



BD

Creating value by fulfilling our purpose *Advancing the World of Health™*

August 5, 2021



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, earnings per share, leverage targets, capital deployment, total return targets, and the proposed spinoff of the diabetes business, including strategies of BD and the independent company following the proposed spinoff, the anticipated benefits of the spinoff, and the expected timing of completion of the spinoff. 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. With respect to forward-looking statements contained herein, a number of factors could cause actual results to vary materially. These factors include, but are not limited to, risks relating to the impact of the COVID-19 pandemic on our business (including decreases in the demand for our products, any disruptions to our operations and our supply chain, and factors such as vaccine availability and utilization and increased competition that could impact the demand and pricing for our COVID-19 diagnostics testing); product efficacy or safety concerns resulting in product recalls or actions being taken with respect to our products; new or changing laws and regulations impacting our business (including the imposition of tariffs or changes in laws impacting international trade) or changes in enforcement practices with respect to such laws; fluctuations in costs and availability of raw materials, labor shortages or increased labor costs and BD's ability to maintain favorable supplier arrangements and relationships; legislative or regulatory changes to the U.S. or foreign healthcare systems, potential cuts in governmental healthcare spending (including China's volume-based procurement tender process), or governmental or private measures to contain healthcare costs, including changes in pricing and reimbursement policies, each of which could result in reduced demand for our products or downward pricing pressure; changes in interest or foreign currency exchange rates; adverse changes in regional, national or foreign economic conditions, including inflation, deflation and fluctuations in interest rates, particularly in emerging markets, including any impact on our ability to access credit markets and finance our operations; the demand for our products and services, or our suppliers' ability to provide products needed for our operations; the adverse impact of cyber-attacks on our information systems or products; competitive factors including technological advances and new products introduced by competitors; risks related to our overall indebtedness; interruptions in our supply chain, manufacturing or sterilization processes; pricing and market pressures; difficulties inherent in product development, delays in product introductions and uncertainty of market acceptance of new products; adverse changes in geopolitical conditions; increases in energy costs and their effect on, among other things, the cost of producing BD's products; the remediation of our infusion pump business (including risks relating to our ability to obtain regulatory clearance and market acceptance of the BD Alaris™ System); our ability to achieve our projected level or mix of product sales; our ability to successfully integrate any businesses we acquire; uncertainties of litigation and/or investigations and/or subpoenas (as described in BD's filings with the Securities and Exchange Commission); issuance of new or revised accounting standards; risks associated with the impact, timing or terms of the spinoff; risks associated with the expected benefits and costs of the spinoff, including the risk that the expected benefits of the spinoff will not be realized within the expected time frame, in full or at all, and the risk that conditions to the spinoff will not be satisfied and/or that the spinoff will not be completed within the expected time frame, on the expected terms or at all; the expected qualification of the spinoff as a tax-free transaction for U.S. federal income tax purposes, including whether or not an IRS ruling will be sought or obtained; the risk that any consents or approvals required in connection with the spinoff will not be received or obtained within the expected time frame, on the expected terms or at all; risks associated with expected financing transactions undertaken in connection with the spinoff and risks associated with indebtedness incurred in connection with the spinoff; the risk that dis-synergy costs, costs of restructuring transactions and other costs incurred in connection with the spinoff will exceed our estimates; and the impact of the spinoff on our businesses and the risk that the spinoff may be more difficult, time-consuming or costly than expected, including the impact on our resources, systems, procedures and controls, diversion of management's attention and the impact on relationships with customers, suppliers, employees and other business counterparties, as well as other factors discussed in BD's filings with the Securities and Exchange Commission. There can be no assurance that BD's spinoff will in fact be completed in the manner described or at all. In addition, we have made certain assumptions in making these forward-looking statements, particularly regarding the impact of the COVID-19 pandemic on BD and its results of operations and financial conditions. If any of these assumptions, including the impact of the COVID-19 pandemic are incorrect, BD's actual results could differ materially from those described in these forward-looking statements. We do not intend to update any forward-looking statements to reflect events or circumstances after the date hereof except as required by applicable laws or regulations.

The guidance in this presentation is only effective as of the date given, August 5, 2021, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance.



Caution Concerning Non-GAAP Financial Measures

These non-GAAP financial measures are not in accordance with generally accepted accounting principles in the United States. 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 attached financial tables. Within the attached financial tables presented, 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 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 asset impairments, the impact of the extinguishment of debt and the dilutive impact of shares issued in May 2020.

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 tables at the end of this presentation and in our August 5, 2021, earnings press release.



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.

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

Business Unit Acronyms

BDB	Biosciences	PI	Peripheral Intervention
DC	Diabetes Care	PS	Pharmaceutical Systems
IDS	Integrated Diagnostics Solutions	SURG	Surgery
MDS	Medication Delivery Solutions	UCC	Urology & Critical Care
MMS	Medication Management Solutions		

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.

NewCo refers to the diabetes care business unit on a pro forma basis as an independent publicly traded company.

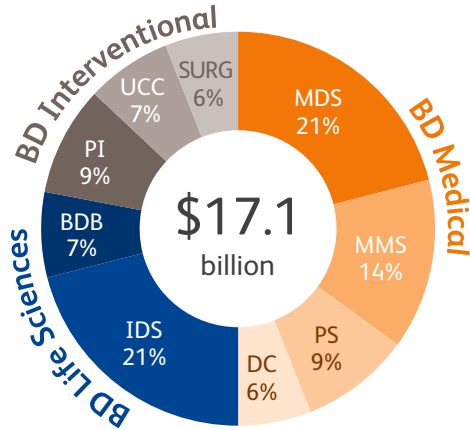
RemainCo refers to BD on a pro forma basis post the separation of the diabetes care business.

Total return adjusted EPS growth plus dividend yield.



BD is an innovative medtech leader with the global reach and scale to address healthcare's most pressing challenges

Revenues by segment



#1 in nearly all major served categories



70,000 +
BD associates



190 +
countries served



40B +
devices made annually

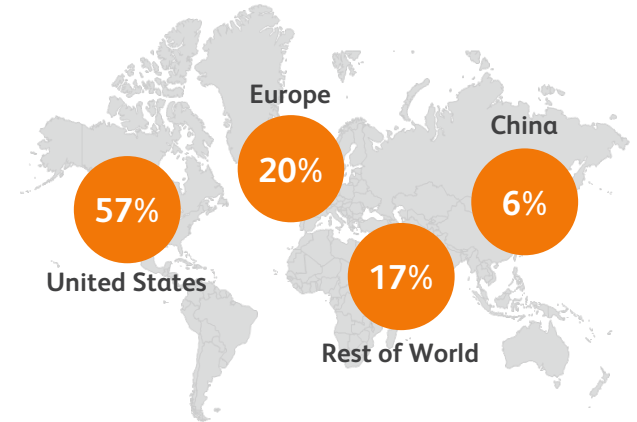


\$1B +
annual R&D spending



27,000 +
active patents

Revenues by region



43% International Revenue
14% Emerging Markets

Tom Polen

Chairman, CEO, and President



Executive Summary

Our base business recovery and BD 2025 strategy execution is driving performance

- Total 3Q FY21 **revenues increased 26.9%** reported and 22.0% FXN.
- Base business revenue momentum continues with **base revenues up 17.6% FXN**.
- **Raising our guidance** for FY21 base business revenue and overall adjusted EPS despite weaker COVID-19 testing profitability.

We are advancing a more balanced capital allocation strategy

- Year-to-date, we **increased our operating cash flows 80%** to \$3.7 billion on a year-over-year basis allowing us to:
 - **Completed 7 tuck-in acquisitions** which will strengthen our growth profile.
 - Returned \$1.8 billion to shareholders vis-à-vis dividends and **\$1 billion in share repurchases**.

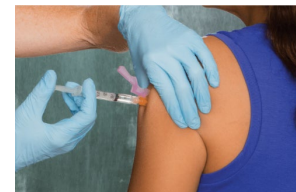
We see an exciting roadmap ahead of shareholder value creation

- **Investor Day on November 12:** We will take a deep dive on our BD 2025 strategy showcasing our growth and innovation pipeline, our simplification and empower initiatives.
- **1H calendar 2022 targeted for spin*** of our **Diabetes Care** business to equity shareholders.

We are confident in our ability to drive durable **mid-single digit revenue** and **double-digit total return** in our base business over the long-term.

*The intended spinoff of the diabetes care business is subject to market, regulatory and other conditions, including final approval by the BD Board of Directors and the effectiveness of a Form 10 registration statement that will be filed with the SEC.

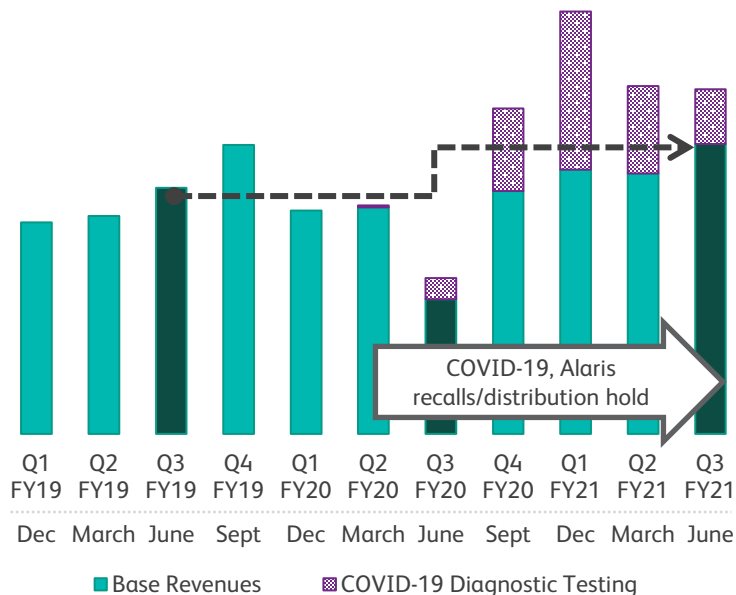
7 Please see Appendix for non-GAAP reconciliations



Our business units have made steady progress recovering to pre-pandemic levels

Q3 FY21 Revenues \$4.9 Billion

up 26.9% reported, up 22.0% FXN y/y basis
up 17.6% excluding COVID-19 testing



Q3 FY21 Revenue Highlights

(All % change rates are on a FXN year-over-year basis unless noted)

BD Medical up 7.7%



- Recovery in Medication Delivery Solutions (MDS, up 23.9%) driven by strong demand for core offerings as hospital utilization improves year-over-year as COVID anniversaries in most markets.
- Continued strong revenue growth in Pharmaceutical Systems' pre-filled devices (up 11.9%).

BD Life Sciences up 43.4% (up 26.8% ex-COVID-19 testing)



- Integrated Diagnostic Solutions (up 48.7%) driven by testing recovery in most categories plus COVID testing.
- Strong Bioscience growth (up 27.3%) driven by recovery in research and clinical activity year-over-year.

BD Interventional up 34.6%



- Strong growth in Surgery (up 67.7%) and Peripheral Intervention (up 31.8%) driven by recovery in elective procedures and COVID anniversary.
- Urology and Critical Care revenues (up 13.5%) driven by utilization recovery and PureWick™.

Our Q3 FY21 revenues are higher relative to our pre-pandemic levels

Segment / Business Unit	Q3 FY21 Revenues (\$ in millions)	Q3 FY21 vs Q3 FY19 FXN % change
Total Revenues, ex-COVID-19 Diagnostic testing	\$4,590	+3.9% <i>(270bp impact from US MMS infusion systems; +6.6% excluding impact from MMS US infusion systems)</i>
BD Medical	\$2,375	+1.2%
Medication Delivery Solutions (MDS)	\$1,007	+1.9%
Medication Management Solutions (MMS)	\$597	(10.9%) <i>(1,790 bp impact from US infusion systems; +7.0% excluding impact from US infusion systems)</i>
Diabetes Care (DC)	\$294	+5.8%
Pharmaceutical Systems (PS)	\$476	+16.9%
BD Life Sciences, excluding COVID-19 Diagnostic testing	\$1,133	+5.2%
Integrated Diagnostic Solutions (IDS), excluding COVID Dx	\$817	+4.0%
Biosciences (BDB)	\$316	+8.5%
BD Interventional	\$1,082	+8.7%
Surgery (SURG)	\$336	+7.7%
Peripheral Intervention (PI)	\$436	+7.7%
Urology and Critical Care (UCC)	\$310	+11.2%

We have launched a series of innovative products and solutions that strengthen our durable core business



BD Medical



BD Cathena™ IV Safety Catheter with BD Multiguard™ Technology



BD PhaSeal™ Optima Locking Injector N40-O



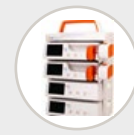
BD Securis™ Stabilization Device



BD Pyxis™ Inventory Connect 1.0



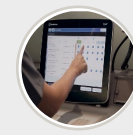
BD Hylok™ for IV



BD NeXus (MedCaptain)



BD BodyGuard™ DUO Barcode



BD Pyxis™ ES 1.7



BD HealthSight™ Infusion Diversion, MedSafety



BD Life Sciences



BD MAX™ FLU + COVID-19 Assay



BD Veritor™ Connectivity Module



BD Veritor™ FLU + COVID-19 POC Antigen Test



BD Kiestra™ ReadA Compact



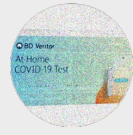
BD FACSDuet™ (US)



BD FACSymphony™ A1



BD FACSymphony™ A5.2 SE



BD Veritor™ At-Home COVID-19 Test



BD MAX™ CTGCTV2 Assay



BD COR™ System with Onclarity™ (US)



BD Interventional



Proxis™ 11/13



Global Intermittent Self Cath - Economy



Sensica™ Automated Urine Output



PeritX™



Pristine™



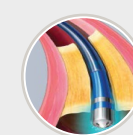
SureStep™ 1.1



Glidepath™ Retro



Glidepath™ LE



CROSSER™ IQ

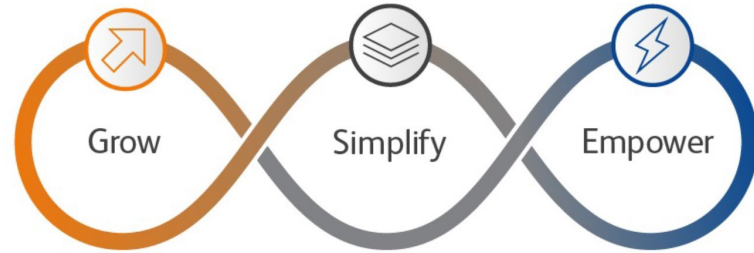


Denotes product has received relevant regulatory clearance/approval and/or commercially launched

Note: Not all products are available in all countries/regions. Products that appear on this page are in development unless otherwise noted

We are executing on our value-creating BD 2025 strategy




Through our BD 2025 strategic pillars of Grow, Simplify, and Empower, we aim to drive sustainable and durable growth and create value for all stakeholders while Advancing the World of Health™.



- We are **clear category leaders** in many large, foundational areas of healthcare; with our **global reach and scale**, we can address healthcare’s most pressing challenges.
- **Advancing meaningful innovations** across three key innovation themes—better outcomes through smart devices, enabling alternative care settings, and improved diagnosis and treatment of chronic diseases—designed to enhance our durable base business growth and add new growth drivers.
- We constantly seek to **optimize and enhance our portfolio** through purposeful R&D spending and strategic tuck-in acquisitions in **higher growth categories**, more efficient go-to-market initiatives and improved business and operational processes to **strengthen our revenue and profit outlook** while improving product quality and reducing regulatory, compliance, and legal risks.
- We are investing in our human capital, advancing our culture of inclusion, diversity, equality, and growth mindset as well as empowering BD associates globally to **drive our long-term organizational success**.
- **ESG is an integral part of our long-term strategy**, and we are advancing our 2030+ sustainability initiatives across our organization.



We are leveraging BD's core strengths and focusing our innovation pipeline on innovation themes that provide for long-term durable growth

BD Innovation Theme	Growth area	BD product/solution	Category growth*
 Improving care processes through applying smart devices, robotics & analytics/AI	Microbiology lab automation, informatics	BD Kiestra™, BD Synapsys™	Double-digits
	Integrated medication management software solutions	BD HealthSight™, Pyxis™ IV Prep, Logistics	Double-digits
	Integrated flow cytometry research solutions	FACS™ instruments, Horizon Reagents, FlowJo software	High-single digits
 Enabling alternative care settings	Point of care blood collection	BD Accustat, YODA platform	High-teens
	Point of care diagnostics	BD Veritor™, POC Molecular	Double-digits
	Self-administered drug delivery	BD Intevia™, BD Vystra™, BD Libertas™	Double-digits
	Non-acute medication dispensing	BD ROWA™, MedBank platform	Mid-teens
 Better diagnosis and/or treatment of chronic disease	Urological female incontinence	BD Purewick™ Urine Collection System & Catheter	Double-digits
	Peripheral vascular disease	BD Rotarex™/Aspirex™, Venous Solutions	High-single digits
	Endovascular AV fistula	BD WaveLinQ™	Double-digits
	Advanced repair/reconstruction	Hiatal, Incisional Reinforcement	High-single digits
	Molecular diagnostics	BD Onclarity™ HPV Genotyping Assay	Double-digits

Increased investment in FY21+ including our BD Growth & Innovation Fund

Note: Not all products are available in all countries/regions.

*Category growth represents management's estimated underlying revenue growth rate, excluding the impact of COVID-19 and foreign currency rates, for the next 3 years.

Our solutions across our segments and across the continuum of care provide better outcomes for all stakeholders



Improve care processes through applying smart devices, robotics & analytics/AI



Enabling non-acute care settings



Improve diagnosis and/or treatment of chronic diseases



Sensica™



Launched Q3 FY21; automated urine output monitoring leveraging our leading U.S. acute care foley market share



IntelliVault



Controlled drug storage, prescription filling, and retrieval system offering for retail, outpatient pharmacy settings



BD Libertas™*



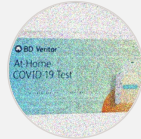
Subcutaneous drug delivery system for administration of biologics



BD Kiestra



Kiestra offers total lab automation; SusceptA* offers automated process for antimicrobial susceptibility testing



BD Veritor™
At-Home*



Expanding access of our COVID-19 diagnostic testing to more patients in the home setting



BD Onclarity™
HPV Assay



Extended genotyping supports risk stratification and persistence monitoring to guide patient management¹⁻⁵



BD HealthSight™
Diversion Management



Cloud based AI technology connects BD medication management products to address diversion of controlled substances



PureWick™ Urine
Collection System



Vacuum-assisted female external catheter for urinary incontinence; expansion into LTC and homecare settings



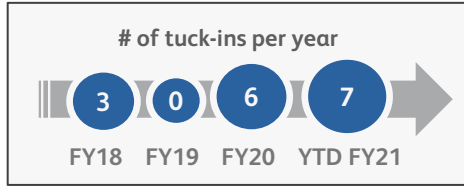
Pristine™



Long-term hemodialysis catheter with a unique design

*These products are in development and have not received regulatory clearance. 1. Stoler MH et al. Gynecol Oncol. 2019;153(1):26–33; 2. Bonde J et al. Int J Cancer. 2019; doi:10.1002/ijc.32291; 3. Elfgrén K et al. Am J Obstet Gynecol. 2017;216(3):264.e1–264.e7; 4. Radley D et al. Hum Vaccin Immunother. 2016;12(3):768–772; 5. Bottari F et al. J Low Genit Tract Dis. 2019;23(1):39–42.

Our tuck-in M&A strategy further strengthens our pipeline with innovative solutions that advance better outcomes



A leader in RFID pharmacy technology solution for tracking and storing prescriptions; served market growth rate double-digits



Innovative health care automation and cloud-based business intelligent solutions for non-acute medication management; served market growth rate mid-teens



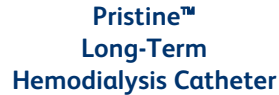
A drug/device combination product provider of testing services for biopharmaceutical companies; served market growth rate double-digits



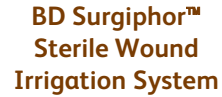
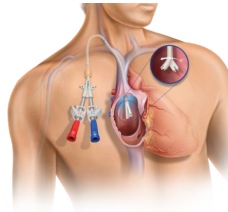
Atherectomy and thrombectomy; served market growth rate double-digits



Sensica UO, automated urine output monitoring; new market opportunity



Unique Y-Tip™ Distal Lumen Design offers innovation; served market growth rate mid-single digits



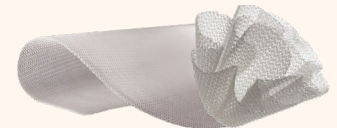
The first and only ready-to-use aqueous povidone-iodine (PVP-I) irrigation solution that mechanically loosens and removes wound debris; new market opportunity



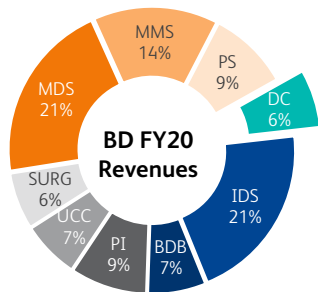
Innovative, needle-free technology that enables high-quality blood draws from existing peripheral intravenous catheter (PIVC) lines; new market opportunity



A leading developer and manufacturer of a proprietary resorbable polymer technology; near-term opportunity for vertical integration strategy for our Phasix™ resorbable hernia mesh and long-term opportunity to expand the technology into other potential applications



We are advancing our planned Diabetes Care spinoff, which we expect to create value for our shareholders over the long-term



Diabetes Care

FY20 revenues: ~ \$1.1 billion

Global leader in insulin injection devices

Serving an estimated 30 million patients worldwide



BD management expects the spinoff to:

- **Strengthen** the growth profile of BD and NewCo.
- Enable BD and NewCo to **sharpen focus** on category innovation and customer outcomes.
- Allow BD and NewCo to have **more efficient** business processes, allocation of resources and capital.
- Position BD and NewCo for **greater success** and value creation.

Announced three future directors for the Diabetes Care spinoff



Lieutenant General (Ret.)
David F. Melcher
Non-executive Chairman
of the Board of Directors



Claire Pomeroy, MD, MBA
Director



Chris Reidy
Director

NewCo Form 10 filing to be publicly available around the end of the calendar year.

The Diabetes Care spinoff is on track to be completed in the first half of calendar year 2022.

Notes: Market position and estimated number of patients are BD internal estimates.

The intended spinoff of the diabetes business is subject to market, regulatory and other conditions, including final approval by the BD Board of Directors and the effectiveness of a Form 10 registration statement that will be filed with the SEC.

Diabetes spin off transaction summary

Transaction details		<ul style="list-style-type: none">• Spinoff expected to be implemented by means of a distribution of 100% of the shares of a new publicly traded entity to BD stockholders and is intended to be tax-free for U.S. federal income tax purposes• BD expects to receive a cash distribution from NewCo upon transaction closing
Strategic rationale		<ul style="list-style-type: none">• Enable BD and NewCo to sharpen focus on their respective category innovation and customer outcomes• Allows NewCo to attract and retain talent, focus on its strategic growth goals and more efficiently allocate capital• BD to focus on its priority businesses and continue to execute on its BD 2025 strategy
Leadership & governance		<ul style="list-style-type: none">• Dev Kurdikar, current Worldwide President of BD Diabetes Care, to be CEO of NewCo• Jake Elguicze, former Treasurer and VP of IR of Teleflex, will be CFO of NewCo• David Melcher will be non-executive Chair of the Board of Directors; Claire Pomeroy and Chris Reidy will be Directors
Financial details	BD	<ul style="list-style-type: none">• Spinoff provides further confidence in mid-single digit revenue and double-digit total return growth profile• BD current dividend is not expected to be affected; BD remains committed to its investment grade credit ratings
	NewCo	<ul style="list-style-type: none">• BD Diabetes revenue base in FY2020 was nearly \$1.1 billion; cash flow positive• NewCo capital structure is expected to provide M&A flexibility for sustained organic and inorganic investment
Timing and closing conditions		<ul style="list-style-type: none">• Transaction is expected to be completed in the first half of calendar year 2022, subject to market, regulatory, and other conditions, including final approval by BD Board of Directors and the effectiveness of a Form 10 registration statement that will be filed with the SEC



We are building on our ESG leadership with our 2030+ sustainability strategy

Our 2030+ sustainability strategy has five impact areas:



Our 2030+ sustainability strategy addresses a range of challenges in our industry while helping to make a difference on relevant issues that affect society and the planet.

Our strategy will ensure we remain focused on shared value creation—meaning how we address unmet societal needs through business models and initiatives that also contribute to the commercial success of BD.



Climate Change

Our ambitions: Minimize our contribution to global emissions and utilize our capabilities to address unmet health needs for climate vulnerable populations.

Our commitments: We will set carbon reduction targets aligned with climate science and aim to be carbon neutral across our direct operations by 2040. We will also use our capabilities to contribute to solutions that address climate related health challenges.



Product impacts

Our ambitions: Reduce the environmental impact of our portfolio and address the sustainability needs of our customers.

Our commitments: We will work with partners to reduce impacts of our products and packaging, with a focus on plastic, across the value chain and apply minimum environmental and human health criteria to new products and product changes to ensure meaningful and sustainable product improvements across the lifecycle.



Supply chain resilience

Our ambitions: Create a supply chain adaptable to disruption and able to contribute to strong environmental and social performance.

Our commitments: We will create a responsible supply chain resilient to disruptions, by strengthening engagement with supply chain partners around sustainability expectations, practice and performance and incorporating sustainability into our supply chain decisions.



Healthy workforce and communities

Our ambitions: Maintain a healthy and thriving workforce that cultivates our culture of inclusion, safety, well-being and contributes to community health.

Our commitments: We will provide tools and resources to empower our workforce in managing their physical, mental and financial health; improve our culture of inclusion, safety and wellbeing, and contribute to the global community.



Transparency

Our ambitions: Invite trust across stakeholder groups through transparent performance reporting on environmental, social and governance issues relevant to our business.

Our commitments: We will provide our stakeholders with meaningful information about our business by regularly disclosing clear information about our sustainability performance and programs, aligning with relevant and recognized external sustainability reporting frameworks.

We are proud of our recent ESG accomplishments and ongoing efforts to advance our 2030+ sustainability initiatives



We began power generation via solar panel installation at BDs Cayey, Puerto Rico facility. The project will reduce carbon emissions by 900 tonnes CO₂-e per year and supports our commitment to increasing use of renewable energy.



BD was named a 2021 DiversityInc Noteworthy Company for the second consecutive year, in recognition of hiring, retaining and promoting women, minorities, people with disabilities, LGBTQ+ and veterans.



BD was named a Place to Work for Disability Inclusion for the third year in a row, earning a score of 90 on the Disability Equality Index® (DEI), the nation's most comprehensive annual benchmarking tool measuring tangible actions towards disability inclusion and equality.



As part of our Responsible Sourcing program, we launched our updated [Expectations for Suppliers](#) document, which outlines specific standards for suppliers regarding social responsibility, environmental stewardship, ethical practices, human rights and governance.



We published our 2020 Sustainability report, available at www.bd.com/sustainability. The report wraps up performance of our 2020 Sustainability strategy, in addition to providing details of our management approach to various ESG issues, including Product Quality and Safety.



Chris Reidy

EVP, CFO & CAO



Fiscal Q3 results driven by strong base recovery

Fiscal Q3 FY21 Revenues and Year-over-Year Percent Change

	Q3 FY21 \$ in millions	Reported Y/Y % Δ	FXN Y/Y % Δ	FXN Y/Y % Δ (ex-COVID testing)
BD Medical	\$2,375	+11.9%	+7.7%	
BD Life Sciences	\$1,433	+50.7%	+43.4%	+26.8%
BD Interventional	\$1,082	+38.4%	+34.6%	
Total BD	\$4,890	+26.9%	+22.0%	+17.6%
US Revenues	\$2,574	+21.5%	+21.5%	
OUS Revenues	\$2,316	+33.5%	+22.6%	

Fiscal Q3 FY21 Revenue Drivers

(Commentary refers to FXN Y/Y basis unless specified)

BD Medical



- Strong growth in core products driven by partial recovery of hospital utilization / in-patient volumes.
- Continued strong revenue growth in pre-filled devices.
- Contributions from COVID-related vaccines.
- Headwinds from BD Alaris™ ship hold and higher levels of pandemic-related infusion pump revenues in prior year period.

BD Life Sciences







- Strong Bioscience growth driven by recovery in research and clinical activity year-over-year.
- COVID-19 testing revenues in current quarter.

BD Interventional

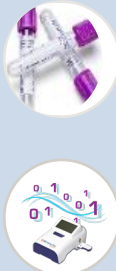



- Anniversary of initial COVID-19 impact and the recovery of elective procedures relative to the prior year driving improvements in unit volumes across all three business units.




BD Medical: Strong recovery in MDS and consistent growth in Pharm Systems offset by expected decline in MMS

Business Unit	Q3 FY21 Revenues (\$ millions)	FXN Y/Y % Change	BD Management Commentary (Commentary refers to FXN Y/Y basis unless specified)	
	Medication Delivery Solutions (MDS)	\$1,007	+23.9%	<ul style="list-style-type: none"> Favorable comparison to prior year period due to anniversary of peak COVID-19 pandemic impact. Overall utilization improving but still moderately below pre-COVID levels. Core performance showing strength, especially in catheters and vascular care devices. Includes COVID-19 vaccination injection devices.
	Medication Management Solutions (MMS)	\$597	(14.0%)	<ul style="list-style-type: none"> Strong growth globally in dispensing. U.S. aided by favorable comparison to prior year period and installation delays from first half. As expected, declines in infusion systems due to difficult comparisons in prior period globally driven by COVID-19 pandemic needs.
	Diabetes Care	\$294	+8.9%	<ul style="list-style-type: none"> Favorable comparison to prior year period due to COVID-19 pandemic impact. Growth in the quarter also aided by the timing of sales and slightly better than expected market demand.
	Pharmaceutical Systems	\$476	+11.9%	<ul style="list-style-type: none"> Strong growth of pre-fillable syringes driven by continued demand and enabled by capacity expansion.
BD Medical		\$2,375	+7.7%	

BD Life Sciences: Strong balanced growth across IDS and Biosciences

Business Unit	Q3 FY21 Revenues (\$ millions)	FXN Y/Y % Change	FXN Y/Y % Change (ex-COVID testing)	BD Management Commentary (Commentary refers to FXN Y/Y basis unless specified)
 <p>Integrated Diagnostic Solutions (IDS)</p>	\$1,117	+48.7%	+26.6%	<ul style="list-style-type: none"> Includes COVID-19 diagnostic revenues of \$300 million consisting of: <ul style="list-style-type: none"> – BD Veritor™ Plus System: \$212 million – BD Max™, specimen collection and transport: \$88 million Specimen collection and microbiology diagnostic testing substantially recovered to pre-COVID-19 levels in the current period. Molecular IVD and TB testing not yet fully recovered to pre-COVID-19 levels in the current period.
 <p>Biosciences</p>	\$316	+27.3%	+27.3%	<ul style="list-style-type: none"> Continuing to see strong demand for research reagents and instruments as a result of lab activity returning to normal levels.
BD Life Sciences	\$1,433	+43.4%	+26.8%	

BD Interventional: Recovery in elective procedure drives strong growth over prior year

Business Unit	Q3 FY21 Revenues (\$ millions)	FXN Y/Y % Change	BD Management Commentary (Commentary refers to FXN Y/Y basis unless specified)
 <p>Surgery</p>	\$336	+67.7%	<ul style="list-style-type: none"> • High growth globally due to anniversary of COVID-19 impact, which was most pronounced in the year ago quarter. • Sequentially, we saw solid growth in hernia and infection prevention.
 <p>Peripheral Intervention (PI)</p>	\$436	+31.8%	<ul style="list-style-type: none"> • Growth in all regions to anniversary of COVID-19 impact, which was most pronounced in the year ago quarter. • Continued strong performance in atherectomy (Straub).
 <p>Urology and Critical Care (UCC)</p>	\$310	+13.5%	<ul style="list-style-type: none"> • Strong growth in Acute Urology driven by PureWick™. • Double digit growth in Targeted Temperature Management.
BD Interventional	\$1,082	34.6%	

A stronger-than-expected base business performance; a lower-than-expected tax rate offsets a COVID diagnostic inventory provision

(Adjusted)	Q3 FY21 \$ in millions	Q3 FY20 \$ in millions	Reported Y/Y Δ	FXN Y/Y Δ
Revenues	\$4,890	\$3,855	+26.9%	+22.0%
Gross Profit	\$2,521	\$1,993	+26.4%	+24.5%
Gross margin	51.5%	51.7%	(20bps)	+110bps
SSG&A	\$1,231	\$979	+25.7%	+21.2%
% of revenues	25.2%	25.4%	(20bps)	(20bps)
R&D	\$321	\$241	+33.0%	+31.1%
% of revenues	6.6%	6.3%	+30bps	+40bps
Operating Income	\$969	\$773	+25.4%	+26.5%
Operating margin	19.8%	20.1%	-30 bps	+70bps
Interest Income (exp), net	(\$115)	(\$135)	(14.9%)	(15.7%)
Other Income, net	\$17	\$37	(54.1%)	(54.6%)
Tax Rate	5.8%	5.0%	+80bps	N/A
Net Income	\$821	\$642 ^(A)	+27.9%	+29.2%
Preferred Dividend	\$23	\$9		
Net Income Applicable to Common Shareholders*	\$799	\$634		
Avg diluted common shares*	291.9	291.5 ^(A)		
Adjusted EPS*	\$2.74	\$2.20 ^(A)	+24.5%	+25.9%

^(A) The adjusted non-GAAP EPS is calculated using net income (preferred dividends are excluded) while the diluted share count includes the conversion of the preferred shares in the calculation and uses a diluted share count of 291.5 million.

Our COVID diagnostic profit reinvestments are included in COGS, SSG&A, and R&D.

Gross margins: Includes an unfavorable 140 bp impact from COVID Dx testing inventory provision. FX was a 130 bp headwind.

SSG&A and R&D: Higher expenses due to resumption of activities as revenues increase with utilization recovery.

SSG&A: The prior year period reflected cost containment measures. Current period reflects higher shipping costs and reinvestment spending.

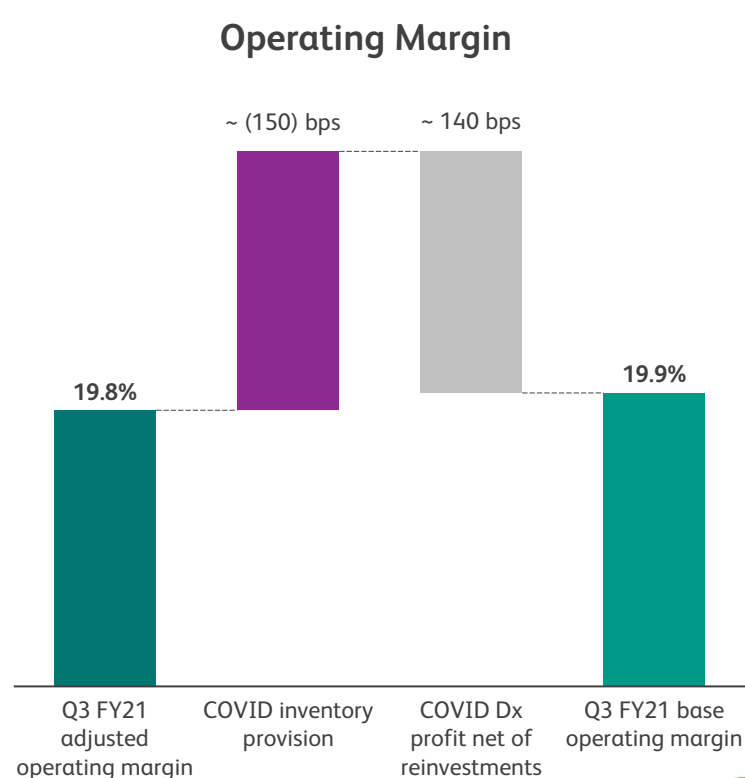
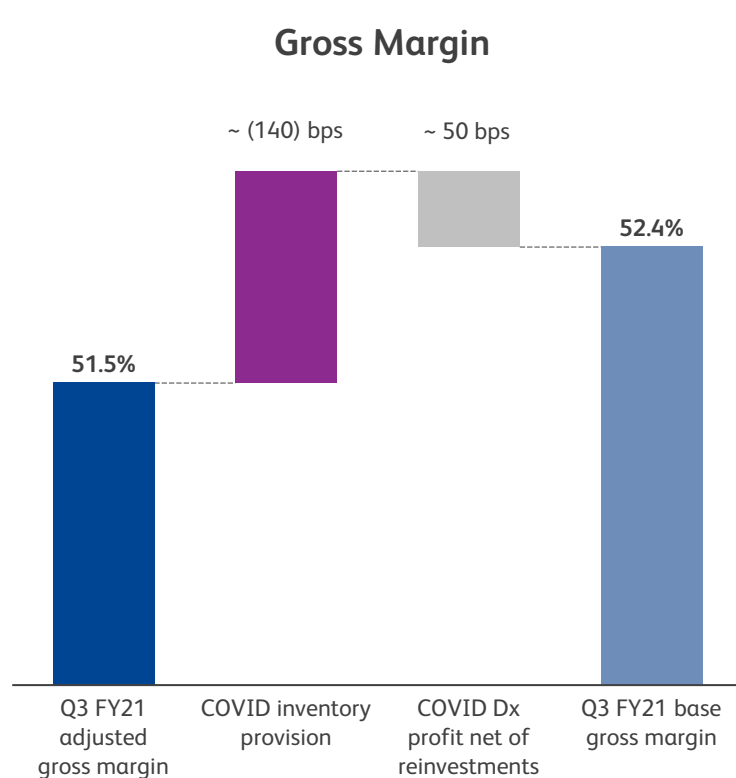
R&D: Investment in BD Innovation & Growth Fund, timing of spending, and reinvestment spending

Operating margins: Includes unfavorable 150 bp impact from COVID Dx testing inventory provision.

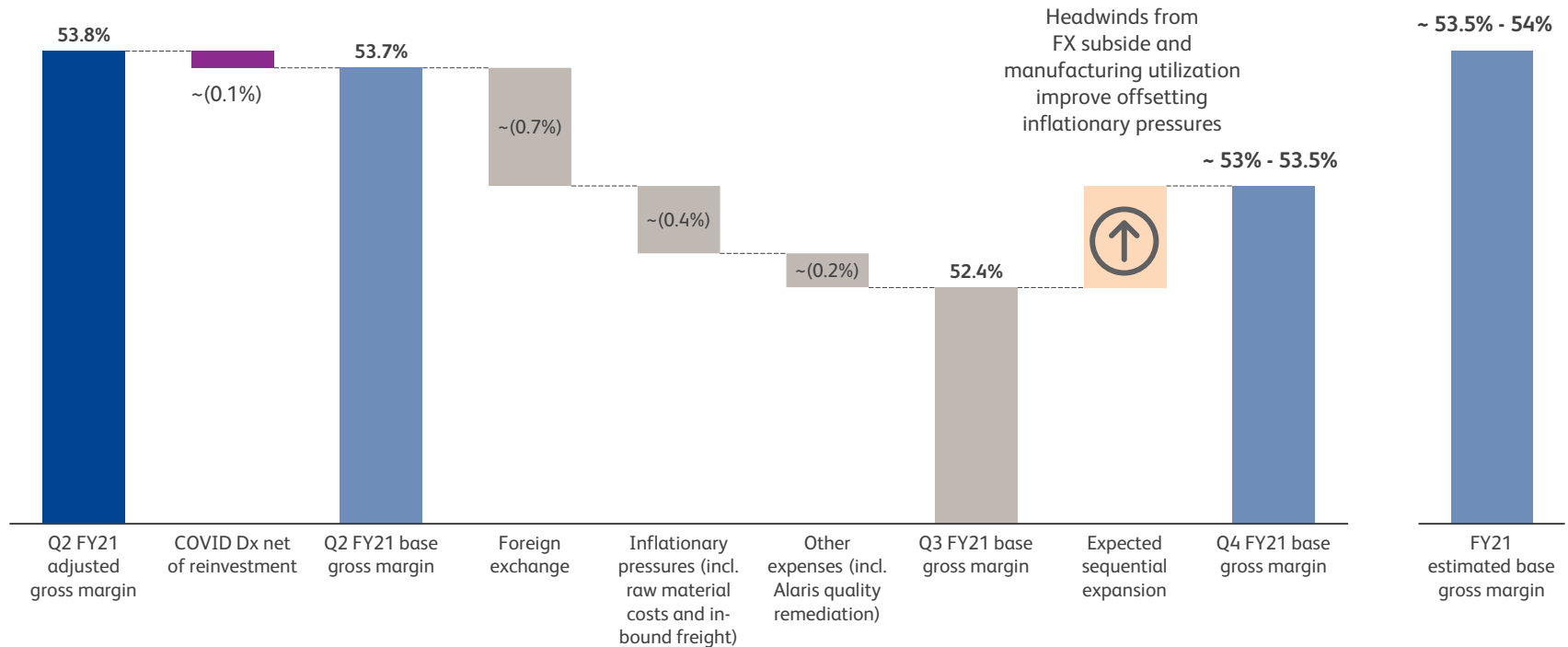
Tax rate: reflects benefit of discrete tax items.



Q3 FY21 gross and operating margins impacted by COVID-19 related items



We expect our base business gross margins to increase sequentially in Q4

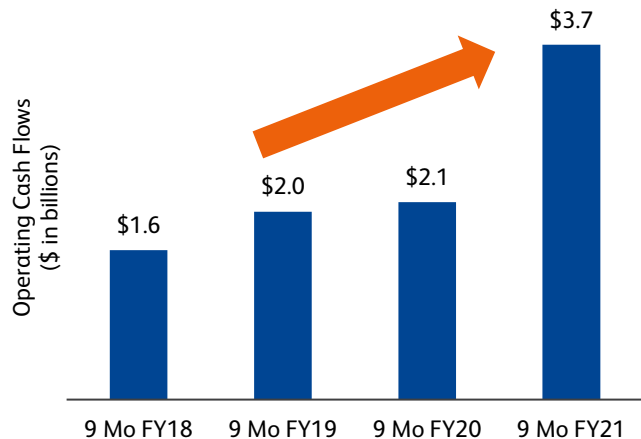


Base business margins adjusts for the net impact of estimated COVID-19 diagnostic testing profitability and the related profit reinvestments back into our business; refer to the reconciliation to adjusted figures in the appendix

The guidance in this presentation is only effective as of the date given, August 5, 2021, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance.



Our disciplined capital allocation strategy prioritizes growth but also returns capital through a competitive dividend and share repurchases



Maintaining a strong, flexible balance sheet

- Adjusted net leverage 2.4x as of 6/30/2021
- Long-term net leverage target ~2.5x
- Committed to investment grade credit ratings



Internal investments (e.g., R&D, capex) to drive growth

- Increasing our investments in R&D including the establishment of the BD Growth & Innovation Fund
- In December 2020, announced \$1.2 billion capital investment to fund expanded pre-filled capacity



Tuck-in M&A, equity investments

- Beginning in 2020, BD has completed a total of 13 tuck-in M&A transactions across all three business segments



Competitive dividend

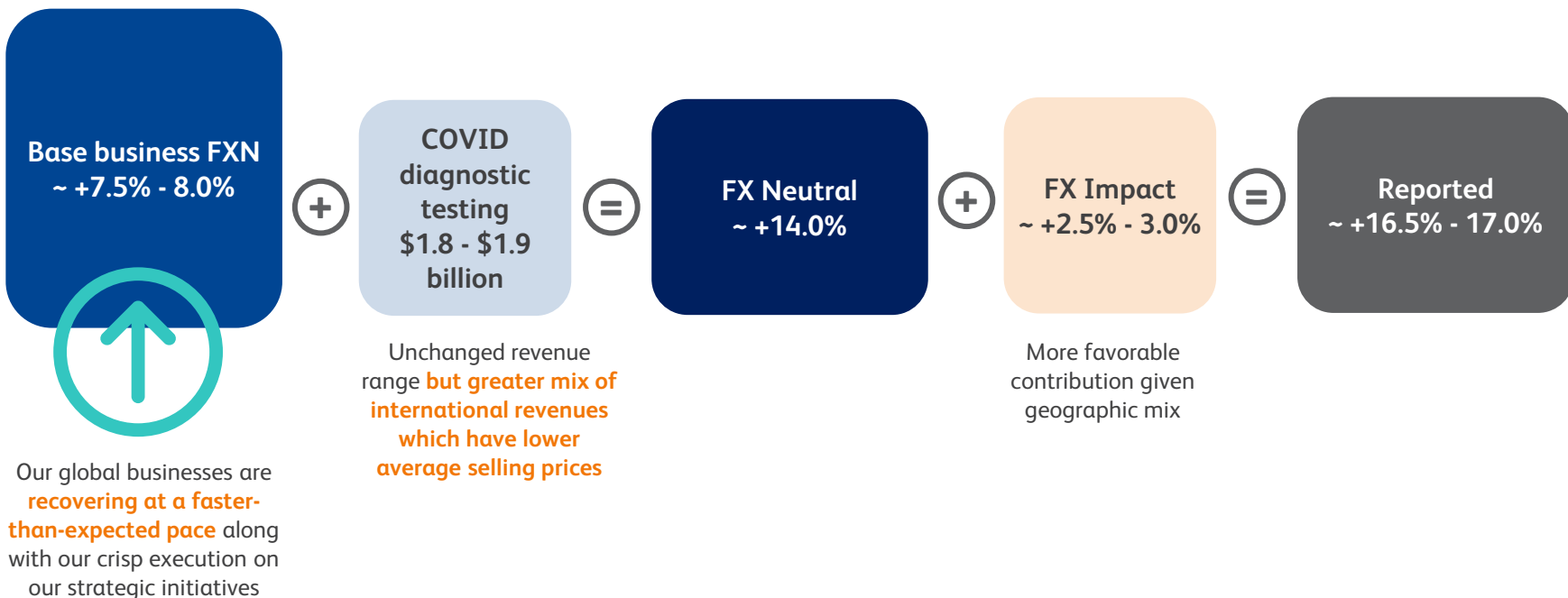
- November 2020 marked the 49th consecutive year of increases
- BD has indicated that the dividend will be unaffected by the intended diabetes spinoff



Share repurchases

- **BD repurchased \$1 billion in stock in Q3 FY21**

Our continued strong base business momentum powers our higher fiscal 2021 revenue guidance

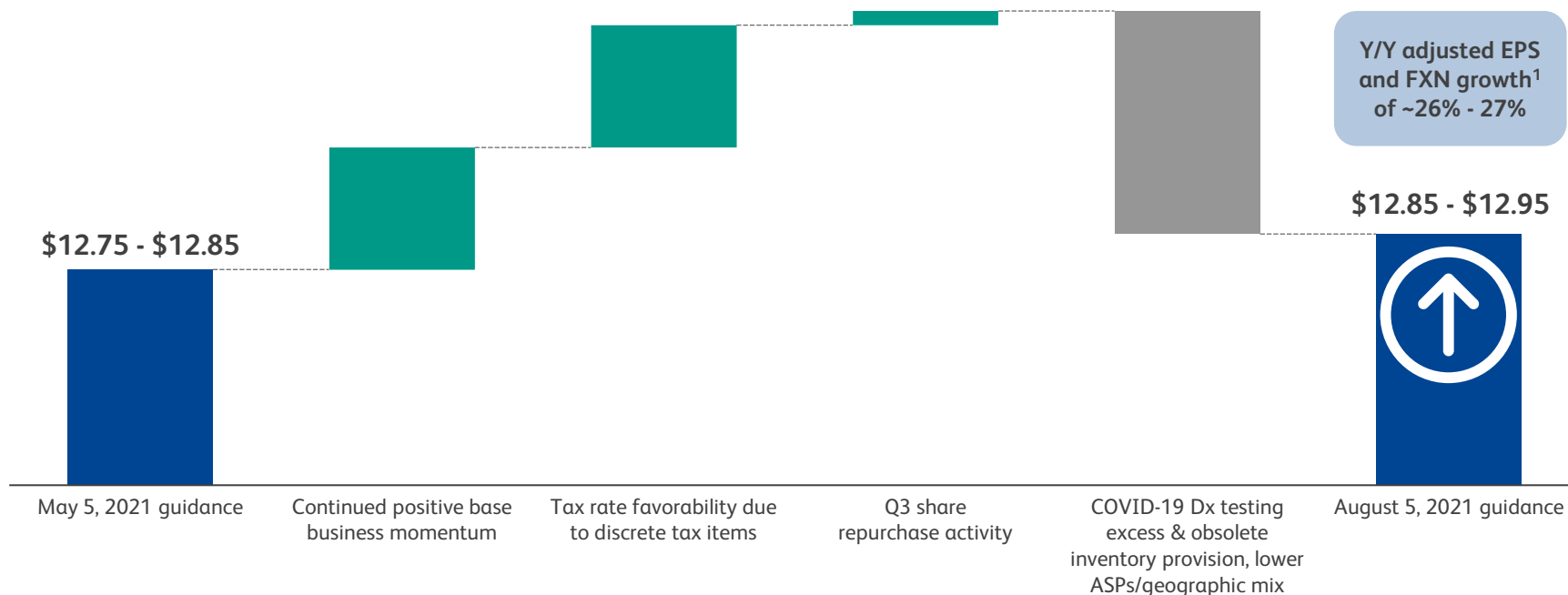


Revenue growth guidance is relative to FY20 revenues of \$17,117 million, which included COVID diagnostics revenues of \$562 million.

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Our base momentum and lower tax rate allows us to raise our EPS outlook while overcoming lower COVID-19 testing profitability



¹Adjusted EPS growth guidance is relative to FY20 EPS of \$10.20; see Appendix for non-GAAP reconciliations

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Appendix

Supplemental Non-GAAP Reconciliation Revenues by Business Segments and Units

Quarterly Reconciliation of Reported Change and Adjusted Foreign Currency Neutral Change
For the Three Months Ended June 30, 2021
(Unaudited; Amounts in millions)

	A	B	C	D=A-B	E=A-C-B	F=(A-B)/B	G=(A-B-C)/B
	2021	2020	FX Impact	Rptd Change	FXN Change	% Change Reported	% Change FX- Neutral
TOTAL REVENUES	\$ 4,890	\$ 3,855	\$ 190	\$ 1,036	\$ 846	26.9%	22.0%

Less:

COVID Diagnostics	300	98	19	202	184	N/A	N/A
Base Revenues	\$ 4,590	\$ 3,757	\$ 171	\$ 833	\$ 662	22.2%	17.6%
<i>impact of COVID-Diagnostics¹</i>				5.2%	4.8%		

BD LIFE SCIENCES	\$ 1,433	\$ 951	\$ 70	\$ 482	\$ 412	50.7%	43.4%
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Less:

COVID Diagnostics	300	98	19	202	184	N/A	N/A
BDLS ex-COVID Dx	\$ 1,133	\$ 853	\$ 51	\$ 280	\$ 229	32.8%	26.8%
<i>impact of COVID-Diagnostics¹</i>				21.3%	19.3%		

IDS	\$ 1,117	\$ 714	\$ 55	\$ 403	\$ 348	56.4%	48.7%
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Less:

COVID Diagnostics	300	98	19	202	184	N/A	N/A
IDS ex-COVID Dx	\$ 817	\$ 616	\$ 37	\$ 201	\$ 164	32.6%	26.6%
<i>impact of COVID-Diagnostics¹</i>				28.3%	25.7%		

1. Year over year change in COVID diagnostic revenue divided by the prior year total revenue.

Note: FXN denotes FX-neutral.

COVID-19 diagnostic revenues of \$300 million, included \$212 million in BD Veritor™ COVID-19 revenues and \$88million of BD Max™ COVID-19 testing and specimen collection and transport revenues in the Q3 FY21 period.

Reconciliation of Adjusted to Base Business Margins

Reconciliation of base business margins to non-GAAP adjusted margins

	Q4 FY21			Full Year FY21		
	(A)	(B)	(C) = (A) – (B)	(D)	(E)	(F) = (D)-(E)
	All-in Adjusted	COVID-19 Dx Test and Reinvestment Impact	Base Business	All-in Adjusted	COVID-19 Dx Test and Reinvestment Impact	Base
Gross Margin	~51.5% - 52.0%	~(150) bps	~53.0% - 53.5%	~53.5% - 54.0%	~0.0% - 0.5%	~53.5% - 54.0%
Operating Margin	~18.0% - 18.5%	~(200) bps	~20.0% - 20.5%	~23.5% - 24.0%	~200 bps	~21.5% - 22.0%

COVID-19 Dx (Diagnostic) testing includes COVID-related testing on BD Veritor™ and BD Max™ COVID systems as well as swabs and transport. BD reinvested a portion of the COVID-19 diagnostic testing into the business in FY21 and the reinvestments such reinvestments are netted against the COVID-19 diagnostic test profitability.

The guidance in this presentation is only effective as of the date given, August 5, 2021, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance.



Supplemental Non-GAAP Reconciliation

Worldwide Revenues by Business Segment and Unit

Quarterly Reconciliation of Reported Change and Adjusted Foreign Currency Neutral Change
For the Three Months Ended June 30
(Unaudited; Amounts in millions)

	A	B	C	D	E	F=(D-E-B)/B	G=(B-C)*(1+F)	H=(G-A)/A
	2019	2020	2020 FX Impact	2021	2021 FX Impact	FY21 vs FY20 % Change FX-Neutral	2021 at 2019 Rates	FY21 vs FY19 % Change FX-Neutral
BDX ex-COVID Dx (base revenues)	4,350	3,757	(85)	4,590	171	17.6%	4,520	3.9%
<i>BDX ex-COVID Dx, ex-US MMS Infusion</i>	<i>4,066</i>	<i>3,503</i>	<i>(85)</i>	<i>4,404</i>	<i>171</i>	<i>20.8%</i>	<i>4,336</i>	<i>6.6%</i>
BDM	2,311	2,122	(50)	2,375	90	7.7%	2,339	1.2%
MDS	981	781	(25)	1,007	40	23.9%	999	1.9%
MMS	661	677	(9)	597	15	(14.0%)	591	(10.9%)
<i> MMS ex-US Infusion</i>	<i>377</i>	<i>424</i>	<i>(9)</i>	<i>411</i>	<i>15</i>	<i>(6.5%)</i>	<i>405</i>	<i>7.0%</i>
DC	275	260	(7)	294	11	8.9%	291	5.8%
PS	394	403	(8)	476	24	11.9%	461	16.9%
BDLS ex-COVID Dx	1,058	853	(24)	1,133	51	26.8%	1,113	5.2%
IDS ex-COVID Dx	774	616	(19)	817	37	26.6%	805	4.0%
BDB	284	237	(5)	316	14	27.3%	308	8.5%
BDI	981	782	(11)	1,082	30	34.6%	1,067	8.7%
PI	396	318	(6)	436	17	31.8%	427	7.7%
SURG	309	197	(2)	336	6	67.7%	333	7.7%
UCC	276	268	(3)	310	7	13.5%	307	11.2%

Supplemental Non-GAAP Reconciliation

Quarterly Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change
(Unaudited; Amounts in millions, except per share data)

	Revenues	Gross Profit	SSG&A	R&D	Acquisitions and Other Restructurings	Other Operating (Income) Expense, Net	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Three Months Ended Jun 30, 2021												
Reported \$ for Three Months Ended Jun 30, 2021	\$4,890	\$2,161	\$1,237	\$344	\$24	(\$72)	\$628	(\$113)	(\$1)	(\$11)	\$525	\$1.72
<i>Reported % of Revenues</i>		44.2%	25.3%	7.0%			12.8%				10.7%	
<i>Reported effective tax rate</i>										-2.1%		
Specified items:												
Purchase accounting adjustments pre-tax ⁽¹⁾	-	349	(6)	(1)	-	-	357	(1)	-	-	355	1.22
Integration costs pre-tax ⁽²⁾	-	-	-	-	(27)	-	27	-	-	-	27	0.09
Restructuring costs pre-tax ⁽²⁾	-	-	-	-	3	-	(3)	-	-	-	(3)	(0.01)
Separation & Related costs ⁽³⁾	-	-	-	-	-	(16)	16	-	-	-	16	0.05
Transaction gain/loss, product and other litigation-related matters pre-tax ⁽⁴⁾	-	-	-	-	-	88	(88)	-	18	-	(70)	(0.24)
European regulatory initiatives-related costs pre-tax ⁽⁵⁾	-	10	(0)	(22)	-	-	32	-	-	-	32	0.11
Income tax benefit of special items and impact of tax reform	-	-	-	-	-	-	-	-	-	61	(61)	(0.21)
Adjusted \$ for Three Months Ended Jun 30, 2021	A \$4,890	\$2,521	\$1,231	\$321	\$0	\$0	\$969	(\$115)	\$17	\$51	\$821	\$2.74
<i>Adjusted % of Adjusted Revenues</i>		51.5%	25.2%	6.6%			19.8%				16.8%	
<i>Adjusted FXN % of Adjusted Revenues (A adjusted for E)</i>		52.8%	25.2%	6.7%			20.8%					
<i>Adjusted effective tax rate</i>										5.8%		

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 income, net which were incurred for consulting, legal, tax and other advisory services associated with the planned spinoff of BD's Diabetes Care business. Represents costs required to develop processes and systems to comply with regulations such as the European Union Medical Device Regulation ("EUMDR") and General Data Protection Regulation ("GDPR").
4. The 2021 amount includes a gain of \$88 million on a sale-leaseback transaction which was recorded to Other operating income, net. The amount in 2020 includes an adjustment of \$(18) million recorded to Cost of products sold related to the estimate of future product remediation costs and also includes costs related to another product matter which was recorded in Other (expense) income, net.
5. Represents costs required to develop processes and systems to comply with regulations such as the European Union Medical Device Regulation ("EUMDR") and General Data Protection Regulation ("GDPR").

Supplemental Non-GAAP Reconciliation

Quarterly Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change
(Unaudited; Amounts in millions, except per share data)

	Revenues	Gross Profit	SSG&A	R&D	Acquisitions and Other Restructurings	Other Operating (Income) Expense, Net	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Three Months Ended Jun 30, 2020												
Reported \$ for Three Months Ended Jun 30, 2020	\$3,855	\$1,659	\$980	\$262	\$74	(\$15)	\$358	(\$133)	\$23	(\$38)	\$286	\$0.97
<i>Reported % of Revenues</i>		43.1%	25.4%	6.8%			9.3%				7.4%	
<i>Reported effective tax rate</i>										-15.4%		
Specified Items:												
Purchase accounting adjustments pre-tax ⁽¹⁾	-	343	(1)	3	-	15	326	(1)	-	-	325	1.14
Integration costs pre-tax ⁽²⁾	-	-	-	-	(46)	-	46	-	-	-	46	0.16
Restructuring costs pre-tax ⁽²⁾	-	-	-	-	(28)	-	28	-	-	-	28	0.10
Transaction gain/loss, product and other litigation-related matters pre-tax ⁽⁴⁾	-	(18)	-	-	-	-	(18)	-	8	-	(10)	(0.03)
European regulatory initiative-related costs pre-tax ⁽⁴⁾	-	9	(0)	(24)	-	-	33	-	-	-	33	0.12
Impacts of debt extinguishment pre-tax	-	-	-	-	-	-	-	-	6	-	6	0.02
Dilutive impact ⁽⁶⁾	-	-	-	-	-	-	-	-	-	-	-	(0.02)
Income tax benefit of special items and impact of tax reform	-	-	-	-	-	-	-	-	-	72	(72)	(0.25)
Adjusted \$ for Three Months Ended Jun 30, 2020	B \$3,855	\$1,993	\$979	\$241	\$0	(\$0)	\$773	(\$135)	\$37	\$34	\$642	\$2.20
<i>Adjusted % of Revenues</i>		51.7%	25.4%	6.3%			20.1%				16.7%	
<i>Adjusted effective tax rate</i>										5.0%		

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 income, net which were incurred for consulting, legal, tax and other advisory services associated with the planned spinoff of BD's Diabetes Care business. Represents costs required to develop processes and systems to comply with regulations such as the European Union Medical Device Regulation ("EUMDR") and General Data Protection Regulation ("GDPR").
4. The 2021 amount includes a gain of \$88 million on a sale-leaseback transaction which was recorded to Other operating income, net. The amount in 2020 includes an adjustment of \$(18) million recorded to Cost of products sold related to the estimate of future product remediation costs and also includes costs related to another product matter which was recorded in Other (expense) income, net.
5. Represents costs required to develop processes and systems to comply with regulations such as the European Union Medical Device Regulation ("EUMDR") and General Data Protection Regulation ("GDPR").
6. Represents the dilutive impact of BD shares issued in May 2020. The adjusted diluted average shares outstanding (in thousands) in 2020 were 291,476.

Supplemental Non-GAAP Reconciliation

Quarterly Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change
(Unaudited; Amounts in millions, except per share data)

		Revenues	Gross Profit	SSG&A	R&D	Acquisitions and Other Restructurings	Other Operating (Income) Expense, Net	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Three Months Ended Jun 30, 2021 versus Jun 30, 2020													
Adjusted \$ change	C=A-B	\$1,036	\$527	(\$252)	(\$80)	\$0	(\$0)	\$196	\$20	(\$20)	(\$17)	\$179	\$0.54
Adjusted % change	D=C/B	26.9%	26.4%	(25.7%)	(33.0%)	-	-	25.4%	14.9%	(54.1%)	(49.6%)	27.9%	24.5%
Foreign currency translation impact	E	\$190	\$40	(\$44)	(\$4)	\$0	\$0	(\$9)	(\$1)	\$0	\$1	(\$8)	(\$0.03)
Adjusted foreign currency neutral \$ change	F=C-E	\$846	\$488	(\$208)	(\$75)	\$0	(\$0)	\$205	\$21	(\$20)	(\$18)	\$187	\$0.57
Adjusted foreign currency neutral % change	G=F/B	22.0%	24.5%	(21.2%)	(31.1%)	-	-	26.5%	15.7%	(54.6%)	(53.0%)	29.2%	25.9%



Please note:

A refers to the adjusted figures for the three-month period ending June 30, 2021 from slide 34

B refers to the adjusted figures for the three-month period ending June 30, 2020 from slide 35

Supplemental Non-GAAP Reconciliation

Year-to-Date Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change
(Unaudited; Amounts in millions, except per share data)

	Revenues	Gross Profit	SSG&A	R&D	Acquisitions and Other Restructurings	Other Operating (Income) Expense, Net	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Nine Months Ended Jun 30, 2021												
Reported \$ for Nine Months Ended Jun 30, 2021	\$15,113	\$7,140	\$3,535	\$952	\$126	\$224	\$2,304	(\$351)	\$23	\$149	\$1,827	\$6.00
<i>Reported % of Revenues</i>		47.2%	23.4%	6.3%			15.2%				12.1%	
<i>Reported effective tax rate</i>									7.5%			
Specified Items:												
Purchase accounting adjustments pre-tax ⁽¹⁾	-	1,044	(10)	(7)	-	-	1,061	(5)	-	-	1,056	3.60
Integration costs pre-tax ⁽²⁾	-	-	-	-	(94)	-	94	-	-	-	94	0.32
Restructuring costs pre-tax ⁽²⁾	-	-	-	-	(33)	-	33	-	-	-	33	0.11
Separation & Related costs ⁽³⁾	-	-	-	-	-	(16)	16	-	-	-	16	0.05
Transaction gain/loss, product and other litigation-related matters pre-tax ⁽⁴⁾	-	45	-	-	-	(208)	253	-	6	-	258	0.88
European regulatory initiatives-related costs pre-tax ⁽⁵⁾	-	30	(0)	(62)	-	-	92	-	-	-	92	0.31
Impacts of debt extinguishment pre-tax	-	-	-	-	-	-	-	5	26	-	30	0.10
Income tax benefit of special items and impact of tax reform	-	-	-	-	-	-	-	-	-	265	(265)	(0.90)
Adjusted \$ for Nine Months Ended Jun 30, 2021	A \$15,113	\$8,259	\$3,525	\$884	\$0	(\$0)	\$3,850	(\$352)	\$55	\$414	\$3,140	\$10.48
<i>Adjusted % of Adjusted Revenues</i>		54.6%	23.3%	5.8%			25.5%				20.8%	
<i>Adjusted FXN % of Adjusted Revenues (A adjusted for E)</i>		55.5%	23.4%	5.9%			26.2%					
<i>Adjusted effective tax rate</i>									11.6%			

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 (income), net which were incurred for consulting, legal, tax and other advisory services associated with the planned spinoff of BD's Diabetes Care business.

4. The 2021 amount includes a gain of \$88 million on a sale-leaseback transaction, as well as charges to record product liability reserves, including related legal defense costs, of \$296 million. The product liability-related charges and sale-leaseback gain were recorded to Other operating expense (income), net. The amounts in 2021 and 2020 include charges of \$37 million and \$240 million, respectively, recorded to Cost of products sold related to the estimate of future product remediation costs. The amount in 2020 also includes costs related to another product matter which was recorded in Other income, net.

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

Supplemental Non-GAAP Reconciliation

Year-to-Date Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change
(Unaudited; Amounts in millions, except per share data)

	Revenues	Gross Profit	SSG&A	R&D	Acquisitions and Other Restructurings	Other Operating (Income) Expense, Net	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Nine Months Ended Jun 30, 2020												
Reported \$ for Nine Months Ended Jun 30, 2020	\$12,333	\$5,372	\$3,126	\$797	\$235	(\$15)	\$1,229	(\$400)	\$12	\$96	\$746	\$2.38
<i>Reported % of Revenues</i>		43.6%	25.3%	6.5%			10.0%				6.1%	
<i>Reported effective tax rate</i>										11.4%		
Specified Items:												
Purchase accounting adjustments pre-tax ⁽¹⁾	-	1,033	2	(0)	-	15	1,016	(4)	-	-	1,012	3.63
Integration costs pre-tax ⁽²⁾	-	-	-	-	(165)	-	165	-	-	-	165	0.59
Restructuring costs pre-tax ⁽²⁾	-	-	-	-	(69)	-	69	-	-	-	69	0.25
Transaction gain/loss, product and other litigation-related matters pre-tax ⁽⁴⁾	-	240	-	-	-	-	240	-	8	-	248	0.89
European regulatory initiatives-related costs pre-tax ⁽⁵⁾	-	22	(0)	(55)	-	-	77	-	-	-	77	0.28
Investment gains/losses and asset impairments pre-tax ⁽⁶⁾	-	39	-	-	-	-	39	-	1	-	41	0.15
Impacts of debt extinguishment pre-tax	-	-	-	-	-	-	-	-	6	-	6	0.02
Income tax benefit of special items and impact of tax reform	-	-	-	-	-	-	-	-	-	218	(218)	(0.78)
Adjusted \$ for Nine Months Ended Jun 30, 2020	B \$12,333	\$6,706	\$3,128	\$742	\$0	(\$0)	\$2,837	(\$404)	\$28	\$314	\$2,147	\$7.41
<i>Adjusted % of Revenues</i>		54.4%	25.4%	6.0%			23.0%				17.4%	
<i>Adjusted effective tax rate</i>										12.8%		

- Includes amortization and other adjustments related to the purchase accounting for acquisitions impacting identified intangible assets and valuation of fixed assets and debt.
- Represents amounts associated with integration and restructuring activities resulting from acquisitions, as well as simplification and other cost saving initiatives.
- Represents costs recorded to Other operating expense (income), net which were incurred for consulting, legal, tax and other advisory services associated with the planned spinoff of BD's Diabetes Care business.
- Includes charge of \$240 million recorded to Cost of products sold related to the estimate of future product remediation costs, and costs related to another product matter which was recorded in Other income, net.
- Represents costs required to develop processes and systems to comply with regulations such as the EUMDR and GDPR.
- The prior-period amount primarily represents a charge recorded to write down the carrying value of certain intangible assets in the Biosciences unit.

Supplemental Non-GAAP Reconciliation

Year-to-Date Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change
(Unaudited; Amounts in millions, except per share data)

		Revenues	Gross Profit	SSG&A	R&D	Acquisitions and Other Restructurings	Other Operating (Income) Expense, Net	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Nine Months Ended Jun 30, 2021 versus Jun 30, 2020													
Adjusted \$ change	C=A-B	\$2,780	\$1,552	(\$397)	(\$142)	\$0	(\$0)	\$1,014	\$52	\$27	(\$100)	\$992	\$3.07
Adjusted % change	D=C/B	22.5%	23.1%	(12.7%)	(19.1%)	-	-	35.7%	12.9%	96.1%	(31.9%)	46.2%	41.4%
Foreign currency translation impact	E	\$387	\$80	(\$81)	(\$10)	\$0	\$0	(\$12)	(\$2)	\$7	\$1	(\$6)	(\$0.02)
Adjusted foreign currency neutral \$ change	F=C-E	\$2,393	\$1,473	(\$316)	(\$132)	\$0	(\$0)	\$1,025	\$54	\$20	(\$101)	\$998	\$3.09
Adjusted foreign currency neutral % change	G=F/B	19.4%	22.0%	(10.1%)	(17.8%)	-	-	36.1%	13.4%	71.2%	(32.2%)	46.5%	41.7%

Please note:

A refers to the adjusted figures for the nine-month period ending June 30, 2021 from slide 37
B refers to the adjusted figures for the nine-month period ending June 30, 2020 from slide 38

Supplemental Non-GAAP Reconciliation

Reported Diluted EPS to Adjusted Diluted EPS

Quarterly Reconciliation of Reported Change and Adjusted Foreign Currency Neutral Change
For the Three Months Ended June 30, 2021
(Unaudited)

	2021	2020	Growth	Foreign Currency Translation	Foreign Currency Neutral Growth	Growth %	Foreign Currency Neutral Growth %
Reported Diluted Earnings per Share	\$ 1.72	\$ 0.97	\$ 0.75	\$ (0.04)	\$ 0.79	77.3 %	81.4 %
Purchase accounting adjustments (\$355 million and \$325 million pre-tax, respectively) ⁽¹⁾	1.22	1.14		0.01			
Integration costs (\$27 million and \$46 million pre-tax, respectively) ⁽²⁾	0.09	0.16		—			
Restructuring costs (\$(3) million and \$28 million pre-tax, respectively) ⁽²⁾	-0.01	0.10		—			
Separation and related costs (\$16 million pre-tax) ⁽³⁾	0.05	—		—			
Transaction gain/loss, product and other litigation-related matters (\$(70) million and \$(10) million pre-tax, respectively) ⁽⁴⁾	(0.24)	(0.03)		—			
European regulatory initiative-related costs (\$32 million and \$33 million pre-tax, respectively) ⁽⁵⁾	0.11	0.12		—			
Impacts of debt extinguishment (\$6 million pre-tax)	—	0.02		—			
Dilutive Impact ⁽⁶⁾	—	(0.02)		—			
Income tax benefit of special items (\$(61) million and \$(72) million, respectively)	(0.21)	(0.25)		—			
Adjusted Diluted Earnings per Share	\$ 2.74	\$ 2.20	\$ 0.54	\$ (0.03)	\$ 0.57	24.5 %	25.9 %

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 income, net which were incurred for consulting, legal, tax and other advisory services associated with the planned spinoff of BD's Diabetes Care business.
4. The 2021 amount includes a gain of \$88 million on a sale-leaseback transaction which was recorded to Other operating income, net. The amount in 2020 includes an adjustment of \$(18) million recorded to Cost of products sold related to the estimate of future product remediation costs and also includes costs related to another product matter which was recorded in Other (expense) income, net.
5. Represents costs required to develop processes and systems to comply with regulations such as the European Union Medical Device Regulation ("EUMDR") and General Data Protection Regulation ("GDPR").
6. Represents the dilutive impact of BD shares issued in May 2020. The adjusted diluted average shares outstanding (in thousands) in 2020 were 291,476.

Supplemental Non-GAAP Reconciliation

Revenues by Business Segments and Units

Quarterly Reconciliation of Reported Change and Adjusted Foreign Currency Neutral Change
 For the Three Months Ended June 30, 2021
 (Unaudited; Amounts in millions)

	A	B	C	D=(A-B)/B	E=(A-B-C)/B
	2021	2020	FX Impact	% Change Reported	FXN
BD MEDICAL					
Medication Delivery Solutions	\$ 1,007	\$ 781	\$ 40	28.9	23.9
Medication Management Solutions	597	677	15	(11.8)	(14.0)
Diabetes Care	294	260	11	13.4	8.9
Pharmaceutical Systems	476	403	24	17.9	11.9
TOTAL	\$ 2,375	\$ 2,122	\$ 90	11.9	7.7
BD LIFE SCIENCES					
Integrated Diagnostic Solutions	\$ 1,117	\$ 714	\$ 55	56.4	48.7
Biosciences	316	237	14	33.3	27.3
TOTAL	\$ 1,433	\$ 951	\$ 70	50.7	43.4
BD INTERVENTIONAL					
Surgery	\$ 336	\$ 197	\$ 6	70.9	67.7
Peripheral Intervention	436	318	17	37.2	31.8
Urology and Critical Care	310	268	7	16.0	13.5
TOTAL	\$ 1,082	\$ 782	\$ 30	38.4	34.6
TOTAL REVENUES	\$ 4,890	\$ 3,855	\$ 190	26.9	22.0

Note: FXN denotes FX-neutral.

Supplemental Non-GAAP Reconciliation Revenues by Geographic Regions

Quarterly Reconciliation of Reported Change and Adjusted Foreign Currency Neutral Change
For the Three Months Ended June 30, 2021
(Unaudited; Amounts in millions)

	A	B	C	D=(A-B)/B	E=(A-B-D)/B
	2021	2020	FX Impact	Year-over-Year % change Reported	FXN
United States	\$2,574	\$2,119	\$0	21.5%	21.5%
International	\$2,316	\$1,735	\$190	33.5%	22.6%
Developed Markets	\$4,164	\$3,283	\$150	26.8%	22.3%
Emerging Markets	\$727	\$572	\$40	27.1%	20.1%
China	\$332	\$250	\$24	32.7%	23.0%
TOTAL REVENUES	\$4,890	\$3,855	\$190	26.9%	22.0%

Note: FXN denotes FX-neutral.

Supplemental Non-GAAP Reconciliation

Net Income to Adjusted EBITDA and Net Leverage

Last Twelve Months Ending June 30, 2021
(Unaudited; Amounts in millions)

Reported GAAP net income	\$ 1,955
Adjusted for:	
Depreciation and amortization expense	2,234
Interest expense	481
Income taxes	165
Share-based compensation	240
Transaction and integration costs pre-tax ⁽¹⁾	142
Restructuring and other costs pre-tax ⁽¹⁾	55
Separation and related costs pre-tax ⁽²⁾	16
Transaction gain/loss, product and other litigation-related matters pre-tax ⁽³⁾	641
European regulatory initiative-related costs pre-tax ⁽⁴⁾	121
Investment gains/losses and asset impairments pre-tax ⁽⁵⁾	59
Impacts of debt extinguishment pre-tax	27
Adjusted EBITDA	\$ 6,136
Short-Term Debt	2,033
Long-Term Debt	15,700
Less: Cash, Cash Equivalents and Short Term Investments	(3,178)
Net Debt	\$ 14,555
Net Leverage ⁽⁶⁾	2.4x

1. Primarily represents integration, restructuring and transaction costs associated with acquisitions.
2. Represents costs incurred for consulting, legal, tax and other advisory services associated with the planned spinoff of BD's Diabetes Care business
3. Includes amounts recorded for product liability reserves, including related legal defense costs. It also includes net charges related to the estimate of probable future product remediation costs and sale-leaseback transactions.
4. Represents costs required to develop processes and systems to comply with emerging regulations such as the EUMDR and GDPR.
5. Represents charges recorded to write down the carrying values of certain assets.
6. Net Leverage is calculated by dividing Net Debt by Adjusted EBITDA

Amounts may not add due to rounding

Supplemental Non-GAAP Reconciliation

FY2021 Outlook Reconciliation

FY2020A	FY2021 Outlook (year-over-year % change)		
	Reported % Change	Foreign Currency (FX) Impact	Foreign Currency Neutral % Change
\$ 17,117	+16.5% to +17.0%	~ +2.5% to + 3.0%	~ +14.0%

BDX Revenues (\$ in millions)

FY2020A	FY2021 Outlook	
	FY2021 Outlook	% Change (Y/Y)
\$ 2.71		
Purchase accounting adjustments (\$1.356 billion pre-tax) ⁽¹⁾	4.80	
Restructuring costs (\$95 million pre-tax) ⁽²⁾	0.33	
Integration costs (\$214 million pre-tax) ⁽²⁾	0.76	
Transaction gain/loss and product-related matters (\$631 million pre-tax) ⁽³⁾	2.24	
European regulatory initiative-related costs (\$106 million pre-tax) ⁽⁴⁾	0.38	
Investment gains/losses and asset impairments (\$100 million pre-tax) ⁽⁵⁾	0.35	
Impacts of debt extinguishment (\$8 million pre-tax)	0.03	
Income tax benefit of special items (\$395 million)	(1.4)	
Adjusted Diluted Earnings per Share	\$ 10.20	~ +26.0% to +27.0%

Reported Diluted Earnings per Share

Purchase accounting adjustments (\$1.356 billion pre-tax) ⁽¹⁾

Restructuring costs (\$95 million pre-tax) ⁽²⁾

Integration costs (\$214 million pre-tax) ⁽²⁾

Transaction gain/loss and product-related matters (\$631 million pre-tax) ⁽³⁾

European regulatory initiative-related costs (\$106 million pre-tax) ⁽⁴⁾

Investment gains/losses and asset impairments (\$100 million pre-tax) ⁽⁵⁾

Impacts of debt extinguishment (\$8 million pre-tax)

Income tax benefit of special items (\$395 million)

Adjusted Diluted Earnings per Share

Note: Adjusted diluted EPS for fiscal 2021 excludes potential charges or gains that may be recorded during the fiscal year, such as, among other things, the non-cash amortization of intangible assets, acquisition-related charges, spinoff related charges, and certain tax matters. BD does not attempt to provide reconciliations of forward-looking non-GAAP EPS guidance to the comparable GAAP measure because the impact and timing of these potential charges or gains is inherently uncertain and difficult to predict and is unavailable without unreasonable efforts. In addition, the company believes such reconciliations would imply a degree of precision and certainty that could be confusing to investors. Such items could have a substantial impact on GAAP measures of BD's financial performance.

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 restructuring and integration costs associated with acquisitions, as well as restructuring costs associated with simplification and other cost saving initiatives.
3. Includes amounts recorded to Other operating (income) expense, net to record product liability reserves, including related legal defense costs, of \$378 million. Also includes a \$244 million charge recorded to Cost of products sold related to the estimate of probable future product remediation costs.
4. Represents costs required to develop processes and systems to comply with 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.

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