

Q2 FY23 Earnings Presentation

May 4, 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, May 4, 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 May 4, 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, base 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 May 4, 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 and certain asset impairment charges.

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 May 4, 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.⁽¹⁾

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 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.⁽¹⁾

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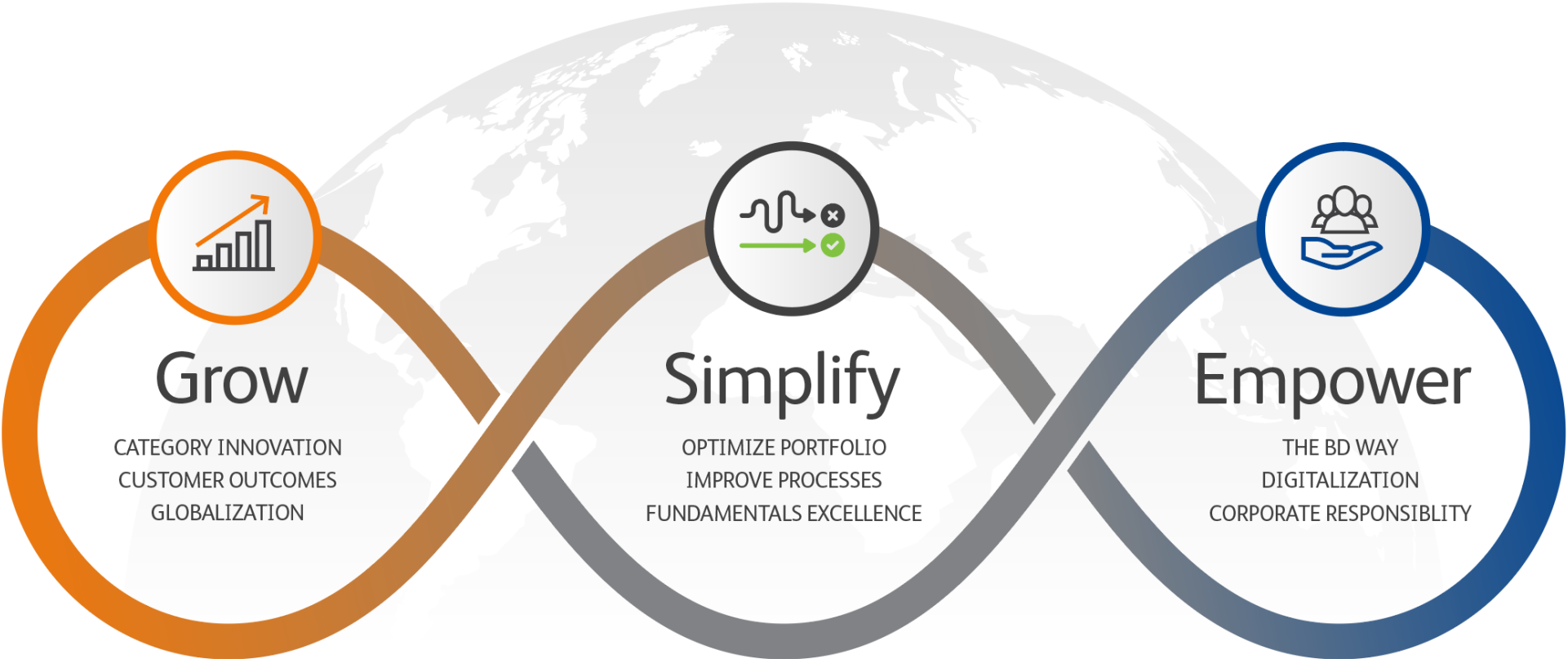
Executive Summary

“Since launching BD2025, we have made purposeful and strategic investments to shift BD into attractive end-markets to advance innovations that are transforming healthcare and driving company growth. Our strong performance this quarter reflects our strategy in action and the positive impact of these investments on our business as we deliver for our customers and 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



Strong performance reflects BD2025 strategy in action

- ✓ BD2025 is **consistently delivering** multiple periods of **strong financial performance** and is enabling **continued momentum**
- ✓ **Purposeful capital allocation** toward attractive end-markets and successful **integration of tuck-in M&A** is driving **higher growth and value creating results**
- ✓ **Innovation** mindset is resulting in **higher product development velocity** through improved **milestone achievement and launch excellence**
- ✓ **Raising midpoint** of revenue and EPS guidance range



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



Named a
“Noteworthy Company”
for the fourth straight year in DiversityInc’s annual ranking of the
top U.S. companies for diversity

Innovation

Our growth and innovation mindset

On track to launch
> 100 products by FY25⁽¹⁾

- Prioritizing investments towards higher growth spaces in durable core and transformative solutions

Purposeful investments driving growth

- Biosciences
- Pharma and Biotech Drug Delivery
- Pharmacy Automation
- Urology and Critical Care

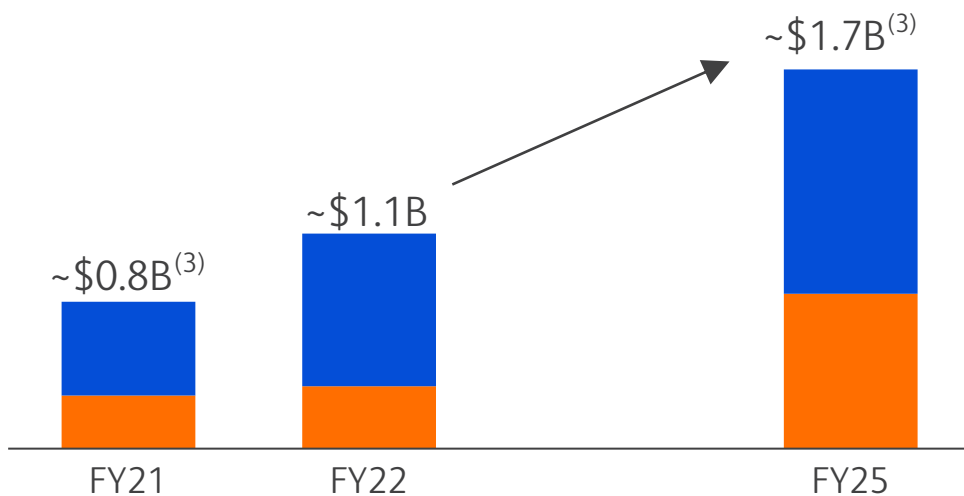
Higher product development velocity

- Multiple recent launches driving growth
- Near-term catalysts and robust pipeline fueling growth and innovation

Our purposeful and strategic investments are driving consistent growth

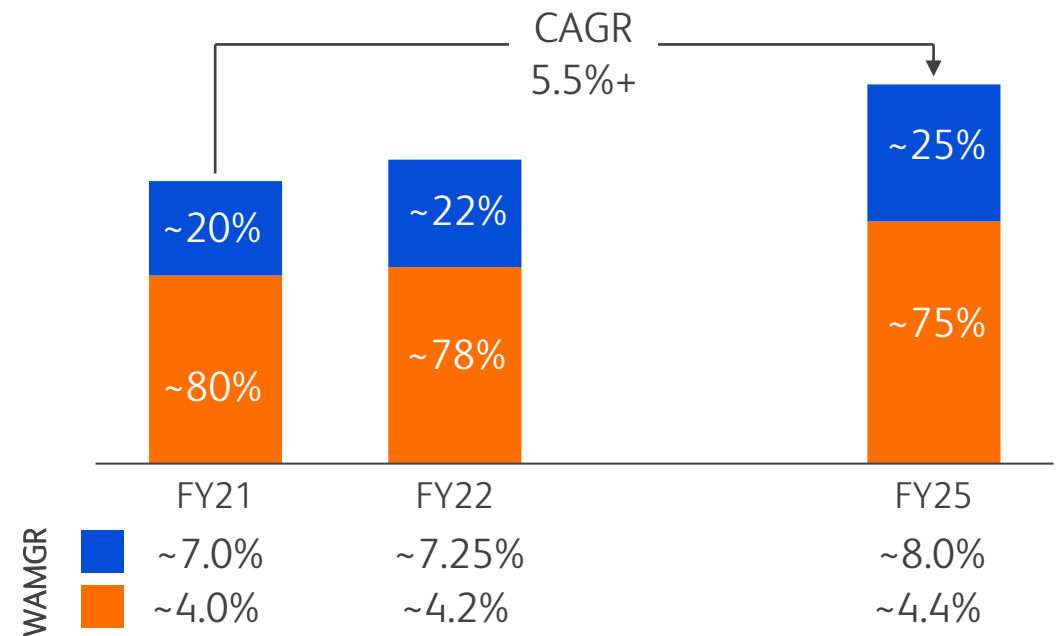
On track to achieve FY25 targets

Incremental new product revenue⁽¹⁾



■ Durable Core
 ■ Transformative Solutions

Shifting our portfolio mix



✓ **25** new products launched in FY22

✓ **10** new products launched/cleared in 1H FY23

✓ **>100** new product launches expected by FY25⁽³⁾

✓ **>20 new products** with potential to generate **\$30-\$50M** per year and **>25** with potential to generate **\$50M+**^(2,3)

⁽¹⁾Expected incremental new product revenue net of cannibalization defined as launch year +4 (FY21 (FY17-FY21); FY22 (FY18-FY22); FY25 (FY21-FY25))

⁽²⁾Revenues are based on estimated 5th year sales post launch, which may occur after FY25

⁽³⁾As presented at November 2021 investor day

Note: Unless notes otherwise, all references to category sizes and growth rates (i.e. weighted average growth rate [WAMGR]) are internal estimates

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



PowerMe™ Midline Catheter

- Launched in Q2 FY23
- Designed in BD China R&D Center with advanced power injection and vascular access management technology

PowerMe™ Midline Catheter fits with Chinese nurses' insertion technique and is designed to improve clinician efficiency, providing up to 30 days of continuous venous access, helping reduce the number of insertions and patient complications.



BD Vaginal Panel

- Received 510(k) clearance for use on the **BD COR™** system
- Accelerates growth in \$4B molecular diagnostic end-market that is growing ~9%

The **BD Vaginal Panel** assay is the world's first microbiome-based PCR assay that uses a single swab and test to simultaneously detect the three most common causes of a vaginitis infection on the **BD COR™** system, enabling targeted cost-effective treatment.



Highlander™ 014 PTA Balloon

- Launched in Q2 FY23
- The first-and-only non-compliant, fiber-based balloon, designed specifically to treat PAD in BTK anatomy
- Part of a larger strategy to improve BTK treatment and outcomes

The **Highlander™ 014 PTA Balloon Dilation Catheter** creates a unique solution in BTK therapy, known as Fiberplasty. Designed to mitigate the impact of vessel recoil and calcification in small vessels, **Highlander** offers precise vessel sizing, controlled balloon dilatation, and unmatched balloon strength, while maintaining a low-profile for ease of device delivery.

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



PIVO™ Pro and BD Nexiva™ with NearPort™ IV Access

- Submitted 510(k) for each product
- Core element of 'One Stick Hospital Stay' vision

PIVO™ Pro combined with BD Nexiva™ Closed IV Catheter System with NearPort™ IV Access is designed to facilitate optimal draw conditions and help clinician efficiency and patient satisfaction.



BD Rhapsody™ HT Xpress

- Completed the early-access program in Q2
- Late breaking – launched May 1, 2023
- Enables access to fast-growing (>25% CAGR) translational single-cell multiomics market with a high-throughput solution

BD Rhapsody™ HT Xpress single-cell analysis system increases the throughput of the BD Rhapsody™ platform 8-fold, while maintaining compatibility with our existing portfolio of single-cell assays and reagents.



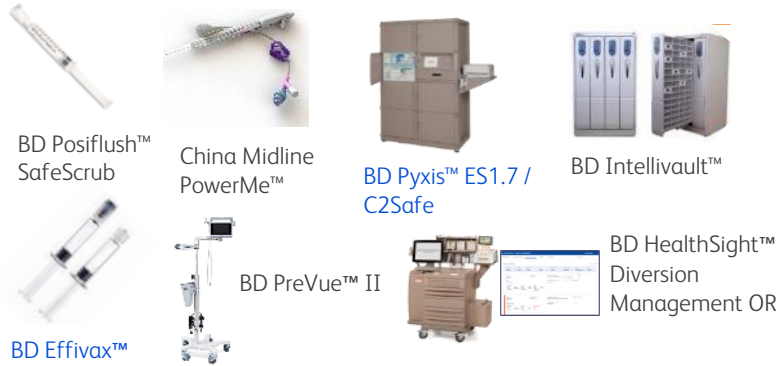
Phasix™ ST Umbilical

- Completed 510(k) testing
- On track for FDA submission in 2H FY23
- Fully bioresorbable device, leveraging the Phasix™, Sepra® and Ventralex™ technologies

Phasix™ ST Umbilical brings the benefits of the category leading, bioresorbable material Phasix™ into one of the most common abdominal wall hernia procedures. Phasix™ ST Umbilical is designed to provide patients a reliable alternative to permanent mesh, while continuing to provide surgeons the clinical confidence and consistency of technique they expect in clean, straightforward cases.

Our innovation pipeline - Over 100 new product launches expected by FY25⁽¹⁾

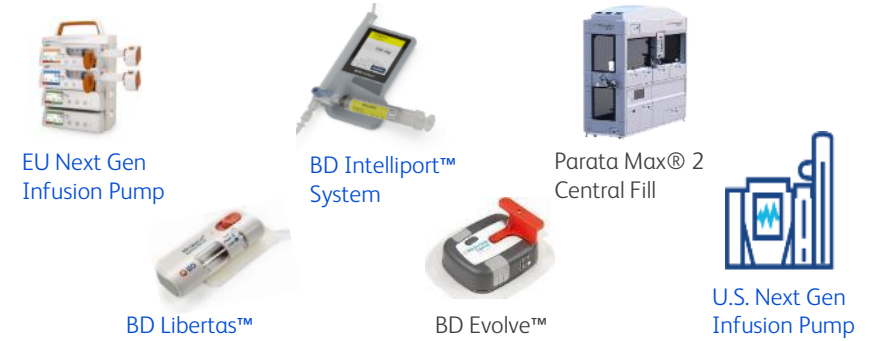
Recent innovation driving growth



Near-term catalysts



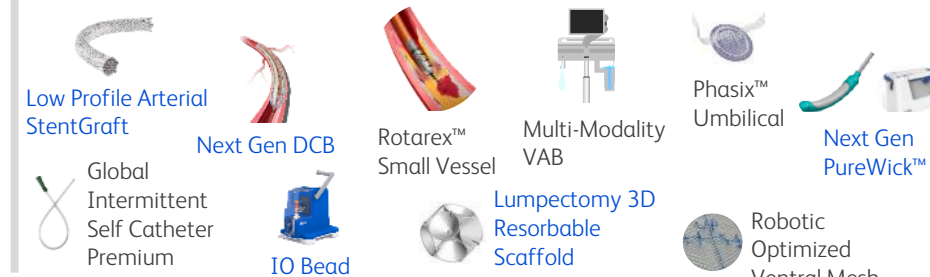
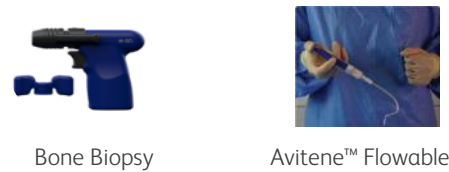
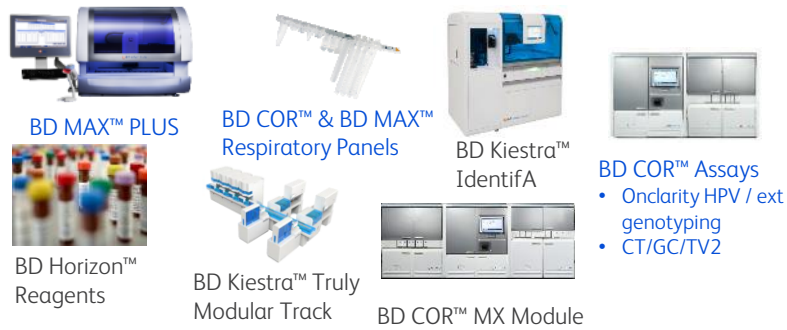
Select pipeline products



BD Medical

BD Life Sciences

BD Interventional
























(1) As presented at November 2021 investor day

(2) Late breaking – launched May 1, 2023

Note: Blue text denotes products with potential to generate \$50M+ revenue per year based on estimated 5th year sales post launch, which may occur after FY25

BD Medical: making medication delivery safer, simpler and smarter

	Category Size	WAMGR	Key Products / Pipeline		
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%	 BD Effivax™  \$\$	 BD Libertas™ \$\$	 BD Evolve™



Smart Connected Care




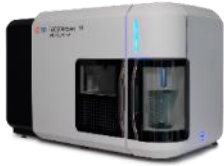













New Care Settings



Chronic Disease Outcomes



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

	Category Size	WAMGR	Key Products / Pipeline		
Single Cell Analysis (BDB) 	~\$3B	~5.5%	 FACSDiscover™ S8 Cell Sorter \$\$	 FACSDuet™ Premium \$\$	 Additional 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"> • Onclarity HPV / ext genotyping ✓ • CT/GC/TV2 ✓ • Vaginal Panel • RVP • Enteric Panels \$\$
Point of Care (IDS) 	~\$3B	~25%	 BD MiniDraw™ \$\$	 BD Elience™ POC Molecular \$\$	



Smart Connected Care






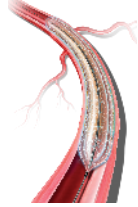






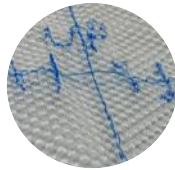

New Care Settings



Chronic Disease Outcomes



BD Interventional: transforming solutions for chronic disease management

	Category Size	WAMGR	Key Products / Pipeline			
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 \$\$	



Smart Connected Care



New Care Settings



Chronic Disease Outcomes



Financial Performance

“Our innovation pipeline and the impact of our M&A strategy played a key role in our results, and we remain well-positioned to continue driving strong growth and performance in the future.”

Christopher DeOrefice
BD EVP and CFO

Significant progress made toward delivering BD2025 financial targets

Investor Day Targeted Growth Profile⁽¹⁾

5.5%+
base revenue growth

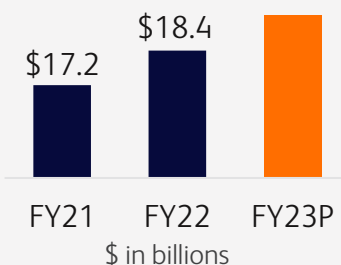
increased base operating margin improvement to **~540 bps⁽²⁾** from ~400bps

continued **dividend growth**

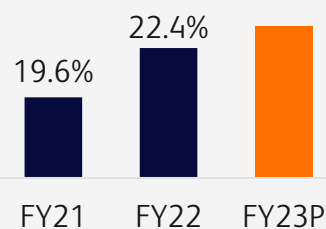
double-digit EPS growth excluding estimated impact of COVID-only testing

Progress through FY23^(3,4)

↑~8%
base revenue CAGR
↑~7%
base organic revenue CAGR



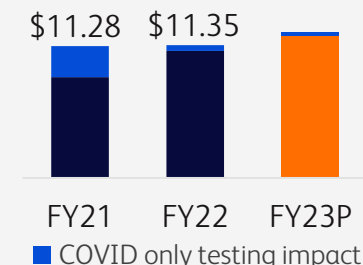
↑~380 bps
~70% of target by end of FY23



51 years consecutive dividend growth

~30% payout ratio

high-teens estimated base FXN EPS CAGR



⁽¹⁾ Targeted growth profile represents FY21 through FY25 on a FXN basis

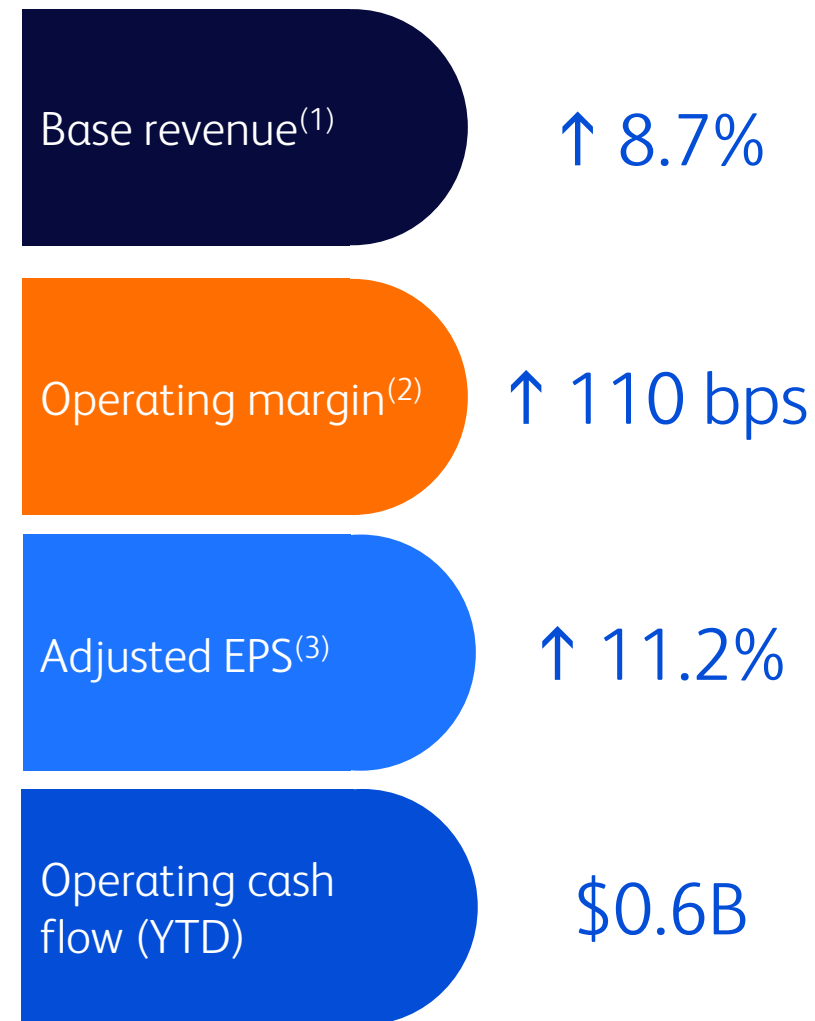
⁽²⁾ Base operating margin target was updated following the spin of diabetes business to ~25% by FY25

⁽³⁾ Assumes midpoint of May 4, 2023, guidance range

⁽⁴⁾ Average over FY22 and FY23 assuming midpoint of May 4, 2023, guidance range

Delivering consistent performance and value creating results

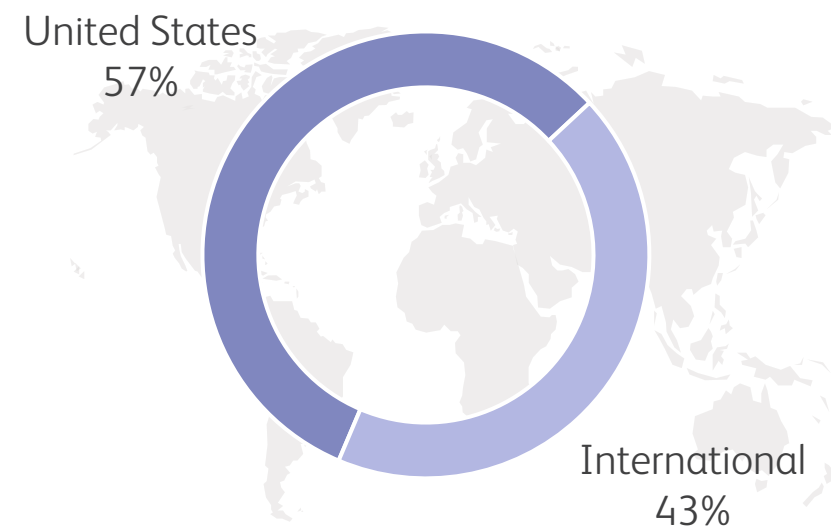
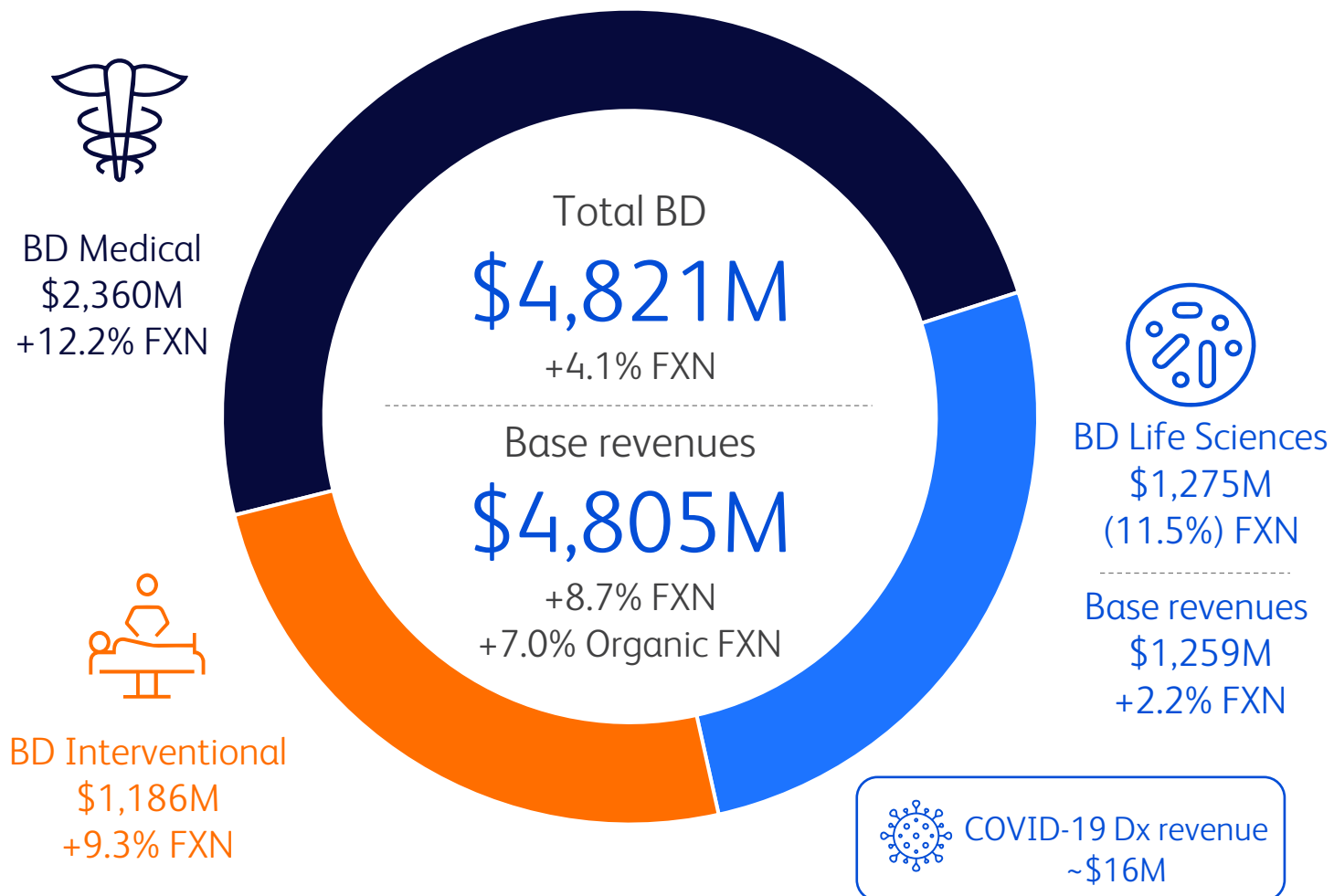
- ✓ **Increasing midpoint** of FY23 guidance driven by **strong execution** and **base business performance**
- ✓ Purposeful and strategic **investments** are **delivering consistent higher growth** and **strong financial performance**
- ✓ Systematically **increasing WAMGR** across our portfolio to **fortify growth** and **create value**
- ✓ Simplify programs are **reducing complexity and driving business process excellence and agility**, while supporting **margin expansion** goals
- ✓ Continue to focus on **strengthening Balance Sheet**



Q2 FY23 revenue summary – by segment and geography

Revenue by segment

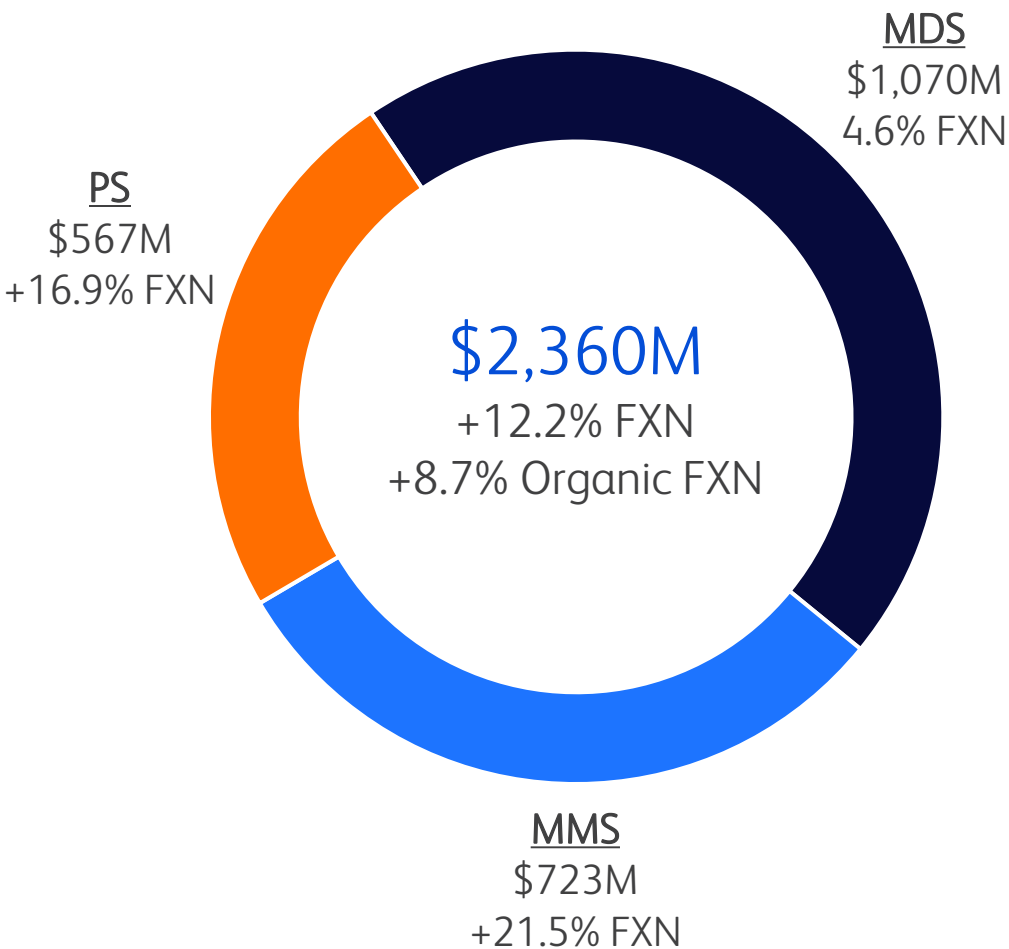
Revenue by geography



BD Medical: Execution of core strategy continues to drive strong growth

Q2 FY23

BD Management Q2 Commentary



Medication
Delivery
Solutions

- Our comprehensive **Vascular Access Management** strategy continues to drive strong performance evidenced by **BD Posiflush™** and our **Catheter Solutions**
- Strength in durable core products more than offset prior year COVID vaccination and planned strategic portfolio exits

Medication
Management
Solutions

- Investments in high-growth areas like **Pharmacy Automation** driving strong performance, led by **Parata** and **BD ROWA™**
- Double-digit growth in **Dispensing** driven by continuous focus on innovation to improve workflows and efficiencies evidenced by performance of the **BD Pyxis™** and **BD HealthSight™** portfolio including **BD Pyxis™ ES 1.7** recent launch

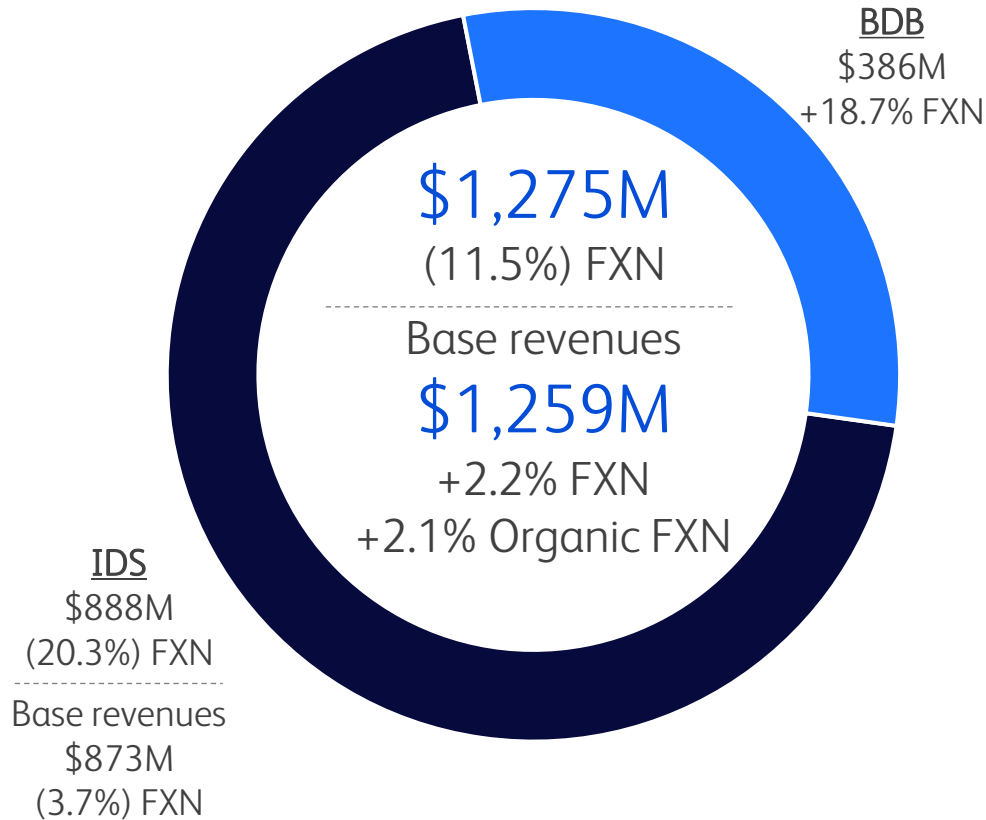
Pharmaceutical
Systems

- Another strong quarter enabled by capacity investments in **BD Hypak™**, and innovation in products like **BD Effivax™**, **BD Hylok™**, and **BD Neopak™** enhancing efficiencies for our Pharma customers while supporting the increased demand in high-growth biologic drug and vaccine categories

BD Life Sciences: Strong focus on execution driving base revenue growth despite (~800 bps) grow over from prior year respiratory testing

Q2 FY23

BD Management Q2 Commentary



Integrated Diagnostic Solutions

- Strong base revenue growth was negatively impacted by higher Flu/COVID combination testing volumes from prior year and softer respiratory illness season in the current quarter
- Partially offsetting the decline in combination testing was growth in our **Microbiology** platform aided by adoption our **BD Kiestra™ IdentifA** and **Total Modular Track** solutions, **Specimen Management**, and continued double-digit growth from **Molecular IVD** assays leveraging the incremental **BD Max™** installed base
- COVID-19 diagnostic revenues declined to ~\$16 million as a result of a decline in overall testing

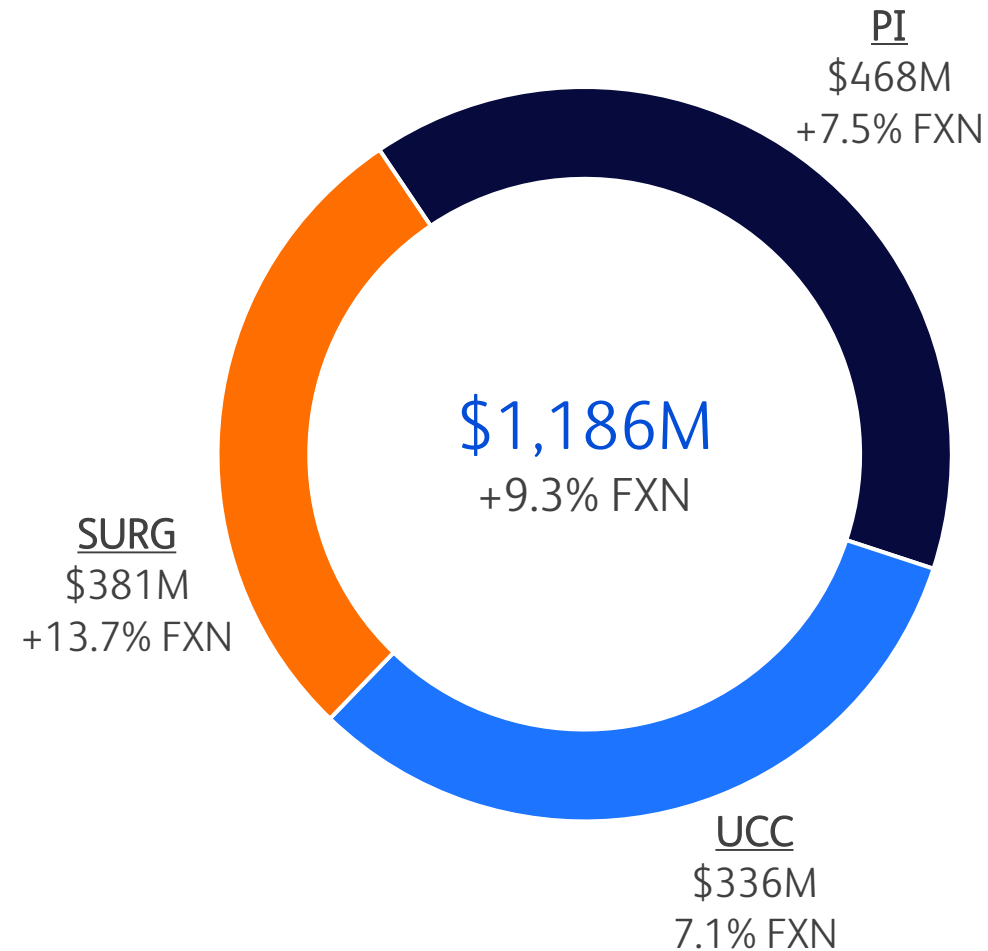
Biosciences

- Continued strong double-digit growth in **Research Reagents** enabled by our innovative and differentiated **BD Horizon™** dyes
- Strong performance in **Instruments** was driven by continued demand for the recently launched **BD FACSymphony™ A1/A5 SE** research analyzers combined with improved **BD FACSLyric™** product availability for our clinical customers

BD Interventional: Continued strong performance across the portfolio expanding focus on chronic disease outcomes

Q2 FY23

BD Management Q2 Commentary



Surgery

- **Advanced Repair and Reconstruction** delivered strong double-digit performance worldwide, driven by continued market adoption of **Phasix™** hernia resorbable scaffold
- Double-digit growth globally in **Biosurgery**, aided by **Arista™ AH Absorbable Hemostat**
- Strong procedure volumes contributed to Surgery performance

Peripheral Intervention

- Double-digit growth in **PVD** driven by **Venovo™** relaunch, coupled with global penetration of **Rotarex™**
- Strong growth in **Oncology** within U.S. and Greater Asia aided by improved backlog associated with prior year supplier constraints

Urology and Critical Care

- Continued growth in the **PureWick™** franchise, aided by the recent launch of **PureWick™ Male**, with strong presence in both the acute care & alternative care settings for chronic **Incontinence**
- Double-digit growth in **Endourology** benefited by improved supplier performance

BD2025 driving strong base revenue growth, executing margin expansion as planned

	Q2 FY23	Q2 FY22	Reported Y/Y Δ	FXN Y/Y Δ
Revenues	\$4,821	\$4,750	1.5%	4.1%
Base Revenue	\$4,805	\$4,535	6.0%	8.7%
Gross Profit	\$2,614	\$2,568	1.8%	6.0%
Gross Margin	54.2%	54.1%	10 bps	100 bps
SSG&A	\$1,219	\$1,189	2.5%	5.0%
% of Revenues	25.3%	25.0%	30 bps	20 bps
R&D	\$316	\$304	3.8%	4.7%
% of Revenues	6.5%	6.4%	10 bps	0 bps
Other Operating (Inc) Exp, net	(\$14)	\$0	NA	NA
Operating Income	\$1,093	\$1,075	1.7%	9.0%
Operating Margin	22.7%	22.6%	10 bps	110 bps
Interest Income (Exp), net	(\$109)	(\$97)	13.1%	13.5%
Other Income (Exp), net	(\$6)	(\$8)	(21.3%)	3.8%
Tax Rate	14.1%	15.3%	(120 bps)	NA
Net Income	\$840	\$822	2.2%	10.1%
Preferred Dividend	\$23	\$23		
Net Income Applicable to Common Shareholders	\$817	\$799		
Avg diluted common shares	286	287		
Adjusted EPS	\$2.86	\$2.78	2.9%	11.2%

P&L Highlights

Revenue: Strong base growth of 8.7% FXN driven by execution across all three segments despite expected prior year respiratory testing grow-over impact

Margins: gross and operating margins up slightly YoY, consistent with our expectations

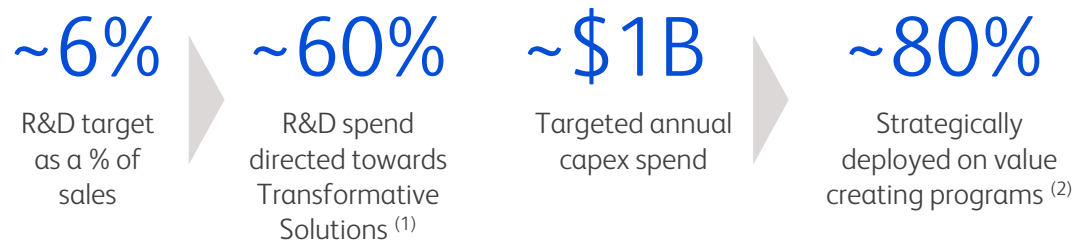
- Gross Margin reflects continued execution of simplification and inflation mitigation initiatives, including strategic portfolio exits offsetting outsized inflation and FX
- Operating Margin reflects leverage in SSG&A of 50 bps which excludes a 70 bps unfavorable impact from an employee benefit related item (which is fully offset in other expense, net)

Tax: Driven by timing of discrete items contemplated to occur during the year

Maintaining disciplined capital allocation policy

R&D / Capex

Purposeful and balanced investments help fuel our robust pipeline

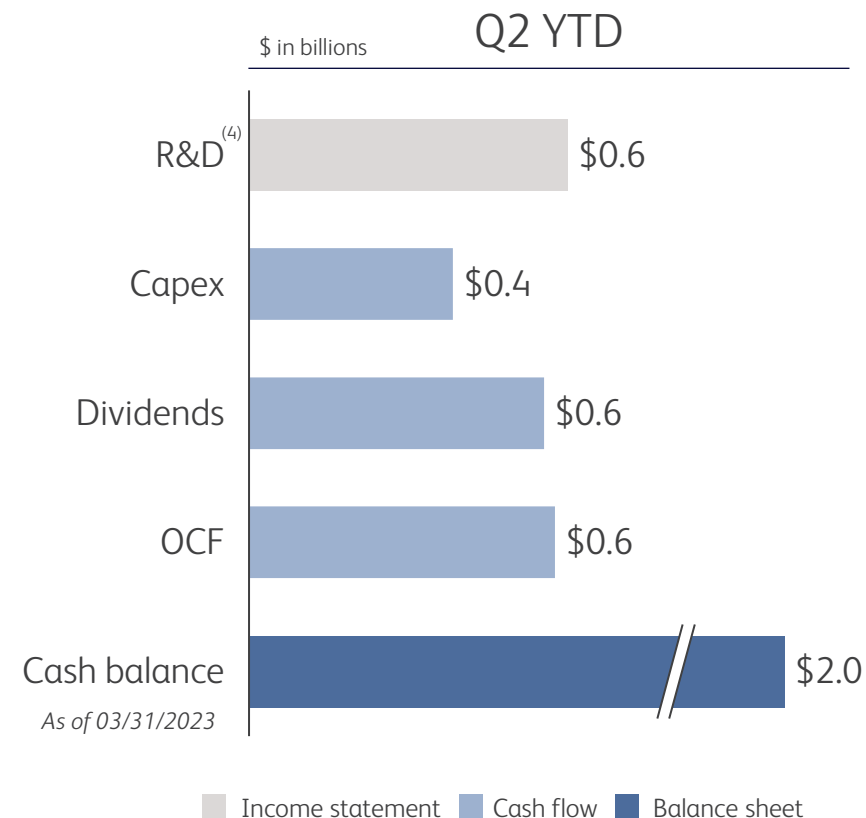


New lever for accelerating our strategy with meaningful capital deployment through our strengthened balance sheet



Dividend / Share Repurchase

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



⁽¹⁾ Refer to slide 21 of the November 2021 Investor Day presentation.

⁽²⁾ Refer to slide 89 of the November 2021 Investor Day presentation.

⁽³⁾ Refer to slide 86 of the November 2021 Investor Day presentation.

⁽⁴⁾ As adjusted. Please see slide 41 for non-GAAP reconciliations

Guidance

FY23 Guidance Summary

	May 4, 2023	February 2, 2023	Comments
Base revenue growth (FXN) ⁽¹⁾	6.5% to 7.0% Midpoint of 6.75%	5.75% to 6.75% Midpoint of 6.25%	<ul style="list-style-type: none"> Includes ~125 bps from inorganic M&A offset by a reduction of ~(100 bps) related to strategic portfolio exits Only includes Alaris capital shipments related to medical necessity; in-line with FY22 Medical: growth expected to be above BDX range (includes YoY Parata impact) Life Sciences: growth expected to be below BDX range Interventional: growth expected to be above BDX range
Organic base revenue growth (FXN) ⁽¹⁾	5.25% to 5.75% Midpoint of 5.5%	4.75% to 5.75% Midpoint of 5.25%	<ul style="list-style-type: none"> Organic base revenue growth includes reduction of ~(100 bps) related to strategic portfolio exits
COVID-only testing ⁽¹⁾ revenue	~\$50M	~\$50M to \$100M	<ul style="list-style-type: none"> Compared to \$511M in FY22
Estimated FX impact	~(200 bps) or ~(\$370M)	~(200 bps) or ~(\$370M)	<ul style="list-style-type: none"> Based on current spot rates and currency mix Assumes Euro = 1.10 USD
Estimated total company reported revenue	\$19.2B to \$19.3B	\$19.1B to \$19.3B	
Adjusted operating margin	at least 100 bps improvement	at least 100 bps improvement	<ul style="list-style-type: none"> Compared to operating margin of 22.6% in FY22
Interest / Other	~(\$50M) to (\$75M) decline	~(\$50M) to (\$75M) decline	<ul style="list-style-type: none"> Driven primarily by increased pension expense Compared to ~(\$400M) in FY22
Effective tax rate	13.25% to 14.0%	13.5% to 14.5%	<ul style="list-style-type: none"> Compared to effective tax rate of 13.3% in FY22
Adjusted EPS ⁽¹⁾	\$12.10 to \$12.32 Midpoint of \$12.21	\$12.07 to \$12.32 Midpoint of ~\$12.20	<ul style="list-style-type: none"> Increases midpoint by 1.5¢ and lower-end of guidance range by 3¢ Includes estimated FX impact of ~(270 bps) or (31¢) Implies ~9.5% to 11% FXN EPS growth

Note: indicates change in guidance

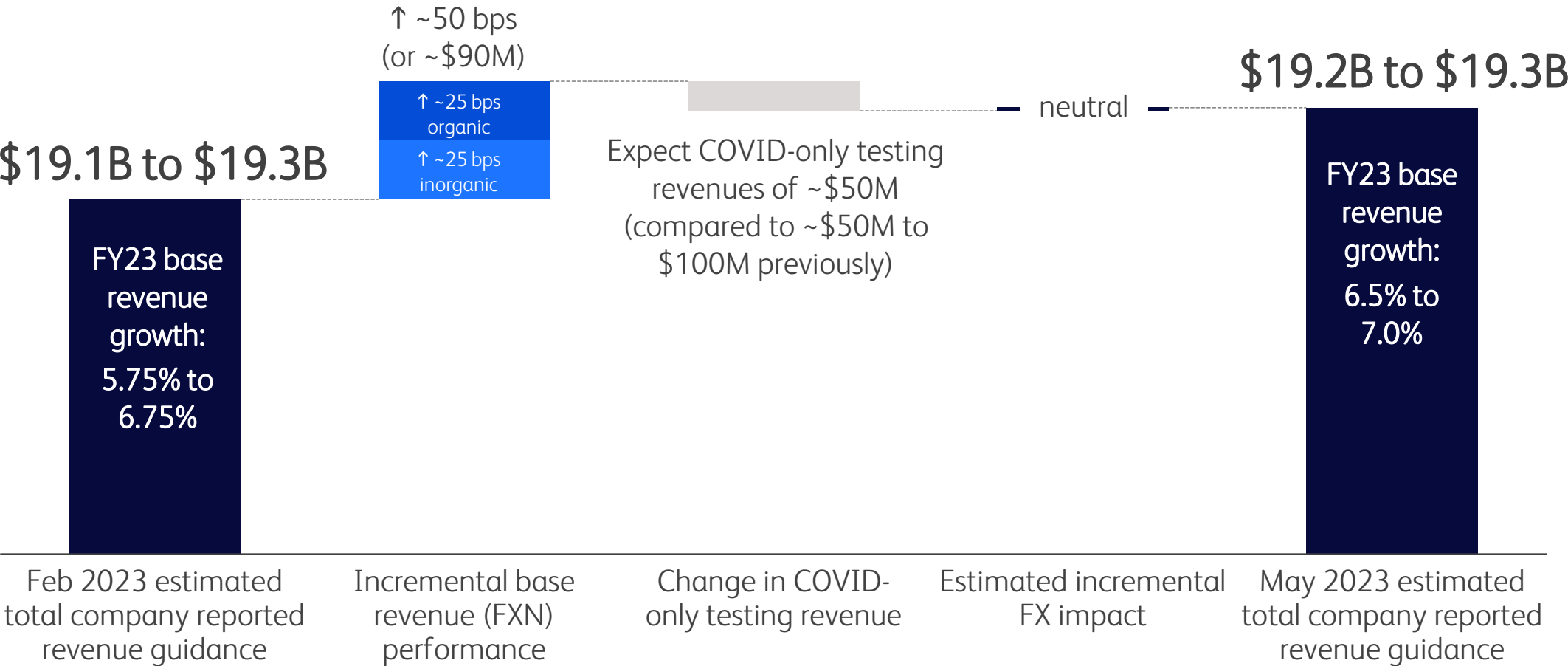


⁽¹⁾ Please see Basis of Presentation on slide 3 and Appendix for Non-GAAP reconciliations

Note: This guidance is only effective as of the date given, May 4, 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 May 4, 2023 does not constitute BD re-affirming guidance.

Raising base revenue guidance driven by strong overall Q2 performance

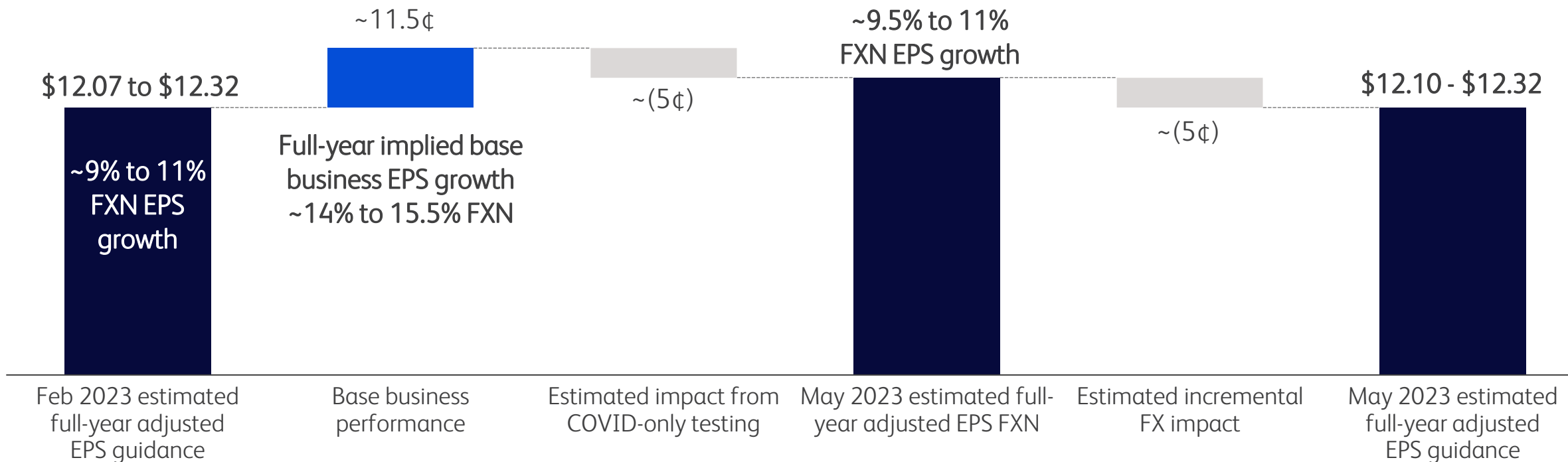
Increasing base FXN revenue growth ~50 bps



Increasing midpoint of FY23 adjusted EPS guidance

Expect full-year double-digit base FXN earnings growth

Strong base business performance enabling **increasing investments in growth and innovation** while absorbing the decline in higher-margin COVID-only testing and incremental FX pressure



Key Considerations

Revenue	<ul style="list-style-type: none"> Remainder of year organic base revenue growth rate expected to be fairly ratable Q4 revenue \$ expected to be sequentially higher than Q3 Based on current spot rates (EUR = 1.10 USD), FX expected to be a headwind in Q3 and a slight tailwind in Q4 	
Margins	Expect full-year adjusted operating margin expansion of at least 100 bps	
	<p style="text-align: center;">Q3 Considerations</p> <ul style="list-style-type: none"> Gross margin expected to be slightly ahead of Q3 FY22 gross margin of 52.6% YoY operating margin improvement expected to be similar to full-year operating margin expansion expectations <ul style="list-style-type: none"> Expect slight sequential operating margin improvement vs. Q2 FY23 operating margin of 22.7% R&D as a percentage of sales expected to moderate down sequentially towards full-year expectation of ~6% Favorable comparison of prior year reinvestment of COVID-only testing profits 	<p style="text-align: center;">Q4 Considerations</p> <ul style="list-style-type: none"> Strong Q4 margin expansion expected to be driven by: <ul style="list-style-type: none"> Leverage from historical seasonality of peak revenue Sequential gross margin improvement vs. Q3 from continued moderation of outsized inflation, portfolio mix and impact of inflation mitigation initiatives SSG&A expense leverage driven by timing and full-quarter impact from planned and executed simplification initiatives R&D as a percentage of sales continuing to moderate lower to ~5% with full-year expected to be ~6% (1H = 6.5%) Favorable comparison of prior year reinvestment of COVID-only testing profits
Interest/Other	<ul style="list-style-type: none"> 2H interest/other expense expected to be similar to 1H 	
Effective tax rate	<ul style="list-style-type: none"> Full-year ETR includes assumptions around jurisdictional mix of income and certain potential discrete items For planning purposes, midpoint of full-year ETR guidance indicates a remainder of year ETR ~16.5% 	
Adjusted EPS	<ul style="list-style-type: none"> Based on current spot rates, FX expected to be a headwind in Q3 and neutral in Q4 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 	

Appendix

Glossary

Acronym Defined Term

B	Billion	FY	Fiscal Year	PCR	Polymerase Chain Reaction
BDB	Biosciences	HPV	Human Papillomavirus	PI	Peripheral Intervention
BPS	Basis Points	HT	High Throughput	POC	Point of Care
BTK	Below the Knee	ID/AST	Identification & Antibiotic Susceptibility Testing	PVD	Peripheral Vascular Disease
BU	Business Unit	IDS	Integrated Diagnostics Solutions	PS	Pharmaceutical Systems
CAGR	Compound Annual Growth Rate	IO	Interoperability	PTA	Percutaneous Transluminal Angioplasty
Capex	Capital Expenditures	IV	Intravenous	R&D	Research and Development
CT/GC/TV2	Chlamydia/Gonorrhea/Trichomonas	IVD	In Vitro Diagnostic	RVP	Respiratory Viral Panel
DCB	Drug Coated Balloon	M&A	Mergers and Acquisitions	SSG&A	Shipping, Selling, General and Administrative
Dx	Diagnostics	MDS	Medication Delivery Solutions	SURG	Surgery
EBITDA	Earnings Before Interest, Taxes, Depreciation, Amortization	MMS	Medication Management Solutions	UCC	Urology & Critical Care
EPS	Earnings Per Share	M	Million	TSA/LSA	Transitional Service Agreement/Logistics Services Agreement
ESG	Environmental, Social, Governance	NPD	New Product Development	VAB	Vacuum Assisted Biopsy
ETR	Effective Tax Rate	OCF	Operating Cash Flow	WAMGR	Weighted Average Market Growth Rate
EU	European Union	OUS	Outside United States	YoY or Y/Y	Year over Year
FDA	Food and Drug Administration	PAD	Peripheral Arterial Disease	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 March 31,

(Unaudited; \$ in millions)	A	B	C	D=A-B	E=A-B-C	F=(A-B)/B	G=(A-B-C)/B
	2023	2022	FX Impact	Reported Change	FXN Change	% Change Reported	% Change FXN
TOTAL REVENUES FROM CONTINUING OPERATIONS	\$4,821	\$4,750	(\$124)	\$71	\$195	1.5%	4.1%
Less: COVID-19-only Diagnostic Testing Revenues	\$16	\$214	–	(\$199)	(\$198)	(92.6%)	(92.6%)
Base Revenues from Continuing Operations	\$4,805	\$4,535	(\$124)	\$270	\$393	6.0%	8.7%
<i>impact of COVID-19-only Diagnostic Testing Revenues ⁽¹⁾</i>				(4.2%)	(4.2%)		
BD LIFE SCIENCES REVENUES	\$1,275	\$1,485	(\$40)	(\$210)	(\$171)	(14.2%)	(11.5%)
Less: COVID-19-only Diagnostic Testing Revenues	\$16	\$214	–	(\$199)	(\$198)	(92.6%)	(92.6%)
Base BD Life Sciences Revenues	\$1,259	\$1,271	(\$39)	(\$12)	\$28	(0.9%)	2.2%
<i>impact of COVID-19-only Diagnostic Testing Revenues ⁽¹⁾</i>				(13.4%)	(13.4%)		
Integrated Diagnostic Solutions Revenues	\$888	\$1,150	(\$28)	(\$261)	(\$233)	(22.7%)	(20.3%)
Less: COVID-19-only Diagnostic Testing Revenues	\$16	\$214	–	(\$199)	(\$198)	(92.6%)	(92.6%)
Base Integrated Diagnostic Solutions Revenues	\$873	\$935	(\$28)	(\$63)	(\$35)	(6.7%)	(3.7%)
<i>impact of COVID-19-only Diagnostic Testing Revenues ⁽¹⁾</i>				(17.3%)	(17.3%)		

Supplemental Revenue Information - Organic Growth

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

(Unaudited; \$ in millions)	A	B	C	D=A-B	E=A-B-C	F=(A-B)/B	G=(A-B-C)/B
	2023	2022	FX Impact	Reported Change	FXN Change	% Change Reported	% Change FXN
TOTAL BDX REVENUES FROM CONTINUING OPERATIONS	\$4,821	\$4,750	(\$124)	\$71	\$195	1.5%	4.1%
Less: COVID-19-only Diagnostic Testing Revenues	\$16	\$214	–	(\$199)	(\$198)	(92.6%)	(92.6%)
TOTAL BDX BASE REVENUES FROM CONTINUING OPERATIONS	\$4,805	\$4,535	(\$124)	\$270	\$393	6.0%	8.7%
Less: Inorganic revenue contribution ⁽¹⁾				\$77	\$77	1.7%	1.7%
Total Base Organic Revenue Growth from Continuing Operations				\$193	\$317	4.3%	7.0%
TOTAL BD MEDICAL REVENUES FROM CONTINUING OPERATIONS	\$2,360	\$2,154	(\$56)	\$206	\$262	9.6%	12.2%
Less: Inorganic revenue contribution ⁽¹⁾				\$76	\$76	3.5%	3.5%
Total BD Medical Organic Revenue Growth from Continuing Operations				\$130	\$186	6.0%	8.7%
TOTAL BD LIFE SCIENCES REVENUES	\$1,275	\$1,485	(\$40)	(\$210)	(\$171)	(14.2%)	(11.5%)
Less: COVID-19-only Diagnostic Testing Revenues	\$16	\$214	–	(\$199)	(\$198)	(92.6%)	(92.6%)
BD Life Sciences Base Revenues	\$1,259	\$1,271	(\$39)	(\$12)	\$28	(0.9%)	2.2%
Less: Inorganic revenue contribution ⁽¹⁾				\$1	\$1	0.1%	0.1%
Total BD Life Sciences Organic Revenue Growth				(\$12)	\$27	(1.0%)	2.1%

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 March 31,

(Unaudited)	2023	2022	Change	Foreign Currency Translation	Foreign Currency Neutral Change	Change %	Foreign Currency Neutral Change %
Reported Diluted Earnings per Share from Continuing Operations	\$1.53	\$1.28	\$0.25	(\$0.22)	\$0.47	19.5 %	36.7 %
Purchase accounting adjustments (\$347 million and \$356 million pre-tax, respectively) ⁽¹⁾	\$1.21	\$1.24		(\$0.01)			
Integration costs (\$29 million and \$11 million pre-tax, respectively) ⁽²⁾	\$0.10	\$0.04		–			
Restructuring costs (\$33 million and \$17 million pre-tax, respectively) ⁽²⁾	\$0.11	\$0.06		–			
Separation-related items (\$3 million pre-tax) ⁽³⁾	\$0.01	–		–			
European regulatory initiative-related costs (\$37 million and \$35 million pre-tax, respectively) ⁽⁴⁾	\$0.13	\$0.12		–			
Product, litigation, and other items (\$109 million pre-tax) ⁽⁵⁾	–	\$0.38		–			
Income tax benefit of special items (\$70 million and \$(96) million, respectively)	(\$0.24)	(\$0.34)		–			
Adjusted Diluted Earnings per Share from Continuing Operations	\$2.86	\$2.78	\$0.08	(\$0.23)	\$0.31	2.9 %	11.2 %

⁽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* 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. The amounts in 2022 include charges to *Cost of products sold* of \$35 million to adjust the estimate of future product remediation costs and \$54 million related to a noncash asset impairment charge in the Medical segment.

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 March 31, 2023

(Unaudited; \$ in millions, except per share data)	Reported (GAAP)	Purchase accounting	Integration costs	Restructuring costs	Separation - related items	European Regulatory	TSA / LSA total	Income tax benefit of special items	(A) Adjusted (Non-GAAP)	Notes for Non-GAAP Adjustments (Slide 36)
Revenues	\$4,821	-	-	-	-	-	-	-	\$4,821	
Gross Profit	\$2,235	\$364	-	-	-	\$15	-	-	\$2,614	1,4
% Revenues	46.4%								54.2%	
Adjusted FXN % Revenues									55.1%	
SSG&A	\$1,205	\$15	-	-	-	(\$1)	-	-	\$1,219	1,4
% Revenues	25.0%								25.3%	
Adjusted FXN % Revenues									25.2%	
R&D	\$337	-	-	-	-	(\$21)	-	-	\$316	4
% Revenues	7.0%								6.5%	
Adjusted FXN % Revenues									6.4%	
Operating Income	\$628	\$348	\$29	\$33	\$3	\$37	\$14	-	\$1,093	1,2,3,4
Operating Margin	13.0%								22.7%	
Adjusted FXN % Operating Margin									23.7%	
Net interest expense	(\$108)	(\$1)	-	-	-	-	-	-	(\$109)	1
Other Income (Expense), Net	\$8	-	-	-	-	-	(\$14)	-	(\$6)	
Income Tax Provision	\$68							\$70	\$138	
Effective Tax Rate	12.9%								14.1%	
Net Income from Continuing Operations	\$460	\$347	\$29	\$33	\$3	\$37	-	(\$70)	\$840	1,2,3,4
% Revenues	9.5%								17.4%	
Diluted Earnings per Share from Continuing Operations	\$1.53	\$1.21	\$0.10	\$0.11	\$0.01	\$0.13	\$0.00	(\$0.24)	\$2.86	1,2,3,4

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 March 31, 2022

(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 36)
Revenues	\$4,750	-	-	-	-	-	-	\$4,750	
Gross Profit	\$2,112	\$355	-	-	\$11	\$90	-	\$2,568	1,4,5
% Revenues	44.5%		-					54.1%	
SSG&A	\$1,192	(\$3)	-	-	-	-	-	\$1,189	1
% Revenues	25.1%							25.0%	
R&D	\$327	-	-	-	(\$23)	-	-	\$304	4
% Revenues	6.9%							6.4%	
Operating Income	\$564	\$357	\$11	\$17	\$35	\$90	-	\$1,075	1,2,4,5
Operating Margin	11.9%							22.6%	
Net interest expense	(\$95)	(\$1)	-	-	-	-	-	(\$97)	1
Other Income (Expense), Net	(\$27)	-	-	-	-	\$19	-	(\$8)	5
Income Tax Provision	\$52						\$96	\$148	
Effective Tax Rate	11.8%							15.3%	
Net Income from Continuing Operations	\$390	\$356	\$11	\$17	\$35	\$109	(\$96)	\$822	1,2,4,5
% Revenues	8.2%							17.3%	
Diluted Earnings per Share from Continuing Operations	\$1.28	\$1.24	\$0.04	\$0.06	\$0.12	\$0.38	(\$0.34)	\$2.78	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 March 31, 2023 Compared With Three Months Ended March 31, 2022

(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	\$4,821	\$4,750	\$71	1.5%	(\$124)	\$195	4.1%
Gross Profit	\$2,614	\$2,568	\$46	1.8%	(\$109)	\$155	6.0%
% Revenues	54.2%	54.1%					
Adjusted FXN % Revenues	55.1%						
SSG&A	\$1,219	\$1,189	\$30	2.5%	(\$29)	\$59	5.0%
% Revenues	25.3%	25.0%					
Adjusted FXN % Revenues	25.2%						
R&D	\$316	\$304	\$12	3.8%	(\$3)	\$14	4.7%
% Revenues	6.5%	6.4%					
Adjusted FXN % Revenues	6.4%						
Operating Income	\$1,093	\$1,075	\$18	1.7%	(\$78)	\$97	9.0%
Operating Margin	22.7%	22.6%					
Adjusted FXN % Operating Margin	23.7%						
Net interest expense	(\$109)	(\$97)	(\$13)	13.1%	-	(\$13)	13.5%
Other Income (Expense), Net	(\$6)	(\$8)	\$2	21.3%	\$2	-	(3.8%)
Income Tax Provision	\$138	\$148	(\$11)	(7.1%)	(\$11)	-	-
Effective Tax Rate	14.1%	15.3%					
Net Income from Continuing Operations	\$840	\$822	\$18	2.2%	(\$65)	\$83	10.1%
% Revenues	17.4%	17.3%					
Diluted Earnings per Share from Continuing Operations	\$2.86	\$2.78	\$0.08	2.9%	(\$0.23)	\$0.31	11.2%

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

Year to Date Reconciliation of Reported Diluted EPS from Continuing Operations to Adjusted Diluted EPS from Continuing Operations
For the Six Months ended March 31,

(Unaudited)	2023	2022	Change	Foreign Currency Translation	Foreign Currency Neutral Change	Change %	Foreign Currency Neutral Change %
Reported Diluted Earnings per Share from Continuing Operations	\$3.24	\$3.18	\$0.06	(\$0.26)	\$0.32	1.9 %	10.1 %
Purchase accounting adjustments (\$709 million and \$720 million pre-tax, respectively) ⁽¹⁾	\$2.49	\$2.51		(\$0.01)			
Integration costs (\$47 million and \$28 million pre-tax, respectively) ⁽²⁾	\$0.16	\$0.10		(\$0.01)			
Restructuring costs (\$59 million and \$34 million pre-tax, respectively) ⁽²⁾	\$0.21	\$0.12		–			
Separation-related items (\$9 million pre-tax) ⁽³⁾	\$0.03	–		–			
European regulatory initiative-related costs (\$70 million and \$66 million pre-tax, respectively) ⁽⁴⁾	\$0.24	\$0.23		–			
Product, litigation, and other items (\$4 million and \$131 million pre-tax, respectively) ⁽⁵⁾	\$0.01	\$0.46		–			
Income tax benefit of special items (\$155 million and \$182 million, respectively)	(\$0.54)	(\$0.63)		\$0.01			
Adjusted Diluted Earnings per Share from Continuing Operations	\$5.84	\$5.95	(\$0.11)	(\$0.27)	\$0.16	(1.8%)	2.7 %

⁽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* 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. The amounts in 2022 include charges to *Cost of products sold* of \$35 million to adjust the estimate of future product remediation costs and \$54 million related to a noncash asset impairment charge in the Medical segment.

Supplemental Non-GAAP Reconciliation

1 of 3

Year to Date Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change from Continuing Operations
For the Six Months ended March 31, 2023

(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 40)
Revenues	\$9,407	-	-	-	-	-	-	-	-	\$9,407	
Gross Profit	\$4,368	\$726	-	-	-	\$26	\$2	-	-	\$5,122	1,4,5
% Revenues	46.4%									54.4%	
Adjusted FXN % Revenues										54.3%	
SSG&A	\$2,392	\$14	-	-	-	(\$1)	-	-	-	\$2,405	1, 4
% Revenues	25.4%									25.6%	
Adjusted FXN % Revenues										25.5%	
R&D	\$651	-	-	-	-	(\$42)	-	-	-	\$608	4
% Revenues	6.9%									6.5%	
Adjusted FXN % Revenues										6.3%	
Operating Income	\$1,213	\$712	\$47	\$59	\$9	\$70	\$2	\$31	-	\$2,142	1,2,3,4,5
Operating Margin	12.9%									22.8%	
Adjusted FXN % Operating Margin										22.8%	
Net interest expense	(\$204)	(\$3)	-	-	-	-	-	-	-	(\$207)	1
Other Income (Expense), Net	\$1	-	-	-	-	-	\$2	(\$31)	-	(\$28)	5
Income Tax Provision	\$40								\$155	\$195	
Effective Tax Rate	4.0%									10.2%	
Net Income from Continuing Operations	\$969	\$709	\$47	\$59	\$9	\$70	\$4	-	(\$155)	\$1,712	1,2,3,4,5
% Revenues	10.3%									18.2%	
Diluted Earnings per Share from Continuing Operations	\$3.24	\$2.49	\$0.16	\$0.21	\$0.03	\$0.24	\$0.01	\$0.00	(\$0.54)	\$5.84	1,2,3,4,5

Supplemental Non-GAAP Reconciliation

2 of 3

Year to Date Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change from Continuing Operations
For the Six Months ended March 31, 2022

(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 40)
Revenues	\$9,468	-	-	-	-	-	-	\$9,468	
Gross Profit	\$4,333	\$712	-	-	\$21	\$90	-	\$5,156	1,4,5
% Revenues	45.8%							54.5%	
SSG&A	\$2,378	(\$10)	-	-	(\$1)	-	-	\$2,366	1,4
% Revenues	25.1%							25.0%	
R&D	\$641	-	-	-	(\$44)	-	-	\$597	4
% Revenues	6.8%							6.3%	
Operating Income	\$1,256	\$723	\$28	\$34	\$66	\$90	-	\$2,197	1,2,4,5
Operating Margin	13.3%							23.2%	
Net interest expense	(\$191)	(\$2)	-	-	-	-	-	(\$194)	1
Other Income (Expense), Net	(\$24)	-	-	-	-	\$41	-	\$17	5
Income Tax Provision	\$84	-	-	-	-	-	\$182	\$266	
Effective Tax Rate	8.0%							13.2%	
Net Income from Continuing Operations	\$958	\$720	\$28	\$34	\$66	\$131	(\$182)	\$1,754	1,2,4,5
% Revenues	10.1%							18.5%	
Diluted Earnings per Share from Continuing Operations	\$3.18	\$2.51	\$0.10	\$0.12	\$0.23	\$0.46	(\$0.63)	\$5.95	1,2,4,5

Supplemental Non-GAAP Reconciliation

3 of 3

Year to Date Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change from Continuing Operations
Change in Six Months Ended March 31, 2023 Compared With Six Months Ended March 31, 2022

(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	\$9,407	\$9,468	(\$61)	(0.6%)	(\$339)	\$277	2.9%
Gross Profit	\$5,122	\$5,156	(\$35)	(0.7%)	(\$169)	\$134	2.6%
% Revenues	54.4%	54.5%					
Adjusted FXN % Revenues	54.3%						
SSG&A	\$2,405	\$2,366	\$38	1.6%	(\$82)	\$121	5.1%
% Revenues	25.6%	25.0%					
Adjusted FXN % Revenues	25.5%						
R&D	\$608	\$597	\$11	1.9%	(\$8)	\$19	3.2%
% Revenues	6.5%	6.3%					
Adjusted FXN % Revenues	6.3%						
Operating Income	\$2,142	\$2,197	(\$54)	(2.5%)	(\$81)	\$27	1.2%
Operating Margin	22.8%	23.2%					
Adjusted FXN % Operating Margin	22.8%						
Net interest expense	(\$207)	(\$194)	(\$13)	6.9%	\$2	(\$15)	7.9%
Other Income (Expense), Net	(\$28)	\$17	(\$45)	(260.4%)	(\$10)	(\$35)	(201.1%)
Income Tax Provision	\$195	\$266	(\$71)	(26.5%)	(\$13)	(\$58)	(21.8%)
Effective Tax Rate	10.2%	13.2%					
Net Income from Continuing Operations	\$1,712	\$1,754	(\$42)	(2.4%)	(\$77)	\$35	2.0%
% Revenues	18.2%	18.5%					
Diluted Earnings per Share from Continuing Operations	\$5.84	\$5.95	(\$0.11)	(1.8%)	(\$0.27)	\$0.16	2.7%

Supplemental Revenue Information - Organic Growth Reconciliation

For the Twelve Months Ended September 30,

(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
TOTAL BDX REVENUES FROM CONTINUING OPERATIONS	\$18,870	\$19,131	(\$432)	(\$261)	\$171	(1.4%)	0.9%
Less: COVID-19-only Diagnostic Testing Revenues	\$511	\$1,956	(\$6)	(\$1,444)	(\$1,438)	(73.8%)	(73.5%)
TOTAL BDX BASE REVENUES FROM CONTINUING OPERATIONS	\$18,358	\$17,175	(\$426)	\$1,184	\$1,609	6.9%	9.4%
Less: Inorganic revenue contribution ⁽¹⁾				\$147	\$147	0.9%	0.9%
Total Base Organic Revenue Growth from Continuing Operations				\$1,037	\$1,462	6.0%	8.5%

Reconciliation of Non-GAAP Adjusted Operating Margins to Base Operating Margins

Unaudited; \$ in millions	Adjusted Operating Margin				
	(A) Revenues	(B) All-in adjusted operating profit	(C) = (B) / (A) All-in adjusted operating margin percentage	(D) COVID-19 Dx test and reinvestment impact	(E) = (C) - (D) Base business operating margin
FY21 ⁽²⁾	\$19,131	\$4,244	22.2%	~260 bps	19.6%
FY22 ⁽³⁾	\$18,870	\$4,266	22.6%	~20 bps	22.4%

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

Year to date Reconciliation of Reported EPS from Continuing Operations to Adjusted Diluted EPS from Continuing Operations
For the Twelve Months Ended September 30,

(Unaudited)	2022	2021	Change	Foreign Currency Translation	Foreign Currency Neutral Change	Change %	Foreign Currency Neutral Change %
Reported Diluted Earnings per Share from Continuing Operations	\$5.38	\$5.18	\$0.20	\$0.14	\$0.06	3.9 %	1.2 %
Purchase accounting adjustments (\$1.431 billion and \$1.405 billion pre-tax, respectively) ⁽¹⁾	\$4.98	\$4.81		(\$0.02)			
Integration costs (\$68 million and \$135 million pre-tax, respectively) ⁽²⁾	\$0.24	\$0.46		(\$0.01)			
Restructuring costs (\$123 million and \$44 million pre-tax, respectively) ⁽²⁾	\$0.43	\$0.15		(\$0.01)			
Separation-related items (\$20 million pre-tax) ⁽³⁾	\$0.07	–		(\$0.01)			
European regulatory initiative-related costs (\$146 million and \$134 million pre-tax, respectively) ⁽⁴⁾	\$0.51	\$0.46		(\$0.01)			
Product, litigation, and other items (\$268 million and \$226 million, pre-tax, respectively) ⁽⁵⁾	\$0.93	\$0.77		(\$0.01)			
Impacts of debt extinguishment (\$24 million and \$185 million pre-tax)	\$0.08	\$0.63		–			
Income tax benefit of special items (\$366 million and \$(348) million, respectively)	(\$1.27)	(\$1.19)		\$0.01			
Adjusted Diluted Earnings per Share from Continuing Operations	\$11.35	\$11.28	\$0.07	\$0.09	(\$0.02)	0.6%	(0.2%)

⁽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 amounts recorded to *Other operating expense (income), net* incurred in connection with the spin-off 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 *Cost 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*. Items in 2021 included product remediation costs of \$56 million recorded to *Cost of products sold*, product liability and legal defense costs of \$361 million recorded to *Other operating expense, net*, and gains on sale-leaseback transactions of \$158 million recorded to *Other operating expense, net*.

Supplemental Non-GAAP Reconciliation

1 of 2

Year to Date Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change from Continuing Operations
For the Twelve Months ended September 30, 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	Impacts of debt extinguishment	Income tax benefit of special items	(A) Adjusted (Non-GAAP)	Notes for Non-GAAP Adjustments (Slide 45)
Revenues	\$18,870	-	-	-	-	-	-	-	-	-	\$18,870	
Gross Profit	\$8,477	\$1,429	-	-	-	\$48	\$134	-	-	-	\$10,088	1,4,5
% Revenues	44.9%										53.5%	
Adjusted FXN % Revenues											52.6%	
SSG&A	\$4,709	(\$8)	-	-	-	(\$2)	-	-	-	-	\$4,699	1,4
% Revenues	25.0%										24.9%	
Adjusted FXN % Revenues											24.9%	
R&D	\$1,256	-	-	-	-	(\$96)	-	-	-	-	\$1,161	4
% Revenues	6.7%										6.1%	
Adjusted FXN % Revenues											6.1%	
Operating Income	\$2,282	\$1,437	\$68	\$123	\$20	\$146	\$155	\$33	-	-	\$4,266	1,2,3,4,5
Operating Margin	12.1%										22.6%	
Adjusted FXN % Operating Margin											21.9%	
Net interest expense	(\$382)	(\$6)	-	-	-	-	-	-	-	-	(\$388)	1
Other Income, Net	(\$117)	-	-	-	-	-	\$113	(\$33)	\$24	-	(\$12)	5
Income Tax Provision	\$148									\$366	\$514	
Effective Tax Rate	8.3%										13.3%	
Net Income from Continuing Operations	\$1,635	\$1,431	\$68	\$123	\$20	\$146	\$268	-	\$24	(\$366)	\$3,351	1,2,3,4,5
% Revenues	8.7%										17.8%	
Diluted Earnings per Share from Continuing Operations	\$5.38	\$4.98	\$0.24	\$0.43	\$0.07	\$0.51	\$0.93	\$0.00	\$0.08	(\$1.27)	\$11.35	1,2,3,4,5

Supplemental Non-GAAP Reconciliation

2 of 2

Year to Date Reconciliation of Adjusted Change and Adjusted Foreign Currency Neutral Change from Continuing Operations
For the Twelve Months ended September 30, 2021

(Unaudited; \$ in millions, except per share data)	Reported (GAAP)	Purchase accounting	Integration costs	Restructuring costs	European Regulatory	Product, litigation, and other items	Impacts of debt extinguishment	Income tax benefit of special items	(B) Adjusted (Non-GAAP)	Notes for Non-GAAP Adjustments (Slide 4/5)
Revenues	\$19,131	-	-	-	-	-	-	-	\$19,131	
Gross Profit	\$8,630	\$1,398	-	-	\$41	\$63	-	-	\$10,132	1,4,5
% Revenues	45.1%								53.0%	
SSG&A	\$4,719	(\$11)	-	-	(\$1)	-	-	-	\$4,707	1,4
% Revenues	24.7%								24.6%	
R&D	\$1,279	(\$7)	-	-	(\$92)	-	-	-	\$1,181	1,4
% Revenues	6.7%								6.2%	
Operating Income	\$2,250	\$1,416	\$135	\$44	\$134	\$266	-	-	\$4,244	1,2,4,5
Operating Margin	11.8%								22.2%	
Net interest expense	(\$460)	(\$7)	-	-	-	-	\$6	-	(\$460)	1
Other Income, Net	(\$99)	(\$5)	-	-	-	(\$40)	\$178	-	\$36	1,5
Income Tax Provision	\$88	-	-	-	-	-	-	\$348	\$435	
Effective Tax Rate	5.2%								11.4%	
Net Income from Continuing Operations	\$1,604	\$1,405	\$135	\$44	\$134	\$226	\$185	(\$348)	\$3,384	1,2,4,5
% Revenues	8.4%								17.7%	
Diluted Earnings per Share from Continuing Operations	\$5.18	\$4.81	\$0.46	\$0.15	\$0.46	\$0.77	\$0.63	(\$1.19)	\$11.28	1,2,4,5

Supplemental Revenue Information – Revenues by Business Segments and Units

For the Three Months ended March 31,

(Unaudited; \$ in millions)	A 2023	B 2022	C FX Impact	D=(A-B)/B	E=(A-B-C)/B
				% Change	
				Reported	FXN
BD MEDICAL					
Medication Delivery Solutions ⁽¹⁾	\$1,070	\$1,049	(\$28)	1.9%	4.6%
Medication Management Solutions	\$723	\$604	(\$10)	19.8%	21.5%
Pharmaceutical Systems ⁽¹⁾	\$567	\$501	(\$18)	13.3%	16.9%
TOTAL	\$2,360	\$2,154	(\$56)	9.6%	12.2%
BD LIFE SCIENCES					
Integrated Diagnostic Solutions	\$888	\$1,150	(\$28)	(22.7%)	(20.3%)
Biosciences	\$386	\$335	(\$12)	15.3%	18.7%
TOTAL	\$1,275	\$1,485	(\$40)	(14.2%)	(11.5%)
BD INTERVENTIONAL					
Surgery	\$381	\$340	(\$6)	12.0%	13.7%
Peripheral Intervention	\$468	\$450	(\$15)	4.1%	7.5%
Urology and Critical Care	\$336	\$320	(\$7)	5.0%	7.1%
TOTAL	\$1,186	\$1,111	(\$28)	6.8%	9.3%
TOTAL REVENUES FROM CONTINUING OPERATIONS	\$4,821	\$4,750	(\$124)	1.5%	4.1%

Supplemental Revenue Information— Revenues by Geographic Regions

For the Three Months ended March 31,

(Unaudited; \$ in millions)	A 2023	B 2022	C FX Impact	D=(A-B)/B	E=(A-B-C)/B
				% Change	
				Reported	FXN
United States	\$2,733	\$2,669	\$0	2.4%	2.4%
International	\$2,088	\$2,081	(\$124)	0.4%	6.3%
Developed Markets	\$4,087	\$4,046	(\$92)	1.0%	3.3%
Emerging Markets	\$734	\$704	(\$31)	4.2%	8.7%
China	\$347	\$340	(\$24)	2.2%	9.1%
TOTAL REVENUES FROM CONTINUING OPERATIONS	\$4,821	\$4,750	(\$124)	1.5%	4.1%

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 March 31, 2023

Reported GAAP net income from continuing operations	\$1,647
Adjusted for:	
Depreciation, amortization and other	\$2,247
Interest expense	\$423
Income taxes	\$105
Share-based compensation	\$244
Integration costs pre-tax ⁽¹⁾	\$87
Restructuring costs pre-tax ⁽¹⁾	\$148
Separation-related items pre-tax ⁽²⁾	\$30
European regulatory initiative-related costs pre-tax ⁽³⁾	\$150
Product, litigation, and other items ⁽⁴⁾	\$141
Impacts of debt extinguishment pre-tax	\$24
Adjusted EBITDA	\$5,245
Short-Term Debt	\$2,214
Long-Term Debt	\$16,010
Less: Cash, Cash Equivalents and Short Term Investments	(\$1,987)
Net Debt	\$16,236
Net Leverage⁽⁵⁾	3.1x

⁽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.

FY2023 Outlook Reconciliation

	<u>Full Year FY2022</u>	<u>Full Year FY2023 Outlook</u>	
	<u>(\$ in millions)</u>	<u>FX Neutral % Change</u>	<u>Reported Revenues</u>
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		+6.5% to +7.0%	
FY2023 COVID-19-only Diagnostic Testing Revenues			~\$50 million
Illustrative Foreign Currency (FX) Impact, based on FX spot rates			(~200) basis points
Total FY2023 Revenues from Continuing Operations			\$19.2 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
Reported Diluted Earnings per Share	\$5.38	
Purchase accounting adjustments (\$1.431 billion pre-tax) ⁽¹⁾	\$4.98	
Integration costs (\$68 million pre-tax) ⁽²⁾	\$0.24	
Restructuring costs (\$123 million pre-tax) ⁽²⁾	\$0.43	
Separation-related items (\$20 million pre-tax) ⁽³⁾	\$0.07	
European regulatory initiative-related costs (\$146 million pre-tax) ⁽⁴⁾	\$0.51	
Product, litigation, and other items (\$268 million pre-tax) ⁽⁵⁾	\$0.93	
Impacts of debt extinguishment (\$24 million pre-tax)	\$0.08	
Income tax benefit of special items (\$366 million)	(\$1.27)	
Adjusted Diluted Earnings per Share	\$11.35	\$12.10 to \$12.32
Illustrative Foreign Currency (FX) Impact, based on FX spot rates		(~270) basis points
FX Neutral % Change		~+9.5% to +11.0%

⁽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* 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*.

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