



# Fourth Quarter Results Fiscal Year 2017

November 2, 2017

## 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 quarterly 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.
- Certain financial information excludes the impact of the following items:
  1. Foreign currency translation.
  2. All adjustments to current and prior year periods as noted in the schedules in the appendix of this presentation.
- A reconciliation of certain forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures are omitted from the financial schedules attached hereto as we are unable to provide such reconciliations without unreasonable efforts. Sufficient information is not available to calculate certain forward-looking adjustments required for such reconciliations, including future restructuring charges and acquisition-related costs. We expect these forward-looking adjustments could have a potentially significant impact on our future GAAP financial results.
- A copy of the press release, including the financial schedules, is posted on the "Investors" section of the BD.com website.

FXN = Estimated foreign exchange-neutral currency growth. \$ = Dollars in millions except per share data.

All "comparable" basis FY17 revenue growth rates presented are adjusted for the following divestitures: Respiratory, Simplist and Spine.

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

# Executive Overview

**Vincent A. Forlenza**

Chairman and CEO



# FY 2017 Highlights

- ◆ Excellent finish completes a year of strong top and bottom-line performance
  - ◆ Successfully transformed the U.S. Dispensing business model and maintained momentum with our customers
  - ◆ Double-digit full year Emerging Markets growth
- ◆ Continue to execute on our CareFusion commitments
  - ◆ ~500 bps cumulative underlying margin expansion over 3 years
- ◆ Bard acquisition timeline to close and integration planning remain on-track
- ◆ Confidence in our outlook and well positioned to achieve our commitments

# Bard Acquisition



**Better Together: A Dynamic and Differentiated Company**

**Announcement**

**Closing**



- ◆ Maintaining momentum as we move towards close:
  - ◆ Executed a very successful debt and equity offering in May
  - ◆ Successful Bard shareholder vote in early August
  - ◆ European Commission conditional clearance in October
  - ◆ Extensive integration planning, including Day 1 readiness
  - ◆ Closing of acquisition remains expected in the fourth calendar quarter of 2017



# FY 2018 Guidance Overview

FY 2018 BD Standalone Guidance	
Revenues FXN % Growth	4.0% to 5.0%
Underlying Revenues FXN % Growth <sup>(1)</sup>	4.5% to 5.5%
Adjusted EPS \$	\$10.55 to \$10.65
Adjusted EPS % Growth	~12%
Adjusted EPS FXN % Growth	~10%

- BD Standalone guidance maintains the expectation for steady and consistent top and bottom line performance
- Will provide NewCo guidance post-close

(1) Underlying Revenues FXN % Growth excludes an estimated 50 bps impact from the US Dispensing revenue recognition change.

Note: BD Standalone guidance excludes Bard and the Bard transaction impact.



# Financial Update

**Christopher Reidy**

Executive Vice President, CFO and CAO



# FY 2017 Financial Highlights

	Fourth Quarter				Total Year			
	\$	Growth %	FXN Growth %	Comparable FXN Growth %	\$	Growth %	FXN Growth %	Comparable FXN Growth %
Revenues	\$3,166	(2.0%)	(2.2%)	4.4%	\$12,093	(3.1%)	(2.6%)	4.5%
<i>U.S. Dispensing revenue recognition change</i>				<i>(~1.0%)</i>				<i>(~0.5%)</i>
Adjusted EPS	\$2.40	13.2%	13.2%	N/A	\$9.48	10.4%	13.2%	N/A

- ◆ **FY 2017 revenue growth at the high end of our full year guidance range**, excluding the U.S. Dispensing revenue recognition change
- ◆ Achieved \$250M CareFusion cost synergies through FY 2017 and are on-track for ~\$350M by FY 2018
- ◆ **Strong double-digit FY 2017 EPS growth of 13.2% FXN**
- ◆ 45th consecutive year of increasing the dividend





# FY 2017 Revenues by Segment

	Fourth Quarter				Total Year			
	\$	Growth %	FXN Growth %	Comparable FXN Growth %	\$	Growth %	FXN Growth %	Comparable FXN Growth %
<b>Total Revenues</b>	<b>\$3,166</b>	<b>(2.0%)</b>	<b>(2.2%)</b>	<b>4.4%</b>	<b>\$12,093</b>	<b>(3.1%)</b>	<b>(2.6%)</b>	<b>4.5%</b>
<i>U.S. Dispensing revenue recognition change</i>				<i>(~1.0%)</i>				<i>(~0.5%)</i>
Medical	2,115	(5.3%)	(5.7%)	3.9%	8,105	(6.4%)	(5.8%)	4.3%
<i>U.S. Dispensing revenue recognition change</i>				<i>(~1.6%)</i>				<i>(~0.8%)</i>
Life Sciences	1,051	5.5%	5.4%	5.4%	3,988	4.2%	4.8%	4.8%



# FY 2017 U.S. and International Revenues

	Fourth Quarter				Total Year			
	\$	Growth %	FXN Growth %	Comparable FXN Growth %	\$	Growth %	FXN Growth %	Comparable FXN Growth %
<b>U.S.</b>	<b>\$1,644</b>	<b>(5.9%)</b>	<b>(5.9%)</b>	<b>2.1%</b>	<b>\$6,504</b>	<b>(5.6%)</b>	<b>(5.6%)</b>	<b>3.0%</b>
<i>U.S. Dispensing revenue recognition change</i>				<i>(~2.0%)</i>				<i>(~1.0%)</i>
Medical	1,181	(8.7%)	(8.7%)	2.2%	4,685	(8.9%)	(8.9%)	2.6%
<i>U.S. Dispensing revenue recognition change</i>				<i>(~2.8%)</i>				<i>(~1.4%)</i>
Life Sciences	463	2.0%	2.0%	2.0%	1,818	4.0%	4.0%	4.0%
<b>International</b>	<b>\$1,522</b>	<b>2.6%</b>	<b>2.1%</b>	<b>6.9%</b>	<b>\$5,589</b>	<b>0.0%</b>	<b>1.2%</b>	<b>6.2%</b>
Medical	934	(0.7%)	(1.5%)	6.0%	3,419	(2.6%)	(1.3%)	6.7%
Life Sciences	588	8.4%	8.3%	8.3%	2,170	4.3%	5.5%	5.5%



# FY 2017 Developed & Emerging Markets

	Fourth Quarter			Total Year		
	\$	% of BD Revenues	Comparable FXN Growth %	\$	% of BD Revenues	Comparable FXN Growth %
Developed Markets	\$2,625	83%	2.8%	\$10,140	84%	3.4%
<i>U.S. Dispensing revenue recognition change (~1.3%)</i>						<i>(~0.6%)</i>
Emerging Markets	\$541	17%	12.7%	\$1,953	16%	10.1%
China	\$180	6%	13.4%	\$686	6%	11.6%



Note: Emerging markets include Eastern Europe, Middle East, Africa, Latin America, and certain countries within Asia Pacific, excluding Australia, New Zealand, Korea, Singapore, Hong Kong, Taiwan & Japan.

# FY 2017 Safety Revenues

	Fourth Quarter			Total Year		
	\$	Growth %	FXN Growth %	\$	Growth %	FXN Growth %
<b>Total Safety</b>	<b>\$814</b>	<b>4.0%</b>	<b>3.9%</b>	<b>\$3,127</b>	<b>3.0%</b>	<b>3.5%</b>
<b>By Geography</b>						
U.S.	467	0.3%	0.3%	1,838	1.8%	1.8%
International	347	9.4%	9.1%	1,289	4.7%	6.0%
<b>By Segment</b>						
Medical	514	3.0%	2.7%	1,960	1.9%	2.2%
Life Sciences	300	5.8%	5.9%	1,167	4.9%	5.7%

- ◆ Emerging Markets Safety grew 16.0% in Q4 and 11.5% in FY 2017



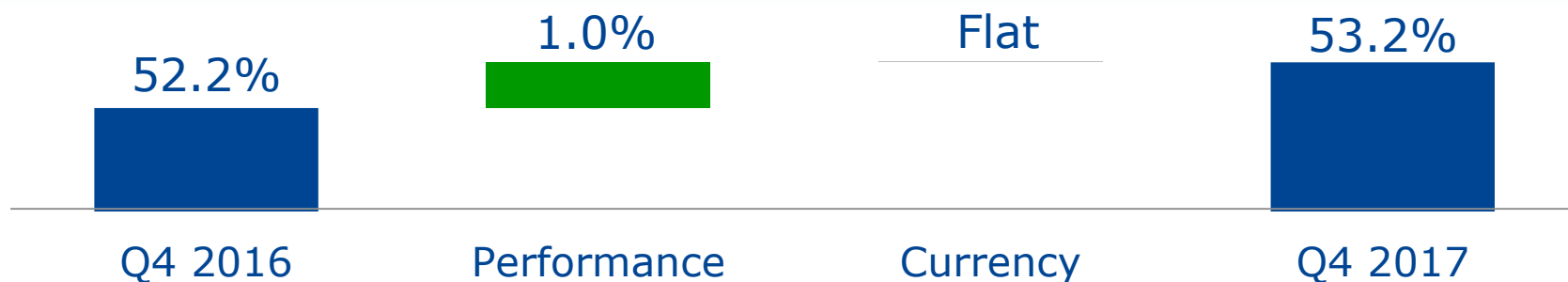
# Q4 FY 2017 Adjusted Income Statement

	Favorable (Unfavorable)				
	Adjusted Q4 FY 2017	Adjusted Q4 FY 2016	\$ Change	% Change	FXN % Change
Revenues <i>Comparable basis</i>	\$3,166	\$3,233	(\$68)	(2.0%)	(2.2%) 4.4%
Gross Profit	1,685	1,689	(3)	(0.2%)	(0.5%)
% of Revenues	53.2%	52.2%			
SSG&A	774	789	15	1.9%	2.1%
% of Revenues	24.4%	24.4%			
R&D	221	253	32	12.7%	12.8%
% of Revenues	7.0%	7.8%			
Operating Income	691	647	44	6.8%	6.3%
% of Revenues	21.8%	20.0%			
Tax Rate	14.6%	16.2%			
<b>Adjusted EPS</b>	<b>\$2.40</b>	<b>\$2.12</b>	<b>\$0.28</b>	<b>13.2%</b>	<b>13.2%</b>



# Q4 FY 2017 Adjusted Margin Changes Year-Over-Year

## Gross Profit (% of sales)



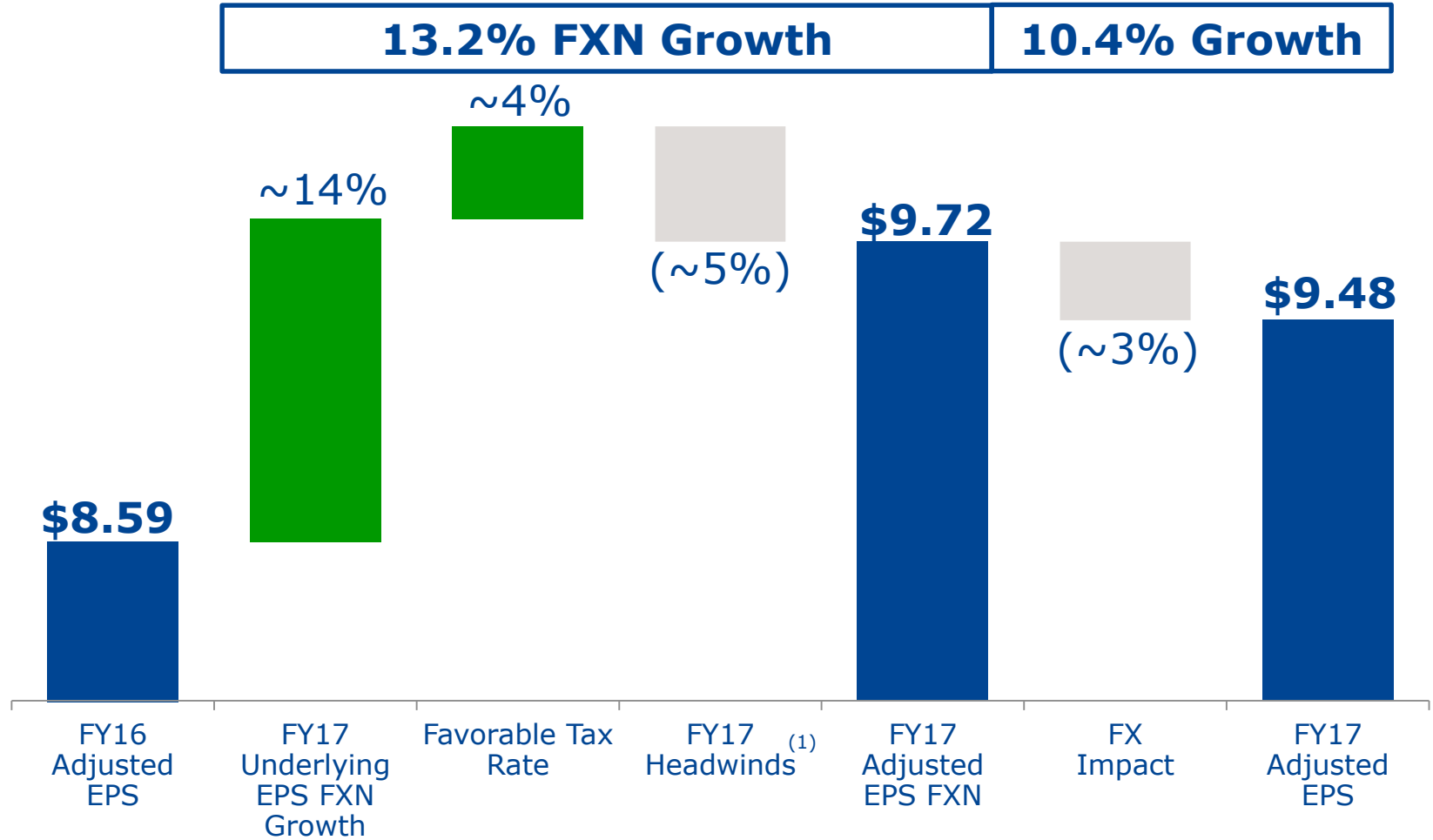
## Operating Margin (% of sales)



- ◆ Maintaining margin expansion momentum with ~180 bps underlying operating margin expansion in FY 2017



# FY 2017 Adjusted EPS Performance



(1) FY17 headwinds include the US Dispensing revenue recognition change, Respiratory divestiture and pension impact.

# Guidance

**Christopher Reidy**

Executive Vice President, CFO and CAO





# FY 2018 BD Standalone Guidance

FY 2018 BD Standalone Revenue Guidance		
Total Company	Revenues FXN % Growth	4.0% to 5.0%
	Underlying Revenues FXN % Growth <sup>(1)</sup>	4.5% to 5.5%
	Estimated FX Impact	~1%
	Revenues % Growth	5.0% to 6.0%
Segment	Medical FXN % Growth	4.0% to 5.0%
	Life Sciences FXN % Growth	4.0% to 5.0%

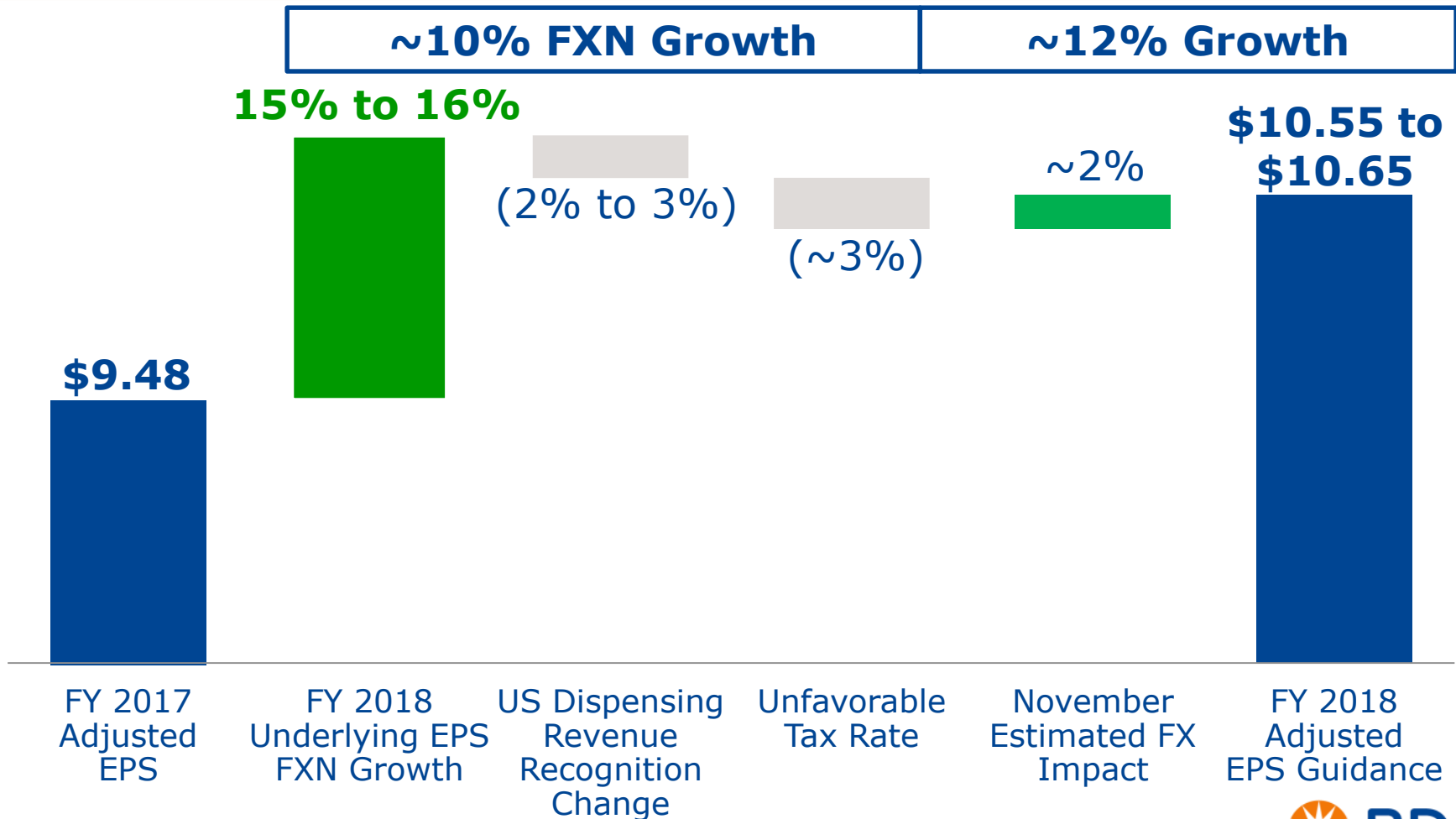
(1) Underlying Revenues FXN % Growth excludes an estimated 50 bps impact from the US Dispensing revenue recognition change.

Note: BD Standalone guidance excludes Bard and the Bard transaction impact.



# FY 2018 BD Standalone Guidance

## FY 2018 BD Standalone Adjusted EPS Guidance



# FY 2018 BD Standalone Guidance

As Adjusted	FY 2018 BD Standalone Guidance
Gross Profit	54.0% to 55.0%
SSG&A	23.0% to 24.0%
R&D	6.0% to 7.0%
Operating Income Underlying Margin Expansion <sup>(1)</sup>	24.0% to 25.0% +100 to 150 bps
Effective Tax Rate	17.0% to 19.0%
<b>EPS \$</b>	<b>\$10.55 to \$10.65</b>
<b>EPS % Growth</b>	<b>~12%</b>
<b>EPS FXN % Growth</b>	<b>~10%</b>
Operating Cash Flow	~\$2.9B
Capital Expenditures	\$800M to \$850M
Interest/Other, net	(\$300M to \$325M)
Share Count	~219M



(1) Underlying Margin Expansion excludes currency impact.  
Note: BD Standalone guidance excludes Bard and the Bard transaction impact.

# Executive Overview

**Vincent A. Forlenza**

Chairman and CEO



# Q4 FY2017 Update: Growth and Strategic Initiatives

## New Product Innovation



- Building IV Solutions portfolio with the FDA approval of sodium chloride saline for Fresenius
- Launch of BD Rhapsody™, a complete single cell analysis system of reagents, instruments and software
- Introduction of new 6mm BD Ultra-Fine™ micro pen needle for injection pens

## Strategic / Business Initiatives



- Completed tuck-in acquisition of FlowJo, a leading provider of informatics software for flow cytometry and next-generation single-cell instruments
- Timothy Ring and David Melcher elected to join the BD Board of Directors upon close
- Installed our 1,000,000<sup>th</sup> Alaris™ pump module



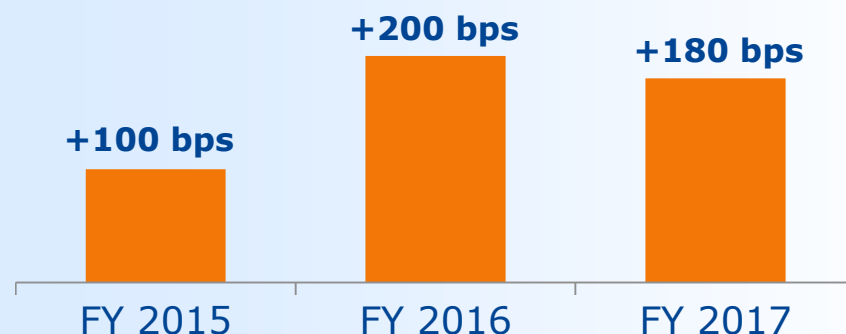
# Q4 FY2017 Update: Operational Efficiencies

## Operational Efficiencies



- Achieved \$250M CareFusion cost synergies through FY 2017 and are on-track for ~\$350M by FY 2018
- On-track to achieve CareFusion manufacturing synergies in FY 2018

## Operating Margin Expansion (FXN)



Base plan efficiencies and synergies generating significant margin expansion



# Key Takeaways

- ◆ Pleased with our FY 2017 performance driven by continued strong growth across both segments
- ◆ Successfully executing on the CareFusion acquisition and maintaining margin expansion momentum
- ◆ Confidence in FY 2018 guidance and outlook
- ◆ Bard acquisition timeline to close and integration planning remain on-track
- ◆ Looking forward to the great potential of the combined organization with excitement

Advancing  
the World  
of Health





# Q4 FY 2017 & Q4 FY 2016 Adjustment Reconciliations

(Unaudited; Amounts in millions, except per share data)

Three Months Ended September 30, 2017													
	Revenues	Gross Profit	Selling and Administrative Expense	Research and Development Expense	Acquisitions and Other Restructurings	Other Operating (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Expense, Net	Income Tax Provision	Net Income		Diluted Earnings per Share
<b>Reported \$ for Three Months Ended September 30, 2017</b>	\$ 3,166	\$ 1,554	\$ 774	\$ 221	\$ 111	\$ 5	\$ 443	\$ (111)	\$ (7)	\$ (1)	\$ 327		\$ 1.24
<i>Reported % of Revenues</i>		49.1%	24.4%	7.0%			14.0%				10.3%		
<i>Reported effective tax rate</i>										-0.4%			
<b>Specified items:</b>													
Purchase accounting adjustments pre-tax <sup>(1)</sup>	-	132	-	-	-	-	131	(1)	(1)	-	130		0.56
Restructuring costs pre-tax <sup>(2)</sup>	-	-	-	-	(30)	-	30	-	-	-	30		0.13
Integration costs pre-tax <sup>(2)</sup>	-	-	-	-	(78)	-	78	-	-	-	78		0.34
Transaction costs pre-tax <sup>(2)</sup>	-	-	-	-	(2)	-	2	-	-	-	2		0.01
Financing Costs <sup>(3)</sup>	-	-	-	-	-	-	-	44	-	-	44		0.19
Lease Contract Modification Charge <sup>(4)</sup>	-	-	-	-	-	(6)	6	-	-	-	6		0.03
Litigation-related item <sup>(5)</sup>	-	-	-	-	-	1	(1)	-	-	-	(1)		(0.01)
Dilutive Share Impact <sup>(6)</sup>	-	-	-	-	-	-	-	-	-	-	-		0.31
Income Tax Benefit of Special Items	-	-	-	-	-	-	-	-	-	91	(91)		(0.39)
<b>Adjusted \$ for Three Months Ended September 30, 2017</b>	\$ 3,166	\$ 1,685	\$ 774	\$ 221	\$ -	\$ -	\$ 691	\$ (68)	\$ (8)	\$ 90	\$ 525		\$ 2.40
<i>Adjusted % of Adjusted Revenues</i>		53.2%	24.4%	7.0%			21.8%				16.6%		
<i>Adjusted effective tax rate</i>										14.6%			
Three Months Ended September 30, 2016													
	Revenues	Gross Profit	Selling and Administrative Expense	Research and Development Expense	Acquisitions and Other Restructurings	Other Operating (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income		Diluted Earnings per Share
<b>Reported \$ for Three Months Ended September 30, 2016</b>	\$ 3,231	\$ 1,552	\$ 796	\$ 253	\$ 407	\$ -	\$ 96	\$ (88)	\$ 1	\$ (10)	\$ 19		\$ 0.09
<i>Reported % of Revenues</i>		48.0%	24.6%	7.8%			3.0%				0.6%		
<i>Reported effective tax rate</i>										-105.8%			
<b>Specified items:</b>													
Purchase accounting adjustments pre-tax <sup>(1)</sup>	-	134	(6)	-	-	-	141	(8)	-	-	132		0.61
Restructuring costs pre-tax <sup>(2)</sup>	-	-	-	-	(328)	-	328	-	-	-	328		1.50
Integration costs pre-tax <sup>(2)</sup>	-	-	-	-	(77)	-	77	-	-	-	77		0.35
Transaction costs pre-tax <sup>(2)</sup>	-	-	-	-	(2)	-	2	-	-	-	2		0.01
Pension Settlement Charges <sup>(7)</sup>	-	2	(2)	-	-	-	3	-	-	-	3		0.01
Income tax benefit of special items	-	-	-	-	-	-	-	-	-	99	(99)		(0.46)
<b>Adjusted \$ for Three Months Ended September 30, 2016</b>	\$ 3,231	\$ 1,689	\$ 789	\$ 253	\$ -	\$ -	\$ 647	\$ (96)	\$ 1	\$ 90	\$ 462		\$ 2.12
<i>Adjusted % of Revenues</i>		52.3%	24.4%	7.8%			20.0%				14.3%		
<i>Adjusted effective tax rate</i>										16.2%			
Three Months Ended September 30, 2017 versus September 30, 2016													
<b>Adjusted \$ change</b>	C=A-B	\$ (65)	\$ 15	\$ 32	\$ -	\$ -	\$ 44	\$ 28	\$ (9)	\$ -	\$ 63		\$ 0.28
<b>Adjusted % change</b>	D=C/B	(2.0%)	(0.2%)	1.9%	12.7%	-	6.8%	29.1%	(891.9%)	(0.1%)	13.7%		13.2%
<b>Foreign currency translation impact</b>	E	\$ 8	\$ 5	\$ (2)	\$ -	\$ -	\$ 3	\$ -	\$ (3)	\$ -	\$ 1		\$ -
<b>Adjusted foreign currency neutral \$ change</b>	F=C-E	\$ (73)	\$ (8)	\$ 17	\$ 32	\$ -	\$ 40	\$ 28	\$ (6)	\$ -	\$ 63		\$ 0.28
<b>Adjusted foreign currency neutral % change</b>	G=F/B	(2.2%)	(0.5%)	2.1%	12.8%	-	6.3%	29.1%	(607.9%)	-	13.6%		13.2%

<sup>(1)</sup> Includes adjustments related to the purchase accounting for acquisitions, primarily CareFusion, impacting identified intangible assets and valuation of fixed assets and debt.

<sup>(2)</sup> Represents integration, restructuring and transaction costs which are associated with the acquisition of CareFusion and other portfolio rationalization initiatives, as well as integration and transaction costs which relate to the pending agreement to acquire Bard.

<sup>(3)</sup> Represents financing costs, primarily fees paid to enter into a bridge facility, incurred in connection with the pending agreement to acquire Bard.

<sup>(4)</sup> Represents an adjustment to a non-cash charge resulting from a modification to our dispensing equipment lease contracts with customers.

<sup>(5)</sup> Represents an adjustment to litigation-related reserves.

<sup>(6)</sup> Represents the dilutive impact of BD shares issued in May 2017, in anticipation of the pending acquisition of Bard, and of preferred share dividends payable on mandatory convertible preferred stock outstanding. The quarter-to-date adjusted diluted average shares outstanding (in thousands) is 218,632.

<sup>(7)</sup> Represents pension settlement charges associated with lump sum benefit payments made from the Company's U.S. supplemental pension plan, as such payments exceeded the service and interest components of the plan's pension cost.



# Q4 YTD FY 2017 & Q4 YTD FY 2016

## Adjustment Reconciliations

(Unaudited; Amounts in millions, except per share data)

Twelve Months Ended September 30, 2017												
	Revenues	Gross Profit	Selling and Administrative Expense	Research and Development Expense	Acquisitions and Other Restructurings	Other Operating (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Expense, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
<b>Reported \$ for Twelve Months Ended September 30, 2017</b>	\$ 12,093	\$ 5,942	\$ 2,925	\$ 774	\$ 354	\$ 410	\$ 1,478	\$ (445)	\$ (57)	\$ (124)	\$ 1,100	\$ 4.60
<i>Reported % of Revenues</i>		49.1%	24.2%	6.4%			12.2%				9.1%	
<i>Reported effective tax rate</i>										-12.7%		
<b>Specified items:</b>												
Purchase accounting adjustments pre-tax <sup>(1)</sup>	-	529	-	-	-	-	529	(14)	(24)	-	491	2.20
Restructuring costs pre-tax <sup>(2)</sup>	-	-	-	-	(85)	-	85	-	-	-	85	0.38
Integration costs pre-tax <sup>(2)</sup>	-	-	-	-	(237)	-	237	-	-	-	237	1.06
Transaction costs pre-tax <sup>(2)</sup>	-	-	-	-	(33)	-	33	-	6	-	39	0.17
Financing costs pre-tax <sup>(3)</sup>	-	-	-	-	-	-	-	131	-	-	131	0.58
Loss on debt extinguishment <sup>(4)</sup>	-	-	-	-	-	-	-	-	73	-	73	0.33
Lease contract modification charges pre-tax <sup>(5)</sup>	-	-	-	-	-	(748)	748	-	-	-	748	3.34
Litigation-related item <sup>(6)</sup>	-	-	-	-	-	337	(337)	-	-	-	(337)	(1.51)
Dilutive Share Impact <sup>(7)</sup>	-	-	-	-	-	-	-	-	-	-	-	0.54
Income tax benefit of special items	-	-	-	-	-	-	-	-	-	495	(495)	(2.21)
<b>Adjusted \$ for Twelve Months Ended September 30, 2017</b>	\$ 12,093	\$ 6,471	\$ 2,925	\$ 774	\$ -	\$ -	\$ 2,772	\$ (328)	\$ (2)	\$ 371	\$ 2,071	\$ 9.48
<i>Adjusted % of Adjusted Revenues</i>		53.5%	24.2%	6.4%			22.9%			15.2%	17.1%	
<i>Adjusted effective tax rate</i>												
Twelve Months Ended September 30, 2016												
	Revenues	Gross Profit	Selling and Administrative Expense	Research and Development Expense	Acquisitions and Other Restructurings	Other Operating (Income) Expense	Operating Income	Interest Income (Expense) Net	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share
<b>Reported \$ for Twelve Months Ended September 30, 2016</b>	\$ 12,483	\$ 5,991	\$ 3,005	\$ 828	\$ 728	\$ -	\$ 1,430	\$ (367)	\$ 11	\$ 97	\$ 976	\$ 4.49
<i>Reported % of Revenues</i>		48.0%	24.1%	6.6%			11.5%			9.1%	7.8%	
<i>Reported effective tax rate</i>												
<b>Specified items:</b>												
Purchase accounting adjustments pre-tax <sup>(1)</sup>	-	570	11	-	-	-	559	(32)	-	-	527	2.42
Restructuring costs pre-tax <sup>(2)</sup>	-	-	-	-	(526)	-	526	-	-	-	526	2.42
Integration costs pre-tax <sup>(2)</sup>	-	-	-	-	(192)	-	192	-	-	-	192	0.88
Transaction costs pre-tax <sup>(2)</sup>	-	-	-	-	(10)	-	10	-	-	-	10	0.04
Pension settlement charges pre-tax <sup>(8)</sup>	-	3	(3)	-	-	-	6	-	-	-	6	0.03
Income tax benefit of special items	-	-	-	-	-	-	-	-	-	369	(369)	(1.70)
<b>Adjusted \$ for Twelve Months Ended September 30, 2016</b>	\$ 12,483	\$ 6,564	\$ 3,012	\$ 828	\$ -	\$ -	\$ 2,723	\$ (400)	\$ 11	\$ 466	\$ 1,868	\$ 8.59
<i>Adjusted % of Revenues</i>		52.6%	24.1%	6.6%			21.8%			20.0%	15.0%	
<i>Adjusted effective tax rate</i>												
Twelve Months Ended September 30, 2017 versus September 30, 2016												
<b>Adjusted \$ change</b>	C=A-B	\$ (390)	\$ (92)	\$ 88	\$ 54	\$ -	\$ 49	\$ 71	\$ (13)	\$ 95	\$ 202	\$ 0.89
<b>Adjusted % change</b>	D=C/B	(3.1%)	(1.4%)	2.9%	6.5%	-	1.8%	17.8%	(113.2%)	20.4%	10.8%	10.4%
<b>Foreign currency translation impact</b>	E	\$ (69)	\$ (76)	\$ 15	\$ 1	\$ -	\$ (60)	\$ -	\$ (2)	\$ 10	\$ (52)	\$ (0.24)
<b>Adjusted foreign currency neutral \$ change</b>	F=C-E	\$ (321)	\$ (16)	\$ 72	\$ 53	\$ -	\$ 109	\$ 71	\$ (10)	\$ 85	\$ 254	\$ 1.13
<b>Adjusted foreign currency neutral % change</b>	G=F/B	(2.6%)	(0.2%)	2.4%	6.4%	-	4.0%	17.8%	(91.8%)	18.1%	13.6%	13.2%

<sup>(1)</sup> Includes adjustments related to the purchase accounting for acquisitions, primarily CareFusion, impacting identified intangible assets and valuation of fixed assets and debt.

<sup>(2)</sup> Represents integration, restructuring and transaction costs which are associated with the acquisition of CareFusion and other portfolio rationalization initiatives, as well as integration and transaction costs which relate to the pending agreement to acquire Bard.

<sup>(3)</sup> Represents financing costs, primarily fees paid to enter into a bridge facility, incurred in connection with the pending agreement to acquire Bard.

<sup>(4)</sup> Represents losses recognized upon the extinguishment of certain long-term senior notes.

<sup>(5)</sup> Represents a non-cash charge resulting from a modification to our dispensing equipment lease contracts with customers.

<sup>(6)</sup> Largely represents the reversal of certain reserves related to an appellate court decision which, among other things, reversed an unfavorable antitrust judgment in the RTI case.

<sup>(7)</sup> Represents the dilutive impact of BD shares issued in May 2017, in anticipation of the pending acquisition of Bard, and of preferred share dividends payable on mandatory convertible preferred stock outstanding. The year-to-date adjusted diluted average shares outstanding (in thousands) is 218,323.

<sup>(8)</sup> Represents pension settlement charges associated with lump sum benefit payments made from the Company's U.S. supplemental pension plan, as such payments exceeded the service and interest components of the plan's pension cost.



# Q4 FY 2017 Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS

(Unaudited)

	Three Months Ended September 30,					
	2017	2016	Growth	Foreign Currency Translation	Foreign Currency Neutral Growth	Foreign Currency Neutral Growth %
Reported Diluted Earnings per Share	\$ 1.24	\$ 0.09	\$ 1.15	\$ —	\$ 1.15	1,277.8 %
Purchase accounting adjustments (\$130 million and \$132 million pre-tax, respectively) <sup>(1)</sup>	0.56	0.61				
Restructuring costs (\$30 million and \$328 million pre-tax, respectively) <sup>(2)</sup>	0.13	1.50				
Integration costs (\$78 million and \$77 million pre-tax, respectively) <sup>(2)</sup>	0.34	0.35				
Transaction costs (\$2 million and \$2 million pre-tax, respectively) <sup>(2)</sup>	0.01	0.01				
Financing costs (\$44 million pre-tax) <sup>(3)</sup>	0.19	—				
Lease contract modification-related charge (\$6 million pre-tax) <sup>(4)</sup>	0.03	—				
Litigation-related item (\$1 million pre-tax) <sup>(5)</sup>	(0.01)	—				
Dilutive impact <sup>(6)</sup>	0.31	—				
Pension settlement charges (\$3 million pre-tax) <sup>(7)</sup>	—	0.01				
Income tax benefit of special items (\$91 million and \$(99) million, respectively)	(0.39)	(0.46)				
Adjusted Diluted Earnings per Share	\$ 2.40	\$ 2.12	\$ 0.28	\$ —	\$ 0.28	13.2 %

- (1) Includes adjustments related to the purchase accounting for acquisitions, primarily CareFusion, impacting identified intangible assets and valuation of fixed assets and debt.
- (2) Represents integration, restructuring and transaction costs which are associated with the acquisition of CareFusion and other portfolio rationalization initiatives, as well as integration and transaction costs which relate to the pending agreement to acquire Bard.
- (3) Represents financing costs, primarily fees paid to enter into a bridge facility, incurred in connection with the pending agreement to acquire Bard.
- (4) Represents an adjustment to a non-cash charge resulting from a modification to our dispensing equipment lease contracts with customers.
- (5) Represents an adjustment to litigation-related reserves.
- (6) Represents the dilutive impact of BD shares issued in May 2017, in anticipation of the pending acquisition of Bard, and of preferred share dividends payable on mandatory convertible preferred stock outstanding. The quarter-to-date adjusted diluted average shares outstanding (in thousands) is 218,632.
- (7) Represents pension settlement charges associated with lump sum benefit payments made from the Company's U.S. supplemental pension plan, as such payments exceeded the service and interest components of the plan's pension cost.



# YTD FY 2017 Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS

(Unaudited)

	Twelve Months Ended September 30,						
	2017	2016	Growth	Foreign Currency Translation	Foreign Currency Neutral Growth	Growth %	Foreign Currency Neutral Growth %
Reported Diluted Earnings per Share	\$ 4.60	\$ 4.49	\$ 0.11	\$ (0.23)	\$ 0.34	2.4%	7.6%
Purchase accounting adjustments (\$491 million and \$527 million pre-tax, respectively) <sup>(1)</sup>	2.20	2.42					
Restructuring costs (\$85 million and \$526 million pre-tax, respectively) <sup>(2)</sup>	0.38	2.42					
Integration costs (\$237 million and \$192 million pre-tax, respectively) <sup>(2)</sup>	1.06	0.88					
Transaction costs (\$39 million and \$10 million pre-tax, respectively) <sup>(2)</sup>	0.17	0.04					
Financing costs (\$131 million pre-tax) <sup>(3)</sup>	0.58	—					
Losses on debt extinguishment (\$73 million pre-tax) <sup>(4)</sup>	0.33	—					
Lease contract modification-related charge (\$748 million pre-tax) <sup>(5)</sup>	3.34	—					
Litigation-related item (\$(337) million pre-tax) <sup>(6)</sup>	(1.51)	—					
Dilutive Impact <sup>(7)</sup>	0.54	—					
Pension settlement charges (\$6 million pre-tax) <sup>(8)</sup>	—	0.03					
Income tax benefit of special items (\$(495) million and \$(369) million, respectively)	(2.21)	(1.70)					
Adjusted Diluted Earnings per Share	\$ 9.48	\$ 8.59	\$ 0.89	\$ (0.24)	\$ 1.13	10.4%	13.2%

(1) Includes adjustments related to the purchase accounting for acquisitions, primarily CareFusion, impacting identified intangible assets and valuation of fixed assets and debt.

(2) Represents integration, restructuring and transaction costs which are associated with the acquisition of CareFusion and other portfolio rationalization initiatives, as well as integration and transaction costs which relate to the pending agreement to acquire Bard.

(3) Represents financing costs, primarily fees paid to enter into a bridge facility, incurred in connection with the pending agreement to acquire Bard.

(4) Represents losses recognized upon the extinguishment of certain long-term senior notes.

(5) Represents a non-cash charge resulting from a modification to our dispensing equipment lease contracts with customers.

(6) Largely represents the reversal of certain reserves related to an appellate court decision which, among other things, reversed an unfavorable antitrust judgment in the RTI case.

(7) Represents the dilutive impact of BD shares issued in May 2017, in anticipation of the pending acquisition of Bard, and of preferred share dividends payable on mandatory convertible preferred stock outstanding. The year-to-date adjusted diluted average shares outstanding (in thousands) is 218,323.

(8) Represents pension settlement charges associated with lump sum benefit payments made from the Company's U.S. supplemental pension plan, as such payments exceeded the service and interest components of the plan's pension cost.



# FY 2017 Reconciliation – FX Impact Emerging and Developed Markets

(Unaudited; Amounts in millions)

	Emerging Markets*					Developed Markets				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
BDX Reported 2017	456	452	503	541	1,953	2,466	2,517	2,532	2,625	10,140
<i>Adjusted Comparable Growth %</i>	4.7	7.7	9.0	12.3	8.6	5.6	3.6	(0.1)	3.2	3.0
<i>FX Neutral Growth %</i>	7.7	8.7	10.9	12.7	10.1	5.8	4.5	0.9	2.8	3.4
<i>FX Impact %</i>	(3.0)	(1.0)	(1.8)	(0.4)	(1.5)	(0.2)	(0.9)	(1.0)	0.4	(0.4)
A BDX Reported 2016	465	443	485	511	1,904	2,521	2,625	2,713	2,720	10,579
B Divestiture Adjustment **	(30)	(23)	(24)	(29)	(105)	(186)	(196)	(179)	(177)	(737)
A+B BDX Comparable Adjusted 2016	436	420	461	482	1,799	2,335	2,428	2,534	2,543	9,841
<i>Adjusted Comparable Growth %</i>	(8.7)	(5.2)	(1.1)	4.5	(2.7)	(2.6)	2.6	4.2	6.1	2.6
<i>FX Neutral Growth %</i>	2.4	5.1	5.2	8.5	5.3	1.0	5.1	4.2	6.2	4.1
<i>FX Impact %</i>	(11.2)	(10.3)	(6.4)	(4.0)	(8.0)	(3.6)	(2.4)	(0.1)	(0.1)	(1.6)

\* Emerging markets include Eastern Europe, Middle East, Africa, Latin America, and certain countries within Asia Pacific, excluding Australia, New Zealand, Korea, Singapore, Hong Kong, Taiwan & Japan.

\*\* To reflect the impact of a the Respiratory Solutions, Spine and BDRx (Simplist) divestitures.



# FY 2017 Reconciliation – FX Impact Emerging Markets Safety and China

	Emerging Markets Safety*				
	Q1	Q2	Q3	Q4	Full Year
BDX Reported 2017	116	117	120	138	490
<i>Adjusted Comparable Growth %</i>	15.3	12.6	(1.8)	14.8	9.9
<i>FX Neutral Growth %</i>	18.1	13.4	(0.1)	16.0	11.5
<i>FX Impact %</i>	(2.8)	(0.8)	(1.7)	(1.2)	(1.6)
A+B					
BDX Reported 2016	100	104	122	120	446

\* Emerging markets include Eastern Europe, Middle East, Africa, Latin America, and certain countries within Asia Pacific, excluding Australia, New Zealand, Korea, Singapore, Hong Kong, Taiwan & Japan.

	China				
	Q1	Q2	Q3	Q4	Full Year
BDX Reported 2017	163	168	176	180	686
<i>Adjusted Comparable Growth %</i>	3.4	6.6	6.6	11.9	7.1
<i>FX Neutral Growth %</i>	9.1	11.9	12.0	13.4	11.6
<i>FX Impact %</i>	(5.7)	(5.3)	(5.3)	(1.6)	(4.5)
A					
BDX Reported 2016	163	163	170	167	663
B					
Divestiture Adjustment **	(6)	(6)	(5)	(6)	(22)
BDX Comparable Adjusted 2016	157	157	165	161	641



\*\* Excludes the impact from the following divestitures: Respiratory, Simplist and Spine

# Q4 and Q4 YTD FY 2017 Safety Revenues

(Unaudited; Amounts in millions)

	Three Months Ended September 30,				
	A	B	C	D=(A-B)/B	E=(A-B-C)/B
	As Reported		FX	% Change	
	2017	2016	Impact	Reported	FXN
<b>TOTAL SAFETY REVENUES</b>					
United States	\$ 467	\$ 466	\$ -	0.3	0.3
International	347	317	1	9.4	9.1
<b>TOTAL</b>	<b>\$ 814</b>	<b>\$ 783</b>	<b>\$ 1</b>	<b>4.0</b>	<b>3.9</b>
<b>BY SEGMENT</b>					
BD Medical	\$ 514	\$ 499	\$ 1	3.0	2.7
BD Life Sciences	300	284	-	5.8	5.9
<b>TOTAL</b>	<b>\$ 814</b>	<b>\$ 783</b>	<b>\$ 1</b>	<b>4.0</b>	<b>3.9</b>

	Twelve Months Ended September 30,				
	A	B	C	D=(A-B)/B	E=(A-B-C)/B
	As Reported		FX	% Change	
	2017	2016	Impact	Reported	FXN
<b>TOTAL SAFETY REVENUES</b>					
United States	\$ 1,838	\$ 1,805	\$ -	1.8	1.8
International	1,289	1,231	(16)	4.7	6.0
<b>TOTAL</b>	<b>\$ 3,127</b>	<b>\$ 3,037</b>	<b>\$ (16)</b>	<b>3.0</b>	<b>3.5</b>
<b>BY SEGMENT</b>					
BD Medical	\$ 1,960	\$ 1,924	\$ (7)	1.9	2.2
BD Life Sciences	1,167	1,113	(9)	4.9	5.7
<b>TOTAL</b>	<b>\$ 3,127</b>	<b>\$ 3,037</b>	<b>\$ (16)</b>	<b>3.0</b>	<b>3.5</b>



# FY 2018 Outlook Reconciliation

	<b>FY2017</b>	<b>FY2018 Outlook</b>		
	Revenues	% Change	FX Impact	% Change FXN
BDX Revenue	\$ 12,093	5.0% - 6.0%	~1.0%	4.0% - 5.0%
BD Medical Revenue	\$ 8,105	5.0% - 6.0%	~1.0%	4.0% - 5.0%
BD Life Sciences Revenue	\$ 3,988	5.0% - 6.0%	~1.0%	4.0% - 5.0%

	<b>FY2018 Outlook</b>		
	Full Year FY2018 Outlook	Full Year FY2017	% Increase
Adjusted Fully Diluted Earnings per Share	\$ 10.55 - 10.65	\$ 9.48	~12.0%
Estimated FX Impact			~2.0%
Adjusted FXN Growth			~10.0%

FXN- Foreign Currency Neutral





# FY 2017 Guidance

As Adjusted	August Guidance	FY 2017 Actuals
<b>BDX Revenues – FXN<sup>(1)</sup></b>	<b>4.5% to 5.0%</b>	<b>4.5%</b>
Medical Revenues – FXN <sup>(1)</sup>	4.5% to 5.0%	4.3%
Life Sciences Revenues – FXN	4.0% to 5.0%	4.8%
Gross Profit	53.0% to 54.0%	53.5%
SSG&A	23.5% to 24.0%	24.2%
R&D	6.0% to 6.5%	6.4%
Operating Income Underlying Margin Expansion <sup>(2)</sup>	23.0% to 24.0% +200 to 225 bps	22.9% +180 bps
Effective Tax Rate	16.0% to 18.0%	15.2%
<b>EPS</b>	<b>\$9.42 to \$9.47</b>	<b>\$9.48</b>
<b>EPS – FXN</b>	<b>\$9.70 to \$9.80</b>	<b>\$9.72</b>
<b>EPS – FXN Growth</b>	<b>13% to 14%</b>	<b>13.2%</b>
Operating Cash Flow	~\$2.7B	\$2.8B
Capital Expenditures	~\$700M	\$727M
Interest/Other, net	(\$350M to \$375M)	(\$330M)
Share Count	~219M	218M



(1) Excludes Respiratory Solutions, Simplist and Spine divestitures in fiscal years 2016 and 2017.

(2) Underlying Margin Expansion excludes currency and pension impacts.

# FY 2017 Planned Product Launches

Medical Segment Program / Product	Planned Launch Date
• IV Solutions	✓ FY 2017
• BD Hyllok™	➤ FY 2017 (delay to FY 2019)
• Rowa Cmax	✓ FY 2017
• Rowa VMAX® 210	✓ FY 2017
• BD Enterprise Pharmogistics™ 1.0	✓ Q1 FY 2017
• BD Pyxis™ ES Enterprise Server 1.5	✓ FY 2017
• BD Neopak™ Prefillable Syringes	✓ Q1 FY 2017

Life Sciences Segment Program / Product	Planned Launch Date
• BD MAX™ – Extended Enteric Bacterial	✓ Q3 FY 2017 U.S.
• BD MAX™ – Vaginitis / Vaginosis	✓ Q1 FY 2017 U.S.
• BD Kiestra™ Digital Imaging Application – Urine	✓ Q4 FY 2017 EU, CA & U.S.
• BD Phoenix™ CPO Detect (CRE)	✓ FY 2017 ex-U.S. & China
• BD Rhapsody™	✓ Q4 FY 2017 U.S.
• BD FACSLytic™	✓ Q4 FY 2017 U.S.
• BD OptiBuild™ Wave 1	✓ Q1 FY 2017
• BD OptiBuild™ Wave 2	✓ Q4 FY 2017
• BD Horizon™ (Sirigen) Brilliant Blue 700 dye	✓ Q1 FY 2017
• BD Horizon™ Guided Panel Solution (GPS)	✓ Q1 FY 2017
• BD Precise™ WTA reagents	✓ Q2 FY 2017



# FY 2018 Planned Product Launches

Medical Segment Program / Product	Planned Launch Date
• BD PhaSeal™ Optima	➤ FY 2018
• BD PureHub™ IV needless connector disinfectant caps	➤ FY 2018
• IV Solutions – additional compounds	➤ FY 2018
• BD Venflon™ I with BD Instaflash™ Needle Technology	➤ FY 2018
• BD Venflon™ Pro Safety with BD Instaflash™ Needle Technology	➤ FY 2018
• BD HealthSight™ integrated MMS platform	➤ FY 2018
• BD Pyxis™ ES 1.5.2	➤ FY 2018
• Smart pen needles	➤ FY 2019 (delay from late FY 2018)
• T2 Patch injector	➤ FY 2019 (delay from late FY 2018)
• BD Neopak™ XSi™ glass pre-fillable syringe	➤ FY 2018

Life Sciences Segment Program / Product	Planned Launch Date
• BD MAX™ – Enteric Viral Panel	➤ FY 2018
• BD MAX™ – TB	➤ FY 2018
• BD Onclarity™ HPV (US PMA)	➤ FY 2018
• BD Synapsis™ Informatics DS platform	➤ FY 2018
• BD Rhapsody™ Proteomics reagents	➤ FY 2018
• Additional BD OptiBuild™ reagents / Sirigen dyes	➤ FY 2018

