

# Q1 FY23 Earnings Presentation

February 2, 2023



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, earnings per share, leverage targets and capital deployment. 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 2, 2023, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance. Distribution or reference of this deck following February 2, 2023 does not constitute BD re-affirming 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, organic revenue, adjusted diluted earnings per share, 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 compared to prior periods, 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 2, 2023 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 diluted earnings per share results exclude, among other things, the impact of purchase accounting adjustments, integration and restructuring costs, spin related costs, certain regulatory costs, certain product remediation costs, certain product liability and legal defense costs, certain investment gains and losses, certain asset impairment charges, and certain pension settlement costs.

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 2, 2023 earnings press release.

# Basis of Presentation

All dollar amounts presented are USD (\$) in millions, unless otherwise indicated, except per share figures.

**Continuing Operations** - On April 1, 2022, the Company completed the spin-off of its Diabetes Care business as a separate publicly traded company named Embecta Corp. (“Embecta”). The historical results of the Diabetes Care business that were attributed to Embecta in the spin-off are now accounted for as discontinued operations. Financial information presented in this release reflects BD’s results on a continuing operations basis, which excludes Embecta. The prior period has been recast to conform to this presentation.

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.<sup>(1)</sup>

**COVID only diagnostic testing** includes COVID only assays on our BD Veritor™ and BD Max™ platforms

**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.

**Base business operational** growth excludes the impact of COVID-only diagnostic testing and currency

**Base Organic FXN** excludes the contribution from inorganic revenues from acquisitions, which is defined as the amount of revenues recognized during the first 12 months post acquisition on a currency neutral basis.<sup>(1)</sup>

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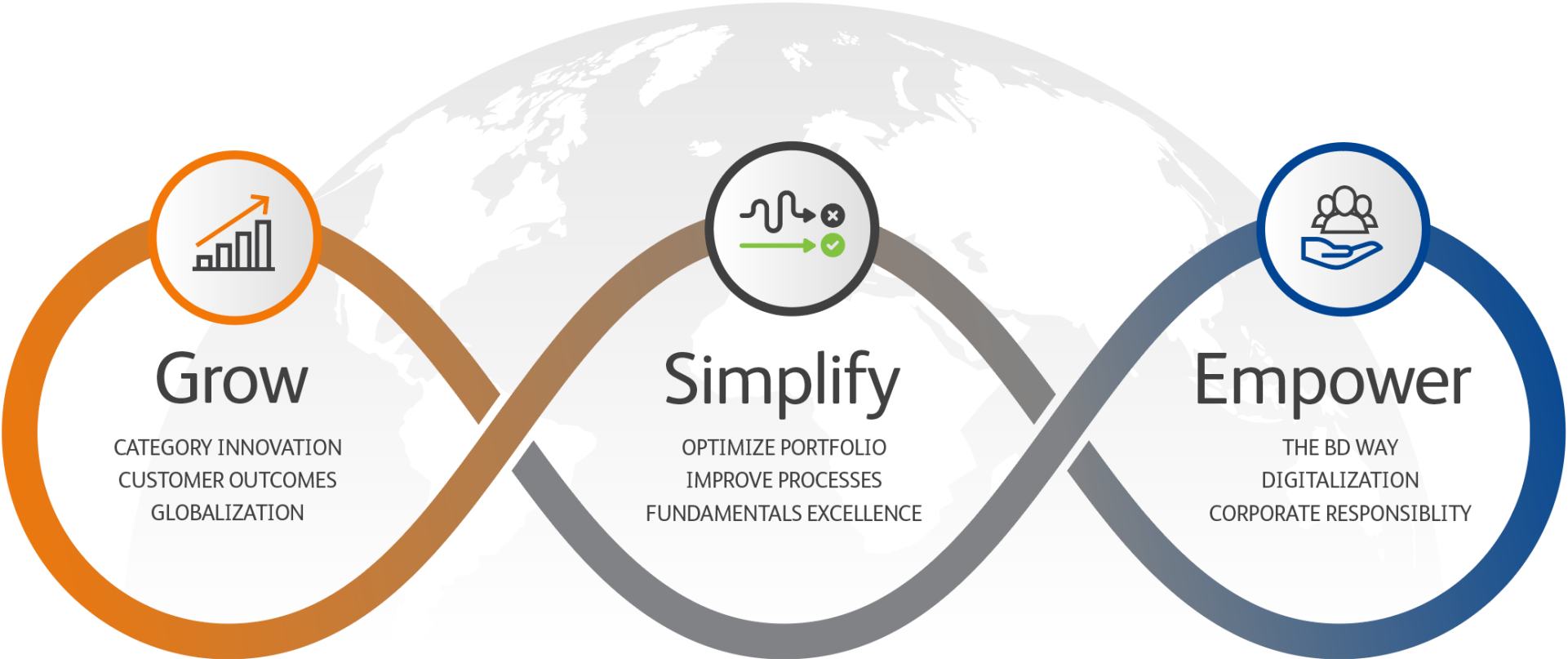
# Executive Summary

*“Our results are a testament to the continued, relentless focus by our team of talented associates who are delivering BD products and solutions that are enabling our customers to provide high-quality, cost-effective care to patients around the world.”*

Tom Polen  
BD Chairman, CEO and President

# Strong performance is creating momentum behind our BD2025 strategy

Accelerating durable, profitable growth in attractive end markets



# Q1 results reflect continued momentum of BD2025 strategy 'in action'

- ✓ Providing category-leading **products and transformative solutions at the forefront of modern healthcare**
- ✓ Delivered another quarter of **consistent, durable performance driven by durable core and** continued **shift into higher-growth end markets**
- ✓ **Continuing to execute** our Simplify and Empower strategic pillars amidst an ongoing challenging environment
- ✓ **Increased FY23 guidance** reinforces confidence in achieving BD2025 targets



# ESG: Together We Advance - driving outcomes across four pillars of health



Named among the **top 25%** of Newsweek's list of **America's Most Responsible Companies**



# Innovation

# Our innovation-driven growth strategy is on track

Robust innovation pipeline fueling >100 expected product launches through FY25



BD Medical



BD Life Sciences



BD Interventional



## BD PosiFlush™ SafeScrub:

- Launched Q1 FY23
- Integral part of our Vascular Access Management strategy that looks to simplify and standardize clinical practice in a ~\$900M addressable space

BD PosiFlush™ SafeScrub is a prefilled flush syringe with an integrated disinfection device. This unique device will improve the clinical workflow for disinfecting and flushing vascular access devices (VADs) leading to adherence to guidelines and improved patient outcomes.



## BD MAX™ Respiratory Viral Panel (RVP):

- Initial sales OUS in Q1
- Accelerates growth in \$4B molecular diagnostic end-market that is growing ~9%
- Under FDA EUA review for U.S. launch

BD MAX™ comprehensive multiplex respiratory panel uses a single swab sample to detect COVID-19, Flu A/B and RSV and is an ideal solution for endemic respiratory testing.



## Venovo™ Venous Stent China:

- Launched Q1 FY23
- First stent in China specifically designed for iliofemoral venous disease
- Entering ~\$150M segment growing >20%, and further expanding the \$1.5B global venous market growing at >7%

The Venovo™ Venous Stent offers interventionalists a dedicated stent design for the unique pathophysiology of the iliofemoral venous vessels to reestablish venous outflow with high primary patency, low risk of complications, broad portfolio of sizes and triaxial delivery system for accurate placement.

# Our innovation pipeline is progressing in support of BD2025 strategy

Continued strong achievement of critical milestones and launches



BD Medical



BD Life Sciences



BD Interventional



## PowerMe™ Midline Catheter:

- NMPA clearance; expected China launch 1H FY23
- Designed in BD China R&D Center with advanced power injection and vascular access management technology

PowerMe™ Midline Catheter fits with Chinese nurse's insertion technique and improves clinician efficiency, providing up to 30 days of continuous venous access, reducing number of insertions and patient complications.



## BD MiniDraw™ capillary blood collection system:

- On track for 510(k) submission by 2H FY23
- Disruptive innovation expected to capture the shift of healthcare to new and more convenient care settings

BD MiniDraw™ enables collection of a high-quality blood sample without a venipuncture while also broadening access and providing a better patient experience.



## Multi-Modality Vacuum assisted Biopsy:

- On track for FDA submission and launch in FY24
- Vacuum assisted biopsy system designed to work with all 3 imaging modalities
- Expected to reduce customer capital requirements and standardizes consumables



The **BD Multi-Modality VAB** device puts controls in the handheld component so radiologists and breast surgeons can quickly adjust their sampling volume and precision samples from the targeted lesion.

# BD Medical: making medication delivery safer, simpler and smarter

	Category Size	WAMGR	Key Products: FY22	→		FY24+
Vascular Access Management (MDS) 	~\$9B	~4%+	 BD Posiflush™ SafeScrub 	 China Midline PowerMe™	 BD Intelliport™ System \$\$	
Medication Mgmt. Solutions (MMS) 	~\$5B	~4%	 Pyxis™ ES1.7 / C2Safe  \$\$	 EU Next Gen Infusion Pump \$\$	 U.S. Next Gen Infusion Pump \$\$	
Pharmacy Automation (MMS) 	~\$1B	~10%	 BD Intellivault™	 Parata Max® 2 Central Fill	 Automation Workflow	
Pharma / Biotech Drug Delivery (Pharm Systems) 	~\$3B	~7%	 Effivax™  \$\$	 Libertas™ \$\$	 Evolve™	



# BD Life Sciences: from sample collection and discovery to diagnostics and beyond

	Category Size	WAMGR	Key Products: FY22	→	FY24+
Single Cell Analysis (BDB) 	~\$3B	~5.5%	 FACSDiscover™ S8 Cell Sorter \$\$	 FACSDuet™ Premium \$\$	 RealBlue™ & RealYellow™ Dyes
Microbiology (IDS) 	~\$4B	~5%	 Synapsys™ ID/AST	 BD Kiestra™ Truly Modular Track (TMT)	 Next Gen BACTEC™ \$\$
Molecular Diagnostics (IDS) 	~\$4B	~9%	 BD MAX™ PLUS ✓ \$\$	 BD COR™ & BD MAX™ Respiratory Panels ✓ \$\$	 BD COR™ Assays <ul style="list-style-type: none"> <li>• Onclarity HPV / ext genotyping ✓</li> <li>• CT/GC/TV2 ✓</li> <li>• Vaginal Panel</li> <li>• RVP</li> <li>• Enteric Panels</li> </ul> \$\$
Point of Care (IDS) 	~\$3B	~25%	 BD Veritor™ At Home COV/Flu \$\$	 BD MiniDraw™ \$\$	 BD Elience™ POC Molecular \$\$

# BD Interventional: transforming solutions for chronic disease management

	Category Size	WAMGR	Key Products: FY22	→	FY24+
Peripheral Vascular Disease (PI) 	~\$5B	~6%	 Rotarex™ Small Vessel	 Low Profile Arterial StentGraft \$\$	 Next Gen DCB \$\$
Oncology (PI) 	~\$3B	~6%	 Bone Biopsy	 Multi-Modality Vacuum Assisted Biopsy	 IO Bead \$\$
Incontinence (UCC) 	~\$2B	~9%	 PureWick™ Male ✓	 Global Intermittent Self Catheter Premium	 Next Gen PureWick™ Hospital & Home \$\$
Advanced Repair and Reconstruction (Surgery) 	~\$5B	~4%	 Phasix™ Umbilical	 Robotic Optimized Ventral Mesh	 Lumpectomy 3D Resorbable Scaffold \$\$

# Financial Performance

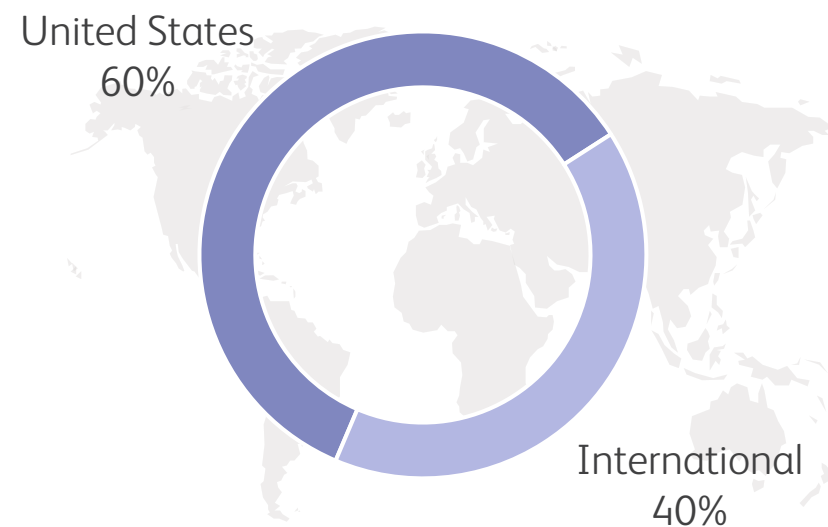
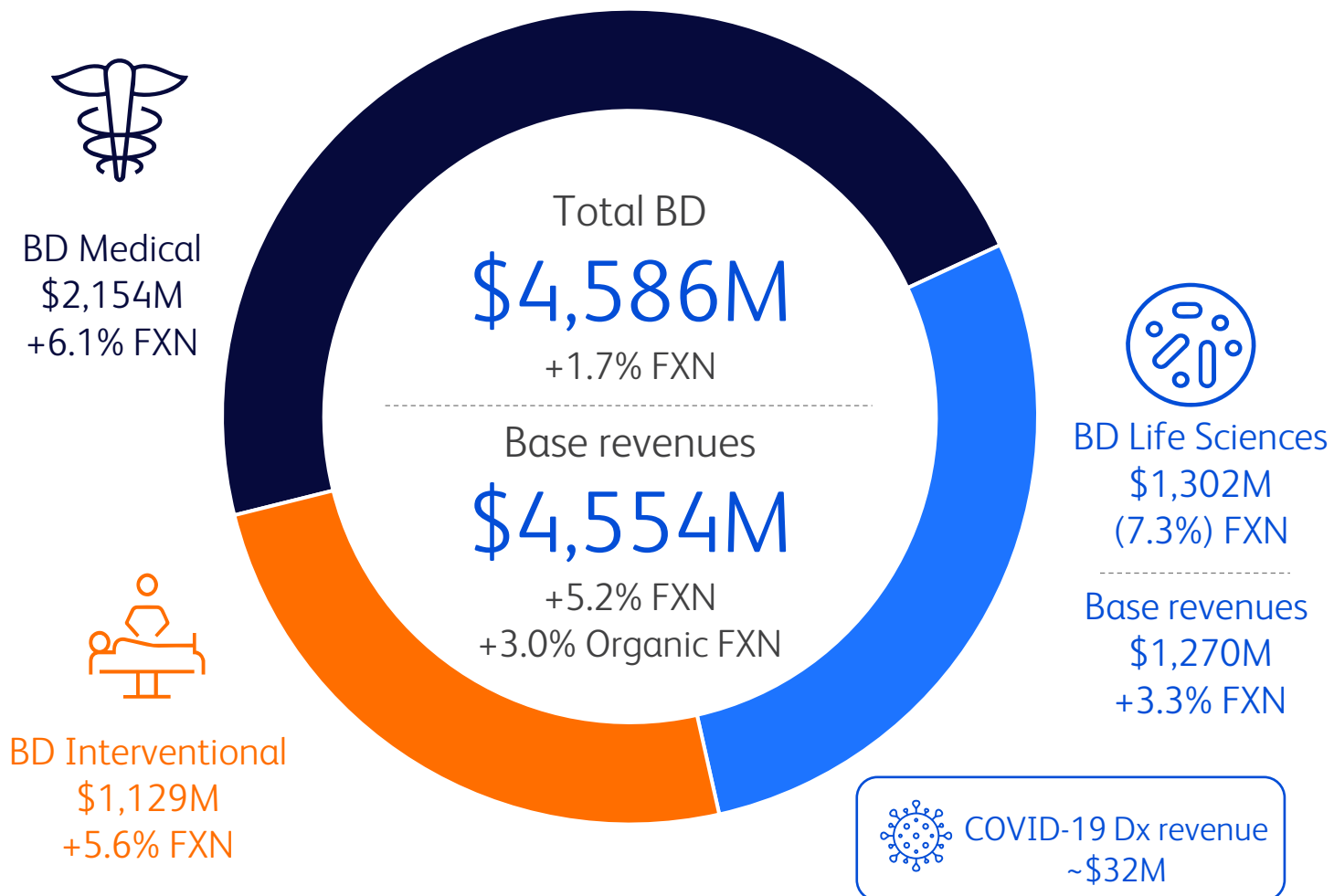
*“We delivered another quarter of strong performance in Q1, which demonstrates our consistent, reliable, durable growth profile and our BD 2025 strategy continuing to progress as planned.”*

Christopher DeLorefice  
BD EVP and CFO

# Q1 FY23 revenue summary – by segment and geography

## Revenue by segment

## Revenue by geography

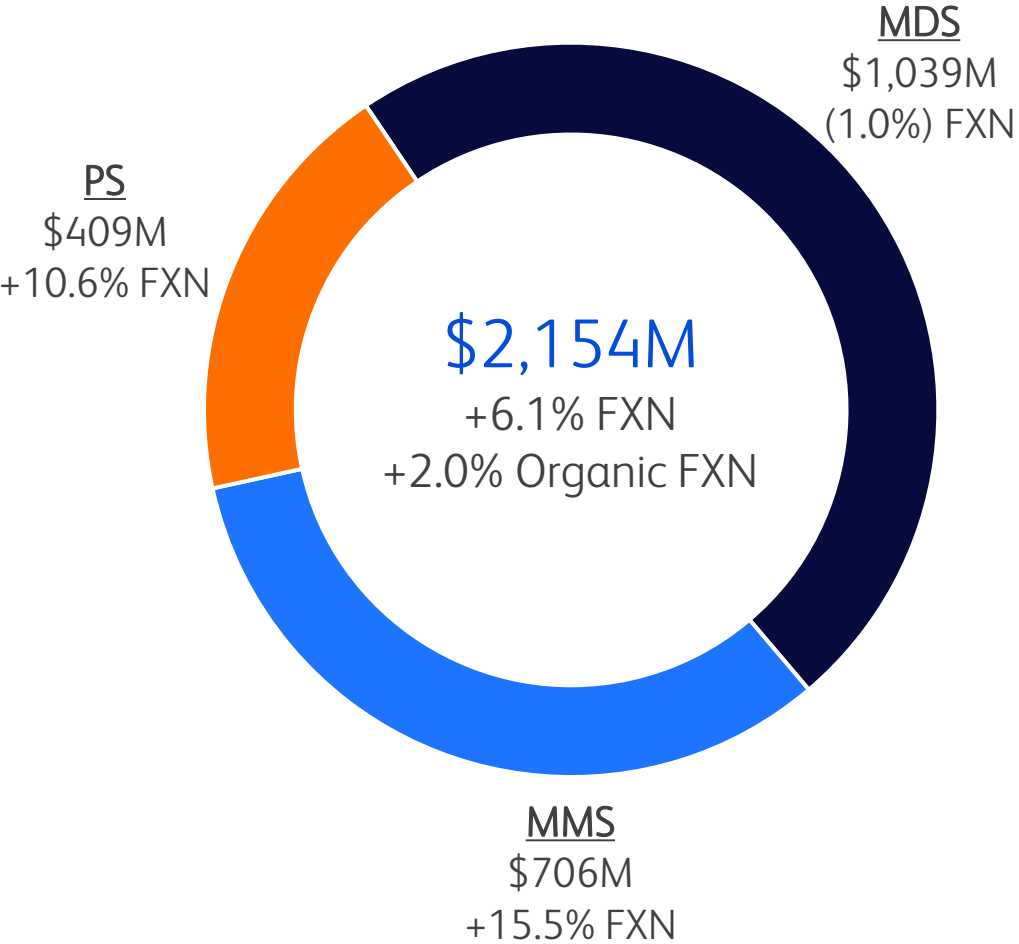




# BD Medical: Execution of our strategy continues to drive positive results

Q1 FY23

BD Management Q1 Commentary



Medication Delivery Solutions

- Decline driven by COVID dynamics including prior year vaccination demand and recent restrictions in China as well as planned strategic portfolio exits
- Continued strong performance in Vascular Access Management evidenced by **BD Posiflush™** and our Catheter Solutions in international markets

Medication Management Solutions

- Strong performance driven by momentum of our Pharmacy Automation Solutions including both **Parata** and **BD ROWA™**
- As anticipated, growth tempered by prior year COVID dynamics including elevated dispensing installations and infusion set utilization
- Continued strength of Connected Medication Management portfolio evidenced by strong demand for **BD Pyxis™** and **BD HealthSight™**

Pharmaceutical Systems

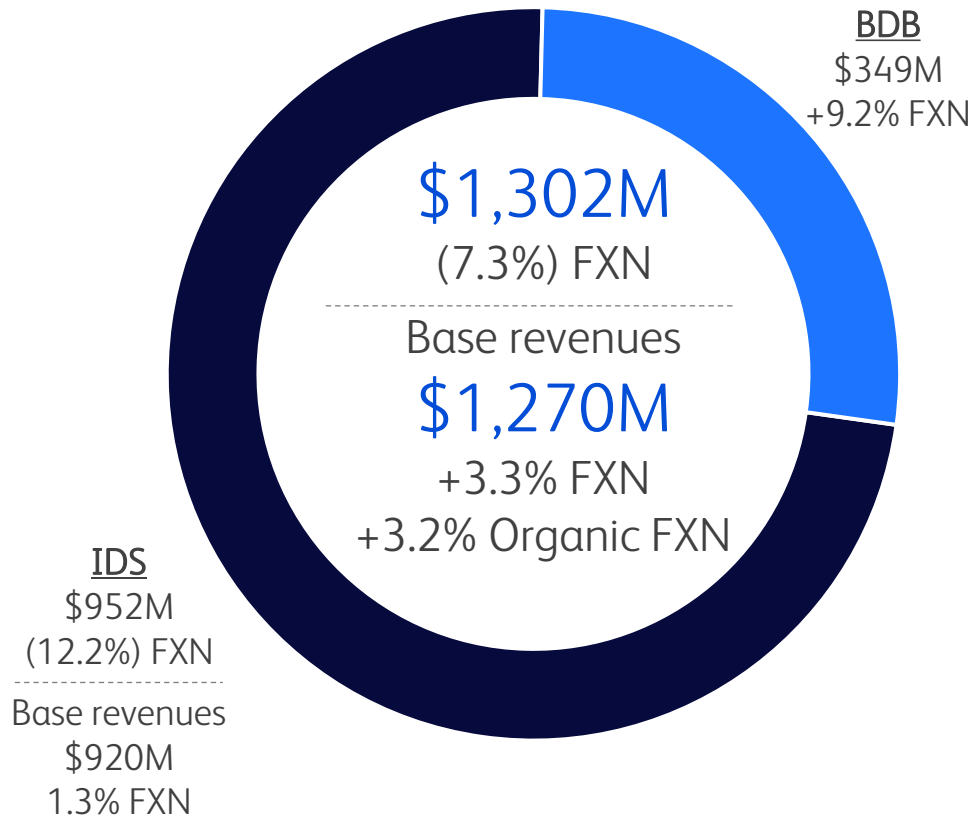
- Strong leadership in **pre-fillable solutions** for high growth markets like biologic drugs and vaccines powering another quarter of double-digit growth supported by differentiated supply capabilities



# BD Life Sciences: Strong focus on execution driving growth despite comparison from prior year licensing fee revenue

Q1 FY23

BD Management Q1 Commentary



Integrated Diagnostic Solutions

- Underlying growth driven by strong demand for our **respiratory testing portfolio** which was partly aided by the timing of dealer orders, strong **BD Kiestra™** automation installations and the strategy of leveraging higher **BD Max™** installed base for molecular IVD assay growth
- Base revenue performance includes ~(-510 bps) impact from prior year licensing revenue
- COVID-19 diagnostic revenues declined to ~\$32 million with an anticipated market shift to combination tests

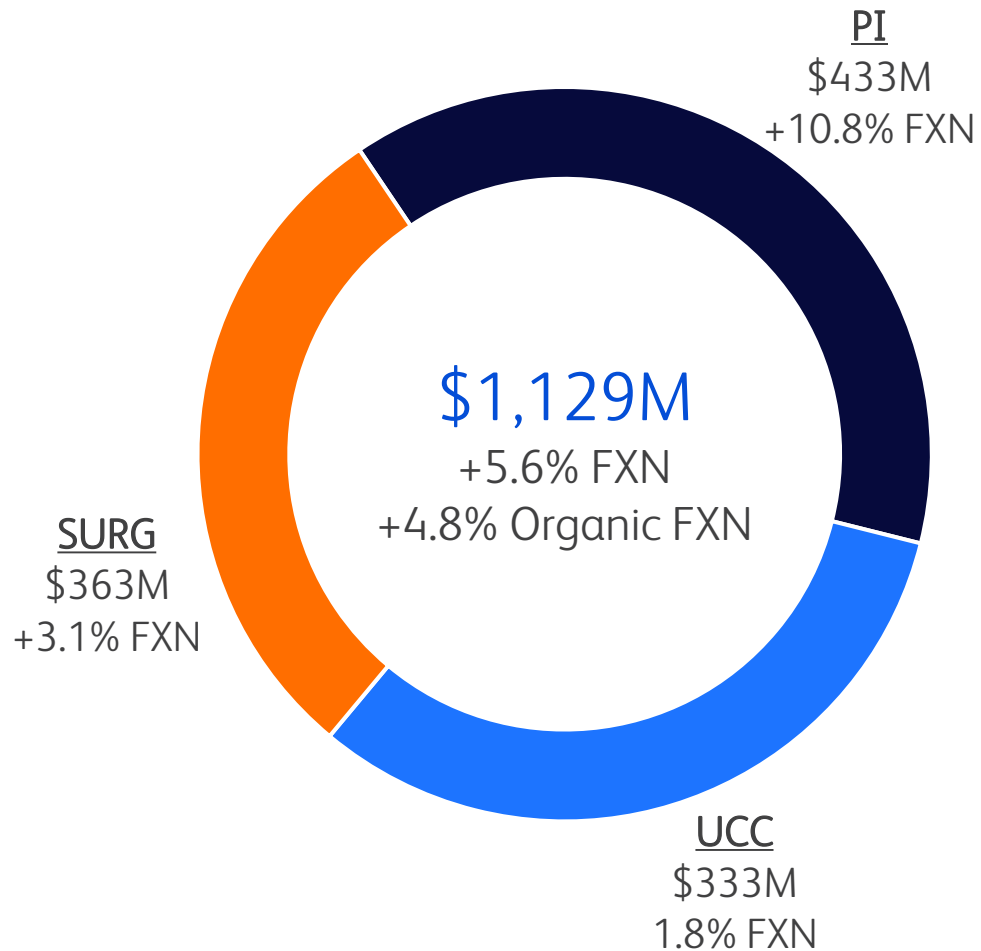
Biosciences

- Strong **research reagent** growth continues to be enabled by our differentiated content and dye strategy
- Continuing to advance our category leadership position in flow cytometry aided by strong demand for our recently launched **BD FACSymphony™ A1/A5 SE** analyzers and **BD FACSymphony™ S6** sorter

# BD Interventional: Continued strong underlying growth

Q1 FY23

BD Management Q1 Commentary



## Surgery

- Advanced Repair and Reconstruction delivered strong performance worldwide, driven by continued strong market adoption of **Phasix™** hernia resorbable scaffold
- Double-digit growth globally in Biosurgery, aided by **Tissuemed** acquisition
- As expected, growth tempered by planned strategic portfolio exits and prior year comparison from **BD ChloroPrep™** dealer stocking

## Peripheral Intervention

- Double-digit growth in PVD due to **Venovo™** relaunch, coupled with global penetration of **Rotarex™** and the acquisition of **Venclose™** which addresses chronic venous insufficiency
- Strong growth in Oncology within Greater Asia due to an improved backlog situation associated with prior year supplier constraints

## Urology and Critical Care

- Continued double-digit growth in **BD PureWick™** which addresses chronic incontinence
- Double-digit growth in **Endourology** benefited from reduced backorder due to improved supplier performance
- Growth partially offset by Urological Drainage prior year comparison due to **Surestep™** backorder release and distributor stocking

# Q1 results reflect consistent execution and a strong start to the fiscal year

	Q1 FY23	Q1 FY22	Reported Y/Y Δ	FXN Y/Y Δ
Revenues	\$4,586	\$4,718	(2.8%)	1.7%
Base revenue	\$4,554	\$4,534	0.4%	5.2%
Gross Profit	\$2,508	\$2,588	(3.1%)	(0.8%)
Gross margin	54.7%	54.9%	(20 bps)	(140 bps)
SSG&A	\$1,185	\$1,177	0.7%	5.2%
% of revenues	25.8%	25.0%	80 bps	80 bps
R&D	\$292	\$293	(0.2%)	1.7%
% of revenues	6.4%	6.2%	20 bps	0 bps
Other Operating (Inc) exp, net	(\$19)	(\$4)	420.0%	468.5%
Operating Income	\$1,049	\$1,122	(6.5%)	(6.2%)
Operating margin	22.9%	23.8%	(90 bps)	(190 bps)
Interest Income (exp), net	(\$98)	(\$97)	0.8%	2.3%
Other Income (exp), net	(\$21)	\$26	(183.7%)	(135.4%)
Tax Rate	6.2%	11.2%	(500 bps)	NA
Net Income	\$872	\$933	(6.5%)	(5.2%)
Preferred Dividend	\$23	\$23		
Net Income Applicable to Common Shareholders	\$850	\$910		
Avg diluted common shares	285	287		
Adjusted EPS	\$2.98	\$3.17	(6.0%)	(4.7%)

## P&L Highlights

**Revenue:** Strong base growth of 5.2% FXN driven by execution across all three segments

**Margins:** gross and operating margins up slightly YoY excluding the impact of COVID-only margins (“base margins”) in both years

- Impact on base margins from **continued execution of simplification and inflation mitigation initiatives** including **strategic portfolio exits**, and **FX** largely offset by impact from **outsized inflation**
- As expected, outsized inflation was primarily driven by selling through inventory that included **peak inflation impacts from the prior year**
- Performance also includes **growing over impact from prior year licensing fee revenue**

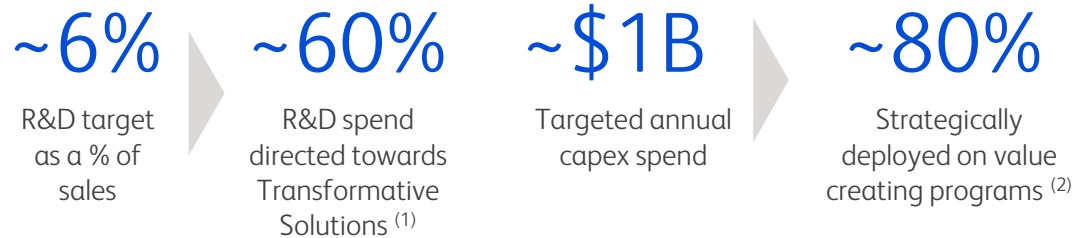
**Other Income (exp), net:** Driven primarily by increased **pension expense**

**Tax:** Driven by **timing of discrete items** planned for the year

# Maintaining disciplined capital allocation policy

## R&D / Capex

Purposeful and balanced 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

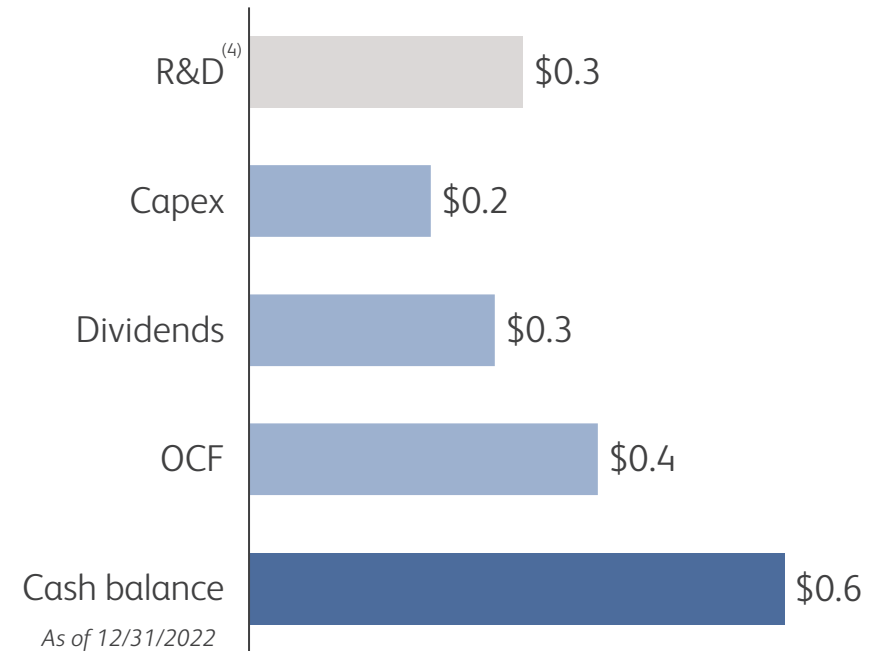


Committed to increasing the dividend and returning cash to shareholders through share repurchase program

## Dividend / Share Repurchase



\$ in billions Q1 YTD



Income statement Cash flow Balance sheet

# Guidance

# FY23 Guidance Summary

	February 2, 2023	November 10, 2022	Comments
Base revenue growth (FXN) <sup>(1)</sup>	5.75% to 6.75% Midpoint of 6.25%	5.25% to 6.25% Midpoint of 5.75%	<ul style="list-style-type: none"> <li>• Includes ~100 bps from inorganic M&amp;A offset by ~100 bps impact of strategic portfolio exits</li> <li>• Only includes Alaris capital shipments related to medical necessity; in-line with FY22</li> <li>• Medical: growth expected to be above BDX range (includes YoY Parata impact)</li> <li>• Life Sciences: expected to be below BDX range</li> <li>• Interventional: expected to be above the midpoint of the BDX range</li> </ul>
COVID-only testing <sup>(1)</sup> revenue	~\$50M to \$100M	~\$125M to \$175M	<ul style="list-style-type: none"> <li>• Compared to \$511M in FY22</li> </ul>
Estimated FX impact	~(200 bps) or ~(\$370M)	~(450 bps) or ~(\$850M)	<ul style="list-style-type: none"> <li>• Based on current spot rates and currency mix</li> <li>• Assumes Euro = 1.08 USD</li> </ul>
Estimated total company reported revenue	\$19.1B to \$19.3B	\$18.6B to \$18.8B	
Adjusted operating margin	at least 100 bps improvement	at least 100 bps improvement	<ul style="list-style-type: none"> <li>• Compared to operating margin of 22.6% in FY22</li> </ul>
Interest / Other	~(\$50M) to (\$75M) decline	~(\$50M) to (\$75M) decline	<ul style="list-style-type: none"> <li>• Driven primarily by increased pension expense</li> <li>• Compared to ~(\$400M) in FY22</li> </ul>
Effective tax rate	13.5% to 14.5%	13.5% to 14.5%	<ul style="list-style-type: none"> <li>• Compared to effective tax rate of 13.3% in FY22</li> </ul>
Adjusted EPS <sup>(1)</sup>	\$12.07 to \$12.32 Midpoint of \$12.20	\$11.85 to \$12.10 Midpoint of \$11.98	<ul style="list-style-type: none"> <li>• Includes estimated FX impact of (~230 bps) or ~(26¢)</li> <li>• Implies ~9% to 11% FXN EPS growth</li> </ul>

Note: indicates change in guidance

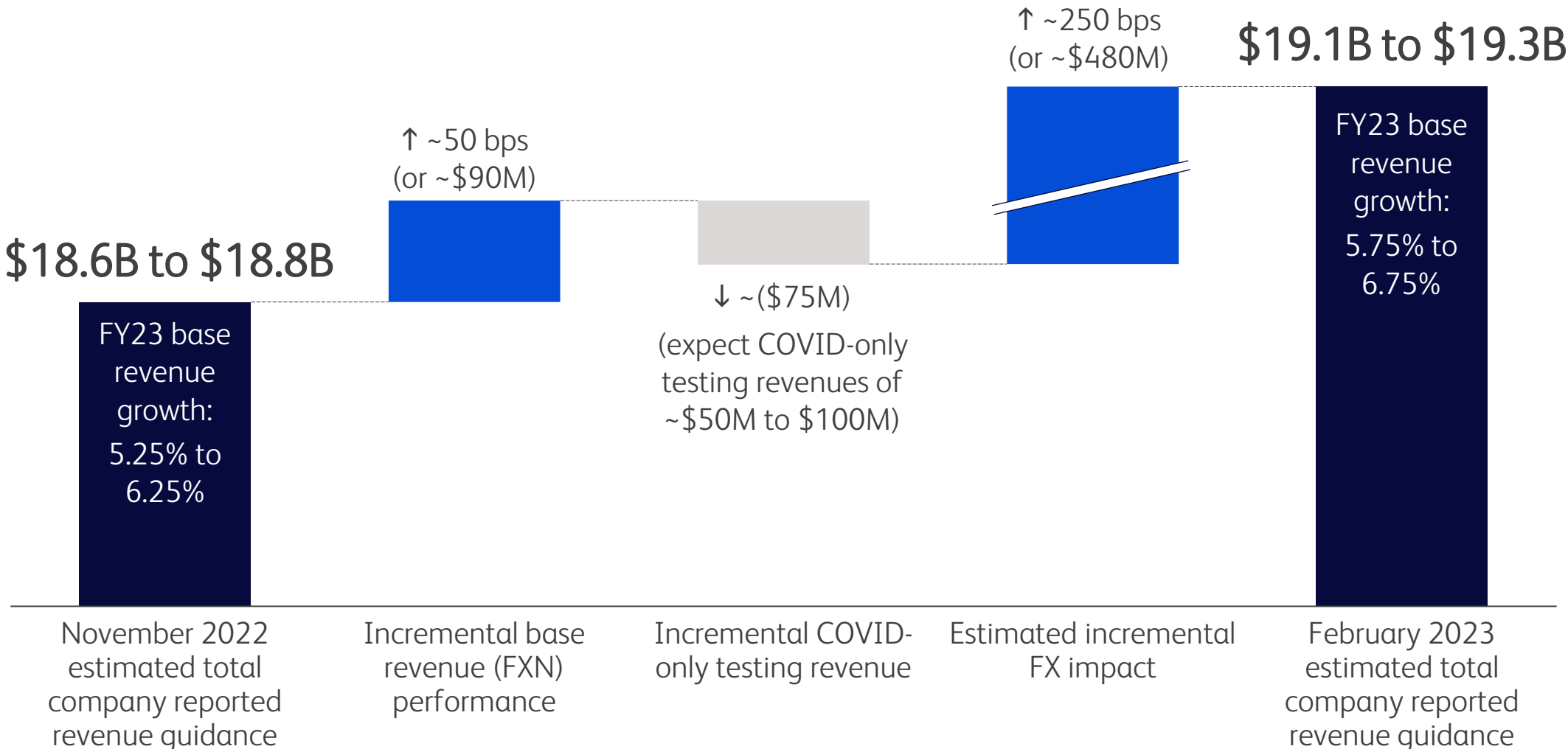


<sup>(1)</sup> Please see Basis of Presentation on slide 3 and Appendix for Non-GAAP reconciliations

Note: This guidance is only effective as of the date given, February 2, 2023, and will not be updated or affirmed unless and until we publicly announce updated or affirmed guidance. Distribution or reference of this deck following February 2, 2023 does not constitute BD re-affirming guidance.

# Raising base revenue guidance on Q1 performance

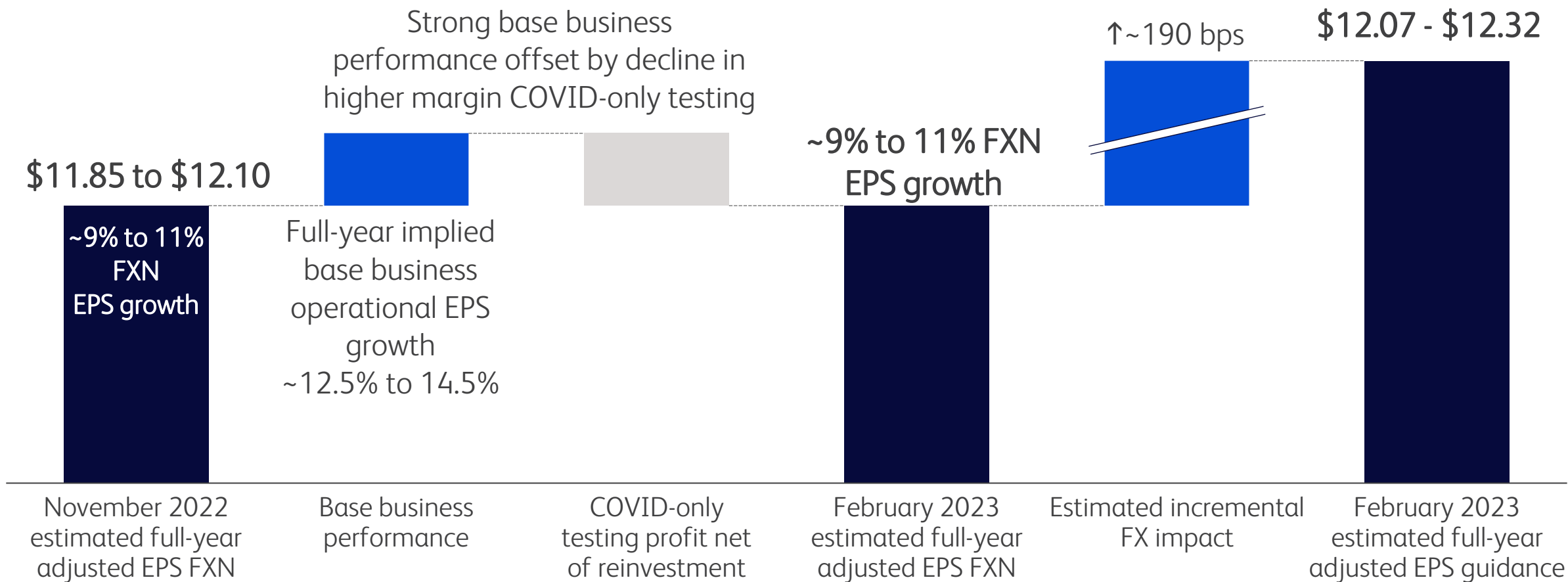
*50 bps base revenue growth increase*





# Increasing FY23 adjusted EPS guidance

*Expect strong full-year double-digit base earnings growth*



# Key Considerations

P&L Line item	Key Considerations	
Revenue	<ul style="list-style-type: none"> <li>• Remainder of year base revenue growth rate expected to be fairly ratable</li> <li>• Similar to FY22, COVID-only testing expected to be more weighted to 1H</li> <li>• Based on current spot rates (EUR = 1.08 USD), ~90% of full-year FX headwind expected in 1H</li> </ul>	
Margins	Expect full-year adjusted operating margin expansion of at least 100 bps	
	<ul style="list-style-type: none"> <li>• Q2 operating margins expected to be similar to our FY22 full-year margin of 22.6% driven by:               <ul style="list-style-type: none"> <li>• Continued impact from outsized inflation</li> <li>• Prior-year COVID-only testing margin comparison as prior-year profit reinvestment weighted to 2H</li> <li>• Unfavorable FX impact currently recorded in inventory expected to be most prominent in Q2 due to timing of inventory</li> <li>• R&amp;D as a percentage of sales expected to remain elevated</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Strong 2H margin expansion expected to be driven by:               <ul style="list-style-type: none"> <li>• Moderation of outsized inflation vs. 1H</li> <li>• Simplification and inflation mitigation programs</li> <li>• Favorable comparison of prior year reinvestment of COVID-only testing profits</li> <li>• Operating expense leverage on our base revenue growth</li> <li>• R&amp;D as a percentage of sales normalizing vs. 1H as full-year expected to be around long-term target of 6%</li> </ul> </li> </ul>
Effective tax rate	<ul style="list-style-type: none"> <li>• Full-year ETR includes assumptions around jurisdictional mix of income and certain potential discrete items</li> <li>• For planning purposes, midpoint of full-year ETR guidance indicates a remainder of year ETR over 16%</li> </ul>	
Adjusted EPS	<ul style="list-style-type: none"> <li>• Based on current spot rates, ~80% of full-year FX headwind expected in 1H</li> <li>• Full-year shares outstanding are expected to be similar to average FY22 share balance; preferred shares outstanding will convert to common shares on June 1, 2023</li> </ul>	

# Appendix

# Glossary

Acronym	Defined Term	Acronym	Defined Term
B	Billion	MMS	Medication Management Solutions
BDB	Biosciences	M	Million
BPS	Basis Points	NMPA	National Medical Products Administration
Capex	Capital Expenditures	OCF	Operating Cash Flow
CT/GC/TV2	Chlamydia/Gonorrhea/Trichomonas	OUS	Outside United States
DCB	Drug Coated Balloon	PI	Peripheral Intervention
Dx	Diagnostics	POC	Point of Care
EBITDA	Earnings Before Interest, Taxes, Depreciation, Amortization	PVD	Peripheral Vascular Disease
EPS	Earnings Per Share	PS	Pharmaceutical Systems
EUA	Emergency Use Authorization	R&D	Research and Development
ESG	Environmental, Social, Governance	RSV	Respiratory Syncytial Virus
ETR	Effective Tax Rate	RVP	Respiratory Viral Panel
FDA	Food and Drug Administration	SSG&A	Shipping, Selling, General and Administrative
FY	Fiscal Year	SURG	Surgery
ID/AST	Identification & Antibiotic Susceptibility Testing	TSA/LSA	Transitional Service Agreement/Logistics Services Agreement
IDS	Integrated Diagnostics Solutions	UCC	Urology & Critical Care
IO	Interoperability	VAB	Vacuum Assisted Biopsy
M&A	Mergers and Acquisitions	YoY or Y/Y	Year over Year
MDS	Medication Delivery Solutions	1H	First Half of Fiscal Year
		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; \$ in millions)	A	B	C	D=A-B	E=A-B-C	F=(A-B)/B	G=(A-B-C)/B
	2022	2021	FX Impact	Reported Change	FXN Change	% Change Reported	% Change FXN
<b>TOTAL REVENUES FROM CONTINUING OPERATIONS</b>	\$4,586	\$4,718	(\$215)	(\$133)	\$82	(2.8%)	1.7%
Less: COVID-19-only Diagnostic Testing Revenues	\$32	\$185	(\$1)	(\$152)	(\$152)	(82.6%)	(82.1%)
<b>Base Revenues from Continuing Operations</b>	<b>\$4,554</b>	<b>\$4,534</b>	<b>(\$214)</b>	<b>\$20</b>	<b>\$234</b>	<b>0.4%</b>	<b>5.2%</b>
<i>impact of COVID-19-only Diagnostic Testing Revenues <sup>(1)</sup></i>				(3.2%)	(3.2%)		
<b>BD LIFE SCIENCES REVENUES</b>	<b>\$1,302</b>	<b>\$1,483</b>	<b>(\$73)</b>	<b>(\$181)</b>	<b>(\$108)</b>	<b>(12.2%)</b>	<b>(7.3%)</b>
Less: COVID-19-only Diagnostic Testing Revenues	\$32	\$185	(\$1)	(\$152)	(\$152)	(82.6%)	(82.1%)
<b>Base BD Life Sciences Revenues</b>	<b>\$1,270</b>	<b>\$1,299</b>	<b>(\$72)</b>	<b>(\$29)</b>	<b>\$43</b>	<b>(2.2%)</b>	<b>3.3%</b>
<i>impact of COVID-19-only Diagnostic Testing Revenues <sup>(1)</sup></i>				(10.3%)	(10.2%)		
<b>Integrated Diagnostic Solutions Revenues</b>	<b>\$952</b>	<b>\$1,145</b>	<b>(\$53)</b>	<b>(\$193)</b>	<b>(\$139)</b>	<b>(16.8%)</b>	<b>(12.2%)</b>
Less: COVID-19-only Diagnostic Testing Revenues	\$32	\$185	(\$1)	(\$152)	(\$152)	(82.6%)	(82.1%)
<b>Base Integrated Diagnostic Solutions Revenues</b>	<b>\$920</b>	<b>\$960</b>	<b>(\$52)</b>	<b>(\$40)</b>	<b>\$12</b>	<b>(4.2%)</b>	<b>1.3%</b>
<i>impact of COVID-19-only Diagnostic Testing Revenues <sup>(1)</sup></i>				(13.3%)	(13.2%)		
<b>FY22 Base BD Life Sciences Revenue growth</b>	<b>\$1,270</b>	<b>\$1,299</b>	<b>(\$72)</b>	<b>(\$29)</b>	<b>\$43</b>	<b>(2.2%)</b>	<b>3.3%</b>
Less: FY22 licensing fee impact	\$0	\$49			(\$49)		
<b>FY22 Base BD Life Sciences Revenue growth ex-IDS licensing fee revenue</b>					<b>\$92</b>		<b>7.1%</b>
<b>FY22 Base Integrated Diagnostic Solutions Revenue growth</b>	<b>\$920</b>	<b>\$960</b>	<b>(\$52)</b>	<b>(\$40)</b>	<b>\$12</b>	<b>(4.2%)</b>	<b>1.3%</b>
Less: FY22 licensing fee impact	\$0	\$49			(\$49)		
<b>FY22 Base Integrated Diagnostic Solutions Revenue growth ex-IDS licensing fee revenue</b>					<b>\$61</b>		<b>6.4%</b>

<sup>(1)</sup> Year over year change in COVID-19-only diagnostic revenue divided by the prior year total revenue  
Note: FXN denotes FX-neutral.

# Supplemental Revenue Information - Organic Growth

Quarterly Reconciliation of Reported Revenue Change to Base Organic Revenue Change  
For the Three Months Ended December 31,

(Unaudited; \$ in millions)	A	B	C	D=A-B	E=A-B-C	F=(A-B)/B	G=(A-B-C)/B
	2022	2021	FX Impact	Reported Change	FXN Change	% Change Reported	% Change FXN
<b>TOTAL BDX REVENUES FROM CONTINUING OPERATIONS</b>	\$4,586	\$4,718	(\$215)	(\$133)	\$82	(2.8%)	1.7%
Less: COVID-19-only Diagnostic Testing Revenues	\$32	\$185	(\$1)	(\$152)	(\$152)	(82.6%)	(82.1%)
<b>TOTAL BDX BASE REVENUES FROM CONTINUING OPERATIONS</b>	\$4,554	\$4,534	(\$214)	\$20	\$234	0.4%	5.2%
Less: Inorganic revenue contribution <sup>(1)</sup>				\$96	\$96	2.1%	2.1%
<b>Total Base Organic Revenue Growth from Continuing Operations</b>				<b>(\$76)</b>	<b>\$138</b>	<b>(1.7%)</b>	<b>3.0%</b>
<b>TOTAL BD MEDICAL REVENUES FROM CONTINUING OPERATIONS</b>	\$2,154	\$2,120	(\$94)	\$34	\$129	1.6%	6.1%
Less: Inorganic revenue contribution <sup>(1)</sup>				\$86	\$86	4.1%	4.1%
<b>Total BD Medical Organic Revenue Growth from Continuing Operations</b>				<b>(\$52)</b>	<b>\$43</b>	<b>(2.4%)</b>	<b>2.0%</b>
<b>TOTAL BD LIFE SCIENCES REVENUES</b>	\$1,302	\$1,483	(\$73)	(\$181)	(\$108)	(12.2%)	(7.3%)
Less: COVID-19-only Diagnostic Testing Revenues	\$32	\$185	(\$1)	(\$152)	(\$152)	(82.6%)	(82.1%)
<b>BD Life Sciences Base Revenues</b>	\$1,270	\$1,299	(\$72)	(\$29)	\$43	(2.2%)	3.3%
Less: Inorganic revenue contribution <sup>(1)</sup>				\$2	\$2	0.2%	0.2%
<b>Total BD Life Sciences Organic Revenue Growth</b>				<b>(\$31)</b>	<b>\$41</b>	<b>(2.4%)</b>	<b>3.2%</b>
<b>TOTAL BD INTERVENTIONAL REVENUES</b>	\$1,129	\$1,115	(\$48)	\$14	\$62	1.3%	5.6%
Less: Inorganic revenue contribution <sup>(1)</sup>				\$8	\$8	0.7%	0.7%
<b>Total BD Interventional Organic Revenue Growth</b>				<b>\$6</b>	<b>\$54</b>	<b>0.6%</b>	<b>4.8%</b>

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

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

(Unaudited)	2022	2021	Change	Foreign Currency Translation	Foreign Currency Neutral Change	Change %	Foreign Currency Neutral Change %
Reported Diluted Earnings per Share from Continuing Operations	\$1.70	\$1.90	(\$0.20)	(\$0.04)	(\$0.16)	(10.5%)	(8.4%)
Purchase accounting adjustments (\$362 million and \$364 million pre-tax, respectively) <sup>(1)</sup>	\$1.27	\$1.27		(\$0.01)			
Integration costs (\$18 million and \$17 million pre-tax, respectively) <sup>(2)</sup>	\$0.06	\$0.06		—			
Restructuring costs (\$26 million and \$17 million pre-tax, respectively) <sup>(2)</sup>	\$0.09	\$0.06		—			
Separation-related items (\$6 million pre-tax) <sup>(3)</sup>	\$0.02	—		—			
European regulatory initiative-related costs (\$33 million and \$31 million pre-tax, respectively) <sup>(4)</sup>	\$0.11	\$0.11		—			
Product, litigation, and other items (\$4 million and \$22 million pre-tax, respectively) <sup>(5)</sup>	\$0.01	\$0.08		—			
Income tax benefit of special items (\$86 million and \$86 million, respectively)	(\$0.30)	(\$0.30)		—			
Adjusted Diluted Earnings per Share from Continuing Operations	\$2.98	\$3.17	(\$0.19)	(\$0.04)	(\$0.15)	(6.0%)	(4.7%)

<sup>(1)</sup> Includes amortization and other adjustments related to the purchase accounting for acquisitions.

<sup>(2)</sup> Represents costs associated with acquisition-related integration and restructuring activities, as well as costs associated with simplification and cost saving initiatives.

<sup>(3)</sup> Represents costs recorded to *Other operating expense (income), net* and incurred in connection with the separation of BD's former Diabetes Care business.

<sup>(4)</sup> Represents costs incurred to develop processes and systems to establish initial compliance with the European Union Medical Device Regulation and the European Union In Vitro Diagnostic Medical Device Regulation, which represent a significant, unusual change to the existing regulatory framework. We consider these costs to be duplicative of previously incurred costs and/or one-off costs, which are limited to a specific period of time. These expenses, which are recorded in *Cost of products sold* and *Research and development expense*, include the cost of labor, other services and consulting (in particular, research and development and clinical trials) and supplies, travel and other miscellaneous costs.

<sup>(5)</sup> Includes certain (income) expense items which are not part of ordinary operations and affect the comparability of the periods presented. Such items may include certain product remediation costs, certain product liability and legal defense costs, certain investment gains and losses, and certain asset impairment charges.

# Supplemental Non-GAAP Reconciliation

1 of 3

Quarterly Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change from Continuing Operations  
For the Three Months ended December 31, 2022

(Unaudited; \$ in millions, except per share data)	Reported (GAAP)	Purchase accounting	Integration costs	Restructuring costs	Separation - related items	European Regulatory	Product, litigation, and other items	TSA / LSA total	Income tax benefit of special items	(A) Adjusted (Non-GAAP)	Notes for Non-GAAP Adjustments (Slide 31)
Revenues	\$4,586	-	-	-	-	-	-	-	-	\$4,586	
Gross Profit	\$2,133	\$362	-	-	-	\$11	\$2	-	-	\$2,508	1,4,5
% Revenues	46.5%									54.7%	
Adjusted FXN % Revenues										53.5%	
SSG&A	\$1,187	(\$1)	-	-	-	(\$1)	-	-	-	\$1,185	1,4
% Revenues	25.9%									25.8%	
Adjusted FXN % Revenues										25.8%	
R&D	\$313	-	-	-	-	(\$21)	-	-	-	\$292	1,4
% Revenues	6.8%									6.4%	
Adjusted FXN % Revenues										6.2%	
Operating Income	\$585	\$364	\$18	\$26	\$6	\$33	\$2	\$16	-	\$1,049	1,2,3,4,5
Operating Margin	12.8%									22.9%	
Adjusted FXN % Operating Margin										21.9%	
Net interest expense	(\$96)	(\$1)	-	-	-	-	-	-	-	(\$98)	1
Other Income, Net	(\$8)	-	-	-	-	-	\$3	(\$16)	-	(\$21)	5
Income Tax (Benefit) Provision	(\$28)								\$86	\$58	
Effective Tax Rate	(5.8%)									6.2%	
Net Income from Continuing Operations	\$509	\$362	\$18	\$26	\$6	\$33	\$4	-	(\$86)	\$872	1,2,3,4,5
% Revenues	11.1%									19.0%	
Diluted Earnings per Share from Continuing Operations	\$1.70	\$1.27	\$0.06	\$0.09	\$0.02	\$0.11	\$0.01	\$0.00	(\$0.30)	\$2.98	1,2,3,4,5



# Supplemental Non-GAAP Reconciliation

2 of 3

Quarterly Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change from Continuing Operations  
For the Three Months ended December 31, 2021

(Unaudited; \$ in millions, except per share data)	Reported (GAAP)	Purchase accounting	Integration costs	Restructuring costs	European Regulatory	Product, litigation, and other items	Income tax benefit of special items	(B) Adjusted (Non-GAAP)	Notes for Non-GAAP Adjustments (Slide 31)
Revenues	\$4,718	-	-	-	-	-	-	\$4,718	
Gross Profit	\$2,221	\$358	-	-	\$10	-	-	\$2,588	1,4
% Revenues	47.1%		-					54.9%	
SSG&A	\$1,185	(\$7)	-	-	(\$1)	-	-	\$1,177	1,4
% Revenues	25.1%							25.0%	
R&D	\$314	-	-	-	(\$21)	-	-	\$293	4
% Revenues	6.7%							6.2%	
Operating Income	\$692	\$365	\$17	\$17	\$31	-	-	\$1,122	1,2,4
Operating Margin	14.7%							23.8%	
Net interest expense	(\$96)	(\$1)	-	-	-	-	-	(\$97)	1
Other Income, Net	\$4	-	-	-	-	\$22	-	\$26	5
Income Tax (Benefit) Provision	\$32						\$86	\$118	
Effective Tax Rate	5.3%							11.2%	
Net Income from Continuing Operations	\$568	\$364	\$17	\$17	\$31	\$22	(\$86)	\$933	1,2,4,5
% Revenues	12.0%							19.8%	
Diluted Earnings per Share from Continuing Operations	\$1.90	\$1.27	\$0.06	\$0.06	\$0.11	\$0.08	(\$0.30)	\$3.17	1,2,4,5

# Supplemental Non-GAAP Reconciliation

3 of 3

Quarterly Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change from Continuing Operations  
Change in Three Months Ended December 31, 2022 Compared With Three Months Ended December 31, 2021

(Unaudited, \$ in millions, except per share data)	(A) Adjusted (Non-GAAP)	(B) Adjusted (Non-GAAP)	(C) = (A) - (B) Adjusted \$ Change	(D) = (C) / (B) Adjusted % Change	(E) FX Translation Adjustment	(F) = (C) - (E) Adjusted FXN \$ Change	(G) = (F) / (B) Adjusted FXN % Change
Revenues	\$4,586	\$4,718	(\$133)	(2.8%)	(\$215)	\$82	1.7%
Gross Profit	\$2,508	\$2,588	(\$80)	(3.1%)	(\$60)	(\$21)	(0.8%)
% Revenues	54.7%	54.9%					
Adjusted FXN % Revenues	53.5%						
SSG&A	\$1,185	\$1,177	\$8	0.7%	(\$53)	\$61	5.2%
% Revenues	25.8%	25.0%					
Adjusted FXN % Revenues	25.8%						
R&D	\$292	\$293	(\$1)	(0.2%)	(\$5)	\$5	1.7%
% Revenues	6.4%	6.2%					
Adjusted FXN % Revenues	6.2%						
Operating Income	\$1,049	\$1,122	(\$72)	(6.5%)	(\$3)	(\$70)	(6.2%)
Operating Margin	22.9%	23.8%					
Adjusted FXN % Operating Margin	21.9%						
Net interest expense	(\$98)	(\$97)	(\$1)	0.8%	\$1	(\$2)	2.3%
Other Income, Net	(\$21)	\$26	(\$47)	(183.7%)	(\$12)	(\$35)	(135.4%)
Income Tax Provision	\$58	\$118	(\$60)	(51.0%)	(\$2)	(\$58)	(49.4%)
Effective Tax Rate	6.2%	11.2%					
Net Income from Continuing Operations	\$872	\$933	(\$60)	(6.5%)	(\$12)	(\$49)	(5.2%)
% Revenues	19.0%	19.8%					
Diluted Earnings per Share from Continuing Operations	\$2.98	\$3.17	(\$0.19)	(6.0%)	(\$0.04)	(\$0.15)	(4.7%)

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

For the Three Months ended December 31,

(Unaudited; \$ in millions)	A 2022	B 2021	C FX Impact	D=(A-B)/B	E=(A-B-C)/B
				% Change	
				Reported	FXN
<b>BD MEDICAL</b>					
Medication Delivery Solutions <sup>(1)</sup>	\$1,039	\$1,096	(\$46)	(5.2%)	(1.0%)
Medication Management Solutions	\$706	\$627	(\$18)	12.6%	15.5%
Pharmaceutical Systems <sup>(1)</sup>	\$409	\$397	(\$30)	3.2%	10.6%
<b>TOTAL BD MEDICAL REVENUES FROM CONTINUING OPERATIONS</b>	<b>\$2,154</b>	<b>\$2,120</b>	<b>(\$94)</b>	<b>1.6%</b>	<b>6.1%</b>
<b>BD LIFE SCIENCES</b>					
Integrated Diagnostic Solutions	\$952	\$1,145	(\$53)	(16.8%)	(12.2%)
Biosciences	\$349	\$338	(\$20)	3.3%	9.2%
<b>TOTAL BD LIFE SCIENCES REVENUES</b>	<b>\$1,302</b>	<b>\$1,483</b>	<b>(\$73)</b>	<b>(12.2%)</b>	<b>(7.3%)</b>
<b>BD INTERVENTIONAL</b>					
Surgery	\$363	\$361	(\$10)	0.4%	3.1%
Peripheral Intervention	\$433	\$413	(\$25)	4.8%	10.8%
Urology and Critical Care	\$333	\$340	(\$13)	(2.0%)	1.8%
<b>TOTAL BD INTERVENTIONAL REVENUES</b>	<b>\$1,129</b>	<b>\$1,115</b>	<b>(\$48)</b>	<b>1.3%</b>	<b>5.6%</b>
<b>TOTAL REVENUES FROM CONTINUING OPERATIONS</b>	<b>\$4,586</b>	<b>\$4,718</b>	<b>(\$215)</b>	<b>(2.8%)</b>	<b>1.7%</b>

# Supplemental Non-GAAP Reconciliation – Revenues by Geographic Regions

For the Three Months ended December 31,

(Unaudited; \$ in millions)	A 2022	B 2021	C FX Impact	D=(A-B)/B	E=(A-B-C)/B
				% Change	
				Reported	FXN
United States	\$2,730	\$2,703	\$0	1.0%	1.0%
International	\$1,856	\$2,016	(\$215)	(7.9%)	2.7%
Developed Markets	\$3,887	\$3,999	(\$170)	(2.8%)	1.4%
Emerging Markets	\$699	\$719	(\$46)	(2.8%)	3.5%
China	\$322	\$357	(\$31)	(9.7%)	(1.0%)
<b>TOTAL REVENUES FROM CONTINUING OPERATIONS</b>	<b>\$4,586</b>	<b>\$4,718</b>	<b>(\$215)</b>	<b>(2.8%)</b>	<b>1.7%</b>

# Supplemental Non-GAAP Reconciliation – Net Leverage

Reconciliation of Net Income from Continuing Operations to Non-GAAP Adjusted EBITDA from Continuing Operations – Unaudited; \$ in millions  
For the Twelve Months ended December 31, 2022

<b>Reported GAAP net income from continuing operations</b>	<b>\$1,576</b>
Adjusted for:	
Depreciation and amortization expense	\$2,250
Interest expense	\$403
Income taxes	\$89
Share-based compensation	\$242
Integration costs pre-tax <sup>(1)</sup>	\$70
Restructuring costs pre-tax <sup>(1)</sup>	\$132
Separation-related items pre-tax <sup>(2)</sup>	\$27
European regulatory initiative-related costs pre-tax <sup>(3)</sup>	\$148
Product, litigation, and other items <sup>(4)</sup>	\$250
Impacts of debt extinguishment pre-tax	\$24
<b>Adjusted EBITDA</b>	<b>\$5,211</b>
<b>Short-Term Debt</b>	<b>\$2,188</b>
Long-Term Debt	\$14,268
Less: Cash, Cash Equivalents and Short Term Investments	(\$612)
<b>Net Debt</b>	<b>\$15,845</b>
<b>Net Leverage<sup>(5)</sup></b>	<b>3.0x</b>

(1) Represents costs associated with acquisition-related integration and restructuring activities, as well as costs associated with simplification and cost saving initiatives.

(2) Represents costs incurred in connection with the separation of BD's former Diabetes Care business.

(3) Represents costs incurred to develop processes and systems to establish initial compliance with the European Union Medical Device Regulation and the European Union In Vitro Diagnostic Medical Device Regulation, which represent a significant, unusual change to the existing regulatory framework. We consider these costs to be duplicative of previously incurred costs and/or one-off costs, which are limited to a specific period of time. These expenses, which are recorded in *Cost of products sold* and *Research and development expense*, include the cost of labor, other services and consulting (in particular, research and development and clinical trials) and supplies, travel and other miscellaneous costs.

(4) Includes certain (income) expense items which are not part of ordinary operations and affect the comparability of the periods presented. Such items may include certain product remediation costs, certain product liability and legal defense costs, certain investment gains and losses, and certain asset impairment charges.

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

# Supplemental Non-GAAP Reconciliation – FY2023 Outlook Reconciliation

	Full Year FY2022	Full Year FY2023 Outlook	
	(\$ in millions)	FX Neutral % Change	Reported Revenues
BDX Reported Revenues from Continuing Operations	\$18,870		
Less: COVID-19-only Diagnostic Testing Revenues	\$511		
Base Business Revenues from Continuing Operations	<u>\$18,358</u>		
FY2023 Base Business Revenue Growth		+5.75% to +6.75%	
FY2023 COVID-19-only Diagnostic Testing Revenues			\$50 to \$100 million
Illustrative Foreign Currency (FX) Impact, based on FX spot rates			(~200) basis points
Total FY2023 Revenues from Continuing Operations			\$19.1 to \$19.3 billion

*Note - Base Business Revenues denotes total revenues less estimated revenues for COVID-19 only diagnostic testing*

# Supplemental Non-GAAP Reconciliation – FY2023 Outlook Reconciliation

	Full Year FY2022 from Continuing Operations	Full Year FY2023 Outlook Total Company
<b>Reported Diluted Earnings per Share</b>	\$5.38	
Purchase accounting adjustments (\$1.431 billion pre-tax) <sup>(1)</sup>	\$4.98	
Integration costs (\$68 million pre-tax) <sup>(2)</sup>	\$0.24	
Restructuring costs (\$123 million pre-tax) <sup>(2)</sup>	\$0.43	
Separation-related items (\$20 million pre-tax) <sup>(3)</sup>	\$0.07	
European regulatory initiative-related costs (\$146 million pre-tax) <sup>(4)</sup>	\$0.51	
Product, litigation, and other items (\$268 million pre-tax) <sup>(5)</sup>	\$0.93	
Impacts of debt extinguishment (\$24 million pre-tax)	\$0.08	
Income tax benefit of special items (\$366 million)	(\$1.27)	
<b>Adjusted Diluted Earnings per Share</b>	<b>\$11.35</b>	<b>\$12.07 to \$12.32</b>
Illustrative Foreign Currency (FX) Impact, based on FX spot rates		(~230) basis points
FX Neutral % Change		~+9% to +11%

(1) Includes amortization and other adjustments related to the purchase accounting for acquisitions.

(2) Represents costs associated with acquisition-related integration and restructuring activities, as well as costs associated with simplification and cost saving initiatives.

(3) Represents costs recorded to *Other operating expense (income)*, net and incurred in connection with the separation of BD's former Diabetes Care business.

(4) Represents costs incurred to develop processes and systems to establish initial compliance with the European Union Medical Device Regulation and the European Union In Vitro Diagnostic Medical Device Regulation, which represent a significant, unusual change to the existing regulatory framework. We consider these costs to be duplicative of previously incurred costs and/or one-off costs, which are limited to a specific period of time. These expenses, which are recorded in *Cost of products sold* and *Research and development expense*, include the cost of labor, other services and consulting (in particular, research and development and clinical trials) and supplies, travel and other miscellaneous costs.

(5) Includes certain (income) expense items which are not part of ordinary operations and affect the comparability of the periods presented. Such items may include certain product remediation costs, certain product liability and legal defense costs, certain investment gains and losses, and certain asset impairment charges. Items in 2022 included product remediation costs of \$72 million recorded to *Costs of products sold*, certain asset impairment charges of \$54 million recorded to *Cost of products sold*, and pension settlement costs of \$73 million recorded to *Other (expense) income, net*.

# Investor Relations contact information



**Francesca DeMartino**  
SVP, Investor Relations



**Adam Reiffe**  
Sr. Director, Investor Relations



**Nadia Goncalves**  
Sr. Director, Investor Relations

[investor.relations@bd.com](mailto:investor.relations@bd.com)



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