revenue Growth Year-Over-Year



# Q3 FY 2012 Gross Margin Change Year-Over-Year



# Q3 FY 2012 Income Statement

	Q3 FY 2012	Q3 FY 2011	Favorable (Unfavorable)		
			\$ Change	Reported % Change	FXN % Change
<b>Revenues</b>	\$1,981	\$1,952	\$29	1.5%	4.9%
<b>Gross Profit</b>	1,033	1,029	4	0.4%	3.4%
% of Revenues	52.2%	52.7%			
<b>SSG&amp;A</b>	469	468	(1)	-0.2%	-3.2%
% of Revenues	23.7%	24.0%			
<b>R&amp;D</b>	115	114	(1)	-0.8%	-1.9%
% of Revenues	5.8%	5.8%			
<b>Operating Income</b>	449	447	2	0.4%	4.0%
% of Revenues	22.7%	22.9%			
<b>EPS</b>	\$1.52	\$1.44	\$0.08	5.6%	9.7%

	<b>May Guidance <i>with</i> Discovery Labware</b>	<b>August Guidance <i>without</i> Discovery Labware</b>
<b>Revenue</b>	3-4% FXN	~4% FXN *
<b>EPS</b>	\$5.68-\$5.73	\$5.33-\$5.38 *
<b>EPS - FXN</b>	4-5%	4-5%
<b>Gross Profit</b>	51.3%-51.5%	51.3%-51.5%
<b>SSG&amp;A</b>	24.4%-24.6%	24.8%-25.0% *
<b>R&amp;D</b>	6.0%-6.1%	6.0%-6.1%
<b>Operating Income</b>	20.9%-21.1%	20.4%-20.6% *
<b>Tax Rate</b>	25.5%-25.7%	24.8%-25.0% *
<b>Operating Cash Flow</b>	~\$1.7B	~\$1.6B *
<b>Share Repurchase</b>	\$1.5B	\$1.5B

\* Asterisks denote guidance values which have changed from May to August.

**Vincent A. Forlenza**  
Chairman, CEO and President



- Emerging Markets financial highlights for FY 2012:

	FXN Growth %	% of BD Revenues
Q3	10.6%	22.8%













- Strong underlying double-digit growth in key markets and platforms
  - ◆ China 19.7%
  - ◆ Emerging Markets Safety 18.1%
- Expect continued strong growth in emerging markets
- Pleased with safety growth in Europe



# Program and Product Launch Updates

## Program/Product

## Launched Programs/Products

BD PentaPoint™ 5 bevel Pen Needle (BDM) 	 Launched
BD Nexiva™ Diffusics™ Closed IV Catheter System with diffusion tip (BDM)	 Launched
BD Insulin Syringe with Ultra-Fine™ 6mm Needle (BDM)	 Launched
BD Veritor™ (BDD)	 Launched
BD MAX™ MRSA (BDD) 	 Launched EU, Q4 FY12 US
BD MAX™ Group B Strep (BDD)	 Launched
BD MAX™ C.Diff (BDD)	 Launched EU
BD Mosaic™ hMSC Cell Culture Medium (BDB)	 Launched
BD FASCJAZZ™ (BDB) 	 Launched Globally Q3 FY12

# Program and Product Launch Updates

## Program/Product

## Planned Launch Dates

BD MAX™ C.Diff (BDD)

◆ Q1 FY 2013 U.S.

BD Viper™ Trich (BDD)

◆ Q4 FY 2012 EU / Q4 FY 2013 U.S.

BD Viper™ LT with GC/CT (BDD)

◆ Q4 FY 2013

BD Viper™ LT HPV-GT (BDD)

◆ Q4 FY2013 Ex-U.S.

BD Totalys™ Front-End Automation  
(BDD)

◆ Q2 FY 2013 EU / Q4 FY 2013 U.S.  
(Delayed 1 Quarter)

BD SurePath™ Plus (BDD)

◆ Program Stopped

Analyzers for CD4 testing (BDB)

◆ FY 2014 (Delayed)

- Pleased with our Q3 and year-to-date results
- Solid top-line growth despite challenges in the Biosciences segment in the U.S.
- Good organic growth in addition to positive results from recent acquisitions
- Moved past difficult comparisons that impacted our results in the first half
- Pleased with the performance in emerging markets and international safety sales
- Pipeline largely in line with expectations
- Committed to delivering on our guidance on the top and bottom lines

# Q & A

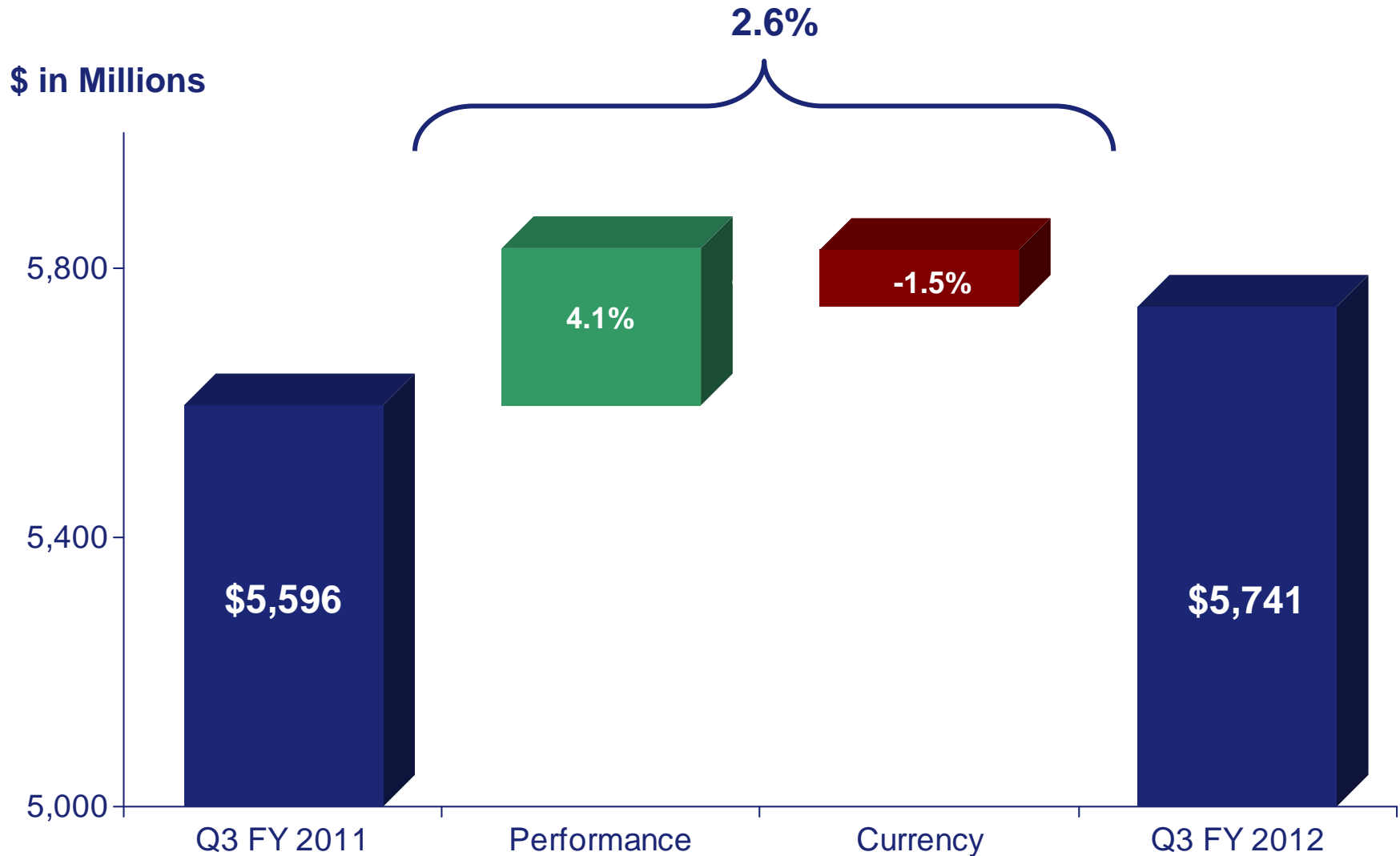
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# YTD FY 2012 Income Statement

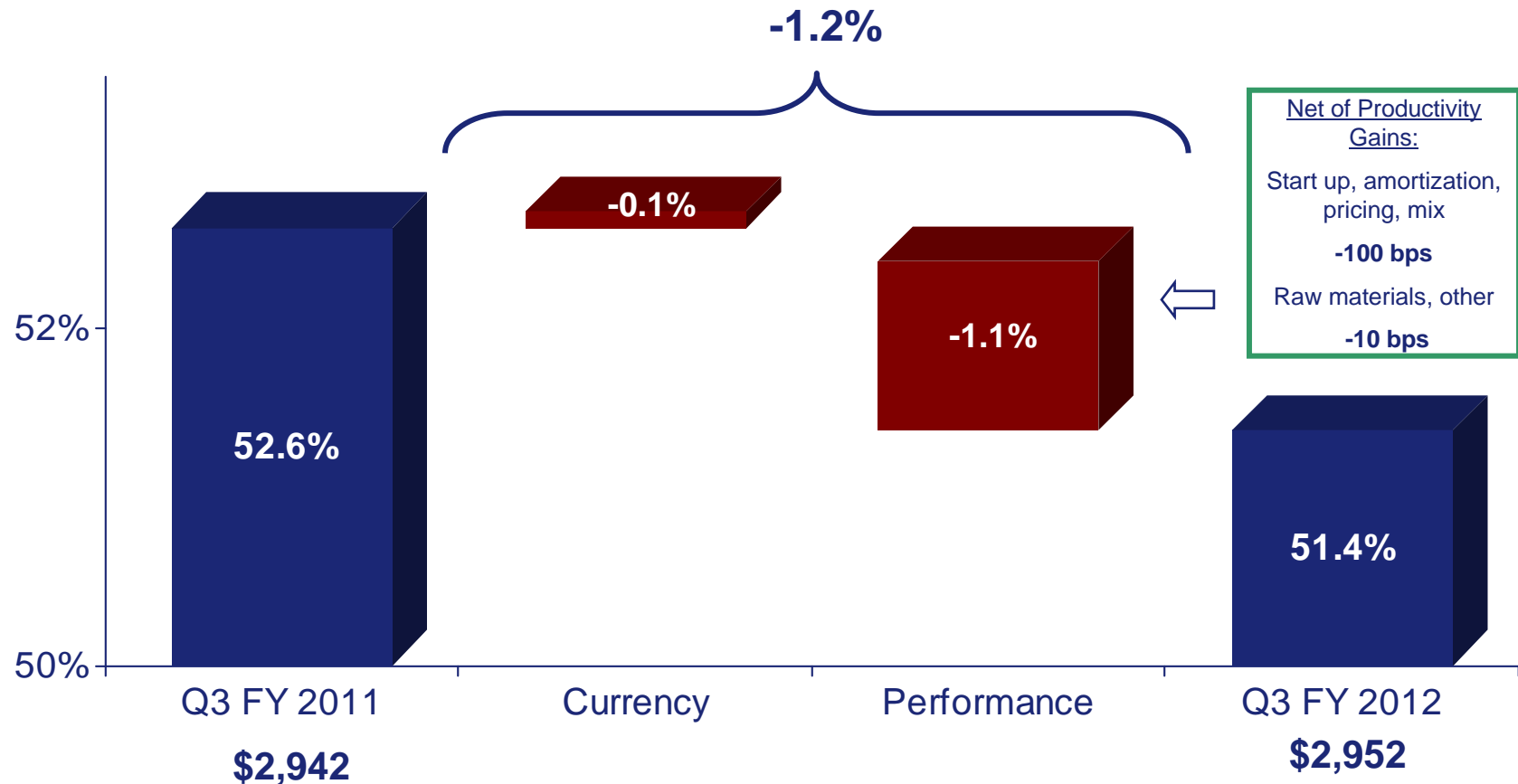
	YTD FY 2012	YTD FY 2011	Favorable (Unfavorable)		
			\$ Change	Reported % Change	FXN % Change
<b>Revenues</b>	\$5,741	\$5,596	\$145	2.6%	4.1%
<b>Gross Profit</b>	2,952	2,942	10	0.4%	2.1%
% of Revenues	51.4%	52.6%			
<b>SSG&amp;A</b>	1,439	1,344	(95)	-7.1%	-8.4%
% of Revenues	25.1%	24.0%			
<b>R&amp;D</b>	344	345	1	0.3%	-0.2%
% of Revenues	6.0%	6.2%			
<b>Operating Income</b>	1,169	1,253	(84)	-6.7%	-4.2%
% of Revenues	20.4%	22.4%			
<b>EPS</b>	\$3.95	\$4.02	\$(0.07)	-1.7%	1.0%

# YTD FY 2012 Revenue Growth Year-Over-Year



# YTD FY 2012 Gross Margin Change Year-Over-Year

\$ in Millions







# Q3 FY 2012 Reconciliation - FX Impact

	Three Months Ended June 30, 2012					
	Reported FY2012	Reported FY2011	Reported Growth \$	Foreign Currency Translation	FXN Change	FXN Growth
REVENUES	\$ 1,981	\$ 1,952	\$ 29	\$ (68)	\$ 96	4.9%
Gross Profit % of Revenues	1,033 52.2%	1,029 52.7%	4	(31)	35	3.4%
Selling and administrative % of Revenues	469 23.7%	468 24.0%	(1)	14	(15)	-3.2%
Research and development % of Revenues	115 5.8%	114 5.8%	(1)	1	(2)	-1.9%
OPERATING INCOME % of Revenues	449 22.7%	447 22.9%	2	(16)	18	4.0%
Income tax provision Effective Tax Rate	107 25.6%	114 26.1%	7	7	0	NM
INCOME FROM CONTINUING OPERATIONS % of Revenues	312 15.7%	322 16.5%	(10)	(12)	2	0.7%
Diluted Earnings per Share from Continuing Operations	\$ 1.52	\$ 1.44	\$ 0.08	\$ (0.06)	\$ 0.14	9.7%

NM - Not Meaningful

Unaudited; Amounts in millions, except per share data



# YTD June FY 2012 Reconciliation – FX Impact

	Nine Months Ended June 30, 2012					
	Reported FY2012	Reported FY2011	Reported Growth \$	Foreign Currency Translation	FXN Change	FXN Growth
REVENUES	\$ 5,741	\$ 5,596	\$ 145	\$ (86)	\$ 232	4.1%
Gross Profit	2,952	2,942	10	(51)	61	2.1%
% of Revenues	51.4%	52.6%				
Selling and administrative	1,439	1,344	(95)	17	(113)	-8.4%
% of Revenues	25.1%	24.0%				
Research and development	344	345	1	2	(1)	-0.2%
% of Revenues	6.0%	6.2%				
OPERATING INCOME	1,169	1,253	(84)	(31)	(52)	-4.2%
% of Revenues	20.4%	22.4%				
Income tax provision	275	308	33	12	21	NM
Effective Tax Rate	24.8%	25.2%				
INCOME FROM CONTINUING OPERATIONS	835	916	(81)	(22)	(58)	-6.3%
% of Revenues	14.5%	16.4%				
Diluted Earnings per Share from Continuing Operations	\$ 3.95	\$ 4.02	\$ (0.07)	\$ (0.11)	\$ 0.04	1.0%

NM - Not Meaningful

Unaudited; Amounts in millions, except per share data



# FY 2012 Discovery Labware Reclassification to Discontinued Operations

	Previously Reported	Amounts reclassified to Discontinued Operations	As Revised
<u>Quarter 1</u>			
Revenues	\$ 1,887,645	\$ 55,925	\$ 1,831,720
Income from Continuing Operations	\$ 263,010	\$ 14,466	\$ 248,544
Diluted Earnings Per Share from Continuing Operations	\$ 1.21	\$ 0.07	\$ 1.14
<u>Quarter 2</u>			
Revenues	\$ 1,990,818	\$ 61,857	\$ 1,928,961
Income from Continuing Operations	\$ 290,548	\$ 15,424	\$ 275,124
Diluted Earnings Per Share from Continuing Operations	\$ 1.38	\$ 0.07	\$ 1.31
	Pro Forma	Amounts reclassified to Discontinued Operations	From Continuing Operations
<u>Quarter 3</u>			
Revenues	\$ 2,040,760	\$ 60,230	\$ 1,980,530
Income	\$ 326,795	\$ 15,214	\$ 311,581
Diluted Earnings Per Share	\$ 1.59	\$ 0.07	\$ 1.52
<u>YTD</u>			
Revenues	\$ 5,919,224	\$ 178,013	\$ 5,741,211
Income	\$ 880,353	\$ 45,104	\$ 835,249
Diluted Earnings Per Share (1)	\$ 4.17	\$ 0.21	\$ 3.95

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

(1) Diluted Earnings per Share may not add due to rounding.

Unaudited: Amounts in thousands, except per-share data



# FY 2011, FY2010 Discovery Labware Reclassification to Discontinued Operations

	Previously Reported	Amounts reclassified to Discontinued Operations	As Revised
<u>Fiscal 2011</u>			
Revenues	\$ 7,828,904	\$ 244,867	\$ 7,584,037
Income from Continuing Operations	\$ 1,264,852	\$ 63,969	\$ 1,200,883
Diluted Earnings Per Share from Continuing Operations	\$ 5.59	\$ 0.28	\$ 5.31
 <u>Fiscal 2010</u>			
Revenues	\$ 7,372,333	\$ 247,948	\$ 7,124,385
Income from Continuing Operations	\$ 1,176,340	\$ 61,496	\$ 1,114,844
Diluted Earnings Per Share from Continuing Operations	\$ 4.90	\$ 0.26	\$ 4.64

Unaudited: Amounts in thousands, except per-share data



# FY 2011 Reconciliation

Twelve Months Ended September 30, 2011

	As Revised FY 2011	Impairment Charge <sup>(1)</sup>	Adjusted FY 2011	As Revised FY 2010	Tax <sup>(2)</sup>	Adjusted FY 2010	Adjusted % Growth
REVENUES	\$ 7,584	-	\$ 7,584	\$ 7,124	-	\$ 7,124	6.5%
Gross Profit	3,959	-	3,959	3,696	-	3,696	7.1%
% of Revenues	52.2%		52.2%	51.9%		51.9%	
Selling and administrative	1,824	-	1,824	1,691	-	1,691	-7.8%
% of Revenues	24.0%		24.0%	23.7%		23.7%	
Research and development	470	\$ (9)	460	\$ 423	-	423	-8.9%
% of Revenues	6.2%		6.1%	5.9%		5.9%	
OPERATING INCOME	1,666	9	1,675	1,582	-	1,582	5.9%
% of Revenues	22.0%		22.1%	22.2%		22.2%	
Income tax provision	417	4	421	\$ 452	\$ (9)	443	NM
Effective Tax Rate	25.8%		25.8%	28.8%		28.3%	
INCOME FROM CONTINUING OPERATIONS	1,201	6	1,207	1,115	9	1,124	7.4%
% of Revenues	15.8%		15.9%	15.6%		15.8%	
Diluted Earnings per Share from Continuing Operations	\$ 5.31	\$ 0.03	\$ 5.33	\$ 4.64	\$ 0.04	\$ 4.68	13.9%

NM - Not Meaningful

<sup>(1)</sup> Represents a non-cash impairment charge resulting from the discontinuance of a research program within the Diagnostic Systems unit.

<sup>(2)</sup> Represents a non-cash charge related to healthcare reform impacting Medicare Part D reimbursements.

Unaudited; Amounts in millions, except per share data



# Q3 FY 2012 Reconciliation - FX Impact BD Including Discovery Labware

	Three Months Ended June 30, 2012				
	2012	2011	% Change		
			Reported	FXN	FX Impact
BD REVENUES INCLUDING DISCOVERY LABWARE	\$ 2,040,760	\$ 2,014,081	1.3	4.8	(3.5)
BD EPS INCLUDING DISCOVERY LABWARE	\$ 1.59	\$ 1.51	5.3	9.3	(4.0)

Unaudited; Amounts in thousands



# Q3 FY 2012 Reconciliation - FX Impact Emerging Markets and China

	Three Months Ended June 30, 2012				
	2012	2011	% Change		
			Reported	FXN	FX Impact
TOTAL EMERGING MARKETS REVENUES	\$ 452,466	\$ 430,038	5.2	10.6	(5.4)
TOTAL EMERGING MARKETS SAFETY REVENUES	\$ 92,665	\$ 83,619	10.8	18.1	(7.3)
CHINA REVENUES	\$ 91,478	\$ 74,355	23.0	19.7	3.3

Unaudited; Amounts in thousands