

Third Quarter Results Fiscal Year 2019

August 6, 2019



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 earnings release furnished as an exhibit to the Form 8-K that BD filed today with the SEC, 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.
- 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.
- Basis of Presentation for Revenue Growth Metrics: All revenue amounts are presented on a GAAP basis. As such, all FY 2018 revenue amounts reflect BD standalone results in Q1'18 and BD + Bard results starting in Q2'18. In addition, revenue amounts reflect the BD / Bard portfolio alignment. Comparable FXN revenue growth reflects growth on a currency neutral basis, adjusted to include Bard in all periods, excludes divestitures, and reflects BD / Bard portfolio alignment and an adjustment to the prior year related to customer rebates and incentive fees. Reconciliations of comparable FXN revenue growth to the comparable GAAP measure are included in our earnings release and the related financial schedules.
- A copy of our earnings release, including the financial schedules, is posted on the "Investors" section of the BD.com website.

Note: All figures on accompanying slides are rounded. Totals may not add due to rounding. Percentages are based on un-rounded figures. FXN = Estimated foreign exchange-neutral currency growth. \$ = Dollars in millions, except per share data.

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Executive overview

Vincent A. Forlenza
Chairman and CEO

BD strategy and execution toward advancing the world of health

Our long-term strategy is focused on

- Providing **leading medical technologies** and **innovative solutions** for our customers and their patients,
- **Driving sustainable healthcare** by increasing access, driving better outcomes, mitigating system cost pressures, and improving health care safety, through:

Medical

- Improving medication management across the continuum of care
- Leading in infection prevention and health care safety

Life Sciences

- Enhancing the diagnosis of infectious disease and cancer
- Empowering research insights inside and outside the cell

Interventional

- Advancing the management of high burden diseases
- Enabling surgical and interventional procedures

Q3 FY 2019

Business highlights

Strong revenue performance despite macro headwinds

- Q3 performance reflects anticipated 2H acceleration
- Mid-single digit revenue growth across all three segments
- Q3 EPS in-line with our expectations
- Good progress with Bard cost and revenue synergy capture
- Reaffirm full-year revenue and EPS guidance driven by strong year-to-date results and continued momentum

Financial performance

Christopher Reidy

Executive Vice President, CFO and Chief Administrative Officer

Q3 FY 2019

Financial highlights

Revenue growth:

Strong Q3 revenues driven by all three segments

Margin Expansion:

Q3 margins broadly in-line with our expectations

Capital deployment:

- \$450M debt pay down in the third quarter
- 3.7x gross leverage at June 30th

	Third Quarter	Year-to-Date
Revenues	\$4,350	\$12,706
% Growth	+1.7%	+9.7%
Comparable FXN % Growth ⁽¹⁾	+5.7%	+4.8%
Adjusted EPS⁽²⁾	\$3.08	\$8.37
% Growth	+5.8%	+3.6%
FXN % Growth	+14.8%	+11.6%

(1) Reflects comparable revenue growth on a currency neutral basis, adjusted to include Bard, excludes divestitures, reflects BD / Bard portfolio alignment, and an adjustment to the prior year related to customer rebates and incentive fees.

(2) Current and prior-year adjusted diluted earnings per share results exclude, among other things, the impact of purchase accounting adjustments (including the non-cash amortization of acquisition-related intangible assets); integration, and restructuring and transaction costs.

Q3 FY 2019

Medical segment update

Revenues	Third Quarter			Year-to-Date		
	\$	% Growth	Comparable FXN % Growth ⁽¹⁾	\$	% Growth	Comparable FXN % Growth ⁽¹⁾
Medical segment	\$2,311	+2.9%	+6.0%	\$6,626	+5.7%	+5.0%
Medication Delivery Solutions	984	+0.8%	+4.2%	2,871	+7.3%	+2.8%
Medication Management Solutions	658	+7.7%	+9.2%	1,896	+6.6%	+7.8%
Diabetes Care	275	(0.4%)	+3.0%	819	(0.2%)	+2.8%
Pharmaceutical Systems	394	+3.1%	+7.8%	1,040	+4.6%	+8.3%

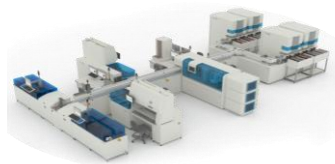
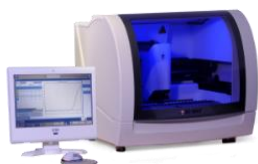


(1) Reflects comparable revenue growth on a currency neutral basis, adjusted to include Bard, excludes divestitures, reflects BD / Bard portfolio alignment, and an adjustment to the prior year related to customer rebates and incentive fees.

Q3 FY 2019

Life Sciences segment update

Revenues	Third Quarter			Year-to-Date		
	\$	% Growth	Comparable FXN % Growth ⁽¹⁾	\$	% Growth	Comparable FXN % Growth ⁽¹⁾
Life Sciences segment	\$1,058	(2.0%)	+5.4%	\$3,166	(1.7%)	+4.3%
Diagnostic Systems	368	+1.7%	+6.0%	1,138	(1.2%)	+2.2%
Preanalytical Systems	407	+0.7%	+5.0%	1,165	+0.4%	+5.4%
Biosciences	284	(9.6%)	+5.1%	862	(5.2%)	+5.6%



(1) Reflects comparable revenue growth on a currency neutral basis, adjusted to include Bard, excludes divestitures, reflects BD / Bard portfolio alignment, and an adjustment to the prior year related to customer rebates and incentive fees.

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Q3 FY 2019

Interventional segment update

Revenues	Third Quarter			Year-to-Date		
	\$	% Growth	Comparable FXN % Growth ⁽¹⁾	\$	% Growth	Comparable FXN % Growth ⁽¹⁾
Interventional segment	\$981	+2.9%	+5.2%	\$2,914	+39.5%	+4.8%
Peripheral Intervention	350	(0.8%)	+2.3%	1,029	+47.7%	+2.2%
Surgery	349	+3.9%	+5.4%	1,042	+20.7%	+5.4%
Urology & Critical Care	283	+6.5%	+8.5%	843	+59.4%	+7.3%



(1) Reflects comparable revenue growth on a currency neutral basis, adjusted to include Bard, excludes divestitures, reflects BD / Bard portfolio alignment, and an adjustment to the prior year related to customer rebates and incentive fees.

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Q3 FY 2019

Geographic revenue highlights

Revenues	Third Quarter			Year-to-Date		
	\$	% Growth	Comparable FXN % Growth ⁽¹⁾	\$	% Growth	Comparable FXN % Growth ⁽¹⁾
United States	\$2,440	+4.4%	+5.0%	\$7,168	+13.4%	+4.4%
International	\$1,910	(1.6%)	+6.5%	\$5,538	+5.3%	+5.2%
Developed Markets	3,647	+1.6%	+4.9%	10,733	+10.0%	+4.0%
Emerging Markets	703	+2.1%	+9.5%	1,973	+8.0%	+8.9%
China	312	+4.3%	+11.7%	871	+16.4%	+12.2%

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Q3 FY 2019 adjusted income statement

As adjusted ⁽¹⁾	Q3 FY 2019	% Growth	% FXN Growth	Q3 FY 2018
Revenues <i>Comparable % FXN Growth⁽²⁾</i>	\$4,350	1.7%	4.7% 5.7%	\$4,278
Gross profit % of revenues	2,421 55.6%	(2.4%)	2.4%	2,480 58.0%
SSG&A % of revenues	1,074 24.7%	1.0%	(1.9%)	1,084 25.3%
R&D % of revenues	242 5.6%	6.3%	5.4%	258 6.0%
Operating income % of revenues	1,105 25.4%	(2.9%)	4.6%	1,138 26.6%
Interest / Other, Net	91			118
Tax rate	12.8%			18.0%
Net Income	883	5.7%	14.1%	836
Preferred Dividend	38			38
Net Income applicable to common shareholders	846	5.9%	14.8%	798
Share Count	274.3			273.9
Adjusted EPS⁽³⁾	\$3.08	5.8%	14.8%	\$2.91

(1) Figures other than Revenue and Preferred Dividend are "as adjusted."

(2) Reflects comparable revenue growth on a currency neutral basis, adjusted to include Bard, excludes divestitures, reflects BD / Bard portfolio alignment, and an adjustment to the prior year related to customer rebates and incentive fees.

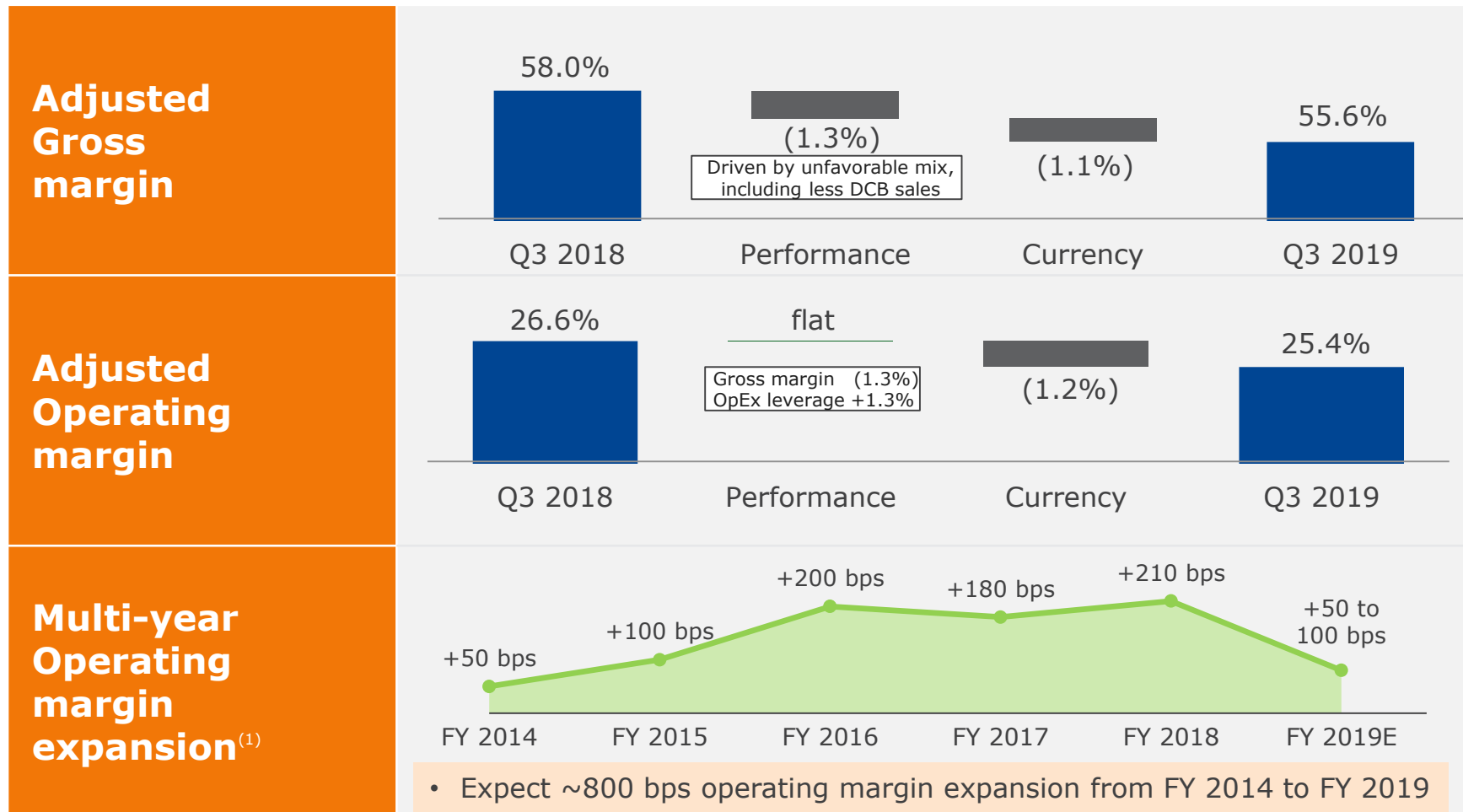
(3) Current and prior-year adjusted diluted earnings per share results exclude, among other things, the impact of purchase accounting adjustments (including the non-cash amortization of acquisition-related intangible assets); integration, and restructuring and transaction costs.

Note: Above figures reflects favorable / (unfavorable) performance versus last year.

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Q3 FY 2019 adjusted gross and operating margins



(1) Underlying margin expansion excludes currency and pension impacts for all periods.
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Guidance

Christopher Reidy

Executive Vice President, CFO and Chief Administrative Officer

FY 2019 revenue guidance

Comparable Revenues FXN % Growth Guidance⁽¹⁾	FY 2019 Guidance
BDX	5.0% to 6.0%
Medical	5.0% to 6.0%
Life Sciences	4.0% to 5.0%
Interventional	4.5% to 5.5%

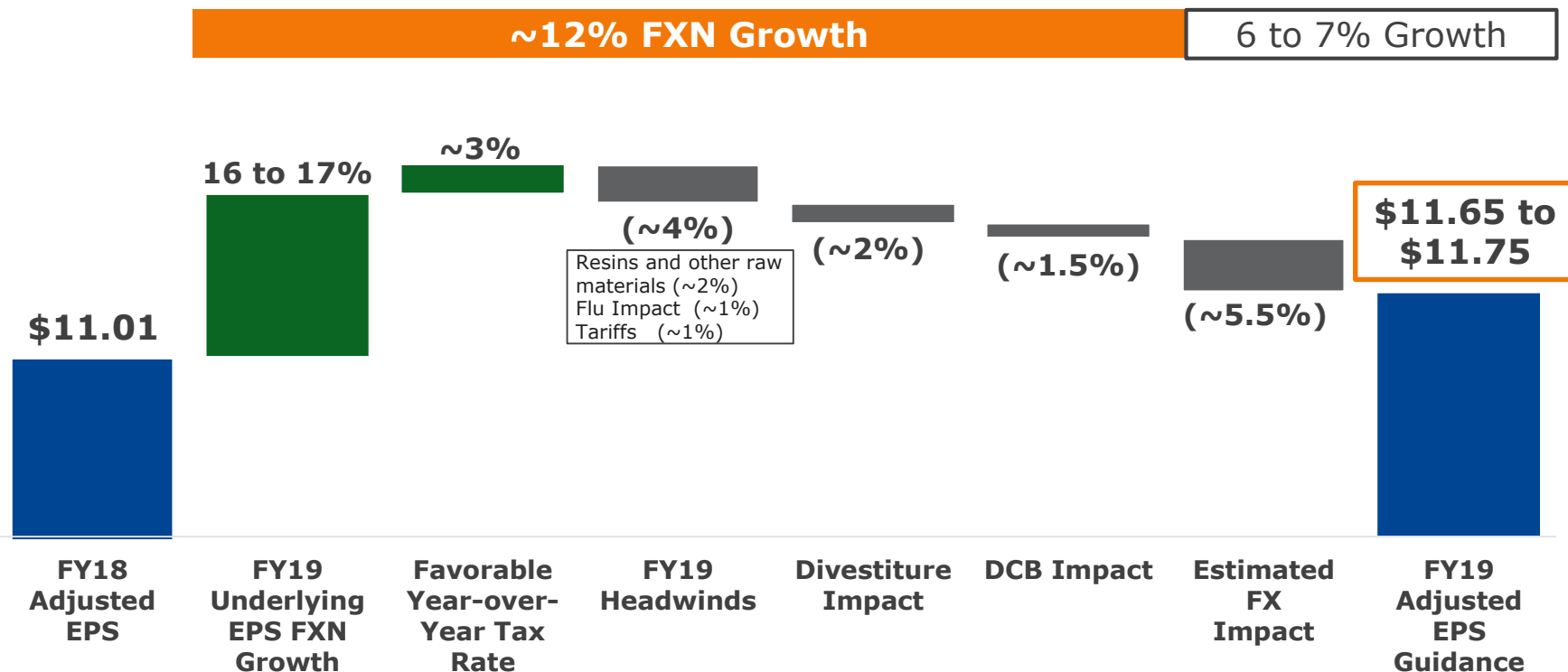
- Reaffirm revenue guidance from May

(1) Reflects comparable revenue growth on a currency neutral basis, adjusted to include Bard, excludes divestitures, reflects BD / Bard portfolio alignment, and an adjustment to the prior year related to customer rebates and incentive fees.

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FY 2019 adjusted earnings guidance⁽¹⁾



- Reaffirm adjusted EPS guidance from May

(1) Current and prior-year adjusted diluted earnings per share results exclude, among other things, the impact of purchase accounting adjustments (including the non-cash amortization of acquisition-related intangible assets); integration, restructuring and transaction costs.

FY 2019 guidance

Update to guidance

As adjusted	August Guidance	May Guidance
BD Comparable Revenues FXN % Growth⁽¹⁾	5.0% to 6.0%	5.0% to 6.0%
Revenue – FX Impact	(~2.5%)	(~2.5%)
BD Reported Revenues	8% to 9%	8% to 9%
Gross margin	56% to 57%	56% to 57%
SSG&A (% of sales)	24.5% to 25.5%	24.5% to 25.5%
R&D (% of sales)	~6.0%	~6.0%
Operating margin Underlying operating margin expansion, FXN ⁽²⁾ Operating margin expansion FXN	25% to 26% +150 to 200 bps +50 to 100 bps	25% to 26% +150 to 200 bps +50 to 100 bps
Interest/other, net	(~\$450M)	(\$475M to \$525M)
Effective tax rate	14% to 16%	14% to 16%
Preferred Dividend	(\$152M)	(\$152M)
Share count	~275M	~275M
Adjusted EPS⁽³⁾	\$11.65 to \$11.75	\$11.65 to \$11.75
Adjusted EPS FXN % Growth	~12%	~12%
Adjusted EPS % Growth	6% to 7%	6% to 7%
Operating cash flow	~\$4.1B	~\$4.1B
Capital expenditures	~\$900M	~\$900M

(1) Reflects comparable revenue growth on a currency neutral basis, adjusted to include Bard, excludes divestitures, reflects BD / Bard portfolio alignment, reflects BD / Bard portfolio alignment, and an adjustment to the prior year related to customer rebates and incentives.

(2) Underlying margin expansion excludes the impact from incremental tariffs, raw material costs, and the unfavorable impact of less DCB sales.

(3) Current and prior-year adjusted diluted earnings per share results exclude, among other things, the impact of purchase accounting adjustments (including the non-cash amortization of acquisition-related intangible assets); integration, restructuring and transaction costs.

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Executive summary

Vincent A. Forlenza
Chairman and CEO

FY 2019 Planned Product Launches

Medical	Life Sciences	Interventional
<ul style="list-style-type: none"> ✓ BD PhaSeal™ Optima (US) ✓ IV Solutions – 0.45% sodium chloride and lactated ringers ✓ PowerGlide® Cue ✓ BD Provena™ PICC ✓ BD Neoflon™ Pro Global Markets ✓ BD Pyxis™ ES 1.6 ✓ BD HealthSight™ Data Manager 1.1 ✓ BD HealthSight™ Diversion Analytics ✓ BD Pyxis SupplyStation™ RF ✓ BD Nano Pro™ pen needles ✓ BD Hylok™ glass pre-fillable syringe platform 	<ul style="list-style-type: none"> ✓ BD MAX™ – Enteric Viral Panel (US) ✓ BD Phoenix™ CPO Detect (US) <ul style="list-style-type: none"> • BD Kiestra™ IdentifA ✓ BD COR (EU) early access launch <ul style="list-style-type: none"> • BD Eclipse™ Ultrafill blood collection safety needle ✓ BD FACSDuet™ automated sample processor ✓ BD FACSLyric™ 12 color clinical instrument <ul style="list-style-type: none"> • BD Horizon™ brilliant UV dyes • BD FACSymphony™ S6 sorter • BD AbSeq protein expression: 400 additional assays 	<ul style="list-style-type: none"> ✓ Covera™ stent graft (fistula indication) ✓ Venovo™ (large diameter venous stent) ✓ WavelinQ™ (Endovascular AV Fistula System) ✓ TRIDYNE™ aortic vascular sealant ✓ OptiFix™ AT (articulating mesh fixation product) ✓ SureStep™ Externals Female external catheters <ul style="list-style-type: none"> • SureStep™ Intermittent catheters • SureStep™ Male external catheters

Key takeaways

Strong revenue performance despite macro headwinds

- Results reflect anticipated 2H acceleration
- Revenue performance across all three segments highlights the breadth and diversity of growth drivers across our portfolio
- Good progress with Bard cost and revenue synergy capture
- Reaffirm full-year revenue and EPS guidance driven by strong year-to-date results and continued momentum



BD

Advancing the
world of health

Our focus on sustainable performance

BD's 2018 Sustainability Report was published in July, continuing our commitment to transparency on relevant ESG issues



INNOVATION

Developing new products and solutions that improve outcomes, reduce system costs and promote healthcare safety

Q3 Update

BD launched a new patient safety program for hospitals, called Preventing Risks of Infections and Medication Errors in IV Therapy (PRIME) in Asia.



ACCESS

Providing access to affordable medical technologies to resource limited populations around the globe

Q3 Update

USAID and BD formalized a new STRIDES partnership to support Indonesia in eliminating tuberculosis (TB) through its National Tuberculosis Program.



EFFICIENCY

Working across the value chain to minimize environmental impact and maintain resilient global operations

Q3 Update

BD reported environmental performance in July, including a 75% reduction in GHG emissions, 47% reduction in water consumption and 33% reduction in waste generation – from our 2008 baseline. *(normalized to cost of product sold)*



EMPOWERMENT

Fostering a purpose-driven culture that supports an inclusive and diverse workplace and community engagement

Q3 Update

BD was named to Corporate Responsibility Magazine's 2019 top 100 Best Corporate Citizens, for the fourth year in a row.

Q3 FY 2019 & Q3 FY 2018 Adjustment Reconciliations

Three Months Ended June 30, 2019												
	Revenues	Gross Profit	Selling and Administrative Expense	Research and Development Expense	Acquisitions and Other Restructurings	Other Operating (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Expense, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Reported \$ for Three Months Ended June 30, 2019	\$ 4,350	\$ 2,074	\$ 1,076	\$ 282	\$ 90	\$ -	\$ 626	\$ (154)	\$ (11)	\$ 9	\$ 451	\$ 1.51
<i>Reported % of Revenues</i>		47.7%	24.7%	6.5%			14.4%				10.4%	
<i>Reported effective tax rate</i>										2.0%		
Specified items:												
Purchase accounting adjustments pre-tax ⁽¹⁾	-	343	(2)	-	-	-	346	(1)	33	-	378	1.38
Restructuring costs pre-tax ⁽²⁾	-	-	-	-	(27)	-	27	-	-	-	27	0.10
Integration costs pre-tax ⁽²⁾	-	-	-	-	(63)	-	63	-	-	-	63	0.23
Impacts of debt extinguishment pre-tax ⁽³⁾	-	-	-	-	-	-	-	(5)	57	-	52	0.19
Net impact of gain on sale of investment and asset impairments ⁽⁴⁾	-	-	-	(30)	-	-	30	-	-	-	30	0.11
European regulatory initiatives pre-tax ⁽⁵⁾	-	3	-	(10)	-	-	14	-	-	-	14	0.05
Hurricane-related (insurance proceeds) recovery costs	-	-	-	-	-	-	-	-	(10)	-	(10)	(0.04)
Income tax benefit of special items and impact of tax reform	-	-	-	-	-	-	-	-	-	120	(120)	(0.44)
Adjusted \$ for Three Months Ended June 30, 2019	\$ 4,350	\$ 2,421	\$ 1,074	\$ 242	\$ -	\$ -	\$ 1,105	\$ (160)	\$ 69	\$ 130	\$ 883	\$ 3.08
<i>Adjusted % of Adjusted Revenues</i>		55.6%	24.7%	5.6%			25.4%				20.3%	
<i>Adjusted effective tax rate</i>										12.8%		
Three Months Ended June 30, 2018 *												
	Revenues	Gross Profit	Selling and Administrative Expense	Research and Development Expense	Acquisitions and Other Restructurings	Other Operating (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Expense, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Reported \$ for Three Months Ended June 30, 2018	\$ 4,278	\$ 2,017	\$ 1,086	\$ 277	\$ 142	\$ -	\$ 512	\$ (174)	\$ 310	\$ 53	\$ 594	\$ 2.03
<i>Reported % of Revenues</i>		47.1%	25.4%	6.5%			12.0%				13.9%	
<i>Reported effective tax rate</i>										8.2%		
Specified items:												
Purchase accounting adjustments pre-tax ⁽¹⁾	-	398	(1)	-	-	-	400	(2)	36	-	433	1.58
Restructuring costs pre-tax ⁽²⁾	-	-	-	-	(29)	-	29	-	4	-	33	0.12
Integration costs pre-tax ⁽²⁾	-	-	-	-	(103)	-	103	-	-	-	103	0.37
Transaction costs pre-tax ⁽²⁾	-	-	-	-	(11)	-	11	-	-	-	11	0.04
Impacts of debt extinguishment pre-tax ⁽³⁾	-	-	-	-	-	-	-	-	3	-	3	0.01
Net impact of gain on sale of investment and asset impairments pre-tax ⁽⁴⁾	-	63	-	(18)	-	-	81	-	(295)	-	(214)	(0.78)
Hurricane recovery costs pre-tax	-	3	-	-	-	-	3	-	-	-	3	0.01
Income tax benefit of special items	-	-	-	-	-	-	-	-	-	130	(130)	(0.48)
Adjusted \$ for Three Months Ended June 30, 2018	\$ 4,278	\$ 2,480	\$ 1,084	\$ 258	\$ -	\$ -	\$ 1,138	\$ (177)	\$ 58	\$ 184	\$ 836	\$ 2.91
<i>Adjusted % of Revenues</i>		58.0%	25.3%	6.0%			26.6%				19.5%	
<i>Adjusted effective tax rate</i>										18.0%		
Three Months Ended June 30, 2019 versus June 30, 2018												
Adjusted \$ change	C=A-B \$ 72	\$ (60)	\$ 10	\$ 16	\$ -	\$ -	\$ (33)	\$ 16	\$ 10	\$ 54	\$ 47	\$ 0.17
Adjusted % change	D=C/B	1.7%	(2.4%)	1.0%	6.3%	-	(2.9%)	9.3%	17.4%	29.3%	5.7%	5.8%
Foreign currency translation impact	E	\$ (130)	\$ (118)	\$ 31	\$ 2	\$ -	\$ (85)	\$ -	\$ 3	\$ 12	\$ (70)	\$ (0.26)
Adjusted foreign currency neutral \$ change	F=C-E	\$ 202	\$ 59	\$ (21)	\$ 14	\$ -	\$ 52	\$ 16	\$ 7	\$ 42	\$ 118	\$ 0.43
Adjusted foreign currency neutral % change	G=F/B	4.7%	2.4%	(1.9%)	5.4%	-	4.6%	9.3%	12.7%	22.7%	14.1%	14.8%

* As a result of the Company's retrospective adoption of an accounting standard update on October 1, 2018, the presentation of prior-period amounts was revised to reflect components of the Company's net periodic pension and postretirement benefit costs, aside from service cost, within Other income (expense), net on its consolidated income statements.

(1) Includes adjustments related to the purchase accounting for acquisitions impacting identified intangible assets and valuation of fixed assets and debt. The amount in 2018 also included a fair value step-up adjustment of \$56 million recorded relative to Bard's inventory on the acquisition date.

(2) Represents restructuring, integration and transaction costs associated with acquisitions.

(3) Represents the impacts recognized upon the extinguishment of certain long-term senior notes.

(4) The amount in 2019 represented a charge recorded to write down the carrying value of certain intangible assets in the Surgery unit. The amount in 2018 included the net amount recognized in the period related to BD's sale of its non-controlling interest in Vyair Medical, partially offset by \$81 million of charges recorded to write down the carrying value of certain intangible and other assets in the Biosciences unit.

(5) Represents initial costs required to develop processes and systems to comply with emerging regulations such as the European Union Medical Device Regulation ("EUMDR") and General Data Protection Regulation ("GDPR").



YTD FY 2019 & YTD FY 2018 Adjustment Reconciliations

Nine Months Ended June 30, 2019

	Revenues	Gross Profit	Selling and Administrative Expense	Research and Development Expense	Acquisitions and Other Restructurings	Other Operating (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Reported \$ for Nine Months Ended June 30, 2019	\$ 12,706	\$ 6,021	\$ 3,238	\$ 792	\$ 281	\$ 61	\$ 1,649	\$ (490)	\$ 19	\$ 107	\$ 1,071	\$ 3.49
<i>Reported % of Revenues</i>		47.4%	25.5%	6.2%			13.0%			9.1%	8.4%	
<i>Reported effective tax rate</i>												
Specified items:												
Purchase accounting adjustments pre-tax ⁽¹⁾	-	1,031	(7)	-	-	-	1,039	(4)	100	-	1,135	4.14
Restructuring costs pre-tax ⁽²⁾	-	-	-	-	(99)	-	99	-	-	-	99	0.36
Integration costs pre-tax ⁽²⁾	-	25	-	-	(181)	-	206	-	-	-	206	0.75
Transaction gain/loss and product liability-related impacts pre-tax ⁽³⁾	-	-	-	-	-	(61)	61	-	-	-	61	0.22
Impacts of debt extinguishment pre-tax ⁽⁴⁾	-	-	-	-	-	-	-	(5)	58	-	53	0.19
Net impact of gain on sale of investment and asset impairments ⁽⁵⁾	-	-	-	(30)	-	-	30	-	-	-	30	0.11
European regulatory initiatives pre-tax ⁽⁶⁾	-	8	(0)	(20)	-	-	29	-	-	-	29	0.11
Hurricane-related (insurance proceeds) recovery costs	-	-	-	-	-	-	-	-	(10)	-	(10)	(0.04)
Transaction costs pre-tax ⁽²⁾	-	-	-	-	(1)	-	1	-	-	-	1	-
Income tax benefit of special items and impact of tax reform ⁽⁷⁾	-	-	-	-	-	-	-	-	-	263	(263)	(0.96)
Adjusted \$ for Nine Months Ended June 30, 2019	A \$ 12,706	\$ 7,086	\$ 3,230	\$ 742	\$ -	\$ -	\$ 3,114	\$ (499)	\$ 167	\$ 371	\$ 2,411	\$ 8.37
<i>Adjusted % of Adjusted Revenues</i>		55.8%	25.4%	5.8%			24.5%			13.3%	19.0%	
<i>Adjusted effective tax rate</i>												

Nine Months Ended June 30, 2018 *

	Revenues	Gross Profit	Selling and Administrative Expense	Research and Development Expense	Acquisitions and Other Restructurings	Other Operating (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Reported \$ for Nine Months Ended June 30, 2018	\$ 11,581	\$ 5,176	\$ 2,915	\$ 727	\$ 600	\$ -	\$ 933	\$ (470)	\$ 295	\$ 313	\$ 446	\$ 1.27
<i>Reported % of Revenues</i>		44.7%	25.2%	6.3%			8.1%			41.2%	3.8%	
<i>Reported effective tax rate</i>												
Specified items:												
Purchase accounting adjustments pre-tax ⁽¹⁾	-	1,292	(4)	-	-	-	1,296	(6)	68	-	1,358	5.21
Restructuring costs pre-tax ⁽²⁾	-	-	-	-	(284)	-	284	-	4	-	288	1.10
Integration costs pre-tax ⁽²⁾	-	-	-	-	(255)	-	255	-	-	-	255	0.98
Transaction costs pre-tax ⁽²⁾	-	-	-	-	(61)	-	61	-	-	-	61	0.23
Losses on debt extinguishment pre-tax ⁽⁴⁾	-	-	-	-	-	-	-	-	16	-	16	0.06
Net impact of gain on sale of investment and asset impairments pre-tax ⁽⁵⁾	-	63	-	(18)	-	-	81	-	(295)	-	(214)	(0.82)
Hurricane recovery costs, pre-tax	-	14	(1)	-	-	-	15	-	-	-	15	0.06
Financing impacts pre-tax ⁽⁶⁾	-	-	-	-	-	-	-	49	-	-	49	0.19
Dilutive impact ⁽⁹⁾	-	-	-	-	-	-	-	-	-	-	-	0.31
Income tax benefit of special items and impact of tax reform ⁽⁷⁾	-	-	-	-	-	-	-	-	-	133	(133)	(0.51)
Adjusted \$ for Nine Months Ended June 30, 2018	B \$ 11,581	\$ 6,545	\$ 2,910	\$ 709	\$ -	\$ -	\$ 2,926	\$ (426)	\$ 88	\$ 445	\$ 2,143	\$ 8.08
<i>Adjusted % of Revenues</i>		56.5%	25.1%	6.1%			25.3%			17.2%	18.5%	
<i>Adjusted effective tax rate</i>												

Nine Months Ended June 30, 2019 versus June 30, 2018

Adjusted \$ change	C=A-B	\$ 1,125	\$ 541	\$ (320)	\$ (33)	\$ -	\$ 188	\$ (73)	\$ 79	\$ 75	\$ 268	\$ 0.29
Adjusted % change	D=C/B	9.7%	8.3%	(11.0%)	(4.7%)	-	6.4%	(17.2%)	89.5%	16.8%	12.5%	3.6%
Foreign currency translation impact	E	\$ (307)	\$ (289)	\$ 75	\$ 5	\$ -	\$ (209)	\$ -	\$ (1)	\$ 31	\$ (180)	\$ (0.65)
Adjusted foreign currency neutral \$ change	F=C-E	\$ 1,432	\$ 831	\$ (396)	\$ (38)	\$ -	\$ 397	\$ (73)	\$ 80	\$ 44	\$ 448	\$ 0.94
Adjusted foreign currency neutral % change	G=F/B	12.4%	12.7%	(13.6%)	(5.4%)	-	13.6%	(17.2%)	91.1%	9.9%	20.9%	11.6%

* As a result of the Company's retrospective adoption of an accounting standard update on October 1, 2018, the presentation of prior-period amounts was revised to reflect components of the Company's net periodic pension and postretirement benefit costs, aside from service cost, within Other income (expense), net on its consolidated income statements.

(1) Includes adjustments related to the purchase accounting for acquisitions impacting identified intangible assets and valuation of fixed assets and debt. The amount in 2018 also included a fair value step-up adjustment of \$478 million recorded relative to Bard's inventory on the acquisition date.

(2) Represents restructuring, integration and transaction costs associated with acquisitions.

(3) Includes amounts recorded to *Other operating expense, net* to record product liability reserves of \$331 million and the estimated cumulative costs of a product recall of \$65 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.

(4) Represents the impacts recognized upon the extinguishment of certain long-term senior notes.

(5) The amount in 2019 represented a charge recorded to write down the carrying value of certain intangible assets in the Surgery unit. The amount in 2018 included the net amount recognized in the period related to BD's sale of its non-controlling interest in Vyair Medical, partially offset by \$81 million of charges recorded to write down the carrying value of certain intangible and other assets in the Biosciences unit.

(6) Represents initial costs required to develop processes and systems to comply with emerging regulations such as the EUMDR and GDPR.

(7) The amounts for the nine months ended June 30, 2019 and 2018 included additional tax (benefit) expense, net, of \$(54) million and \$275 million, respectively, relating to new U.S. tax legislation.

(8) Represents financing impacts associated with the Bard acquisition.

(9) Represents the dilutive impact of BD shares issued in May 2017, in anticipation of the Bard acquisition and BD shares issued as consideration transferred to acquire Bard. The adjusted diluted average shares outstanding (in thousands) was 255,697.

Q3 FY 2019 Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS

	Three Months Ended June 30,						
	2019	2018	Growth	Foreign Currency Translation	Foreign Currency Neutral Growth	Growth %	Foreign Currency Neutral Growth %
Reported Diluted Earnings per Share	\$ 1.51	\$ 2.03	\$ (0.52)	\$ (0.25)	\$ (0.27)	(25.6)%	(13.3)%
Purchase accounting adjustments (\$378 million and \$433 million pre-tax, respectively) ⁽¹⁾	1.38	1.58		(0.01)			
Restructuring costs (\$27 million and \$33 million pre-tax, respectively) ⁽²⁾	0.10	0.12		—			
Integration costs (\$63 million and \$103 million pre-tax, respectively) ⁽²⁾	0.23	0.37		—			
Impacts of debt extinguishment (\$52 million and \$3 million pre-tax, respectively) ⁽³⁾	0.19	0.01		—			
Net impact of gain on sale of investment and asset impairments (\$30 million and \$(214) million pre-tax, respectively) ⁽⁴⁾	0.11	(0.78)		—			
European regulatory initiative-related costs (\$14 million pre-tax) ⁽⁵⁾	0.05	—		—			
Hurricane-related (insurance proceeds) recovery costs (\$(10) million and \$3 million pre-tax, respectively)	(0.04)	0.01		—			
Transaction costs (\$11 million pre-tax) ⁽²⁾	—	0.04		—			
Income tax benefit of special items and impact of tax reform (\$120 million and \$130 million, respectively)	(0.44)	(0.48)		—			
Adjusted Diluted Earnings per Share	\$ 3.08	\$ 2.91	\$ 0.17	\$ (0.26)	\$ 0.43	5.8 %	14.8 %

- (1) Includes adjustments related to the purchase accounting for acquisitions impacting identified intangible assets and valuation of fixed assets and debt. The amount in 2018 also included a fair value step-up adjustment of \$56 million recorded relative to Bard's inventory on the acquisition date.
- (2) Represents restructuring, integration and transaction costs associated with acquisitions.
- (3) Represents the impacts recognized upon the extinguishment of certain long-term senior notes.
- (4) The amount in 2019 represented a charge recorded to write down the carrying value of certain intangible assets in the Surgery unit. The amount in 2018 included the net amount recognized in the period related to BD's sale of its non-controlling interest in Vyair Medical, partially offset by \$81 million of charges recorded to write down the carrying value of certain intangible and other assets in the Biosciences unit.
- (5) Represents initial costs required to develop processes and systems to comply with emerging regulations such as the European Union Medical Device Regulation ("EUMDR") and General Data Protection Regulation ("GDPR").

YTD FY 2019 Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS

	Nine Months Ended June 30,						
	2019	2018	Growth	Foreign Currency Translation	Foreign Currency Neutral Growth	Growth %	Foreign Currency Neutral Growth %
Reported Diluted Earnings per Share	\$ 3.49	\$ 1.27	\$ 2.22	\$ (0.64)	\$ 2.86	174.8%	225.2%
Purchase accounting adjustments (\$1.135 billion and \$1.358 billion pre-tax, respectively) ⁽¹⁾	4.14	5.21		(0.01)			
Restructuring costs (\$99 million and \$288 million pre-tax, respectively) ⁽²⁾	0.36	1.10		—			
Integration costs (\$206 million and \$255 million pre-tax, respectively) ⁽²⁾	0.75	0.98		—			
Transaction gain/loss and product-related matters (\$61 million pre-tax) ⁽³⁾	0.22	—		—			
Impacts of debt extinguishment (\$53 million and \$16 million pre-tax, respectively) ⁽⁴⁾	0.19	0.06		—			
Net impact of gain on sale of investment and asset impairments (\$30 million and \$(214) million pre-tax, respectively) ⁽⁵⁾	0.11	(0.82)		—			
European regulatory initiative-related costs (\$29 million pre-tax) ⁽⁶⁾	0.11	—		—			
Hurricane-related (insurance proceeds) recovery costs (\$(10) million and \$15 million pre-tax, respectively)	(0.04)	0.06		—			
Transaction costs (\$1 million and \$61 million pre-tax, respectively) ⁽²⁾	—	0.23		—			
Financing impacts (\$49 million pre-tax) ⁽⁷⁾	—	0.19		—			
Dilutive Impact ⁽⁸⁾	—	0.31		—			
Income tax benefit of special items and impact of tax reform (\$263 million and \$133 million, respectively) ⁽⁹⁾	(0.96)	(0.51)		—			
Adjusted Diluted Earnings per Share	\$ 8.37	\$ 8.08	\$ 0.29	\$ (0.65)	\$ 0.94	3.6%	11.6%

- (1) Includes adjustments related to the purchase accounting for acquisitions impacting identified intangible assets and valuation of fixed assets and debt. The amount in 2018 also included a fair value step-up adjustment of \$478 million recorded relative to Bard's inventory on the acquisition date.
- (2) Represents restructuring, integration and transaction costs associated with acquisitions.
- (3) Includes amounts recorded to *Other operating expense, net* to record product liability reserves of \$331 million and the estimated cumulative costs of a product recall of \$65 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.
- (4) Represents the impacts recognized upon the extinguishment of certain long-term senior notes.
- (5) The amount in 2019 represented a charge recorded to write down the carrying value of certain intangible assets in the Surgery unit. The amount in 2018 included the net amount recognized in the period related to BD's sale of its non-controlling interest in Vyaire Medical, partially offset by \$81 million of charges recorded to write down the carrying value of certain intangible and other assets in the Biosciences unit.
- (6) Represents initial costs required to develop processes and systems to comply with emerging regulations such as the EUMDR and GDPR.
- (7) Represents financing impacts associated with the Bard acquisition.
- (8) Represents the dilutive impact of BD shares issued in May 2017, in anticipation of the Bard acquisition and BD shares issued as consideration transferred to acquire Bard. The adjusted diluted average shares outstanding (in thousands) was 255,697.
- (9) The amounts for the nine months ended June 30, 2019 and 2018 included additional tax (benefit) expense, net, of \$(54) million and \$275 million, respectively, relating to new U.S. tax legislation.

FY 2018 & FY2017 Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS

	Twelve Months Ended September 30,						
	2018	2017	Growth	Foreign Currency Translation	Foreign Currency Neutral Growth	Growth %	Foreign Currency Neutral Growth %
Reported Diluted Earnings per Share	\$ 0.60	\$ 4.60	\$(4.00)	\$ 0.32	\$ (4.32)	(87.0)%	(93.9)%
Purchase accounting adjustments (\$1.733 billion and \$491 million pre-tax, respectively) ⁽¹⁾	6.55	2.20		0.01			
Restructuring costs (\$344 million and \$85 million pre-tax, respectively) ⁽²⁾	1.30	0.38		0.01			
Integration costs (\$344 million and \$237 million pre-tax, respectively) ⁽²⁾	1.30	1.06		0.01			
Transaction costs (\$56 million and \$39 million pre-tax, respectively) ⁽³⁾	0.21	0.17		—			
Financing impacts (\$49 million and \$131 million pre-tax, respectively) ⁽⁴⁾	0.19	0.58		—			
Hurricane recovery costs (\$17 million pre-tax)	0.07	—		—			
Losses on debt extinguishment (\$16 million and \$73 million pre-tax, respectively) ⁽⁵⁾	0.06	0.33		—			
Net impact of gain on sale of investment and asset impairments (\$(151) million pre-tax) ⁽⁶⁾	(0.57)	—		0.01			
Lease contract modification-related charge (\$748 million pre-tax) ⁽⁷⁾	—	3.34		—			
Litigation-related item (\$(337) million pre-tax) ⁽⁸⁾	—	(1.51)		—			
Dilutive Impact ⁽⁹⁾	0.30	0.54		—			
Impact of tax reform and income tax benefit of special items (\$265 million and \$(495) million, respectively) ⁽¹⁰⁾	1.00	(2.21)		(0.01)			
Adjusted Diluted Earnings per Share	\$ 11.01	\$ 9.48	\$ 1.53	\$ 0.36	\$ 1.17	16.1 %	12.3 %

- (1) Includes adjustments related to the purchase accounting for acquisitions impacting identified intangible assets and valuation of fixed assets and debt. The amount in 2018 also included a fair value step-up adjustment of \$478 million recorded relative to Bard's inventory on the acquisition date.
- (2) Represents restructuring and integration costs associated with the Bard and CareFusion acquisitions, as well as restructuring costs associated with other portfolio rationalization initiatives.
- (3) Represents transaction costs primarily associated with the Bard acquisition.
- (4) Represents financing impacts associated with the Bard acquisition.
- (5) Represents losses recognized upon the extinguishment of certain long-term senior notes.
- (6) Represents the net amount recognized in the period related to BD's sale of its non-controlling interest in Vyair Medical, partially offset by \$81 million of charges recorded to write down the carrying value of certain intangible and other assets in the Biosciences unit as well as \$58 million of charges to write down the value of fixed assets primarily in the Diabetes Care unit.
- (7) Represents a non-cash charge resulting from a modification to our dispensing equipment lease contracts with customers.
- (8) Represents the reversal of certain reserves related to an appellate court decision which, among other things, reversed an unfavorable antitrust judgment in the RTI case.
- (9) Represents the dilutive impact of BD shares issued in May 2017, in anticipation of the Bard acquisition and BD shares issued as consideration transferred to acquire Bard. The adjusted diluted average shares outstanding (in thousands) was 260,758.
- (10) Includes additional tax expense, net, of \$640 million relating to new U.S. tax legislation.

FY 2019 Reconciliation – FX Impact Emerging, Developed Markets & China

	<u>A</u>	<u>B</u>	<u>C=A+B</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H=D+E+F+G</u>	<u>I=(A-D)/D</u>	<u>J</u>	<u>K=(C-H-J)/H</u>
	BD	Divestiture		BD	Bard Q1 (b)	Intercompany	Divestiture		% Rptd	FX Impact	FXN %
	<u>Reported</u>	Adjustments	<u>Comparable</u>	<u>Reported</u>	<u>2018</u>	Adjustment	and Other	<u>Comparable</u>	Change	(d)	Change
	2019	(a)	2019	2018		(c)	Adjustments	2018			
							(a)				
Three Months Ended June 30,											
DEVELOPED MARKETS	3,647	-	3,647	3,590	-	-	(31)	3,559	1.6	(87)	4.9
EMERGING MARKETS	703	-	703	689	-	-	(3)	685	2.1	(47)	9.5
CHINA	312	-	312	299	-	-	(1)	298	4.3	(20)	11.7
Nine Months Ended June 30,											
DEVELOPED MARKETS	10,733	(8)	10,725	9,754	848	(3)	(106)	10,493	10.0	(189)	4.0
EMERGING MARKETS	1,973	(1)	1,973	1,827	119	-	(9)	1,937	8.0	(136)	8.9
CHINA	871	-	871	749	72	-	(4)	817	16.4	(46)	12.2

Footnote Explanations

- (a) The amounts for the nine months ended June 30, 2019 and 2018 include adjustments for BD's divestiture of its Advanced Bioprocessing business. The amounts for the nine months ended June 30, 2018 also include adjustments for BD's divestitures of its soft tissue core needle biopsy product line and Bard's divestiture of its Aspira® product line. Additionally, Medication Delivery Solutions and Preanalytical Systems results for the nine months ended June 30, 2019 included a total of \$21 million in cumulative customer rebate and incentive fees relating to fiscal year 2018. Accordingly, to ensure comparability of revenue growth, the results for the nine months ended June 30, 2018 have been adjusted to reflect these cumulative fees. The Company records rebate and customer incentive fees as a reduction to revenue.
- (b) Amounts represent revenues for the quarter ended December 31, 2017. BD reported a Gore royalty amount, which was previously reported as revenues by Bard, as non-operating
- (c) Represents the elimination of revenues from the Medication Delivery Solutions unit which BD previously recognized from Bard as third-party revenues and that would be treated as intercompany revenues in the current-year period.
- (d) Under U.S. generally accepted accounting principles and as a result of Argentina's highly inflationary economy, the functional currency of the Company's operations in Argentina was the U.S. dollar for the nine months ended June 30, 2019. The total foreign currency translation impact above includes \$18 million that was calculated by comparing local currency revenues in Argentina for the nine months ended June 30, 2019, translated using the prior-period exchange rate, to the reported U.S. dollar revenues for this same period.

FY 2019 Revenue Outlook Reconciliation

	Q1	Q2	Q3	Q4	FY2018	FY2019 Outlook		
	Revenues	Revenues	Revenues	Revenues	Revenues	% Change	FX Impact	% Change FXN
BDX Revenue	\$ 3,080	\$ 4,222	\$ 4,278	\$ 4,402	\$ 15,983	8.0% to 9.0%	-2.5%	10.5% to 11.5%

Comparable Revenue Growth

	Q1	Q2	Q3	Q4	FY2018	BD Including Bard	FY2019 Outlook
						FY2018	% Change FXN Comparable
	Revenues	Revenues	Revenues	Revenues	Revenues	Revenues	
BDX As Reported Revenue	\$ 3,080	\$ 4,222	\$ 4,278	\$ 4,402	\$ 15,983		
Bard Q1	968	0	0	0	968		
Intercompany Adjustment	(3)	0	0	0	(3)		
Rebate Adjustment	0	(21)	0	0	(21)		
Divestiture Adjustment (1) (2)	(33)	(27)	(35)	(29)	(124)		
BDX NewCo Comparable Revenue	\$ 4,012	\$ 4,175	\$ 4,244	\$ 4,373	\$ 16,803		5.0% to 6.0%

	Q1	Q2	Q3	Q4	FY2018	FY2019 Outlook
						% Change FXN Comparable
	Revenues	Revenues	Revenues	Revenues	Revenues	
BD Medical As Reported Revenue	\$ 1,852	\$ 2,172	\$ 2,246	\$ 2,346	\$ 8,616	
Bard Q1	213	0	0	0	213	
Intercompany Adjustment	(3)	0	0	0	(3)	
Rebate Adjustment	0	(9)	0	0	(9)	
BD Medical Comparable Revenue	\$ 2,062	\$ 2,164	\$ 2,246	\$ 2,346	\$ 8,817	5.0% to 6.0%

	Q1	Q2	Q3	Q4	FY2018	FY2019 Outlook
						% Change FXN Comparable
	Revenues	Revenues	Revenues	Revenues	Revenues	
BD Life Sciences As Reported Revenue	\$ 1,045	1,098	1,079	1,108	\$ 4,330	
Rebate Adjustment	0	(12)	0	0	(12)	
Divestiture Adjustment (2)	(20)	(22)	(35)	(29)	(106)	
BD Life Sciences Comparable Revenue	\$ 1,025	\$ 1,064	\$ 1,045	\$ 1,079	\$ 4,212	4.0% to 5.0%

	Q1	Q2	Q3	Q4	FY2018	FY2019 Outlook
						% Change FXN Comparable
	Revenues	Revenues	Revenues	Revenues	Revenues	
BD Interventional as Reported	\$ 183	952	954	948	\$ 3,037	
Bard Q1	755	0	0	0	755	
Divestiture Adjustment (1)	(12)	(5)	0	0	(18)	
BD Interventional Comparable Revenue	\$ 925	\$ 947	\$ 954	\$ 948	\$ 3,774	4.5% to 5.5%

FXN - Foreign Currency Neutral

- (1) Excludes the impact from the divestitures of BD's soft tissue core needle biopsy product line and Bard's Aspira product line of tunneled home drainage catheters and accessories.
- (2) Excludes the impact from the divestiture of BD's Advanced Bioprocessing Business

FY 2019 EPS Outlook Reconciliation

	FY2019 Outlook		
	Full Year FY2019 Outlook	Full Year FY2018	% Increase
Adjusted Fully Diluted Earnings per Share	\$ 11.65 to 11.75	\$ 11.01	6.0% to 7.0%
Estimated FX Impact			~5.5%
Adjusted FXN Growth			~12.0%