FORM 10-Q
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2007

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-4802

Becton, Dickinson and Company
(Exact name of registrant as specified in its charter)

New Jersey	22-0760120
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1 Becton Drive, Franklin Lakes, New Jersey 07417-1880
(Address of principal executive offices)
(Zip Code)

(201) 847-6800
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by checkmark whether the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer x Accelerated filer o Non-accelerated filer o

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class of Common Stock	Shares Outstanding as of June 30, 2007
Common stock, par value $1.00	243,388,704

BECTON, DICKINSON AND COMPANY
FORM 10-Q
For the quarterly period ended June 30, 2007

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ITEM 1. FINANCIAL STATEMENTS
BECTON, DICKINSON AND COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
Thousands of dollars

Assets	June 30, 2007 (Unaudited)	September 30, 2006
Current Assets:		
Cash and equivalents	$ 444,164	$ 1,000,289
Short-term investments	132,314	106,386
Trade receivables, net	1,034,047	885,748
Inventories:		
Materials	134,814	121,598
Work in process	196,836	156,957
Finished products	691,698	597,183
	1,023,348	875,738
Prepaid expenses, deferred taxes and other	327,361	317,092
Total Current Assets	2,961,234	3,185,253
Property, plant and equipment	5,137,003	4,742,957
Less allowances for depreciation and amortization	2,802,155	2,609,409
	2,334,848	2,133,548
Goodwill	618,761	565,146
Core and Developed Technology, Net	370,343	244,811
Other Intangibles, Net	80,692	91,501
Capitalized Software, Net	155,817	189,355
Other	601,150	414,911
Total Assets	$ 7,122,845	$ 6,824,525
Liabilities and Shareholders' Equity		
Current Liabilities:		
Short-term debt	$ 205,772	$ 427,218
Payables and accrued expenses	1,209,008	1,149,111
Total Current Liabilities	1,414,780	1,576,329
Long-Term Debt	953,112	956,971
Long-Term Employee Benefit Obligations	279,104	270,495
Deferred Income Taxes and Other	247,954	184,526
Commitments and Contingencies	-	-
Shareholders' Equity:		
Common stock	332,662	332,662
Capital in excess of par value	1,070,534	873,535
Retained earnings	5,795,744	5,345,697
Deferred compensation	11,620	11,134
Common shares in treasury – at cost	(3,078,117)	(2,698,016)
Accumulated other comprehensive income (loss)	95,452	(28,808)
Total Shareholders' Equity	4,227,895	3,836,204
Total Liabilities and Shareholders' Equity	$ 7,122,845	$ 6,824,525

See notes to condensed consolidated financial statements

BECTON, DICKINSON AND COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
Thousands of dollars, except per share data
(Unaudited)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2007	2006	2007	2006
Revenues	$ 1,631,159	$ 1,457,347	$ 4,708,607	$ 4,275,401
Cost of products sold	791,071	719,515	2,264,544	2,084,227
Selling and administrative	412,164	374,565	1,202,879	1,069,914
Research and development	92,993	76,699	259,620	219,473
Acquired in-process research and development	7,394	-	122,133	53,300
Total Operating Costs and Expenses	1,303,622	1,170,779	3,849,176	3,426,914
Operating Income	327,537	286,568	859,431	848,487
Interest income	11,938	12,146	37,138	43,808
Interest expense	(11,598)	(15,425)	(36,152)	(51,990)
Other income (expense), net	1,774	(2,385)	5,278	(3,999)
Income From Continuing Operations Before Income Taxes	329,651	280,904	865,695	836,306
Income tax provision	89,182	69,834	258,636	238,076
Income From Continuing Operations	240,469	211,070	607,059	598,230
Income (loss) from Discontinued Operations, net	4,340	(4,697)	23,162	(19,929)
Net Income	$ 244,809	$ 206,373	$ 630,221	$ 578,301
Basic Earnings per Share:				
Income from Continuing Operations	$ 0.98	$ 0.86	$ 2.47	$ 2.42
Income (loss) from Discontinued Operations	0.02	(0.02)	0.09	(0.08)
Basic Earnings per Share (A)	$ 1.00	$ 0.84	$ 2.57	$ 2.34
Diluted Earnings per Share:				
Income from Continuing Operations	$ 0.95	$ 0.83	$ 2.38	$ 2.33
Income (loss) from Discontinued Operations	0.02	(0.02)	0.09	(0.08)
Diluted Earnings per Share (A)	$ 0.96	$ 0.81	$ 2.47	$ 2.25
Dividends per Common Share	$ 0.245	$ 0.215	$ 0.735	$ 0.645

(A) Total per share amounts may not add due to rounding.

See notes to condensed consolidated financial statements

BECTON, DICKINSON AND COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Thousands of dollars
(Unaudited)

	Nine Months Ended June 30,	
	2007	2006
Operating Activities		
Net income	$ 630,221	$ 578,301
(Income) loss from discontinued operations, net	(23,162)	19,929
Income from continuing operations	607,059	598,230
Adjustments to income from continuing operations to derive net cash provided by continuing operating activities, net of amounts acquired:		
Depreciation and amortization	323,565	296,207
Share-based compensation	85,220	80,664
Deferred income taxes	(47,072)	(86,661)
Acquired in-process research and development	122,133	53,300
Change in working capital	(192,632)	(200,243)
Pension obligation	(40,737)	(85,453)
Other, net	17,371	26,387
Net Cash Provided by Continuing Operating Activities	874,907	682,431
Investing Activities		
Capital expenditures	(365,939)	(257,569)
Capitalized software	(16,075)	(17,240)
Purchases of investments, net	(10,982)	(13,594)
Acquisitions of businesses, net of cash acquired	(339,528)	(231,051)
Proceeds from discontinued operations	19,971	-
Other, net	(68,385)	(38,634)
Net Cash Used for Continuing Investing Activities	(780,938)	(558,088)
Financing Activities		
Change in short-term debt	(122,653)	2,042
Payments of debt	(100,547)	(617)
Repurchase of common stock	(412,437)	(432,964)
Issuance of common stock from treasury	100,859	117,047
Excess tax benefits from payments under share-based plans	43,059	42,810
Dividends paid	(180,084)	(159,582)
Net Cash Used for Continuing Financing Activities	(671,803)	(431,264)
Discontinued Operations		
Net cash provided by (used for) operating activities	13,829	(21,041)
Net cash used for investing activities	-	(1,540)
Net Cash Provided by (Used for) Discontinued Operations	13,829	(22,581)
Effect of exchange rate changes on cash and equivalents	7,880	7,607
Net decrease in cash and equivalents	(556,125)	(321,895)
Opening Cash and Equivalents	1,000,289	1,042,890
Closing Cash and Equivalents	$ 444,164	$ 720,995

See notes to condensed consolidated financial statements

Dollar and share amounts in thousands, except per share data

Note 1 - Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and, in the opinion of the management of the Company, include all adjustments which are of a normal recurring nature, necessary for a fair presentation of the financial position and the results of operations and cash flows for the periods presented. However, the financial statements do not include all information and footnotes required for a presentation in accordance with U.S. generally accepted accounting principles. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto included or incorporated by reference in the Company's 2006 Annual Report on Form 10-K. The results of operations for the interim periods are not necessarily indicative of the results of operations to be expected for the full year. Certain reclassifications have been made to prior year amounts to conform to current year presentation.

Note 2 – Comprehensive Income

Comprehensive income was comprised of the following:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2007	2006	2007	2006
Net Income	$ 244,809	$ 206,373	$ 630,221	$ 578,301
Other Comprehensive Income (Loss), Net of Tax				
Foreign currency translation adjustments	36,438	54,607	134,737	51,688
Unrealized losses on investments, net of amounts reclassified	(595)	(107)	(11,269)	(2,694)
Unrealized gains (losses) on cash flow hedges, net of amounts realized	1,945	(1,486)	792	(399)
	37,788	53,014	124,260	48,595
Comprehensive Income	$ 282,597	$ 259,387	$ 754,481	$ 626,896

The amount of unrealized losses or gains on investments and cash flow hedges in comprehensive income has been adjusted to reflect any realized gains and recognized losses included in net income during the three and nine months ended June 30, 2007 and 2006. The change in foreign currency translation adjustments is primarily attributable to stronger European currencies versus the U.S. dollar for the nine months ended June 30, 2007, compared with the nine months ended June 30, 2006.

Note 3 - Earnings per Share

The weighted average common shares used in the computations of basic and diluted earnings per share (shares in thousands) were as follows:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2007	2006	2007	2006
Average common shares outstanding	244,918	246,633	245,296	247,588
Dilutive share equivalents from share-based plans	9,210	8,437	9,833	8,912
Average common and common equivalent shares outstanding – assuming dilution	254,128	255,070	255,129	256,500

Note 4 - Contingencies

The Company is involved, both as a plaintiff and a defendant, in various legal proceedings and claims which arise in the ordinary course of business as set forth in the Company's 2006 Annual Report on Form 10-K. The following discussion represents new matters that have occurred in 2007 and any recent developments related to previously described matters.

Retractable Technologies, Inc.

As was previously reported, in June 2007, Retractable Technologies, Inc. ("plaintiff") filed a complaint against the Company under the caption Retractable Technologies, Inc. vs. Becton Dickinson and Company (Civil Action No. 2:07-cv-250, United States District Court, Eastern District of Texas). Plaintiff alleges that BD Integra™ syringes infringe patents licensed exclusively to the plaintiff. This patent claim was not covered by the release contained in the July 2004 settlement agreement between the Company and plaintiff to settle the lawsuit previously filed by plaintiff.

In its complaint, plaintiff also alleges that the Company engaged in false advertising with respect to certain of the Company's safety-engineered products in violation of the Lanham Act; acted to exclude the plaintiff from various product markets and to maintain its market share through, among other things, exclusionary contracts in violation of state and Federal antitrust laws; and engaged in unfair competition. The non-patent claims purport to relate to actions allegedly taken by the Company following the date of the July 2004 settlement agreement referenced above.

Plaintiff seeks treble damages, attorney's fees and injunctive relief. The Company believes it has meritorious defenses to these claims and intends to vigorously defend this lawsuit.

Antitrust Class Action Suits

Two additional purported class action antitrust cases have been filed against the Company, as follows:

- The Hebrew Home for the Aged at Riverdale v. Becton Dickinson and Company was filed on March 28, 2007 in federal court in the Southern District of New York (Case No. 07-CV-2544).

- International Multiple Sclerosis Management Practice v. Becton Dickinson & Company was filed on April 5, 2007 in federal court in the District of New Jersey (Case No. 2:07- cv-10602).

These purported class action cases have been brought on behalf of alleged indirect purchasers of the Company's products. In each case, the plaintiff seeks treble damages, attorney's fees and injunctive relief. Including the above actions, 10 purported antitrust class action lawsuits have been brought against the Company by direct and indirect purchasers of the Company's products. These two new antitrust class action lawsuits were consolidated for pre-trial purposes with the other eight actions in the Multi-District Litigation currently pending in federal court in New Jersey. As directed by the court, the direct and indirect purchaser plaintiffs in the Multi-District Litigation have filed consolidated complaints with the court. The Company's motions to dismiss the consolidated complaints filed by each of the direct and indirect purchaser plaintiffs were denied by the court. Class certification motions in these actions are scheduled to be filed by the end of 2007.

bioMérieux

In April 2007, bioMérieux SA initiated an arbitration proceeding with the International Chamber of Commerce International Court of Arbitration in Paris, France, against GeneOhm Sciences Canada ("GeneOhm"), a subsidiary of the Company. The arbitration related to a sublicense agreement under which bioMérieux granted certain patent rights to GeneOhm relating to a method for the detection of methicillin-resistant *Staphylococcus aureus* ("MRSA"). In the arbitration, bioMérieux alleged, among other things, that GeneOhm fraudulently induced bioMérieux into entering into the sublicense and assigned its rights in violation of the sublicense. In the arbitration, bioMérieux sought monetary damages and to terminate the patent rights granted to GeneOhm under the sublicense agreement.

The Company and bioMérieux subsequently entered into an agreement to settle the arbitration proceeding. The financial terms of the settlement will not have any material impact on the Company.

Oil-For-Food Programme

As was previously reported, Becton Dickinson France, S.A., a subsidiary of the Company, was listed among approximately 2,200 other companies in an October 2005 report of the Independent Inquiry Committee ("IIC") of the United Nations ("UN") as having been involved in humanitarian contracts in which unauthorized payments were suspected of having been made to the Iraqi Government in connection with the UN's Oil-for-Food Programme (the "Programme"). The Company conducted an internal review and found no evidence that it or any of its employees or representatives made, authorized, or approved improper payments to the Iraqi Government in connection with the Programme. The Company reported the results of its internal review to the Vendor Review Committee of the United Nations Procurement Service. In May 2007, the French Judicial Police conducted searches of the Company's offices in France with respect to the matters that were the subject of the 2005 IIC report. The Company was informed that it is one of a number of companies named in the IIC report that is being investigated by the French Judicial Police. The Company is cooperating fully with the investigation.

El Seif Development

In July 2007, the Company received notice of a suit instituted in Saudi Arabia by El Seif Development ("El Seif"), a former distributor (Case No. 7516, Board of Grievances, Saudi Arabia). El Seif seeks monetary damages arising out of the termination of its distributor agreement and other contractual arrangements with the Company. The Company believes that it has meritorious defenses to these claims and intends to vigorously defend this lawsuit.

Other

As was previously reported, in August 2004, the Company was served with an administrative subpoena issued by the United States Attorney's Office in Dallas, Texas (the "U.S. Attorney") in connection with an investigation the U.S. Attorney is conducting of transactions between another company and certain of its suppliers, including the Company. The Company has fully responded to the subpoena. Recently, the U.S. Attorney requested that the Company inform the U.S. Attorney as to the availability of a small number of the Company's employees for interviews. The Company was advised that the U.S. Attorney was making similar requests of other suppliers who had dealings with the company.

As previously reported, the Company has received a subpoena issued by the Connecticut Attorney General and a subpoena issued by the Illinois Attorney General, each seeking documents and information relating to the Company's participation as a member of Healthcare Research & Development Institute, LLC ("HRDI"), a healthcare trade organization. In January 2007, it was reported that HRDI entered into a settlement with the Attorneys General of Connecticut and Florida with respect to the investigation being conducted by the Connecticut Attorney General, although the Connecticut Attorney General is still investigating certain corporate members of HRDI. The investigation by the Illinois Attorney General is ongoing. The Company believes that its participation in HRDI complied fully with the law and has responded to these subpoenas. The Company has not received any communication with respect to either investigation since completing its document production.

Given the uncertain nature of litigation generally, the Company is not able in all cases to estimate the amount or range of loss that could result from an unfavorable outcome of the litigation to which it is a party. In accordance with U.S. generally accepted accounting principles, the Company establishes accruals to the extent probable future losses are estimable (in the case of environmental matters, without considering possible third-party recoveries). In view of the uncertainties of litigation, the Company could incur charges in excess of any currently established accruals and, to the extent available, excess liability insurance. In the opinion of management, any such future charges, individually or in the aggregate, could have a material adverse effect on the Company's consolidated results of operations and consolidated net cash flows in the period or periods in which they are recorded or paid.

Note 5 – Segment Data

The Company's organizational structure is based upon its three principal business segments: BD Medical ("Medical"), BD Diagnostics ("Diagnostics"), and BD Biosciences ("Biosciences"). The Company evaluates segment performance based upon operating income. Segment operating income represents revenues reduced by product costs and operating expenses. Financial information for the Company's segments was as follows:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2007	2006	2007	2006
Revenues (A)				
Medical	$ 881,986	$ 802,118	$ 2,552,376	$ 2,322,831
Diagnostics	491,525	426,939	1,407,156	1,286,225
Biosciences	257,648	228,290	749,075	666,345
	$ 1,631,159	$ 1,457,347	$ 4,708,607	$ 4,275,401
Segment Operating Income				
Medical	$ 247,275	$ 212,101	$ 727,549	$ 641,765
Diagnostics	115,322	104,296	224,351(B)	281,392(C)
Biosciences	58,543(B)	52,295	182,688	157,516
Total Segment Operating Income	421,140	368,692	1,134,588	1,080,673
Unallocated Items (D)	(91,489)	(87,788)	(268,893)	(244,367)
Income from Continuing Operations Before Income Taxes	$ 329,651	$ 280,904	$ 865,695	$ 836,306

(A) Intersegment revenues are not material.

(B) Includes the acquired in-process research and development charges recorded in the third and first quarter of 2007 related to the Plasso and TriPath acquisitions, respectively. See Note 8 for additional information.

(C) Includes the acquired in-process research and development charge related to the GeneOhm acquisition.

(D) Includes primarily share-based compensation expense; interest, net; foreign exchange; corporate expenses; and proceeds from insurance settlements received in 2006 in connection with the Company's previously owned latex glove business.

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2007	2006	2007	2006
Revenues by Organizational Units				
BD Medical				
Medical Surgical Systems	$ 472,195	$ 448,116	$ 1,387,286	$ 1,300,859
Diabetes Care	174,870	163,741	514,746	490,407
Pharmaceutical Systems	216,749	174,080	598,501	484,952
Ophthalmic Systems	18,172	16,181	51,843	46,613
	$ 881,986	$ 802,118	$ 2,552,376	$ 2,322,831
BD Diagnostics				
Preanalytical Systems	$ 261,333	$ 239,498	$ 746,152	$ 688,523
Diagnostic Systems	230,192	187,441	661,004	597,702
	$ 491,525	$ 426,939	$ 1,407,156	$ 1,286,225
BD Biosciences				
Immunocytometry Systems	$ 144,565	$ 123,974	$ 418,766	$ 360,400
Pharmingen	42,615	39,295	125,617	117,838
Discovery Labware	70,468	65,021	204,692	188,107
	$ 257,648	$ 228,290	$ 749,075	$ 666,345
	$ 1,631,159	$ 1,457,347	$ 4,708,607	$ 4,275,401

Note 6 – Share-Based Compensation

The Company grants share-based awards under the 2004 Employee and Director Equity-Based Compensation Plan (the "2004 Plan"), which provide for long-term incentive compensation to employees and directors. The Company believes such awards align the interests of its employees and directors with those of its shareholders.

The fair value of share-based payments is recognized as compensation expense in net income. For the three months ended June 30, 2007 and 2006, compensation expense charged to income was $24,560 and $22,217, respectively. For the nine months ended June 30, 2007 and 2006, compensation expense was $85,220 and $80,664, respectively.

The amount of unrecognized compensation expense for all non-vested share-based awards as of June 30, 2007 was approximately $134,498, which is expected to be recognized over a weighted-average remaining life of approximately 2.1 years.

The fair values of stock appreciation rights granted during the annual share-based grants in November of 2006 and 2005, respectively, were estimated on the date of grant using a lattice-based binomial valuation model based on the following assumptions: risk-free interest rates of 4.56% and 4.48%, respectively; expected volatility of 28% for both periods; expected dividend yield of 1.37% and 1.46%, respectively; and expected life of 6.5 years for both periods.

Note 7 – Benefit Plans

The Company has defined benefit pension plans covering substantially all of its employees in the United States and certain foreign locations. The Company also provides certain postretirement healthcare and life insurance benefits to qualifying domestic retirees. Other postretirement benefit plans in foreign countries are not material.

Net pension and postretirement cost included the following components for the three months ended June 30:

	Pension Plans		Other Postretirement Benefits	
	2007	2006	2007	2006
Service cost	$ 17,366	$ 18,004	$ 771	$ 1,017
Interest cost	19,026	17,443	3,353	3,716
Expected return on plan assets	(22,279)	(19,385)	—	—
Amortization of prior service cost	49	47	(1,818)	(1,558)
Amortization of loss	4,340	6,745	2,051	1,769
	$ 18,502	$ 22,854	$ 4,357	$ 4,944

Net pension and postretirement cost included the following components for the nine months ended June 30:

	Pension Plans		Other Postretirement Benefits	
	2007	2006	2007	2006
Service cost	$ 48,732	$ 54,498	$ 3,272	$ 3,051
Interest cost	53,390	52,798	10,980	11,148
Expected return on plan assets	(62,516)	(58,678)	—	—
Amortization of prior service cost	136	142	(4,599)	(4,674)
Amortization of loss	12,177	20,417	4,378	5,307
	$ 51,919	$ 69,177	$ 14,031	$ 14,832

Note 8 – Acquisitions and Divestiture

TriPath

On December 20, 2006, the Company acquired the outstanding shares (approximately 93.8%) of TriPath Imaging, Inc. (“TriPath”) which it did not previously own. TriPath develops, manufactures, markets and sells innovative solutions to improve the clinical management of cancer, including detection, diagnosis, staging and treatment. The acquisition advances the Company’s position in cancer diagnostics. The acquisition was accounted for as a business combination and the results of operations of TriPath were included in the Diagnostics Segment’s results as of the acquisition date. Pro forma information was not provided as the acquisition did not have a material effect on the Company’s consolidated results. The purchase price was $361,883 in cash, including transaction costs and other consideration. The purchase price was allocated based upon the fair values of the assets and liabilities acquired. The allocation of the purchase price resulted in deferred tax assets of $74,221 primarily consisting of net operating loss carry-forwards and credits; core and developed technology of $135,097; deferred tax

liabilities of $52,662 primarily associated with other intangible assets; and other net assets of $51,857 consisting primarily of cash and trade receivables. Core and developed technology will be amortized on a straight-line basis over its estimated useful life of approximately 15 years. The excess of the purchase price over the fair value of the assets acquired of $38,631 was recorded as goodwill.

In connection with the acquisition, the Company also incurred a non-deductible charge of $114,739 for acquired in-process research and development. This charge, based on fair value, is associated with three projects: molecular Pap test, breast staging, and ovarian cancer detection. These projects had not yet reached technological feasibility and did not have alternative future use at the acquisition date. The portion of the charge allocated to each of these projects was $75,992, $18,764 and $19,983, respectively.

The molecular Pap test uses proprietary molecular biomarkers and reagents that are intended to allow for the primary screening of cervical cancer. The diagnostic assay is being developed to test slides prepared using TriPath's SurePath® liquid-based Pap test and to permit concurrent evaluation of morphologic features and measurement of the over-expression of molecular biomarkers that are associated with biopsy-proven moderate to severe cervical disease and cancer. Clinical trials have been initiated for this project.

The breast staging project uses proprietary molecular biomarkers and reagents that are intended to predict the risk of disease recurrence and to aid in treatment selection in patients with early stage breast cancer. The diagnostic assay is being developed for use with commercially available detection kits and staining platforms and will utilize TriPath's interactive histology imaging system to quantify biomarker over-expression in tissue samples collected at the time of initial diagnosis of breast cancer. Clinical trials have been initiated for this project.

The ovarian cancer detection project is intended to allow for serum-based screening and monitoring assays for ovarian cancer based upon the detection of multiple biomarkers using a proprietary panel of biomarkers and assay algorithms. In addition, multiplex testing platforms are being evaluated to allow for the simultaneous testing of multiple markers from a small volume of serum. The detection assays being developed will utilize certain technologies from the Biosciences segment. Clinical trials have not been initiated for this project.

The fair values of these projects were determined based upon the present value of projected cash flows utilizing an income approach reflecting the appropriate risk-adjusted discount rate based on the applicable technological and commercial risk of each project. These cash flows also took into account the income and expenses associated with the further development and commercialization of the underlying products. The range of discount rates assigned to the projects was 22 to 30 percent and gave consideration to the underlying risk relative to the developed technology, the overall commercial and technical risk, and the probabilities of success for each of the projects. The ongoing activity associated with each of these projects is not expected to be material to the Company's Research and development expense.

Other

On May 4, 2007, the Company acquired all of the outstanding shares of Plasso Technology, Ltd. ("Plasso"), a privately-held company that is developing the next generation of surface-critical research tools utilizing functional coating technology for applications in glycomics and cell

culture, for $10,425 in cash including transaction costs. In connection with the acquisition, the Company incurred a non-deductible charge of $7,394 for acquired in-process research and development associated with Plasso's technology, for which, at the acquisition date, technological feasibility had not been established and no alternative future use existed. Because Plasso was a development stage company that had not commenced its planned principal operations, the transaction was accounted for as an acquisition of assets rather than as a business combination and, therefore, goodwill was not recorded.

Divestiture

On September 28, 2006, the Company announced a plan to exit the blood glucose monitoring ("BGM") market. The decision to exit the BGM market was made following an evaluation of the future outlook for the product line. The Company recorded a pre-tax charge of $63,414, which was included in the Medical segment, in connection with its decision to exit the BGM product line. At September 30, 2006, an accrual of $32,408, which primarily consisted of inventory-related purchase commitments and severance, was reported in current liabilities. At June 30, 2007, the remaining accrual was $2,694, after reflecting the reversal of $4,160 of these costs, including $972 reversed during the second quarter of 2007.

During the first quarter of 2007, the Company received an unsolicited offer for the purchase of the BGM product line. On December 11, 2006, the Company sold the product line for $19,971 and recognized a pre-tax gain on sale of $15,226. During the second quarter of 2007, the Company recognized adjustments, thereby increasing the gain on sale by $6,093. These adjustments constitute revisions to estimated sales return accruals, primarily related to obligations that ceased to exist in the second quarter pursuant to the sale terms. During the second and third quarters of 2007, net adjustments of $2,236 and $395, respectively, were made to reduce other accruals related to obligations that remained with the Company upon divestiture of the product line. Additionally, during the third quarter of 2007, the Company received a payment of $4,675, which represented the resolution of a contingency with a former supplier. Following the sale, the Company's prior period Condensed Consolidated Statements of Income and Cash Flows and related disclosures have been restated to separately present the results of the BGM product line as discontinued operations. The September 30, 2006 Condensed Consolidated Balance Sheet has not been restated.

Results of discontinued operations were as follows:

	Three Months Ended June 30,		Nine Months Ended June 30,		
	2007	2006	2007	2006	
Revenues	$ 4,087	$ 26,351	$ 26,938	$ 71,675	
Income (loss) from discontinued operations before income taxes	7,044	(7,562)	37,228	(32,056)	(A)
Income tax (provision) benefit	(2,704)	2,865	(14,066)	12,127	
Income (loss) from discontinued operations, net	$ 4,340	$ (4,697)	$ 23,162	$ (19,929)	

(A) Includes a post-closing adjustment related to the divestiture of Clontech of $3,500 ($2,170 after taxes).

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Company Overview

Becton, Dickinson and Company ("BD" or the "Company") is a medical technology company engaged principally in the manufacture and sale of a broad range of medical supplies, devices, laboratory equipment and diagnostic products used by healthcare institutions, life science researchers, clinical laboratories, industry and the general public. Our business consists of three worldwide business segments – BD Medical ("Medical"), BD Diagnostics ("Diagnostics") and BD Biosciences ("Biosciences"). Our products are marketed in the United States and internationally through independent distribution channels, directly to end-users and by independent sales representatives.

Financial Results

BD reported third quarter revenues of $1.631 billion, an increase of 12% from the same period a year ago, and reflected volume increases of approximately 9% and favorable foreign currency translation of approximately 3%. Sales in the United States of safety-engineered devices grew 5% to $246 million in the third quarter of 2007, compared with the prior year's period. International sales of safety-engineered devices grew 29% to $108 million in the third quarter of 2007, compared with the prior year's period. Overall, international revenue growth of 13% for the three-month period included a 6% favorable impact of foreign currency translation. As further discussed in our 2006 Annual Report on Form 10-K, we face currency exposure that arises from translating the results of our worldwide operations to the U.S. dollar at exchange rates that fluctuate from the beginning of the period. We purchase option and forward contracts to partially protect against adverse foreign exchange rate movements.

Our balance sheet remains strong, with net cash provided by continuing operations at approximately $875 million for the nine months ended June 30, 2007, and our debt-to-capitalization ratio decreasing to 20.7% at June 30, 2007 from 25.8% at September 30, 2006.

Recent Developments

On December 20, 2006, we acquired the 93.8% of the outstanding stock of TriPath Imaging, Inc. ("TriPath") which we did not previously own, for a cash purchase price of $9.25 per share, or approximately $362 million. TriPath develops, manufactures, markets and sells innovative solutions to improve the clinical management of cancer, including detection, diagnosis, staging and treatment. In connection with the acquisition, BD incurred a charge of $115 million for acquired in-process research and development.

During the first quarter of 2007, we received an unsolicited offer for the purchase of the blood glucose monitoring ("BGM") product line. On December 11, 2006, we sold the product line for $20 million and recognized a pre-tax gain on sale of $15 million. During the second quarter of 2007, the Company recognized post-closing adjustments, thereby increasing the gain on sale by $6 million. Following the sale, prior period Condensed Consolidated Statements of Income and Cash Flows and related discussions have been restated to separately present the results of the BGM product line as discontinued operations.

On May 4, 2007, we acquired all of the outstanding shares of Plasso Technology, Ltd. ("Plasso"), a privately-held company, for $10 million in cash. Plasso is developing the next generation of surface-critical research tools utilizing functional coating technology for applications in glycomics and cell culture. In connection with the acquisition, BD incurred a charge of $7 million for acquired in-process research and development.

See Note 8 of the Condensed Consolidated Financial Statements for additional discussions on the acquisitions and divestiture.

BD purchases supplies of resins, which are oil-based components used in the manufacture of certain products. During the third quarter of 2007, we incurred slightly higher resin purchase costs than the prior year's quarter, primarily due to increases in world oil prices during the late summer 2006. While the impact of further increases, if any, in resin purchase costs is not expected to be significant on our 2007 operating results, such increases could impact future operating results. We are mitigating any such impact through continued improvement in our profit margins resulting from increased sales of products with higher margins, cost reduction programs, productivity improvements and, to a lesser extent, periodic price increases and adjustments.

Results of Operations

Revenues

Refer to Note 5 in the Notes to Condensed Consolidated Financial Statements for segment financial data.

Medical Segment

Third quarter revenues of $882 million represented an increase of $80 million, or 10%, from the prior year's quarter, including an estimated $28 million, or 4%, favorable impact due to foreign currency translation. Strong sales of Pharmaceutical Systems products contributed to this growth. Global sales of safety-engineered products were $167 million, as compared with $156 million in the prior year's quarter. For the nine-month period ended June 30, 2007, global sales of safety-engineered products were $497 million, as compared with $455 million in the prior year's period. Total BD Medical segment revenues increased by 10% from the prior year nine-month period.

Diagnostics Segment

Third quarter revenues of $492 million represented an increase of $65 million, or 15%, over the prior year quarter, including an estimated $11 million, or 3%, favorable impact due to foreign currency translation. The Preanalytical Systems unit of the segment reported revenue growth of 9% over the prior year's quarter. Global sales of safety-engineered products totaled $187 million, compared with $162 million in the prior year's quarter due, in large part, to strong sales of BD Vacutainer® Push Button Blood Collection Sets in the current year's quarter. Revenues in the Diagnostic Systems unit of the segment increased 23%, which includes $27 million of revenues from the TriPath acquisition and also reflects growth from the BD ProbeTec™ ET and BD Phoenix™ instruments. For the nine-month period ended June 30, 2007, global sales of safety-engineered products were $530 million, as compared with $462 million in the prior year's

period. Total BD Diagnostics segment revenues increased by 9% from the prior year nine-month period, which includes $59 million of revenues from TriPath.

Biosciences Segment

Third quarter revenues of $258 million represented an increase of $29 million, or 13%, over the prior year's quarter, including an estimated $7 million, or 3%, favorable impact due to foreign currency translation. Flow cytometry instrument and reagent sales, as well as sales of advanced bioprocessing products, contributed to growth. For the nine-month period ended June 30, 2007, total BD Biosciences segment revenues increased by 12% from the prior year period.

Segment Operating Income

Medical Segment

Segment operating income for the third quarter was $247 million, or 28.0% of Medical revenues, compared with $212 million, or 26.4%, in the prior year's quarter. Gross profit margin increased moderately due to an improved product mix of sales, combined with increased manufacturing productivity. See further discussion on gross profit margin below. Selling and administrative expense as a percent of Medical revenues in the third quarter of 2007 was slightly lower than the third quarter of 2006, due to spending controls. Research and development expenses for the quarter increased $3.3 million, or 14%, reflecting increased investment in new products and platforms. Segment operating income for the nine-month period was $728 million, or 28.5% of Medical revenues, compared with $642 million, or 27.6%, in the prior year's period.

Diagnostics Segment

Segment operating income for the third quarter was $115 million, or 23.5% of Diagnostics revenues, compared with $104 million, or 24.4%, in the prior year's quarter. Gross profit margin was higher than the third quarter of 2006, primarily due to a favorable sales mix of products with higher margins, as well as productivity gains. See further discussion on gross profit margin below. Selling and administrative expense as a percentage of Diagnostics revenues in the third quarter of 2007 was higher than the comparable amount in the third quarter of 2006, largely due to the impact of TriPath and GeneOhm. Research and development expenses in the third quarter of 2007 increased $12.3 million, or 57%, primarily due to investment in new products and incremental TriPath and GeneOhm expenses. Segment operating income for the nine-month period was $224 million, or 15.9% of Diagnostics revenues, compared with $281 million, or 21.9%, in the prior year's period and reflects the impact of the acquired in-process research and development charges for TriPath in 2007 and GeneOhm in 2006.

Biosciences Segment

Segment operating income for the third quarter was $59 million, or 22.7% of Biosciences revenues, compared with $52 million, or 22.9%, in the prior year's quarter. Operating income included the acquired in-process research and development charge of $7 million associated with the Plasso acquisition, as further discussed above, which reduced operating income as a percentage of revenues by 2.9% . Gross profit margin as a percentage of revenues increased due to improved production efficiencies, as well as increased sales of products with higher margins. See further discussion on gross profit margin below. Selling and administrative expense as a percent of Biosciences revenues for the quarter decreased compared with the prior year's quarter, as a result of continued spending controls. Research and development spending in the quarter increased $1.9 million, or 11%, reflecting increased investment in new product development.

Segment operating income for the nine-month period was $183 million, or 24.4% of Biosciences revenues, compared with $158 million, or 23.6%, in the prior year's period.

Gross Profit Margin

Gross profit margin was 51.5% for the third quarter and 51.9% for the nine-month period, compared with 50.6% and 51.3%, respectively, for the comparable prior year periods. Gross profit margin in the third quarter of 2007 as compared with the prior year's period reflected an estimated 0.5% net improvement relating primarily to increased sales of products with relatively higher margins and productivity gains and an estimated 0.4% impact from foreign currency translation. Gross profit margin in the nine-month period of 2007 as compared with the prior period reflected an estimated 0.7% net improvement relating to increased sales of products with relatively higher margins and improvement associated primarily with productivity gains. These improvements were partially offset by an estimated 0.1% impact from foreign currency translation. We expect gross profit margin to improve, on a reported basis, by about 70 basis points in 2007, with TriPath's operations accounting for 10 basis points.

Selling and Administrative Expense

Selling and administrative expense was 25.3% of revenues for the third quarter and 25.5% for the nine-month period, compared with 25.7% and 25.0%, respectively, for the prior year's periods. Aggregate expenses for the current period reflect increases in base spending of $17 million and in expenses associated with the GeneOhm and TriPath operations of $11 million, as well as an unfavorable foreign exchange impact of $10 million. Aggregate expenses in the nine-month period reflect increases in base spending of $55 million and in expenses associated with the GeneOhm and TriPath operations of $35 million. Increases in selling and administrative expense for the nine-month period also reflect the absence of proceeds from insurance settlements of $17 million received in the prior year's period in connection with the Company's previously owned latex glove business, as well as an unfavorable foreign exchange impact of $26 million. Selling and administrative expense as a percentage of revenues is expected to increase, on a reported basis, by about 40 basis points in 2007, with 20 basis points attributable to TriPath's operations.

Research and Development Expense

Research and development expense of $93 million for the third quarter increased 21%, compared with the prior year's amount of $77 million, with more than half of the increase due to Tripath's operations. Research and development expense of $260 million for the nine-month period increased 18%, compared with the prior year's amount of $219 million. The increase in research and development expenditures reflect increased spending for new programs in each of our segments for the three and nine-month periods of 2007. We anticipate Research and development expense to increase, on a reported basis, by about 20% for 2007, with 8% due to the impact of TriPath's operations.

Non-Operating Expense and Income

Interest income was $12 million in both the third quarter and in the prior year's period. Interest income was $37 million in the nine-month period, compared with $44 million in the prior year's period, and reflected lower cash balances. Interest expense was $12 million in the third quarter and $36 million in the nine-month period, compared with $15 million and $52 million, respectively, in the prior year's periods, which reflect lower debt and higher levels of capitalized interest.

Income Taxes

The income tax rate was 27.1% for the third quarter. The nine-month tax rate was 29.9% compared with the prior year's rate of 28.5% . The increase is principally due to the non-deductibility of the acquired in-process research and development charges associated with the TriPath and Plasso acquisitions, which was partially offset by the impact of approximately 0.5% resulting from the retroactive reinstatement of the research and experimentation tax credit. The prior year's nine-month rate reflected the non-deductibility of the acquired in-process research and development charge associated with the GeneOhm acquisition, as well as the impact relating to the proceeds received from insurance settlements of approximately 0.2% . The Company expects the reported tax rate for 2007 to be approximately 29%.

Income from Continuing Operations and Diluted Earnings Per Share from Continuing Operations

Income from continuing operations and diluted earnings per share from continuing operations for the third quarter of 2007 were $240 million and 95 cents, respectively. Income from continuing operations and diluted earnings per share from continuing operations for the prior year's second quarter were $211 million and 83 cents, respectively. The acquired in-process research and development charges associated with the Plasso acquisition reduced income from continuing operations for the current year's quarter by $7 million and diluted earnings per share from continuing operations by 3 cents. For the nine-month periods, income from continuing operations and diluted earnings per share from continuing operations were $607 million and $2.38, respectively, in 2007, and $598 million and $2.33, respectively, in 2006. The acquired in-process research and development charges associated with the TriPath and Plasso acquisitions reduced income from continuing operations for the current year's nine-month period by $122 million and diluted earnings per share from continuing operations by 48 cents. The prior year's nine-month period reflected the acquired in-process research and development charge associated with GeneOhm of $53 million or 21 cents. Proceeds from insurance settlements increased income from continuing operations in the prior year's nine-month period by $11 million and diluted earnings per share from continuing operations by 4 cents.

Liquidity and Capital Resources

Net cash provided by continuing operating activities, which continues to be our primary source of funds to finance operating needs and capital expenditures, was $875 million during the first nine months of 2007, compared with $682 million in the same period in 2006. Net cash provided by continuing operations in the first nine months of the current and prior year was reduced by changes in the pension obligation, resulting primarily from discretionary cash contributions of $75 million and $150 million, respectively.

Net cash used for continuing investing activities for the first nine months of the current year was $781 million, compared with $558 million in the prior year period. The current year amount reflects the payment of $340 million of net cash for the TriPath acquisition, and the prior year amount reflects the payment of $231 million for the GeneOhm acquisition. Capital expenditures were $366 million in the first nine months of 2007 and $258 million in the same period in 2006. We expect capital spending for 2007 to be in the $600 million range.

Net cash used for continuing financing activities for the first nine months of the current year was $672 million, compared with $431 million in the prior year period. As of June 30, 2007, total

debt of $1.2 billion represented 20.7% of total capital (shareholders' equity, net non-current deferred income tax liabilities, and debt), versus 25.8% at September 30, 2006. Short-term debt decreased to 18% of total debt at the end of the nine-month period, from 31% at September 30, 2006.

For the first nine months of the current year, the Company repurchased $412 million of its common stock, compared with approximately $433 million of its common stock in the prior year period. At June 30, 2007, authorization to repurchase an additional 1.6 million common shares remained. Our Board of Directors authorized an additional repurchase program for 10 million shares on July 24, 2007. Stock repurchases were offset, in part, by the issuance of common stock from treasury upon the exercise of stock options by employees.

We have in place a commercial paper borrowing program that is available to meet our short-term financing needs, including working capital requirements. Borrowings outstanding under this program were $200 million at June 30, 2007. During the first quarter of 2007, we amended our syndicated credit facility to increase the amount available from $900 million to $1 billion and extend the expiration date from August 2009 to December 2011. This credit facility, under which there were no borrowings outstanding at June 30, 2007, provides backup support for our commercial paper program and can also be used for other general corporate purposes. This credit facility includes a single financial covenant that requires BD to maintain an interest expense coverage ratio (ratio of earnings before income taxes, depreciation and amortization to interest expense) of not less than 5-to-1 for the most recent four consecutive fiscal quarters. On the last eight measurement dates, this ratio has ranged from 17-to-1 to 21-to-1. In addition, we have informal lines of credit outside the United States.

Adoption of New Accounting Standards

In July 2006, the Financial Accounting Standards Board (the “FASB”) issued Interpretation No. 48 “Accounting for Uncertainty in Income Taxes” (“FIN 48”). FIN 48 prescribes guidance for recognition, measurement, and disclosure of uncertain tax positions recognized in financial statements in accordance with Statement of Financial Accounting Standards No. 109 “Accounting for Income Taxes”. The provisions of this interpretation will be applied to all tax positions upon its initial adoption. The Company is required to adopt this interpretation in fiscal year 2008 and the cumulative effect, if any, of applying this interpretation will be reported as an adjustment to the opening balance of retained earnings for such fiscal year. The Company is currently evaluating the impact of FIN 48 on its consolidated financial statements.

In September 2006, the FASB issued SFAS No. 158 “Employers’ Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106 and 132(R)” (“SFAS No. 158”). This statement requires the Company to recognize the overfunded or underfunded status of a defined benefit postretirement plan as an asset or liability in its consolidated balance sheet and to recognize changes in the funded status in the year in which the changes occur through comprehensive income. SFAS No. 158 also requires the funded status of a plan to be measured as of the balance sheet date and provides for additional disclosure requirements. As required, the Company will adopt the recognition and disclosure provision of this statement at the end of fiscal year 2007. Based on the underfunded status of the plans as of September 30, 2006, this provision could be material to the Company’s shareholder’s equity. The Company expects no impact to the measurement date of its plans, as the plans are currently measured at its fiscal year-end.

Cautionary Statement Pursuant to Private Securities Litigation Reform Act of 1995 -- "Safe Harbor" for Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 (the "Act") provides a safe harbor for forward-looking statements made by or on behalf of BD. BD and its representatives may from time to time make certain forward-looking statements, both written and oral, including statements contained in this report and filings with the Securities and Exchange Commission ("SEC") and in our other reports to shareholders. Forward-looking statements may be identified by the use of words like "plan," "expect," "believe," "intend," "will," "anticipate," "estimate" and other words of similar meaning in conjunction with, among other things, discussions of future operations and financial performance, as well as our strategy for growth, product development, regulatory approvals, market position and expenditures. All statements which address operating performance or events or developments that we expect or anticipate will occur in the future -- including statements relating to volume growth, sales and earnings per share growth, gross profit margins, various expenditures and statements expressing views about future operating results -- are forward-looking statements within the meaning of the Act.

Forward-looking statements are based on current expectations of future events. The forward-looking statements are and will be based on management's then-current views and assumptions regarding future events and operating performance, and speak only as of their dates. Investors should realize that if underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from our expectations and projections. Investors are therefore cautioned not to place undue reliance on any forward-looking statements. Furthermore, we undertake no obligation to update or revise any forward-looking statements whether as a result of new information, future events and developments or otherwise.

The following are some important factors that could cause our actual results to differ from our expectations in any forward-looking statements:

- Regional, national and foreign economic factors, including inflation and fluctuations in interest rates and foreign currency exchange rates and the potential effect of such fluctuations on revenues, expenses and resulting margins, as well as on competition in certain markets.

- We operate in a highly competitive environment. New product introductions by our current or future competitors could adversely affect our ability to compete in the global market. For example, new forms of inhaled insulin or other methods of insulin delivery could adversely impact sales of our insulin injection devices. Patents attained by competitors, particularly as patents on our products expire, may also adversely impact our competitive position. Certain competitors have established manufacturing sites or have contracted with suppliers in low-cost manufacturing locations as a means to lower their costs. New entrants may also appear.

- Changes in domestic and foreign healthcare industry practices and regulations resulting in increased pricing pressures, including the continued consolidation among healthcare providers; trends toward managed care and healthcare cost containment and government laws and regulations relating to sales and promotion, reimbursement and pricing generally.

- The effects, if any, of governmental and media activities regarding the business practices of group purchasing organizations, which negotiate product prices on behalf of their member hospitals with BD and other suppliers.

- Fluctuations in the cost and availability of raw materials and the ability to maintain favorable supplier arrangements and relationships (particularly with respect to sole-source suppliers) and the potential adverse effects of any disruption in the availability of such raw materials.

- Our ability to obtain the anticipated benefits of any restructuring programs, if any, that we may undertake.

- Adoption of or changes in government laws and regulations affecting domestic and foreign operations, including those relating to trade, monetary and fiscal policies, taxation, environmental matters, sales practices, price controls, licensing and regulatory approval of new products, or changes in enforcement practices with respect to any such laws and regulations. In particular, environmental laws, particularly with respect to the emission of greenhouse gases, are becoming more stringent throughout the world, which may increase our costs of operations or necessitate changes in our manufacturing plants or processes.

- Fluctuations in U.S. and international governmental funding and policies for life science research.

- Difficulties inherent in product development, including the potential inability to successfully continue technological innovation, complete clinical trials, obtain regulatory approvals in the United States and abroad, or gain and maintain market approval of products, as well as the possibility of encountering infringement claims by competitors with respect to patent or other intellectual property rights, all of which can preclude or delay commercialization of a product.

- Pending and potential litigation or other proceedings adverse to BD, including antitrust claims, product liability claims, and patent infringement claims, as well as other risks and uncertainties detailed from time to time in our SEC filings.

- The effects, if any, of adverse media exposure or other publicity regarding BD's business or operations.

- Our ability to achieve earnings forecasts, which are generated based on projected volumes and sales of many product types, some of which are more profitable than others. There can be no assurance that we will achieve the projected level or mix of product sales.

- The effect of market fluctuations on the value of assets in BD's pension plans and the possibility that BD may need to make additional contributions to the plans as a result of any decline in the value of such assets.

- Our ability to effect infrastructure enhancements and incorporate new systems technologies into our operations.

- Product efficacy or safety concerns resulting in product recalls, regulatory action on the part of the FDA (or foreign counterparts) or declining sales.

- Economic and political conditions in international markets, including civil unrest, terrorist activity, governmental changes and restrictions on the ability to transfer capital across borders.

- The effects of natural disasters, including hurricanes or pandemic diseases, on our ability to manufacture our products, particularly where production of a product line is concentrated in one or more plants, or on our ability to source components from suppliers that are needed for such manufacturing.

- Our ability to penetrate developing and emerging markets, which also depends on economic and political conditions, and how well we are able to acquire or form strategic business alliances with local companies and make necessary infrastructure enhancements to production facilities, distribution networks, sales equipment and technology.

- The impact of business combinations, including acquisitions and divestitures, both internally for BD and externally, in the healthcare industry.

- Issuance of new or revised accounting standards by the Financial Accounting Standards Board or the SEC.

The foregoing list sets forth many, but not all, of the factors that could impact our ability to achieve results described in any forward-looking statements. Investors should understand that it is not possible to predict or identify all such factors and should not consider this list to be a complete statement of all potential risks and uncertainties.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes in information reported since the end of the fiscal year ended September 30, 2006.

Item 4. Controls and Procedures

An evaluation was carried out by BD's management, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of BD's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) as of June 30, 2007. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were, as of the end of the period covered by this report, adequate and effective to ensure that material information relating to BD and its consolidated subsidiaries would be made known to them by others within these entities. There were no changes in our internal control over financial reporting during the fiscal quarter ended June 30, 2007 identified in connection with the above-referenced evaluation that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Item 1. Legal Proceedings

We are involved, both as a plaintiff and a defendant, in various legal proceedings which arise in the ordinary course of business, including product liability and environmental matters as set forth in our 2006 Annual Report on Form 10-K.

Since March 31, 2007, the following developments have occurred with respect to the legal proceedings in which we are involved:

Retractable Technologies, Inc.

As was previously reported, in June 2007, Retractable Technologies, Inc. ("plaintiff") filed a complaint against BD under the caption Retractable Technologies, Inc. vs. Becton Dickinson and Company (Civil Action No. 2:07-cv-250, United States District Court, Eastern District of Texas). Plaintiff alleges that the BD Integra™ syringes infringe patents licensed exclusively to the plaintiff. This patent claim was not covered by the release contained in the July 2004 settlement agreement between BD and plaintiff to settle the lawsuit previously filed by plaintiff.

In its complaint, plaintiff also alleges that BD engaged in false advertising with respect to certain of BD's safety-engineered products in violation of the Lanham Act; acted to exclude the plaintiff from various product markets and to maintain its market share through, among other things, exclusionary contracts in violation of state and Federal antitrust laws; and engaged in unfair competition. The non-patent claims purport to relate to actions allegedly taken by BD following the date of the July 2004 settlement agreement referenced above.

Plaintiff seeks treble damages, attorney's fees and injunctive relief. BD believes it has meritorious defenses to these claims and intends to vigorously defend this lawsuit.

Antitrust Class Action Suits

As was previously reported, ten purported antitrust class action lawsuits have been brought against BD by direct and indirect purchasers of BD's products. Our motions to dismiss each of the consolidated complaints filed by the direct and indirect purchaser plaintiffs were denied by the court. Class certification motions in these actions are scheduled to be filed by the end of 2007.

bioMérieux

As was previously reported, in April 2007, bioMérieux SA initiated an arbitration proceeding with the International Chamber of Commerce International Court of Arbitration in Paris, France, against GeneOhm Sciences Canada ("GeneOhm"), a subsidiary of BD. The arbitration related to a sublicense agreement under which

bioMérieux granted certain patent rights to GeneOhm relating to a method for the detection of methicillin-resistant *Staphylococcus aureus* ("MRSA"). In the arbitration, bioMérieux alleged, among other things, that GeneOhm fraudulently induced bioMérieux into entering into the sublicense and assigned its rights in violation of the sublicense. In the arbitration, bioMérieux sought monetary damages and to terminate the patent rights granted to GeneOhm under the sublicense agreement.

BD and bioMérieux subsequently entered into an agreement to settle the arbitration proceeding. The financial terms of the settlement will not have any material impact on BD.

Oil-For-Food Programme

As was previously reported, Becton Dickinson France, S.A., a subsidiary of BD, was listed among approximately 2,200 other companies in an October 2005 report of the Independent Inquiry Committee ("IIC") of the United Nations ("UN") as having been involved in humanitarian contracts in which unauthorized payments were suspected of having been made to the Iraqi Government in connection with the UN's Oil-for-Food Programme (the "Programme"). BD conducted an internal review and found no evidence that BD or any BD employee or representative of BD made, authorized, or approved improper payments to the Iraqi Government in connection with the Programme. BD reported the results of its internal review to the Vendor Review Committee of the United Nations Procurement Service. In May 2007, the French Judicial Police conducted searches of BD's offices in France with respect to the matters that were the subject of the 2005 IIC report. BD was informed that it is one of a number of companies named in the IIC report that is being investigated by the French Judicial Police. BD is cooperating fully with the investigation.

El Seif Development

In July 2007, BD received notice of a suit instituted in Saudi Arabia by El Seif Development ("El Seif"), a former BD distributor (Case No. 7516, Board of Grievances, Saudi Arabia). El Seif seeks monetary damages arising out of the termination of its distributor agreement and other contractual arrangements with BD.

BD believes that it has meritorious defenses to these claims and intends to vigorously defend this lawsuit.

Summary

Given the uncertain nature of litigation generally, BD is not able in all cases to estimate the amount or range of loss that could result from an unfavorable outcome of the litigation to which BD is a party. In accordance with U.S. generally accepted accounting principles, BD establishes accruals to the extent probable future losses are estimable (in the case of environmental matters, without considering possible third-party recoveries). In view of the uncertainties of litigation, BD could incur charges in excess of any currently established accruals and, to the extent available, excess liability insurance. In the opinion of management, any such future charges, individually or in the aggregate, could have a material adverse effect on BD's consolidated results of operations and consolidated cash flows in the period or periods in which they are recorded or paid.

Item 1A. Risk Factors

There have been no material changes from the risk factors disclosed in Part 1, Item 1A, of our Annual Report on Form 10-K for the 2006 fiscal year.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The table below sets forth certain information regarding our purchases of common stock of BD during the quarter ended June 30, 2007.

Issuer Purchases of Equity Securities

For the three months ended June 30, 2007	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (2)
April 1 – 30, 2007	302,933	$78.49	300,000	3,735,814
May 1 – 31, 2007	1,136,516	$78.57	1,134,000	2,601,814
June 1 – 30, 2007	1,000,233	$74.96	1,000,000	1,601,814
Total	2,439,682	$77.08	2,434,000	1,601,814

(1) Includes 2,922 shares purchased during the quarter in open market transactions by the trustee under BD's Deferred Compensation Plan and 1996 Directors' Deferral Plan, and 2,760 shares delivered to BD in connection with stock option exercises.

(2) These repurchases were made pursuant to a repurchase program covering 10 million shares authorized by the Board of Directors of BD (the "Board") on November 22, 2005 (the "2005 Program"). There is no expiration date for the 2005 Program. On July 24, 2007, the Board authorized an additional repurchase program for 10 million shares.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Submission of Matters to a Vote of Security Holders

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

10 (o)	2004 Employee and Director Equity-Based Compensation Plan, as amended and restated as of March 27, 2007.
Exhibit 31	Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to SEC Rule 13a - 14(a).
Exhibit 32	Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to Rule 13a - 14(b) and Section 1350 of Chapter 63 of Title 18 of the U.S. Code.

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 thereunto duly authorized.

Becton, Dickinson and Company
(Registrant)

Dated: August 8, 2007

/s/ John R. Considine
John R. Considine
Senior Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

/s/ William A. Tozzi
William A. Tozzi
Vice President and Controller
(Chief Accounting Officer)

INDEX TO EXHIBITS

Exhibit Number	Description of Exhibits
10 (o)	2004 Employee and Director Equity-Based Compensation Plan, as amended and restated as of March 27, 2007.
31	Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to SEC Rule 13a - 14(a).
32	Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to Rule 13a - 14(b) and Section 1350 of Chapter 63 of Title 18 of the U.S. Code.

BECTON, DICKINSON AND COMPANY
2004 EMPLOYEE AND DIRECTOR EQUITY-BASED
COMPENSATION PLAN

As Amended and Restated as of March 27, 2007

Section 1. *Purpose.*

The purpose of the Becton, Dickinson and Company 2004 Employee and Director Equity-Based Compensation Plan is to provide an incentive to employees of the Company and its subsidiaries to achieve long-range goals, to aid in attracting and retaining employees and directors of outstanding ability and to closely align their interests with those of shareholders.

Section 2. *Definition*.

As used in the Plan, the following terms shall have the meanings set forth below:

(a) **"Affiliate"** shall mean (i) any entity that, directly or indirectly, is controlled by the Company and (ii) any entity in which the Company has a significant equity interest, in either case as determined by the Committee.

(b) **"Award"** shall mean any Option, Stock Appreciation Right, award of Restricted Stock, Restricted Stock Unit, Performance Unit or Other Stock-Based Award granted under the Plan.

(c) **"Award Agreement"** shall mean any written agreement, contract or other instrument or document evidencing any Award granted under the Plan, which may, but need not, be executed or acknowledged by a Participant.

(d) **"Board"** shall mean the board of directors of the Company.

(e) **"Cause"** shall mean (i) the willful and continued failure of a Participant to perform substantially the Participant's duties with the Company or any Affiliate (other than any such failure resulting from incapacity due to physical or mental illness), or (ii) the willful engaging by the Participant in illegal conduct or gross misconduct that is materially and demonstrably injurious to the Company. No act, or failure to act, on the part of the Participant shall be considered "willful" unless it is done, or omitted to be done, by the Participant in bad faith or without the reasonable belief that the Participant's action or omission was in the best interest of the Company.

(f) **"Change in Control"** means:

(i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the **"Exchange Act"**)) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 25% or more of either (A) the then-outstanding shares of common stock of the Company (the **"Outstanding Company Common Stock"**) or (B) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the **"Outstanding Company Voting Securities"**); *provided, however,* that, for purposes of this Section 2(f), the following acquisitions shall not constitute a Change in Control: (i) any acquisition directly from the Company; (ii) any acquisition by the Company, or (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any affiliated

company, (iv) any acquisition by any corporation pursuant to a transaction that complies with Section 2(f)(iii)(A), Section 2(f)(iii)(B) and Section 2(f)(iii)(C), or (v) any acquisition that the Board determines, in good faith, was inadvertent, if the acquiring Person divests as promptly as practicable a sufficient amount of the Outstanding Company Common Stock and/or the Outstanding Company Voting Securities, as applicable, to reverse such acquisition of 25% or more thereof.

(ii) individuals who, as of the day after the effective time of this Plan, constitute the Board (the **"Incumbent Board"**) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to such time whose election, or nomination for election as a director by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consent by or on behalf of a Person other than the Board.

(iii) consummation of a reorganization, merger, consolidation or sale or other disposition of all or subsequently all of the assets of the Company (a **"Business Combination"**), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 25% or more of, respectively, the then-outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such corporation, except to the extent that such ownership existed prior to the Business Combination, and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or (iv) approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

(g) **"Code"** shall mean the Internal Revenue Code of 1986, as amended from time to time.

(h) **"Committee"** shall mean the Compensation and Benefits Committee of the Board or such other committee as may be designated by the Board.

(i) **"Company"** shall mean Becton, Dickinson and Company.

(j) **"Earnings Per Share"** shall mean earnings per share calculated in accordance with U.S. Generally Accepted Accounting Principles.

(k) **"Executive Group"** shall mean every person who is expected by the Committee to be both (i) a "covered employee" as defined in Section 162(m) of the Code as of the end of the taxable year in which payment of the Award may be deducted by the Company, and (ii) the recipient of compensation of more than $1,000,000 for that taxable year.

(l) **"Fair Market Value"** shall mean, with respect to any property (including, without limitation, any Shares or other securities) the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Committee.

(m) **"Incentive Stock Option"** shall mean an option representing the right to purchase Shares from the Company, granted under and in accordance with the terms of Section 6, that meets the requirements of Section 422 of the Code, or any successor provision thereto.

(n) **"Market Share"** shall mean the percent of sales of the total available market in an industry, product line or product attained by the Company or one of its business units during a time period.

(o) **"Net Income"** shall mean net income calculated in accordance with U.S. Generally Accepted Accounting Principles.

(p) **"Net Revenue Per Employee"** in a period shall mean net revenue divided by the average number of employees of the Company, with average defined as the sum of the number of employees at the beginning and ending of the period divided by two.

(q) **"Non-Qualified Stock Option"** shall mean an option representing the right to purchase Shares from the Company, granted under and in accordance with the terms of Section 6, that is not an Incentive Stock Option.

(r) **"Option"** shall mean an Incentive Stock Option or a Non-Qualified Stock Option.

(s) **"Other Stock-Based Award"** shall mean any right granted under Section 9.

(t) **"Participant"** shall mean an individual granted an Award under the Plan.

(u) **"Performance Unit"** shall mean any right granted under Section 8.

(v) **"Restricted Stock"** shall mean any Share granted under Section 7.

(w) **"Restricted Stock Unit"** shall mean a contractual right granted under Section 7 that is denominated in Shares. Each Unit represents a right to receive the value of one Share (or a percentage of such value, which percentage may be higher than 100%) upon the terms and conditions set forth in the Plan and the applicable Award Agreement. Awards of Restricted Stock Units may include, without limitation, the right to receive dividend equivalents.

(x) **"Return On Common Equity"** for a period shall mean net income less preferred stock dividends divided by total shareholders' equity, less amounts, if any, attributable to preferred stock.

(y) **"Return on Invested Capital"** for a period shall mean earnings before interest, taxes, depreciation and amortization divided by the difference of total assets less non-interest bearing current liabilities.

(z) **"Return On Net Assets"** for a period shall mean net income less preferred stock dividends divided by the difference of average total assets less average non-debt liabilities, with average defined as the sum of assets or liabilities at the beginning and ending of the period divided by two.

(aa) **"Revenue Growth"** shall mean the percentage change in revenue (as defined in Statement of Financial Accounting Concepts No. 6, published by the Financial Accounting Standards Board) from one period to another.

(bb) **"Plan"** shall mean this Becton, Dickinson and Company 2004 Employee and Director Equity-Based Compensation Plan.

(cc) **"Shares"** shall mean shares of the common stock of the Company, $1.00 par value.

(dd) **"Stock Appreciation Right**" shall mean a right to receive a payment, in cash and/or Shares, as determined by the Committee, equal in value to the excess of the Fair Market Value of a Share at the time the Stock Appreciation Right is exercised over the exercise price of the Stock Appreciation Right.

(ee) **"Substitute Awards"** shall mean Awards granted in assumption of, or in substitution for, outstanding awards previously granted by a company acquired by the Company or with which the Company combines.

(ff) **"Total Shareholder Return"** shall mean the sum of the appreciation in the Company's stock price and dividends paid on the common stock of the Company over a given period of time.

Section 3. *Eligibility.*

(a) Any individual who is employed by (including any officer), or who serves as a member of the board of directors of, the Company or any Affiliate shall be eligible to be selected to receive an Award under the Plan.

(b) An individual who has agreed to accept employment by the Company or an Affiliate shall be deemed to be eligible for Awards hereunder as of the date of such agreement.

(c) Holders of options and other types of Awards granted by a company acquired by the Company or with which the Company combines are eligible for grant of Substitute Awards hereunder.

Section 4. *Administration.*

(a) The Plan shall be administered by the Committee. The Committee shall be appointed by the Board and shall consist of not less than three directors, each of whom shall be independent, within the meaning of and to the extent required by applicable rulings and interpretations of the New York Stock Exchange and the Securities and Exchange Commission, and each of whom shall be a **"Non-Employee Director"**, as defined from time to time for purposes of Section 16 of the Securities Exchange Act of 1934 and the rules promulgated thereunder. The Board may designate one or more directors as alternate members of the Committee who may replace any absent or disqualified member at any meeting of the Committee. The Committee may issue rules and regulations for administration of the Plan. It shall meet at such times and places as it may determine. A majority of the members of the Committee shall constitute a quorum.

(b) Subject to the terms of the Plan and applicable law, the Committee shall have full power and authority to: (i) designate Participants; (ii) determine the type or types of Awards (including Substitute Awards) to be granted to each Participant under the Plan; (iii) determine the number of Shares to be covered by (or with respect to which payments, rights, or other matters are to be calculated in connection with) Awards; (iv) determine the terms and conditions of any Award; (v) determine whether, to what extent, and under what circumstances Awards may be settled or exercised in cash, Shares, other securities, other Awards, or other property, or canceled, forfeited or suspended, and the method or methods by which Awards may be settled, exercised, canceled, forfeited or suspended; (vi) determine whether, to what extent, and under what circumstances cash, Shares, other securities, other Awards, other property, and other amounts payable with respect to an Award under the Plan shall be deferred either automatically or at the election of the holder thereof or of the Committee; (vii) interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan; (viii) establish, amend, suspend or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan; (ix) determine whether and to what extent Awards should comply or continue to comply with any requirement of statute or regulation; and (x) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan.

(c) All decisions of the Committee shall be final, conclusive and binding upon all parties, including the Company, the stockholders and the Participants.

Section 5. *Shares Available For Awards.*

(a) The number of Shares originally available for issuance under the Plan was 9,000,000 shares. An additional 5,500,000 shares (the "Additional Shares") shall be available for issuance under the Plan, for a total of 14,500,000 available Shares, subject to adjustment as provided below. Notwithstanding the foregoing and subject to adjustment as provided in Section 5(e), (i) no Participant may receive Options and Stock Appreciation Rights under the Plan in any calendar year that relate to more than 250,000 Shares, (ii) the maximum number of Shares with respect to which unrestricted Awards (either as to vesting, performance or otherwise) may be made to employees under the Plan is 450,000 Shares, and (iii) the maximum number of Additional Shares that may be issued with respect to any Awards other than Awards of Options or Stock Appreciation Rights shall be 2,000,000.

(b) If, after the effective date of the Plan, any Shares covered by an Award other than a Substitute Award, or to which such an Award relates, are forfeited, or if such an Award otherwise terminates without the delivery of Shares or of other consideration, then the Shares covered by such Award, or to which such Award relates, to the extent of any such forfeiture or termination, shall again be, or shall become, available for issuance under the Plan, except as otherwise provided in Section 5(f).

(c) In the event that any Option or other Award granted hereunder (other than a Substitute Award) is exercised through the delivery of Shares, or in the event that withholding tax liabilities arising from such Option or Award are satisfied by the withholding of Shares by the Company, the number of Shares available for Awards under the Plan shall be increased by the number of Shares so surrendered or withheld. Notwithstanding the foregoing, this Section 5(c) will not apply to any such surrender or withholding of Shares occurring on or after November 21, 2006.

(d) Any Shares delivered pursuant to an Award may consist, in whole or in part, of authorized and unissued Shares or of treasury Shares.

(e) In the event that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company, or other similar corporate transaction or event affects the Shares such that an adjustment is required in order to preserve the value of issued and outstanding Awards and to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee shall, in such manner as it may deem equitable, adjust any or all of (i) the number and type of Shares (or other securities or property) which thereafter may be made the subject of Awards, including the aggregate and individual limits specified in Section 5(a), (ii) the number and type of Shares (or other securities or property) subject to outstanding Awards, and (iii) the grant, purchase, or exercise price with respect to any Award or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award; *provided, however*, that the number of Shares subject to any Award denominated in Shares shall always be a whole number.

(f) Shares underlying Substitute Awards shall not reduce the number of Shares remaining available for issuance under the Plan.

(g) Upon the exercise of any Stock Appreciation Rights, the greater of (i) the number of shares subject to the Stock Appreciation Rights so exercised, and (ii) the number of Shares, if any, that are issued in connection with such exercise, shall be deducted from the number of Shares available for issuance under the Plan.

Section 6. *Options and Stock Appreciation Rights.*

The Committee is hereby authorized to grant Options and Stock Appreciation Rights to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) The exercise price per Share under an Option or Stock Appreciation Right shall be determined by the Committee; *provided, however*, that, except in the case of Substitute Awards, such exercise price shall not be less than the Fair Market Value of a Share on the date of grant of such Option or Stock Appreciation Right. The exercise price of a Substitute Award may be less than the Fair Market Value of a Share on the date of grant to the extent necessary for the value of Substitute Award to be substantially equivalent to the value of the award with respect to which the Substitute Award is issued, as determined by the Committee.

(b) The term of each Option and Stock Appreciation Right shall be fixed by the Committee but shall not exceed 10 years from the date of grant thereof.

(c) The Committee shall determine the time or times at which an Option or Stock Appreciation Right may be exercised in whole or in part, and, with respect to Options, the method or methods by which, and the form or forms, including, without limitation, cash, Shares, other Awards, or other property, or any combination thereof, having a Fair Market Value on the exercise date equal to the relevant exercise price, in which, payment of the exercise price with respect thereto may be made or deemed to have been made.

(d) The terms of any Incentive Stock Option granted under the Plan shall comply in all respects with the provisions of Section 422 of the Code, or any successor provision thereto, and any regulations promulgated thereunder.

(e) Section 10 sets forth certain additional provisions that shall apply to Options and Stock Appreciation Rights.

Section 7. *Restricted Stock And Restricted Stock Units*.

(a) The Committee is hereby authorized to grant Awards of Restricted Stock and Restricted Stock Units to Participants.

(b) Shares of Restricted Stock and Restricted Stock Units shall be subject to such restrictions as the Committee may impose (including, without limitation, any limitation on the right to vote a Share of Restricted Stock or the right to receive any dividend or other right or property), which restrictions may lapse separately or in combination at such time or times, in such installments or otherwise, as the Committee may deem appropriate; provided, that if the vesting conditions applicable to an Award of Restricted Stock or Restricted Stock Units to an employee of the Company relate exclusively to the passage of time and continued employment, such time period shall consist of not less than thirty-six (36) months. In the event the vesting of any Award of Restricted Stock is subject to the achievement of performance goals, the performance period relating to such Award shall be at least twelve (12) months. Any Award of Restricted Stock Units for which vesting is conditioned upon the achievement of performance goals shall be considered an award of Performance Units under Section 8.

(c) Any share of Restricted Stock granted under the Plan may be evidenced in such manner as the Committee may deem appropriate including, without limitation, book-entry registration or issuance of a stock certificate or certificates. In the event any stock certificate is issued in respect of shares of Restricted Stock granted under the Plan, such certificate shall be registered in the name of the Participant and shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock.

(d) Upon a Participant's (i) retirement, death, disability or involuntary termination without Cause, any and all remaining restrictions with respect to Shares of Restricted Stock or Restricted Stock Units granted to the Participant shall lapse, and (ii) voluntary termination or involuntary termination with Cause, all Shares of Restricted Stock or Restricted Stock Units held by the Participant shall be forfeited as of the date of termination.

Section 8. *Performance Units.*

(a) The Committee is hereby authorized to grant Performance Units to Participants.

(b) Subject to the terms of the Plan, a Performance Unit granted under the Plan (i) may be denominated or payable in cash, Shares (including, without limitation, Restricted Stock), other securities, other Awards, or other property and (ii) shall confer on the holder thereof rights valued as determined by the Committee and payable to, or exercisable by, the holder of the Performance Unit, in whole or in part, upon the achievement of such performance goals during such performance periods as the Committee shall establish. Subject to the terms of the Plan, the performance goals to be achieved during any performance period, the length of any performance period, the amount of any Performance Unit granted and the amount of any payment or transfer to be made pursuant to any Performance Unit shall be determined by the Committee; provided, that the performance period relating to any Award of Performance Units shall be at least twelve (12) months.

(c) Notwithstanding anything contained herein to the contrary, (i) in the event of a Participant's retirement prior to the expiration of any performance period applicable to a

Performance Unit granted to the Participant, the Participant shall be entitled to receive following the expiration of such performance period, a pro-rata portion of any amounts otherwise payable with respect to, or a pro-rata right to exercise, the Performance Unit, (ii) in the event of a Participant's death, disability or involuntary termination without Cause prior to the expiration of any performance period applicable to a Performance Unit granted to the Participant, the Participant shall receive upon such termination a partial payment with respect to, or a partial right to exercise, such Performance Unit, as determined by the Committee in its discretion, and (iii) upon a Participant's voluntary termination or involuntary termination with Cause, all Performance Units held by the Participant shall be canceled as of the date of termination.

Section 9. *Other Stock-Based Awards.*

The Committee is hereby authorized to grant to Participants such other Awards (including, without limitation, rights to dividends and dividend equivalents) that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Shares (including, without limitation, securities convertible into Shares) as are deemed by the Committee to be consistent with the purposes of the Plan (provided that no rights to dividends and dividend equivalents shall be granted in tandem with an Award of Options or Stock Appreciation Rights). Subject to the terms of the Plan, the Committee shall determine the terms and conditions of such Awards. Shares or other securities delivered pursuant to a purchase right granted under this Section 9 shall be purchased for such consideration, which may be paid by such method or methods and in such form or forms, including, without limitation, cash, Shares, other securities, other Awards, or other property, or any combination thereof, as the Committee shall determine, the value of which consideration, as established by the Committee, shall, except in the case of Substitute Awards, not be less than the Fair Market Value of such Shares or other securities as of the date such purchase right is granted. Additional terms applicable to certain Other Stock-Based Awards are set forth in Section 10.

Section 10. *Effect Of Termination On Certain Awards.*

Except as otherwise provided by the Committee at the time an Option or Stock Appreciation Right is granted or in any amendment thereto, if a Participant ceases to be employed by, or serve as a non-employee director of, the Company or any Affiliate, then:

(a) if termination is for Cause, all Options and Stock Appreciation Rights held by the Participant shall be canceled as of the date of termination;

(b) if termination is voluntary or involuntary without Cause, the Participant may exercise each Option or Stock Appreciation Right held by the Participant within three months after such termination (but not after the expiration date of such Award) to the extent such Award was exercisable pursuant to its terms at the date of termination; *provided*, however, if the Participant should die within three months after such termination, each Option or Stock Appreciation Right held by the Participant may be exercised by the Participant's estate, or by any person who acquires the right to exercise by reason of the Participant's death, at any time within a period of one year after death (but not after the expiration date of the Award) to the extent such Award was exercisable pursuant to its terms at the date of termination;

(c) if termination is (i) by reason of retirement at a time when the Participant is entitled to the current receipt of benefits under any retirement plan maintained by the Company or any Affiliate (or alternatively, in the case of a non-employee director, at a time when the Participant has served for five full years or more and has attained the age of sixty), or (ii) by reason of

disability, each Option or Stock Appreciation Right held by the Participant shall, at the date or retirement or disability, become exercisable to the extent of the total number of shares subject to the Option or Stock Appreciation Right, irrespective of the extent to which such Award would otherwise have been exercisable pursuant to the terms of the Award at the date of retirement or disability, and shall otherwise remain in full force and effect in accordance with its terms;

(d) if termination is by reason of the death of the Participant, each Option or Stock Appreciation Right held by the Participant may be exercised by the Participant's estate, or by any person who acquires the right to exercise such Award by reason of the Participant's death, to the extent of the total number of shares subject to the Award, irrespective of the extent to which such Award would have otherwise been exercisable pursuant to the terms of the Award at the date of death, and such Award shall otherwise remain in full force and effect in accordance with its terms.

Section 11. *General Provisions Applicable To Awards.*

(a) Awards shall be granted for no cash consideration or for such minimal cash consideration as may be required by applicable law.

(b) Awards may, in the discretion of the Committee, be granted either alone or in addition to or in tandem with any other Award. Awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

(c) Subject to the terms of the Plan, payments or transfers to be made by the Company upon the grant, exercise or payment of an Award may be made in such form or forms as the Committee shall determine including, without limitation, cash, Shares, other securities, other Awards, or other property, or any combination thereof, and may be made in a single payment or transfer, in installments, or on a deferred basis, in each case in accordance with rules and procedures established by the Committee. Such rules and procedures may include, without limitation, provisions for the payment or crediting of reasonable interest on installment or deferred payments or the grant or crediting of dividend equivalents in respect of installment or deferred payments. Notwithstanding the foregoing, in no event shall the Company extend any loan to any Participant in connection with the exercise of an Award; provided, however, that nothing contained herein shall prohibit the Company from maintaining or establishing any broker-assisted cashless exercise program.

(d) Unless the Committee shall otherwise determine, no Award and no right under any Award shall be assignable, alienable, saleable or transferable by a Participant otherwise than by will or by the laws of descent and distribution. In no event may an Award be transferred by a Participant for value. Each Award, and each right under any Award, shall be exercisable during the Participant's lifetime only by the Participant or, if permissible under applicable law, by the Participant's guardian or legal representative. The provisions of this paragraph shall not apply to any Award which has been fully exercised, earned or paid, as the case may be, and shall not preclude forfeiture of an Award in accordance with the terms thereof.

(e) All certificates for Shares or other securities delivered under the Plan pursuant to any Award or the exercise thereof shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares or other securities are then listed, and any applicable Federal or state securities laws, and

the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

(f) Every Award (other than an Option or Stock Appreciation Right) to a member of the Executive Group shall, if the Committee intends that such Award should constitute "qualified performance-based compensation" for purposes of Section 162(m) of the Code, include a pre-established formula, such that payment, retention or vesting of the Award is subject to the achievement during a performance period or periods, as determined by the Committee, of a level or levels, as determined by the Committee, of one or more of the following performance measures: (i) Return on Net Assets, (ii) Revenue Growth, (iii) Return on Common Equity, (iv) Total Shareholder Return, (v) Earnings Per Share, (vi) Net Revenue Per Employee (vii) Market Share, (viii) Return on Invested Capital, or (ix) Net Income. For any Award subject to any such pre-established formula, no more than 150,000 Shares can be paid in satisfaction of such Award to any Participant, subject to adjustment as provided in Section 5(e). Notwithstanding any provision of this Plan to the contrary, the Committee shall not be authorized to increase the amount payable under any Award to which this Section 11(f) applies upon attainment of such pre-established formula.

(g) Unless specifically provided to the contrary in any Award Agreement, upon a Change in Control, all Awards shall become fully vested and exercisable, and any restrictions applicable to any Award shall automatically lapse.

(h) Non-employee Directors of the Company shall be entitled to defer the receipt of any Shares that may become issuable to them under any Award in accordance with the terms of the 1996 Directors' Deferral Plan, as the same may be hereinafter amended, or any other plan that may be established by the Company that provides for the deferred receipt of such Shares.

(i) Employees of the Company shall be entitled to defer the receipt of any Shares that may become issuable to them under any Award in accordance with the terms of the Deferred Compensation Plan, as the same may be hereinafter amended, or any other plan that may be established by the Company that provides for the deferred receipt of such Shares.

Section 12. *Amendments And Termination*.

(a) Except to the extent prohibited by applicable law and unless otherwise expressly provided in an Award Agreement or in the Plan, the Board may amend, alter, suspend, discontinue, or terminate the Plan or any portion thereof at any time; *provided, however*, that no such amendment, alteration, suspension, discontinuation or termination shall be made without (i) shareholder approval (A) if the effect thereof is to increase the number of Shares available for issuance under the Plan or to expand the class of persons eligible to participate in the Plan or (B) if such approval is necessary to comply with any tax or regulatory requirement for which or with which the Board deems it necessary or desirable to qualify or comply or (ii) the consent of the affected Participant, if such action would adversely affect the rights of such Participant under any outstanding Award. Notwithstanding anything to the contrary herein, the Committee may amend the Plan in such manner as may be necessary to enable the Plan to achieve its stated purposes in any jurisdiction outside the United States in a tax-efficient manner and in compliance with local rules and regulations.

(b) The Committee may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue or terminate, any Award theretofore granted, prospectively or

retroactively, without the consent of any relevant Participant or holder or beneficiary of an Award, *provided, however*, that no such action shall impair the rights of any affected Participant or holder or beneficiary under any Award theretofore granted under the Plan; and *provided further* that, except as provided in Section 5(e), no such action shall reduce the exercise price, grant price or purchase price of any Award established at the time of grant thereof and *provided further*, that the Committee's authority under this Section 12(b) is limited in the case of Awards subject to Section 11(f), as set forth in Section 11(f). In no event shall an outstanding Option or Stock Appreciation Right be cancelled and replaced with a new Option or Stock Appreciation Right with a lower exercise price, without approval of the Company's shareholders, except as provided in Section 5(e).

(c) Except as noted in Section 11(f), the Committee shall be authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of events (including, without limitation, the events described in Section 5(e)) affecting the Company, or the financial statements of the Company, or of changes in applicable laws, regulations or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

(d) Any provision of the Plan or any Award Agreement to the contrary notwithstanding, in connection with a Business Combination, the Committee may cause any Award granted hereunder to be canceled in consideration of a cash payment or alternative Award made to the holder of such canceled Award equal in value to the Fair Market Value of such canceled Award.

(e) The Committee may correct any defect, supply any omission, or reconcile any inconsistency in the Plan or any Award in the manner and to the extent it shall deem desirable to carry the Plan into effect.

Section 13. *Miscellaneous.*

(a) No employee, Participant or other person shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of employees, Participants, or holders or beneficiaries of Awards under the Plan. The terms and conditions of Awards need not be the same with respect to each recipient.

(b) The Committee may delegate to one or more officers or managers of the Company, or a committee of such officers or managers, the authority, subject to such terms and limitations as the Committee shall determine, to grant Awards to, or to cancel, modify, waive rights with respect to, alter, discontinue, suspend or terminate Awards held by, employees who are not officers or directors of the Company for purposes of Section 16 of the Securities Exchange Act of 1934, as amended; *provided, however*, that any delegation to management shall conform with the requirements of the corporate law of New Jersey and with the requirements, if any, of the New York Stock Exchange, in either case as in effect from time to time.

(c) The Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under the Plan or from any compensation or other amount owing to a Participant the amount (in cash, Shares, other securities, other Awards, or other property) of withholding taxes due in respect of an Award, its exercise, or any payment or transfer under such Award or under the Plan and to take such other action (including, without limitation, providing for elective payment of such amounts in cash, Shares, other securities, other

Awards or other property by the Participant) as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes.

(d) Nothing contained in the Plan shall prevent the Company from adopting or continuing in effect other or additional compensation arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

(e) The grant of an Award shall not be construed as giving a Participant the right to be retained in the employ of the Company or any Affiliate. Further, the Company or the applicable Affiliate may at any time dismiss a Participant from employment, free from any liability, or any claim under the Plan, unless otherwise expressly provided in the Plan or in any Award Agreement or in any other agreement binding the parties. The receipt of any Award under the Plan is not intended to confer any rights on the receiving Participant except as set forth in such Award.

(f) If any provision of the Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction, or as to any person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award, such provision shall be stricken as to such jurisdiction, person or Award, and the remainder of the Plan and any such Award shall remain in full force and effect.

(g) Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other person. To the extent that any person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company.

(h) No fractional Shares shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine whether cash, other securities or other property shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

Section 14. *Effective Date Of Plan.*

The Plan shall be effective as of the date of its approval by the stockholders of the Company.

Section 15. *Term Of The Plan*.

No Award shall be granted under the Plan after the tenth anniversary of the effective date. However, unless otherwise expressly provided in the Plan or in an applicable Award Agreement, any Award theretofore granted may extend beyond such date, and the authority of the Committee to amend, alter, adjust, suspend, discontinue, or terminate any such Award, or to waive any conditions or rights under any such Award, and the authority of the Board to amend the Plan, shall extend beyond such date.

CERTIFICATIONS

I, Edward J. Ludwig, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Becton, Dickinson and Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2007

/s/ Edward J. Ludwig
Edward J. Ludwig
Chairman, President and
Chief Executive Officer

I, John R. Considine, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Becton, Dickinson and Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2007

/s/ John R. Considine
John R. Considine
Senior Executive Vice President and
Chief Financial Officer

Exhibit 32

The certification set forth below is being submitted in connection with the Quarterly Report on Form 10-Q of Becton, Dickinson and Company for the quarter ended June 30, 2007 (the "Report") for the purpose of complying with Rule 13a – 14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

I, Edward J. Ludwig, the Chief Executive Officer of Becton, Dickinson and Company, certify that:

1. such Report fully complies with the requirements of Section 13(a) of the Exchange Act; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Becton, Dickinson and Company.

August 8, 2007

/s/ Edward J. Ludwig
Name: Edward J. Ludwig
Chief Executive Officer

The certification set forth below is being submitted in connection with the Quarterly Report on Form 10-Q of Becton, Dickinson and Company for the quarter ended June 30, 2007 (the "Report") for the purpose of complying with Rule 13a – 14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

I, John R. Considine, the Chief Financial Officer of Becton, Dickinson and Company, certify that:

1. such Report fully complies with the requirements of Section 13(a) of the Exchange Act; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Becton, Dickinson and Company.

August 8, 2007

/s/ John R. Considine
Name: John R. Considine
Chief Financial Officer