



**Second Quarter Results  
Fiscal Year 2011**

**April 27, 2011**



## Forward-Looking Statements

- These materials include forward-looking statements and it's possible that actual results could differ from our expectations. Factors that could cause such differences appear in our second quarter earnings release and in our recent SEC filings.

## Non-GAAP Financial Measures

- These materials also include Non-GAAP financial measures. A reconciliation to the comparable GAAP measures can be found herein, or in our earnings release and the financial schedules attached thereto.
- ***A copy of the release, including the financial schedules, is posted on the "Investors" section of the BD.com website.***

## Results from Continuing Operations

- The following financial information represents results from continuing operations. Certain financial information excludes the following items:
  1. The impact of foreign currency translation, including hedge gains or losses.
  2. The impact of pandemic flu-related orders and stimulus spending in the U.S. and supplemental spending in Japan during fiscal year 2010.
  3. The second quarter fiscal 2010 non-cash charge of \$8.9 million (4 cents diluted earnings per share from continuing operations) related to healthcare reform impacting Medicare Part D reimbursements.

FXN = Estimated foreign exchange-neutral currency growth.

\$ = Dollars in millions except per share data.

Note: All figures on accompanying slides are rounded. Totals may not add due to rounding. Percentages are based on un-rounded figures.

**Vincent A. Forlenza**  
President and COO

- **Japan earthquake and tsunami impact on the Company**
  - ◆ Recovery faster than anticipated
  - ◆ Customer Service and Distribution Center are operating at normal levels
  - ◆ Manufacturing plant restarted production of prepared plated media
  - ◆ BD Hypak™ manufacturing will restart during third quarter
  - ◆ We continue to monitor the nuclear power plant situation
  
- **Completed Accuri acquisition**
  - ◆ Complements BD's current portfolio
  - ◆ Small footprint, ease of use, affordable price
  - ◆ Enables the adoption of flow by researchers studying a wide range of scientific disciplines that have not traditionally used flow cytometry



## Q2 FY 2011 Revenue and EPS Results

	Second Quarter			Year-to-Date		
	2011	Adjusted Growth	Adjusted FXN Growth	2011	Adjusted Growth	Adjusted FXN Growth
<b>Revenues</b>	\$1,922	6.8%	4.6%	\$3,764	2.6%	1.5%
<b>EPS</b>	\$1.38	13.1%	7.4%	\$2.72	10.1%	5.3%

- Challenging macroeconomic environment
- Currency translation favorably impacting reported revenues and EPS results
- Lowering revenue guidance to ~3.5% FXN
- Revising EPS guidance to ~10% FXN, the lower end of the previously communicated range, due to higher resin costs and the impact of Japan

**David V. Elkins**  
Executive Vice President and CFO



## Q2 FY 2011 Financial Highlights

- **Q2 FXN revenue growth was 4.6%**, in line with the Company's expectations
  - ◆ Solid growth in Medical and Diagnostics
  - ◆ Strong Biosciences growth masked by supplemental & stimulus spending in 2010 and Japan earthquake and tsunami
  - ◆ Strong emerging market growth of 13.0%
- **Controlled G&A expenses** while investing in selling resources in **emerging markets**
- **R&D increased 18.9%** as we continue to invest in new products and platforms
- **EPS of \$1.38**, aided by currency
- **Repurchased ~\$221 million** of common stock





# FY 2011 Revenues by Segment

	Second Quarter			Year-to-Date			FXN % Excluding Impacts <sup>(1)</sup>
	\$	Reported Growth %	FXN %	\$	Reported Growth %	FXN %	
<b>Total Revenues</b>	<b>\$1,922</b>	<b>6.8%</b>	<b>4.6%</b>	<b>\$3,764</b>	<b>2.6%</b>	<b>1.5%</b>	<b>4.9%</b>
<b>Medical</b>	\$981	6.5%	4.9%	\$1,908	0.8%	0.1%	<b>4.2%</b>
<b>Diagnostics</b>	\$605	8.9%	6.5%	\$1,207	4.9%	3.6%	<b>4.6%</b>
<b>Biosciences</b>	\$335	4.1%	0.4%	\$649	3.9%	1.9%	<b>7.0%</b>

<sup>(1)</sup> This represents sales related to the flu, stimulus spending in the U.S., and supplemental spending in Japan that occurred in fiscal year 2010.



# FY 2011 U.S. and International Revenues

	Second Quarter			Year-to-Date			FXN % Ex. <sup>(1)</sup> Impacts
	\$	Reported Growth %	FXN %	\$	Reported Growth %	FXN %	
<b>Total U.S.</b>	<b>829</b>	<b>4.7</b>	<b>4.7</b>	<b>1,658</b>	<b>0.8</b>	<b>0.8</b>	<b>4.9%</b>
<b>Medical</b>	<b>398</b>	<b>4.4</b>	<b>4.4</b>	<b>804</b>	<b>-1.3</b>	<b>-1.3</b>	
<b>Diagnostics</b>	<b>311</b>	<b>6.1</b>	<b>6.1</b>	<b>619</b>	<b>2.7</b>	<b>2.7</b>	
<b>Biosciences</b>	<b>120</b>	<b>2.5</b>	<b>2.5</b>	<b>234</b>	<b>2.9</b>	<b>2.9</b>	
<b>International</b>	<b>1,093</b>	<b>8.5</b>	<b>4.6</b>	<b>2,106</b>	<b>4.1</b>	<b>2.1</b>	<b>4.7%</b>
<b>Medical</b>	<b>583</b>	<b>8.0</b>	<b>5.3</b>	<b>1,104</b>	<b>2.4</b>	<b>1.2</b>	
<b>Diagnostics</b>	<b>295</b>	<b>12.1</b>	<b>7.1</b>	<b>588</b>	<b>7.2</b>	<b>4.4</b>	
<b>Biosciences</b>	<b>215</b>	<b>5.0</b>	<b>-0.8</b>	<b>415</b>	<b>4.5</b>	<b>1.4</b>	

Note: International data includes hedge allocation.

<sup>(1)</sup> This represents sales related to the flu, stimulus spending in the U.S., and supplemental spending in Japan that occurred in fiscal year 2010.



# FY 2011 Safety Revenues

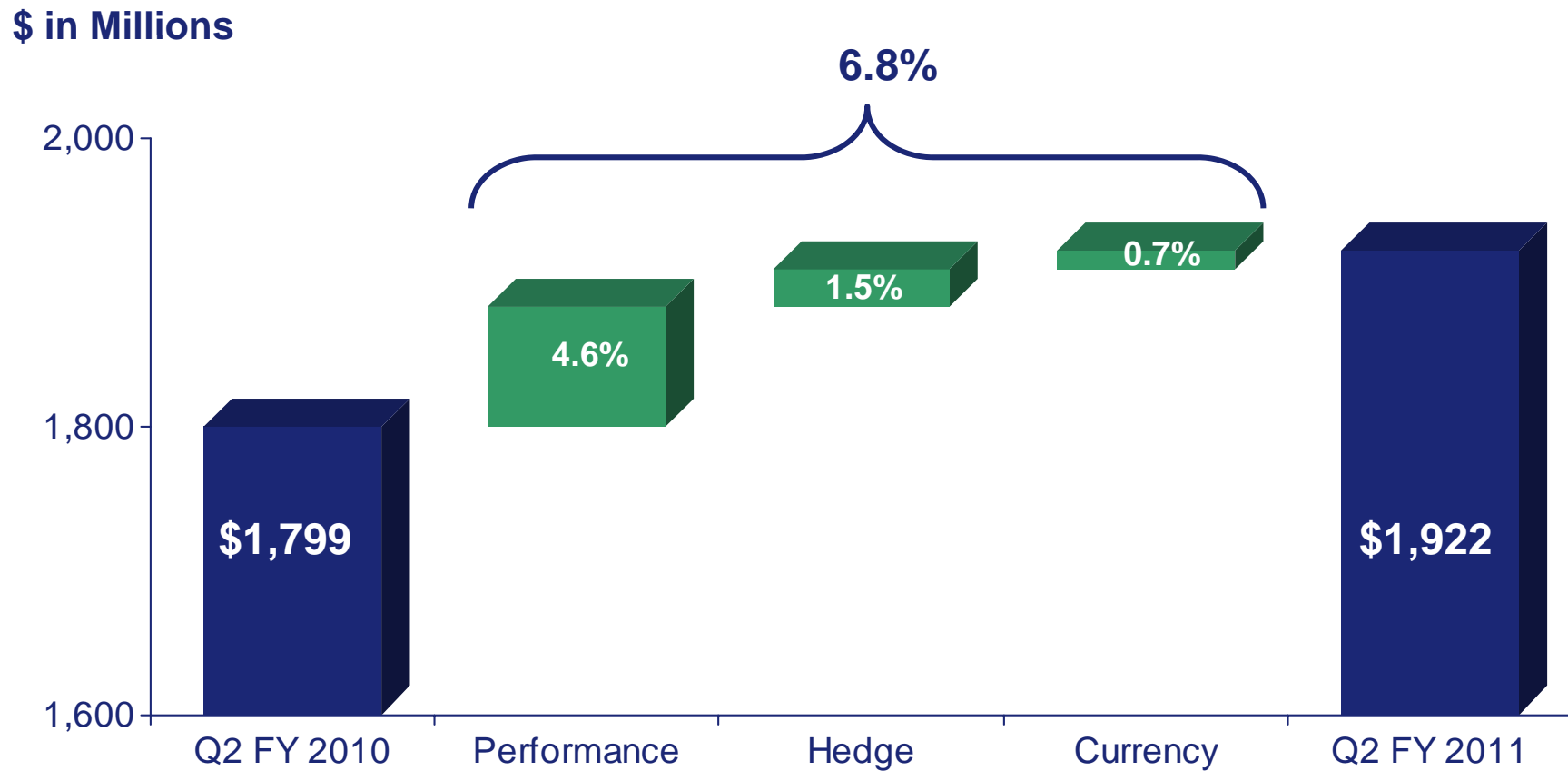
	Second Quarter			Year-to-Date			FXN % Ex. Impacts <sup>(1)</sup>
	\$	Reported Growth %	FXN %	\$	Reported Growth %	FXN %	
<b>Total Safety</b>	<b>441</b>	<b>7.2%</b>	<b>5.2%</b>	<b>894</b>	<b>4.2%</b>	<b>2.9%</b>	<b>6.4%</b>
<b>By Geography</b>							
U.S.	264	0.2%	0.2%	547	-1.4%	-1.4%	3.3%
International	178	19.7%	14.1%	347	14.3%	10.8%	11.7%
<b>By Segment</b>							
Medical	205	5.8%	3.9%	418	0.8%	-0.4%	6.8%
Diagnostics	237	8.5%	6.3%	476	7.3%	6.0%	6.0%

Note: International data includes hedge allocation.

<sup>(1)</sup> This represents sales related to the flu, stimulus spending in the U.S., and supplemental spending in Japan that occurred in fiscal year 2010.



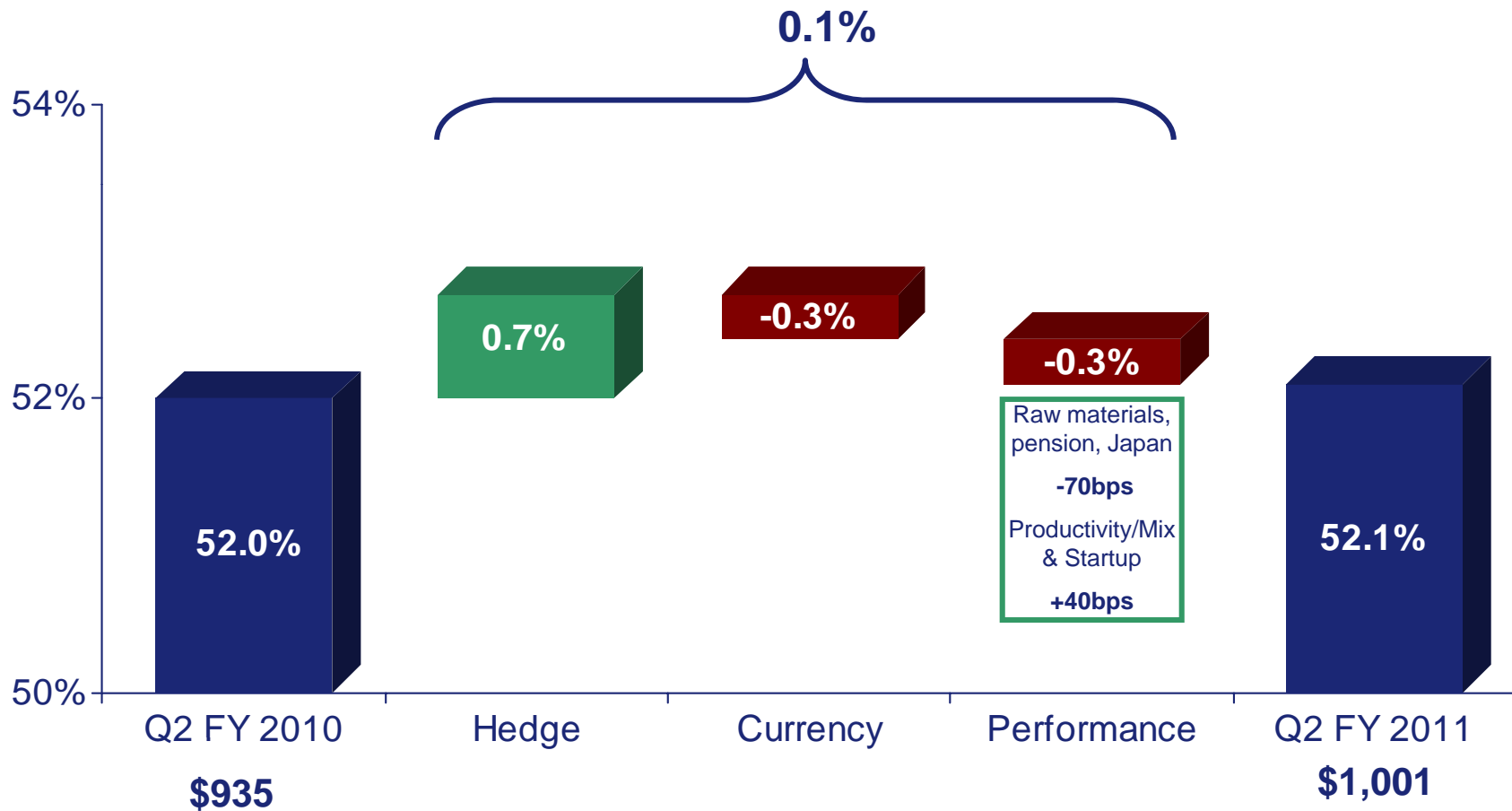
# Q2 FY 2011 Revenue Growth Year-Over-Year





# Q2 FY 2011 Gross Margin Change Year-Over-Year

\$ in Millions





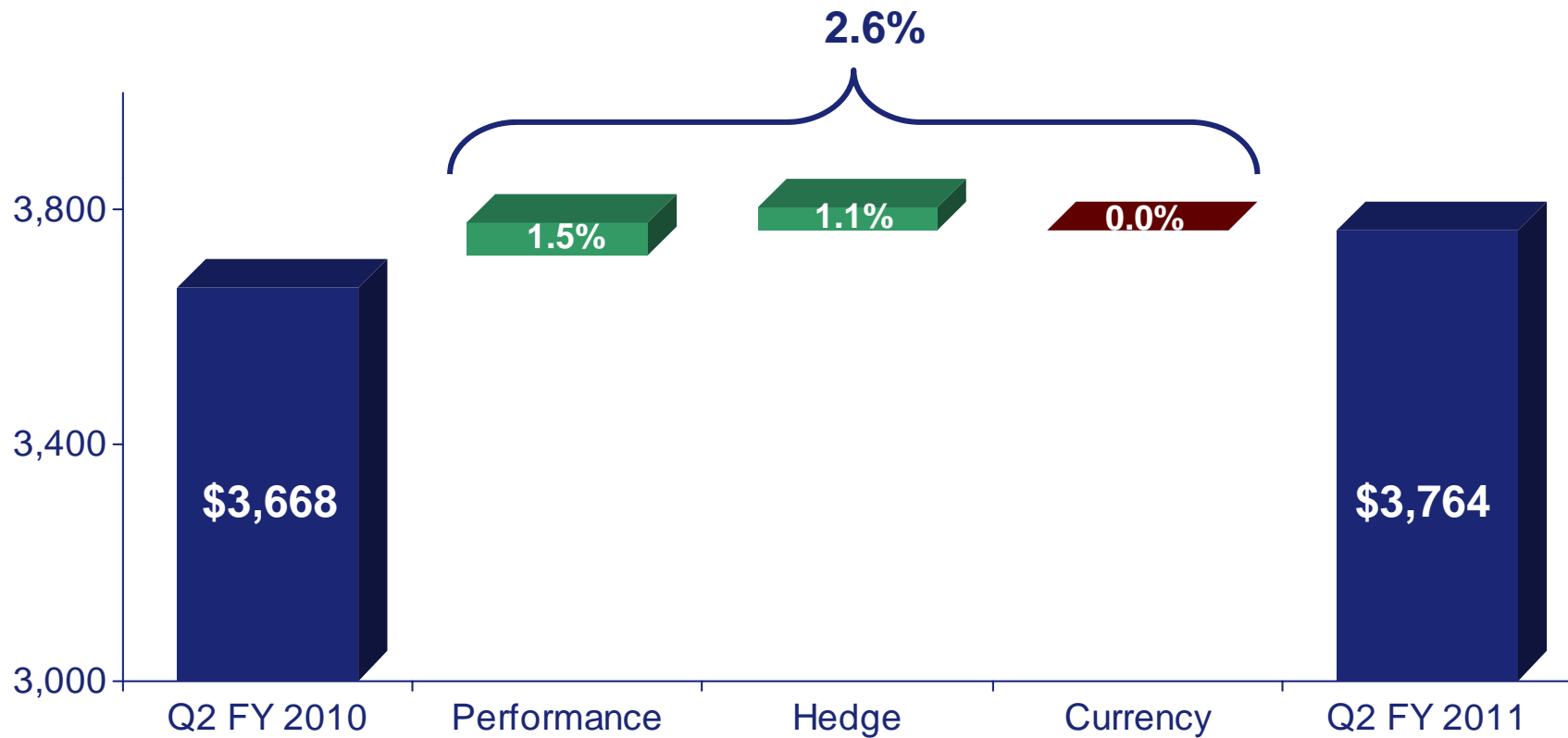
# Q2 FY 2011 Income Statement

	Q2 FY 2011	Adjusted Q2 FY 2010	Favorable (Unfavorable)		
			\$ Change	Adjusted % Change	FXN % Change
<b>Revenues</b>	1,922	1,799	123	6.8%	4.6%
<b>Gross Profit</b>	1,001	935	67	7.1%	4.1%
% of Revenues	52.1%	52.0%			
<b>SSG&amp;A</b>	442	421	(21)	-5.0%	-4.1%
% of Revenues	23.0%	23.4%			
<b>R&amp;D</b>	119	100	(19)	-18.9%	-18.9%
% of Revenues	6.2%	5.6%			
<b>Operating Income</b>	440	414	27	6.5%	0.4%
% of Revenues	22.9%	23.0%			
<b>EPS</b>	\$1.38	\$1.22	\$0.16	13.1%	7.4%



# YTD FY 2011 Revenue Growth Year-Over-Year

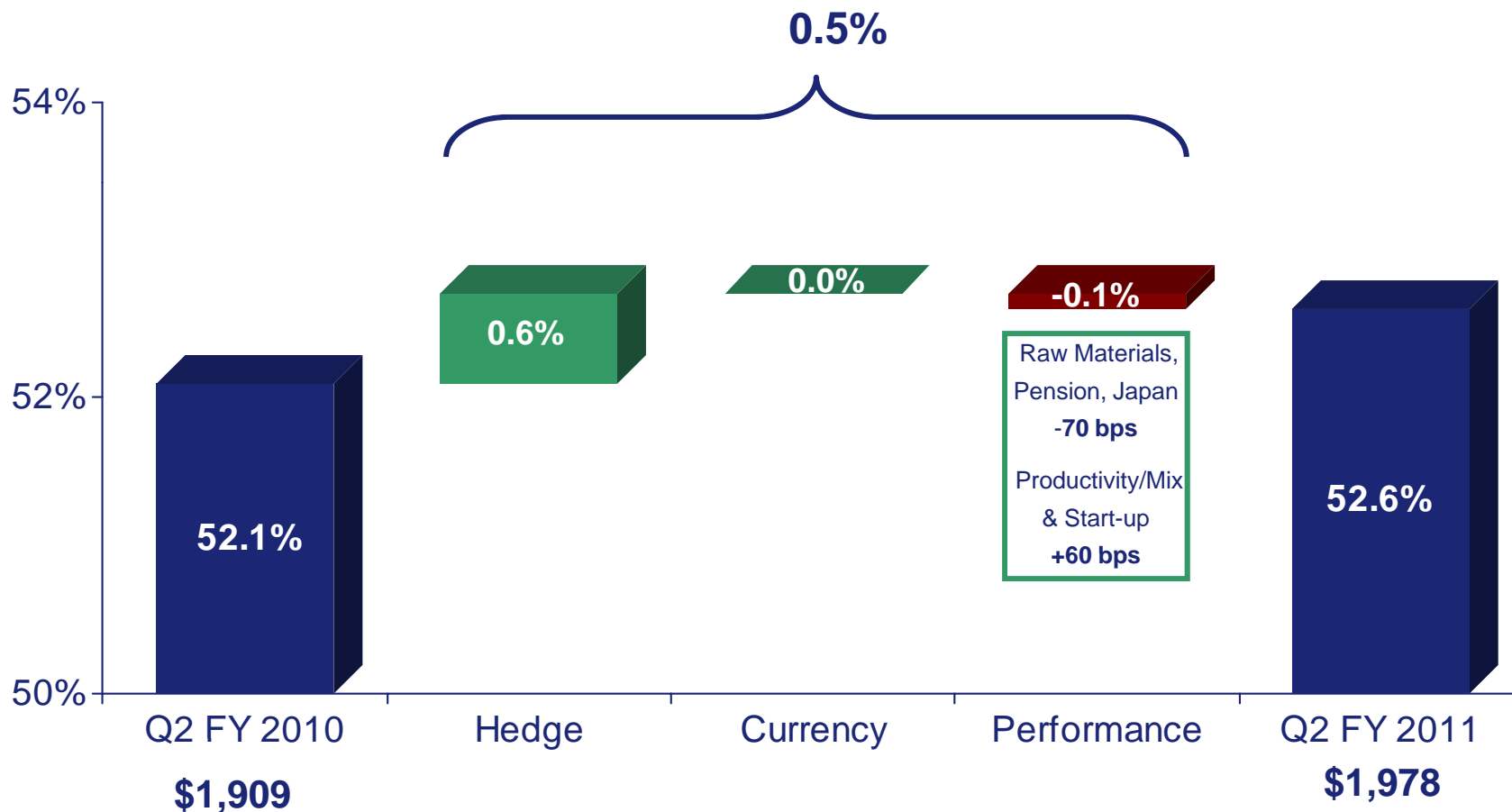
\$ in Millions





# YTD FY 2011 Gross Margin Change Year-Over-Year

\$ in Millions







# YTD FY 2011 Income Statement

	YTD FY 2011	Adjusted YTD FY 2010	Favorable (Unfavorable)		
			\$ Change	Adjusted % Change	FXN % Change
<b>Revenues</b>	3,764	3,668	96	2.6%	1.5%
<b>Gross Profit</b>	1,978	1,909	69	3.6%	1.4%
% of Revenues	52.6%	52.1%			
<b>SSG&amp;A</b>	890	867	(23)	-2.7%	-2.5%
% of Revenues	23.6%	23.6%			
<b>R&amp;D</b>	235	199	(35)	-17.7%	-18.0%
% of Revenues	6.2%	5.4%			
<b>Operating Income</b>	853	843	10	1.2%	-3.6%
% of Revenues	22.7%	23.0%			
<b>EPS</b>	\$2.72	\$2.47	\$0.25	10.1%	5.3%



# FY 2011 Segment Revenue Guidance

FXN	Excluding impact of 2010 Flu, Stimulus & Supplemental Spending related sales			2011 Guidance FXN Growth
	First Half	Second Half	Total Year	
<b>Total BD</b>	4.9%	~6%	~5.5%	~3.5%
<b>BD Medical</b>	4.2%	5-6%	~5%	~3%
<b>BD Diagnostics</b>	4.6%	~5%	~5%	~4.5%
<b>BD Biosciences</b>	7.0%	~7%	~7%	4-5%

Note: Estimated flu-related spending in fiscal year 2010 in the BD Medical and BD Diagnostics segments totaled approximately \$90m. Estimated stimulus spending in the BD Biosciences segment in the U.S. occurred in all quarters of fiscal year 2010. Supplemental spending in the BD Biosciences segment applies to the second and third quarters of fiscal year 2010. Stimulus and supplemental spending in the Biosciences segment totaled approximately \$40m.



# FY 2011 Revenue and EPS Guidance

	Total Year Adjusted Growth	Total Year FXN Growth
Revenue	5-6%	~3.5%
EPS	12-14%	~10%

## **Vincent A. Forlenza** President and COO



# Program and Product Launch Updates BD Medical

## Program/Product

BD ecoFinity™ Life Cycle Solutions

ReKindle portfolio of optimized hypodermic products

BD Insyte™ Autoguard™ with blood control

BD Nexiva™ with diffusion tip

New pen needle introductions

## Planned Launch Dates

 Launched

Q3 FY 2011 – FY 2013

Q4 FY 2011

Q4 FY 2011

Q3 FY 2011 – FY 2013



# Program and Product Launch Updates BD Diagnostics

Program/Product	Planned Launch Dates
BD Viper™ HSV	 Launched
BD Innova™	Q3 FY 2011
BD Max™ 6-color open system	Q3 FY 2011
BD Max™ MRSA/C.Diff	Mid FY12 EU, late FY12 U.S.
BD Viper™ Trich	Q4 FY 2012
BD SurePath™ Plus	FY 2013
BD Viper™ LT	End of FY 2013



# Program and Product Launch Updates BD Biosciences

## Program/Product

## Planned Launch Dates

BD Recharge™ Media Supplement

 Launched

BD Mosaic™ hMSC Cell Culture Medium

Q3 FY 2011

Desk-top sorter

Q3 FY 2011

Research analyzer

Q4 FY 2011

Analyzer for CD4 testing

Q4 FY 2012

- Emerging Markets are **up 13% versus prior year** and account for approximately **21% of BD sales**:
  - ◆ Double-digit growth in key markets
    - Asia Pacific region +14%, led by China +30%
    - EMA region +18%, very strong results in Africa
  - ◆ Solid safety growth of +27% across emerging markets
  - ◆ Good underlying growth in all business units with double digit growth in Diabetes Care, Diagnostics Systems, and Cell Analysis
- BD's capabilities are **well aligned to health needs** in emerging markets
- Continue to invest in **organizational expansion** and **market development**
- Emerging Markets expected to deliver **continued double-digit growth** in 2H 2011



- Pleased with our results this quarter, which were in line with our expectations
- Moved past difficult comparisons that impacted our results in the first half
- Operational excellence programs on track to deliver
- Key strategic investments in emerging markets
- Product launches progressing as expected



# Q & A

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# Q2 FY 2010 Reconciliation

	Three Months Ended March 31,				
	Reported FY 2011	Reported FY 2010	Tax <sup>(1)</sup>	Adjusted FY 2010	Adjusted % Growth
REVENUES	\$ 1,922	\$ 1,799		\$ 1,799	6.8%
Gross Profit	1,001	935		935	7.1%
% of Revenue	52.1%	52.0%		52.0%	
Selling and administrative	442	421		421	-5.0%
% of Revenue	23.0%	23.4%		23.4%	
Research and development	119	100		100	-18.9%
% of Revenue	6.2%	5.6%		5.6%	
OPERATING INCOME	440	414		414	6.5%
% of Revenue	22.9%	23.0%		23.0%	
Income tax provision	117	126	\$ (9)	117	NM
Effective Tax Rate	27.4%	30.6%		28.4%	
INCOME FROM CONTINUING OPERATIONS	311	285	9	294	5.8%
% of Revenue	16.2%	15.8%		16.3%	
Diluted earnings per share					
Income from Continuing Operations	\$ 1.38	\$ 1.18	\$ .04	\$ 1.22	13.1%

NM - Not Meaningful

<sup>(1)</sup> Represents a non-cash charge related to healthcare reform impacting Medicare Part D reimbursements.



# Q2 FY 2011 Reconciliation - FX Impact

	Three Months Ended March 31,							
	Reported FY 2011	Adjusted FY 2010	Adjusted Growth \$	Foreign Currency Translation	FY10 Hedge Loss	Total FX	Adjusted FXN Change	FXN Growth
REVENUES	\$ 1,922	1,799	123	13	27	40	83	4.6%
Gross Profit	1,001	935	67	2	27	29	38	4.1%
% of Revenue	52.1%	52.0%						
Selling and administrative	442	421	(21)	(4)	0	(4)	(17)	-4.1%
% of Revenue	23.0%	23.4%						
Research and development	119	100	(19)	(0)	0	(0)	(19)	-18.9%
% of Revenue	6.2%	5.6%						
OPERATING INCOME	440	414	27	(2)	27	25	2	0.4%
% of Revenue	22.9%	23.0%						
Income tax provision	117	117	(1)	1	(10)	(9)	8	NM
Effective Tax Rate	27.4%	28.4%						
INCOME FROM CONTINUING OPERATIONS	311	294	17	0	17	17	0	0.1%
% of Revenue	16.2%	16.3%						
Diluted earnings per share								
Income from Continuing Operations	\$ 1.38	1.22	0.16	(0.00)	0.07	0.07	0.09	7.4%

NM - Not Meaningful

All figures rounded. Totals may not add due to rounding.



# YTD March FY 2010 Reconciliation

	Six Months Ended March 31,				
	Reported FY 2011	Reported FY 2010	Tax <sup>(1)</sup>	Adjusted FY 2010	Adjusted % Growth
REVENUES	\$ 3,764	\$ 3,668		\$ 3,668	2.6%
Gross Profit	1,978	1,909		1,909	3.6%
% of Revenue	52.6%	52.1%		52.1%	
Selling and administrative	890	867		867	-2.7%
% of Revenue	23.6%	23.6%		23.6%	
Research and development	235	199		199	-17.7%
% of Revenue	6.2%	5.4%		5.4%	
OPERATING INCOME	853	843		843	1.2%
% of Revenue	22.7%	23.0%		23.0%	
Income tax provision	211	245	\$ (9)	236	NM
Effective Tax Rate	25.3%	29.3%		28.3%	
INCOME FROM CONTINUING OPERATIONS	625	589	9	598	4.6%
% of Revenue	16.6%	16.1%		16.3%	
Diluted earnings per share					
Income from Continuing Operations	\$ 2.72	\$ 2.43	\$ .04	\$ 2.47	10.1%

NM - Not Meaningful

<sup>(1)</sup> Represents a non-cash charge related to healthcare reform impacting Medicare Part D reimbursements.



# YTD March FY 2011 Reconciliation – FX Impact

	Six Months Ended March 31,							
	Reported FY 2011	Adjusted FY 2010	Adjusted Growth \$	Foreign Currency Translation	FY10 Hedge Loss	Total FX	Adjusted FXN Change	FXN Growth
REVENUES	\$ 3,764	3,668	96	(1)	41	41	55	1.5%
Gross Profit	1,978	1,909	69	0	41	41	27	1.4%
% of Revenue	52.6%	52.1%						
Selling and administrative	890	867	(23)	(1)	0	(1)	(22)	-2.5%
% of Revenue	23.6%	23.6%						
Research and development	235	199	(35)	1	0	1	(36)	-18.0%
% of Revenue	6.2%	5.4%						
OPERATING INCOME	853	843	10	(1)	41	41	(31)	-3.6%
% of Revenue	22.7%	23.0%						
Income tax provision	211	236	24	1	(16)	(14)	39	NM
Effective Tax Rate	25.3%	28.3%						
INCOME FROM CONTINUING OPERATIONS	625	598	27	2	26	27	0	0.1%
% of Revenue	16.6%	16.3%						
Diluted earnings per share								
Income from Continuing Operations	\$ 2.72	2.47	0.25	0.01	0.11	0.12	0.13	5.3%

NM - Not Meaningful

All figures rounded. Totals may not add due to rounding.



# Supplemental Revenue Information for Flu & Stimulus Q2 FY 2011

	<u>% Change second quarter fiscal 2011 compared to second quarter fiscal 2010</u>				
	Reported	FX Impact	FXN	Flu / Stimulus Impact <sup>(1)</sup>	Adjusted FXN
BDX	6.8	2.2	4.6	2.3	6.9
BD MEDICAL	6.5	1.6	4.9	1.6	6.5
BD DIAGNOSTICS	8.9	2.4	6.5	-	6.5
BD BIOSCIENCES	4.1	3.7	0.4	8.3	8.7
UNITED STATES	4.7	-	4.7	2.1	6.8
INTERNATIONAL	8.5	3.9	4.6	2.3	6.9

	<u>% Change second quarter fiscal 2011 compared to second quarter fiscal 2010</u>				
	Reported	FX Impact	FXN	Flu Impact <sup>(1)</sup>	Adjusted FXN
TOTAL SAFETY	7.2	2.0	5.2	0.6	5.8
UNITED STATES	0.2	-	0.2	0.7	0.9
INTERNATIONAL	19.7	5.6	14.1	0.3	14.4
BD MEDICAL	5.8	1.9	3.9	1.2	5.1
BD DIAGNOSTICS	8.5	2.2	6.3	-	6.3

(1) Represents the estimated impact on revenue growth for the second quarter March 2011 due to an unfavorable comparison to the prior year's period which included strong pandemic flu-related revenues and U.S. stimulus spending and supplemental spending in Japan.



# Supplemental Revenue Information for Flu & Stimulus YTD March FY 2011

	% Change year-to-date fiscal 2011 compared to year-to-date fiscal 2010				
	Reported	FX Impact	FXN	Flu / Stimulus Impact <sup>(1)</sup>	Adjusted FXN
BDX	2.6	1.1	1.5	3.4	4.9
BD MEDICAL	0.8	0.7	0.1	4.1	4.2
BD DIAGNOSTICS	4.9	1.3	3.6	1.0	4.6
BD BIOSCIENCES	3.9	2.0	1.9	5.1	7.0
UNITED STATES	0.8	-	0.8	4.1	4.9
INTERNATIONAL	4.1	2.0	2.1	2.6	4.7

	% Change year-to-date fiscal 2011 compared to year-to-date fiscal 2010				
	Reported	FX Impact	FXN	Flu Impact <sup>(1)</sup>	Adjusted FXN
TOTAL SAFETY	4.2	1.3	2.9	3.5	6.4
UNITED STATES	(1.4)	-	(1.4)	4.7	3.3
INTERNATIONAL	14.3	3.5	10.8	0.9	11.7
BD MEDICAL	0.8	1.2	(0.4)	7.2	6.8
BD DIAGNOSTICS	7.3	1.3	6.0	-	6.0

(1) Represents the estimated impact on revenue growth for year-to-date March 2011 due to an unfavorable comparison to the prior year's period which included strong pandemic flu-related revenues and U.S. stimulus spending and supplemental spending in Japan.





# FY 2010 Reconciliation

Twelve Months Ended September 30

	Reported FY 2010	Tax <sup>(1)</sup>	Adjusted FY 2010
Revenues	\$ 7,372		\$ 7,372
Gross Profit	3,829		3,829
% of Revenue	51.9%		51.9%
SSG&A	1,721		1,721
% of Revenue	23.3%		23.3%
R&D	431		431
% of Revenue	5.8%		5.8%
Operating Income	1,677		1,677
% of Revenue	22.7%		22.7%
Income Tax	485	\$ (9)	476
Effective Tax Rate	29.2%		28.7%
Income from Continuing Operations	1,176	9	1,185
% of Revenue	16.0%		16.1%
EPS	\$ 4.90	\$ .04	\$ 4.94

<sup>(1)</sup> Represents a non-cash charge related to healthcare reform impacting Medicare Part D reimbursements.

\$ Amounts in millions except per share data. All figures rounded. Totals may not add due to rounding.