SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1997 COMMISSION FILE NUMBER 1-4802

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)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common Stock, Par Value $1.00	New York Stock Exchange
Preferred Stock Purchase Rights	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

NONE

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 ___

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [_]

As of November 30, 1997, 121,188,014 shares of the registrant's common stock were outstanding and the aggregate market value of such common stock held by nonaffiliates of the registrant was approximately $6,248,454,002.

DOCUMENTS INCORPORATED BY REFERENCE

(1) Portions of the registrant's Annual Report to Shareholders for the fiscal year ended September 30, 1997 are incorporated by reference into Parts I and II hereof.

(2) Portions of the registrant's Proxy Statement for the Annual Meeting of Shareholders to be held February 10, 1998 are incorporated by reference into Part III hereof.

FORWARD LOOKING STATEMENTS

This Annual Report on Form 10-K, including information incorporated herein by reference, contains certain forward looking statements (as defined under federal securities laws) regarding future revenues, products and income which are based upon current expectations of the Company and involve a number of business risks and uncertainties. Actual results could vary materially from anticipated results described in any forward looking statement. Factors that could cause actual results to vary materially include, but are not limited to, competitive factors, changes in regional, national or foreign economic conditions, changes in interest or foreign currency exchange rates, delays in product introductions, and changes in health care or other governmental regulation, as well as other factors discussed herein and in the Company's filings with the Securities and Exchange Commission.

PART I

ITEM 1. BUSINESS.

GENERAL

Becton, Dickinson and Company was incorporated under the laws of the State of New Jersey in November 1906, as successor to a New York business started in 1897. Its executive offices are located at 1 Becton Drive, Franklin Lakes, New Jersey 07417-1880 and its telephone number is (201) 847-6800. All references herein to "the Company" refer to Becton, Dickinson and Company and its domestic and foreign subsidiaries unless otherwise indicated by the context.

The Company is engaged principally in the manufacture and sale of a broad line of medical supplies and devices and diagnostic systems used by health care professionals, medical research institutions and the general public.

BUSINESS SEGMENTS AND GEOGRAPHIC AREAS

The Company's operations consist of two worldwide business segments: Medical Supplies and Devices, and Diagnostic Systems. The countries in which the Company has local revenue-generating operations have been combined into the following geographic areas: United States (including Puerto Rico); Europe; and Other (which is comprised of Canada, Latin America, Japan and Asia-Pacific).

Information with respect to revenues, operating income and identifiable assets attributable to each of the Company's business segments and geographic areas of operation, as well as capital expenditures and depreciation and amortization attributable to each of the Company's business segments, appears on pages 30-31 of the Company's Annual Report to Shareholders for the fiscal year ended September 30, 1997 (the "1997 Annual Report"), and is incorporated herein by reference.

MEDICAL SUPPLIES AND DEVICES SEGMENT

The major products in this segment are hypodermic products, specially designed devices for diabetes care, prefillable drug delivery systems, infusion therapy products and elastic support products and thermometers. This segment also includes disposable scrubs, specialty needles and specialty and surgical blades.

DIAGNOSTIC SYSTEMS SEGMENT

The major products in this segment are clinical and industrial microbiology products, sample collection products, flow cytometry systems for cellular analysis, tissue culture labware, hematology instruments and other diagnostic systems including immunodiagnostic test kits.

DISPOSITIONS OF BUSINESS

The Company's syringe pump business was sold in October 1996. The operating results of this business until its date of sale are reflected in the Consolidated Financial Statements incorporated herein by reference as part of Exhibit 13.

ACQUISITION OF BUSINESSES

In May 1997, the Company acquired PharMingen, a manufacturer of products for biomedical research. Also, in May 1997, the Company acquired Difco Laboratories Incorporated, a manufacturer of microbiology media and supplies. The operating results of these businesses from their respective

dates of acquisition are reflected in the Consolidated Financial Statements incorporated herein by reference as part of Exhibit 13.

FOREIGN OPERATIONS

The Company's products are manufactured and sold worldwide. The principal markets for the Company's products outside the United States are Europe, Japan, Mexico, Asia-Pacific, Canada and Brazil. The principal products sold by the Company outside of the United States are hypodermic needles and syringes, diagnostic systems, VACUTAINER (R) brand blood collection products, HYPAK (R) brand prefillable syringe systems, and infusion therapy products. The Company has manufacturing operations in Australia, Brazil, China, France, Germany, Ireland, Japan, Mexico, Singapore, Spain and the United Kingdom and in 1996 commenced construction of a hypodermic syringe manufacturing facility in India.

Foreign economic conditions and exchange rate fluctuations have caused the profitability from foreign revenues to fluctuate more than profitability from domestic revenues. The Company believes its activities in some countries outside of the United States involve greater risk than its domestic business due to the foregoing factors as well as local commercial and economic policies and political uncertainties.

REVENUES AND DISTRIBUTION

The Company's products and services are marketed in the United States both through independent distribution channels and directly to end-users. The Company's products are marketed outside the United States through independent distributors and sales representatives, and, in some markets, directly to end-users. Sales to a distributor, which supplies the Company's products to many end-users, accounted for approximately 10% of total Company revenues in fiscal 1997, and were from both business segments. Order backlog is not material to the Company's business inasmuch as orders for the Company's products are generally received and filled on a current basis, except for items temporarily out of stock. Substantially all revenue is recognized when products are shipped to customers.

RESEARCH AND DEVELOPMENT

The Company conducts its research and development activities at its operating units, its Research Center in Research Triangle Park, North Carolina and in collaboration with selected universities, medical centers and other entities. The Company also retains individual consultants to support its efforts in specialized fields. The Company spent $180,626,000 on research and development during the fiscal year ended September 30, 1997 and $154,220,000 and $144,201,000, respectively, during the two immediately preceding fiscal years. Included in fiscal year 1997 is an aggregate $14,750,000 related to in-process research and development acquired in connection with the Difco and PharMingen acquisitions, that was expensed at the date of acquisition.

COMPETITION

A number of companies, some of which are more specialized than the Company, compete in the medical technology field. In each such case, competition involves only a part of the Company's product lines. Competition in the Company's markets is based on a combination of factors including price, quality, service, reputation, distribution and promotion. Ongoing investments in research, quality management, quality and product improvement and productivity improvement are required to maintain an advantage in the competitive environments in which the Company operates.

New companies have entered the medical technology field and established companies have diversified their business activities into this area. Other firms engaged in the distribution of medical technology products have become manufacturers as well. Some of the Company's competitors have greater financial resources than the Company. The Company is also faced with competition from products manufactured outside the United States.

INTELLECTUAL PROPERTY AND LICENSES

The Company owns significant intellectual property, including patents, patent applications, trade secrets, know-how and trademarks in the United States and other countries. The Company is also

licensed under domestic and foreign patents, patent applications, trade secrets, know-how and trademarks owned by others. In the aggregate, these intellectual property assets and licenses are of material importance to the Company's business. The Company does not believe, however, that any single patent, trademark or intellectual property asset or single license is material in relation to the Company's business as a whole.

RAW MATERIALS

The Company purchases many different types of raw materials including plastics, glass, metals, yarn and yarn goods, paper products, agricultural products, electronic and mechanical sub-assemblies and various biological, chemical and petrochemical products. All but a few of the Company's principal raw materials are available from multiple sources.

REGULATION

The Company's medical technology products and operations are subject to regulation by the federal Food and Drug Administration and various other federal and state agencies, as well as by a number of foreign governmental agencies. The Company believes it is in compliance in all material respects with the regulations promulgated by such agencies, and that such compliance has not had, and is not expected to have, a material adverse effect on its business.

The Company also believes that its operations comply in all material respects with applicable environmental laws and regulations. Such compliance has not had, and is not expected to have, a material adverse effect on the Company's capital expenditures, earnings or competitive position.

EMPLOYEES

As of September 30, 1997, the Company had approximately 18,900 employees, of whom approximately 9,600 were employed in the United States. The Company believes that its employee relations are satisfactory.

ITEM 2. PROPERTIES.

The executive offices of the Company are located in Franklin Lakes, New Jersey. The Company owns and leases approximately 10,992,350 square feet of manufacturing, warehousing, administrative and research facilities throughout the world. The domestic facilities, including Puerto Rico, comprise approximately 5,454,830 square feet of owned and 1,602,370 square feet of leased space. The foreign facilities comprise approximately 2,703,230 square feet of owned and 1,231,930 square feet of leased space. Sales offices and distribution centers included in the total square footage are also located throughout the world.

Operations in both of the Company's business segments are carried on at both domestic and foreign locations. Primarily at foreign locations, facilities often serve both business segments and are used for multiple purposes, such as administrative/sales, manufacturing and/or warehousing/distribution. The Company generally seeks to own its manufacturing facilities, although some are leased. Most of the Company's administrative, sales and warehousing/distribution facilities are leased.

The Company believes that its facilities are of good construction and in good physical condition, are suitable and adequate for the operations conducted at those facilities, and are, with minor exceptions, fully utilized and operating at normal capacity.

The domestic facilities include facilities in Arizona, California, Colorado, Connecticut, Georgia, Indiana, Maryland, Massachusetts, Michigan, Missouri, Nebraska, New Jersey, New York, North Carolina, South Carolina, Texas, Utah, Wisconsin and Puerto Rico.

The foreign facilities are grouped as follows:

--Canada includes approximately 68,930 square feet of leased space.

--Europe includes facilities in Austria, Belgium, Czech Republic, Denmark, Dubai, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Kenya, the Netherlands, Poland, South Africa, Spain, Sweden, Switzerland, Turkey, the United Arab Emirates, and the United Kingdom and is comprised of approximately 1,067,110 square feet of owned and 692,870 square feet of leased space.

--Latin America includes facilities in Brazil, Colombia, Mexico, Panama and Venezuela and is comprised of approximately 1,136,030 square feet of owned and 266,700 square feet of leased space.

--Asia-Pacific includes facilities in Australia, China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, Philippines, Singapore, Taiwan, Thailand and Vietnam and is comprised of approximately 500,090 square feet of owned and 203,430 square feet of leased space.

The table below summarizes property information by business segment:

<TABLE>
<CAPTION>

	BUSINESS SEGMENT				
CATEGORY	MEDICAL SUPPLIES AND DEVICES	DIAGNOSTIC SYSTEMS	MIXED(A)	CORPORATE	TOTAL
<S>	<C>	<C>	<C>	<C>	<C>
Owned					
Facilities............	11	28	10	6	55
Square feet...........	2,080,862	3,221,567	2,384,365	471,260	8,158,054
Manufacturing (B)......	1,195,138(11)	1,450,880(21)	1,074,560(6)	0(0)	3,720,578(38)
Leased					
Facilities............	21	17	77	3	118
Square feet...........	629,431	326,810	1,806,272	71,780	2,834,293
Manufacturing (B)......	295,316(7)	61,802(4)	10,650(1)	22,300(2)	390,068(14)
Total					
Facilities............	32	45	87	9	173
Square feet...........	2,710,293	3,548,377	4,190,637	543,040	10,992,347

Manufacturing (B)......	1,490,454(18)	1,512,682(25)	1,085,210(7)	22,300(2)	4,110,646(52)

</TABLE>

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(A) Facilities used by both business segments.
(B) Aggregate square footage and number of facilities (noted in parentheses) by category used for manufacturing purposes.

ITEM 3. LEGAL PROCEEDINGS.

The Company is a party to a number of federal proceedings in the United States brought under the Comprehensive Environmental Response, Compensation and Liability Act, also known as Superfund, and similar state laws. The Company is also involved in other legal proceedings and claims which arise in the ordinary course of business, both as a plaintiff and a defendant. The results of these matters, individually and in the aggregate, are not expected to have a material effect on the Company.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

Not applicable.

EXECUTIVE OFFICERS OF THE REGISTRANT (AS OF DECEMBER 1, 1997)

The following is a list of the executive officers of the Company, their ages and all positions and offices held by each of them during the past five years. There is no family relationship between any of the named persons.

<TABLE>
<CAPTION>

NAME	AGE	POSITION
Clateo Castellini........	62	Director, Chairman of the Board, President and Chief Executive Officer since June 1994 and prior thereto Sector President -- Medical.
John W. Galiardo.........	63	Director, Vice Chairman of the Board and General Counsel since June 1994 and prior thereto Vice President and General Counsel.

</TABLE>

<TABLE>
<CAPTION>

NAME	AGE	POSITION
Robert F. Adrion........	56	President--Worldwide Infusion Therapy since October 1995; President--Worldwide Becton Dickinson Vascular Access from July 1994 to September 1995; and prior thereto, Vice President--Research and Development, Becton Dickinson Vascular Access.
Gary M. Cohen...........	38	President--Becton Dickinson Europe and Worldwide Sample Collection since October 1997; President--Worldwide Sample Collection from October 1996 to September 1997; President--Becton Dickinson Division/Worldwide Hypodermic from August 1994 to September 1996; Vice President, Marketing and Development from July 1993 to July 1994; and prior thereto, Director of Marketing.
Vincent L. De Caprio....	47	Senior Vice President and Chief Technology Officer since October 1996; Senior Vice President--Planning and Technology from July 1995 to September 1996; Sector President--Technique Products from October 1994 to June 1995; and prior thereto, President--Becton Dickinson Vascular Access.
Vincent A. Forlenza.....	44	President--Worldwide Microbiology Systems since October 1996; President--Diagnostic Instrument Systems from October 1995 to September 1996; and prior thereto, Division President--Becton Dickinson Advanced Diagnostics.
Andrew J. Kaslow........	47	Vice President--Human Resources since April 1996; Vice President--Human Resources, Pepsico Inc. from August 1994 to March 1996; and prior thereto, Vice President--Human Resources, KFC International, Inc.
William A. Kozy.........	45	President--Worldwide Injection Systems since October 1996; President--Worldwide Blood Collection from July 1995 to September 1996; and prior thereto, Division President--Vacutainer Systems.
Edward J. Ludwig........	46	Senior Vice President--Finance and Chief Financial

		Officer since July 1995; Vice President--Finance from May 1995 to June 1995; Vice President--Finance and Controller from January 1995 to May 1995; and prior thereto, President--Becton Dickinson Diagnostic Instrument Systems.
Walter M. Miller........	54	Senior Vice President--Strategy and Development since October 1996; Senior Vice President from July 1995 to September 1996; Sector President--Infectious Disease Diagnostics from October 1994 to June 1995; and prior thereto, Sector President--Diagnostic.
Deborah J. Neff.........	44	President--Worldwide Immunocytometry Systems since October 1996; President--Becton Dickinson Immunocytometry Systems from January 1995 to September 1996; Vice President--General Manager from October 1992 to December 1994; and prior thereto, Vice President--Operations.

</TABLE>

<TABLE>
<CAPTION>

NAME	AGE	POSITION
Mark C. Throdahl........	46	Senior Vice President since July 1995; Sector President--Drug Delivery from October 1994 to June 1995; President -- Nippon Becton Dickinson Company, Ltd. from May 1991 to September 1994; and prior thereto Director -- Corporate Planning.
Kenneth R. Weisshaar....	47	President--Worldwide Consumer Health Care since October 1997; Senior Vice President from July 1995 to September 1997; Sector President--Cellular Analysis Diagnostics from October 1994 to June 1995; President -- Becton Dickinson Division from March 1992 to September 1994; and prior thereto Vice President -- Planning, Performance and Development.

</TABLE>

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

The Company's common stock is listed on the New York Stock Exchange. As of November 30, 1997, there were approximately 8,993 shareholders of record. The balance of the information required by this item appears under the caption "Common Stock Prices and Dividends" on the inside back cover of the Company's 1997 Annual Report and is incorporated herein by reference as part of Exhibit 13.

ITEM 6. SELECTED FINANCIAL DATA.

The information required by this item is included under the caption "Six-Year Summary of Selected Financial Data" on page 29 of the Company's 1997 Annual Report and is incorporated herein by reference as part of Exhibit 13.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The information required by this item is included in the text contained under the caption "Financial Review" on pages 21-28 of the Company's 1997 Annual Report and is incorporated herein by reference as part of Exhibit 13.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The information required by this item is included in the text contained on pages 24 through and including the second paragraph on page 25 of the Company's 1997 Annual Report, and in Notes 1 and 9 to the consolidated financial statements contained in the Company's 1997 Annual Report, and each is incorporated herein by reference as part of Exhibit 13.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The information required by this item appears on pages 30-31 and pages 34-50 of the Company's 1997 Annual Report and is incorporated herein by reference as part of Exhibit 13.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Not applicable.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

The information relating to directors required by this item will be contained under the captions "Board of Directors", "Election of Directors" and "Continuing Directors" in a definitive Proxy Statement involving the election of directors which the registrant will file with the Securities

and Exchange Commission not later than 120 days after September 30, 1997 (the "Proxy Statement"), and such information is incorporated herein by reference.

The information relating to executive officers required by this item is included herein in Part I under the caption "Executive Officers of the Registrant".

The information required pursuant to Item 405 of Regulation S-K will be contained under the caption "Section 16(a) Beneficial Ownership Reporting Compliance" in the Company's Proxy Statement, and such information is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION.

The information required by this item will be contained under the captions "Board of Directors" and "Executive Compensation" in the Company's Proxy Statement, and such information is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The information required by this item will be contained under the caption "Share Ownership of Management and Certain Beneficial Owners" in the Company's Proxy Statement, and such information is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

Not applicable.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K.

(a)(1) FINANCIAL STATEMENTS

The following consolidated financial statements of the Company included in the Company's 1997 Annual Report at the pages indicated in parentheses, are incorporated by reference in Item 8 hereof:

Consolidated Statements of Income--Years ended September 30, 1997, 1996 and 1995 (page 34)

Consolidated Balance Sheets--September 30, 1997 and 1996 (page 35)

Consolidated Statements of Cash Flows--Years ended September 30, 1997, 1996 and 1995 (page 36)

Notes to Consolidated Financial Statements (pages 37-50)

(a)(2) FINANCIAL STATEMENT SCHEDULES

The following consolidated financial statement schedule of the Company is included herein at the page indicated in parentheses:

Schedule II--Valuation and Qualifying Accounts (page 11)

All other schedules for which provision is made in the applicable accounting regulations of the Securities Exchange Act of 1934 are not required under the related instructions or are inapplicable, and therefore have been omitted.

(a)(3) EXHIBITS

See Exhibit Index on pages 12, 13 and 14 hereof for a list of all management contracts, compensatory plans and arrangements required by this item (Exhibit Nos. 10(a)(i) through 10(k)(ii)), and all other Exhibits filed or incorporated by reference as a part of this report.

(b) REPORTS ON FORM 8-K

On July 31, 1997, the registrant filed a report on Form 8-K for purposes of filing certain agreements and instruments executed in connection with the public offering by the registrant of its 7% Debentures due August 1, 2027. No other reports on Form 8-K were filed by the registrant during the three-month period ended September 30, 1997.

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF SECTION 13 OR 15(d) 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

/s/ John W. Galiardo
By_________________________________
JOHN W. GALIARDO VICE CHAIRMAN OF THE BOARD AND GENERAL COUNSEL

Dated: December 16, 1997

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES EXCHANGE ACT OF 1934, THIS REPORT HAS BEEN SIGNED BELOW ON THE 16TH DAY OF DECEMBER, 1997 BY THE FOLLOWING PERSONS ON BEHALF OF THE REGISTRANT AND IN THE CAPACITIES INDICATED.

NAME	CAPACITY
/s/ Clateo Castellini CLATEO CASTELLINI	Chairman of the Board, President, Chief Executive Officer and Director (Principal Executive Officer)
/s/ Edward J. Ludwig EDWARD J. LUDWIG	Senior Vice President-Finance and Chief Financial Officer(Principal Financial and Accounting Officer)
/s/ Harry N. Beaty, M.D. HARRY N. BEATY, M.D.	Director
/s/ Henry P. Becton, Jr. HENRY P. BECTON, JR.	Director
/s/ Albert J. Costello ALBERT J. COSTELLO	Director
/s/ Gerald M. Edelman, M.D. GERALD M. EDELMAN, M.D.	Director
/s/ John W. Galiardo JOHN W. GALIARDO	Director
/s/ Richard W. Hanselman RICHARD W. HANSELMAN	Director
/s/ Frank A. Olson FRANK A. OLSON	Director
/s/ James E. Perrella JAMES E. PERRELLA	Director
/s/ Gloria M. Shatto GLORIA M. SHATTO	Director
/s/ Raymond S. Troubh RAYMOND S. TROUBH	Director
/s/ Margaretha AF Ugglas MARGARETHA AF UGGLAS	Director

REPORT OF INDEPENDENT AUDITORS

To the Shareholders and Board of Directors
Becton, Dickinson and Company

We have audited the consolidated financial statements and related schedule of Becton, Dickinson and Company listed in the accompanying index to financial statements (Item 14(a)). These financial statements and related schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and related schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and related schedule are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and related schedule. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements listed in the accompanying index to financial statements (Item 14(a)) present fairly, in all material respects, the consolidated financial position of Becton, Dickinson and Company at September 30, 1997 and 1996, and the consolidated results of its operations and its cash flows for each of the three years in the period ended September 30, 1997 in conformity with generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

/s/ Ernst & Young LLP

Ernst & Young LLP

Hackensack, New Jersey
November 6, 1997

BECTON, DICKINSON AND COMPANY

SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS

YEARS ENDED SEPTEMBER 30, 1997, 1996, AND 1995
(THOUSANDS OF DOLLARS)

<TABLE>
<CAPTION>

COL. A	COL. B	COL. C	COL. D	COL. E
DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	ADDITIONS CHARGED TO COSTS AND EXPENSES	DEDUCTIONS	BALANCE AT END OF PERIOD
<S>	<C>	<C>	<C>	<C>
1997				
Against trade receivables:				
For doubtful accounts............	$19,608	$ 3,289	$ 2,663(A)	$20,234
For cash discounts..............	8,448	30,532	30,481	8,499
Total........................	$28,056	$33,821	$33,144	$28,733
1996				
Against trade receivables:				
For doubtful accounts............	$16,924	$ 6,209	$ 3,525(A)	$19,608
For cash discounts..............	8,122	28,713	28,387	8,448
Total........................	$25,046	$34,922	$31,912	$28,056
1995				
Against trade receivables:				
For doubtful accounts............	$13,937	$ 4,943	$ 1,956(A)	$16,924
For cash discounts..............	8,221	27,295	27,394	8,122
Total........................	$22,158	$32,238	$29,350	$25,046

</TABLE>

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(A) Accounts written off.

EXHIBIT INDEX

<TABLE>
<CAPTION>

EXHIBIT NUMBER	DESCRIPTION	METHOD OF FILING
<S>	<C>	<C>
3(a)(i)	Restated Certificate of Incorporation, as amended January 22, 1990	Incorporated by reference to Exhibit 3(a) to the registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 1990
3(a)(ii)	Amendment to the Restated Certificate of Incorporation, as of August 5, 1996	Incorporated by reference to Exhibit 3(a) to the registrant's Quarterly Report on Form 10-Q for the period ended June 30, 1996
3(b)	By-Laws, as amended September 23, 1997	Filed with this report
4(a)	Indenture, dated as of December 1, 1982, between the registrant and Manufacturers Hanover Trust Company	Incorporated by reference to Exhibit 4 to Registration Statement No. 2-80707 on Form S-3 filed by the registrant
4(b)	First Supplemental Indenture, dated as of May 15, 1986, between the registrant and Manufacturers Hanover Trust Company	Incorporated by reference to Exhibit 4(b) to Registration Statement No. 33-5663 on Form S-3 filed by the registrant
4(c)	Second Supplemental Indenture, dated as of January 10, 1995, between the registrant and The Chase Manhattan Bank (formerly known as Chemical Bank, the successor by merger to Manufacturers Hanover Trust Company)	Incorporated by reference to Exhibit 4(c) to Form 8-K filed by the registrant on January 12, 1995
4(d)	Indenture, dated as of March 1, 1997, between the registrant and The Chase Manhattan Bank	Incorporated by reference to Exhibit 4(a) to Form 8-K filed by the registrant on July 31, 1997 (the registrant hereby agrees to furnish to the Commission upon request a copy of any other instruments which define the rights of holders of long-term debt of the registrant)
4(e)	Rights Agreement, dated as of November 28, 1995, between the registrant and First Chicago Trust Company of New York, which includes as Exhibit A thereto, the Form of Right Certificate	Incorporated by reference to Exhibit 1 to Form 8-K filed by the registrant on December 14, 1995
10(a)(i)	Employment Agreement, dated June 18, 1986, between the registrant and Clateo Castellini	Incorporated by reference to Exhibit 10(b)(i) to the registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 1986
10(a)(ii)	Employment Agreement, dated June 18, 1986, between the registrant and John W. Galiardo	Incorporated by reference to Exhibit 10(b)(ii) to the registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 1986
10(a)(iii)	Employment Agreement, dated June 9, 1987, between the registrant and Walter M. Miller	Incorporated by reference to Exhibit 10(b)(v) to the registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 1989

</TABLE>

<TABLE>
<CAPTION>

EXHIBIT NUMBER	DESCRIPTION	METHOD OF FILING
<S>	<C>	<C>
10(b)	Certified Resolution authorizing certain payments to certain corporate officers in the event of a discharge, resignation due to removal from position or a significant change in such officers' respective duties within two years after a change in control of the registrant	Incorporated by reference to Exhibit 10(k) to the registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 1986
10(c)	Form of Split Dollar Agreement and related Collateral Assignment covering the providing to corporate officers of a life insurance policy in an amount equal to two times base salary in lieu of full participation in the registrant's group life insurance program	Incorporated by reference to Exhibit 10(e) to the registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 1987
10(d)	Stock Award Plan, as amended and restated effective February 11, 1992	Incorporated by reference to Exhibit 10(d) to the registrant's Annual Report on Form 10-K for the fiscal year

		ended September 30, 1992
10(e)	1997 Management Incentive Plan	Filed with this report
10(f)(i)	1982 Unqualified Stock Option Plan, as amended and restated February 8, 1994	Incorporated by reference to Exhibit 10(g) to the registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 1994
10(f)(ii)	Addendum to 1982 Unqualified Stock Option Plan	Filed with this report
10(g)(i)	Salary and Bonus Deferral Plan, as amended and restated as of August 15, 1996	Incorporated by reference to Exhibit 4 to Registration Statement No. 333-11885 on Form S-8 filed by the registrant
10(g)(ii)	1996 Directors' Deferral Plan	Incorporated by reference to Exhibit 4 to Registration Statement No. 333-16091 on Form S-8 filed by the registrant
10(h)(i)	1990 Stock Option Plan, as amended and restated February 8, 1994	Incorporated by reference to Exhibit 10(i) to the registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 1994
10(h)(ii)	Addendum to 1990 Stock Option Plan	Filed with this report
10(i)	Retirement Benefit Restoration Plan and related Benefit Restoration Plan Trust	Incorporated by reference to Exhibit 10(j) to the registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 1992
10(j)(i)	1994 Restricted Stock Plan for Non-Employee Directors	Incorporated by reference to Exhibit A to the registrant's Proxy Statement dated January 5, 1994

</TABLE>

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EXHIBIT NUMBER	DESCRIPTION	METHOD OF FILING
<S>	<C>	<C>
10(j)(ii)	Amendment to the 1994 Restricted Stock Plan for Non-Employee Directors as of November 26, 1996	Incorporated by reference to Exhibit 10(j)(ii) to the registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 1996
10(k)(i)	1995 Stock Option Plan, as amended and restated January 27, 1997	Filed with this report
10(k)(ii)	Addendum to 1995 Stock Option Plan	Filed with this report
11	Computation of Earnings Per Share	Filed with this report
13	Portions of the registrant's Annual Report to Shareholders for fiscal year 1997	Filed with this report
21	Subsidiaries of the registrant	Filed with this report
23	Consent of independent auditors	Filed with this report
27	Financial Data Schedule	Filed with this report

</TABLE>

Copies of any Exhibits not accompanying this Form 10-K are available at a charge of 25 cents per page by contacting: Investor Relations, Becton, Dickinson and Company, 1 Becton Drive, Franklin Lakes, New Jersey 07417-1880, Phone: 1-800-284-6845.

Exhibit 3(b)

BY-LAWS
of
BECTON, DICKINSON AND COMPANY
A New Jersey Corporation
as Amended September 23, 1997

ARTICLE I

Offices

The registered office of Becton, Dickinson and Company ("Company") shall be in the Borough of Paramus, County of Bergen, State of New Jersey or such other place within or without the State of New Jersey as the Board of Directors may designate. The Company may also establish and have such other offices within or without the State of New Jersey, as the Board of Directors may designate or its business may require.

ARTICLE II

Meetings of Shareholders

SECTION 1. PLACE OF MEETINGS. Meetings of the shareholders shall be held at the registered office of the Company in New Jersey, or at such other place, within or without the State of New Jersey, as may be designated by the Board of Directors and stated in the notice of the meeting.

SECTION 2.A. ANNUAL MEETINGS. The annual meeting of shareholders for the election of directors and the transaction of such other business as may be related to the purposes set forth in the notice of the meeting shall be held at such time as may be fixed by the Board of Directors.

B. SPECIAL MEETING FOR ELECTION OF DIRECTORS. If the annual meeting of shareholders is not held on the date designated, the Board of Directors may call a special meeting of the shareholders for the election of directors and the transaction of other business.

C. SPECIAL MEETINGS. Special meetings of the shareholders may be called by the Board of Directors or by the Chairman of the Board or by the President, and shall be called by the Chairman of the Board or by the President upon written request of a majority of the Directors then in office, which request shall state the time, place and purpose of the meeting.

SECTION 3. QUORUM. The presence, in person or by proxy, of the holders of shares representing a majority of the votes entitled to be cast at a meeting shall constitute a quorum. The shareholders present in person or by proxy at a duly organized meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum. If a quorum not be present or represented at any meeting, the shareholders present in person, or by proxy, shall have power to adjourn the meeting without notice until the required voting shares shall be represented. At such adjourned meeting with the requisite amount of voting shares represented, any business may be transacted which might have been transacted at the meeting as originally notified.

SECTION 4. NOTICE OF MEETINGS. A written notice of each annual or special meeting of the shareholders of the Company, signed by the Chairman of the Board or the President or the Secretary, which shall state the time, place and purpose of such meeting, shall be delivered personally or mailed, not less than 10 days nor more than 60 days before the date of any such meeting, to each shareholder of record entitled to vote at such meeting. If mailed, the notice shall be directed to the shareholder at his address as it appears on the records of the stock transfer agent. Any shareholder, in person or by proxy, may at any time by a duly signed statement in writing to that effect, waive any statutory or other notice of any meeting, whether such statement be signed before or after such meeting.

SECTION 5. VOTING. At all meetings of the shareholders, each holder of common stock having the right to vote, and present at the meeting in person or by proxy, shall be entitled to one vote for each full share of common stock of the Company entitled to vote and registered in his name. Each holder of preferred stock of any series shall have such voting powers, if any, as the Board of Directors shall have fixed by resolution prior to the issuance of any shares of such series. Whenever any action is to be taken by vote of the shareholders, it shall be authorized by a majority of the votes cast at a meeting of the shareholders by the holders of shares entitled to vote, unless a greater plurality is required by law or the Certificate of Incorporation.

SECTION 6. PROXIES. Any shareholder of record entitled to vote may be represented at any annual or special meeting of the shareholders by a duly appointed proxy. All proxies shall be written and properly signed, but shall require no other attestation, and shall be filed with the Secretary of the meeting before being voted.

SECTION 7. ORGANIZATION. The Chairman of the Board, or in the absence of the Chairman of the Board, the Vice Chairman or the President, shall act as chairman of the meeting at all meetings of the shareholders. The Secretary, or in his absence one of the Assistant Secretaries, shall act as secretary of the meeting. In case none of the officers above designated to act as Chairman or Secretary of the meeting shall be present, a chairman or a secretary of the meeting, as the case may be, shall be chosen by a vote of the shareholders.

SECTION 8. ORDER OF BUSINESS. The order of business at all meetings of the shareholders shall be as determined by the Chairman of the meeting, but the order of business to be followed at any meeting at which a quorum is present may be changed by a vote of the shareholders.

ARTICLE III

Directors

SECTION 1. QUALIFICATIONS. Each Director shall be at least 21 years of age, a

shareholder of record of the Company, and shall be elected in the manner provided by these By-Laws.

SECTION 2. DUTIES AND POWERS. The Board of Directors shall control and manage the business and affairs of the Company, and shall exercise all powers of the Company and perform all acts which are not required to be exercised or performed by the shareholders. The Directors may adopt such rules and regulations for the conduct of their meetings and the management of the Company as they may deem proper.

SECTION 3. PLACE OF MEETINGS. Meetings of the Board of Directors shall be held at the principal office of the Company or at such other place within or without the State of New Jersey, as the Chairman of the Board or the Board may designate.

SECTION 4. TELEPHONE MEETINGS. Any or all Directors may participate in a meeting of the Board or a committee of the Board by means of conference telephone or any means of communication by which all persons participating in the meeting are able to hear each other.

SECTION 5. NOTICE OF MEETINGS There shall be an annual meeting of the Board of Directors held without notice immediately following the annual meeting of shareholders, or as soon thereafter as convenient, at the same place as the annual meeting of shareholders unless some other location is designated by the Chairman of the Board or by the President. Regular meetings, without notice, may be held at such time and place as the Board of Directors may designate The Chairman of the Board or the President may call any special meeting of the Board of Directors, and shall do so whenever requested in writing by at least one-third of the Directors. Notice of each special meeting shall be mailed to each director at least four days before the date on which the meeting is to be held, or be telephoned or sent to each Director by telegraph, telex, TWX, cable, wireless or similar means of communication, or be delivered in person, not later than the day before the date on which such meeting is to be held. The Board of Directors may meet to transact business at any time and place without notice, provided that each director shall be present, or that any Director or Directors not present shall waive notice in writing, either before or after such meeting. The attendance of any Director at a meeting without protesting prior to the conclusion of the meeting the lack of notice of such meeting shall constitute a waiver of notice by him. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. Notice of an adjourned meeting need not be given if the time and place are fixed at the meeting adjourning and if the period of adjournment does not exceed 10 days in any one adjournment.

SECTION 6. QUORUM. A majority of the Directors then in office shall constitute a quorum for the transaction of business, but the Director or Directors present, if less than a quorum, may adjourn any meeting from time to time until such quorum shall be present. All questions coming before the Board of Directors shall be determined and decided by a majority vote of the Directors present, unless the vote of a greater number is required by statute, the Certificate of Incorporation or these By-Laws.

SECTION 7. ACTION WITHOUT A MEETING. The Board of Directors may act without a meeting if, prior or subsequent to such action, each Director shall consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

SECTION 8. COMPENSATION OF DIRECTORS. The Board may, by the affirmative vote of a majority of the Directors then in office, fix reasonable fees or compensation of the Directors for services to the Company, including attendance at meetings of the Board of Directors or Committees of the Board. Nothing herein contained shall be construed to preclude any Director from serving the Company in any other capacity and receiving compensation therefor. Each Director shall be entitled to receive reimbursement for reasonable expenses incurred in the performance of his duties.

ARTICLE IV

Committees

SECTION 1. HOW CONSTITUTED AND POWERS. The Board of Directors, by resolution of a majority of the Directors then in office, shall appoint from among its members the committees enumerated in the By-laws and may appoint one or more other committees. The Board shall designate one member of each committee its chairman. To the extent provided in the By-law or any resolution conferring or limiting its powers each committee shall have and may exercise all the authority of the Board, except that no committee shall:

(a) make, alter, or repeal any By-law of the Company;

(b) elect, appoint or remove any Director, or elect, appoint or remove any corporate officer;

(c) submit to shareholders any action that requires approval of shareholders;

(d) amend or repeal any resolution adopted by the terms is amendable or repealable only by the Board of Directors which by its Board;

(e) act on matters assigned to other committees appointed by the Board of Directors;

(f) declare or pay any dividends or issue any additional shares of authorized and unissued capital stock; or

(g) create, dissolve or fill any vacancy on any committee appointed by the Board of Directors.

The Board, by resolution of a majority of the Directors then in office may fill any vacancy in any committee; appoint one or more alternate members of any committee to act in the absence or disability of members of such committees with all the powers of such absent or disabled members; or remove any director from membership on any committee

SECTION 2. EXECUTIVE COMMITTEE. The Executive Committee shall consist of not less than 3 members. During the intervals between meetings of the Board of Directors and subject to Section 1 of this Article, the Executive Committee shall possess and may exercise all the powers and authority of the Board of Directors in the control and management of the business and affairs of the Company.

SECTION 3. FINANCE COMMITTEE. The Finance Committee shall consist of not less than five members. The Finance Committee shall regularly review the financial and accounting affairs of the Company and shall:

(i) monitor the Company's financial structure and recommend to the Board appropriate debt or equity financing to meet the Company's long-term objectives;

(ii) review and approve the Company's dividend policy and recommend to the Board appropriate dividend action;

(iii) review and approve financial plans, capital expenditure budgets and capital expenditures (including leases) that on an individual basis exceed $5 million and that are not included in the capital expenditure budget;

(iv) review and approve purchases and dispositions of real property; provided, that notwithstanding the foregoing or anything contained in clause (iii) above to the contrary, any two executive officers of the Company acting together shall have the power, without the need for any approval of the Finance Committee or the Board, to approve, execute and effect from time to time (A) acquisitions of real property that on an individual basis have purchase prices of up to and including $25 million, and (B) dispositions of real property that on an individual basis have sale prices of up to and including $25 million and do not result in a pre-tax loss of $5 million or more on the consolidated books of the Company;

(v) review and recommend appropriate Board action with respect to acquisitions and divestitures of assets (including, without limitation, stock and other equity interests in corporations, partnerships or other entities, but excluding individual purchases and dispositions of real property and acquisitions of assets approved pursuant to clause (iii) above) that, individually or in the aggregate, in one or more of a series of related transactions, have a purchase or sale price, as applicable, equal to or greater than $10 million; and

(vi) review and approve (A) the establishment of a subsidiary in a country in which the Company has no other subsidiary if the operation of such subsidiary would involve an investment of more than $2.5 million, (B) the dissolution of a subsidiary that would result in a pre-tax loss of $5 million or more on the consolidated books of the Company, (C) the establishment of a subsidiary in a country in which the Company has an existing subsidiary if the operation of such new subsidiary would involve an

investment of more than $25 million, and (D) any change in capital of a subsidiary that exceeds $25 million or that would result in a pre-tax charge of $5 million or more on the consolidated books of the Company.

The Finance Committee also shall be a fiduciary of the Company's employee benefit plans in the United States and Puerto Rico which require funding, and be responsible for the selection of fund managers, the establishment and implementation of funding and investment policies and guidelines, and for the fiscal management and control of all such plans of the Company and its subsidiaries in the United States and Puerto Rico.

SECTION 4. AUDIT COMMITTEE. The Audit Committee shall consist of not less than 3 members, none of whom are officers or employees of the Company or any subsidiary, and a majority of whom are not former officers of the Company or any subsidiary.

The Audit Committee shall (i) recommend to the Board of Directors each year a firm of independent accountants to be the auditors of the Company for the ensuing fiscal year; (ii) review and discuss with the auditors and report to the Board of Directors thereon, prior to the annual meeting of shareholders, the plan and results of the annual audit of the Company; (iii) review and discuss with the auditors their independence, fees, functions and responsibilities, the internal auditing, control, and accounting systems of the Company and other related matters as the Committee from time to time deems necessary or desirable; and (iv) direct and supervise investigations into matters within the scope of its duties.

SECTION 5. COMPENSATION AND BENEFITS COMMITTEE. The Compensation and Benefits Committee (the "Committee") shall consist of not less than three members, all of whom are to be "nonemployee directors" within the meaning of Rule 16b-3(b)(3) under the Securities Exchange Act of 1934.

The Committee and Benefits Committee shall: (i) review annually the overall compensation program for the Company's corporate officers, including the executive officers; (ii) approve the compensation of the executive officers, including, but not limited to, regular or periodic compensation and additional or year-end compensation; (iii) review and approve all consulting or employment contracts of the Company or of any subsidiary with any corporate officer, including any executive officer, or with any Director, provided, that any such contract with any Director must also be approved by the Board of Directors; (iv) serve as the granting and administrative committee for the Company's stock option and stock award plans; and (v) perform such other duties as may from time to time be assigned by the Board of Directors with respect to executive compensation.

In addition, the Committee shall: (i) oversee the administration of employee benefits and benefit plans for the Company and its subsidiaries; (ii) review and approve, or recommend to the Board, new benefits or changes in existing benefits; and (iii) appoint from among the management of the Company committees to administer such employee benefits and benefit plans.

SECTION 6. CORPORATE RESPONSIBILITY COMMITTEE. The Corporate Responsibility Committee shall review the Company's policies and procedures affecting its role as a

responsible corporate citizen, including, but not limited to, those relating to issues such as equal employment opportunity and community relations, to health, safety and environmental matters, and to proper business practices.

SECTION 7. COMMITTEE ON DIRECTORS. The Committee on Directors shall consist of not less than 3 members, a majority of whom are neither officers of nor otherwise employed or retained by the Company or any subsidiary.

The Committee on Directors shall: (i) recommend to the Board candidates for election as Directors at the annual meeting of shareholders or to fill vacancies on the Board; and (ii) make recommendations concerning the composition, organization and functions of the Board and the performance, qualifications, conduct, including memberships on other boards, and compensation of Directors.

SECTION 8. MEETINGS AND PROCEDURES. Each committee may make its own rules of procedure and shall meet as provided by such rules or by resolution of the Board of Directors, and shall also meet at the call of the chairman of the committee, the Chairman of the Board, the President, or a majority of the members of the committee.

A majority of the members of a committee shall constitute a quorum. The affirmative vote of a majority of all of the members shall be necessary for the adoption of a resolution or to approve any matter within the scope of the authority of a committee. Minutes of the proceedings of a committee shall be recorded in a book provided for that purpose and filed with the Secretary of the Company. A committee may act without a meeting if, prior or subsequent to such action, each member shall consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the committee.

Action taken by a committee, with or without a meeting, shall be reported to the Board of Directors at its next regular meeting following such committee action; except that, when the meeting of the Board is held within 2 days after the committee action, such report, if not made at the first meeting, shall be made to the Board at its second meeting following such action.

ARTICLE V

Officers

SECTION 1. ENUMERATION, APPOINTMENT AND REMOVAL. The corporate officers of the Company shall be a Chairman of the Board, a Vice Chairman of the Board, a President, one or more Executive Vice Presidents, one or more Senior Vice Presidents, one or more Sector Presidents, one or more Group Presidents, one or more Vice Presidents, a Controller, a Treasurer, a Secretary and such other corporate officers (including assistant corporate officers) as the Board of Directors may deem necessary or desirable for the transaction of the business of the Company. In its discretion, the Board of Directors may leave unfilled any office except those of the President, Treasurer, and Secretary, and should any vacancy occur among said officers by death, resignation or otherwise, the same shall be filled at the next regular meeting of the Board of Directors or at a special meeting. Any two or more

offices may be held by the same person. The Board of Directors, by resolution adopted by a majority of the Directors, then in office, shall designate the Chairman of the Board or the President to serve as the Chief Executive Officer of the Company.

The corporate officers shall be elected at the first meeting of the Board of Directors after the annual election of Directors, and shall hold office until the next succeeding annual meeting of the Board of Directors, subject to the power of the Board of Directors to remove any corporate officer at pleasure by an affirmative vote of the majority of the Directors then in office.

Every corporate officer shall have such authority and perform such duties in the management of the Company as may be provided in these By-laws, or such duties consistent with these By-laws as may be assigned by the Board of Directors or the Chief Executive Officer.

SECTION 2. CHIEF EXECUTIVE OFFICER. The Chief Executive Officer shall be elected from among the members of the Board of Directors and shall have general charge and supervision over and responsibility for the business and affairs of the Company. He shall keep the Board of Directors fully informed concerning those areas in his charge, and shall perform such other duties as may be assigned to him by the Board of Directors. In the absence or disability of the Chairman of the Board and of the Vice Chairman of the Board, the Chief Executive Officer shall have all the powers and perform all the duties of the Chairman of the Board.

SECTION 3. CHAIRMAN OF THE BOARD The Chairman of the Board shall preside at all meetings of the Board of Directors and of the shareholders and shall perform such other duties as these By-laws or the Board of Directors may prescribe.

SECTION 4. VICE CHAIRMAN OF THE BOARD. In the absence or disability of the Chairman of the Board, the Vice Chairman of the Board shall have all the powers and perform all the duties of the Chairman of the Board. He shall perform such other duties as may be assigned to him by the Board of Directors or Chairman of the Board

SECTION 5. PRESIDENT. The President shall have such powers and perform such duties as may be provided by statute, these By-laws, and as may be assigned by the Board of Directors or the Chief Executive Officer.

SECTION 6. TREASURER. The Treasurer shall have the care and custody of the Company funds and securities, maintain banking relationships and execute credit and collection policies. He shall perform such other duties and possess such other powers as are incident to his office.

SECTION 7. SECRETARY. The Secretary shall attend all meetings of the Board of Directors and of the shareholders, and shall record all proceedings of such meetings in books to be kept for that purpose. The Secretary shall give, or cause to be given, notice of all meetings of the shareholders and the Board of Directors. He shall have the custody of the seal of the Company and shall affix the same to all instruments requiring it, and attest the same. He shall perform such other duties and possess such other powers as are incident to his office.

ARTICLE VI

Certificate of Capital Stock

SECTION 1. FORM AND TRANSFERS. The interest of each shareholder of the Company shall be evidenced by certificates for shares of capital stock, certifying the number of shares represented thereby and in such form as the Board of Directors may from time to time prescribe.

Transfers of shares of the capital stock of the Company shall be made only on the books of the Company, which shall include the books of the stock transfer agent, by the registered holder thereof, or by his attorney authorized by power of attorney duly executed and filed with the Secretary of the Company, or a transfer agent appointed as provided in Section 4 of this Article, and on surrender of the certificate or certificates for such shares properly endorsed and the payment of all taxes thereon. The person in whose name shares of capital stock stand on the books of the Company shall be deemed the owner thereof for all purposes. The Board may, from time to time, make such additional rules and regulations as it may deem expedient concerning the issue, transfer, and registration of certificates for shares of the capital stock of the Company.

Certificates shall be signed by, or in the name of the corporation by, the chairman or vice-chairman of the board, or the president or a vice-president, and may be countersigned by the treasurer or an assistant treasurer, or the secretary or an assistant secretary of the corporation and may be sealed with the seal of the corporation or a facsimile thereof. Any or all signatures upon a certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon such certificate, shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer, transfer agent or registrar at the date of its issue.

SECTION 2. FIXING RECORD DATE. For the purpose of determining the shareholders entitled to notice of or to vote at any meeting of shareholders or an adjournment thereof, or to express consent to or dissent from any proposal without a meeting, or for the purpose of determining the shareholders entitled to receive payment of any dividend or allotment of any right, or for the purpose of any other action, the Board of Directors shall fix a date not more than 60 days nor less than 10 days before the date of any such meeting, nor more than 60 days prior to any other action, as the record date for any such determination of shareholders.

SECTION 3. LOST, STOLEN, DESTROYED, OR MUTILATED CERTIFICATES. No certificate for shares of capital stock in the Company shall be issued in place of any certificate alleged to have been lost, destroyed or stolen, except on production of evidence of such loss, destruction or theft and on delivery to the Company, if the Board of Directors shall so require, of a bond of indemnity upon such terms and secured by such surety as the Board of Directors may in its discretion require. A new certificate may be issued without requiring any bond when, in the judgment of the Board of Directors, it is proper to do so.

SECTION 4. TRANSFER AGENT AND REGISTRAR. The Board of Directors may appoint one or more transfer agents and one or more registrars, and may require all certificates of capital stock to bear the signature or signatures of any of them. One corporation may serve as both transfer agent and registrar.

SECTION 5. EXAMINATION OF BOOKS BY SHAREHOLDERS. So far as it is not inconsistent with the law of New Jersey, the Board of Directors shall have power to determine, from time to time, whether and to what extent and at what times and places and under what conditions and regulations the books and records of account, minutes of the proceedings of the shareholders, Board of Directors and any committee of the Company, and other documents of the Company, or any of them, shall be open to inspection of the shareholders.

SECTION 6. VOTING SHARES OF OTHER CORPORATIONS. Unless otherwise ordered by the Board of Directors, the Chairman of the Board and the President, or either of them, shall have full power and authority on behalf of the Company to attend and to act and to vote at any meeting of Shareholders of any corporation in which this Company may hold stock, and at any such meeting shall possess and may exercise any and all rights and powers incident to the ownership of such stock, and which, as the owner thereof, this Company might have possessed and exercised if present. The Board of Directors, by resolution, from time to time, may confer like powers upon any other person or persons.

ARTICLE VII

Dividends

Dividends shall be declared and paid at such times and in such amounts as the Board of Directors may in its absolute discretion determine and designate, subject to the restrictions and limitations imposed by law.

ARTICLE VIII

Signatures

Unless otherwise required by law, by the Certificate of Incorporation, by these By-laws, or by resolution of the Board of Directors, the Chief Executive Officer, the President or any Executive Vice President, Senior Vice President, Sector President, Group President, or Vice President, or the Controller or the Treasurer of the Company may enter into and execute in the name of the Company, contracts or other instruments in the regular course of business, or contracts or other instruments not in the regular course of business which are authorized either generally or specifically by the Board of Directors, and the Secretary or an Assistant Secretary shall affix the Company seal thereto and attest the same, if required.

ARTICLE IX

Fiscal Year

The fiscal year of the Company shall begin on the 1st day of October in each year and end on the September 30th next succeeding.

ARTICLE X

Directors May Contract With Company

Any Director or corporate officer may be a party to or may be interested in any agreement or transaction of this Company by which he may personally benefit, with the same force and effect as if he were either an entire stranger to the Company or to the Board of Directors, provided the fact that he is so interested or may personally benefit shall be disclosed or shall have been known to the majority of the Board of Directors; and further provided that such agreement or transaction shall be approved or ratified by the affirmative vote of a majority of the Directors not so interested or benefited.

ARTICLE XI

Indemnification

The Company shall indemnify to the full extent authorized or permitted by the New Jersey Business Corporation Act, any corporate agent (as defined in said Act), or his legal representative, made, or threatened to be made, a party to any action, suit or proceeding (whether civil, criminal, administrative or investigative) by reason of the fact that he is or was a corporate agent of this Company.

ARTICLE XII

Amendments

These By-laws may be altered, amended or repealed by the shareholders or by a majority vote of the Directors then in office. Any By-law adopted, amended or repealed by the shareholders may be amended or repealed by a majority vote of the Directors then in office unless the resolution of the shareholders adopting such By-law expressly reserves the right to amend or repeal it to the shareholders.

ARTICLE XIII

Force and Effect of By-Laws

These By-laws are subject to the provisions of the New Jersey Business

Corporation Act and the Company's Certificate of Incorporation, as it may be amended from time to time. If any provision in these By-laws is inconsistent with a provision in that Act or the Certificate of Incorporation, the provision of that Act or the Certificate of Incorporation shall govern to the extent of such inconsistency

chairman of the committee, the Chairman of the Board, the President or a majority of the members of the committee.

A majority of the members of a committee shall constitute a quorum. The affirmative vote of a majority of all of the members shall be necessary for the adoption of a resolution or to approve any matter within the scope of the authority of a committee. Minutes of the proceedings of a committee shall be recorded in a book provided for that purpose and filed with the Secretary of the Company. A committee may act without a meeting if, prior or subsequent to such action, each member shall consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the committee.

Action taken by a committee, with or without a meeting, shall be reported to the Board of Directors at its next regular meeting following such committee action; except that, when the meeting of the Board is held within 2 days after the committee action, such report, if not made at the first meeting, shall be made to the Board at its second meeting following such action.

ARTICLE V
Officers

SECTION 1. ENUMERATION, APPOINTMENT AND REMOVAL. The corporate officers of the Company may include a Chairman of the Board, a Vice Chairman of the Board, a President, one or more Executive Vice Presidents, one or more Senior Vice Presidents, one or more Sector Presidents, one or more Group Presidents, one or more Vice Presidents, a Controller, a Treasurer, a Secretary and such other corporate officers (including assistant corporate officers) as the

Board of Directors may deem necessary or desirable for the transaction of the business of the Company. In its discretion, the Board of Directors may leave unfilled any office except those of the President, Treasurer and Secretary, and should any vacancy occur among said officers by death, resignation or otherwise, the same shall be filled at the next regular meeting of the Board of Directors or at a special meeting. Any two or more offices may be held by the same person. The Board of Directors, by resolution adopted by a majority of the Directors, then in office, shall designate the Chairman of the Board or the President to serve as the Chief Executive Officer of the Company.

The corporate officers shall be elected at the first meeting of the Board of Directors after the annual election of Directors, and shall hold office until the next succeeding annual meeting of the Board of Directors, subject to the power of the Board of Directors to at any time appoint additional corporate officers or remove any corporate officer at pleasure by an affirmative vote of the majority of the Directors.

The corporate officers shall have such authority and perform such duties in the management of the Company as are incident to their respective offices and as may be provided in these By-laws, as well as such other duties consistent with these By-laws as may be assigned by the Board of Directors or the Chief Executive Officer.

SECTION 2. CHIEF EXECUTIVE OFFICER. The Chief Executive Officer shall be elected from among the members of the Board of Directors and shall have general charge and supervision over and responsibility for the business and affairs of the Company. He shall keep the Board of Directors fully informed concerning those areas in his charge, and shall perform such other duties as may

be assigned to him by the Board of Directors. In the absence or disability of the Chairman of the Board and of the Vice Chairman of the Board, the Chief Executive Officer shall have all the powers and perform all the duties of the Chairman of the Board.

SECTION 3. CHAIRMAN OF THE BOARD. The Chairman of the Board shall preside at all meetings of the Board of Directors and of the shareholders and shall perform such other duties as these By-laws or the Board of Directors may prescribe.

SECTION 4. VICE CHAIRMAN OF THE BOARD. In the absence or disability of the Chairman of the Board, the Vice Chairman of the Board shall have all the powers and perform all the duties of the Chairman of the Board. He shall perform such other duties as may be assigned to him by the Board of Directors or Chairman of the Board.

SECTION 5. PRESIDENT. The President shall have such powers and perform such duties as may be provided by statute, these By-laws, and as may be assigned by the Board of Directors or the Chief Executive Officer.

SECTION 6. TREASURER. The Treasurer shall have the care and custody of the Company funds and securities, maintain banking relationships and execute credit and collection policies. He shall perform such other duties and possess such other powers as are incident to his office.

SECTION 7. SECRETARY. The Secretary shall attend all meetings of the Board of Directors and of the shareholders, and shall record all proceedings of such meetings in books to be kept for that purpose. The Secretary shall give, or

cause to be given, notice of all meetings of the shareholders and the Board of Directors. He shall have the custody of the seal of the Company and shall affix the same to all instruments requiring it, and attest the same. He shall perform such other duties and possess such other powers as are incident to his office.

ARTICLE VI
Certificate of Capital Stock

SECTION 1. FORM AND TRANSFERS. The interest of each shareholder of the Company shall be evidenced by certificates for shares of capital stock, certifying the number of shares represented thereby and in such form as the Board of Directors may from time to time prescribe.

Transfers of shares of the capital stock of the Company shall be made only on the books of the Company, which shall include the books of the stock transfer agent, by the registered holder thereof, or by his attorney authorized by power of attorney duly executed and filed with the Secretary of the Company, or a transfer agent appointed as provided in Section 4 of this Article, and on surrender of the certificate or certificates for such shares properly endorsed and the payment of all taxes thereon. The person in whose name shares of capital stock stand on the books of the Company shall be deemed the owner thereof for all purposes. The Board may, from time to time, make such additional rules and regulations as it may deem expedient concerning the issue, transfer and registration of certificates for shares of the capital stock of the Company.

Certificates shall be signed by, or in the name of the Company by, the Chairman or Vice Chairman of the Board, or the President or a Vice-President,

and may be countersigned by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Company, and may be sealed with the seal of the Company or a facsimile thereof. Any or all signatures upon a certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon such certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Company with the same effect as if he were such officer, transfer agent or registrar at the date of its issue.

SECTION 2. FIXING RECORD DATE. For the purpose of determining the shareholders entitled to notice of or to vote at any meeting of shareholders or an adjournment thereof, or to express consent to or dissent from any proposal without a meeting, or for the purpose of determining the shareholders entitled to receive payment of any dividend or allotment of any right, or for the purpose of any other action, the Board of Directors shall fix a date not more than 60 days nor less than 10 days before the date of any such meeting, nor more than 60 days prior to any other action, as the record date for any such determination of shareholders.

SECTION 3. LOST, STOLEN, DESTROYED OR MUTILATED CERTIFICATES. No certificate for shares of capital stock in the Company shall be issued in place of any certificate alleged to have been lost, destroyed or stolen, except on production of evidence of such loss, destruction or theft and on delivery to the Company, if the Board of Directors shall so require, of a bond of indemnity upon such terms and secured by such surety as the Board of Directors may in its discretion require. A new certificate may be issued without requiring any bond when, in the judgment of the Board of Directors, it is proper to do so.

SECTION 4. TRANSFER AGENT AND REGISTRAR. The Board of Directors may appoint one or more transfer agents and one or more registrars, and may require all certificates of capital stock to bear the signature or signatures of any of them. One company may serve as both transfer agent and registrar.

SECTION 5. EXAMINATION OF BOOKS BY SHAREHOLDERS. So far as it is not inconsistent with the law of New Jersey, the Board of Directors shall have power to determine, from time to time, whether and to what extent and at what times and places and under what conditions and regulations the books and records of account, minutes of the proceedings of the shareholders, Board of Directors and any committee of the Company, and other documents of the Company, or any of them, shall be open to inspection of the shareholders.

SECTION 6. VOTING SHARES OF OTHER CORPORATIONS. Unless otherwise ordered by the Board of Directors, the Chairman of the Board, or another officer thereunto duly authorized by the Chairman of the Board, shall have full power and authority on behalf of the Company to attend and to act and to vote at any meeting of shareholders of any corporation in which this Company may hold stock, and at any such meeting shall possess and may exercise any and all rights and powers incident to the ownership of such stock, and which, as the owner thereof, this Company might have possessed and exercised if present. The Board of Directors, by resolution, from time to time, may confer like powers upon any other person or persons.

ARTICLE VII
Dividends

Dividends shall be declared and paid at such times and in such amounts as the Board of Directors may in its absolute discretion determine and designate, subject to the restrictions and limitations imposed by law.

ARTICLE VIII
Signatures

Unless otherwise required by law, by the Certificate of Incorporation, by these By-laws, or by resolution of the Board of Directors, the Chief Executive Officer, the President or any Executive Vice President, Senior Vice President, Sector President, Group President, or Vice President, or the Controller or the Treasurer of the Company may enter into and execute in the name of the Company, contracts or other instruments in the regular course of business, or contracts or other instruments not in the regular course of business which are authorized, either generally or specifically by the Board of Directors, and the Secretary or an Assistant Secretary shall affix the Company seal thereto and attest the same, if required.

ARTICLE IX
Fiscal Year

The fiscal year of the Company shall begin on the 1st day of October in each year and end on the September 30th next succeeding.

ARTICLE X
Directors May Contract With Company

Any Director may be a party to or may be interested in any agreement or transaction of this Company by which such Director may personally benefit, with the same force and effect as if such Director were either an entire stranger to the Company or to the Board of Directors, provided the fact that such Director is so interested or may personally benefit shall be disclosed or shall have been known to the majority of the Board of Directors; and further provided that such agreement or transaction shall be approved or ratified by the affirmative vote of a majority of the Directors not so interested or benefited.

ARTICLE XI
Indemnification

The Company shall indemnify to the full extent authorized or permitted by the New Jersey Business Corporation Act, any corporate agent (as defined in said Act), or such agent's legal representative, made, or threatened to be made, a party to any action, suit or proceeding (whether civil, criminal, administrative or investigative) by reason of the fact that such agent is or was a corporate agent of this Company.

ARTICLE XII
Amendments

These By-laws may be altered, amended or repealed by the shareholders or by a majority vote of the Directors. Any By-law adopted, amended or repealed by the shareholders may be amended or repealed by a majority vote of the Directors,

unless the resolution of the shareholders adopting such By-law expressly reserves the right to amend or repeal it to the shareholders.

ARTICLE XIII
Force and Effect of By-laws

These By-laws are subject to the provisions of the New Jersey Business Corporation Act and the Company's Certificate of Incorporation, as it may be amended from time to time. If any provision in these By-laws is inconsistent with a provision in that Act or the Certificate of Incorporation, the provision of that Act or the Certificate of Incorporation shall govern to the extent of such inconsistency.

EXHIBIT 10(E)

BECTON, DICKINSON AND COMPANY

1997 MANAGEMENT INCENTIVE PLAN

PURPOSE

The purpose of the 1997 Management Incentive Plan (the "Plan") is to provide annual incentive payments to management for their contribution to the Company's successful financial performance and the accomplishment of strategic objectives.

THE PAYMENT OF ANNUAL INCENTIVES IS SOLELY WITHIN THE DISCRETION OF THE MANAGEMENT INCENTIVE COMMITTEE, SUBJECT TO THESE GUIDELINES. NO EMPLOYEE HAS ANY VESTED RIGHT TO ANY SUCH PAYMENT.

MANAGEMENT INCENTIVE COMMITTEE

The Management Incentive Committee will be responsible for administering this Plan. The committee will consist of the Chairman, President and Chief Executive Officer and other senior executives as designated from time to time by the Chairman, President and Chief Executive Officer.

ELIGIBILITY

Participation in any particular fiscal year is restricted to employees of the Company and its worldwide subsidiaries in exempt (or management) Band E (or Grade 9) and above positions (other than those covered under Sales Incentive Plans). Current employees promoted to, and persons newly hired to, Band E (or Grade 9) and above positions during a particular fiscal year are considered for a pro-rata bonus. Persons employed by companies acquired by the Company which have pre-existing executive incentive, profit sharing or similar programs will not participate in this Plan until and unless those plans are superseded by this Plan.

PARTICIPATION LEVELS

Plan targets for eligible employees are determined based upon base salary or title and reporting relationships of the participant. Targets range from 10% to 80% of base salary.

INCENTIVE CALCULATION

Incentive payments shall be made under the Plan based upon total company, business unit and individual performance, as measured against certain financial and strategic criteria and targets established from time to time by the Compensation and Benefits Committee of the Board of Directors.

FACTOR SCALES AND MULTIPLIERS

Financial and strategic performance measures be subject to a multiplier determined on an annual basis by the Management Incentive Committee, both upwards (for performance above target, up to a maximum score of 200% of target) and downwards (for performance below target).

DETERMINATION OF DIVISION AND CORPORATE INCENTIVE POOLS

(a) Unit Theoretical Incentive

On or about October 15th following the close of each fiscal year, Business Unit Heads and Corporate Officers will be provided with a list of approved participants for their unit for whom that unit has, during the course of the prior fiscal year, accrued a hypothetical incentive pool at 100% of target.

(b) Unit Performance Ratings

On or about October 15th following the close of each fiscal year, the Management Incentive Committee will determine the final unit and company performance ratings used to determine incentive factors for the fiscal year. The incentive pool is determined by applying the incentive factors determined by the Compensation and Benefits Committee to the hypothetical accrued incentive pool.

INCENTIVE PAYMENT FACTORS

Incentive payment factors will be established as a composite of total company and business unit performance ratings.

(a) Minimum Earnings Requirement

If the financial performance of a unit is below the minimum threshold established by the Compensation and Benefits Committee, the incentive payout will be limited pursuant to guidelines recommended by management for approval by the Compensation and Benefits Committee.

(b) Communication

The operating unit and Corporate ratings will be communicated to Business Unit Heads and Corporate Staff by the Chairman, President and Chief Executive Officer.

(c) Incentive Payment Recommendations

The Business Unit Heads and Corporate Officers will apply the final unit factors to the individual incentive targets to develop the recommended incentive amounts. They will have discretion to recommend incentives that differ from the formula; provided that no individual may receive an incentive payment in excess of 200% of target.

FINAL REVIEW AND APPROVAL

The recommendations for all incentive payments will be reviewed and approved by the Business Unit Heads and Corporate Executive Officers, and Chief Executive Officer for their respective areas of responsibility. In the case of Executive Officers, recommendations will be subject to final review and approval by the Compensation and Benefits Committee of the Board of Directors.

(a) Adjustments

If the overall performance of the Company will not support the total incentive produced by the plan formula, or if such incentive is subject to government regulation or other external or internal limitations, any required adjustment will be determined by the Management Incentive Committee and applied pro rata to all units as a final step in the incentive calculation.

(b) Maximum Payout Guideline

Total incentive payments under the Plan may not, barring special circumstances, exceed 6% of the Company's income before income taxes, as reported, for the fiscal year. Total incentive payments to Senior Managers (as defined by the Compensation and Benefits Committee) may not, barring special circumstances, exceed 3% of the Company's after-tax net income, as reported, for the fiscal year.

(c) Payment

Incentives will normally be paid in January of the calendar year following the year in which they are awarded. An employee may elect, in writing prior to September 30th, to accelerate any incentive payable under this Plan to December. Except in cases of death, disability or retirement, no incentive payments will be made to individuals who are not active employees on the final day of the fiscal year. Employees who are terminated for cause prior to the distribution date will forfeit their incentives.

Incentives awarded to any employee who dies prior to the distribution date may be made, at the discretion of management, to the survivors of the employee.

(d) Deferral Options

Certain participants are eligible to defer receipt of their incentive payments in accordance with the Company's Salary and Bonus Deferral Plan. Eligibility to defer, and terms and conditions of deferral, are governed by that plan.

(e) Exceptions

Any recommendations for exceptions to the provisions of the Plan must be submitted to the Management Incentive Committee for review and are subject to final approval by the Chief Executive Officer. Any exceptions applicable to Executive Officers are further subject to approval by the Compensation and Benefits Committee of the Board of Directors.

EXHIBIT 10(f)(ii)

BECTON, DICKINSON AND COMPANY

1982 UNQUALIFIED STOCK OPTION PLAN

FRENCH ADDENDUM

This Addendum to the Becton, Dickinson and Company 1982 Unqualified Stock Option Plan (the "Plan") modifies and supplements the terms and conditions of the Plan with respect to the Unqualified Stock Options granted to, and the related shares of Stock acquired upon exercise of an Unqualified Stock Option ("Option Shares") by, any Grantee subject to taxation by the Republic of France with respect to such Stock Options or Option Shares (a "French Optionholder"). Capitalized terms used and not otherwise defined herein shall have the same meanings as set forth in the Plan.

1. Notwithstanding anything contained in the Plan to the contrary, in no event shall an Unqualified Stock Option granted to a French Optionholder be amended, directly or indirectly, after the Granting Date of the Unqualified Stock Option to change the purchase price of a share of Stock subject to the Unqualified Stock Option, except as contemplated in Section 9 (Adjustments) of the Plan.

2. A French Optionholder shall hold all Option Shares acquired and not sold either (i) in registered form, as the shareholder of record, on the books and records of the Company's transfer agent, or (ii) in a named account, as the beneficial owner of such shares, at the Broker designated from time to time by the Company as the permitted nominal record holder of such shares (any Options Shares not being held by a French Optionholder in accordance with either clause (i) or (ii) above being referred to herein as "Improperly Held Shares"). For purposes of the tax laws of France, the Company shall have the right to deem any Option Shares not being held either of record or beneficially by the French Optionholder in accordance with clause (i) or (ii) above to have been sold by the French Optionholder as of the date they became Improperly Held Shares, and the Company shall be entitled to (y) report such Improperly Held Shares as so sold on any reports, returns or statements required to be filed by the Company with the appropriate tax authorities of France, and (z) collect or withhold from the French Optionholder all amounts required, if any, under applicable French law as though such Option Shares had been sold.

EXHIBIT 10(h)(ii)

BECTON, DICKINSON AND COMPANY

1990 STOCK OPTION PLAN

FRENCH ADDENDUM

This Addendum to the Becton, Dickinson and Company 1990 Stock Option Plan (the "Plan") modifies and supplements the terms and conditions of the Plan with respect to the Stock Options granted to, and the related shares of Stock acquired upon exercise of a Stock Option ("Option Shares") by, any Grantee subject to taxation by the Republic of France with respect to such Stock Options or Option Shares (a "French Optionholder"). Capitalized terms used and not otherwise defined herein shall have the same meanings as set forth in the Plan.

1. Notwithstanding anything contained in the Plan to the contrary, in no event shall a Stock Option granted to a French Optionholder be amended, directly or indirectly, after the Granting Date of the Stock Option to change the purchase price of a share of Stock subject to the Stock Option, except as contemplated in Section 9 (Adjustments) of the Plan.

2. A French Optionholder shall hold all Option Shares acquired and not sold either (i) in registered form, as the shareholder of record, on the books and records of the Company's transfer agent, or (ii) in a named account, as the beneficial owner of such shares, at the Broker designated from time to time by the Company as the permitted nominal record holder of such shares (any Options Shares not being held by a French Optionholder in accordance with either clause (i) or (ii) above being referred to herein as "Improperly Held Shares"). For purposes of the tax laws of France, the Company shall have the right to deem any Option Shares not being held either of record or beneficially by the French Optionholder in accordance with clause (i) or (ii) above to have been sold by the French Optionholder as of the date they became Improperly Held Shares, and the Company shall be entitled to (y) report such Improperly Held Shares as so sold on any reports, returns or statements required to be filed by the Company with the appropriate tax authorities of France, and (z) collect or withhold from the French Optionholder all amounts required, if any, under applicable French law as though such Option Shares had been sold.

EXHIBIT 10(k)(i)

BECTON, DICKINSON AND COMPANY

1995 STOCK OPTION PLAN, AS AMENDED
AND RESTATED EFFECTIVE JANUARY 27, 1997

SECTION 1. PURPOSE

The purpose of this Stock Option Plan is to provide an additional incentive to key employees of Becton, Dickinson and Company and its subsidiaries, to aid in attracting and retaining employees of outstanding ability, and to closely align their interests with those of shareholders.

SECTION 2. DEFINITIONS

Unless the context clearly indicates otherwise, the following terms, when used in this Stock Option Plan, shall have the meanings set forth in this Section 2.

(a) "Board" shall mean the Board of Directors of Becton, Dickinson and Company.

(b) "Broker" shall mean a registered broker-dealer designated by the Company.

(c) "Cashless Exercise" shall mean a method of exercising a Nonqualified Stock Option under which a Grantee, in lieu of payment of the option price in cash, by check or by delivery of shares of Stock, delivers to the Broker irrevocable instructions to sell the shares of Stock acquired upon such exercise and, immediately upon receipt of the proceeds from this sale, to deliver to the Company the option price and any withholding taxes.

(d) "Change in Control." A change in control of the Company shall be deemed to have occurred if, over the initial opposition of the then-incumbent Board (whether or not such Board ultimately acquiesces therein), (i) any person or group of persons shall acquire, directly or indirectly, stock of the Company having at least 25% of the combined voting power of the Company's then-outstanding securities, or (ii) any shareholder or group of shareholders shall elect a majority of the members of the Board.

(e) "Code" shall mean the Internal Revenue Code of 1986 as it may be amended from time to time.

(f) "Committee" shall mean the Compensation and Benefits Committee of the Board or such other committee as may be designated by the Board, subject to any requirements of Section 16 of the Securities Exchange Act of 1934 and the rules promulgated thereunder, as the same now exist or may hereafter be amended.

(g) "Company" shall mean Becton, Dickinson and Company.

(h) "Date of Exercise" shall mean the earlier of the date on which written notice of exercise, together with payment in full, if applicable, is received at the office of the Secretary of the Company or the date on which such notice and payment are mailed to the Secretary of the Company at its principal office by certified or registered mail, or, in the case of the Cashless Exercise of a Nonqualified Stock Option, the Date of Exercise shall mean the date the Broker executes the Grantee's sell order with respect to the underlying shares of Stock.

(i) "Employee" shall mean any employee, including any officer, of the Company or any of its Subsidiaries.

(j) "Fair Market Value" shall mean for any day the mean of the highest and lowest selling prices of the Stock as reported on the Composite Tape for securities traded on the New York Stock Exchange.

(k) "Grantee" shall mean an Employee granted a Stock Option and shall also mean, to the extent contemplated and permitted by the Plan, executors, administrators, successors and transferees of the Grantee.

(l) "Granting Date" shall mean the date on which the Committee authorizes the issuance of a Stock Option for a specified number of shares of Stock to a specified Employee.

(m) "Plan" shall mean the Becton, Dickinson and Company 1995 Stock Option Plan as set forth herein and amended from time to time.

(n) "Stock" shall mean the Common Stock, par value $1.00 per share, of the Company.

(o) "Stock Appreciation Right" shall mean a right granted pursuant to the Plan to receive Stock, cash, or a combination thereof, upon the surrender of the right to purchase all or part of the shares of Stock covered by a Stock Option.

(p) "Stock Option" shall mean an Incentive or Nonqualified Stock Option granted pursuant to the Plan to purchase shares of Stock.

(q) "Subsidiary" shall mean any subsidiary corporation as defined in Section 424 of the Code.

SECTION 3. SHARES OF STOCK SUBJECT TO THE PLAN
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Subject to adjustment pursuant to Section 9, 6,000,000 shares of Stock (prior to giving effect to the two-for-one split of the Stock in August 1996) shall be reserved for issuance upon the exercise of Stock Options granted pursuant to this Plan. Shares delivered under the Plan may be authorized and unissued shares or issued shares held by the Company in its treasury. If any Stock Options expire or terminate without having been exercised, the shares of Stock covered by such Stock Options shall become available again for the grant of Stock Options hereunder. Similarly, if any Stock Options are surrendered for cash pursuant to the provisions of Section 7, the shares of Stock covered by such Stock Options shall also become available again for the grant of Stock Options hereunder. Shares of Stock covered by Stock Options surrendered for Stock pursuant to Section 7, however, shall not become available again for the grant of Stock Options hereunder.

SECTION 4. ADMINISTRATION OF THE PLAN
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(a) The Plan shall be administered by the Committee. Subject to the express provisions of the Plan, the Committee shall have authority to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to it, to determine the terms and provisions of Stock Option grants, and to make all other determinations necessary or advisable for the administration of the Plan.

(b) It is intended that the Plan and any transaction hereunder meet all of the requirements of Rule 16b-3 promulgated by the Securities and Exchange Commission, as such rule is currently in effect or as hereafter modified or amended, and all other applicable laws. If any provision of the Plan or any transaction would disqualify the Plan or such transaction under, or would not comply with, Rule 16b-3 or other applicable laws, such provision or transaction shall be construed or deemed amended to conform to Rule 16b-3 or such other applicable laws or otherwise shall be deemed to be null and void, in each case to the extent permitted by law and deemed advisable by the Committee.

(c) Any controversy or claim arising out of or related to this Plan shall be determined unilaterally by and at the sole discretion of the Committee.

SECTION 5. GRANTING OF STOCK OPTIONS
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(a) Only key Employees shall be eligible to receive Stock Options under the Plan. Directors of the Company who are not also Employees shall not be eligible for Stock Options.

(b) The purchase price of each share of Stock subject to an Incentive Stock Option shall be at least 100% of the Fair Market Value of a share of the Stock on the Granting Date.

(c) The purchase price of each share of Stock subject to a Nonqualified Stock Option shall be 100% of the Fair Market Value of a share of the Stock on the Granting Date, or such other price either greater than or less than the Fair Market Value (but in no event less than the par value of the Stock) as the Committee shall determine appropriate to the purposes of the Plan and to the Company's total compensation program.

(d) The Committee shall determine and designate from time to time those key Employees who are to be granted Stock Options and whether the particular Stock Options are to be Incentive Stock Options or Nonqualified Stock Options, and shall also specify the number of shares covered by and the exercise price per share of each Stock Option.

(e) The aggregate fair market value (determined at the time the option is granted) of the Stock with respect to which Incentive Stock Options are exercisable for the first time by any individual during any calendar year (under all such plans of the individual's employer corporation and its parent and subsidiary corporations) shall not exceed $100,000.

(f) A Stock Option shall be exercisable during such period or periods and in such installments as shall be fixed by the Committee at the time the option is granted or in any amendment thereto; but each Stock Option shall expire not later than ten years from the Granting Date.

(g) The Committee shall have the authority to grant both transferable Stock Options and nontransferable Stock Options, and to amend outstanding nontransferable Stock Options to provide for transferability. Each nontransferable Stock Option shall provide by its terms that it is not transferable otherwise than by will or the laws of descent and distribution and is exercisable, during the Grantee's lifetime, only by the Grantee. Each transferable Stock Option may provide for such limitations on transferability and exercisability as the Committee may designate at the time a Stock Option is granted or is otherwise amended to provide for transferability. Subject to the foregoing, a permitted transferee shall be entitled to exercise a Stock Option at such times and to the extent that the Stock Option would otherwise be exercisable by the

Grantee, or by the Grantee's executors, administrators and successors pursuant to Section 8.

(h) Stock Options may be granted to an Employee who has previously received Stock Options or other options whether such prior Stock Options or other options are still outstanding, have previously been exercised or surrendered in whole or in part, or are canceled in connection with the grant of new Stock Options.

(i) Subject to adjustment pursuant to Section 9, the aggregate number of shares of Stock subject to Stock Options granted to an Employee under the Plan during any calendar year shall not exceed 300,000 shares (prior to giving effect to the two-for-one split of the Stock in August 1996).

SECTION 6. EXERCISE OF STOCK OPTIONS

Except as otherwise provided with respect to the Cashless Exercise of a Nonqualified Stock Option, the Grantee shall pay the option price in full on the Date of Exercise of a Stock Option in cash, by check, or by delivery of full shares of Stock of the Company, duly endorsed for transfer to the Company with signature guaranteed, or by any combination thereof. Stock will be accepted at its Fair Market Value on the Date of Exercise.

SECTION 7. STOCK APPRECIATION RIGHTS

(a) The Committee may grant Stock Appreciation Rights in connection with any Stock Option.

(b) Stock Appreciation Rights shall be exercisable at such times and to the extent that the related Stock Option shall be exercisable, unless the Committee specifies a more restrictive period.

(c) Upon the exercise of a Stock Appreciation Right, the Grantee shall surrender the related Stock Option or a portion thereof and shall be entitled to receive payment of an amount determined by multiplying the number of shares as to which option rights are surrendered by the difference obtained by subtracting the exercise price per share of the related Stock Option from the Fair Market Value of a share of Stock on the Date of Exercise of the Stock Appreciation Right.

(d) Payment of the amount determined under Section 7(c) shall be made in Stock, in cash, or partly in cash and partly in Stock as the Committee shall determine in its sole discretion.

SECTION 8. TERMINATION OF EMPLOYMENT

Except as otherwise provided by the Committee at the time the option is granted or in any amendment thereto, if a Grantee ceases to be an Employee, then:

(a) if termination is for cause, all Stock Options held by the Grantee shall be canceled as of the date of termination;

(b) if termination of employment is voluntary or involuntary without cause, the Grantee may exercise each Stock Option held by him within three months after such termination (but not after the expiration date of the option) to the extent of the number of shares subject to the Stock Option which were purchasable pursuant to its terms at the date of termination; provided, however, if the Grantee should die within three months after such termination, each Stock Option held by the Grantee may be exercised by the Grantee's estate, or by any person who acquires the right to exercise by reason of the Grantee's death, at any time within a period of one year after death (but not after the expiration date of the option) to the extent of the number of shares subject to the Stock Option which were purchasable pursuant to its terms at the date of termination;

(c) subject to the provisions of Section 8(d), if termination is by reason of retirement at a time when the Grantee is entitled to the current receipt of benefits under any retirement plan maintained by the Company or any Subsidiary or by reason of disability, each Stock Option held by the Grantee shall, at the date of retirement or disability, become exercisable to the extent of the total number of shares subject to the Stock Option, irrespective of the number of shares which would otherwise have been purchasable pursuant to the terms of the Stock Option at the date of retirement or disability, and shall otherwise remain in full force and effect in accordance with its terms; provided, however, that in the case of termination by reason of disability, each Stock Option shall only be exercisable within a period of three years after the date of disability (but not after the expiration date of the option);

(d) if termination is by reason of the death of the Grantee, or if the Grantee dies after retirement or disability as referred to in Section 8(c), each Stock Option held by the Grantee may be exercised by the Grantee's estate, or by any person who acquires the right to exercise the option by reason of the Grantee's death, at any time within a period of three years after death (but not after the expiration date of the option) to the extent of the total number of shares subject to the Stock Option, irrespective of the number of shares which would have otherwise been purchasable pursuant to the terms of the Stock Option at the date of death.

SECTION 9. ADJUSTMENTS

In the event of any merger, consolidation, reorganization, recapitalization, stock dividend, stock split or other change in the corporate structure or capitalization affecting the Stock, there shall be an appropriate adjustment made by the Board in the number and kind of shares that may be granted in the aggregate and to individual Employees under the Plan, the number and kind of shares subject to each outstanding Stock Option and Stock Appreciation Right, and the option prices.

No exercise of conversion rights with respect to the shares of the Company's Series B ESOP Convertible Preferred Stock shall call for any adjustment under this Section 9.

SECTION 10. TENDER OFFER; CHANGE IN CONTROL

(a) A Stock Option shall become immediately exercisable to the extent of the total number of shares subject to the option in the event of (i) a tender offer by a person or persons other than the Company for all or any part of the outstanding Stock if, upon consummation of the purchases contemplated, the offeror or offerors would own, beneficially or of record, an aggregate of more than 25% of the outstanding Stock, or (ii) a Change in Control of the Company.

(b) The Committee may authorize the payment of cash upon the exercise of a Stock Appreciation Right during a period (i) beginning on the date on which a tender offer as described in (a), above, is first published or sent or given to holders of Stock and ending on the date which is seven days after its termination or expiration, or (ii) beginning on the date on which a Change in Control of the Company occurs and ending on the twelfth business day following such date.

SECTION 11. GENERAL PROVISIONS

(a) Each Stock Option shall be evidenced by a written instrument containing such terms and conditions, not inconsistent with this Plan, as the Committee shall approve.

(b) The granting of a Stock Option in any year shall not give the Grantee any right to similar grants in future years or any right to be retained in the employ of the Company or any Subsidiary or interfere in any way with the right of the Company or such Subsidiary to terminate an Employee's employment at any time.

(c) Notwithstanding any other provision of the Plan, the Company shall not be required to issue or deliver any certificate or certificates for shares of Stock under the Plan prior to fulfillment of all of the following conditions:

(i) The listing, or approval for listing upon notice of issuance, of such shares on the New York Stock Exchange;

(ii) Any registration or other qualification of such shares under any state or federal law or regulation, or the maintaining in effect of any such registration or other qualification which the Committee may, in its discretion upon the advice of counsel, deem necessary or advisable; and

(iii) The obtaining of any other consent, approval or permit from any state or federal governmental agency which the Committee may, in its discretion upon the advice of counsel, determine to be necessary or advisable.

(d) The Company shall have the right to deduct from any payment or distribution under the Plan any federal, state or local taxes of any kind required by law to be withheld with respect to such payments or to take such other action as may be necessary to satisfy all obligations for the payment of such taxes. In case distributions are made in shares of Stock, the Company shall have the right to retain the value of sufficient shares to equal the amount of tax to be withheld for such distributions or require a recipient to pay the Company for any such taxes required to be withheld on such terms and conditions prescribed by the Committee.

SECTION 12. AMENDMENT AND TERMINATION

(a) The Plan shall terminate on December 14, 2004 and no Stock Option shall be granted hereunder after that date, provided that the Board may terminate the Plan at any time prior thereto.

(b) The Board may amend the Plan at any time without notice, provided however, that the Board may not, without prior approval by the shareholders, increase the maximum number of shares for which options may be granted (except as contemplated by the provisions of Section 9).

(c) No termination or amendment of the Plan may, without the consent of a Grantee to whom a Stock Option shall theretofore have been granted, adversely affect the rights of such Grantee under such Stock Option.

EXHIBIT 10(k)(ii)

BECTON, DICKINSON AND COMPANY

1995 STOCK OPTION PLAN

FRENCH ADDENDUM

This Addendum to the Becton, Dickinson and Company 1995 Stock Option Plan (the "Plan") modifies and supplements the terms and conditions of the Plan with respect to the Stock Options granted to, and the related shares of Stock acquired upon exercise of a Stock Option ("Option Shares") by, any Grantee subject to taxation by the Republic of France with respect to such Stock Options or Option Shares (a "French Optionholder"). Capitalized terms used and not otherwise defined herein shall have the same meanings as set forth in the Plan.

1. Notwithstanding anything contained in the Plan to the contrary, in no event shall a Stock Option granted to a French Optionholder be amended, directly or indirectly, after the Granting Date of the Stock Option to change the purchase price of a share of Stock subject to the Stock Option, except as contemplated in Section 9 (Adjustments) of the Plan.

2. A French Optionholder shall hold all Option Shares acquired and not sold either (i) in registered form, as the shareholder of record, on the books and records of the Company's transfer agent, or (ii) in a named account, as the beneficial owner of such shares, at the Broker designated from time to time by the Company as the permitted nominal record holder of such shares (any Options Shares not being held by a French Optionholder in accordance with either clause (i) or (ii) above being referred to herein as "Improperly Held Shares"). For purposes of the tax laws of France, the Company shall have the right to deem any Option Shares not being held either of record or beneficially by the French Optionholder in accordance with clause (i) or (ii) above to have been sold by the French Optionholder as of the date they became Improperly Held Shares, and the Company shall be entitled to (y) report such Improperly Held Shares as so sold on any reports, returns or statements required to be filed by the Company with the appropriate tax authorities of France, and (z) collect or withhold from the French Optionholder all amounts required, if any, under applicable French law as though such Option Shares had been sold.

EXHIBIT 11

BECTON, DICKINSON AND COMPANY

COMPUTATION OF EARNINGS PER SHARE

YEARS ENDED SEPTEMBER 30, 1997, 1996 AND 1995
(ALL AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)

PRIMARY EARNINGS PER SHARE

	1997	1996	1995
Net income	$300,074	$283,447	$251,696
Less preferred stock dividends	(3,365)	(3,484)	(3,596)
Net income applicable to common stock	$296,709	$279,963	$248,100
Shares:			
Average shares outstanding	122,543	126,709	134,144
Add dilutive stock equivalents from stock plans.	6,429	6,086	4,258
Weighted average number of common and common equivalent shares outstanding during the year	128,972	132,795	138,402
Earnings per share	$ 2.30	$ 2.11	$ 1.79

FULLY DILUTED EARNINGS PER SHARE

	1997	1996	1995
Net income applicable to common stock	$296,709	$279,963	$248,100
Add preferred stock dividends using the "if converted" method	3,365	3,484	3,596
Less additional ESOP contribution, using the "if converted" method	(1,124)	(1,288)	(1,420)
Net income for fully diluted earnings per share	$298,950	$282,159	$250,276
Shares:			
Average shares outstanding	122,543	126,709	134,144
Add:			
Dilutive stock equivalents from stock plans	6,488	6,667	5,450
Shares issuable upon conversion of preferred stock	2,772	2,871	2,968
Weighted average number of common shares used in calculating fully diluted earnings per share	131,803	136,247	142,562
Fully diluted earnings per share	$ 2.27	$ 2.07	$ 1.76

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FINANCIAL REVIEW

Becton Dickinson is a medical technology company that manufactures and sells a broad range of medical supplies and devices and diagnostic systems for use by health care professionals, medical research institutions and the general public. The Company focuses strategically on achieving growth in two worldwide business segments -- the Medical Supplies and Devices Segment ("Medical") and the Diagnostic Systems Segment ("Diagnostic"). The Company's financial results and the operating performance of the segments are discussed below.

Acquisitions

In the third quarter of 1997, the Company completed acquisitions of PharMingen, a manufacturer of reagents for biomedical research, and Difco Laboratories Incorporated ("Difco"), a manufacturer of microbiology media and supplies, for an aggregate amount of $187 million, net of cash acquired. The Company recorded a $15 million charge for purchased in-process research and development in connection with these acquisitions. The aggregate net revenues of these companies for fiscal years 1997 and 1996 were approximately $117 million and $103 million, respectively. Included in the Company's 1997 worldwide revenues was $43 million related to these companies. The Company continues to seek new strategic alliances and acquisitions that complement its existing businesses and geographic presence, as well as contribute to the acceleration of revenue growth.

Revenues and Earnings

Worldwide revenues rose 1.5% to $2.8 billion. Excluding the estimated unfavorable impact of foreign currency translation of 3%, and the net impact of acquisitions and divestitures, the resulting underlying growth rate was 5%. This growth rate resulted primarily from volume increases and an improved product mix in both segments. Price increases have been limited as a result of health care cost containment pressures in the United States and abroad, as well as increased competition in certain product lines.

Health care cost containment remains an important factor in many of the markets served by the Company. By improving manufacturing productivity and leveraging the Company's worldwide presence and capabilities, the Company's cost to serve its customers has continued to decline. Health care providers have increasingly demonstrated their preference to enter into comprehensive arrangements with the Company to take full advantage of technology and marketing incentives. Although such arrangements typically result in short-term pricing pressures, they can also result in longer-term increases in volume, as well as standardized buying practices that can contribute to manufacturing and administrative efficiencies. On balance, these arrangements should benefit the Company.

Medical revenues of $1.5 billion were about the same as last year. Excluding the estimated impact of unfavorable foreign currency translation of 3% and the decrease in revenues related to divested non-core product lines, Medical revenues increased 7%. Revenue growth was led by market share gains for infusion therapy products and increased sales of prefillable syringes to pharmaceutical companies.

Medical operating income of $350 million increased 2% over 1996. Excluding the estimated unfavorable effects of business divestitures and foreign currency translation, Medical operating income increased 9%. This performance was primarily due to revenue growth, improved sales mix and manufacturing productivity.

Diagnostic revenues of $1.3 billion increased 3%. The incremental revenues related to acquisitions were offset by the estimated impact of unfavorable foreign currency translation of 4%. Growth in sample collection revenues was strong, reflecting continued conversion of markets outside the United States to safer and more convenient products and techniques. FACS brand flow cytometry systems also continued to exhibit strong sales growth. The addition of PharMingen to its flow cytometry business provided the Company with a broader array of higher growth cell analysis products. These products are used by researchers and clinicians working with immunological diseases and cancer. Although revenues of infectious disease products increased as a result of the Difco acquisition, revenue growth of these products continues to be affected by cost containment in infectious disease testing. The acquisition of Difco provides a platform for further expansion into the higher growth industrial segment of the market for dehydrated culture media and prepared plated media.

Diagnostic operating income of $195 million increased 11% over 1996. Excluding the impact of acquisitions, including related charges of $15 million for purchased in-process research and development, and the estimated impact of unfavorable foreign currency translation, Diagnostic operating income increased 29%. This strong performance reflects an improved sales mix and operating expense productivity programs in the United States and Europe.

On a geographical basis, revenues outside the United States of $1.3 billion declined 2%. Excluding the estimated impact of unfavorable foreign currency translation of 6% and the net impact of divestitures and acquisitions, the resulting underlying growth rate was 7%. Double-digit increases were achieved in sales of prefillable syringes to pharmaceutical companies, sample collection devices and diabetes health care products. The Asia-Pacific region, including China and India where the Company recently completed manufacturing facilities, continued to be the Company's area of fastest revenue growth.

Revenues in the United States were $1.5 billion, an increase of 4%. The incremental revenues related to acquisitions were offset by the impact of divestitures. Sales of infusion therapy products were particularly strong, reflecting market share gains and sales of new products. As mentioned earlier, sales of infectious disease products continued to be negatively affected by the effects of cost containment on such testing.

Gross profit margin rose sharply to 49.7%, compared with 48.4% last year, reflecting the Company's continued success in improving manufacturing efficiency as well as a more profitable mix of products sold.

Selling and administrative expense of $766 million was 27.3% of revenues, the same percentage as in 1996. Aggregate expenses were slightly higher, reflecting increased investment in new international markets and new strategic initiatives, partially offset by savings achieved through the Company's productivity improvements.

Investment in research and development increased to $181 million, or 6.4% of revenues. Excluding the $15 million of charges for purchased in-process research and development referred to above, research and development was 5.9% of revenues, as compared with 5.6% in 1996. This spending included additional funding for new blood collection and infusion therapy safety products, and emerging new platforms, such as next generation products for blood glucose monitoring, to support the Company's efforts to accelerate its rate of sales growth. Excluding acquisitions, sales of new products introduced in the last five years represented 12% and 17% of revenues in 1997 and 1996, respectively.

Operating income in 1997 was $451 million, an increase of 4.5%. Excluding the estimated impact of unfavorable foreign currency translation and the net impact of divestitures and acquisitions, including related charges of $15 million for purchased in-process research and development, operating income increased 17%, primarily from improved gross profit margin. The Company's operating margin improved to 16.0% of revenues compared with 15.6% in 1996.

Net interest expense of $39 million in 1997 was $2 million higher than in 1996, primarily due to the financing of operations in Mexico and Brazil, which was partially offset by an increase in capitalized interest.

"Other income (expense), net" in 1997, included $8 million of gains from the disposition of non-core business lines and a gain of $6 million on the sale of an investment. Also included were foreign exchange losses of $5 million, including hedging costs.

The effective tax rate in 1997 was 29% as compared with 28% in 1996, principally due to the lack of a tax benefit associated with the $15 million of purchased in-process research and development charges recorded in 1997, as discussed earlier, which was partially offset by a slight improvement in the mix in income among tax jurisdictions.

Net income was $300 million, an increase of 6% over $283 million in 1996. Earnings per share were $2.30, an increase of 9% over $2.11 in 1996. The purchased in-process research and development charges recorded in 1997 decreased earnings per share by $.11, and the estimated impact of unfavorable foreign currency translation was $.17 per share. Adjusting for these two items, earnings per share grew 22% over last year.

In accordance with Statement of Financial Accounting Standards ("SFAS") No. 52 "Foreign Currency Translation," the net monetary assets ($16 million and $9 million at September 30, 1997 and 1996, respectively) of the Company's Brazilian subsidiary, whose functional currency is the U.S. dollar, were translated at current exchange rates, with the related translation gains and losses included in net earnings. During the year, the Brazilian three-year cumulative inflation rate fell below 100%. The Company is currently assessing the appropriateness of continuing to consider its Brazilian business to be operating in a highly inflationary economy. Effective January 1, 1997, the Company also considered its Mexican business to be operating in a highly inflationary economy. The net monetary assets of the Company's Mexican subsidiary at January 1, 1997 and September 30, 1997, were $30 million and $45 million, respectively.

The net assets of foreign operations, whose functional currencies are the local currencies, are translated at current exchange rates. The Company generally does not hedge these translation exposures since such amounts are recorded as cumulative currency translation adjustments, a separate component of shareholders' equity, and do not affect reported earnings or current cash flow. The net assets of these foreign operations were $849 million and $907 million at September 30, 1997 and 1996, respectively. This decline is attributable primarily to the exclusion of Mexico at September 30, 1997, as a result of the change in functional currency, as discussed earlier.

The Company has certain receivables, payables and short-term borrowings, denominated in currencies other than the functional currencies of the Company and its subsidiaries, which create foreign exchange risk. The Company utilizes simple derivative instruments to manage its foreign exchange and interest rate risks. These instruments are selectively employed solely to hedge exposures in those instances in which their use reduces the volatility of the impact of foreign exchange or interest rate movements. At September 30, 1997, the Company had the following significant foreign exchange instruments:

(Dollar Amounts in Thousands)

Forward Contracts	Local Currency	U.S.$ Amount Buy (Sell)	Forward Contract Rate Per U.S.$	Fair Value	Maturity Date
Non-U.S. Dollar Functional Currency:	Japanese Yen	$ 39,383	JPY 113.92	$ 2,234	10/24/97
	Japanese Yen	19,422	JPY 118.58	189	12/22/97
	Italian Lira	28,385	ITL 1779.12	(842)	10/24/97
	French Franc	25,974	FRF 6.13	(921)	10/24/97
	French Franc	15,063	FRF 5.91	39	10/24/97
	Spanish Peseta	15,476	ESP 150.41	(129)	10/24/97
	Spanish Peseta	10,608	ESP 135.05	988	01/28/98
	Irish Pound	(43,660)	IEP 0.67	(918)	10/24/97
	Irish Pound	(74,170)	IEP 0.68	(1,231)	11/25/97
	Irish Pound	(19,150)	IEP 0.68	(285)	12/22/97
	Irish Pound	(38,201)	IEP 0.66	(1,719)	01/23/98
	Irish Pound	(29,699)	IEP 0.67	(729)	09/18/98
	Singapore Dollar	(53,646)	SGD 1.47	(2,008)	10/24/97
	Australian Dollar	6,560	AUD 1.39	(64)	12/19/97
	Swiss Franc	(6,829)	CHF 1.45	40	12/22/97
U.S. Dollar Functional Currency:	British Pound	$ 19,000	GBP 0.62	$ (45)	10/30/97
	Italian Lira	17,600	ITL 1724.40	(22)	10/30/97
	Japanese Yen	10,000	JPY 120.00	(3)	10/30/97
	German Mark	9,000	DEM 1.76	(6)	10/30/97
	Australian Dollar	5,800	AUD 1.38	(5)	10/30/97
	Canadian Dollar	5,000	CAD 1.38	(3)	10/30/97
	Irish Pound	(18,600)	IEP 0.69	8	10/30/97
	French Franc	(6,300)	FRF 5.91	7	10/30/97

Forward Cross Rate Contracts	Local Currency	U.S.$ Contract Amount	Forward Contract Cross Rate	Fair Value	Maturity Date
	Buy Irish Pound/ Sell French Franc	$ 11,462	IEP 8.77/FRF	$(185)	10/24/97
	Buy Irish Pound/ Sell Spanish Peseta	11,054	ESP 215.30/IEP	21	01/26/98
	Buy Irish Pound/ Sell Italian Lira	16,722	IEP 2557.25/ITL	(169)	01/22/99
	Buy Belgian Franc/ Sell French Franc	6,817	FRF .16/BEF	(3)	10/24/97

Purchased Currency Options	Local Currency	U.S.$ Amount Buy (Sell)	Option Strike Price Per U.S. $	Fair Value	Maturity Date
U.S. Dollar Functional Currency:	New Mexican Peso Put/ U.S.$ Call	$39,000	NMP 7.88	$ 49	10/10/97
Non-U.S. Dollar Functional Currency:	Colombian Peso Put/ U.S.$ Call	4,000	COP 1193.16	184	10/24/97

The Company enters into interest rate swap agreements in order to reduce the impact of fluctuating interest rates on its foreign currency short-term floating rate third party and intercompany debt and investments outside the United States. Under these agreements, the Company agrees with other parties to pay or receive fixed rate payments, generally on an annual basis, in exchange for paying or receiving variable rate payments, generally on a quarterly basis, calculated on an agreed-upon notional amount. At September 30, 1997, the Company had the following interest rate swap agreements:

Interest Rate Swaps	Notional Amount U.S. Dollar Equivalent	Fixed Rate	Variable Rate At Year End	Fair Value	Maturity Date
French Franc	$16,910	4.63%	3.40%	$(106)	01/17/98
Japanese Yen	7,057	2.48%	0.64%	(80)	05/08/98
Japanese Yen	7,057	2.44%	0.59%	(102)	05/10/98
Japanese Yen	3,321	1.87%	0.58%	(36)	05/30/98
Italian Lira	11,622	8.29%	6.90%	(590)	07/23/99
Irish Pound	29,130	6.64%	6.25%	642	08/23/99
Irish Pound	29,130	5.92%	6.25%	304	10/22/99
Irish Pound	29,130	6.27%	6.16%	430	12/20/99

At September 30, 1997, the Company's Brazilian subsidiary entered into an agreement under which it will pay interest of 21.05% per annum in local currency on the Brazilian Real equivalent of a notional amount of $21.8 million and receive the Brazilian Real equivalent of 8.65% per annum on the notional amount, plus an amount equal to the currency devaluation for the period. This agreement, which matures on February 2, 1998, was entered into to protect the Company from a devaluation of the Brazilian Real versus the U.S. dollar. The fair value of this instrument approximated the carrying value of zero at September 30, 1997.

For further discussion of derivative instruments, see Notes 1 and 9 of the Notes to Consolidated Financial Statements.

In February 1997, the Financial Accounting Standards Board issued SFAS No. 128, "Earnings per Share." This Statement specifies the computation, presentation and disclosure requirements for earnings per share for entities with publicly held common stock or potential common stock. The Company is required to adopt the provisions of SFAS No. 128 for the quarter ending December 31, 1997. The principal difference between the provisions of SFAS No. 128 and previous authoritative pronouncements is related to the exclusion of common stock equivalents in the determination of Basic Earnings Per Share and the market price at which common stock equivalents are calculated in the determination of Diluted Earnings Per Share. For further discussion, see Note 1 of the Notes to Consolidated Financial Statements.

In June 1997, the Financial Accounting Standards Board issued SFAS No. 130, "Reporting Comprehensive Income," and SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information." The Company is required to adopt the provisions of these Statements no later than its 1999 fiscal year. SFAS No. 130 establishes standards for reporting and display of comprehensive income and its components in a primary financial statement. The Company is currently evaluating the reporting formats recommended under this Statement. SFAS No. 131 establishes a new method by which companies will report operating segment information. This method is based on the manner in which management organizes the segments within a company for making operating decisions and assessing performance. The Company continues to evaluate the provisions of SFAS No. 131 and, upon adoption, different operating segments may be reported by the Company.

As the end of the twentieth century approaches, many companies are faced with adapting their existing computer systems to accommodate the year 2000. The Company is currently evaluating alternatives for modifying or replacing existing software to address issues presented by the year 2000 and does not expect the incremental costs associated with these issues to have a material impact on the Company's results of operations, financial condition or cash flows.

Financial Condition

Cash provided by operations continued to be the Company's primary source of funds to finance operating needs and capital expenditures. In 1997, net cash provided by operating activities was $443 million, compared with $460 million in 1996.

Capital expenditures were $170 million in 1997, compared with $146 million in the prior year. Medical capital spending, which totaled $106 million in 1997, included the acquisition of equipment for the ongoing expansion of the prefillable syringe, diabetes health care and hypodermic businesses. In addition, funds were expended to complete a new manufacturing facility in China, which began producing hypodermic syringes, intravenous catheters and anesthesia needles during the year. Also, work continued on a new manufacturing facility in India, which initially will produce products for diabetes health care. Funds also were expended to support global manufacturing productivity improvement programs. Diagnostic capital spending, which totaled $50 million in 1997, included the acquisition of additional equipment by the sample collection business for the new SAFETY-LOK blood collection set. Funds also were expended to increase the capacity of the Company's warehouse in Japan and for the acquisition of equipment to support capacity expansion and cost reduction programs, primarily in the sample collection, infectious disease diagnostics and flow cytometry businesses. Funds expended outside of the above segments included the upgrade of information technology and telecommunication systems in the United States. The Company expects capital expenditures in 1998 to be somewhat higher than in 1997.

The Company expended $201 million, net of cash acquired, for business acquisitions. Business divestitures in 1997 resulted in cash proceeds of $24 million. The divested operations included an infusion systems business and a small product line related to the Company's microbiology business. The Company intends to use substantial amounts of excess cash that is expected to be generated over the next several years to pursue strategic alliances and acquisitions.

Net cash used for financing activities was $92 million during 1997 as compared with $412 million in 1996. This change was due primarily to a reduction in common share repurchases, as well as net proceeds received from newly issued debt, which were partially offset by the repayment of commercial paper.

The Company repurchased 3.2 million of its common shares at an average cost of $46.30 for a total expenditure of $150 million in 1997, compared with repurchases totaling $325 million in 1996. At September 30, 1997, authorization to repurchase up to an additional 11.6 million shares remained under a July 23, 1996 Board of Directors' resolution.

During 1997, total debt increased $102 million, primarily as a result of increased spending on acquisitions, which was partially offset by lower spending on common stock repurchases. Short-term debt was 17% of total debt at year end, compared with 33% in 1996. The change in the percentage was principally attributable to the repayment of short-term debt with the proceeds of the Company's issuances of long-term debt. The Company's weighted average cost of total debt at the end of 1997 was 7.6% compared with 7.7% at the end of last year. Total debt to capitalization at year end increased to 36.3% from 34.3% last year.

In November 1996, the Company entered into a five-year, $500 million syndicated and committed revolving credit facility that was undrawn at September 30, 1997. The facility supports the Company's commercial paper program, under which $79 million was outstanding at September 30, 1997, and is also available for other general corporate purposes. In addition, the Company has unconfirmed lines of credit outside the United States. In October 1996, the Company issued to the public $100 million of 10-year non-redeemable notes with a coupon rate of 6.9% and an effective rate of 7.34%. In July 1997, the Company publicly issued $200 million of 30-year non-redeemable debentures with a coupon rate of 7% and an effective rate of 7.23%. Proceeds of both debt issues were used to repay commercial paper. In October 1997, the Company increased its existing shelf registration statement to issue up to $500 million of debt securities. Based on its strong financial condition, the Company has a high degree of confidence in its ability to refinance maturing short-term and long-term debt, as well as to incur substantial additional debt, if required.

Return on equity increased to 22.1% in 1997 from 20.8% in 1996.

The Company manufactures various medical products in Brazil for sale in that country and for export. In addition, the Company imports other medical and diagnostic products from affiliates for distribution within Brazil. While the Brazilian economy has experienced very high inflation rates and significant devaluation of its currency in the past, more recently, inflation and the rate of currency devaluation have declined significantly. The Company also manufactures in Mexico and imports from affiliates various medical and diagnostic products for sale in Mexico. Since December 1994, the Mexican economy has experienced a period of high inflation, recession and currency instability. More recently, Mexico's economy and currency have shown signs of stabilizing. The Brazilian and Mexican economies have the potential for creating volatility in the revenues and earnings of the Company's operations in these countries, including the risk of foreign exchange losses as a result of fluctuations in their local currencies. The Company has successfully managed these risks by adjusting the selling prices of its products in line with inflation and by taking steps to limit the size of its foreign exchange exposures. In the aggregate, the Company's Brazilian and Mexican operations constituted 7% or less of each of the Company's consolidated revenues, net income and total assets.

In the second half of 1997, the currencies of many countries in Southeast Asia, in which the Company maintains operations, depreciated against the U.S. dollar. The Company was able to offset the foreign exchange transaction losses of these devaluations through the hedging of its exposures in the affected currencies. Consequently, the impact on the Company was insignificant. The Company's operations in Southeast Asia constituted less than 2% of each of the Company's consolidated revenues, net income and total assets.

The Company believes that the fundamentally noncyclical nature of its core medical and diagnostic businesses, its international diversification, and its ability to meet the needs of the worldwide health care industry for cost-effective and innovative products will continue to cushion the long-term impact on the Company of economic and political dislocations in the countries in which it does business, including the effects of possible health care system reforms. In 1997, inflation did not have a material impact on the Company's overall operations.

The Company believes that its operations comply in all material respects with applicable laws and regulations. The Company is a party to a number of Federal proceedings in the United States brought under the Comprehensive Environmental Response, Compensation and Liability Act, also known as "Superfund," and similar state laws. For all sites, there are other potentially responsible parties that may be jointly or severally liable to pay all cleanup costs. The Company accrues costs for an estimated environmental liability based upon its best estimate within the range of probable losses, without considering possible third-party recoveries. The Company believes that any reasonably possible losses in excess of accruals would be immaterial to the Company's financial condition.

The Company, along with a number of other manufacturers, has been named as a defendant in approximately 75 product liability lawsuits related to natural rubber latex that have been filed in various state and Federal courts. Cases pending in Federal Court are being coordinated under the matter In re Latex Gloves Products Liability Litigation (MDL Docket No. 1148) in Philadelphia, and an analogous procedure has been implemented in the California State Courts. Generally, these actions allege that medical personnel have suffered allergic reactions ranging from skin irritation to anaphylaxis as a result of exposure to medical gloves containing natural rubber latex. In 1986, the Company acquired a business which manufactured, among other things, latex surgical gloves. In 1995, the Company divested this glove business. The Company intends to mount a vigorous defense in these lawsuits.

The Company is also involved in other legal proceedings and claims which arise in the ordinary course of business, both as a plaintiff and a defendant.

In the opinion of the Company, the results of the above matters, individually and in the aggregate, are not expected to have a material effect on its results of operations, financial condition or cash flows.

1996 Compared with 1995

Worldwide revenues for 1996 rose 2% to $2.8 billion. Excluding the estimated impacts of unfavorable foreign currency translation of 1% and the decrease in revenues related to divested businesses, the resulting underlying growth rate was 6%. This growth rate resulted primarily from volume increases and an improved product mix in both segments. Price increases averaged less than 1%. Medical revenues for 1996 of $1.5 billion increased 1% over the prior year. Excluding the impact of divested businesses, the most significant of which was the medical glove business sold in June 1995, Medical revenues increased 6%. Revenue growth was led by strong sales of injection systems products due to the continuing shift toward the use of devices with safety features and increased use of prefillable syringes by pharmaceutical companies. Sales of infusion therapy products also continued to grow from market share gains, geographic expansion and introductions of new products. Diagnostic revenues for 1996 of $1.3 billion increased 4%, or 5% excluding the estimated unfavorable impact of foreign currency translation. Growth in sample collection was led by the continued strong demand for safety products, the introduction of several new and innovative products, and overall increased demand outside the United States. FACS brand flow cytometry systems also exhibited strong sales growth. Sales of infectious disease products were about the same as 1995, which was consistent with the overall market trend for infectious disease testing, and reflected the continuing worldwide focus on infectious disease cost containment by health care providers.

The Company's gross profit margin rose to 48.4%, compared with 47.0% in 1995, reflecting a more profitable mix of products sold, continued productivity improvements and the absence of lower margins associated with divested businesses.

Selling and administrative expense was 27.3% of revenues, about the same as the 1995 ratio. Higher spending relating to a refocusing of sales and marketing resources toward critical strategic initiatives and international expansion was largely offset by savings achieved through reorganizations in the United States and Europe, including the consolidation of certain field

sales organizations. Investment in research and development increased to $154 million, or 5.6% of revenues, reflecting the additional funding directed toward safety products, as well as emerging new platforms for long-term growth, such as DNA probe technology and next generation products for blood glucose monitoring and sample collection.

Operating income in 1996 was $431 million, an increase of 9%. Excluding the estimated impacts of divestitures and unfavorable foreign exchange, as well as the write-down of assets and other provisions relating to the cellular imaging business, operating income grew 11%, primarily from improved gross profit margin. The Company's operating margin improved to 15.6% of revenues compared with 14.6% in 1995.

Net interest expense of $37 million in 1996 was $5 million lower than in 1995, primarily due to higher short-term investments in Europe, lower financing expense in Japan and higher capitalized interest primarily related to a project in China.

"Other income (expense), net" in 1996 included income of $8 million from a net cash settlement received in connection with one of the Company's patents and foreign exchange losses of $8 million, including hedging costs.

The effective tax rate of 28.0% was the same as the rate in 1995.

Net income was $283 million, an increase of 13% over $252 million in 1995. Earnings per share were $2.11, an increase of 18% over $1.79 in 1995.

Cash provided by operations continues to be the Company's primary source of funds to finance operating needs and capital expenditures. Capital expenditures were $146 million, compared with $124 million in 1995. Medical and Diagnostic capital spending totaled $91 million and $50 million, respectively, in 1996.

Business divestitures in 1996 resulted in cash proceeds of $38 million. The divested operations included a contract packaging business and certain other non-core product lines.

Net cash used for financing activities was $412 million during 1996 as compared with $421 million in 1995.

During 1996, total debt decreased $68 million as a result of strong cash flow from operations and proceeds from business divestitures. Short-term debt was 33% of total debt at year end, compared with 27% in 1995. The change in the ratio was principally attributable to an increase in commercial paper outstanding and the Company's early redemption on June 1, 1996 of $66.4 million of its outstanding 9.25% Sinking Fund Debentures due June 1, 2016.

Return on equity increased to 20.8% in 1996, from 17.5% in 1995.

SIX-YEAR SUMMARY OF SELECTED FINANCIAL DATA   Becton, Dickinson and Company

Years Ended September 30

<TABLE>
<CAPTION>

Thousands of dollars, except per share amounts		1997	1996	1995	1994	1993	1992
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Operations	Revenues	$2,810,523	$2,769,756	$2,712,525	$2,559,461	$2,465,405	$2,365,317
	Gross Profit Margin	49.7%	48.4%	47.0%	45.3%	44.5%	45.0%
	Operating Income	450,515	431,249	396,650	325,038	270,425	328,592
	Interest Expense, Net	39,373	37,409	42,833	47,624	53,412	49,116
	Income Before Income Taxes and Cumulative Effect of Accounting Changes	422,640	393,676	349,578	296,159	222,894	269,457
	Income Tax Provision	122,566	110,229	97,882	68,985	10,054	68,704
	Income Before Cumulative Effect of Accounting Changes	300,074	283,447	251,696	227,174	212,840	200,753
	Net Income	300,074	283,447	251,696	227,174	71,783/A/	200,753
	Earnings Per Share:						
	- Before Cumulative Effect of Accounting Changes	2.30	2.11	1.79	1.52	1.35	1.28
	- Net Income	2.30	2.11	1.79	1.52	.44/A/	1.28
	Dividends Per Common Share	.52	.46	.41	.37	.33	.30
	Average Common and Common Equivalent Shares Outstanding	128,972	132,795	138,402	146,666	153,860	154,056
Financial Position	Current Assets	$1,312,609	$1,276,841	$1,327,518	$1,326,551	$1,150,742	$1,221,209
	Current Liabilities	678,197	766,122	720,035	678,321	636,062	713,335
	Current Ratio	1.9	1.7	1.8	2.0	1.8	1.7
	Property, Plant and Equipment, Net	1,250,705	1,244,148	1,281,031	1,376,349	1,403,070	1,429,519
	Total Assets	3,080,252	2,889,752	2,999,505	3,159,533	3,087,565	3,177,675
	Long-Term Debt	665,449	468,223	557,594	669,157	680,581	685,081
	Shareholders' Equity	1,385,433	1,325,183	1,398,385	1,481,694	1,456,953	1,594,926
	Book Value Per Common Share	11.35	10.72	10.74	10.54	9.75	10.50
Financial Relationships	Income Before Income Taxes and Cumulative Effect of Accounting Changes as a Percent of Revenues	15.0%	14.2%	12.9%	11.6%	9.0%	11.4%
	Return on Total Assets/B/	15.9%	15.2%	13.3%	11.5%	9.2%/C/	11.1%
	Return on Equity	22.1%	20.8%	17.5%	15.5%	13.3%/C/	13.6%
	Debt to Capitalization/D/	36.3%	34.3%	35.2%	36.1%	37.8%	36.1%
Additional Data	Depreciation and Amortization	$ 209,771	$ 200,482	$ 207,756	$ 203,705	$ 189,756	$ 169,638
	Capital Expenditures	170,349	145,929	123,760	123,017	184,168	185,559
	Research and Development Expense	180,526	154,220	144,201	144,227	139,141	125,207
	Number of Employees	18,900	17,900	18,100	18,600	19,000	19,100
	Number of Shareholders	8,944	8,027	7,712	7,489	7,463	7,086

</TABLE>

/A/ Includes after-tax charge of $141,057, or $.91 per share, for the cumulative effect of accounting changes.

/B/ Earnings before interest expense and taxes as a percent of average total assets.

/C/ Excludes the cumulative effect of accounting changes.

/D/ Total debt as a percent of the sum of total debt, shareholders' equity and net non-current deferred income tax liabilities.

SUMMARY BY BUSINESS SEGMENT Becton, Dickinson and Company
(See Note 13 to Financial Statements)
<TABLE>
<CAPTION>

Thousands of dollars		1997	1996	1995
<S>	<C>	<C>	<C>	<C>
Revenues	Medical Supplies and Devices	$1,510,881	$1,509,417	$1,500,075
	Diagnostic Systems	1,299,642	1,260,339	1,212,450
	Total Segments	$2,810,523	$2,769,756	$2,712,525
Segment Operating Income	Medical Supplies and Devices	$ 349,613	$ 342,015	$ 330,368
	Diagnostic Systems	194,611	174,656	157,673
	Total Segments	544,224	516,671	488,041
	Unallocated Expenses	(121,584)	(122,995)	(138,463)
	Income Before Income Taxes	$ 422,640	$ 393,676	$ 349,578
Identifiable Assets	Medical Supplies and Devices	$1,324,035	$1,337,355	$1,348,860
	Diagnostic Systems	1,423,612	1,209,970	1,210,888
	Total Segments	2,747,647	2,547,325	2,559,748
	Corporate/A/	332,605	342,427	439,757
	Total	$3,080,252	$2,889,752	$2,999,505
Capital Expenditures	Medical Supplies and Devices	$ 106,298	$ 90,918	$ 77,062
	Diagnostic Systems	50,390	49,651	43,776
	Total Segments	156,688	140,569	120,838
	Corporate	13,661	5,360	2,922
	Total	$ 170,349	$ 145,929	$ 123,760
Depreciation and Amortization	Medical Supplies and Devices	$ 88,603	$ 89,727	$ 96,517
	Diagnostic Systems	108,971	101,618	102,540
	Total Segments	197,574	191,345	199,057
	Corporate	12,197	9,137	8,699
	Total	$ 209,771	$ 200,482	$ 207,756

</TABLE>

/A/ Consists principally of cash and cash equivalents, short-term and long-term investments in marketable securities, buildings and equipment, and investments in non-affiliated companies.

SUMMARY BY BUSINESS SEGMENT Becton, Dickinson and Company
(See Note 13 to Financial Statements)
<TABLE>
<CAPTION>

Thousands of dollars		1997	1996	1995
<S>	<C>	<C>	<C>	<C>
Revenues	United States	$1,486,701	$1,423,883	$1,438,459
	Europe	787,335	835,984	792,908
	Other	536,487	509,889	481,158
	Total/A/	$2,810,523	$2,769,756	$2,712,525
Area Operating Income	United States	$ 383,186	$ 349,560	$ 341,277
	Europe	147,040	148,812	116,229
	Other	13,998	18,299	30,535
	Total	544,224	516,671	488,041
	Unallocated Expenses	(121,584)	(122,995)	(138,463)
	Income Before Income Taxes	$ 422,640	$ 393,676	$ 349,578
Identifiable Assets	United States	$1,653,144	$1,459,260	$1,466,376
	Europe	601,398	649,206	673,546
	Other	493,105	438,859	419,826
	Total	2,747,647	2,547,325	2,559,748
	Corporate/B/	332,605	342,427	439,757
	Total	$3,080,252	$2,889,752	$2,999,505

</TABLE>

/A/ Interarea revenues to affiliates amounted to $406,898 in 1997, $368,834 in 1996 and $346,905 in 1995. These revenues, which are principally from the United States, are eliminated in consolidation. Intersegment revenues are not material.

/B/ Consists principally of cash and cash equivalents, short-term and long-term investments in marketable securities, buildings and equipment, and investments in non-affiliated companies.

See notes to consolidated financial statements

<TABLE>
<CAPTION>

Consolidated Statements of Income — Becton, Dickinson and Company

Years Ended September 30

Thousands of dollars, except per share amounts

<C>	<S>	1997	1996	1995
Operations	Revenues	$ 2,810,523	$ 2,769,756	$ 2,712,525
	Cost of products sold	1,413,311	1,429,177	1,436,358
	Selling and administrative expense	766,071	755,110	735,316
	Research and development expense	180,626	154,220	144,201
	Total Operating Costs and Expenses	2,360,008	2,338,507	2,315,875
	Operating Income	450,515	431,249	396,650
	Interest expense, net	(39,373)	(37,409)	(42,833)
	Other income (expense), net	11,498	(164)	(4,239)
	Income Before Income Taxes	422,640	393,676	349,578
	Income tax provision	122,566	110,229	97,882
	Net Income	$ 300,074	$ 283,447	$ 251,696
	Earnings Per Share	$ 2.30	$ 2.11	$ 1.79

</TABLE>

See notes to consolidated financial statements

<TABLE>
<CAPTION>

Consolidated Balance Sheets — Becton, Dickinson and Company

September 30

Thousands of dollars, except per share amounts

<C>	<S>	1997	1996
Assets	Current Assets		
	Cash and equivalents	$ 112,639	$ 135,151
	Short-term investments	28,316	29,949
	Trade receivables, net	595,685	580,313
	Inventories	438,337	402,482
	Prepaid expenses, deferred taxes and other	137,632	128,946
	Total Current Assets	1,312,609	1,276,841
	Investments in Marketable Securities	--	23,800
	Property, Plant and Equipment, Net	1,250,705	1,244,148
	Goodwill, Net	164,097	93,873
	Other Intangibles, Net	167,847	81,992
	Other	184,994	169,098
	Total Assets	$ 3,080,252	$ 2,889,752
Liabilities	Current Liabilities		
	Short-term debt	$ 132,440	$ 227,424
	Accounts payable	128,476	128,046
	Accrued expenses	226,182	210,987
	Salaries, wages and related items	145,396	137,288

		1997	1996
	Income taxes	45,703	62,377
	Total Current Liabilities	678,197	766,122
	Long-Term Debt	665,449	468,223
	Long-Term Employee Benefit Obligations	306,514	295,122
	Deferred Income Taxes and Other	44,659	35,102
	Commitments and Contingencies	--	--
Shareholders' Equity	ESOP convertible preferred stock - $1 par value: authorized - 1,016,949 shares; issued and outstanding - 866,286 shares in 1997 and 897,046 shares in 1996	51,111	52,927
	Common stock - $1 par value: authorized - 320,000,000 shares; issued - 167,244,580 shares in 1997 and 170,484,080 shares in 1996	167,245	170,484
	Capital in excess of par value	83,422	58,378
	Cumulative currency translation adjustments	(86,870)	(14,959)
	Retained earnings	2,249,463	2,160,279
	Unearned ESOP compensation	(28,620)	(32,787)
	Common shares in treasury - at cost - 45,161,091 shares in 1997 and 46,873,585 shares in 1996	(1,050,318)	(1,069,139)
	Total Shareholders' Equity	1,385,433	1,325,183
	Total Liabilities and Shareholders' Equity	$ 3,080,252	$ 2,889,752

</TABLE>

See notes to consolidated financial statements

<TABLE>
<CAPTION>

Consolidated Statements of Cash Flows — Becton, Dickinson and Company

Years Ended September 30

Thousands of dollars		1997	1996	1995
<C>	<S>	<C>	<C>	<C>
Operating Activities	Net income	$ 300,074	$ 283,447	$ 251,696
	Adjustments to net income to derive net cash provided by operating activities:			
	Depreciation and amortization	209,771	200,482	207,756
	Deferred income taxes	(29,695)	(13,497)	(13,540)
	Purchased in-process research and development	14,750	--	--
	Change in:			
	Trade receivables	(30,014)	(21,589)	21,930
	Inventories	(24,074)	(10,141)	(7,866)
	Prepaid expenses, deferred taxes and other	8,301	(20,581)	(6,218)
	Accounts payable, income taxes and other liabilities	(11,760)	28,596	(2,609)
	Other, net	5,394	13,726	21,049
	Net cash provided by operating activities	442,747	460,443	472,198
Investing Activities	Capital expenditures	(170,349)	(145,929)	(123,760)
	Proceeds from sale of equity investment	--	--	47,805
	Acquisitions of businesses, net of cash acquired	(200,832)	(16,501)	(3,839)
	Proceeds from dispositions of businesses	24,343	38,027	79,479
	Proceeds of short-term investments, net	2,544	5,190	69,577
	Proceeds from sales of long-term investments	31,307	29,208	6,926
	Purchases of long-term investment	(6,000)	(3,125)	--

	Other, net	(45,079)	(16,736)	(20,240)
	Net cash (used for) provided by investing activities	(364,066)	(109,866)	55,948
Financing Activities	Change in short-term debt	(77,687)	71,103	(12,680)
	Proceeds of long-term debt	292,168	--	107,278
	Payment of long-term debt	(118,686)	(130,597)	(177,226)
	Issuance of common stock	29,393	35,366	19,789
	Repurchase of common stock	(150,003)	(325,874)	(299,723)
	Dividends paid	(67,161)	(61,660)	(58,347)
	Net cash used for financing activities	(91,976)	(411,662)	(420,909)
	Effect of exchange rate changes on cash and equivalents	(9,217)	(2,270)	(3,644)
	Net (decrease) increase in cash and equivalents	(22,512)	(63,355)	103,593
	Opening cash and equivalents	135,151	198,506	94,913
	Closing cash and equivalents	$ 112,639	$ 135,151	$ 198,506

</TABLE>

See notes to consolidated financial statements

Notes to Consolidated Financial Statements
Becton, Dickinson and Company
Thousands of dollars, except per share amounts

Index

Summary of Significant Accounting Policies

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note
1

Principles of Consolidation

The consolidated financial statements include the accounts of Becton, Dickinson and Company and its majority owned subsidiaries after the elimination of intercompany transactions.

Reclassifications

The Company has reclassified certain prior year information to conform with the current year presentation.

Cash Equivalents

Cash equivalents are stated at cost plus accrued interest, which approximates market. The Company considers all highly liquid investments with a maturity of 90 days or less when purchased to be cash equivalents.

Inventories

Inventories are stated at the lower of cost or market. The Company uses the last-in, first-out ("LIFO") method of determining cost for substantially all inventories in the United States. All other inventories are accounted for using the first-in, first-out ("FIFO") method.

Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and amortization. The cost of additions, improvements, and interest on construction are capitalized, while maintenance and repairs are charged to expense when incurred. Depreciation and amortization are provided on the straight-line basis over estimated useful lives which range from twenty to forty-five years for buildings, four to ten years for machinery and equipment and three to twenty years for leasehold improvements.

Goodwill and Other Intangibles

Goodwill represents costs in excess of net assets of businesses acquired. Goodwill and patents are being amortized over periods ranging from five to forty years, using the straight-line method. An impairment loss is recognized in operating results if impairment indicators are present and the undiscounted cash flows estimated to be generated by the related assets are less than their carrying amounts. As a result of a change in the strategic direction for the cellular imaging business, the Company recorded a provision in the amount of $12,275 in 1995 primarily to write off goodwill associated with that business.

Revenue Recognition

Substantially all revenue is recognized when products are shipped to customers.

Warranty

Estimated future warranty obligations related to certain products are provided by charges to operations in the period in which the related revenue is recognized.

Income Taxes

United States income taxes are not provided on substantially all undistributed earnings of foreign and Puerto Rican subsidiaries since the subsidiaries reinvest such earnings or remit them to the Company without tax consequence. Income taxes are provided and tax credits are recognized based on tax laws in effect at the dates of the financial statements.

Earnings Per Share

Earnings per share are computed in accordance with the provisions of Accounting Principles Board ("APB") Opinion No. 15, "Earnings per Share," using the weighted average number of common and common equivalent shares outstanding during the year, and related income amounts after adjustment for dividends on preferred shares. The weighted average number of shares used in the computations were 128,972,000 in 1997, 132,795,000 in 1996 and 138,402,000 in 1995. Common equivalent shares relate to employee stock plans.

In February 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard ("SFAS") No. 128, "Earnings per Share." This Statement supercedes APB Opinion No. 15 and specifies the computation, presentation and disclosure requirements for earnings per share for entities with publicly held common stock or potential common stock. The Company is required to adopt the provisions of SFAS No. 128 for the quarter ending December 31, 1997. The principal difference between the provisions of SFAS No. 128 and previous authoritative pronouncements is related to the exclusion of common stock equivalents in the determination of Basic Earnings Per Share and the market price at which common stock equivalents are calculated in the determination of Diluted Earnings Per Share. Earning per share, computed in accordance with the provisions of SFAS No. 128, for the years ended September 30, 1997, 1996 and 1995 are presented in the table below:

	1997	1996	1995
Earnings Per Share			
Basic	$2.42	$2.21	$1.85
Diluted	$2.30	$2.11	$1.77

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates or assumptions affect reported assets, liabilities, revenues and expenses as reflected in the financial statements. Actual results could differ from these estimates.

Derivative Financial Instruments

Derivative financial instruments are utilized by the Company in the management of its foreign currency and interest rate exposures. The Company does not use derivative financial instruments for trading or speculative purposes.

The Company reduces its foreign currency exposures by entering into forward exchange contracts and purchased currency options for the future purchase and sale of foreign currencies. The Company also occasionally enters into interest rate swaps, interest rate caps, interest rate collars, and forward rate agreements in order to reduce the impact of fluctuating interest rates on its short-term floating rate third party and intercompany debt and investments. In connection with issuances of long-term debt, the Company may also enter into interest rate hedge agreements in order to protect itself from fluctuating interest rates during the period in which the sale of the debt is being arranged.

The Company accounts for its derivative financial instruments using the deferral method of accounting, whereby gains and losses related to these hedges are recognized in income as part of, and concurrent with, the hedged transactions. The carrying value of derivative financial instruments is recorded and included in the caption Prepaid expenses, deferred taxes and other, or in Accrued expenses on the balance sheet, as appropriate.

Any deferred gains or losses associated with derivative instruments, which on infrequent occasions may be terminated prior to maturity, are recognized in income in the period in which the underlying hedged transaction is recognized. In the event a designated hedged item is sold, extinguished or matures prior to the termination of the related derivative instrument, such instrument would be closed and the resultant gain or loss would be recognized in income.

Stock-Based Compensation

Under the provisions of SFAS No. 123, "Accounting for Stock-Based Compensation," the Company accounts for stock-based employee compensation using the intrinsic value method prescribed by APB Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations. Accordingly, compensation cost for stock options is measured as the excess, if any, of the quoted market price of the Company's stock at the date of the grant over the exercise price.

Acquisitions

note
2

In May 1997, the Company acquired PharMingen, a manufacturer of reagents for biomedical research, and Difco Laboratories Incorporated ("Difco"), a manufacturer of microbiology media and supplies, for an aggregate amount of $187,200, net of cash acquired.

The PharMingen and Difco acquisitions were recorded under the purchase method of accounting, and accordingly, their results of operations for the post-acquisition period have been included in the accompanying consolidated financial statements. The purchase prices have been allocated to assets acquired and liabilities assumed based on estimated fair values. In connection with these acquisitions, certain research and development projects acquired were determined to have not reached technological feasibility. Accordingly, a charge of $14,750 for purchased in-process research and development was included in the 1997 results of operations. The aggregate

fair value of assets acquired and liabilities assumed, after giving effect to the write-off of purchased in-process research and development, is summarized below:

Working capital, net of cash acquired	$ 27,545
Property, plant and equipment	20,651
Other intangibles	86,316
Goodwill	78,833
Other assets	3,210
Long-term liabilities	(44,105)

Included in the assumed liabilities for these acquisitions, is $17,813 representing severance, and other exit costs in connection with the closing of certain Difco facilities.

Goodwill related to PharMingen and Difco is being amortized on a straight-line basis over 15 and 20 years, respectively. Unaudited pro forma consolidated revenues, as if the acquisitions had taken place at the beginning of fiscal 1996, would have been approximately $2,884,256 and $2,872,519 for fiscal years 1997 and 1996, respectively. Unaudited pro forma consolidated income and earnings per share would not have been materially different from the reported amounts for either year. Such unaudited pro forma amounts are not necessarily indicative of what the actual consolidated results of operations might have been had the acquisitions been in effect at the beginning of fiscal 1996.

Employee Stock Ownership Plan (ESOP)/Savings Plan

note
3

The Company has an Employee Stock Ownership Plan ("ESOP") as part of its voluntary defined contribution plan (savings plan) covering most domestic employees. The ESOP is intended to satisfy all or part of the Company's obligation to match 50% of employees' contributions, up to a maximum of 3% of each participant's salary. To accomplish this, in 1990, the ESOP borrowed $60,000 in a private debt offering and used the proceeds to buy the Company's ESOP convertible preferred stock. Each share of preferred stock has a guaranteed liquidation value of $59 per share and is convertible into 3.2 shares of the Company's common stock. The preferred stock pays an annual dividend of $3.835 per share, a portion of which is used by the ESOP, together with the Company's contributions, to repay the ESOP debt. Since the ESOP debt is guaranteed by the Company, it is reflected on the consolidated balance sheet as short-term and long-term debt with a related amount shown in the shareholders' equity section as unearned ESOP compensation.

The amount of ESOP expense recognized is equal to the cost of the preferred shares allocated to plan participants and the ESOP interest expense for the year, reduced by the amount of dividends paid on the preferred stock.

Selected financial data pertaining to the ESOP/Savings Plan follow:

	1997	1996	1995
Total expense of the savings plan	$ 4,257	$ 5,115	$ 7,659
Compensation expense (included in total expense above)	$ 2,087	$ 2,693	$ 5,080
Dividends on ESOP shares used for debt service	$ 3,366	$ 3,484	$ 3,596
Number of preferred shares allocated at September 30	357,465	325,632	288,785

The Company guarantees employees' contributions to the fixed income fund of the Savings Plan. The amount guaranteed was $90,521 at September 30, 1997.

Benefit Plans

note
4

The Company and certain of its subsidiaries have defined benefit pension plans which cover a substantial number of its employees. The largest plan, covering most of the Company's domestic employees, is a "final average pay" plan.

A summary of the costs of the defined benefit pension plans follows:

	1997	1996	1995
Service cost: benefits earned during the year	$ 19,946	$ 20,217	$ 16,884
Interest cost on projected benefit obligation	31,389	29,204	27,312
Return on assets:			
Actual gain	(103,350)	(53,055)	(71,964)
Deferred portion	65,187	18,014	42,790
Expected return	(38,163)	(35,041)	(29,174)
Net pension cost	$ 13,172	$ 14,380	$ 15,022

Rate assumptions used in accounting for the domestic defined benefit plans were:

	1997	1996	1995
Discount rate:			
End of year	7.50%	7.75%	7.50%
Beginning of year	7.75%	7.50%	8.00%
Rate of increase in compensation	5.25%	5.25%	5.25%
Expected long-term rate of return on assets	10.00%	10.00%	10.00%

The following table sets forth the funded status and amounts recognized in the consolidated balance sheets at September 30, 1997 and 1996 for the Company's domestic defined benefit pension plans:

	1997	1996

Actuarial present value of benefit obligations:		
Vested benefit obligation	$ 339,139	$ 294,564
Accumulated benefit obligation	$ 354,440	$ 308,208
Projected benefit obligation	$ 467,866	$ 413,062
Plan assets at fair value	480,435	385,468
Plan assets in excess of (less than) projected benefit obligation	12,569	(27,594)
Unrecognized net gain	(85,336)	(33,579)
Unrecognized net asset at October 1, 1985, net of amortization	(1,820)	(2,427)
Net pension liability recognized in the consolidated balance sheets	$ 74,587	$ 63,600

Plan assets are composed primarily of investments in publicly traded securities. The Company's funding policy is to contribute amounts to the plans sufficient to meet the minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974, as amended, plus such additional amounts as the Company may determine to be appropriate from time to time.

Employees in foreign countries are covered by various postretirement benefit arrangements, some of which are considered to be defined benefit plans for accounting purposes. Such plans are immaterial to the Company's consolidated financial position and results of operations.

In addition to providing pension benefits, the Company and its domestic subsidiaries provide certain health care and life insurance benefits for retired employees. Substantially all of the Company's domestic employees may become eligible for these benefits upon retirement from the Company. The Company's cost of benefits for foreign retirees is minimal as health care and life insurance coverage is generally provided through government plans.

Postretirement benefit costs include the following components:

	1997	1996	1995
Service cost: benefits earned during the year	$ 2,154	$ 2,251	$ 2,108
Interest cost on projected benefit obligation	11,467	10,925	10,860
Amortization of gain from plan amendments	(6,364)	(6,334)	(6,499)
Postretirement benefit cost	$ 7,257	$ 6,842	$ 6,469

The postretirement benefit plans other than pensions are not funded. The present value of the Company's obligation included in the consolidated balance sheets at September 30, 1997 and 1996 was as follows:

	1997	1996
Accumulated postretirement benefit obligation:		
Retirees	$ 123,044	$ 113,377
Fully eligible active participants	14,892	14,157
Other active participants	28,204	26,060
Total	166,140	153,594
Unrecognized gain from plan amendments	69,432	75,744
Unrecognized actuarial loss	(21,225)	(11,246)
Accrued postretirement benefit liability	$ 214,347	$ 218,092

At September 30, 1997 and 1996, health care cost trends of 11% and 12%, respectively, pre-age 65 and 8% and 9%, respectively, post-age 65 were assumed. These rates were assumed to decrease gradually to an ultimate rate of 5.75% beginning in 2003 for pre-age 65 and 2000 for post-age 65. The effect of a 1% annual increase in these assumed cost trend rates would increase the accumulated postretirement benefit obligation at September 30, 1997 by $4,947 and the postretirement cost for 1997 by $371. The discount rate used to estimate the postretirement benefit cost was 7.75% in 1997 and 7.5% in 1996. The discount rate used to estimate the accumulated postretirement benefit obligation at September 30, 1997 was 7.5% and 7.75% at September 30, 1996.

The Company utilizes a service-based approach in applying the provisions of SFAS No. 112, "Employers' Accounting For Postemployment Benefits," for most of its postemployment benefits. Such an approach recognizes that actuarial gains and losses may result from experience that differs from baseline assumptions. In 1997, the Company recorded a $5,963 curtailment loss for severance in connection with productivity programs in the United States and Europe.

	1997	1996	1995
Postemployment benefit costs	$25,500	$12,200	$10,300

Other Income (Expense) Net

note
5

Other income, net in 1997, included $8,191 of gains from the dispositions of non-core business lines and a gain of $5,763 on the sale of an investment. Also included in Other income, net were foreign exchange losses of $5,021, including hedging costs.

Other (expense), net in 1996 includes income of $8,216 from a net cash settlement received in connection with one of the Company's patents and foreign exchange losses, including hedging costs, of $8,127.

Other (expense), net in 1995 includes a net cash settlement of $10,995 received in connection with a favorable arbitration ruling relating to one of the Company's patents offset by losses of $6,301 from the sale of the medical glove business and foreign exchange losses, including hedging costs, of $12,074.

Income Taxes

note
6

The provision for income taxes is composed of the following charges (benefits):

	1997	1996	1995
Current:			
Domestic:			
Federal	$ 81,588	$ 70,769	$ 53,388
State and local, including Puerto Rico	34,442	33,521	28,212
Foreign	36,231	19,436	29,822
	152,261	123,726	111,422
Deferred:			
Domestic	(15,798)	(19,769)	(7,070)
Foreign	(13,897)	6,272	(6,470)
	(29,695)	(13,497)	(13,540)
	$ 122,566	$ 110,229	$ 97,882

In accordance with SFAS No. 109, "Accounting for Income Taxes," deferred tax assets and liabilities are netted on the balance sheet by separate tax jurisdictions. At September 30, 1997 and 1996, net current deferred tax assets of $62,702 and $44,845, respectively, were included in Prepaid expenses, deferred taxes and other. Net non-current deferred tax assets of $49,046 and $43,602, respectively, were included in Other non-current assets. Net current deferred tax liabilities of $8,313 in 1997 were included in Current Liabilities - - Income taxes. There were no net current deferred tax liabilities in 1996. Net non-current deferred tax liabilities of $15,389 and $8,274, respectively, were included in Deferred income taxes and other. Deferred taxes are not provided on substantially all undistributed earnings of foreign and Puerto Rican subsidiaries. At September 30, 1997, the cumulative amount of such undistributed earnings approximated $964,000 against which United States tax-free liquidation provisions or substantial tax credits are available. Determining the tax liability that would arise if these earnings were remitted is not practicable.

Deferred income taxes at September 30 consisted of:

<TABLE>
<CAPTION>

	1997		1996		1995	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Compensation and benefits	$ 143,665	$ --	$ 133,061	$ --	$ 128,676	$ --
Property and equipment	--	100,169	--	108,455	--	117,748
Other	131,319	74,163	89,853	27,400	79,858	19,899
	274,984	174,332	222,914	135,855	208,534	137,647
Valuation allowance	(12,606)	--	(6,886)	--	(9,475)	--
	$ 262,378	$174,332	$ 216,028	$135,855	$ 199,059	$137,647

</TABLE>

A reconciliation of the federal statutory tax rate to the Company's effective tax rate follows:

	1997	1996	1995
Federal statutory tax rate	35.0%	35.0%	35.0%
State and local income taxes, net of federal tax benefit	1.3	1.4	1.5
Effect of foreign and Puerto Rican income	(5.3)	(4.2)	(6.0)
Foreign tax credits	(2.3)	(2.5)	(1.9)
Research tax credit	(.3)	(.3)	(.2)
Purchased in-process research and development	1.2	--	--
Other, net	(.6)	(1.4)	(.4)
	29.0%	28.0%	28.0%

The approximate dollar and per share amounts of tax reductions related to tax holidays in various countries in which the Company does business were: 1997 - - $17,400 and $.13; 1996 - $17,700 and $.13; and 1995 - $18,400 and $.13. The tax holidays expire at various dates through 2010.

The Company made income tax payments, net of refunds, of $151,050 in 1997, $126,236 in 1996 and $132,650 in 1995.

The components of income before income taxes follow:

	1997	1996	1995
Domestic, including Puerto Rico	$264,910	$231,021	$218,695
Foreign	157,730	162,655	130,883
	$422,640	$393,676	$349,578

Supplemental Balance Sheet Information

note
7

Trade Receivables

Allowances for doubtful accounts and cash discounts netted against trade receivables were $28,733 and $28,056 at September 30, 1997 and 1996, respectively.

Inventories	1997	1996
Materials	$ 92,307	$ 91,154
Work in process	79,519	66,005
Finished products	266,511	245,323
	$ 438,337	$ 402,482

Inventories valued under the LIFO method were $252,243 in 1997 and $233,714 in 1996. Inventories valued under the LIFO method would have been higher by approximately $32,200 in 1997 and $33,700 in 1996, if valued on a current cost basis.

Property, Plant and Equipment	1997	1996
Land	$ 60,912	$ 52,090
Buildings	893,696	879,316
Machinery, equipment and fixtures	1,561,521	1,500,969
Leasehold improvements	33,699	29,860
	2,549,828	2,462,235
Less allowances for depreciation and amortization	1,299,123	1,218,087
	$1,250,705	$1,244,148

Goodwill	1997	1996
Goodwill	$ 212,870	$ 139,676
Less accumulated amortization	48,773	45,803
	$ 164,097	$ 93,873

Other Intangibles	1997	1996
Patents and other	$ 299,420	$ 212,928
Less accumulated amortization	131,573	130,936
	$ 167,847	$ 81,992

Debt

note
8

The components of short-term debt follow:

	1997	1996
Loans payable:		
Domestic	$ 78,500	$ 51,700
Foreign	46,281	54,497
Current portion of long-term debt	7,659	121,227
	$132,440	$227,424

Domestic loans payable consist of commercial paper. Foreign loans payable consist of short-term borrowings from financial institutions. The weighted average interest rates for loans payable were 5.5% and 4.9% at September 30, 1997 and 1996, respectively. In November 1996, the Company entered into a $500,000 five-year syndicated and committed revolving credit facility that was undrawn at September 30, 1997. The facility supports the Company's commercial paper borrowing program under which $78,500 was outstanding at September 30, 1997. It can also be used for other general corporate purposes. Restrictive covenants under this agreement include a minimum tangible net worth level. At September 30, 1996, the Company had lines of credit to support commercial paper borrowings consisting of $300,000 in short-term lines of credit and $70,000 in long-term lines of credit, all of which were unused. In addition, the Company had unused foreign lines of credit pursuant to informal arrangements of approximately $197,000 and $200,000 at September 30, 1997 and 1996, respectively.

The components of long-term debt follow:

	1997	1996
Domestic notes due through 2015 (average year-end interest rate: 5.9% - 1997; 5.4% - 1996)	$ 15,614	$109,691
Foreign notes due through 2011 (average year-end interest rate: 6.2% - 1997; 6.1% - 1996)	16,493	20,768
9.95% Notes due March 15, 1999	100,000	100,000
8.80% Notes due March 1, 2001	100,000	100,000
9.45% Guaranteed ESOP Notes due through July 1, 2004	33,342	37,764
6.90% Notes due October 1, 2006	100,000	--
8.70% Debentures due January 15, 2025	100,000	100,000
7.00% Debentures due August 1, 2027	200,000	--
	$665,449	$468,223

In October 1996, the Company issued $100,000 of 6.9% notes due on October 1, 2006, with an effective yield including the results of an interest rate hedge and other financing costs of 7.34%. In July 1997, the Company issued $200,000 of 7% Debentures due on August 1, 2027. Prior to the issuance, the Company entered into an interest rate hedge agreement to protect itself from the impact of fluctuating interest rates during the period in which the sale of the debentures was being arranged. The effective yield of the debentures including the results of the interest rate hedge and other financing costs was 7.23%. The cost of each interest rate hedge agreement is being amortized over the life of the related debt.

In October 1997, the Company filed a shelf registration statement to increase its capacity to issue up to $500,000 of debt securities.

The aggregate annual maturities of long-term debt during the fiscal years ending September 30, 1999 to 2002 are as follows: 1999 - $107,130; 2000 - $6,447; 2001 - $106,912; 2002 - $7,449.

The Company capitalizes interest costs as a component of the cost of construction in progress. The following is a summary of interest costs:

	1997	1996	1995
Charged to operations	$51,134	$54,162	$60,628
Capitalized	6,469	5,368	4,064

	$57,603	$59,530	$64,692

Interest paid, net of amounts capitalized, was $48,573 in 1997, $59,053 in 1996, and $58,726 in 1995.

Financial Instruments

note
9

Fair Value of Financial Instruments

Cash equivalents, short-term investments and short-term debt are carried at cost which approximate fair values. Investments in marketable securities, which are classified as held-to-maturity and other investments, which are classified as available-for-sale securities are also carried at cost. Fair values were estimated based on market prices, where available, or dealer quotes. The fair value of certain long-term debt is based on redemption value. Investments in marketable securities were primarily composed of Puerto Rico government bonds.

The estimated fair values of the Company's financial instruments at September 30, 1997 and 1996 were as follows:

<TABLE>
<CAPTION>

	1997		1996	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<S>	<C>	<C>	<C>	<C>
Assets:				
Investments in marketable securities	$ --	$ --	$ 23,800	$ 23,518
Other investments (non-current)(A)	9,000	8,380	5,987	15,092
Forward exchange contracts(B)	--	--	3,417	3,069
Purchased currency options(B)	279	233	170	166
Liabilities:				
Long-term debt	$665,449	$ 698,852	$468,223	$493,402
Forward exchange contracts(C)	5,979	5,270	--	--
Interest rate swaps	130	(462)	135	921
Rate hedge agreement	--	--	--	807

</TABLE>

(A) Included in Other non-current assets.

(B) Included in Prepaid expenses, deferred taxes and other.

(C) Included in Accrued expenses.

Off-Balance Sheet Risk

The Company has certain receivables, payables and short-term borrowings denominated in currencies other than the functional currency of the Company and its subsidiaries. During the year, the Company hedged substantially all of these exposures by entering into forward exchange contracts and purchased and written currency options. The Company principally hedges the following foreign currencies: Irish pound, Japanese yen, Singapore dollar, French franc, Italian lira, Mexican peso, Spanish peseta, British pound and Australian dollar.

At September 30, the stated or notional amounts of the Company's outstanding forward exchange contracts and purchased currency options, classified as held for purposes other than trading, were as follows:

	1997	1996
Forward exchange contracts	$630,363	$720,076
Purchased currency options:		
Colombian peso put, U.S. dollar call	$ 4,000	$ 2,300
Brazilian real put, U.S. dollar call	--	15,000
Mexican peso call, U.S. dollar put	--	12,000
Mexican peso put, U.S. dollar call	39,000	--

At September 30, 1997, $520,453 of the forward exchange contracts mature within 90 days, $93,188 at various other dates in fiscal 1998 and $16,722 on January 22, 1999. The purchased currency options at September 30, 1997 expire within 30 days.

The Company's foreign exchange hedging activities do not generally create exchange rate risk since gains and losses on these contracts generally offset losses and gains on the related non-functional currency denominated receivables, payables and short-term borrowings.

At September 30, 1997, the Company's Brazilian subsidiary entered into an agreement under which it will pay interest of 21.05% per annum in local currency on the Brazilian Real equivalent of a notional amount of $21,800 and receive the Brazilian Real equivalent of 8.65% per annum on the notional amount, plus an amount equal to the currency devaluation for the period. The fair value of this instrument, which matures on February 2, 1998, approximated the carrying value of zero at September 30, 1997.

The Company enters into interest rate swap and interest rate cap agreements, classified as held for purposes other than trading, in order to reduce the impact of fluctuating interest rates on its foreign currency short-term floating rate third party and intercompany debt and investments outside the United States. At September 30, 1997 and 1996, the Company had foreign interest rate swap agreements, with maturities at various dates through 1999. Under these agreements, the Company agrees with other parties to pay or receive fixed rate payments, generally on an annual basis, in exchange for paying or receiving variable rate payments, generally on a quarterly basis, calculated on an agreed-upon notional amount. At September 30, the notional amounts of the Company's outstanding interest rate swap agreements were as follows:

	1997	1996
Interest rate swap agreements	$133,357	$104,946

At September 30, 1996, the Company had a foreign interest rate cap agreement with a notional U.S. dollar equivalent amount of $8,077, which limited the potential interest rate fluctuations on a portion of the Company's Japanese yen denominated short-term debt. This agreement effectively entitled the Company to receive from a financial institution the amount, if any, by which the Company's interest payments on $8,077 of its floating rate yen denominated short-term debt exceeded 2%. The cap expired in May 1997.

For additional discussion of derivative instruments, see Financial Review on pages 24 and 25.

Concentration of Credit Risk

Substantially all of the Company's trade receivables are due from entities in the health care industry. Due to the large number and diversity of the Company's customer base, concentrations of credit risk with respect to trade receivables are limited. The Company does not normally require collateral. The Company is exposed to credit loss in the event of nonperformance by financial institutions with which it conducts business. The Company minimizes exposure to such risk, however, by dealing only with major international banks and financial institutions.

<TABLE>
<CAPTION>

Shareholders' Equity

note
10

<S> <C> <C> <C> <C> <C>

	Series B, ESOP Preferred Stock Issued	Common Stock Issued	Capital in Excess of Par Value	Retained Earnings	Unearned ESOP Compensation
Balance at October 1, 1994	$56,331	$170,698	$26,251	$1,752,360	$(41,096)
Net income				251,696	
Cash dividends:					
Common ($.41 per share)				(54,725)	
Preferred ($3.835 per share), net of tax benefits				(2,695)	
Common stock issued for employee stock plans, net			6,251		
Repurchase of common stock					
Reduction in unearned ESOP compensation for the year					4,155
Adjustment for redemption provisions and other	(1,618)		350		

Balance at September 30, 1995	54,713	170,698	32,852	1,946,636	(36,941)
Net income				283,447	
Cash dividends:					
Common ($.46 per share)				(58,147)	
Preferred ($3.835 per share), net of tax benefits				(2,675)	
Common stock issued for:					
Employee stock plans, net			17,164		
Business acquisition			8,077		
Repurchase of common stock					
Common stock held in trusts					
Retirement of common stock		(214)	(101)	(8,982)	
Reduction in unearned ESOP compensation for the year					4,154
Adjustment for redemption provisions and other	(1,786)		386		
Balance at September 30, 1996	52,927	170,484	58,378	2,160,279	(32,787)
Net income				300,074	
Cash dividends:					
Common ($.52 per share)				(63,768)	
Preferred ($3.835 per share), net of tax benefits				(2,647)	
Common stock issued for employee stock plans, net			26,942		
Repurchase of common stock					
Common stock held in trusts					
Retirement of common stock		(3,239)	(2,289)	(144,475)	
Reduction in unearned ESOP compensation for the year					4,167
Adjustment for redemption provisions and other	(1,816)		391		
Balance at September 30, 1997	$51,111	$167,245	$83,422	$2,249,463	$(28,620)

<CAPTION>

<S>	Treasury Stock Shares <C>	Treasury Stock Amount <C>
Balance at October 1, 1994	(30,142,262)	$ (491,423)
Net income		
Cash dividends:		
Common ($.41 per share)		
Preferred ($3.835 per share), net of tax benefits		
Common stock issued for employee stock plans, net	1,047,936	13,538
Repurchase of common stock	(11,540,800)	(299,723)
Reduction in unearned ESOP compensation for the year		
Adjustment for redemption provisions and other	87,746	1,268
Balance at September 30, 1995	(40,547,380)	(776,340)
Net income		
Cash dividends:		
Common ($.46 per share)		
Preferred ($3.835 per share), net of tax benefits		
Common stock issued for:		
Employee stock plans, net	1,456,040	18,202
Business acquisition	331,734	4,176
Repurchase of common stock	(8,404,200)	(324,970)
Common stock held in trusts	(20,707)	(904)
Retirement of common stock	214,012	9,297
Reduction in unearned ESOP compensation for the year		
Adjustment for redemption provisions and other	96,916	1,400
Balance at September 30, 1996	(46,873,585)	(1,069,139)
Net income		
Cash dividends:		
Common ($.52 per share)		
Preferred ($3.835 per share), net of tax benefits		
Common stock issued for employee stock plans, net	1,683,547	20,513
Repurchase of common stock	(3,239,500)	(150,003)
Common stock held in trusts	(69,473)	(3,117)
Retirement of common stock	3,239,500	150,003
Reduction in unearned ESOP compensation for the year		
Adjustment for redemption provisions and other	98,420	1,425
Balance at September 30, 1997	(45,161,091)	$(1,050,318)

</TABLE>

Common stock held in trusts represent rabbi trusts in connection with the Company's employee salary and bonus deferral plan and directors' deferral plan.

The excess of cost over par value of common stock retirements is charged proportionally to Capital in Excess of Par Value and Retained Earnings.

Cumulative Currency Translation Adjustments

Generally, the net assets of foreign operations are translated into U.S. dollars using current exchange rates. The U.S. dollar results that arise from such translation, as well as exchange gains and losses on intercompany balances of a long-term investment nature (net of allocated income taxes), are included in the cumulative currency translation adjustment account in Shareholders' Equity. The following is an analysis of the account:

	1997	1996	1995
Balance at October 1	$(14,959)	$ 6,767	$ 8,573
Translation adjustment	(71,911)	(21,726)	(1,587)
Allocated income taxes	--	--	(219)
Balance at September 30	$(86,870)	$(14,959)	$ 6,767

Preferred Stock Purchase Rights

In 1995, the Board of Directors adopted a new shareholder rights plan (the "New Plan") to replace the original rights plan upon its expiration in 1996. In accordance with the New Plan, each certificate representing a share of outstanding common stock of the Company also represents one-half of a Preferred Stock Purchase Right (a "Right"). Each whole Right will entitle the registered holder to purchase from the Company one two-hundredth of a share of Preferred Stock, Series A, par value $1.00 per share, at a price of $270. The Rights will not become exercisable unless and until, among other things, a third party acquires 20% or more of the Company's outstanding common stock. The Rights are redeemable under certain circumstances at $.01 per Right and will expire, unless earlier redeemed, on April 25, 2006. There are 500,000 shares of Preferred Stock designated Series A, none of which have been issued.

Commitments and Contingencies

note
11

Commitments

Rental expense for all operating leases amounted to $48,200 in 1997, $52,000 in 1996 and $53,000 in 1995. Future minimum rental commitments on noncancelable leases are as follows: 1998 - $29,000; 1999 - $22,200; 2000 - $17,200; 2001 - $14,200; 2002 - $11,900 and an aggregate of $19,800 thereafter.

As of September 30, 1997, the Company had entered into certain commitments for future capital expenditures, aggregating approximately $70,700 which will be expended over the next several years.

Contingencies

The Company believes that its operations comply in all material respects with applicable laws and regulations. The Company is a party to a number of Federal proceedings in the United States brought under the Comprehensive Environmental Response, Compensation and Liability Act, also known as "Superfund," and similar state laws. For all sites, there are other potentially responsible parties that may be jointly or severally liable to pay all cleanup costs. The Company accrues costs for an estimated environmental liability based upon its best estimate within the range of probable losses, without considering third-party recoveries. The Company believes that any reasonably possible losses in excess of accruals would be immaterial to the Company's financial condition.

The Company, along with a number of other manufacturers, has been named as a defendant in approximately 75 product liability lawsuits related to natural rubber latex that have been filed in various state and Federal courts. Cases pending in Federal court are being coordinated under the matter In re Latex Gloves Products Liability Litigation (MDL Docket No. 1148) in Philadelphia, and an analogous procedure has been implemented in the California state courts. Generally, these actions allege that medical personnel have suffered allergic reactions ranging from skin irritation to anaphylaxis as a result of exposure to medical gloves containing natural rubber latex. In 1986, the Company acquired a business which manufactured, among other things, latex surgical gloves. In 1995, the Company divested this glove business. The Company intends to mount a vigorous defense in these lawsuits.

The Company is also involved in other legal proceedings and claims which arise in the ordinary course of business, both as a plaintiff and a defendant. In the opinion of the Company, the results of the above matters, individually and in the aggregate, are not expected to have a material effect on its results of operations, financial condition or cash flows.

Stock Plans

note
12

Stock Option Plans

The Company has stock option plans under which employees have been granted options to purchase shares of the Company's common stock at prices established by the Compensation and Benefits Committee of the Board of Directors. The 1990 Stock Option Plan, adopted in 1991, made available 8,000,000 shares, as adjusted for the two-for-one stock splits in 1996 and 1993, of the Company's common stock for the granting of options. The 1995 Stock Option Plan, adopted in 1995, made available an additional

12,000,000 shares, as adjusted for the two-for-one stock split in 1996, of the Company's common stock for the granting of options. At September 30, 1997, 53,032 and 5,092,654 shares were available for future grant under the 1990 and 1995 Plans, respectively.

A summary of changes in outstanding options is as follows:

<TABLE>
<CAPTION>

	1997		1996		1995	
	Options for Shares	Weighted Avg Exercise Price	Options for Shares	Weighted Avg Exercise Price	Options for Shares	Weighted Avg Exercise Price
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance at October 1	13,525,712	$ 24.30	11,830,092	$ 18.92	10,161,918	$ 16.97
Granted	3,295,072	49.45	3,285,684	40.38	2,817,636	24.87
Exercised	(1,629,229)	18.10	(1,395,540)	16.46	(976,742)	15.78
Forfeited, canceled or expired	(107,292)	32.73	(194,524)	24.82	(172,720)	18.59
Balance at September 30	15,084,263	30.41	13,525,712	24.30	11,830,092	18.92
Exercisable at September 30	9,550,165	23.84	10,937,251	23.33	8,778,116	18.28
Weighted average fair value of options granted	$14.15		$10.49			
Available for grant at September 30	5,145,686		8,331,816		11,422,976	

</TABLE>

The maximum term of options is 10 years. Options outstanding as of September 30, 1997 expire on various dates from June 1998 through May 2007.

<TABLE>
<CAPTION>

	September 30, 1997				
	Options Outstanding			Options Exercisable	
Range of Option Exercise Price	Number Outstanding	Weighted Avg Exercise Price	Weighted Avg Remaining Contractual Life	Number Exercisable	Weighted Avg Exercise Price
<S>	<C>	<C>	<C>	<C>	<C>
$13.05 - $25.10	8,630,915	$19.50	5.7 years	7,339,445	$18.81
37.66 - 49.63	6,453,348	44.99	8.9 years	2,210,720	40.55

	15,084,263	30.41	7.7 years	9,550,165	23.84

</TABLE>

As permitted by SFAS No. 123, "Accounting for Stock-Based Compensation," the Company has adopted the disclosure-only provision of the Statement and applies APB Opinion No. 25 and related interpretations in accounting for its employee stock plans.

Both the 1995 and 1990 Plans have a provision whereby unqualified options may be granted at, below, or above market value of the Company's stock. If the option price is less than the market value of the Company's stock on the date of grant, the discount is recorded as compensation expense over the service period in accordance with the provisions of APB Opinion No. 25. There was no such compensation expense in 1997 or 1996. In 1995 such compensation expense amounted to $1,961.

Under certain circumstances, the stock option plans permit the optionee the right to receive cash and/or stock at the Company's discretion equal to the difference between the market value on the date of exercise and the option price. This difference would be recorded as compensation expense over the vesting period.

The following pro forma net income and earnings per share information has been determined as if the Company had accounted for its 1997 and 1996 stock based compensation awards using the fair value method. Under the fair value method, the estimated fair value of awards would be charged against income on a straight-line basis over the vesting period which generally ranges from zero to three years. The pro forma effect on net income for 1997 and 1996 is not representative of the pro forma effect on net income in future years since compensation cost is allocated on a

straight-line basis over the vesting periods of the grants, which extends beyond the reported years.

	1997		1996	
	As Reported	Pro Forma	As Reported	Pro Forma
Net Income	$ 300,047	$ 290,697	$ 283,447	$ 267,953
Earnings Per Share	2.30	2.26	2.11	2.02

The pro forma amounts and fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions used for grants in 1997 and 1996: risk free interest rates of 6.51% and 5.64% in 1997 and 1996, respectively; expected dividend yields of 1.42% and 1.64% in 1997 and 1996 respectively; expected lives of 6 years in 1997 and 1996; expected volatility of 18.0% and 19.2% in 1997 and 1996, respectively.

Other Stock Plans

The Company has a compensatory Stock Award Plan which allows for grants of common shares to certain key employees. Distribution of 25% or more of each award, as elected by the grantee, is deferred until after retirement or involuntary termination. Commencing on the first anniversary of a grant, the remainder is distributable in five equal annual installments. During 1997, 74,270 shares were distributed. No awards were granted in 1997, 1996 or 1995. At September 30, 1997, 1,384,770 shares were reserved for future issuance, of which awards for 334,076 shares have been granted.

The Company has a compensatory Restricted Stock Plan for Non-Employee Directors which reserves for issuance 150,000 shares of the Company's common stock. Restricted shares of 780, 4,970 and 7,550 were issued in 1997, 1996 and 1995, respectively, in accordance with the provisions of the plan.

In November 1996, in connection with the discontinuation of pension benefits that otherwise would have been accrued and provided to directors of the Company, the Company established the 1996 Directors' Deferral Plan. This Plan allowed members of the Board of Directors to defer receipt of the lump sum present value of all their accrued and unpaid past service pension benefits as of December 1, 1996, in the form of shares of the Company's common stock or cash. In addition, the Plan provides a means to defer director compensation, from time to time, on a deferred stock or cash basis. As of September 30, 1997, 55,889 shares were held in trust, of which 6,564 shares represented directors' compensation in 1997, in accordance with the provisions of the Plan. Under the Plan, which is unfunded, directors have an unsecured contractual commitment from the Company to pay directors the amounts due to them under the Plan.

Business Segment Data

note
13

The Company's operations are composed of two business segments, Medical Supplies and Devices and Diagnostic Systems. Distribution of products is both through distributors and directly to hospitals, laboratories and other end users.

Medical Supplies and Devices

The major products in this segment are hypodermic products, specially designed devices for diabetes care, prefillable drug delivery systems, infusion therapy products and elastic support products and thermometers. The Medical Supplies and Devices segment also includes disposable scrubs, specialty needles and specialty and surgical blades.

Diagnostic Systems

The major products in this segment are clinical and industrial microbiology products, sample collection products, flow cytometry systems for cellular analysis, tissue culture labware, hematology instruments and other diagnostic systems, including immunodiagnostic test kits.

Sales to a distributor which supplies the Company's products to many end users accounted for approximately 10% of revenues in 1997, 11% in 1996 and 13% of revenues in 1995, and were from both the Diagnostic Systems and Medical Supplies and Devices segments. No other customer accounted for 10% or more of revenues in each of the three years presented.

The countries in which the Company has local revenue-generating operations have been combined into the following geographic areas: the United States, including Puerto Rico; Europe; and Other, which is composed of Canada, Latin America, Japan and Asia Pacific.

Segment and geographic area operating income represent revenues reduced by product costs and operating expenses. Unallocated expenses include costs related to management of corporate assets, foreign exchange and interest expense, net.

Financial information with respect to business segment and geographic data for the years ended September 30, 1997, 1996 and 1995 is presented on pages 30 and 31 and is considered to be an integral part of the notes to the consolidated financial statements.

In June 1997, the Financial Accounting Standards Board issued SFAS No. 131 "Disclosures about Segments of an Enterprise and Related Information." The Company is required to adopt the provisions of this Statement no later than its 1999 fiscal year. SFAS No. 131 establishes a new method by which companies will report operating segment information.

This method is based on the manner in which management organizes the segments within a company for making operating decisions and assessing performance. The Company continues to evaluate the provisions of SFAS No. 131 and, upon adoption, different operating segments may be reported by the Company.

Quarterly Data (Unaudited)
Thousands of dollars, except per share amounts

1997	1st	2nd	3rd	4th	Year
Revenues	$655,799	$699,207	$706,539	$748,978	$2,810,523
Gross Profit	312,667	346,533	353,794	384,218	1,397,212
Net Income	58,108	82,671	70,148	89,147	300,074
Earnings Per Share	.44	.63	.54	.69	2.30

1996	1st	2nd	3rd	4th	Year
Revenues	$639,935	$705,725	$692,945	$731,151	$2,769,756
Gross Profit	291,189	337,016	341,094	371,280	1,340,579
Net Income	44,522	74,790	77,167	86,968	283,447
Earnings Per Share	.32	.55	.58	.66	2.11

COMMON STOCK PRICES AND DIVIDENDS

By Quarter

	1997			1996		
	High	Low	Dividends	High	Low	Dividends
First	$45 1/2	$37	$.13	$38	$31 1/16	$.11 1/2
Second	51 5/8	42 5/8	.13	44 9/16	36 13/16	.11 1/2
Third	53 1/4	42 3/4	.13	42 3/4	37 7/16	.11 1/2
Fourth	55 5/8	46 3/4	.13	44 7/8	35 3/8	.11 1/2

- --

CORPORATE DATA

Annual Meeting
2:30 p.m.
Tuesday, February 10, 1998
1 Becton Drive
Franklin Lakes, NJ 07417-1880

Dividend Reinvestment
The Becton Dickinson Dividend Reinvestment Plan offers shareholders an opportunity to purchase additional shares, commission-free, through automatic dividend reinvestment and/or optional cash investments. Additional information may be obtained by writing to First Chicago Trust Company of New York, Dividend Reinvestment Plan, Becton Dickinson, P.O. Box 2598, Jersey City, NJ 07303-2598.

Direct Stock Purchase Plan
It is anticipated that in February 1998, the Becton Dickinson Dividend Reinvestment Plan will be replaced by a new direct stock purchase plan established through First Chicago Trust Company of New York, which will enhance the services provided to existing shareholders and facilitate initial investments in Becton Dickinson shares. Participants in the Dividend Reinvestment Plan and all shareholders of record will be enrolled automatically in the new plan and will be sent plan materials. Additional information may be obtained by calling First Chicago Trust Company of New York at 1-800-317-4445.

Shareholder Information
Shareholders may receive, without charge, a copy of the company's 1997 Annual Report to the Securities and Exchange Commission on Form 10-K by contacting:

Investor Relations
Becton Dickinson and Company
1 Becton Drive
Franklin Lakes, NJ 07417-1880
Phone: 1-800-284-6845

Transfer Agent and Registrar
First Chicago Trust Company of New York
P.O. Box 2500
Jersey City, NJ 07303-2500
Phone: 1-800-519-3111
E-mail: fctc@em.fcnbd.com
Internet: http://www.fctc.com

Independent Auditors
Ernst & Young LLP
433 Hackensack Avenue
Hackensack, NJ 07601-6371
Phone: (201) 343-4095

EVA(R) is a registered trademark of Stern Stewart & Co.

All other trademarks indicated by CAPITAL LETTERS are the property of, licensed to, promoted or distributed by Becton Dickinson and Company, its subsidiaries or related companies.

NYSE Symbol BDX

BDX

BDX
Listed
NYSE
The New York Stock Exchange

Exhibit 21

SUBSIDIARIES OF BECTON, DICKINSON AND COMPANY

<TABLE>
<CAPTION>

Name of Subsidiary	State of Jurisdiction of Incorporation	Percentage of Voting Securities Owned
1751 Hancock Street Company	California	100%(1)
228 Coshocton, Inc.	Nevada	100%
Alchem, Inc.	Massachusetts	100%(1)
American Agar and Chemical Company	California	100%(1)
B-D (Cambridge, U.K.) Ltd.	United Kingdom	100%(1)
Bauer & Black, Inc.	Delaware	100%
BBL Realty, Inc.	Maryland	100%(1)
BD Holding S. de R.L. de C.V.	Mexico	100%(1)
Becton, Dickinson A.G.	Switzerland	100%(1)
Becton, Dickinson Aktiebolag	Sweden	100%(1)
Becton, Dickinson and Company, Ltd.	Ireland	100%
Becton, Dickinson B.V.	Netherlands	100%
Becton, Dickinson de Mexico, S.A. de C.V.	Mexico	100%(1)
Becton, Dickinson France, S.A.	France	100%
Becton, Dickinson Warenvertriebs Ges.m.b.H.	Austria	100%(1)
Becton, Dickinson GmbH	Germany	100%(1)
Becton, Dickinson Industrias Cirurgicas, S.A.	Brazil	100%(1)
Becton, Dickinson Italia S.p.A.	Italy	100%(1)
Becton, Dickinson U.K. Limited	United Kingdom	100%(1)
Becton, Dickinson U.K. Holdings Limited	United Kingdom	100%(1)
Becton, Dickinson (Royston) Limited	United Kingdom	100%(1)
Becton Dickinson, S.A.	Spain	100%(1)
Becton Dickinson (Mauritius) Limited	Mauritius	100%(1)
Becton Dickinson (Pty) Ltd.	South Africa	100%(1)
Becton Dickinson (Thailand) Limited	Thailand	100%(1)
Becton Dickinson AcuteCare, Inc.	Massachusetts	100%(1)
Becton Dickinson AcuteCare Holdings, Inc.	Delaware	100%
Becton Dickinson Asia Limited	Hong Kong	100%(1)
Becton Dickinson Asia Pacific Limited	British Virgin Islands	100%
Becton Dickinson Benelux N.V.	Belgium	100%(1)
Becton Dickinson Canada Inc.	Canada	100%(1)
Becton Dickinson Cellular Imaging Systems B.V.	Netherlands	100%(1)
Becton Dickinson Czechia s.r.o.	Czech Republic	100%(1)
Becton Dickinson de Colombia Ltda.	Colombia	100%(1)
Becton Dickinson del Uruguay S.A.	Uruguay	100%(1)
Becton Dickinson Diagnostics Inc.	Delaware	100%
Becton Dickinson Distribution Center N.V.	Belgium	100%(1)
Becton Dickinson Enterprises Incorporated	New Jersey	100%(1)
Becton Dickinson Foreign Sales Corporation	Barbados	100%(1)
Becton Dickinson Hellas S.A.	Greece	100%(1)
Becton Dickinson Hungary Kft.	Hungary	100%(1)
Becton Dickinson India Pvt. Ltd.	India	100%(1)
Becton Dickinson Infusion Therapy Systems Inc., S.A. de C.V.	Mexico	100%(1)
Becton Dickinson Infusion Therapy Systems Inc.	Delaware	100%
Becton Dickinson Insulin Syringe, Ltd.	Cayman Islands	100%(1)
Becton Dickinson Ithalat Ihracat Ltd. Sirketi	Turkey	100%(1)
Becton Dickinson Korea, Inc.	Korea	100%
Becton Dickinson Medical (S) Pte Ltd.	Singapore	100%(1)
Becton Dickinson Medical Devices Co. Ltd.,Suzhou	P.R.C.	90%
Becton Dickinson Medical Products Pte. Ltd.	Singapore	100%
Becton Dickinson Monoclonal Center, Inc.	Delaware	100%
Becton Dickinson New Zealand	New Zealand	100%(1)
Becton Dickinson O.Y.	Finland	100%(1)
Becton Dickinson Overseas Services Ltd.	Nevada	100%
Becton Dickinson Pen Limited	Ireland	100%
Becton Dickinson Penel Limited	Cayman Islands	100%(1)
Becton Dickinson Philippines, Inc.	Philippines	100%(1)
Becton Dickinson Polska Ltd. Sp. z.o.o.	Poland	100%(1)
Becton Dickinson Pty. Ltd.	Australia	100%(1)
Becton Dickinson Sdn.Bhd.	Malaysia	100%(1)
Becton Dickinson Venezuela, C.A	Venezuela	100%(1)
Becton Dickinson Worldwide, Inc.	Delaware	100%
Bedins Ltd.	Bermuda	100%(1)
Belvedere, Inc.	New Hampshire	100%(1)

</TABLE>

Benex Ltd.	Ireland	100%
Beta - Lab Limited	United Kingdom	100%(1)
BMS Realty, Inc.	Maryland	100%(1)
Cascade Medical Leasing, Inc.	Oregon	100%(1)
Cell Analysis Systems, Inc.	Illinois	100%
Collaborative Biomedical Products, Inc.	Delaware	100%
Controladora S. de R.L. de C.V	Mexico	100%(1)
D.H. Farms Company	Michigan	100%(1)
D.L.D., Ltd.	Bermuda	100%(1)
D.L.D. Company	Delaware	100%(1)
Dantor S.A.	Uruguay	100%(1)
Difco Laboratories GmbH	Germany	100%(1)
Difco Laboratories Incorporated	Michigan	100%
Difco Laboratories Incorporated	U.S. Virgin Islands	100%(1)
Difco Laboratories Incorporated	Wisconsin	100%(1)
Difco Laboratories Limited	United Kingdom	100%(1)
Difco Microbiology Systems, Inc.	Michigan	100%(1)
Digestive Ferments Company	Michigan	100%(1)
DWS, Inc.	Oregon	100%
EPV S.A. de C.V.	Mexico	100%(1)
JLI Leasing, Inc.	Maryland	100%(1)
Johnston Ferguson Vestal, Inc.	Maryland	100%
Johnston Laboratories, Inc.	Maryland	100%
Laboratorios Difco,Ltda.	Brazil	60%(1)
Lee Laboratories Inc.	Georgia	100%(1)
Med-Safe Systems, Inc.	California	100%

</TABLE>

<TABLE>

<S>	<C>	<C>
MICROPETTE, Inc.	Delaware	100%
Nippon Becton Dickinson Company, Ltd.	Japan	100%(1)
Pasco Laboratories Inc.	Colorado	100%(1)
PharMingen	California	100%
PharMingen Canada Inc.	Canada	100%(1)
PharMingen Deutschland GmbH	Germany	100%(1)
PharMingen SPC	California	100%(1)
Phase Medical, Inc.	California	100%(1)
Promedicor de Mexico, S.A. de C.V.	Mexico	100%(1)
Rindanor BD Sociodad Anomina Uruguay	Uruguay	100%(1)
Southeastern Animal Resources, Inc.	Georgia	100%(1)
Visitek Limited	United Kingdom	100%(1)

</TABLE>

(1) owned by a wholly-owned subsidiary of Becton, Dickinson and Company.

EXHIBIT 23

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in Registration Statement Nos. 33-22871, 33-23055, 33-33791, 33-40787, 33-53375, 33-58367, 33-64115, 333-11885 and 333-16091 on Form S-8, and Registration Statement Nos. 333-23559 and 333-38193 on Form S-3 of Becton, Dickinson and Company and the related Prospectuses of our report dated November 6, 1997, with respect to the consolidated financial statements and schedule of Becton, Dickinson and Company included in this Annual Report (Form 10-K) for the year ended September 30, 1997.

/s/ Ernst & Young LLP

Ernst & Young LLP

Hackensack, New Jersey
December 12, 1997

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This Schedule contains summary financial information extracted from the Company's Consolidated Financial Statements for the twelve months ended September 30, 1997, and is qualified in its entirety by reference to such financial statements.
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