



First Quarter Results Fiscal Year 2017

February 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 as noted on the "Adjustment Reconciliation" 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, CEO and President



Q1 FY 2017 Business Highlights

- ◆ Successful Analyst Day
- ◆ Strong start to fiscal year 2017
- ◆ First quarter revenue growth driven by both segments and ahead of our expectations
- ◆ Continued operational efficiencies driving robust margin expansion and earnings growth
- ◆ Re-affirm currency-neutral revenue guidance
- ◆ Raise currency-neutral earnings expectations

Financial Update

Christopher Reidy

Executive Vice President, CFO and CAO



Q1 FY 2017 Financial Highlights

	First Quarter			
	\$	Reported Growth %	FXN Growth%	Comparable FXN Growth%
Revenues	\$2,922	(2.1%)	(1.6%)	6.1%
Adjusted EPS	\$2.33	18.9%	19.4%	N/A

- ◆ Q1 revenue growth of 6.1% FXN
- ◆ Operating margin improvement of +250 bps
- ◆ Strong Q1 EPS of \$2.33 and 19.4% FXN growth
- ◆ Paid down \$500 million in debt this quarter and now at ~3.1x gross leverage at quarter-end
- ◆ Raise adjusted EPS FXN guidance to \$9.70 to \$9.80



FY 2017 Revenues by Segment

	First Quarter			
	\$	Reported Growth %	FXN Growth%	Comparable FXN Growth%
Total Revenues	\$2,922	(2.1%)	(1.6%)	6.1%
Medical	1,964	(4.4%)	(3.8%)	7.5%
Life Sciences	958	2.7%	3.2%	3.2%



FY 2017 U.S. and International Revenues

	First Quarter			
	\$	Reported Growth %	FXN Growth%	Comparable FXN Growth%
U.S.	\$1,630	(3.6%)	(3.6%)	5.5%
Medical	1,193	(5.8%)	(5.8%)	6.5%
Life Sciences	437	2.8%	2.8%	2.8%
International	\$1,292	(0.2%)	1.1%	6.8%
Medical	771	(2.1%)	(0.5%)	9.1%
Life Sciences	521	2.7%	3.5%	3.5%

FY 2017 Developed & Emerging Markets

	First Quarter		
	\$	% of BD Revenues	Comparable FXN Growth %
Developed Markets	\$2,466	84%	5.8%
Emerging Markets	\$456	16%	7.7%
China	\$163	6%	9.1%



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

	First Quarter		
	\$	Reported Growth %	FXN Growth %
Total Safety	\$763	3.5%	4.0%
By Geography			
U.S.	454	1.6%	1.6%
International	308	6.3%	7.6%
By Segment			
Medical	483	3.4%	3.7%
Life Sciences	280	3.5%	4.4%

- ◆ Emerging Markets Safety grew 18.1% in Q1



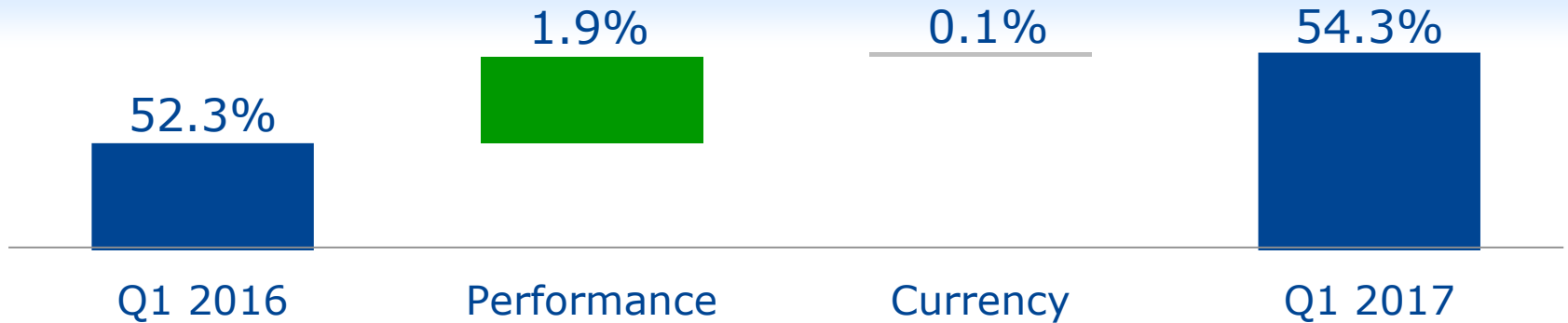
Q1 FY 2017 Adjusted Income Statement

	Favorable (Unfavorable)				
	Adjusted Q1 FY 2017	Adjusted Q1 FY 2016	\$ Change	% Change	FXN % Change
Revenues <i>Comparable basis</i>	\$2,922	\$2,986	(\$64)	(2.1%)	(1.6%) 6.1%
Gross Profit	1,587	1,566	22	1.4%	1.7%
% of Revenues	54.3%	52.3%			
SSG&A	711	745	34	4.6%	4.0%
% of Revenues	24.3%	24.9%			
R&D	182	187	6	3.0%	2.9%
% of Revenues	6.2%	6.3%			
Operating Income	695	634	61	9.7%	9.8%
% of Revenues	23.8%	21.2%			
Tax Rate	17.0%	21.5%			
Adjusted EPS	\$2.33	\$1.96	\$0.37	18.9%	19.4%

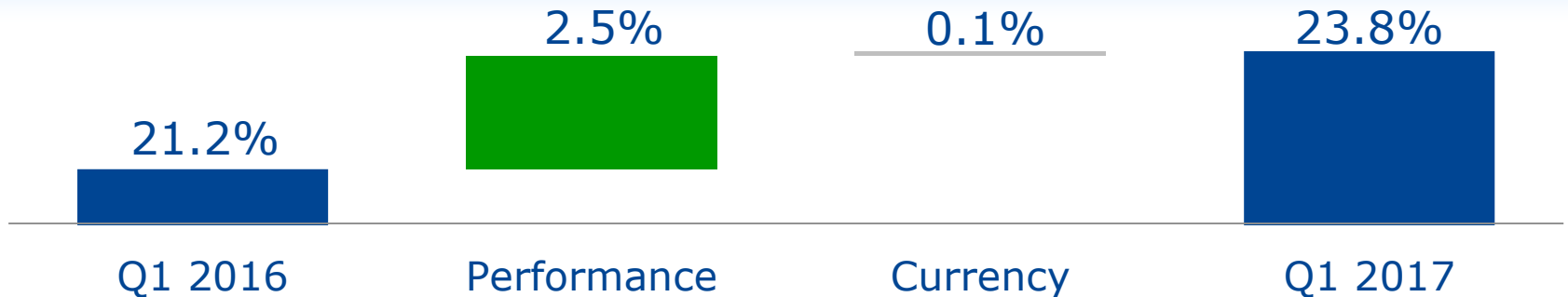


Q1 FY 2017 Adjusted Margin Changes Year-Over-Year

Gross Profit (% of sales)



Operating Margin (% of sales)



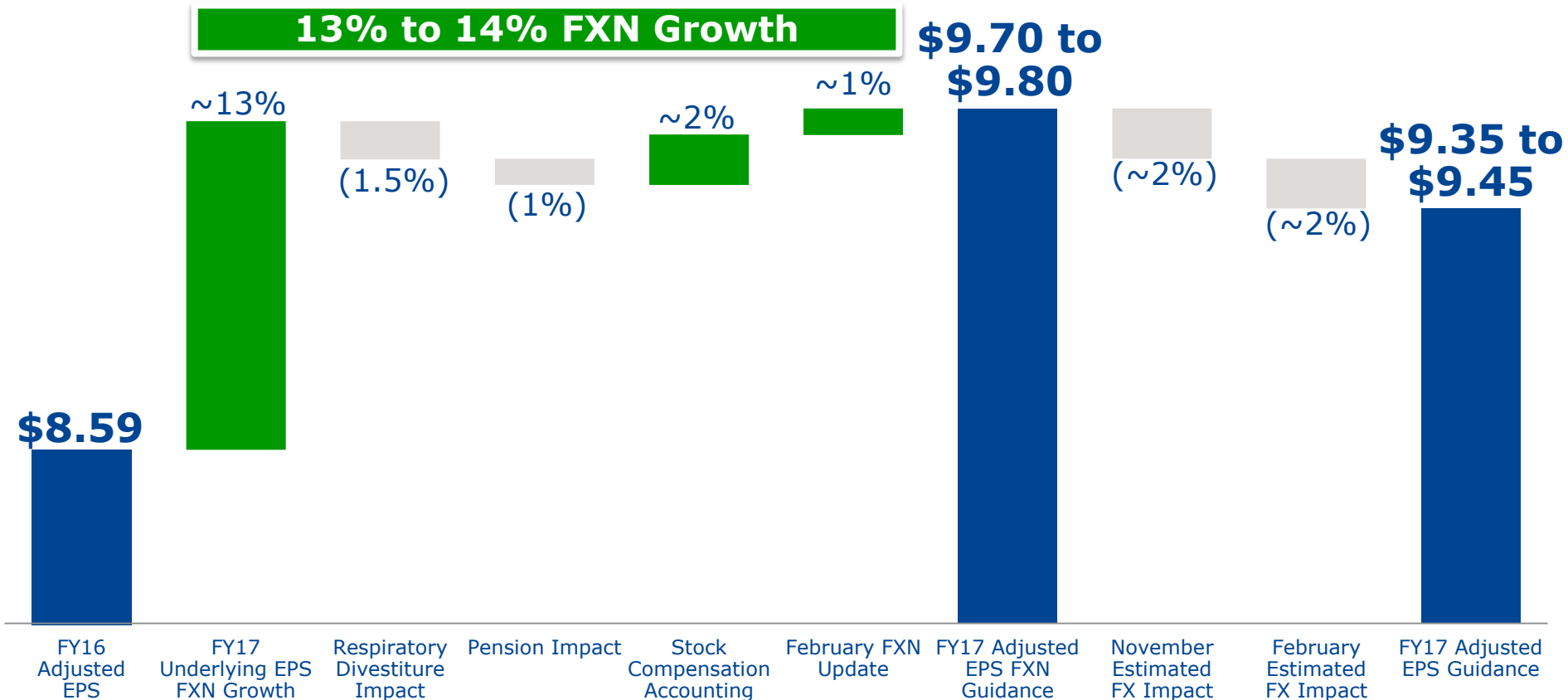
Guidance

Christopher Reidy

Executive Vice President, CFO and CAO



FY 2017 Adjusted EPS Guidance



FY17 EPS guidance of \$9.35 to \$9.45 and 13% to 14% FXN Growth



FY 2017 Guidance

As Adjusted	November Guidance	February Update
BDX Revenues – FXN⁽¹⁾	4.5% to 5.0%	4.5% to 5.0%
Medical Revenues – FXN ⁽¹⁾	4.5% to 5.0%	4.5% to 5.0%
Life Sciences Revenues – FXN	4.0% to 5.0%	4.0% to 5.0%
Gross Profit	53.0% to 54.0%	53.0% to 54.0%
SSG&A	23.5% to 24.0%	23.5% to 24.0%
R&D	6.0% to 6.5%	6.0% to 6.5%
Operating Income Underlying Margin Expansion⁽²⁾	23.0% to 24.0% +175 to 225 bps	23.0% to 24.0% +200 to 225 bps
Effective Tax Rate	17.0% to 19.0%	17.0% to 19.0%
EPS	\$9.45 to \$9.55	\$9.35 to \$9.45
EPS – FXN EPS – FXN Growth	\$9.62 to \$9.72 12% to 13%	\$9.70 to \$9.80 13% to 14%
Operating Cash Flow	~\$2.7B	~\$2.7B
Capital Expenditures	~\$700M	~\$700M
Interest/Other, net	(\$350M to \$375M)	(\$350M to \$375M)
Share Count	~219M	~219M

Note: Guidance updates denoted in bold.



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

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

Executive Overview

Vincent A. Forlenza

Chairman, CEO and President



Q1 FY2017 Business Update: Growth and Strategic Initiatives

New Product Innovation



- Launch of BD Neopak™ 2.25 mL prefillable glass syringe for higher volume injection of biologics
- Launch of Precise™ WTA reagents to simplify single cell research
- PleurX™ Catheter System approved by FDA for specific non-malignant use
- Named a 2016 “Top 100 Global Innovator” by Clarivate Analytics

Strategic / Business Initiatives



- Launch of Respiratory Solutions JV, Vyaire Medical
- CareFusion revenue synergy update: Over 160 approved or in process product registrations

Partnerships / Collaborations



- Launch of new BD Institute for Medication Management Excellence



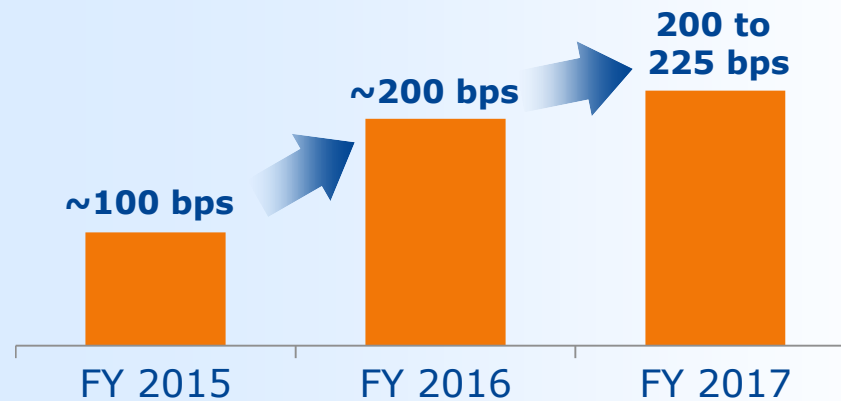
Q1 FY2017 Business Update: Operational Efficiencies

Operational Efficiencies



- Execution of functional transformation underway:
 - **HR:** implemented global Workday & payroll systems in January
 - **Supply Chain:** On-going distribution center optimization
- On-track to achieve manufacturing synergies

Operating Margin Expansion (FXN)



Base plan efficiencies and synergies generating significant margin expansion



Key Takeaways

- ◆ First quarter indicates a strong start to FY 2017
- ◆ Medical and Life Sciences segments both performed ahead of our expectations
- ◆ Strong performance and operational efficiencies driving continued robust margin expansion
- ◆ Re-affirm currency-neutral revenue guidance
- ◆ Raise currency-neutral earnings expectations

Advancing
the World
of Health



Q1 FY 2017 & Q1 FY 2016 Adjustment Reconciliations

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

Three Months Ended December 31, 2016													
	Revenues	Gross Profit	Selling and Administrative Expense	Research and Development Expense	Acquisitions and Other Restructurings	Other Operating (Income) Expense	Operating Income	Interest Expense	Other Expense, Net	Income Tax Provision	Net Income	Diluted Earnings per Share	
Reported \$ for Three Months Ended December 31, 2016	\$ 2,922	\$ 1,452	\$ 709	\$ 182	\$ 87	\$ (336)	\$ 811	\$ (95)	\$ (29)	\$ 131	\$ 562	\$ 2.58	
<i>Reported % of Revenues</i>		49.7%	24.3%	6.2%			27.8%				19.2%		
<i>Reported effective tax rate</i>										18.9%			
Specified items:													
Purchase accounting adjustments pre-tax ⁽¹⁾	-	135	2	-	-	-	133	(7)	-	-	126	0.58	
Restructuring costs pre-tax ⁽²⁾	-	-	-	-	(35)	-	35	-	-	-	35	0.16	
Integration costs pre-tax ⁽²⁾	-	-	-	-	(46)	-	46	-	-	-	46	0.21	
Transaction costs pre-tax ⁽²⁾	-	-	-	-	(6)	-	6	-	-	-	6	0.03	
Litigation-related item ⁽³⁾	-	-	-	-	-	336	(336)	-	-	-	(336)	(1.54)	
Loss on debt extinguishment ⁽⁴⁾	-	-	-	-	-	-	-	-	42	-	42	0.19	
Income tax provision of special items	-	-	-	-	-	-	-	-	-	(27)	27	0.12	
Adjusted \$ for Three Months Ended December 31, 2016	\$ 2,922	\$ 1,587	\$ 711	\$ 182	\$ -	\$ -	\$ 695	\$ (101)	\$ 13	\$ 104	\$ 507	\$ 2.33	
<i>Adjusted % of Adjusted Revenues</i>		54.3%	24.3%	6.2%			23.8%				17.4%		
<i>Adjusted effective tax rate</i>										17.0%			
Three Months Ended December 31, 2015													
	Revenue ⁽⁵⁾	Gross Profit	Selling and Administrative Expense	Research and Development Expense	Acquisitions and Other Restructurings	Other Operating (Income) Expense	Operating Income	Interest Expense	Other Income, Net	Income Tax Provision	Net Income	Diluted Earnings per Share	
Reported \$ for Three Months Ended December 31, 2015	\$ 2,986	\$ 1,408	\$ 748	\$ 187	\$ 121	\$ -	\$ 352	\$ (97)	\$ 6	\$ 37	\$ 229	\$ 1.06	
<i>Reported % of Revenues</i>		47.1%	25.1%	6.3%			11.8%				7.7%		
<i>Reported effective tax rate</i>										14.0%			
Specified items:													
Purchase accounting adjustments pre-tax ⁽¹⁾	-	158	(3)	-	-	-	161	(8)	-	-	153	0.71	
Restructuring costs pre-tax ⁽²⁾	-	-	-	-	(85)	-	85	-	-	-	85	0.39	
Integration costs pre-tax ⁽²⁾	-	-	-	-	(35)	-	35	-	-	-	35	0.16	
Income tax benefit of special items	-	-	-	-	-	-	-	-	-	79	(79)	(0.36)	
Adjusted \$ for Three Months Ended December 31, 2015	\$ 2,986	\$ 1,566	\$ 745	\$ 187	\$ -	\$ -	\$ 634	\$ (105)	\$ 6	\$ 116	\$ 424	\$ 1.96	
<i>Adjusted % of Revenues</i>		52.4%	25.0%	6.3%			21.2%				14.2%		
<i>Adjusted effective tax rate</i>										21.5%			
Three Months Ended December 31, 2016 versus December 31, 2015													
Adjusted \$ change	C=A-B	\$ (64)	\$ 22	\$ 34	\$ 6	\$ -	\$ 61	\$ 4	\$ 7	\$ 12	\$ 84	\$ 0.37	
Adjusted % change	D=C/B	(2.1%)	1.4%	4.6%	3.0%	-	9.7%	3.7%	NM	10.5%	19.7%	18.9%	
Foreign currency translation impact	E	\$ (17)	\$ (5)	\$ 4	\$ -	\$ -	\$ (1)	\$ -	\$ (2)	\$ -	\$ (2)	\$ (0.01)	
Adjusted foreign currency neutral \$ change	F=C-E	\$ (47)	\$ 27	\$ 30	\$ 5	\$ -	\$ 62	\$ 4	\$ 9	\$ 12	\$ 86	\$ 0.38	
Adjusted foreign currency neutral % change	G=F/B	(1.6%)	1.7%	4.0%	2.9%	-	9.8%	3.9%	NM	10.1%	20.2%	19.4%	

⁽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 restructuring, integration, and transaction costs associated with the CareFusion acquisition and portfolio rationalization.

⁽³⁾ 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.

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

⁽⁵⁾ Non-GAAP adjustments related to deferred revenue are not made in the prior year as the amount is not material.

NM - Not Meaningful



Q1 FY 2017 Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS

(Unaudited)

	Three Months Ended December 31,						
	2016	2015	Growth	Foreign Currency Translation	Foreign Currency Neutral Growth	Growth %	Foreign Currency Neutral Growth %
Reported Diluted Earnings per Share	\$ 2.58	\$ 1.06	\$ 1.52	\$ (0.01)	\$ 1.53	NM	NM
Purchase Accounting Adjustments (\$126 million and \$153 million pre-tax, respectively) ⁽¹⁾	0.58	0.71					
Restructuring Costs (\$35 million and \$85 million pre-tax, respectively) ⁽²⁾	0.16	0.39					
Integration Costs (\$46 million and \$35 million pre-tax, respectively) ⁽²⁾	0.21	0.16					
Transaction Costs (\$6 million pre-tax) ⁽²⁾	0.03	-					
Litigation-related Item (\$336 million pre-tax) ⁽³⁾	(1.54)	-					
Loss on Debt Extinguishment (\$42 million pre-tax) ⁽⁴⁾	0.19	-					
Income Tax Provision (Benefit) of Special Items (\$27 million and \$(79) million, respectively)	0.12	(0.36)					
Adjusted Diluted Earnings per Share	\$ 2.33	\$ 1.96	\$ 0.37	\$ (0.01)	\$ 0.38	18.9%	19.4%

⁽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 restructuring, integration, and transaction costs associated with the CareFusion acquisition and portfolio rationalization.

⁽³⁾ 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.

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

NM - Not Meaningful



Q1 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					2,466				
<i>Adjusted Comparable Growth %</i>	4.7					5.6				
<i>FX Neutral Growth %</i>	7.7					5.8				
<i>FX Impact %</i>	(3.0)					(0.2)				
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

* 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.

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



Q1 FY 2017 Reconciliation – FX Impact Emerging Markets Safety and China

(Unaudited; Amounts in millions)

	Emerging Markets Safety*				
	Q1	Q2	Q3	Q4	Full Year
BDX Reported 2017	116				
<i>Adjusted Comparable Growth %</i>	15.3				
<i>FX Neutral Growth %</i>	18.1				
<i>FX Impact %</i>	(2.8)				
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				
<i>Adjusted Comparable Growth %</i>	3.4				
<i>FX Neutral Growth %</i>	9.1				
<i>FX Impact %</i>	(5.7)				
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.



Q1 FY 2017 Safety Revenues

(Unaudited; Amounts in millions)

	Three Months Ended December 31,				
	A	B	C	D=(A-B)/B	E=(A-B-C)/B
	As Reported		FX	% Change	
	2016	2015	Impact	Reported	FXN
TOTAL SAFETY REVENUES					
United States	\$ 454	\$ 447	\$ -	1.6	1.6
International	308	290	(4)	6.3	7.6
TOTAL	\$ 763	\$ 737	\$ (4)	3.5	4.0
BY SEGMENT					
BD Medical	\$ 483	\$ 467	\$ (1)	3.4	3.7
BD Life Sciences	280	270	(2)	3.5	4.4
TOTAL	\$ 763	\$ 737	\$ (4)	3.5	4.0



Q1 FY 2017 Outlook Reconciliation

	FY2016		FY2017 Outlook	
	Revenues	% Change	FX Impact	% Change FXN
BDX As Reported Revenue	\$ 12,483	(3.5% - 4.0%)	~(1.5%)	(2.0% - 2.5%)
Divestitures Revenue ⁽¹⁾	(843)			
BDX Comparable Revenue	<u>\$ 11,639</u>	<u>3.0% - 3.5%</u>	<u>~(1.5%)</u>	<u>4.5% - 5.0%</u>
BD Medical As Reported Revenue	\$ 8,654	(6.5% - 7.0%)	~(1.5%)	(5.0% - 5.5%)
Divestitures Revenue ⁽¹⁾	(843)			
BD Medical Comparable Revenue	<u>\$ 7,811</u>	<u>3.0% - 3.5%</u>	<u>~(1.5%)</u>	<u>4.5% - 5.0%</u>
BD Life Sciences As Reported Revenue	\$ 3,829	2.5% - 3.5%	~(1.5%)	4.0% - 5.0%

	FY2017 Outlook		
	Full Year FY2017 Outlook (estimated)	Full Year FY2016	% Increase
Reported Fully Diluted Earnings per Share	\$ 7.90 - 8.00	\$ 4.49	NM
Purchase Accounting Adjustments	2.28	2.42	
Restructuring Costs	0.16 ⁽²⁾	2.42	
Integration Costs	0.21 ⁽²⁾	0.88	
Transaction Costs	0.03 ⁽²⁾	0.04	
Litigation-related Item	(1.54) ⁽²⁾	-	
Loss on Debt Extinguishment	0.19 ⁽²⁾	-	
Pension Settlement Charges	-	0.03	
Income Tax Provision (Benefit) of Special Items	0.12 ⁽²⁾	(1.70)	
Adjusted Fully Diluted Earnings per Share	<u>\$ 9.35 - 9.45</u>	<u>\$ 8.59</u>	9% - 10%
Estimated FX Impact	<u>\$ (0.35)</u>		~(4.0%)
Adjusted FXN Growth	<u>\$ 9.70 - 9.80</u>		<u>13% - 14%</u>

⁽¹⁾ Excludes the impact from the following divestitures: Respiratory, Simplist and Spine.

⁽²⁾ FY2017 restructuring, integration and transaction costs, litigation-related item, loss on debt extinguishment and income tax provision of special items reflect year-to-date realized costs.

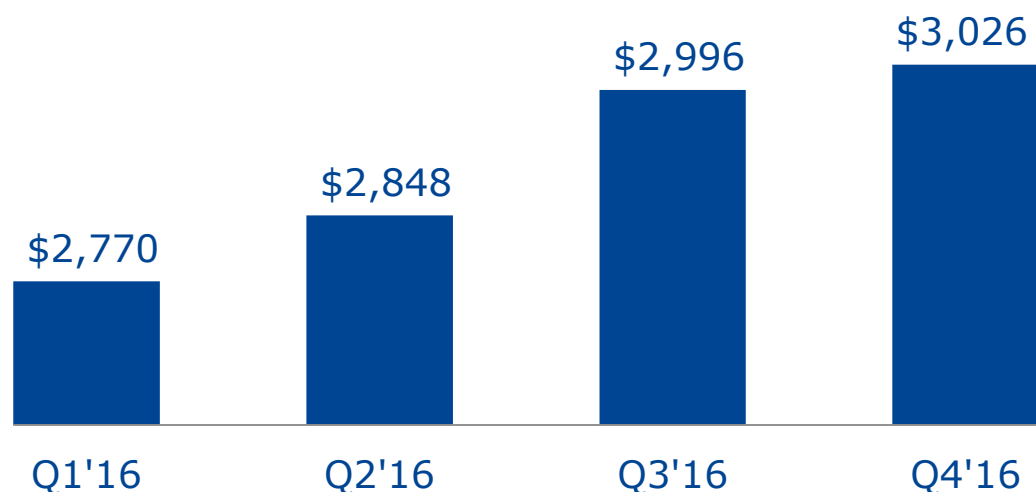
NM - Not Meaningful

FXN - Foreign Currency Neutral



FY 2016 Comparable Revenues for FY 2017 Guidance

FY 2016 Comparable Revenues for FY 2017 Guidance



FY 2017 Guidance

(3.5% to 4.0%) FY 2017 reported growth on FY 2016 BDX As Reported Revenues of \$12,483

Note: Reported revenue decline due to divestitures and (~150 bps) estimated FX headwind

	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY16</u>
BDX As Reported Revenue	\$ 2,986	\$ 3,067	\$ 3,198	\$ 3,231	\$ 12,483
Divestitures Revenue	\$ (216)	\$ (219)	\$ (202)	\$ (205)	\$ (843)
BDX Comparable Revenue	\$ 2,770	\$ 2,848	\$ 2,996	\$ 3,026	\$ 11,639



FY 2017 Planned Product Launches

Medical Segment Program / Product	Planned Launch Date
• IV Solutions	➤ FY 2017
• BD Hyllok™	➤ FY 2017
• Rowa Cmax	➤ FY 2017
• Rowa VMAX® 210	➤ FY 2017
• BD Enterprise Pharmogistics™ 1.0	➤ 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	➤ FY 2017 U.S.
• BD MAX™ – Enteric Viral	➤ FY 2018 EU / FY 2018 U.S. *
• BD MAX™ – Vaginitis / Vaginosis	✔ Q1 FY 2017 U.S.
• BD Kiestra™ Digital Imaging Application – Urine	➤ FY 2017 EU, CA & U.S.
• BD Phoenix™ CPO Detect (CRE)	➤ FY 2017 ex-U.S. & China
• BD Resolve™ (early access)	✔ Q1 FY 2017 U.S.
• BD FACSLytic™ RUO	➤ FY 2017 U.S.
• BD OptiBuild™ Wave 1	✔ Q1 FY 2017
• BD OptiBuild™ Wave 2	➤ 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



* reflects updated timing