

Q1 FY22 Earnings Presentation

February 3, 2022



Advancing the
world of health™

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, and earnings per share, leverage targets, capital deployment, and the proposed spinoff of the diabetes care business. 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. For a discussion of certain factors that could cause our actual results to differ from our expectations in any forward-looking statements see our latest Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. BD expressly disclaims any undertaking to update or revise any forward-looking statements set forth herein 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, February 3, 2022, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance.

Caution Concerning Non-GAAP Financial Measures

To supplement financial measures prepared in accordance with generally accepted accounting principles in the United States. ("GAAP"), we use financial measures not prepared in accordance with GAAP, including base business margins, base revenue, adjusted earnings per share, adjusted gross margin, adjusted operating margin, free cash flow, free cash flow conversion and net leverage. 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 financial tables at the end of this presentation and in our February 3, 2022, earnings press release. Within these financial tables, 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 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 and losses, certain legal defense and product remediation costs, certain regulatory costs, certain investment gains, the impact of the extinguishment of debt and the dilutive impact of outstanding preferred stock.

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 financial tables at the end of this presentation and in our February 3, 2022 earnings press release.

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Executive Summary

“Our first quarter results reflect continued execution of our BD2025 strategy and strong base business performance from all three segments”

Tom Polen
BD Chairman, CEO and President

Key highlights

- ✓ **Uniquely positioned to deliver value** during uncertain times
- ✓ **Solid demand for broad portfolio** and **new products**
- ✓ **Strong execution** delivering **enhanced margin profile** despite inflationary environment
- ✓ **Cash flow** fueling **investments in R&D** and **tuck-in M&A strategy**
- ✓ **Increasing revenue and EPS guidance** on strong results despite continued market uncertainty



Q1 FY22 financial summary

Revenue

\$5.0B

(5.9%) FXN

Adjusted EPS

\$3.64

compared to \$4.55 in Q1 FY21

Operating cash flow

\$0.7B

Base revenue:⁽¹⁾ +8.3% FXN growth
+7.8% Organic FXN growth⁽¹⁾

Covid Dx revenue of ~\$185M

- ✓ Strong **base business growth of 8.3%** driven by performance across all three segments
- ✓ Experienced **higher demand than expected** for professional and at-home COVID testing
 - ✓ COVID-only testing revenues of **\$185 million** compared to \$866 million in Q1 FY21
- ✓ **Adjusted EPS ahead of expectations** driven by profitable growth and good progress in strategic margin improvement initiatives
- ✓ **Continued strong cash flow generation** with a tough comparison to the prior year due to the year-over-year decline in COVID-only testing revenues

Continue to progress our innovation-driven growth strategy



New BD innovation in flow cytometry: Profiled in cover story of January issue of Science magazine, demonstrating landmark advancement in flow cytometry technology with potential to transform a wide range of disciplines from immunology and genomics research to cell-based therapeutics



BD Kiestra™ IdentifA: Received 510(k) clearance from the U.S. FDA. Designed to fully automate and integrate the preparation of microbiology bacterial identification testing using smart connected robotics



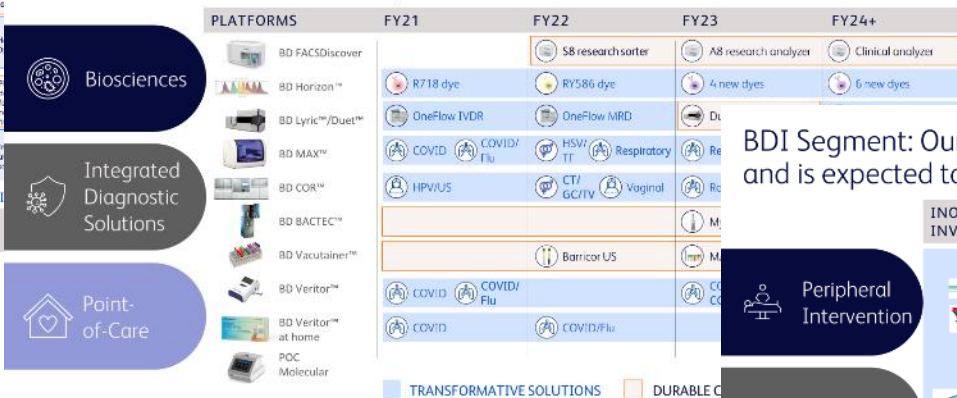
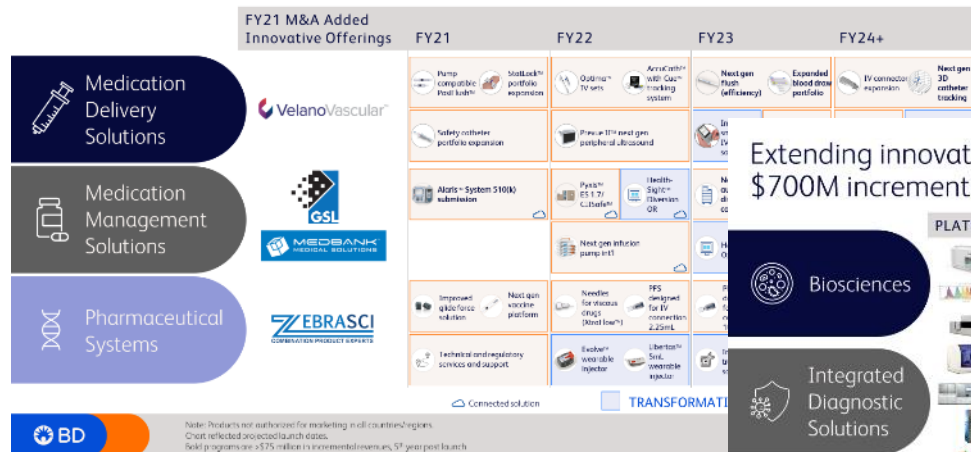
BD COR™ MX: Received CE Mark for infectious disease testing and is the final module introduced onto the BD COR™ System, expanding fully-automated high-throughput molecular testing for core labs



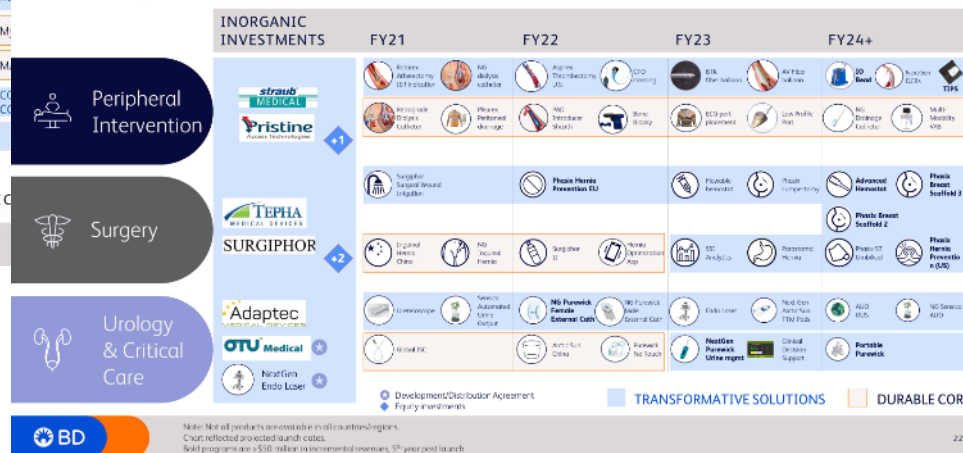
BD Veritor™ At-Home COVID-19 Test: New distribution and retail partners announced

Robust innovation pipeline fueling >100 product launches through FY25

Medical Segment: Balanced innovation pipeline expected to deliver >\$600M in incremental revenues by FY25



BDI Segment: Our Innovation Funnel will fund our transformative solutions and is expected to deliver over \$500M in incremental revenue in FY25



Progressing pipeline and key launches in support of BD2025 strategy



BD Medical



BD Life Sciences

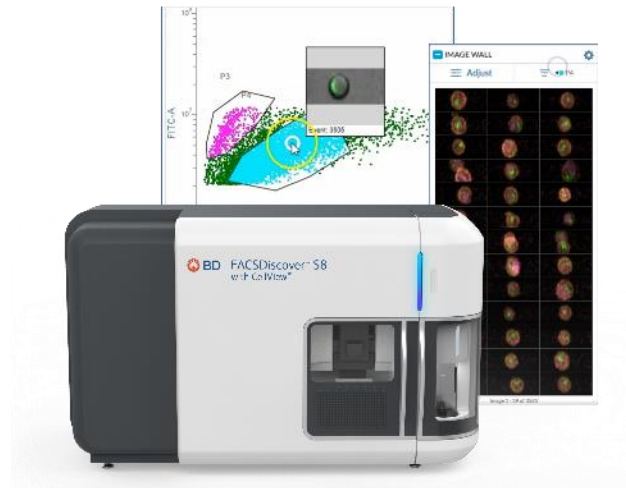


BD Interventional



Pyxis ES version 1.7 software:

adds enhanced automation and controlled substance management via improved connectivity with our CIISafe offering and enables deeper integration of pharmacy and nursing areas.



BD FACSDiscover S8:

a landmark advancement in flow cytometry technology that has the potential to transform a wide range of disciplines from immunology and genomics research to cell-based therapeutics. For the first time, we can sort cells at high speed, while separating cells not only on which antibodies or other markers we can see, but also based on new imaging parameters.



Trek Bone Biopsy Device:

provides interventional radiologists with an easier and faster way to perform bone biopsies without the need to use multiple devices, thus reducing cost per procedure, inventory needs and procedure time.

Together We Advance: driving outcomes across all four pillars of health



Financial Highlights

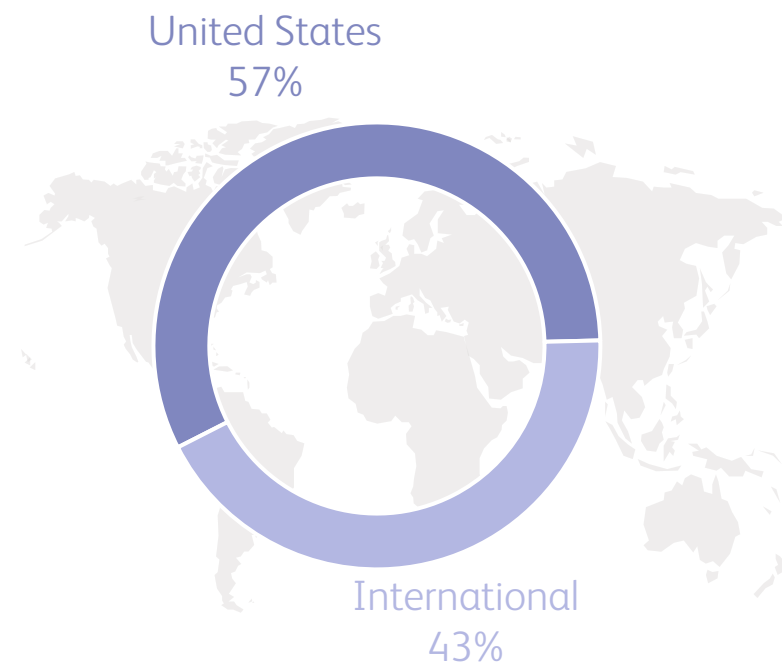
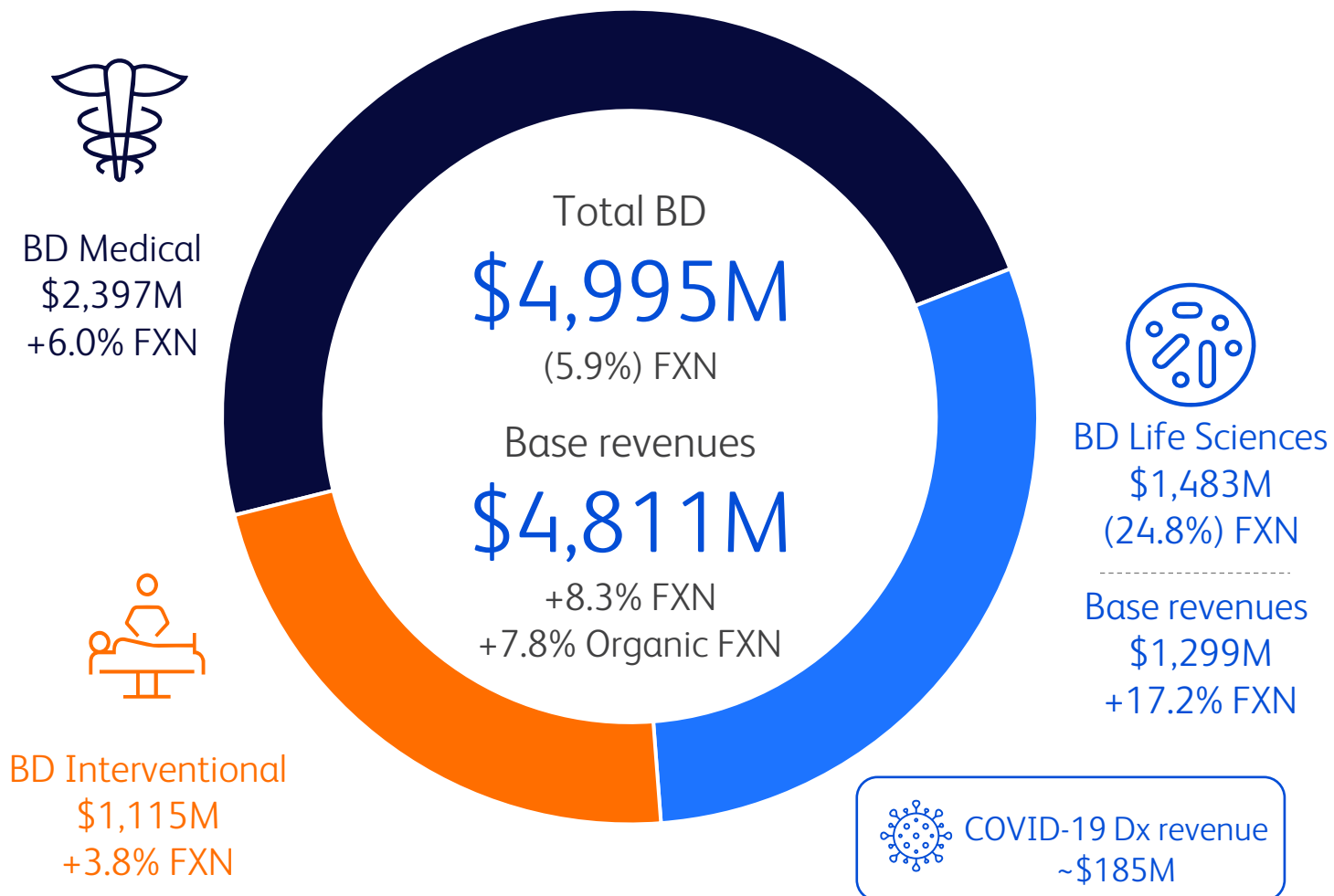
“Our Q1 results demonstrate the strength of our business and the momentum of our strategy. We are systematically enhancing our growth profile through portfolio and investment actions while also executing on margin improvement and inflationary mitigation programs.”

Chris DeLOrefice
CFO

Q1 FY22 revenue summary – by segment and geography

Revenue by segment

Revenue by geography



Q1 FY22 revenue summary – by business unit



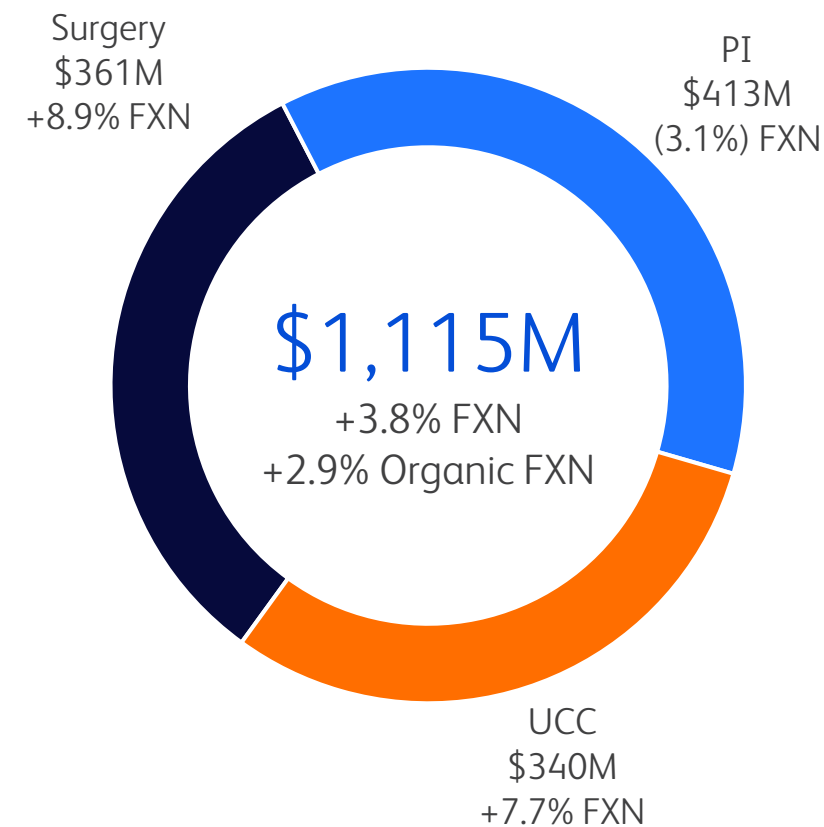
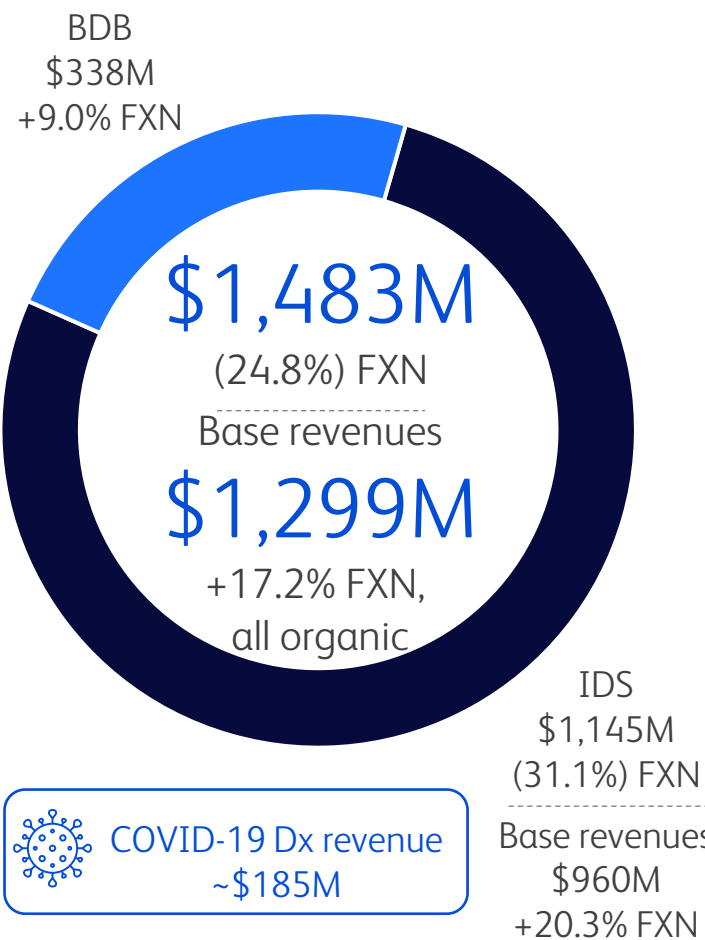
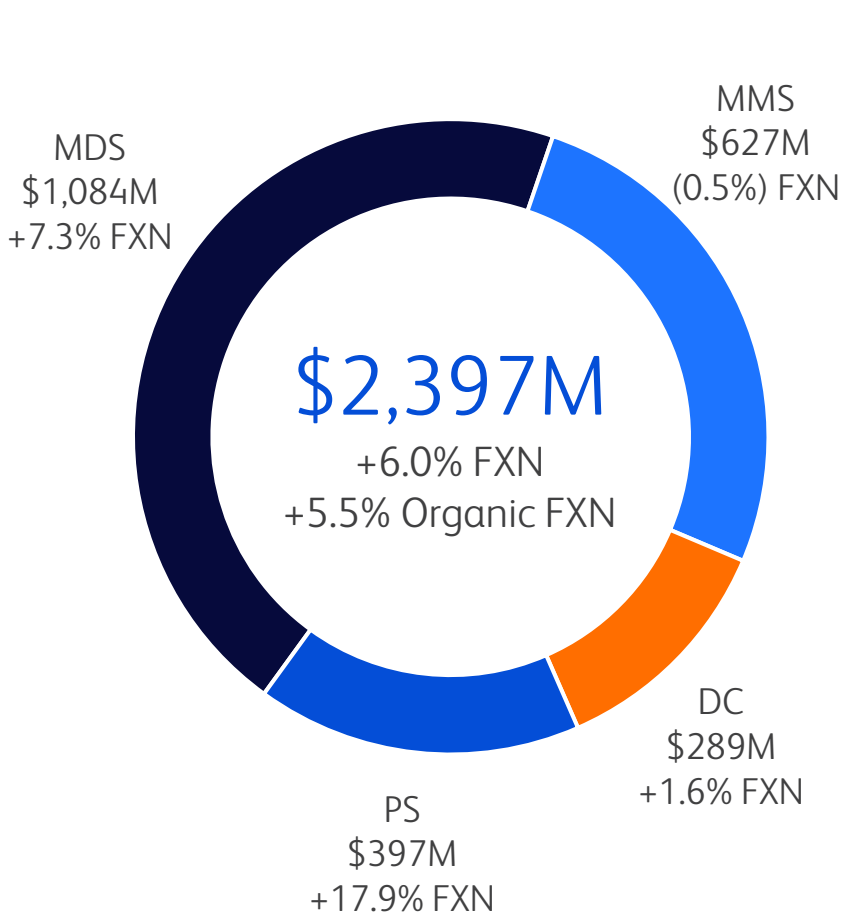
BD Medical







BD Life Sciences



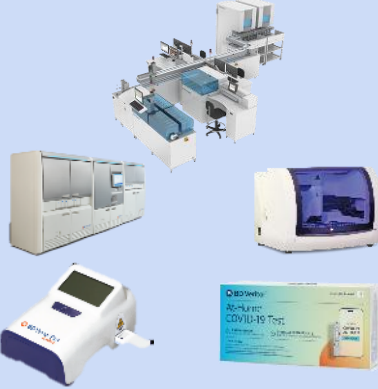
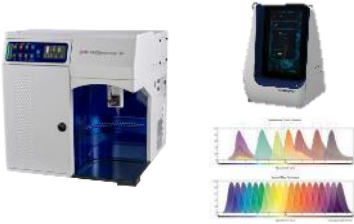
BD Interventional




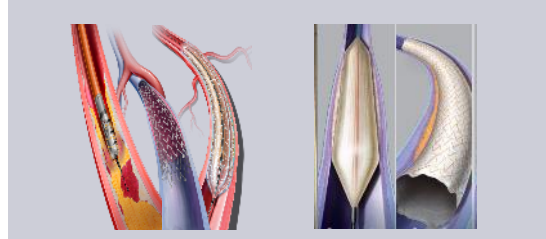

BD Medical: Continued strength in Pharmaceutical Systems and Medication Delivery Solutions

	Business Unit	Q1 FY22	BD Management Q1 Commentary
	Medication Delivery Solutions	\$1,084M +7.3% FXN	<ul style="list-style-type: none"> Competitive gains in catheters and vascular care reflecting momentum in our comprehensive vascular access management strategy and early traction of our one-stick hospital stay strategy Appropriate price management during a heightened inflationary cost environment
	Medication Management Solutions	\$627M (0.5%) FXN	<ul style="list-style-type: none"> As expected, modest decline due to higher COVID-related demand for infusion pumps in prior year, especially in the U.S. and Europe Continued customer adoption of our Connected Medication Management strategy evidenced by momentum in Dispensing worldwide
	Diabetes Care	\$289M +1.6% FXN	<ul style="list-style-type: none"> Growth reflects continued category leadership, aided by some timing of orders
	Pharmaceutical Systems	\$397M +17.9% FXN	<ul style="list-style-type: none"> Demand strength supported by ongoing capacity expansion and supply reliability, powering double-digit growth in pre-fillable syringes Expansion of services through recent acquisition of ZebraSci
BD Medical		\$2,397M +6.0% FXN +5.5% Organic FXN	

BD Life Sciences: Strong base business performance with tough comparison from COVID diagnostic testing

	Business Unit	Q1 FY22	BD Management Q1 Commentary
	Integrated Diagnostic Solutions	\$1,145M (31.1%) FXN ----- +20.3% FXN (ex-COVID only testing)	<ul style="list-style-type: none"> • Strong base business growth driven by improved lab utilization, price related initiatives, and new products including a new to market flu/COVID combination test for BD Veritor™ and BD Max™. • One-time licensing revenue contributed ~600 bps to base revenue growth • COVID-19 diagnostic revenues of ~\$185 million
	Biosciences	\$338M +9.0% FXN	<ul style="list-style-type: none"> • Strong demand for research reagents and instruments as a result of lab utilization returning to normal levels, continued research on COVID variant and increasing traction from recently launched e-commerce channel • Strong momentum from new products, including our first spectral analyzer
BD Life Sciences		\$1,483M (24.8%) FXN ----- +17.2% FXN (ex-COVID only testing)	

BD Interventional: Year-over-year recovery in deferrable procedures and continued strength in Urology & Critical Care

	Business Unit	Q1 FY22	BD Management Q1 Commentary
	Surgery	\$361M +8.9% FXN	<ul style="list-style-type: none"> • Double digit growth in Advanced Reconstruction and Repair driven by deferrable procedure recovery and the recent acquisition of Tepha • Strong Biosurgery and Infection Prevention growth driven by deferrable procedure recovery in US & EMEA
	Peripheral Intervention	\$413M (3.1%) FXN	<ul style="list-style-type: none"> • Decline driven by FY21 product recall, supplier disruption and planned product line discontinuations to support portfolio simplification and margin enhancement strategy • Partially offset by growth in biopsy & atherectomy platforms coupled with the Venclose acquisition that expands our focus on chronic disease outcomes across care settings
	Urology and Critical Care	\$340M +7.7% FXN	<ul style="list-style-type: none"> • Sustained demand for chronic female incontinence with PureWick™ in the acute care & alternative care settings and backorder recovery in Acute Urology • Solid TTM performance with our new smart-connected-care enabled Arctic Sun platform
BD Interventional		\$1,115M +3.8% FXN +2.9% Organic FXN	

Solid growth of our base business

(Adjusted) \$ in millions	Q1 FY22	Q1 FY21	Reported Y/Y Δ	FXN Y/Y Δ
Revenues	\$4,995	\$5,315	(6.0%)	(5.9%)
Base revenue	\$4,811	\$4,450	8.1%	8.3%
Gross Profit	\$2,791	\$3,096	(9.8%)	(10.5%)
Gross margin	55.9%	58.2%	(230 bps)	(280 bps)
Base gross margin	55.4%	55.5%	(10 bps)	(60 bps)
SSG&A	\$1,215	\$1,147	+5.9%	+6.1%
% of revenues	24.3%	21.6%	+270 bps	+270 bps
R&D	\$308	\$268	+15.2%	+15.4%
% of revenues	6.2%	5.0%	+120 bps	+120 bps
Other Operating (Inc) exp, net	(\$4)	\$0	N/A	N/A
Operating Income	\$1,271	\$1,680	(24.4%)	(25.7%)
Base operating income	\$1,169	\$1,112	5.1%	3.1%
Operating margin	25.4%	31.6%	(620 bps)	(660bps)
Base operating margin	24.3%	25.0%	(70 bps)	(120 bps)
Interest Income (exp), net	(\$97)	(\$118)	(18.0%)	(17.8%)
Other Income (exp), net	\$26	\$30	(15.9%)	(11.4%)
Tax Rate	11.1%	14.6%	(350bps)	N/A
Net Income	\$1,066	\$1,360	(21.6%)	(23.0%)
Preferred Dividend	\$23	\$23		
Net Income Applicable to Common Shareholders	\$1,044	\$1,338		
Avg diluted common shares ⁽¹⁾	287	299		
Adjusted EPS	\$3.64	\$4.55	(20.0%)	(21.5%)

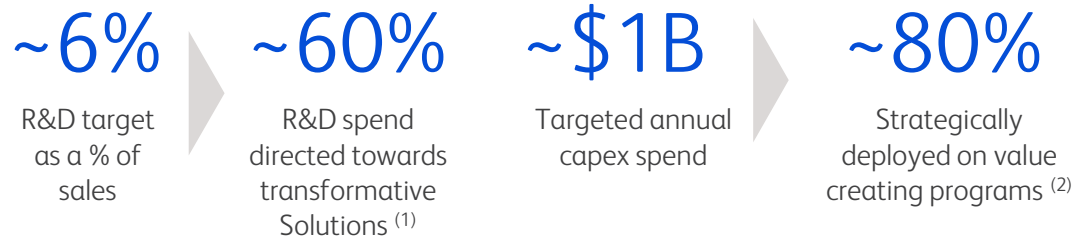
P&L Highlights

- **Revenue:** Strong base growth of 8.3% FXN driven by execution across all three segments
- **Margins:**
 - Base gross and operating margins **ahead of expectations** with sequential improvement
 - Year-over-year decline primarily driven by increased **investment in R&D** and **above-normal inflation**, partially offset by **improved mfg. utilization, margin improvement initiatives** and **FX**
- **Tax:** Driven by **timing of discrete items as anticipated**

Disciplined capital allocation policy supported by strong cash flows

R&D / Capex

Purposeful and balance investments help fuel our robust pipeline



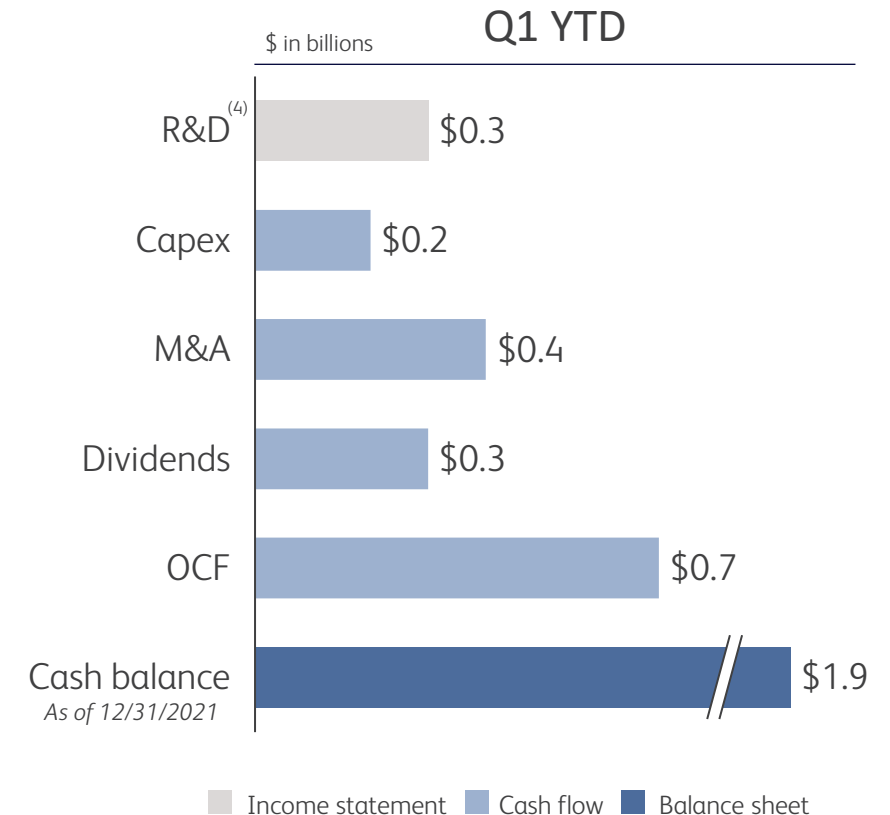
New lever for accelerating our strategy with meaningful capital deployment through our strengthened balance sheet

Tuck-in M&A



Committed to increasing the dividend and returning cash to shareholders through share repurchase program

Dividend / Share Repurchase



Guidance

FY22 assumptions and considerations

Macro considerations:

- Continued easing of COVID-19 restrictions
- No extended major system-wide hospital restrictions on deferrable procedures
- Expect continued inflationary and supply chain pressure with some stabilization by the end of the year. Guidance does not contemplate a more significant step increase in market disruption.
- Base business revenue includes our combination flu/COVID assays
- Anticipate a “normal” to “light” flu season
- Does not assume legislation changes that would impact the broader market

Medical	Life Sciences	Interventional
<ul style="list-style-type: none"> • Continue to extend our leadership position with competitive gains in vascular access and care and pre-filled injectables • Investing in solutions transforming healthcare through smart connected care and new care settings • FY22 BD Medical revenue growth expected to be slightly below BDX guidance ⁽¹⁾ <ul style="list-style-type: none"> • Alaris capital revenue generally in-line with FY21 • Alaris 510(k) FDA clearance not expected in FY22 	<ul style="list-style-type: none"> • Leadership positions in attractive and growing categories • Investing in higher growth spaces by enabling smart automated laboratory workflows, improving chronic disease treatment with clinically differentiated assays, research tools and companion diagnostics, and migrating point of care to new care settings • FY22 BD Life Sciences revenue growth expected to be slightly above BDX guidance ⁽¹⁾ 	<ul style="list-style-type: none"> • Continuing strategy to evolve from product to category leadership in chronic disease treatment while continuing to invest in accretive high-growth spaces • Investing in organic and inorganic portfolio offerings, expanded labeling and increasing non-acute care presence • FY22 BD Interventional revenue growth expected to be slightly above BDX guidance ⁽¹⁾

FY22 guidance summary

	February 3, 2022	November 4, 2021	Comments
Base revenue growth (FXN)	5.75% to 6.75%	5% to 6%	• Increased outlook on strong Q1 results and contribution from Q1 acquisitions
COVID only testing ⁽¹⁾ revenue	~\$450M	~\$200M	• Increased due to higher testing demand
Estimated FX impact	~(125 bps)	~(50 bps)	• Based on current spot rates and currency mix
Estimated total company reported revenue	\$19.55B to \$19.75B	\$19.3B to \$19.5B	• Compared to \$20.2B in FY21
Base operating margin	~200 bps improvement	~200 bps improvement	• Compared to base operating margin in FY21 of 21.7% ⁽²⁾ • Covid-only testing operating margin expected to be modestly above base BDX average
Interest / Other	~\$50M to ~\$75M improvement	~\$50M improvement	• Primarily driven by debt refinancing activities completed in Q4 FY21
Effective tax rate	12.5% to 13.5%	12.5% to 13.5%	• Compared to 11.4% in FY21
Adjusted EPS	\$12.80 to \$13.00	\$12.30 to \$12.50	• Raising FY22 adjusted EPS guidance \$0.50 at the mid-point driven by strength in the base business and COVID-only testing

Note: indicates change in guidance

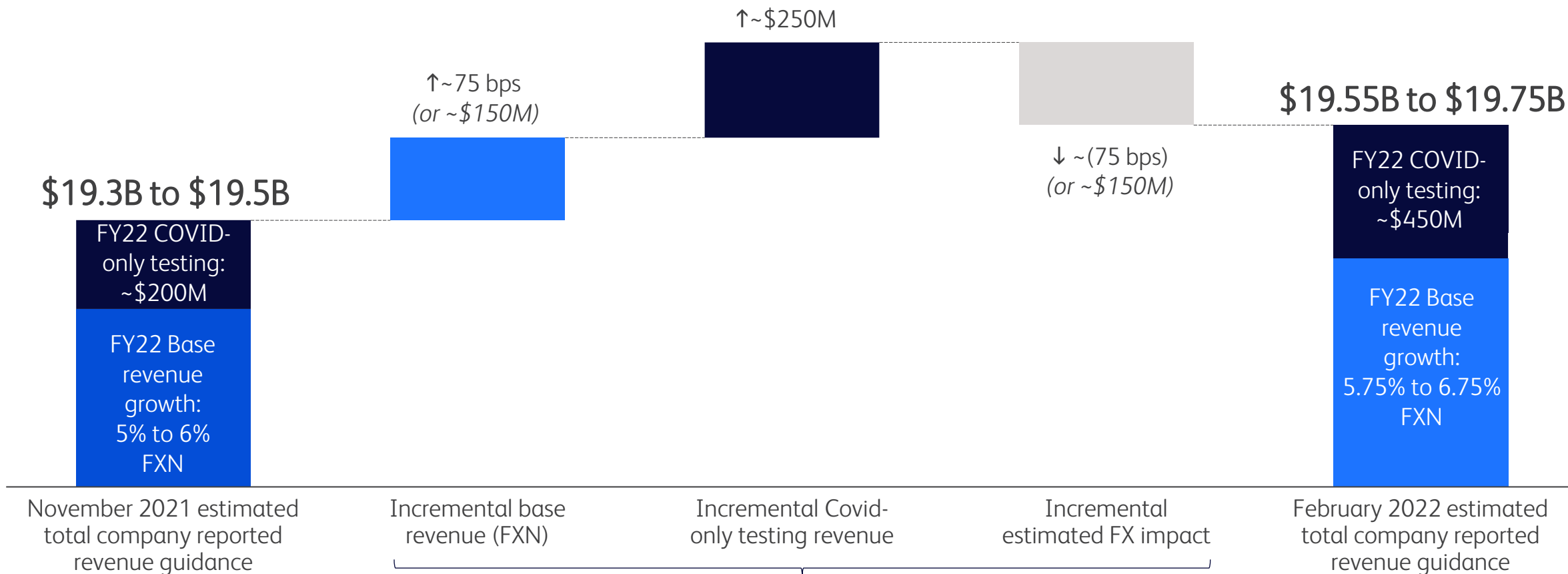


⁽¹⁾ Please see Basis of Presentation on slide 27

⁽²⁾ Please see slide 32 for a reconciliation of adjusted operating margin to base operating margin

Note: This guidance is only effective as of the date given, February 3, 2022, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance. Please see Appendix for non-GAAP reconciliations

Raising FY22 revenue guidance driven by strength in the base business and COVID-only testing



Represents changes from November 2021 to February 2022 guidance

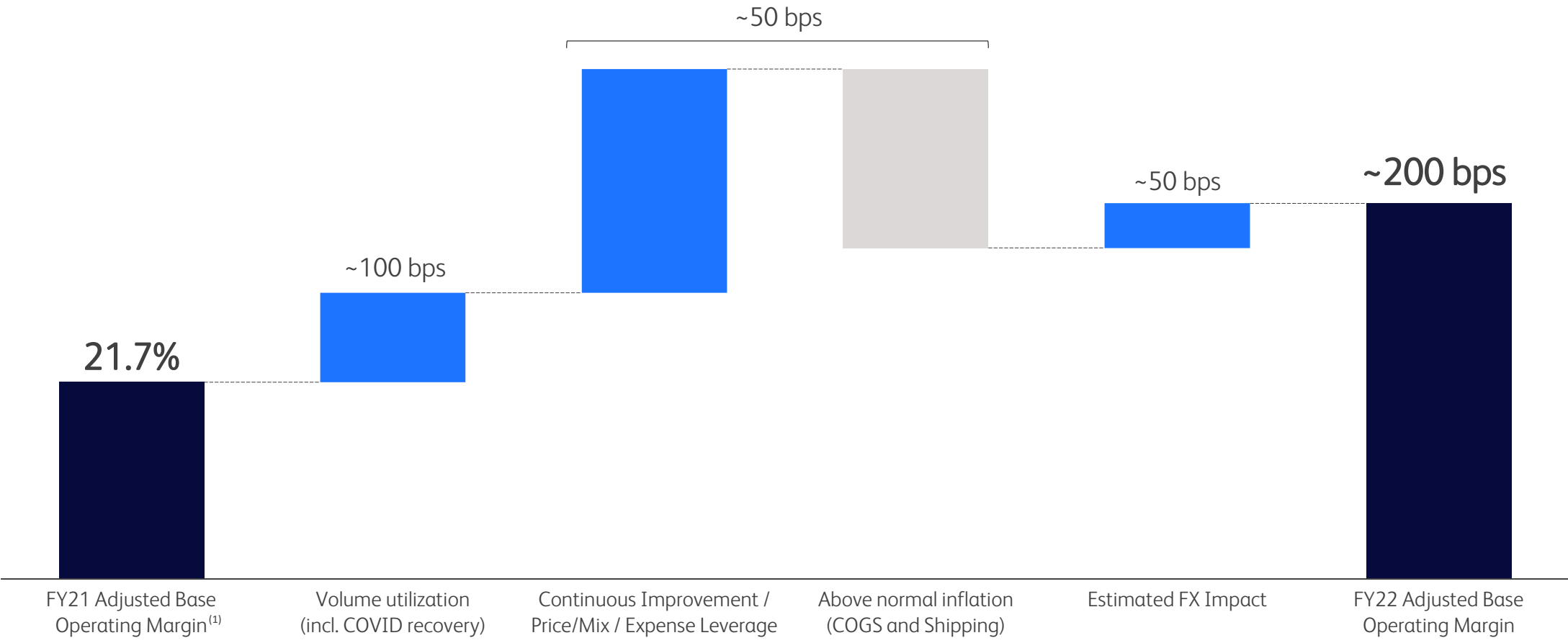
(1) Please see slide 30 for a reconciliation of total revenues to base revenues

(2) Please see Basis of Presentation on slide 27

(3) Please see slide 32 for a reconciliation of adjusted operating margin to base operating margin

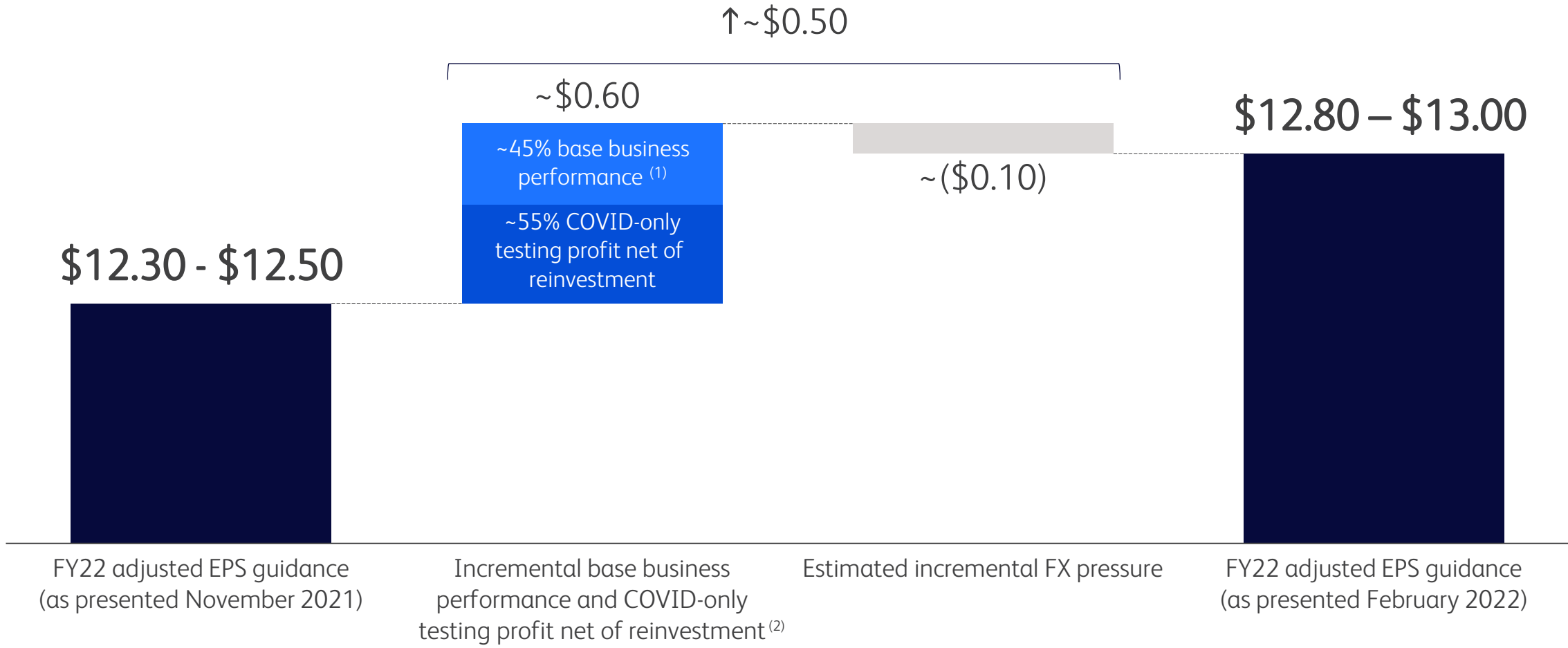
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FY22 operating margins are on the path to recovery



⁽¹⁾ Please see slide 32 for a reconciliation of adjusted operating margin to base operating margin.

Raising FY22 adjusted EPS guidance \$0.50 at the mid-point driven by strength in the base business and COVID-only testing



⁽¹⁾ Base business performance also includes the incremental benefit of improvement in Interest / Other
⁽²⁾ Please see Basis of Presentation on slide 27
 Note: This guidance is only effective as of the date given, February 3, 2022, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance.
 Please see Appendix for non-GAAP reconciliations

FY22 quarterly phasing considerations

P&L Line item	Quarterly phasing considerations
Base revenue	<ul style="list-style-type: none"> • Q2 revenue growth expected to be another strong quarter above our full-year guidance range due to easier comparison from prior year COVID resurgence • 2H revenue growth expected to be fairly ratable
COVID-only testing	<ul style="list-style-type: none"> • Expect most of the rest-of-year COVID-only testing revenues to occur in Q2 • COVID-only testing operating margins expected to be modestly above BD base margin as we intend to reinvest a portion of the profits which will lag the timing of income
Base gross margin	<ul style="list-style-type: none"> • While we expect improvement vs. the prior year, Q2 expected to be sequentially lower than Q1 driven primarily by the timing of licensing revenue and inflationary impacts • Expect inflation impact to stabilize in 2H combined with modest pickup of margin improvement initiatives, with Q4 having the highest benefit
Base operating expenses	<ul style="list-style-type: none"> • Operating expenses expected to be fairly ratable by quarter
Effective tax rate	<ul style="list-style-type: none"> • Full-year ETR includes assumptions around jurisdictional mix of income and certain potential discrete items. • At the midpoint, implied ETR for remainder of the year expected to be ~13.7%

Appendix

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 revenue denotes total revenues less estimated revenues for COVID-19 only diagnostic testing.

COVID only diagnostic testing includes COVID only assays on our BD Veritor™ and BD Max™ platforms (with related collection, transport, and swabs included in the prior year).

Base business margins adjusts for the net impact of estimated COVID only diagnostic testing profitability and the related profit reinvestments back into our business.⁽¹⁾

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.

Organic FXN excludes the impact of significant acquisitions and currency⁽¹⁾

Caution Concerning Products

Not all products in the coming section are launched, and some are only launched/available in some regions given regulatory authorizations. Furthermore:

The **BD Veritor System for Rapid Detection of SARS-CoV-2** has not been FDA cleared or approved, but has been authorized by FDA under an EUA for use by authorized laboratories, and has been authorized only for the detection of proteins from SARSCoV-2, not for any other viruses or pathogens.

The **BD Veritor System™ for Rapid Detection of SARS-CoV-2 and Flu A+B** have not been FDA cleared or approved; but have been authorized by FDA under an EUA for use by authorized laboratories; these products have been authorized only for the detection of proteins from SARS-CoV-2, influenza A and influenza B, not for any other viruses or pathogens.

The **BD Veritor At-Home COVID-19 Test** has not been FDA cleared or approved; but has been authorized by FDA under an EUA; the product has been authorized only for the detection of proteins from SARS- CoV-2, not for any other viruses or pathogens.

The **BD SARS-CoV-2 Reagents for BD MAX System™** has not been FDA cleared or approved, but has been authorized for emergency use by FDA under an EUA for use by authorized laboratories, and has been authorized only for the detection of nucleic acid from SARS-CoV-2, not for any other viruses or pathogens.

The **BD SARS-CoV-2/Flu for BD MAX System** has not been FDA cleared or approved, but has been authorized for emergency use by FDA under an EUA for use by authorized laboratories, and has been authorized only for the detection of nucleic acid of SARSCoV-2, influenza A, and influenza B, not for any other viruses or pathogens.

These products are only authorized for the duration of the declaration that circumstances exist justifying the authorization of emergency use of in vitro diagnostics for detection and/or diagnosis of COVID-19 under Section 564(b)(1) of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 360bbb3(b)(1), unless the declaration is terminated or authorization is revoked sooner.

Glossary

Acronym	Defined Term	Acronym	Defined Term
BDB	Biosciences	MDS	Medication Delivery Solutions
BPS	Basis points	MFG	Manufacturing
CAGR	Compounded annual growth rate	MMS	Medication Management Solutions
Capex	Capital expenditures	OCF	Operating cash flow
DC	Diabetes Care	PI	Peripheral Intervention
EPS	Earnings per share	PS	Pharmaceutical Systems
ESG	Environmental, Social, Governance	R&D	Research and development
FCF	Free cash flow	SURG	Surgery
FY	Fiscal year	TTM	Targeted Temperature Management
IDS	Integrated Diagnostics Solutions	UCC	Urology & Critical Care
M&A	Mergers and acquisitions	2H	Second Half of Fiscal Year

Supplemental Revenue Information

Quarterly Reconciliation of Reported Revenue Change to Base Revenue Change
For the Three Months Ended December 31, (Unaudited; Amounts in millions)

(Unaudited; \$ 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	\$4,995	\$5,315	(\$7)	(\$320)	(\$314)	(6.0%)	(5.9%)
Less: COVID only diagnostics	\$185	866	0	(681)	(681)	(78.7%)	(78.7%)
Base Revenues	\$4,811	\$4,450	(\$7)	\$361	\$368	8.1%	8.3%
<i>impact of COVID only diagnostics ⁽¹⁾</i>				(12.8%)	(12.8%)		
BD LIFE SCIENCES	\$1,483	\$1,979	(\$5)	(\$496)	(\$490)	(25.0%)	(24.8%)
Less: COVID only diagnostics	185	866	0	(681)	(681)	(78.7%)	(78.7%)
BDLS ex-COVID only Dx	\$1,299	\$1,113	(\$5)	\$186	\$191	16.7%	17.2%
<i>impact of COVID only diagnostics ⁽¹⁾</i>				(34.4%)	(34.4%)		
IDS	\$1,145	\$1,667	(\$4)	(\$522)	(\$519)	(31.3%)	(31.1%)
Less: COVID only diagnostics	185	866	0	(681)	(681)	(78.7%)	(78.7%)
IDS ex-COVID only Dx	\$960	\$801	(\$4)	\$159	\$163	19.8%	20.3%
<i>impact of COVID only diagnostics ⁽¹⁾</i>				(40.9%)	(40.9%)		

Supplemental Revenue Information - Organic Growth

Quarterly Reconciliation

For the Three Months Ended December 31, (Unaudited; Amounts in millions)

(Unaudited; \$ 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 BDX REVENUES	\$4,995	\$5,315	(\$7)	(\$320)	(\$314)	(6.0%)	(5.9%)
Less: COVID only diagnostics	\$185	866	0	(681)	(681)	N/A	N/A
TOTAL BDX BASE REVENUES	\$4,811	\$4,450	(\$7)	\$361	\$368	8.1%	8.3%
Less: Inorganic revenue contribution ⁽¹⁾				21	21	0.5%	0.5%
Total Organic Revenue Growth				\$340	\$347	7.7%	7.8%
BD MEDICAL REVENUES	\$2,397	\$2,261	-	\$136	\$136	6.0%	6.0%
Less: Inorganic revenue contribution ⁽¹⁾				12	12	0.5%	0.5%
BD Medical Organic Revenue Growth				\$124	\$124	5.5%	5.5%
BD INTERVENTIONAL REVENUES	\$1,115	\$1,075	(\$1)	\$40	\$41	3.7%	3.8%
Less: Inorganic revenue contribution ⁽¹⁾				9	9	0.8%	0.8%
BD Interventional Organic Revenue Growth				\$31	\$32	2.9%	2.9%

Reconciliation of Non-GAAP adjusted margins to Base Business Margins

	Adjusted Gross Margin			Adjusted Operating Margin		
	(A)	(B)	(C) = (A) – (B)	(D)	(E)	(F) = (D) – (E)
	All-in adjusted	COVID-19 Dx test and reinvestment impact (FY21 only)	Base business	All-in adjusted	COVID-19 Dx test and reinvestment impact (FY21 only)	Base business
Q1 FY21 ⁽¹⁾	58.2%	~270 bps	55.5%	31.6%	~660 bps	25.0%
Q2 FY21 ⁽²⁾	53.8%	~10 bps	53.7%	24.5%	~230 bps	22.2%
Q3 FY21 ⁽³⁾	51.5%	~(90 bps)	52.4%	19.8%	~(10 bps)	19.9%
Q4 FY21 ⁽⁴⁾	52.0%	~(80 bps)	52.8%	19.2%	~(80 bps)	20.0%
FY21 ⁽⁵⁾	54.0%	~40 bps	53.6%	23.9%	~220 bps	21.7%
Q1 FY22 ⁽⁶⁾	55.9%	~50 bps	55.4%	25.4%	~110 bps	24.3%

⁽¹⁾ Please see slide 34 for reconciliation of GAAP to non-GAAP gross and operating margins

⁽²⁾ Please see slide 39 in the Q2 FY21 earnings presentation posted on May 6, 2021 at investors.bd.com for a reconciliation of GAAP to non-GAAP gross and operating margins

⁽³⁾ Please see slide 34 in the Q3 FY21 earnings presentation posted on August 5, 2021 at investors.bd.com for a reconciliation of GAAP to non-GAAP gross and operating margins

⁽⁴⁾ Please see slide 35 in the Q4 FY21 earnings presentation posted on November 4, 2021 at investors.bd.com for a reconciliation of GAAP to non-GAAP gross and operating margins

⁽⁵⁾ Please see slide 38 in the Q4 FY21 earnings presentation posted on November 4, 2021 at investors.bd.com for a reconciliation of GAAP to non-GAAP gross and operating margins

⁽⁶⁾ Please see slide 33 for current reconciliation of GAAP to non-GAAP gross and operating margins

Supplemental Non-GAAP Reconciliation

1 of 3

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 (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Three Months Ended Dec 31, 2021												
Reported \$ for Three Months Ended Dec 31, 2021	\$4,995	\$2,423	\$1,223	\$329	\$34	\$21	\$815	(\$96)	\$4	\$46	\$677	\$2.28
<i>Reported % of Revenues</i>		48.5%	24.5%	6.6%			16.3%				13.6%	
<i>Reported effective tax rate</i>										6.3%		
Specified items:												
Purchase accounting adjustments pre-tax ⁽¹⁾	-	358	(7)	-	-	-	365	(1)	-	-	364	1.27
Integration costs pre-tax ⁽²⁾	-	-	-	-	(17)	-	17	-	-	-	17	0.06
Restructuring costs pre-tax ⁽²⁾	-	-	-	-	(17)	-	17	-	-	-	17	0.06
Separation & Related costs ⁽³⁾	-	-	-	-	-	(25)	25	-	-	-	25	0.09
Transaction gain/loss, product and other litigation-related matters pre-tax	-	-	-	-	-	-	-	-	5	-	5	0.02
European regulatory initiatives-related costs pre-tax ⁽⁴⁾	-	10	(1)	(21)	-	-	31	-	-	-	31	0.11
Investment gains/losses and asset impairments pre-tax ⁽⁵⁾	-	-	-	-	-	-	-	-	17	-	17	0.06
Income tax benefit of special items and impact of tax reform	-	-	-	-	-	-	-	-	-	88	(88)	(0.31)
Adjusted \$ for Three Months Ended Dec 31, 2021	A	\$4,995	\$2,791	\$1,215	\$308	(\$0)	(\$4)	\$1,271	(\$97)	\$26	\$1,066	\$3.64
Adjusted % of Adjusted Revenues		55.9%	24.3%	6.2%			25.4%				21.3%	
Adjusted FXN % of Adjusted Revenues (A adjusted for E)		55.4%	24.3%	6.2%			25.0%					
Adjusted effective tax rate										11.1%		

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

⁽⁴⁾ 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").

⁽⁵⁾ Includes unrealized losses recorded within Other income, net relating to certain investments.

Supplemental Non-GAAP Reconciliation

2 of 3

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 (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Three Months Ended Dec 31, 2020												
Reported \$ for Three Months Ended Dec 31, 2020	\$5,315	\$2,732	\$1,149	\$291	\$50	(\$0)	\$1,241	(\$116)	\$32	\$154	\$1,003	\$3.35
<i>Reported % of Revenues</i>		51.4%	21.6%	5.5%			23.3%				18.9%	
<i>Reported effective tax rate</i>										13.3%		
Specified items:												
Purchase accounting adjustments pre-tax ⁽¹⁾	-	347	(2)	(5)	-	-	355	(2)	-	-	353	1.20
Integration costs pre-tax ⁽²⁾	-	-	-	-	(33)	-	33	-	-	-	33	0.11
Restructuring costs pre-tax ⁽²⁾	-	-	-	-	(17)	-	17	-	-	-	17	0.06
Transaction gain/loss, product and other litigation-related matters pre-tax	-	8	-	-	-	-	8	-	(12)	-	(5)	(0.02)
European regulatory initiative-related costs pre-tax ⁽³⁾	-	9	-	(18)	-	-	26	-	-	-	26	0.09
Impacts of debt extinguishment pre-tax	-	-	-	-	-	-	-	-	10	-	11	0.04
Dilutive impact ⁽⁴⁾	-	-	-	-	-	-	-	-	-	-	-	(0.02)
Income tax benefit of special items and impact of tax reform	-	-	-	-	-	-	-	-	-	79	(79)	(0.27)
Adjusted \$ for Three Months Ended Dec 31, 2020	B \$5,315	\$3,096	\$1,147	\$268	(\$0)	\$0	\$1,680	(\$118)	\$30	\$233	\$1,360	\$4.55
<i>Adjusted % of Revenues</i>		58.2%	21.6%	5.0%			31.6%				25.6%	
<i>Adjusted effective tax rate</i>										14.6%		

⁽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 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⁾ Represents the dilutive impact of convertible preferred shares outstanding which were excluded from the reported diluted earnings per share calculation because these share equivalents would have been antidilutive. The adjusted diluted average shares outstanding (in thousands) at December 31, 2020 were 299,107.

Supplemental Non-GAAP Reconciliation

3 of 3

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 (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
Three Months Ended Dec 31, 2021 versus Dec 31, 2020													
Adjusted \$ change	C=A-B	(\$320)	(\$305)	(\$68)	(\$41)	\$0	\$4	(\$410)	\$21	(\$5)	\$99	(\$294)	(\$0.91)
Adjusted % change	D=C/B	(6.0%)	(9.8%)	(5.9%)	(15.2%)	-	-	(24.4%)	18.0%	(15.9%)	42.7%	(21.6%)	(20.0%)
Foreign currency translation impact	E	(\$7)	\$21	\$2	\$1	\$0	\$0	\$23	\$0	(\$1)	(\$3)	\$19	\$0.07
Adjusted foreign currency neutral \$ change	F=C-E	(\$314)	(\$325)	(\$70)	(\$41)	\$0	\$4	(\$432)	\$21	(\$3)	\$102	(\$313)	(\$0.98)
Adjusted foreign currency neutral % change	G=F/B	(5.9%)	(10.5%)	(6.1%)	(15.4%)	-	-	(25.7%)	17.8%	(11.4%)	43.9%	(23.0%)	(21.5%)

Please note:

A refers to the adjusted figures for the three-month period ending December 31, 2021 from slide 32

B refers to the adjusted figures for the three-month period ending December 31, 2020 from slide 33

Supplemental Non-GAAP Reconciliation – Reported Diluted EPS to Adjusted Diluted EPS

Quarterly Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS
For the Three Months ended December 31,

(Unaudited)	2021	2020	Growth	Foreign Currency Translation	Foreign Currency Neutral Growth	Growth %	Foreign Currency Neutral Growth %
Reported Diluted Earnings per Share	\$2.28	\$3.35	(\$1.07)	\$0.07	(\$1.14)	(31.9%)	(34.0%)
Purchase accounting adjustments (\$364 million and \$353 million pre-tax, respectively) ⁽¹⁾	1.27	1.20	-	-	-	-	-
Integration costs (\$17 million and \$33 million pre-tax, respectively) ⁽²⁾	0.06	0.11	-	-	-	-	-
Restructuring costs (\$17 million and \$17 million pre-tax, respectively) ⁽²⁾	0.06	0.06	-	-	-	-	-
Separation and related costs (\$25 million pre-tax) ⁽³⁾	0.09	-	-	-	-	-	-
Transaction gain/loss, product and other litigation-related matters (\$5 million and \$(5) million pre-tax, respectively)	0.02	(0.02)	-	-	-	-	-
European regulatory initiative-related costs (\$31 million and \$26 million pre-tax, respectively) ⁽⁴⁾	0.11	0.09	-	-	-	-	-
Investment gains/losses and asset impairments (\$17 million pre-tax) ⁽⁵⁾	0.06	--	-	-	-	-	-
Impacts of debt extinguishment (\$11 million pre-tax)	--	0.04	-	-	-	-	-
Dilutive Impact ⁽⁶⁾	--	(0.02)	-	-	-	-	-
Income tax benefit of special items (\$88 million and \$(79) million, respectively)	(0.31)	(0.27)	-	-	-	-	-
Adjusted Diluted Earnings per Share	\$3.64	\$4.55	(\$0.91)	\$0.07	(\$0.98)	(20.0%)	(21.5%)

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

⁽⁴⁾ 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").

⁽⁵⁾ The current-period amount includes unrealized losses recorded within Other Income, net related to certain investments.

⁽⁶⁾ Represents the dilutive impact of convertible preferred shares outstanding which were excluded from the reported diluted earnings per share calculation because these share equivalents would have been antidilutive. The adjusted diluted average shares outstanding (in thousands) at December 31, 2020 were 299,107.

Supplemental Non-GAAP Reconciliation – Revenues by Business Segments and Units

For the Three Months ended December 31

(Unaudited; \$ in millions)				D=(A-B)/B	E=(A-B-C)/B
	A	B	C	% Change	
	2021	2020	FX Impact	Reported	FXN
BD MEDICAL					
Medication Delivery Solutions	\$1,084	\$1,008	3	7.6	7.3
Medication Management Solutions	627	630	1	(0.4)	(0.5)
Diabetes Care	289	285	(1)	1.3	1.6
Pharmaceutical Systems	397	339	(3)	16.9	17.9
TOTAL	\$2,397	\$2,261	\$0	6.0	6.0
BD LIFE SCIENCES					
Integrated Diagnostic Solutions	1,145	1,667	(4)	(31.3)	(31.1)
Biosciences	338	312	(1)	8.6	9.0
TOTAL	\$1,483	\$1,979	(\$5)	(25.0)	(24.8)
BD INTERVENTIONAL					
Surgery	361	332	0	8.8	8.9
Peripheral Intervention	413	426	1	(2.9)	(3.1)
Urology and Critical Care	340	317	(2)	7.2	7.7
TOTAL	\$1,115	\$1,075	(\$1)	3.7	3.8
TOTAL REVENUES	\$4,995	\$5,315	(\$7)	(6.0)	(5.9)

Supplemental Non-GAAP Reconciliation – Revenues by Geographic Regions

For the Three Months Ended December 31

(Unaudited; \$ in millions)	A	B	C	D=(A-B)/B	E=(A-B-C)/B
	2021	2020	FX Impact	Year-over-Year % change Reported	FXN
United States	\$2,853	\$3,130	\$0	(8.9%)	(8.9%)
International	\$2,143	\$2,186	(\$7)	(2.0%)	(1.7%)
Developed Markets	\$4,229	\$4,665	(\$15)	(9.3%)	(9.0%)
Emerging Markets	\$766	\$650	\$8	17.8%	16.5%
China	\$375	\$317	\$13	18.5%	14.5%
TOTAL REVENUES	\$4,995	\$5,315	(\$7)	(6.0%)	(5.9%)

Supplemental Non-GAAP Reconciliation – Net Income to Adjusted EBITDA and Net Leverage

Quarterly Reconciliation of Net Income to Non-GAAP Adjusted EBITDA – Unaudited
Last Twelve Months Ending December 31, 2021

Reported GAAP net income	\$1,766
Adjusted for:	
Depreciation and amortization expense	2,275
Interest expense	448
Income taxes	42
Share-based compensation	237
Transaction and integration costs pre-tax ⁽¹⁾	109
Restructuring and other costs pre-tax ⁽¹⁾	50
Separation and related costs pre-tax ⁽²⁾	60
Transaction (gain)/loss, product and other litigation-related matters pre-tax ⁽³⁾	281
European regulatory initiative-related costs pre-tax ⁽⁴⁾	139
Investment (gains)/losses and asset impairments pre-tax ⁽⁵⁾	(28)
Impacts of debt extinguishment pre-tax	173
Adjusted EBITDA	\$5,552
Short-Term Debt	1,064
Long-Term Debt	16,360
Less: Cash, Cash Equivalents and Short Term Investments	(1,910)
Net Debt	\$15,514
Net Leverage ⁽⁶⁾	2.8x

⁽¹⁾ Includes integration, restructuring and transaction costs associated with acquisitions and restructuring costs related to simplification and cost saving initiatives.

⁽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 unrealized gains relating to certain investments.

⁽⁶⁾ Net Leverage is calculated by dividing Net Debt by Adjusted EBITDA.

Amounts may not add due to rounding

Supplemental Non-GAAP Reconciliation – FY2022 Outlook Reconciliation

BDX Reported Revenues
 Less: COVID-19-only Diagnostic Testing Revenues
 Base Business Revenues

FY2022 Base Business Revenue Growth
 FY2022 COVID-19-only Diagnostic Testing Revenues
 Illustrative Foreign Currency (FX) Impact, based on FX spot rates
 Total FY 2022 Revenues

FY2021A (\$ in millions)	Full Year FY2022 Outlook	
	Foreign Currency Neutral % Change	Reported Revenues
\$ 20,248		
1,956		
<u>\$ 18,292</u>	+5.75% to +6.75%	~\$450 million (~125) basis points \$19.55 to \$19.75 billion

Reported Diluted Earnings per Share

Purchase accounting adjustments (\$1.410 billion pre-tax) ⁽¹⁾
 Integration costs (\$135 million pre-tax) ⁽²⁾
 Restructuring costs (\$50 million pre-tax) ⁽²⁾
 Separation and related costs (\$35 million pre-tax) ⁽³⁾
 Transaction gain/loss, product and other litigation-related matters (\$272 million pre-tax) ⁽⁴⁾
 Impacts of debt extinguishment (\$185 million pre-tax)
 European regulatory initiative-related costs (\$135 million pre-tax) ⁽⁵⁾
 Investment gains/losses and asset impairments ⁽⁶⁾
 Hurricane-related (insurance proceeds) recovery costs
 Income tax benefit of special items (\$(353) million)

FY2021A	Full Year FY2022 Outlook	
	Total Company	
\$ 6.85		
4.82		
0.46		
0.17		
0.12		
0.93		
0.63		
0.46		
(0.16)		
-		
(1.21)		
<u>\$ 13.08</u>	<u>\$12.80 to \$13.00</u>	

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

⁽⁴⁾ The 2021 amount includes gains of \$158 million on sale-leaseback transactions. The amounts in 2021 and 2020 include charges to record product liability reserves, including related legal defense costs, of \$361 million and \$378 million, respectively. The sale-leaseback gains and product liability-related charges were recorded to Other operating expense, net. The amounts in 2021 and 2020 also include charges of \$56 million and \$244 million, respectively, recorded to Cost of products sold related to the estimate of future product remediation costs.

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

⁽⁶⁾ The amount in 2021 includes unrealized gains recorded within Other (expense) income, net relating to certain investments.

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