

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO
SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) May 6, 2021

BECTON, DICKINSON AND COMPANY

(Exact Name of Registrant as Specified in Its Charter)

New Jersey

(State or Other Jurisdiction of Incorporation)

001-4802

(Commission File Number)

22-0760120

(IRS Employer Identification No.)

1 Becton Drive, Franklin Lakes, New Jersey

(Address of Principal Executive Offices)

07417-1880

(Zip Code)

(201) 847-6800

(Registrant's Telephone Number, Including Area Code)

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K Filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$1.00	BDX	New York Stock Exchange
Depository Shares, each representing a 1/20th interest in a share of 6.00% Mandatory Convertible Preferred Stock, Series B	BDXB	New York Stock Exchange
1.000% Notes due December 15, 2022	BDX22A	New York Stock Exchange
1.900% Notes due December 15, 2026	BDX26	New York Stock Exchange
1.401% Notes due May 24, 2023	BDX23A	New York Stock Exchange
3.020% Notes due May 24, 2025	BDX25	New York Stock Exchange
0.632% Notes due June 4, 2023	BDX/23A	New York Stock Exchange
1.208% Notes due June 4, 2026	BDX/26A	New York Stock Exchange
1.213% Notes due February 12, 2036	BDX/36	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On May 6, 2021, Becton, Dickinson and Company (“BD”) issued a press release announcing its financial results for its second fiscal quarter ending March 31, 2021. A copy of the press release is furnished as Exhibit 99.1 to this report.

The press release furnished as Exhibit 99.1 contains certain financial measures that differ from those presented in accordance with U.S. generally accepted accounting principles (“non-GAAP measures”), as follows:

- Currency-Neutral Revenue Growth. We present revenue growth rates for the second fiscal quarter and the first six months of fiscal year 2021 over the corresponding prior periods, and our estimated revenue growth for our fiscal year 2021, after eliminating the effect of foreign currency translation, which can fluctuate from period to period. As exchange rates are an important factor in understanding period-to-period comparisons, we believe the presentation of results on a foreign currency-neutral basis in addition to reported results helps improve investors’ ability to understand our operating results and evaluate our performance in comparison to prior periods.
- Adjusted Earnings Per Share. We present diluted earnings per share (“EPS”) for the second fiscal quarter and the first six months of fiscal year 2021, and the corresponding prior periods, after eliminating items that we believe are not part of our ordinary operations and affect the comparability of the periods presented (“adjusted EPS”). We also present adjusted EPS for the full 2020 fiscal year. Adjusted EPS includes adjustments for purchase accounting adjustments, integration and restructuring costs, certain legal defense and product remediation costs, certain regulatory costs, certain asset impairments, spin-off related charges and the impact of the extinguishment of debt. We believe adjustments for these items allow investors to better understand the underlying operating results of BD and facilitate comparisons between the periods shown. We also show the growth in adjusted EPS compared to the prior year period after eliminating the impact of foreign currency translation to further enable investors to evaluate BD’s underlying earnings performance compared to the prior period.

Details regarding these adjustments can be found in the schedules included in the press release furnished as Exhibit 99.1

We also present our estimated adjusted EPS growth for our 2021 fiscal year after adjusting for the anticipated impact of foreign currency translation. Management believes that this adjustment allows investors to better evaluate BD’s anticipated underlying earnings performance for our 2021 fiscal year in relation to our underlying 2020 fiscal year performance.

BD’s 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 year-over-year, 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.

ITEM 7.01 Regulation FD Disclosure

On May 6, 2021, BD issued a press release announcing its intention to spin off its Diabetes Care business as a separate publicly traded company to BD's shareholders. The proposed spin-off is intended to be a tax-free transaction for U.S. federal income tax purposes and is expected to be completed in the first half of calendar year 2022, subject to the satisfaction of customary conditions, including final approval from BD's Board of Directors and the effectiveness of a registration statement on Form 10 to be filed with the U.S. Securities and Exchange Commission.

A copy of the press release is attached hereto as Exhibit 99.2 and incorporated into this Item 7.01 by reference.

The information in this Item 7.01 shall neither be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

Exhibit [99.1](#) Press release dated May 6, 2021, which is furnished pursuant to Item 2.02.

Exhibit [99.2](#) Press release dated May 6, 2021, which is furnished pursuant to Item 7.01.

Exhibit 104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BECTON, DICKINSON AND COMPANY
(Registrant)

By: /s/ Gary DeFazio
Gary DeFazio
Senior Vice President and Corporate Secretary

Date: May 6, 2021

1 Becton Drive
Franklin Lakes, NJ 07417
www.bd.com



Contact:

Investors: Kristen M. Stewart, CFA, SVP, Strategy & Investor Relations - 201-847-5378

Media: Troy Kirkpatrick, VP, Public Relations - 858-617-2361

BD ANNOUNCES SECOND FISCAL QUARTER RESULTS; REAFFIRMS FISCAL 2021 GUIDANCE

- Second fiscal quarter revenues of \$4.9 billion grew 15.4% on a reported basis. On a currency-neutral basis, revenues increased 12.2%.
- BD's COVID-19 testing sales were \$480 million, including BD Veritor™ Plus System revenues of \$290 million.
- BD's core growth led by strong growth in Medication Delivery Solutions (up 10.4%), Pharmaceutical Systems (up 15.4%), and Biosciences (up 16.3%) on a reported basis.
- Second fiscal quarter GAAP diluted earnings per share (EPS) increased 77.4% year-over-year to \$0.94.
- Adjusted EPS increased 25.1% year-over-year to \$3.19.
- BD is reaffirming its fiscal 2021 revenue growth and adjusted EPS guidance.

Franklin Lakes, NJ (May 6, 2021) - BD (Becton, Dickinson and Company) (NYSE: BDX), a leading global medical technology company, today reported quarterly revenues of \$4.9 billion for the second fiscal quarter ended March 31, 2021. This represents an increase of 15.4% over the prior-year period on a reported basis and was driven by the contribution of BD's COVID-19 diagnostic revenues, which totaled \$480 million, as well as solid core business growth. On a currency-neutral basis, revenues increased 12.2%.

“We delivered strong revenue, earnings per share, and cash flow growth in the quarter and achieved several important milestones, most notably the recent submission of our 510(k) premarket notification for the BD Alaris™ System to the United States Food and Drug Administration,” said Tom Polen, Chairman, CEO and president of BD. “We also continued our essential role in the fight against COVID-19 by developing innovative diagnostic solutions and supplying the frontline with products urgently needed for patient care and vaccination—all while continuing to advance our growth and reinvestment initiatives. With our announced intention to spin off our diabetes business to shareholders, we are taking another bold step in our BD 2025 strategy, which focuses on unleashing our growth potential, delivering innovations for our customers, empowering our associates, and creating value for our shareholders.”

Second Fiscal Quarter 2021 Operating Results

As reported, diluted EPS for the second fiscal quarter were \$0.94, compared with \$0.53 in the prior-year period, which represents an increase of 77.4%. Adjusted diluted EPS were \$3.19, compared with \$2.55 in the prior-year period, which represents an increase of 25.1%, or 22.7% on a currency-neutral basis.

Segment Results

In the **BD Medical** segment, worldwide revenues for the second fiscal quarter of \$2.3 billion increased 7.4% versus the prior-year period on a reported basis and 4.7% on a currency-neutral basis. Medical segment revenues reflect growth in the Medication Delivery Solutions (MDS) and Pharmaceutical Systems units. Revenues in the MDS unit reflected strong performance associated with the unit's core products, despite continued lower utilization of healthcare globally as a result of the COVID-19 pandemic. MDS revenue growth benefited from global sales of syringes relating to COVID-19 vaccination efforts and U.S. sales of catheters and medication delivery devices. International revenue growth in MDS reflects a favorable comparison to the prior-year quarter, which was impacted by COVID-19 pandemic-related declines in China. Performance in the Medication Management Solutions unit reflects a decline in the unit's international infusion systems business, partially offset by growth in the unit's international dispensing business. We submitted our 510(k) premarket notification to the United States Food and Drug Administration for the BD Alaris™ System in April 2021. The 510(k) submission is intended to bring the regulatory clearance for the BD Alaris™ System up-to-date, implement new features to address the open recall issues and provide other updates, including a new version of BD Alaris™ System software that will provide clinical, operational and cybersecurity updates. Revenues in the Pharmaceutical Systems unit reflect continued strong demand for prefillable products. Revenues in the Diabetes Care unit were comparable to the prior-year period, which benefited from increased U.S. orders from retailers and distributors in response to the COVID-19 pandemic. Additionally, Diabetes Care revenues were unfavorably impacted by the accelerated timing of orders into the first quarter of fiscal year 2021 in preparation for a new product introduction.

In the **BD Life Sciences** segment, worldwide revenues for the quarter of \$1.6 billion increased 42.5% over the prior-year period as reported, or 37.7% on a currency-neutral basis. The segment's growth was primarily driven by the Integrated Diagnostic Solutions unit's sales related to COVID-19 diagnostic testing of \$480 million, which includes BD Veritor™ Plus System revenues of \$290 million, with the remaining revenues related to the BD Max™ COVID-19 tests and specimen collection and transport. Growth in the Integrated Diagnostic Solutions unit was unfavorably impacted by the lack of a traditional influenza season in 2021. While routine diagnostic testing levels have not yet fully recovered to pre-pandemic levels, growth was observed in specific high-acuity settings like specimen management and ID/AST testing. Performance in the Biosciences unit reflects a strong recovery in demand for research instruments and reagents, as well as for clinical instruments.

In the **BD Interventional** segment, worldwide revenues for the quarter of \$1.0 billion increased 2.1% over the prior-year period as reported and were flat on a currency-neutral basis. The segment's revenues reflect growth in the Peripheral Intervention and Urology and Critical Care units. The Interventional segment's revenue growth was unfavorably impacted by resurgences of COVID-19 infections globally during the quarter and also by a comparison to the prior-year period, which was only partially impacted by the pandemic. The decline in medical procedures and healthcare utilization is most pronounced in our Surgery and Peripheral Interventional units. Performance in the Peripheral Intervention unit reflects growth from sales of peripheral arterial disease solutions, including growth attributable to the unit's acquisition of Straub Medical AG, which occurred in the third quarter of fiscal year 2020. The Peripheral Intervention unit's revenues also reflect strong growth in China. Revenues in the Urology and Critical Care unit reflect continued strength in sales of acute urology products and sales of the unit's targeted temperature management portfolio.

Geographic Results

Second fiscal quarter U.S. revenues of \$2.5 billion increased 1.9% over the prior-year period. Growth in the U.S. was primarily driven by sales related to COVID-19 diagnostic testing in the Life Sciences segment's Integrated Diagnostic Solutions unit, as noted above. U.S. revenues also reflect growth in the Medical segment's MDS unit and in the Life Sciences segment's Biosciences unit, as well as in the Interventional segment's Urology and Critical Care unit. As discussed above, resurgences of COVID-19 infections during the quarter in the United States unfavorably impacted revenues in the Interventional segment's Surgery and Peripheral Intervention units.

Revenues outside of the U.S. of \$2.4 billion increased 33.0% from the prior-year period on a reported basis and 25.7% on a currency-neutral basis, primarily driven by COVID-19 diagnostic testing-related sales in the Life Sciences segment's Integrated Diagnostic Solutions unit, as discussed further above. International revenues in the second quarter were also favorably impacted by growth in the Medical segment's MDS unit and Pharmaceutical Systems units, as well as by sales in the Life Sciences segment's Biosciences unit and the Interventional segment's Peripheral Intervention unit.

Capital Allocation

Cash and cash equivalents were \$3.7 billion at the end of the second fiscal quarter. BD is committed to a balanced capital allocation strategy that includes both organic investments and tuck-in acquisitions, a competitive dividend, and the restart of a share repurchase program, while maintaining full investment grade credit ratings. The company currently has an outstanding share repurchase authorization with 7,857,742 common shares remaining.

BD has maintained a share repurchase authorization since 2013, giving the company the ability to repurchase shares of the company's common stock through open market purchases, privately negotiated transactions or other methods. The current authorization does not

require the repurchase of shares and there is no guarantee that shares will be repurchased. The actual timing, manner, number, and value of shares repurchased under the program will be determined by management at its discretion and will depend on a number of factors, including the market price of BD's common stock, general market and economic conditions and other business considerations.

Recent Business Highlights

BD continues to advance an innovation-driven growth strategy. Highlights include:

- BD announced 510(k) clearance of its Pristine™ Long-Term Hemodialysis Catheter, a differentiated product that adds to the company's diversified portfolio that supports clinicians who care for patients with end stage kidney disease who require hemodialysis.
- BD acquired GSL Solutions, Inc., a provider of smart medication storage and tracking devices that expands BD's medication management capabilities to further meet the needs of retail and outpatient pharmacies.
- The company announced several innovations in its COVID-19 diagnostic testing solutions portfolio:
 - BD, along with its partner CerTest Biotech, announced the addition of saliva to the CE marked VIASURE SARS-CoV-2 (N1 + N2) Real Time PCR Detection Kit for the BD MAX™ Molecular Diagnostic System, providing users more flexibility with three alternatives for specimen collection and offering patients a non-invasive way to be tested for COVID-19 with the sensitivity and specificity of the RT-PCR method.
 - BD was granted an Emergency Use Authorization (EUA) from the U.S. Food and Drug Administration (FDA) for the BD Veritor™ Plus System rapid antigen test to be used for SARS-CoV-2 screening through serial testing of asymptomatic individuals.
 - The company announced it was granted FDA EUA for a new, rapid antigen test that can detect SARS-CoV-2, influenza A and influenza B in a single test with definitive positive or negative individual digital display readouts for all three in about 15 minutes.
 - BD announced it is collaborating with ImageMover to offer a companion mobile app that enables more streamlined reporting of SARS-CoV-2 rapid antigen testing results performed on the BD Veritor™ Plus System at everyday testing locations, such as schools and businesses.
 - BD announced a collaboration with Scanwell Health to create an at-home rapid test for SARS-CoV-2 using a BD antigen test and the Scanwell Health mobile app.
 - BD announced it received FDA EUA and CE Mark for a new combination molecular test run on the BD MAX™ System to detect both SARS-CoV-2 and Influenza A+B in a single test, with results in two to three hours.

Corporate Responsibility

As a purpose-driven company working to create positive societal impact, BD has a long-standing commitment to *Advancing the World of Health* by expanding access to quality health care and supporting healthy and resilient communities throughout the world. We view sustainability as a portfolio of complementary initiatives and actions that help us achieve our long-term goals.

Recent and second fiscal quarter highlights:

- BD is committed to racial justice and equity, and our purpose of *Advancing the world of health™* is a promise for all people. In this spirit, the company most recently committed to:
 - A donation in memory of George Floyd to a legal defense fund that advocates for racial justice.
 - A donation to the National Asian Pacific American Women's Forum to help combat anti-Asian bias and violence.
 - Sponsorship of the "Pioneers in Skirts" film.
 - A donation to four non-profit organizations committed to racial equity and social justice: The United Negro College Fund, The Equal Justice Initiative, Americares, and The National Association for the Advancement of Colored People (NAACP), on behalf of nearly 6,000 BD associates who participated in a 21-Day Social Justice Challenge.
 - Providing a grant to YWCA Northern New Jersey to support racial justice training in local communities.
 - On Earth Day, BD affirmed its climate change targets as the first phase of its 2030+ sustainability goals. BD's pledge to be carbon neutral by 2040 across direct operations is consistent with our long-standing global health leadership. BD has committed to reducing Scope 1 and 2 greenhouse gas emissions 46% by 2030 (from its 2019 baseline) and to be carbon neutral across its direct operations by 2040. This science-based target is aligned with the 1.5°C global emissions reduction pathway.
 - BD announced a \$1 million commitment to UNICEF USA as part of the company's long-standing support of UNICEF's efforts to eliminate maternal and neonatal tetanus.
 - The company announced its BD MAX™ Molecular Multi-Drug Resistant Tuberculosis test was included in the moderate complexity automated NAAT class of molecular diagnostic technologies that were recognized for high diagnostic accuracy for tuberculosis testing by the World Health Organization (WHO) in advance of an update to its guidelines for TB diagnostic tests.
-

- BD announced it is investing \$65 million in its in-house capacity for manufacturing and sterilization for key supply chain infrastructure to increase the resiliency of U.S. medical device supply.
- The company is proud to have recently received several awards, including the Rapid Ratings Innovation Award for innovation and security in our supply chain, recognition by Clarivate as one of their Top 100 Global Innovators—our sixth time being named to their list, and the Frost & Sullivan 2020 Global Technology Innovation Award.

Fiscal 2021 Outlook for Full Year

The COVID-19 pandemic continues to impact the global economy and health care utilization trends. The company's fiscal 2021 outlook includes several assumptions, including no significant change in utilization or procedure volumes associated with COVID-19 resurgences. Management will discuss its outlook and several assumptions on its second fiscal quarter earnings call.

The company continues to expect fiscal year 2021 revenues to grow 12% to 14% on an as reported basis and 10% to 12% on a currency-neutral basis. Foreign currency is expected to contribute approximately 200 basis points to revenue growth.

The company continues to expect fiscal year 2021 adjusted diluted EPS to be between \$12.75 and \$12.85. This adjusted EPS guidance range represents growth of approximately 25% to 26% over fiscal 2020 adjusted diluted EPS of \$10.20, and includes a contribution of approximately 100 basis points from foreign currency. On a currency-neutral basis, the company continues to expect adjusted diluted EPS to grow 24% to 25%.

Adjusted diluted EPS for fiscal 2021 excludes potential charges or gains that may be recorded during the fiscal year, such as, among other things, the non-cash amortization of intangible assets, acquisition-related charges, spin-off related charges, and certain tax matters. BD does not attempt to provide reconciliations of forward-looking non-GAAP EPS guidance to the comparable GAAP measure because the impact and timing of these potential charges or gains is inherently uncertain and difficult to predict and is unavailable without unreasonable efforts. In addition, the company believes such reconciliations would imply a degree of precision and certainty that could be confusing to investors. Such items could have a substantial impact on GAAP measures of BD's financial performance.

Conference Call and Presentation Materials

A conference call regarding BD's second quarter results will be broadcast live on BD's website, www.bd.com/investors at 8:00 a.m. (ET) **Thursday, May 6, 2021**. The accompanying slides will be available on BD's website, www.bd.com/investors at 6:00 a.m. (ET). The conference call will be available for replay on BD's website, www.bd.com/investors, or at 1-855-859-2056 (domestic) and 1-404-537-3406 (international) through the close of business on Thursday, May 13, 2021, confirmation number 6334356.

Non-GAAP Financial Measures/Financial Tables

This news release contains certain non-GAAP financial measures. These include revenue growth rates on a currency-neutral basis and adjusted earnings per share. These non-GAAP financial measures are not in accordance with generally accepted accounting principles in the United States. 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 year-over-year, 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 attached financial tables. Within the attached financial tables presented, 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, certain legal defense and product remediation costs, certain regulatory costs, certain asset impairments, spin-off related charges and the impact of the extinguishment of debt.

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 tables at the end of this release.

About BD

BD is one of the largest global medical technology companies in the world and is advancing the world of health by improving medical discovery, diagnostics and the delivery of care. The company supports the heroes on the frontlines of health care by developing innovative technology, services and solutions that help advance both clinical therapy for patients and clinical process for health care providers. BD and its 70,000 employees have a passion and commitment to help enhance the safety and efficiency of clinicians' care delivery process, enable laboratory scientists to accurately detect disease and advance researchers' capabilities to develop the next generation of diagnostics and therapeutics. BD has a presence in virtually every country and partners with organizations around the world to address some of the most challenging global health issues. By working in close collaboration with customers, BD can help enhance outcomes, lower costs, increase efficiencies, improve safety and expand access to health care. For more information on BD, please visit bd.com or connect with us on LinkedIn at www.linkedin.com/company/bd1/ and Twitter @BDandCo.

This press release 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 and earnings per share, capital deployment, and the proposed spin-off of the diabetes business, including the anticipated benefits of the spin-off. 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. With respect to forward-looking statements contained herein, a number of factors could cause actual results to vary materially. These factors include, but are not limited to, risks relating to the impact of the COVID-19 pandemic on our business (including decreases in the demand for our products, any disruptions to our operations and our supply chain and uncertainty regarding the level of demand and pricing for our COVID-19 diagnostics testing); product efficacy or safety concerns resulting in product recalls or actions being taken with respect to our products; new or changing laws and regulations impacting our business (including the imposition of tariffs or changes in laws impacting international trade) or changes in enforcement practices with respect to such laws; fluctuations in costs and availability of raw materials and in BD's ability to maintain favorable supplier arrangements and relationships; legislative or regulatory changes to the U.S. or foreign healthcare systems, potential cuts in governmental healthcare spending (including China's volume-based procurement tender process) or governmental or private measures to contain healthcare costs, including changes in pricing and reimbursement policies, which could result in reduced demand for our products or downward pricing pressure; changes in interest or foreign currency exchange rates; adverse changes in regional, national or foreign economic conditions, particularly in emerging markets, including any impact on our ability to access credit markets and finance our operations, the demand for our products and services, or our suppliers' ability to provide products needed for our operations; the adverse impact of cyber-attacks on our information systems or products; competitive factors including technological advances and new products introduced by competitors; interruptions in our supply chain, manufacturing or sterilization processes; pricing and market pressures; difficulties inherent in product development, delays in product introductions and uncertainty of market acceptance of new products; adverse changes in geopolitical conditions; increases in energy costs and their effect on, among other things, the cost of producing BD's products; the remediation of our infusion pump business (including risks relating to regulatory clearance and market acceptance of the BD Alaris™ System); our ability to successfully integrate any businesses we acquire; uncertainties of litigation and/or investigations and/or subpoenas (as described in BD's filings with the Securities and Exchange Commission); issuance of new or revised accounting standards; risks associated with the impact, timing or terms of the spin-off; risks associated with the expected benefits and costs of the spin-off, including the risk that the expected benefits of the spin-off will not be realized within the expected time frame, in full or at all, and the risk that conditions to the spin-off will not be satisfied and/or that the spin-off will not be completed within the expected time frame, on the expected terms or at all; the expected qualification of the spin-off as a tax-free transaction for U.S. federal income tax purposes, including whether or not an IRS ruling will be sought or obtained; the risk that any consents or approvals required in connection with the spin-off will not be received or obtained within the expected time frame, on the expected terms or at all; risks associated with expected financing transactions undertaken in connection with the spin-off and risks associated with indebtedness incurred in connection with the spin-off; the risk that dis-synergy costs, costs of restructuring transactions and other costs incurred in connection with the spin-off will exceed our estimates; and the impact of the spin-off on our businesses and the risk that the spin-off may be more difficult, time-consuming or costly than expected, including the impact on our resources, systems, procedures and

controls, diversion of management's attention and the impact on relationships with customers, suppliers, employees and other business counterparties, as well as other factors discussed in BD's filings with the Securities and Exchange Commission. There can be no assurance that BD's spin-off will in fact be completed in the manner described or at all. We do not intend to update any forward-looking statements to reflect events or circumstances after the date hereof except as required by applicable laws or regulations.

BECTON DICKINSON AND COMPANY
CONSOLIDATED INCOME STATEMENTS
(Unaudited; Amounts in millions, except share and per share data)

	Three Months Ended March 31,		
	2021	2020	% Change
REVENUES	\$ 4,907	\$ 4,253	15.4
Cost of products sold	2,661	2,520	5.6
Selling and administrative expense	1,148	1,025	12.1
Research and development expense	317	264	19.9
Acquisitions and other restructurings	52	75	(30.8)
Other operating expense	296	—	100.0
TOTAL OPERATING COSTS AND EXPENSES	4,473	3,884	15.2
OPERATING INCOME	434	370	17.4
Interest expense	(124)	(134)	(7.5)
Interest income	2	2	22.0
Other expense, net	(8)	(38)	79.1
INCOME BEFORE INCOME TAXES	305	200	52.4
Income tax provision	6	17	(65.9)
NET INCOME	299	183	63.4
Preferred stock dividends	(23)	(38)	(40.6)
NET INCOME APPLICABLE TO COMMON SHAREHOLDERS	\$ 277	\$ 145	90.6
EARNINGS PER SHARE			
Basic Earnings per Share	\$ 0.95	\$ 0.53	79.2
Diluted Earnings per Share	\$ 0.94	\$ 0.53	77.4
AVERAGE SHARES OUTSTANDING (in thousands)			
Basic	291,095	272,014	
Diluted	293,547	275,037	

BECTON DICKINSON AND COMPANY
CONSOLIDATED INCOME STATEMENTS
(Unaudited; Amounts in millions, except share and per share data)

	Six Months Ended March 31,		
	2021	2020	% Change
REVENUES	\$ 10,223	\$ 8,479	20.6
Cost of products sold	5,244	4,766	10.0
Selling and administrative expense	2,298	2,146	7.1
Research and development expense	608	535	13.7
Acquisitions and other restructurings	102	161	(36.5)
Other operating expense	296	—	100.0
TOTAL OPERATING COSTS AND EXPENSES	8,547	7,607	12.4
OPERATING INCOME	1,676	871	92.3
Interest expense	(242)	(270)	(10.1)
Interest income	5	3	39.9
Other income (expense), net	24	(11)	331.2
INCOME BEFORE INCOME TAXES	1,462	594	146.0
Income tax provision	160	134	19.5
NET INCOME	1,302	461	182.8
Preferred stock dividends	(45)	(76)	(40.6)
NET INCOME APPLICABLE TO COMMON SHAREHOLDERS	\$ 1,257	\$ 385	226.8
EARNINGS PER SHARE			
Basic Earnings per Share	\$ 4.32	\$ 1.42	204.2
Diluted Earnings per Share	\$ 4.28	\$ 1.40	205.7
AVERAGE SHARES OUTSTANDING (in thousands)			
Basic	290,839	271,555	
Diluted	293,499	275,173	

BECTON DICKINSON AND COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in millions)

	March 31, 2021	September 30, 2020
	(Unaudited)	
ASSETS		
Cash and equivalents	\$ 3,734	\$ 2,825
Restricted cash	164	92
Short-term investments	24	20
Trade receivables, net	2,118	2,398
Inventories	2,895	2,743
Prepaid expenses and other	1,065	891
TOTAL CURRENT ASSETS	10,000	8,969
Property, plant and equipment, net	6,142	5,923
Goodwill and other intangibles, net	37,020	37,433
Other Assets	1,758	1,687
TOTAL ASSETS	\$ 54,921	\$ 54,012
LIABILITIES AND SHAREHOLDERS' EQUITY		
Short-term debt	\$ 1	\$ 707
Other current liabilities	5,375	5,129
Long-term debt	17,718	17,224
Long-term employee benefit obligations	1,425	1,435
Deferred income taxes and other liabilities	5,575	5,753
Shareholders' equity	24,826	23,765
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 54,921	\$ 54,012

BECTON DICKINSON AND COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in millions)

	Six Months Ended March 31,	
	2021	2020
	(Unaudited)	
OPERATING ACTIVITIES		
Net income	\$ 1,302	\$ 461
Depreciation and amortization	1,113	1,067
Change in operating assets and liabilities and other, net	305	(332)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,721	1,196
INVESTING ACTIVITIES		
Capital expenditures	(499)	(395)
Acquisitions, net of cash acquired	(179)	—
Other, net	(186)	(147)
NET CASH USED FOR INVESTING ACTIVITIES	(863)	(542)
FINANCING ACTIVITIES		
Change in credit facility borrowings	—	210
Proceeds from long-term debt and term loans	1,715	1,900
Payments of debt and term loans	(1,998)	(305)
Dividends paid	(528)	(505)
Other, net	(82)	(90)
NET CASH (USED FOR) PROVIDED BY FINANCING ACTIVITIES	(893)	1,210
Effect of exchange rate changes on cash and equivalents and restricted cash	17	(15)
NET INCREASE IN CASH AND EQUIVALENTS AND RESTRICTED CASH	981	1,849
OPENING CASH AND EQUIVALENTS AND RESTRICTED CASH	2,917	590
CLOSING CASH AND EQUIVALENTS AND RESTRICTED CASH	\$ 3,898	\$ 2,439

BECTON DICKINSON AND COMPANY
SUPPLEMENTAL REVENUE INFORMATION
REVENUES BY BUSINESS SEGMENTS AND UNITS - UNITED STATES
Three Months Ended March 31,
(Unaudited; Amounts in millions)

	A	B	C=(A-B)/B
	2021	2020	% Change
<u>BD MEDICAL</u>			
Medication Delivery Solutions	\$ 531	\$ 518	2.4
Medication Management Solutions	440	449	(2.0)
Diabetes Care	148	142	4.8
Pharmaceutical Systems	100	91	10.9
TOTAL	\$ 1,220	\$ 1,200	1.7
<u>BD LIFE SCIENCES</u>			
Integrated Diagnostic Solutions	\$ 454	\$ 413	9.9
Biosciences	121	108	12.2
TOTAL	\$ 576	\$ 522	10.4
<u>BD INTERVENTIONAL</u>			
Surgery	\$ 227	\$ 249	(8.7)
Peripheral Intervention	222	242	(8.2)
Urology and Critical Care	217	202	7.0
TOTAL	\$ 666	\$ 693	(3.9)
TOTAL UNITED STATES	\$ 2,462	\$ 2,415	1.9

BECTON DICKINSON AND COMPANY
SUPPLEMENTAL REVENUE INFORMATION
REVENUES BY BUSINESS SEGMENTS AND UNITS - INTERNATIONAL
Three Months Ended March 31, (continued)
(Unaudited; Amounts in millions)

	A	B	C	D=(A-B)/B E=(A-B-C)/B	
	2021	2020	FX Impact	% Change	
				Reported	FXN
<u>BD MEDICAL</u>					
Medication Delivery Solutions	\$ 468	\$ 386	\$ 21	21.2	15.7
Medication Management Solutions	126	119	9	6.3	(1.3)
Diabetes Care	135	137	6	(0.9)	(5.4)
Pharmaceutical Systems	361	309	22	16.7	9.5
TOTAL	\$ 1,091	\$ 951	\$ 59	14.7	8.5
<u>BD LIFE SCIENCES</u>					
Integrated Diagnostic Solutions	\$ 807	\$ 420	\$ 43	92.1	82.0
Biosciences	204	172	11	18.8	12.4
TOTAL	\$ 1,010	\$ 591	\$ 54	70.9	61.8
<u>BD INTERVENTIONAL</u>					
Surgery	\$ 65	\$ 63	\$ 4	2.1	(4.0)
Peripheral Intervention	198	157	13	26.1	18.1
Urology and Critical Care	82	76	5	7.1	0.9
TOTAL	\$ 345	\$ 297	\$ 21	16.1	9.0
TOTAL INTERNATIONAL	\$ 2,446	\$ 1,839	\$ 134	33.0	25.7

BECTON DICKINSON AND COMPANY
SUPPLEMENTAL REVENUE INFORMATION
REVENUES BY BUSINESS SEGMENTS AND UNITS - TOTAL
Three Months Ended March 31, (continued)
(Unaudited; Amounts in millions)

	A	B	C	D=(A-B)/B E=(A-B-C)/B	
				% Change	
	2021	2020	FX Impact	Reported	FXN
<u>BD MEDICAL</u>					
Medication Delivery Solutions	\$ 999	\$ 904	\$ 21	10.4	8.1
Medication Management Solutions	566	568	9	(0.3)	(1.9)
Diabetes Care	284	278	6	2.0	(0.2)
Pharmaceutical Systems	462	400	22	15.4	9.8
TOTAL	\$ 2,311	\$ 2,151	\$ 59	7.4	4.7
<u>BD LIFE SCIENCES</u>					
Integrated Diagnostic Solutions	\$ 1,261	\$ 833	\$ 43	51.3	46.2
Biosciences	325	280	11	16.3	12.3
TOTAL	\$ 1,586	\$ 1,113	\$ 54	42.5	37.7
<u>BD INTERVENTIONAL</u>					
Surgery	\$ 292	\$ 312	\$ 4	(6.5)	(7.7)
Peripheral Intervention	420	399	13	5.3	2.2
Urology and Critical Care	298	279	5	7.0	5.4
TOTAL	\$ 1,011	\$ 990	\$ 21	2.1	—
TOTAL REVENUES	\$ 4,907	\$ 4,253	\$ 134	15.4	12.2

BECTON DICKINSON AND COMPANY
SUPPLEMENTAL REVENUE INFORMATION
REVENUES BY BUSINESS SEGMENTS AND UNITS - UNITED STATES
Six Months Ended March 31,
(Unaudited; Amounts in millions)

	A	B	C=(A-B)/B
	2021	2020	% Change
BD MEDICAL			
Medication Delivery Solutions	\$ 1,099	\$ 1,038	5.9
Medication Management Solutions	917	912	0.6
Diabetes Care	298	281	6.2
Pharmaceutical Systems	180	174	3.1
TOTAL	\$ 2,494	\$ 2,404	3.7
BD LIFE SCIENCES			
Integrated Diagnostic Solutions	\$ 1,469	\$ 799	83.7
Biosciences	241	260	(7.3)
TOTAL	\$ 1,710	\$ 1,060	61.4
BD INTERVENTIONAL			
Surgery	\$ 489	\$ 505	(3.2)
Peripheral Intervention	454	467	(2.7)
Urology and Critical Care	445	409	8.8
TOTAL	\$ 1,388	\$ 1,381	0.5
TOTAL UNITED STATES	\$ 5,592	\$ 4,845	15.4

BECTON DICKINSON AND COMPANY
SUPPLEMENTAL REVENUE INFORMATION
REVENUES BY BUSINESS SEGMENTS AND UNITS - INTERNATIONAL
Six Months Ended March 31, (continued)
(Unaudited; Amounts in millions)

	A	B	C	D=(A-B)/B E=(A-B-C)/B	
				% Change	
	2021	2020	FX Impact	Reported	FXN
BD MEDICAL					
Medication Delivery Solutions	\$ 908	\$ 814	\$ 28	11.5	8.0
Medication Management Solutions	278	231	15	20.4	13.7
Diabetes Care	271	266	8	1.9	(1.3)
Pharmaceutical Systems	621	525	34	18.4	11.9
TOTAL	\$ 2,078	\$ 1,836	\$ 86	13.2	8.5
BD LIFE SCIENCES					
Integrated Diagnostic Solutions	\$ 1,459	\$ 834	\$ 61	75.0	67.7
Biosciences	396	342	17	15.6	10.7
TOTAL	\$ 1,855	\$ 1,176	\$ 78	57.7	51.1
BD INTERVENTIONAL					
Surgery	\$ 135	\$ 133	\$ 6	1.6	(2.9)
Peripheral Intervention	392	327	20	19.6	13.6
Urology and Critical Care	171	161	8	6.2	1.5
TOTAL	\$ 698	\$ 621	\$ 33	12.3	6.9
TOTAL INTERNATIONAL	\$ 4,631	\$ 3,634	\$ 197	27.4	22.0

BECTON DICKINSON AND COMPANY
SUPPLEMENTAL REVENUE INFORMATION
REVENUES BY BUSINESS SEGMENTS AND UNITS - TOTAL
Six Months Ended March 31, (continued)
(Unaudited; Amounts in millions)

	A	B	C	D=(A-B)/B	E=(A-B-C)/B
				% Change	
	2021	2020	FX Impact	Reported	FXN
BD MEDICAL					
Medication Delivery Solutions	\$ 2,006	\$ 1,852	\$ 28	8.3	6.8
Medication Management Solutions	1,196	1,143	15	4.6	3.3
Diabetes Care	569	547	8	4.1	2.5
Pharmaceutical Systems	801	699	34	14.6	9.7
TOTAL	\$ 4,572	\$ 4,241	\$ 86	7.8	5.8
BD LIFE SCIENCES					
Integrated Diagnostic Solutions	\$ 2,928	\$ 1,633	\$ 61	79.3	75.5
Biosciences	637	603	17	5.7	2.9
TOTAL	\$ 3,565	\$ 2,236	\$ 78	59.5	56.0
BD INTERVENTIONAL					
Surgery	\$ 624	\$ 638	\$ 6	(2.2)	(3.1)
Peripheral Intervention	846	794	20	6.5	4.0
Urology and Critical Care	616	570	8	8.1	6.7
TOTAL	\$ 2,086	\$ 2,002	\$ 33	4.2	2.5
TOTAL REVENUES	\$ 10,223	\$ 8,479	\$ 197	20.6	18.2

BECTON DICKINSON AND COMPANY
SUPPLEMENTAL INFORMATION
RECONCILIATION OF REPORTED DILUTED EPS TO ADJUSTED DILUTED EPS
(Unaudited)

	Three Months Ended March 31,						
	2021	2020	Growth	Foreign Currency Translation	Foreign Currency Neutral Growth	Growth %	Foreign Currency Neutral Growth %
Reported Diluted Earnings per Share	\$ 0.94	\$ 0.53	\$ 0.41	\$ 0.05	\$ 0.36	77.4 %	67.9 %
Purchase accounting adjustments (\$348 million and \$340 million pre-tax, respectively) ⁽¹⁾	1.19	1.24		0.01			
Integration costs (\$33 million and \$57 million pre-tax, respectively) ⁽²⁾	0.11	0.21		—			
Restructuring costs (\$19 million and \$18 million pre-tax, respectively) ⁽²⁾	0.06	0.07		—			
Transaction gain/loss, product and other litigation-related matters (\$333 million and \$199 million pre-tax, respectively) ⁽³⁾	1.13	0.72		—			
European regulatory initiative-related costs (\$33 million and \$27 million pre-tax, respectively) ⁽⁴⁾	0.11	0.10		—			
Investment gains/losses and asset impairments (\$40 million pre-tax) ⁽⁵⁾	—	0.14		—			
Impacts of debt extinguishment (\$20 million pre-tax)	0.07	—		—			
Income tax benefit of special items (\$125 million and \$124 million, respectively)	(0.43)	(0.45)		—			
Adjusted Diluted Earnings per Share	\$ 3.19	\$ 2.55	\$ 0.64	\$ 0.06	\$ 0.58	25.1 %	22.7 %

- (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 integration and restructuring costs associated with acquisitions, as well as restructuring costs associated with simplification and other cost saving initiatives.
- (3) The 2021 amount includes charges recorded to *Other operating expense* to record product liability reserves, including related legal defense costs, of \$296 million. The amounts in 2021 and 2020 include charges of \$37 million and \$199 million, respectively, recorded to *Cost of products sold* related to the estimate of future product remediation costs.
- (4) Represents costs required to develop processes and systems to comply with regulations such as the European Union Medical Device Regulation ("EUMDR") and General Data Protection Regulation ("GDPR").
- (5) The prior-period amount primarily represents a charge recorded to write down the carrying value of certain intangible assets in the Biosciences unit.

BECTON DICKINSON AND COMPANY
SUPPLEMENTAL INFORMATION
RECONCILIATION OF REPORTED DILUTED EPS TO ADJUSTED DILUTED EPS
(Unaudited)

	Six Months Ended March 31,						
	2021	2020	Growth	Foreign Currency Translation	Foreign Currency Neutral Growth	Growth %	Foreign Currency Neutral Growth %
Reported Diluted Earnings per Share	\$ 4.28	\$ 1.40	\$ 2.88	\$ —	\$ 2.88	205.7 %	205.7 %
Purchase accounting adjustments (\$700 million and \$688 million pre-tax, respectively) ⁽¹⁾	2.39	2.50		0.01			
Integration costs (\$66 million and \$119 million pre-tax, respectively) ⁽²⁾	0.22	0.43		—			
Restructuring costs (\$36 million and \$41 million pre-tax, respectively) ⁽²⁾	0.12	0.15		—			
Transaction gain/loss, product and other litigation-related matters (\$328 million and \$258 million pre-tax, respectively) ⁽³⁾	1.12	0.94		—			
European regulatory initiative-related costs (\$59 million and \$44 million pre-tax, respectively) ⁽⁴⁾	0.20	0.16		—			
Investment gains/losses and asset impairments (\$41 million pre-tax) ⁽⁵⁾	—	0.15		—			
Impacts of debt extinguishment (\$30 million pre-tax)	0.10	—		—			
Income tax benefit of special items (\$204 million and \$(146) million, respectively)	(0.69)	(0.53)		—			
Adjusted Diluted Earnings per Share	\$ 7.74	\$ 5.20	\$ 2.54	\$ 0.01	\$ 2.53	48.8 %	48.7 %

- (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 integration and restructuring costs associated with acquisitions, as well as restructuring costs associated with simplification and other cost saving initiatives.
- (3) The 2021 amount includes charges recorded to *Other operating expense* to record product liability reserves, including related legal defense costs, of \$296 million. The amounts in 2021 and 2020 include charges of \$37 million and \$258 million, respectively, recorded to *Cost of products sold* related to the estimate of future product remediation costs.
- (4) Represents costs required to develop processes and systems to comply with regulations such as the EUMDR and GDPR.
- (5) The prior-period amount primarily represents a charge recorded to write down the carrying value of certain intangible assets in the Biosciences unit.

BECTON DICKINSON AND COMPANY
SUPPLEMENTAL INFORMATION
FY 2021 OUTLOOK RECONCILIATION

	FY2020	FY2021 Outlook (year-over-year % change)		
	Actual Revenues	Reported % Change	Foreign Currency (FX) Impact	Foreign Currency Neutral % Change
BDX Revenues (\$ in millions)	\$ 17,117	+12% to +14%	~+2.0%	+10% to +12%

	Full Year FY2020	FY2021 Outlook	
		Full Year FY2021 Outlook	% Change (Y/Y)
Reported Diluted Earnings per Share	\$ 2.71		
Purchase accounting adjustments (\$1.356 billion pre-tax) ⁽¹⁾	4.80		
Restructuring costs (\$95 million pre-tax) ⁽²⁾	0.33		
Integration costs (\$214 million pre-tax) ⁽²⁾	0.76		
Transaction gain/loss and product-related matters (\$631 million pre-tax) ⁽³⁾	2.24		
European regulatory initiative-related costs (\$106 million pre-tax) ⁽⁴⁾	0.38		
Investment gains/losses and asset impairments (\$100 million pre-tax) ⁽⁵⁾	0.35		
Impacts of debt extinguishment (\$8 million pre-tax)	0.03		
Income tax benefit of special items (\$395 million)	(1.40)		
Adjusted Diluted Earnings per Share	\$ 10.20	\$12.75 to \$12.85	+25.0% to +26.0%
Estimated FX Impact			~ +1.0%
Adjusted FXN Growth			+24.0% to +25.0%

- (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 restructuring and integration costs associated with acquisitions, as well as restructuring costs associated with simplification and other cost saving initiatives.
- (3) Includes amounts recorded to *Other operating (income) expense, net* to record product liability reserves, including related legal defense costs, of \$378 million. Also includes a \$244 million charge recorded to *Cost of products sold* related to the estimate of probable future product remediation costs.
- (4) Represents costs required to develop processes and systems to comply with regulations such as the EUMDR and GDPR.
- (5) Includes charges recorded in *Cost of products sold* and *Research and development expense* to write down the carrying values of certain assets.



NEWS RELEASE

BD Announces Intent to Spin Off Diabetes Care Business to Enhance Focus on Innovation and Priority Growth Markets

Standalone Diabetes Care business expected to leverage position as global leader in insulin delivery and expand presence in large and high-growth diabetes market

- Spinoff allows both BD and NewCo to enhance each company's focus on meeting the needs of their respective patients, customers and stakeholders.
- BD management expects the transaction to strengthen its mid-single-digit revenue growth and double-digit total return growth profile.
- Transaction expected to be completed in first half of calendar year 2022.
- Management will provide further details during the company's announced fiscal second quarter results call today at 8 a.m. Eastern Time.

FRANKLIN LAKES, N.J. (May 6, 2021) – BD (Becton, Dickinson and Company) (NYSE: BDX), a leading global medical technology company, today announced its board of directors has unanimously authorized management to proceed with a plan to spin off the company's Diabetes Care business as an independent, publicly traded company ("NewCo").

"The decision to spin off our Diabetes Care business is part of our active portfolio management and consistent with our BD 2025 strategy to Grow, Simplify and Empower," said Tom Polen, chairman, CEO and president of BD. "The spinoff will allow BD to strengthen its growth profile, enables a greater investment focus on our other core businesses and high-growth opportunities, and makes a greater impact for our customers and patients. We are proud of BD's leadership in driving innovation to support people with diabetes and believe this transaction will empower NewCo to advance a more focused strategy and capital allocation policy to further advance innovation and growth specific to its unique market. As a standalone public company, we believe NewCo will be better positioned to leverage its leadership position in insulin delivery to advance vital, innovative solutions to the large and growing number of people living with diabetes worldwide. We believe today's announcement demonstrates our commitment to maximize long-term value for all stakeholders—including our patients, customers, employees and shareholders."

THE SPINOFF CREATES TWO INDEPENDENT COMPANIES WITH ATTRACTIVE STANDALONE INVESTMENT CHARACTERISTICS

Strategic rationale

BD believes the spinoff of the Diabetes Care business will create long-term value for BD shareholders and create a platform to continue to enhance the tools provided to people with diabetes. The transaction is expected to create two, independent companies with:

- Enhanced focus on strategic, operational and financial drivers to accelerate revenue growth
- Optimized product portfolios to better meet customer and patient needs
- More efficient resource and capital allocation to pursue each company's strategic goals

NewCo to leverage its market-leading insulin delivery devices

While NewCo will be a new, publicly traded company, the Diabetes Care business has roots in BD's introduction of the world's first specialized insulin syringe in 1924. The Diabetes Care business has played a leading role in driving the adoption of insulin syringes and insulin pens combined with pen needles as the leading modality for insulin injection. Today, the Diabetes Care business is the leading producer of diabetes injection devices, producing approximately 8 billion injection devices annually and serving about 30 million patients — more than any other company in the world.

NewCo's revenue and manufacturing footprint are geographically diverse. In fiscal 2020, the Diabetes Care business generated revenues of nearly \$1.1 billion, with 48% of revenues generated outside of the United States, including 17% of revenues from emerging markets. NewCo will have manufacturing sites in the United States, Ireland, and China, and is expected to have office locations in New Jersey and Massachusetts.

The Diabetes Care business is a leader in an attractive market with significant unmet need for chronic care. Left untreated, diabetics face a host of medical complications and co-morbidities, and the Diabetes Care business is an integral player in delivering patient treatment worldwide. Today's diabetic population, estimated at 463 million individuals worldwide, is expected to increase to 700 million by 2045.¹

BD management expects that, as a separate independent entity, NewCo will be better positioned to pursue its strategic priorities, build on its current leadership positions in the diabetes care market, and attract new investors. NewCo's margin structure, positive cash flows and anticipated capital structure are expected to provide financial flexibility to pursue increased investments in organic and inorganic growth opportunities. NewCo is also expected to use its publicly traded stock to more effectively attract, incentivize and retain qualified talent.

BD to continue its focus on leading medical technologies and solutions

Following the spinoff, BD will maintain category leadership positions across its portfolio in the BD Medical, BD Life Sciences and BD Interventional segments.

BD Medical, which today includes the Diabetes Care business, will continue to be the global leader in end-to-end medication management solutions with its BD Alaris™ brand of infusion pumps, BD Pyxis™ brand of medication and supply dispensing solutions, BD HealthSight™ data and analytics platforms and its breadth of medication delivery devices. It will also continue to be the global leader in prefilled injectable delivery devices through its innovative pre-fillable syringes, self-injection systems, safety systems and needle technologies. The spinoff does not impact BD's ability to fulfill its orders related to COVID-19 mass vaccination campaigns.

BD Life Sciences is a global leader of solutions from discovery to diagnosis, continually advancing science and clinical outcomes across infectious disease and cancer. Its product offerings include

¹¹ International Diabetes Foundation diabetes atlas ninth edition 201

market leading specimen collection and management, and microbiology automation and testing solutions. BD is a leading provider of high-quality flow cytometry and single-cell genomics solutions for scientific research and clinical laboratories. The Life Sciences segment continues to play a critical role in both molecular and rapid antigen testing during the COVID-19 pandemic.

The BD Interventional segment is also a global leader, advancing the treatment of high-burden diseases like peripheral arterial and venous disease, cancer, and end-stage renal disease. It also focuses on developing innovative surgical, endovascular, urological and critical care interventions that not only meet clinical needs but also deliver value to health systems and improve patients' lives.

The decision to pursue the spinoff of the Diabetes Care business demonstrates BD's strong ongoing commitment to the company's BD 2025 strategy, which includes its three strategic pillars of Grow, Simplify and Empower. BD intends to maintain its investment grade rating while investing in growth opportunities focusing on higher growth market categories. BD will also continue to increase its R&D investments and strengthen its pipeline across three innovation themes, which include applying smart devices, robotics, analytics and artificial intelligence to improve care processes; enabling new care settings to enhance patient experience and lower costs; and investing to improve diagnosis and treatment of chronic disease.

Spinoff is expected to be completed in the first half of calendar year 2022

BD expects the spinoff to be accomplished through a distribution of stock in NewCo to BD shareholders. The spinoff is expected to be tax-free for U.S. federal income tax purposes, except to the extent of any cash received in lieu of fractional shares. BD does not expect the spinoff to impact its current dividend. The transaction is also expected to be completed in the first half of calendar year 2022, subject to the satisfaction of customary conditions, including final approval from the BD Board of Directors, regulatory approvals and the effectiveness of a Form 10 registration statement that will be filed with the SEC.

There can be no assurance regarding the ultimate timing of the proposed transaction or that the transaction will be completed at all.

LEADERSHIP AND GOVERNANCE

NewCo to be led by a seasoned leader with extensive medical device experience

Devdatt (Dev) Kurdikar, 52, currently worldwide president of BD Diabetes Care, will be chief executive officer of NewCo. Kurdikar joined BD in February 2021.

"I am honored to be selected to lead NewCo and excited by the opportunities ahead to create additional value for our patients, customers and BD shareholders, as well as new opportunities for our passionate associates," said Kurdikar. "BD has a long history of serving people with diabetes globally. As the CEO of NewCo, I plan to build on our strong foundation and drive growth by investing in innovation and allocating our capital to pursue strategic growth opportunities. I am fully confident that, as a standalone business, NewCo will have the flexibility to invest in the right areas to become a more nimble, agile and innovative company in the rapidly growing diabetes space."

Most recently, Kurdikar served as CEO and president for Cardiac Science, a global manufacturer of automated external defibrillators (AEDs) until the sale of the company to ZOLL Medical Corporation, an Asahi Kasei Group Company. Previously, he was the general manager for the Men's Health business at Boston Scientific and that business's predecessor at American Medical Systems (AMS). He also held positions of increasing responsibility and leadership with Baxter, including vice president of Infusion Systems marketing in the U.S. and vice president of Marketing/Strategy for enterprise-wide commercial initiatives. Kurdikar earned an MBA from Washington University in Missouri and a Ph.D. in Chemical Engineering from Purdue University. He is currently a member of the Board of Directors of LMG Holdings.

Jacob (Jake) Elguicze, 47, former treasurer and head of investor relations for Teleflex, has joined BD in May 2021 and will be chief financial officer of NewCo. Elguicze has extensive experience in treasury, financial planning, reporting and analysis, and investor relations. He is a CPA and began his career in public accounting with Coopers Lybrand before spending eight years at Motorola in operating finance roles. Elguicze joined Teleflex in 2006 to build out the financial planning and analysis function. He assumed responsibility for investor relations in 2009 and added the Treasurer role in 2011, where he transformed the capital structure to support the company's new M&A strategy.

Elguicze earned a B.S. in Accounting from the University of Scranton in Scranton, Pa. and an MBA in Finance from St. Joseph's University in Philadelphia. Additional members of the leadership team and the company's corporate governance structure will be disclosed at a later date.

ADVISORS

Perella Weinberg Partners LP, Morgan Stanley & Co. LLC, Wachtell, Lipton, Rosen & Katz, Skadden, Arps, Slate, Meagher & Flom LLP, Baker McKenzie, and PricewaterhouseCoopers are acting as advisors to BD in connection with the transaction.

CONFERENCE CALL TODAY AT 8 AM EASTERN TIME (ET)

BD will host a conference call and webcast today at 8 a.m. ET to discuss the proposed spinoff and BD's fiscal second quarter 2021 results, which were also released today. The company has posted an accompanying presentation to the investor relations website at www.bd.com/investors.

The webcast can be accessed through BD's website at www.bd.com/investors and will be available for replay through Thursday, May 13, 2021. The conference call telephone dial-in number in the U.S. is 800-938-0653. For participants outside the U.S., the dial-in number is 973-935-2408. The confirmation code is: 6334356.

#

About BD

BD is one of the largest global medical technology companies in the world and is advancing the world of health by improving medical discovery, diagnostics and the delivery of care. The company supports the heroes on the frontlines of health care by developing innovative technology, services and solutions that help advance both clinical therapy for patients and clinical process for health care providers. BD and its 70,000 employees have a passion and commitment to help enhance the safety and efficiency of clinicians' care delivery process, enable laboratory scientists to accurately detect disease and advance researchers' capabilities to develop the next generation of diagnostics and therapeutics. BD has a presence in virtually every country and partners with organizations around the world to address some of the most challenging global health issues. By working in close collaboration with customers, BD can help enhance outcomes, lower costs, increase efficiencies, improve safety and expand access to health care. For more information on BD, please visit bd.com or connect with us on LinkedIn at www.linkedin.com/company/bd1/ and Twitter [@BDandCo](https://twitter.com/BDandCo).

Forward-Looking Statements

This press release contains certain forward-looking statements (as defined under Federal securities laws) regarding BD and the proposed spinoff of its Diabetes Care business, including strategies of BD and the independent companies following the proposed spinoff, the anticipated benefits of the spinoff, and the expected timing of completion of the spinoff. All such statements are based upon current expectations of BD and involve a number of risks and uncertainties. With respect to forward-looking statements contained herein, a number of factors could cause actual outcomes to vary materially. These factors include, but are not limited to, risks relating to the impact of the COVID-19 pandemic on our business (including decreases in the demand for our products, any disruptions to our operations and our supply chain and uncertainty regarding the level of demand and pricing for our COVID-19 diagnostics testing); product efficacy or safety concerns resulting in product recalls or actions being taken with respect to our products; new or changing laws and regulations impacting our business (including the imposition of tariffs or changes in laws impacting international trade) or changes in enforcement practices with respect to such laws; fluctuations in costs and availability of raw materials and in BD's ability to maintain favorable supplier arrangements and relationships; legislative or regulatory changes to the U.S. or foreign healthcare systems, potential cuts in governmental healthcare spending (including China's volume-based procurement tender process), or governmental or private measures to contain healthcare costs, including changes in pricing and reimbursement policies, each of which could result in reduced demand for our products or downward pricing pressure; changes in interest or foreign currency exchange rates; adverse changes in regional, national or foreign economic conditions, particularly in emerging markets, including any impact on our ability to access credit markets and finance our operations, the demand for our products and services, or our suppliers' ability to provide products needed for our operations; the adverse impact of cyber-attacks on our information systems or products; competitive factors including technological advances and new products introduced by competitors; interruptions in our supply chain, manufacturing or sterilization processes; pricing and market pressures; difficulties inherent in product development, delays in product introductions and uncertainty of market acceptance of new products; adverse changes in geopolitical conditions; increases in energy costs and their effect on, among other things, the cost of producing BD's products; the remediation of our infusion pump business (including risks relating to regulatory clearance and market acceptance of the BD Alaris™ System); our ability to successfully integrate any businesses we acquire; uncertainties of litigation and/or investigations and/or subpoenas (as described in BD's filings with the SEC); issuance of new or revised accounting standards; risks associated with the impact, timing or terms of the spinoff; risks associated with the expected benefits and costs of the spinoff, including the risk that the expected benefits of the spinoff will not be realized within the expected time frame, in full or at all, and the risk that conditions to the spinoff will not be satisfied and/or that the spinoff will not be completed within the expected time frame, on the expected terms or at all; the expected qualification of the spinoff as a tax-free transaction for U.S. federal income tax purposes, including whether or not an IRS ruling will be sought or obtained; the risk that any consents or approvals required in connection with the spinoff will not be received or obtained within the expected time frame, on the expected terms or at all; risks associated with expected financing transactions undertaken in connection with the spinoff and risks associated with indebtedness incurred in connection with the spinoff; the risk that dis-synergy costs, costs of restructuring transactions and other costs incurred in connection with the spinoff will exceed our estimates; and the impact of the spinoff on our businesses and the risk that the spinoff may be more difficult, time-consuming or costly than expected, including the impact on our resources, systems, procedures and controls, diversion of management's attention and the impact on relationships with customers, suppliers, employees and other business counterparties, as well as other factors discussed in BD's filings with the SEC. There can be no assurance that BD's spinoff will in fact be completed in the manner described or at all. We do not intend to update any forward-looking statements to reflect events or circumstances after the date hereof except as required by applicable laws or regulations.

Contacts:

Media

Troy Kirkpatrick
VP, Public Relations
858.617.2361
troy.kirkpatrick@bd.com

Investors

Kristen M. Stewart, CFA
SVP, Strategy & Investor Relations
201.847.5378
kristen.stewart@bd.com