



# Third Quarter Results Fiscal Year 2011

August 2, 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 third 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 impact of a non-cash charge of \$8.9 million (4 cents diluted earning per share from continuing operations) related to healthcare reform impacting Medicare Part D reimbursements that occurred in the second quarter of fiscal year 2010.

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

- **4.8% FXN Revenue growth**
- **Strong emerging market and international safety growth**
- **Western Europe growth continues to be a challenge**
- **BD-Japan is fully operational**
- **Announced agreement to acquire Carmel Pharma**
- **Product launches on track**

# Q3 FY 2011 Revenue and EPS Results

	Third Quarter			Year-to-Date		
	2011	Reported Growth	FXN Growth	2011	Adjusted Growth	Adjusted FXN Growth
<b>Revenues</b>	\$2,014	10.0%	4.8%	\$5,778	5.1%	2.6%
<b>EPS</b>	\$1.51	22.8%	13.8%	\$4.23	14.3%	8.1%

## Reported

- Favorable currency translation
- Revenues of ~6%
- Adjusted EPS of 14-15%

## FXN

- Challenging macroeconomic environment
- Revenues of ~3%
- EPS of ~10%

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

- Q3 FXN revenue growth was 4.8%
- Solid growth in Medical, Diagnostics and Biosciences
- Strong emerging market growth of about 13%\*
- Gross Margin improvement driven by favorable product mix
- Moderated rate of R&D spending due to accelerated spending in the first half of the year
- EPS of \$1.51, aided by currency
- Repurchased ~\$215 million of common stock





# FY 2011 Revenues by Segment

	Third Quarter			Year-to-Date			FXN % Excluding Impacts <sup>(1)</sup>
	\$	Reported Growth %	FXN %	\$	Reported Growth %	FXN %	
<b>Total Revenues</b>	<b>\$2,014</b>	<b>10.0%</b>	<b>4.8%</b>	<b>\$5,778</b>	<b>5.1%</b>	<b>2.6%</b>	<b>5.0%</b>
<b>Medical</b>	<b>\$1,045</b>	<b>10.5%</b>	<b>4.9%</b>	<b>\$2,953</b>	<b>4.0%</b>	<b>1.7%</b>	<b>4.6%</b>
<b>Diagnostics</b>	<b>\$631</b>	<b>9.6%</b>	<b>4.8%</b>	<b>\$1,838</b>	<b>6.4%</b>	<b>3.9%</b>	<b>4.7%</b>
<b>Biosciences</b>	<b>\$338</b>	<b>9.3%</b>	<b>4.3%</b>	<b>\$987</b>	<b>5.7%</b>	<b>2.7%</b>	<b>7.1%</b>

<sup>(1)</sup> This represents sales related to the pandemic 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

	Third Quarter			Year-to-Date			FXN % Ex. <sup>(1)</sup> Impacts
	\$	Reported Growth %	FXN %	\$	Reported Growth %	FXN %	
<b>Total U.S.</b>	<b>855</b>	<b>5.7</b>	<b>5.7</b>	<b>2,513</b>	<b>2.4</b>	<b>2.4</b>	<b>5.4%</b>
<b>Medical</b>	<b>417</b>	<b>9.2</b>	<b>9.2</b>	<b>1,221</b>	<b>2.1</b>	<b>2.1</b>	
<b>Diagnostics</b>	<b>313</b>	<b>3.1</b>	<b>3.1</b>	<b>932</b>	<b>2.8</b>	<b>2.8</b>	
<b>Biosciences</b>	<b>126</b>	<b>1.4</b>	<b>1.4</b>	<b>360</b>	<b>2.4</b>	<b>2.4</b>	
<b>International</b>	<b>1,159</b>	<b>13.4</b>	<b>4.1</b>	<b>3,265</b>	<b>7.2</b>	<b>2.8</b>	<b>4.8%</b>
<b>Medical</b>	<b>628</b>	<b>11.4</b>	<b>2.1</b>	<b>1,732</b>	<b>5.5</b>	<b>1.5</b>	
<b>Diagnostics</b>	<b>319</b>	<b>16.8</b>	<b>6.7</b>	<b>906</b>	<b>10.4</b>	<b>5.2</b>	
<b>Biosciences</b>	<b>212</b>	<b>14.6</b>	<b>6.2</b>	<b>627</b>	<b>7.7</b>	<b>2.9</b>	

Note: International data includes hedge allocation.

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

# FY 2011 Safety Revenues

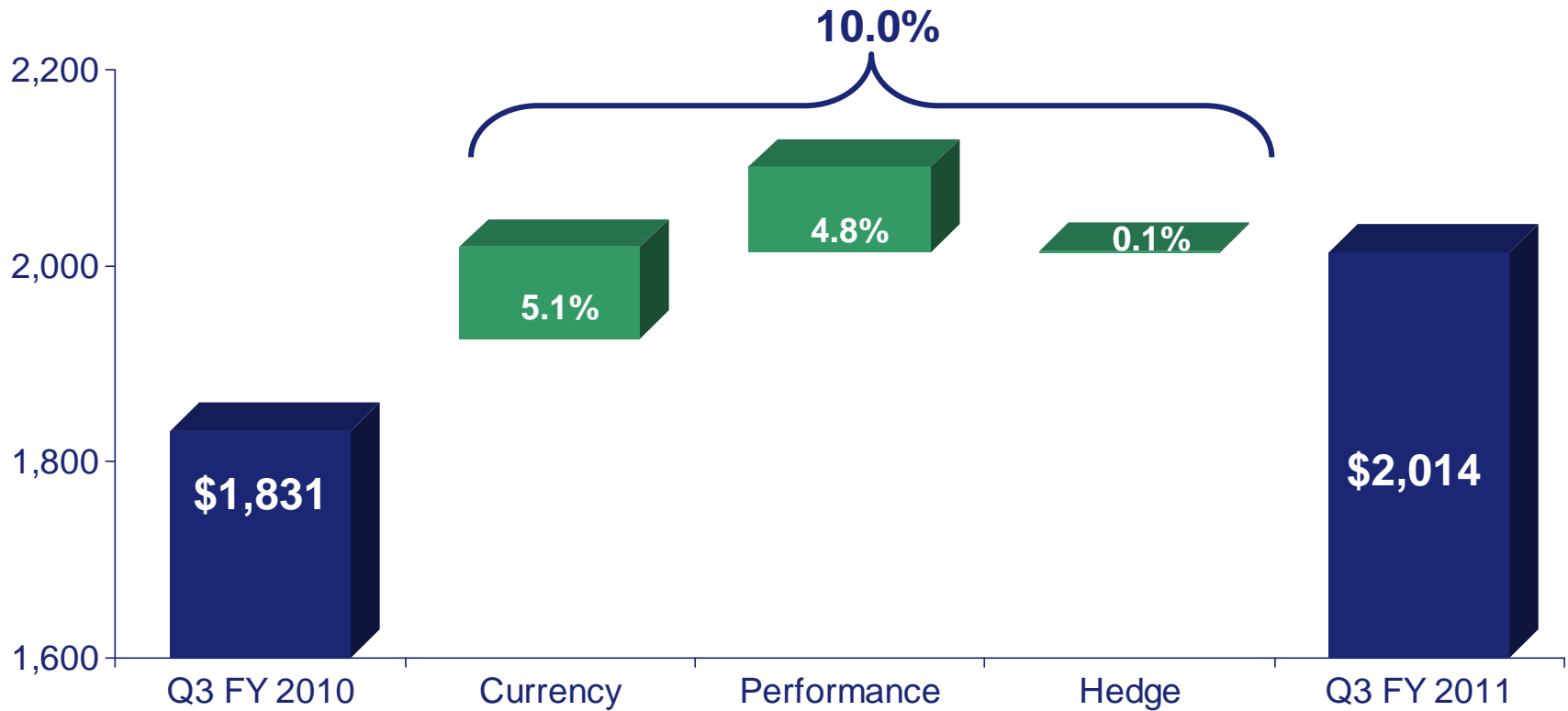
	Third Quarter			Year-to-Date			FXN % Ex. <sup>(1)</sup> Impacts
	\$	Reported Growth %	FXN %	\$	Reported Growth %	FXN %	
<b>Total Safety</b>	<b>479</b>	<b>11.8%</b>	<b>7.6%</b>	<b>1,374</b>	<b>6.7%</b>	<b>4.5%</b>	<b>6.8%</b>
<b>By Geography</b>							
U.S.	281	3.7%	3.7%	828	0.3%	0.3%	3.5%
International	198	25.7%	14.1%	546	18.2%	11.9%	12.6%
<b>By Segment</b>							
Medical	223	14.4%	10.4%	642	5.1%	3.0%	7.9%
Diagnostics	256	9.7%	5.2%	732	8.2%	5.8%	5.8%

Note: International data includes hedge allocation.

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

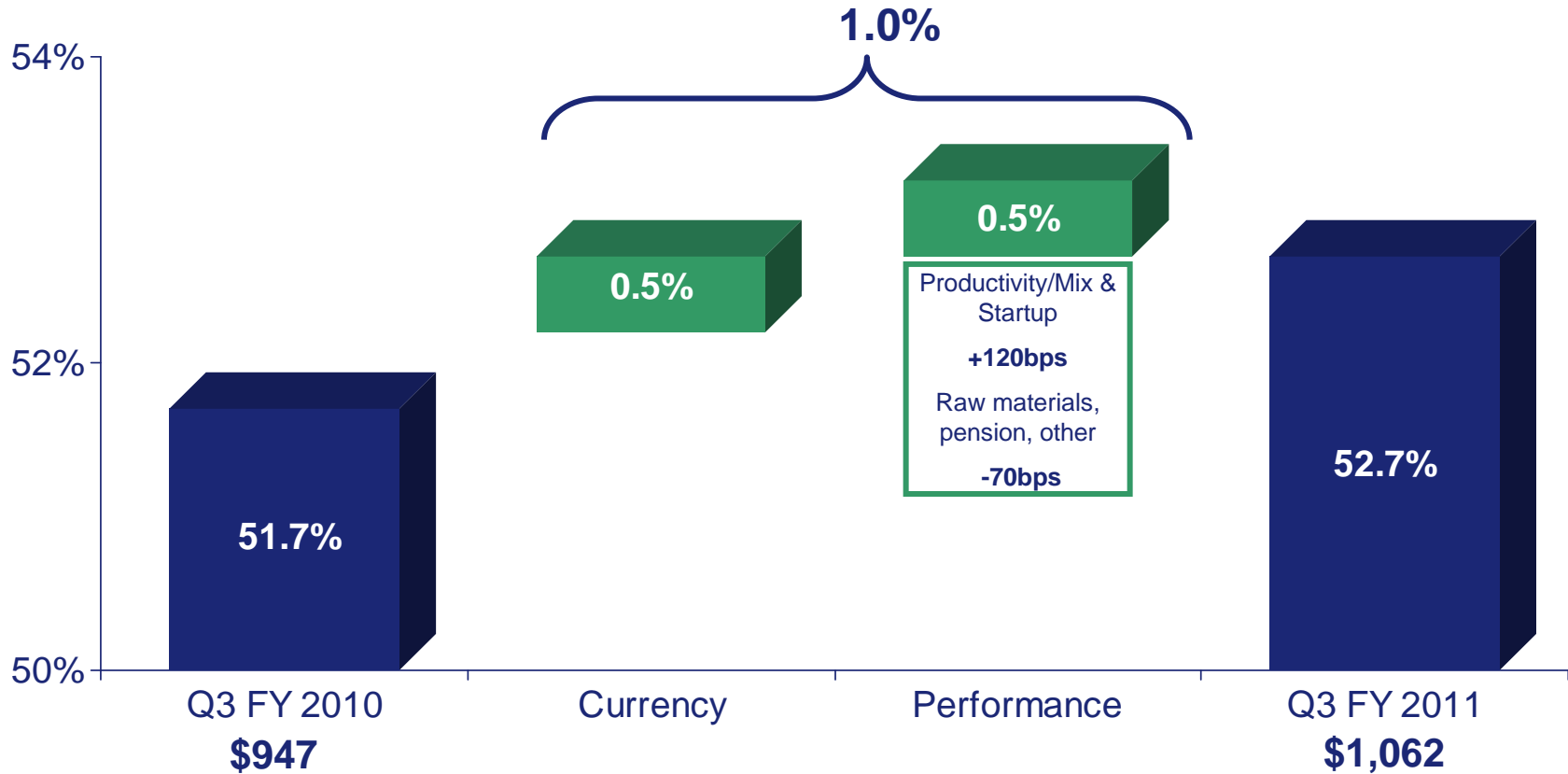
# Q3 FY 2011 Revenue Growth Year-Over-Year

\$ in Millions



# Q3 FY 2011 Gross Margin Change Year-Over-Year

\$ in Millions



# Q3 FY 2011 Income Statement

	Q3 FY 2011	Q3 FY 2010	Favorable (Unfavorable)		
			\$ Change	Reported % Change	FXN % Change
<b>Revenues</b>	2,014	1,831	183	10.0%	4.8%
<b>Gross Profit</b>	1,062	947	115	12.1%	5.7%
% of Revenues	52.7%	51.7%			
<b>SSG&amp;A</b>	475	416	(58)	-14.0%	-9.0%
% of Revenues	23.6%	22.7%			
<b>R&amp;D</b>	116	108	(8)	-7.1%	-5.7%
% of Revenues	5.7%	5.9%			
<b>Operating Income</b>	472	423	49	11.5%	2.5%
% of Revenues	23.4%	23.1%			
<b>EPS</b>	\$1.51	\$1.23	\$0.28	22.8%	13.8%



# FY 2011 Segment Revenue Guidance

FXN	Excluding impact of 2010 Flu, Stimulus & Supplemental Spending-related sales		2011 Guidance FXN Growth
	Year-to-Date	Total Year	
<b>Total BD</b>	5.0%	~5%	~3%
<b>Medical</b>	4.6%	~4%	~2%
<b>Diagnostics</b>	4.7%	~4.5%	~4%
<b>Biosciences</b>	7.1%	~6.5%	~3.5%

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 BD Biosciences segment totaled approximately \$40m.

# FY 2011 Revenue and EPS Guidance

	Total Year Adjusted Growth	Total Year FXN Growth
Revenue	~6%	~3%
EPS <sup>(1)</sup>	14-15%	~10%

<sup>(1)</sup> Total year adjusted growth reflects \$0.04 cents non-cash charge related to healthcare reform impacting Medicare Part D reimbursement in fiscal year 2010.



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

- Emerging Markets grew about 13%\* versus prior year and account for approximately 22% of BD sales
- Strong growth in the Asia Pacific region versus prior year, led by China ~27%
- Continue to see robust growth and strong underlying demand in key markets, with double-digit growth across all segments
- Strong safety growth of ~28% across Emerging Markets
- Expect continued strong growth in these markets

### Program/Product

### Planned Launch Dates

BD ecoFinity™ Life Cycle Solution

 Launched

ReKindle portfolio of optimized hypodermic products

 Launching

BD Insyte™ Autoguard™ with blood control

Q4 FY 2011

BD Nexiva™ with diffusion tip

Q4 FY 2011

New pen needle introductions

Q1 FY 2012 – FY 2013



# Program and Product Launch Updates

## BD Diagnostics

### Program/Product

### Planned Launch Dates

BD Viper™ HSV

 Launched

BD Innova™

 Launched

BD MAX™ 6-color open system

 Launched

BD MAX™ MRSA/C.Diff

Q2 FY12 EU, late FY12 U.S.

BD Viper™ Trich

Q4 FY 2012

BD SurePath™ Plus

FY 2013

BD Viper™ LT

Q4 FY 2013



# BD MAX™ System for Molecular Diagnostic Testing

	Under Development*	
	BD-Developed Assays	Developed with Partners
<b>Healthcare-associated Infections</b>	<ul style="list-style-type: none"> <li>• MRSA</li> <li>• C. difficile</li> <li>• MRSA/SA/mecA</li> </ul>	
<b>Immunocompromised Patients</b>		<ul style="list-style-type: none"> <li>• Aspergillus</li> </ul>
<b>Respiratory Disease</b>		<ul style="list-style-type: none"> <li>• Bordetella Pertussis</li> <li>• Respiratory Viral Panel</li> </ul>
<b>Women's Health</b>	<ul style="list-style-type: none"> <li>• GBS</li> <li>• CT/GC/Trichomonas</li> </ul>	
<b>Enteric Disease</b>	<ul style="list-style-type: none"> <li>• Enteric Bacterial Panel</li> </ul>	<ul style="list-style-type: none"> <li>• Enteric Viral Panel</li> <li>• Enteric Ovum &amp; Parasite Panel</li> </ul>
<b>Central Nervous System Disease</b>		<ul style="list-style-type: none"> <li>• Bacterial Meningitis Panel</li> <li>• Viral Meningitis Panel</li> </ul>

\* Not for sale or use in the U.S. The BD MAX System is cleared or approved by the FDA only when used with BD MAX IVD Assays which have been cleared or approved by the FDA.



# Program and Product Launch Updates BD Biosciences

## Program/Product

## Planned Launch Dates

BD Recharge™ Media Supplement

 Launched

BD Jazz™

 Launched

BD FACSVerse™

 Launched

BD Accuri™

 Launched

BD Mosaic™ hMSC Cell Culture Medium

Q4 FY 2011

Analyzer for CD4 testing

Q4 FY 2012

- ReLoCo
  - ◆ Hit milestone: cost-neutral in FY 2011
  - ◆ On track to achieve \$50-60 million in annualized savings by FY 2013
  - ◆ ReLoCo II update in November
  
- EVEREST (ERP upgrade)
  - ◆ First phase go-live FY 2012
  - ◆ Full implementation by FY 2014
  
- Shared Service Centers
  - ◆ Pleased with progress to date in San Antonio
  - ◆ Asia Pacific transactions to be consolidated in Singapore

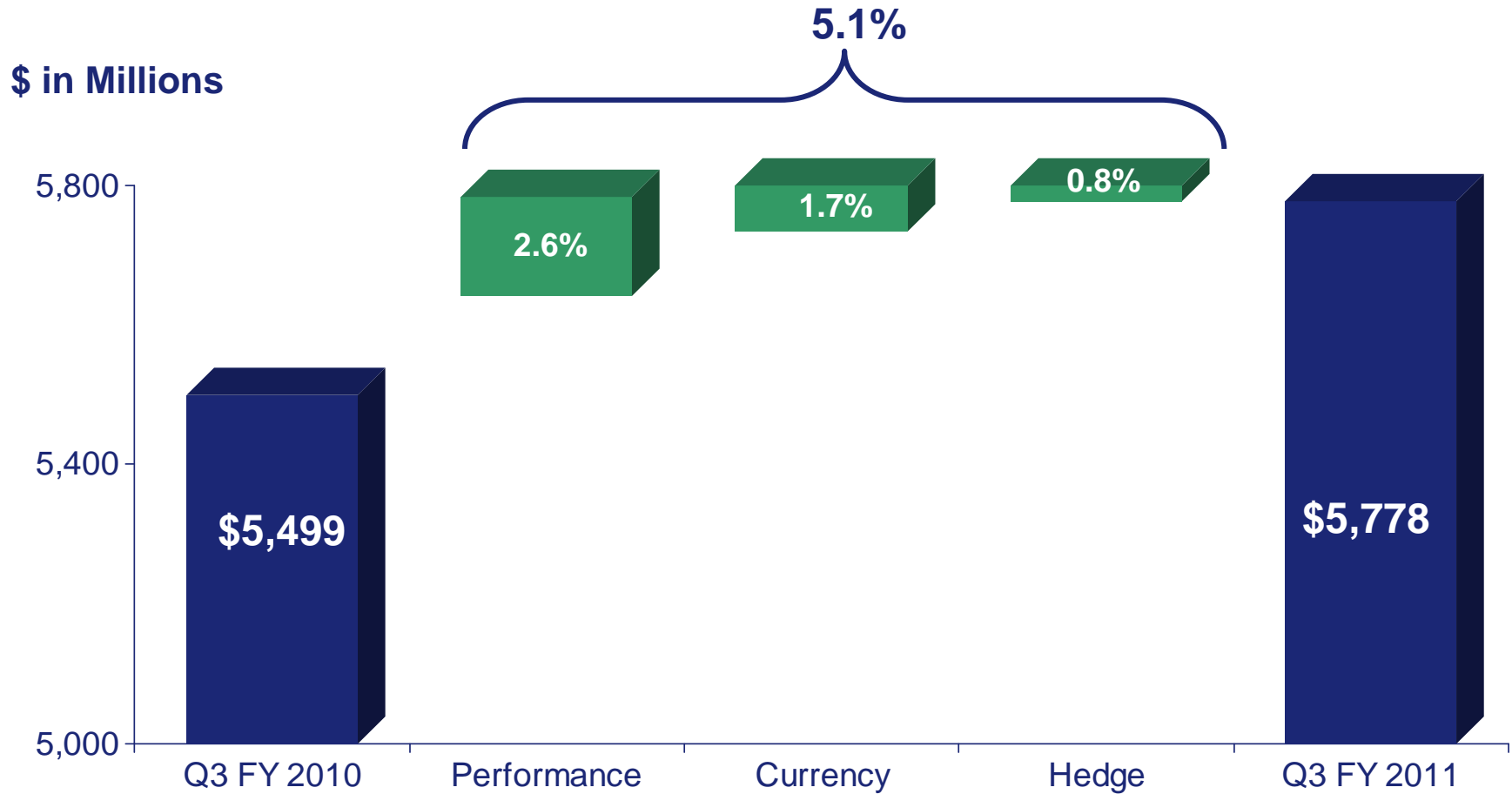
- Solid growth in the quarter
- Pleased with our results in a challenging macroeconomic environment
- Emerging markets continue to be a significant growth driver
- Continue to invest in innovation
- Operational programs on track
- Committed to returning significant value to shareholders



# Q & A

BD, BD Logo and all other trademarks are the property of Becton, Dickinson and Company.

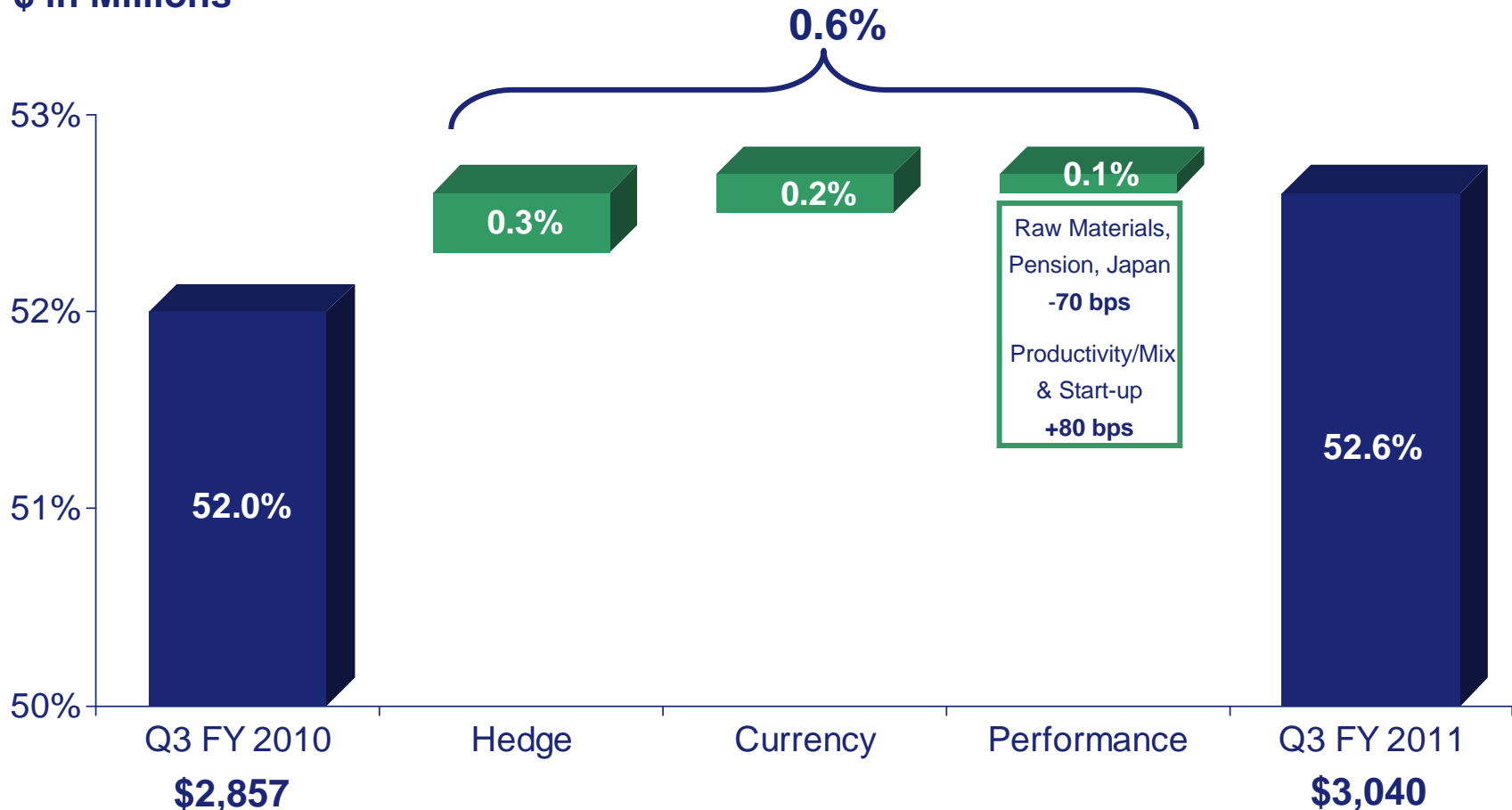
# YTD FY 2011 Revenue Growth Year-Over-Year





# 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>	5,778	5,499	279	5.1%	2.6%
<b>Gross Profit</b>	3,040	2,857	183	6.4%	2.9%
% of Revenues	52.6%	52.0%			
<b>SSG&amp;A</b>	1,365	1,283	(81)	-6.3%	-4.6%
% of Revenues	23.6%	23.3%			
<b>R&amp;D</b>	350	307	(43)	-14.0%	-13.7%
% of Revenues	6.1%	5.6%			
<b>Operating Income</b>	1,325	1,266	59	4.6%	-1.6%
% of Revenues	22.9%	23.0%			
<b>EPS</b>	\$4.23	\$3.70	\$0.53	14.3%	8.1%



# Q3 FY 2011 Reconciliation - FX Impact

	Three Months Ended June 30,							
	Reported FY 2011	Reported FY 2010	Reported Growth \$	Foreign Currency Translation	FY10 Hedge Loss	Total FX	FXN Change	FXN Growth
REVENUES	\$ 2,014	\$ 1,831	\$ 183	\$ 94	\$ 1	\$ 96	\$ 88	4.8%
Gross Profit	1,062	947	115	59	1	60	54	5.7%
% of Revenue	52.7%	51.7%						
Selling and administrative	475	416	(58)	(21)	0	(21)	(38)	-9.0%
% of Revenue	23.6%	22.7%						
Research and development	116	108	(8)	(2)	0	(2)	(6)	-5.7%
% of Revenue	5.7%	5.9%						
OPERATING INCOME	472	423	49	37	1	38	10	2.5%
% of Revenue	23.4%	23.1%						
Income tax provision	123	119	(3)	(13)	(1)	(14)	10	NM
Effective Tax Rate	26.6%	28.8%						
INCOME FROM CONTINUING OPERATIONS	338	294	44	25	1	26	18	6.2%
% of Revenue	16.8%	16.1%						
Diluted Earnings per Share from Continuing Operations	\$ 1.51	\$ 1.23	\$ 0.28	\$ 0.11	\$ 0.00	\$ 0.11	\$ 0.17	13.8%



# YTD June FY 2011 Reconciliation

	Nine Months Ended June 30,				
	Reported FY 2011	Reported FY 2010	Tax <sup>(1)</sup>	Adjusted FY 2010	Adjusted % Growth
REVENUES	\$ 5,778	\$ 5,499		\$ 5,499	5.1%
Gross Profit	3,040	2,857		2,857	6.4%
% of Revenue	52.6%	52.0%		52.0%	
Selling and administrative	1,365	1,283		1,283	-6.3%
% of Revenue	23.6%	23.3%		23.3%	
Research and development	350	307		307	-14.0%
% of Revenue	6.1%	5.6%		5.6%	
OPERATING INCOME	1,325	1,266		1,266	4.6%
% of Revenue	22.9%	23.0%		23.0%	
Income tax provision	334	364	\$ (9)	355	NM
Effective Tax Rate	25.7%	29.2%		28.5%	
INCOME FROM CONTINUING OPERATIONS	963	883	9	892	8.0%
% of Revenue	16.7%	16.1%		16.2%	
Diluted Earnings per Share from Continuing Operations	\$ 4.23	\$ 3.66	\$ 0.04	\$ 3.70	14.3%

NM - Not Meaningful

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



# YTD June FY 2011 Reconciliation – FX Impact

	Nine Months Ended June 30,							
	Reported FY 2011	Adjusted FY 2010	Adjusted Growth \$	Foreign Currency Translation	FY10 Hedge Loss	Total FX	Adjusted FXN Change	FXN Growth
REVENUES	\$ 5,778	\$ 5,499	\$ 279	\$ 94	\$ 43	\$ 136	\$ 143	2.6%
Gross Profit	3,040	2,857	183	59	43	102	81	2.9%
% of Revenue	52.6%	52.0%						
Selling and administrative	1,365	1,283	(81)	(22)	0	(22)	(59)	-4.6%
% of Revenue	23.6%	23.3%						
Research and development	350	307	(43)	(1)	0	(1)	(42)	-13.7%
% of Revenue	6.1%	5.6%						
OPERATING INCOME	1,325	1,266	59	36	43	79	(20)	-1.6%
% of Revenue	22.9%	23.0%						
Income tax provision	334	355	21	(12)	(16)	(28)	49	NM
Effective Tax Rate	25.7%	28.5%						
INCOME FROM CONTINUING OPERATIONS	963	892	71	26	26	53	19	2.1%
% of Revenue	16.7%	16.2%						
Diluted Earnings per Share from Continuing Operations	\$ 4.23	\$ 3.70	\$ 0.53	\$ 0.12	\$ 0.11	\$ 0.23	\$ 0.30	8.1%

NM - Not Meaningful

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



# Supplemental Revenue Information for Flu & Stimulus Q3 FY 2011

	% Change third quarter fiscal 2011 compared to third quarter fiscal 2010				
	Reported	FX Impact	FXN	Flu / Stimulus Impact <sup>(1)</sup>	Adjusted FXN
BDX	10.0	5.2	4.8	0.7	5.5
BD MEDICAL	10.5	5.6	4.9	0.4	5.3
BD DIAGNOSTICS	9.6	4.8	4.8	-	4.8
BD BIOSCIENCES	9.3	5.0	4.3	3.0	7.3
UNITED STATES	5.7	-	5.7	0.5	6.2
INTERNATIONAL	13.4	9.3	4.1	0.8	4.9
EMERGING MARKETS <sup>(2)</sup>	19.3	6.8	12.5	0.8	13.3
	% Change third quarter fiscal 2011 compared to third quarter fiscal 2010				
	Reported	FX Impact	FXN	Flu Impact <sup>(1)</sup>	Adjusted FXN
TOTAL SAFETY	11.8	4.2	7.6	-	7.6
UNITED STATES	3.7	-	3.7	-	3.7
INTERNATIONAL	25.7	11.6	14.1	-	14.1
EMERGING MARKETS	38.7	10.9	27.8	-	27.8
BD MEDICAL	14.4	4.0	10.4	-	10.4
BD DIAGNOSTICS	9.7	4.5	5.2	-	5.2

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

(2) Emerging markets include Eastern Europe, Middle East, Africa, Latin America, and Asia Pacific (excluding Japan).





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

	% Change year-to-date 2011 compared to year-to-date fiscal 2010				
	Reported	FX Impact	FXN	Flu / Stimulus Impact <sup>(1)</sup>	Adjusted FXN
BDX	5.1	2.5	2.6	2.4	5.0
BD MEDICAL	4.0	2.3	1.7	2.9	4.6
BD DIAGNOSTICS	6.4	2.5	3.9	0.8	4.7
BD BIOSCIENCES	5.7	3.0	2.7	4.4	7.1
UNITED STATES	2.4	-	2.4	3.0	5.4
INTERNATIONAL	7.2	4.4	2.8	2.0	4.8
EMERGING MARKETS <sup>(2)</sup>	14.8	4.5	10.4	1.3	11.7
	% Change year-to-date 2011 compared to year-to-date fiscal 2010				
	Reported	FX Impact	FXN	Flu Impact <sup>(1)</sup>	Adjusted FXN
TOTAL SAFETY	6.7	2.2	4.5	2.3	6.8
UNITED STATES	0.3	-	0.3	3.2	3.5
INTERNATIONAL	18.2	6.3	11.9	0.7	12.6
EMERGING MARKETS	30.9	7.7	23.2	-	23.2
BD MEDICAL	5.1	2.1	3.0	4.9	7.9
BD DIAGNOSTICS	8.2	2.4	5.8	-	5.8

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

(2) Emerging markets include Eastern Europe, Middle East, Africa, Latin America, and Asia Pacific (excluding 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.