AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON DECEMBER 16, 1998

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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, 1998 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 (ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)	07417-1880 (ZIP CODE)

(201) 847-6800
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

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

<TABLE>
<CAPTION>

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

</TABLE>

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, 1998, 248,183,293 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 $10,512,801,743.

DOCUMENTS INCORPORATED BY REFERENCE

(1) Portions of the registrant's Annual Report to Shareholders for the fiscal year ended September 30, 1998 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 9, 1999 are incorporated by reference into Part III hereof.

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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 the Company's performance, including future

revenues, products and income and events or developments that the Company expects to occur or anticipates occurring in the future. All such statements 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, Year 2000 issues, and changes in health care or other governmental practices or regulation, as well as other factors discussed herein and in other Company 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 44-45 of the Company's Annual Report to Shareholders for the fiscal year ended September 30, 1998 (the "1998 Annual Report"), and is incorporated herein by reference as part of Exhibit 13.

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, 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 (including reagents for cellular analysis), tissue culture labware, hematology instruments and other diagnostic systems, including immunodiagnostic test kits.

ACQUISITION OF BUSINESSES

In December 1997, the Company acquired Visitec, a manufacturer of opthalmic surgical products. In January 1998, the Company acquired the IntelliCode Intelligent Bar Coding Systems division of MedPlus, Inc., a producer of electronic bar coding products. In February 1998, the Company acquired Tru-Fit Marketing Corporation, a manufacturer of sports health care products. In April 1998, the Company acquired the Medical Devices Division ("MDD"), a leading European marketer of intravenous catheters for infusion therapy, from The BOC Group. Also, in May 1998, the Company acquired Concepts in Healthcare, Inc. which provides consulting services to the healthcare industry. In September 1998, the Company acquired Boin Medica Co., Ltd., a Korean manufacturer of medical devices, including hypodermic products. 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.

In addition, in October 1998, the Company acquired MDI Instruments, Inc., a company with patented electronic devices for the detection of ear fluids and infections, and in December 1998, the Company acquired Glentech, Inc., a

reagent developer and manufacturer of cell biology products.

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 Brazil, China, France, Germany, India, Ireland, Japan, Korea, Mexico, Pakistan, Singapore, Spain, Sweden and the United Kingdom, and construction of a hypodermic syringe manufacturing facility in India is scheduled for completion in December 1998.

Foreign economic conditions and exchange rate fluctuations have caused the profitability from foreign revenues to fluctuate more than the 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 11% of total Company revenues in fiscal 1998, 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, at Becton Dickinson Technologies 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 $217,900,000 on research and development during the fiscal year ended September 30, 1998, and $180,626,000 and $154,220,000, respectively, during the two immediately preceding fiscal years. Research and development spending in fiscal years 1998 and 1997 included the write-off of acquired in-process research and development of $30,000,000 and $14,750,000, respectively.

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, technology, 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, technology, 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, technology, trademark, intellectual property asset or 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, 1998, the Company had approximately 21,700 employees, of whom approximately 10,100 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 11,903,445 square feet of manufacturing, warehousing, administrative and research facilities throughout the world. The domestic facilities, including Puerto Rico, comprise approximately 5,462,325 square feet of owned and 1,664,576 square feet of leased space. The foreign facilities comprise approximately 3,379,136 square feet of owned and 1,397,408 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, Florida, Georgia, Illinois, Indiana, Louisiana, Maryland, Massachusetts, Michigan, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, Wisconsin, and Puerto Rico.

The foreign facilities are grouped as follows:

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

--Europe and Eastern Europe, Middle East and Africa includes facilities in Austria, Belgium, the Czech Republic, Denmark, England, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Kenya, the Netherlands, Poland, Russia, Saudi Arabia, South Africa, Spain, Sweden, Switzerland, Turkey, and the United Arab Emirates and is comprised of approximately 1,420,000 square feet of owned and 775,330 square feet of leased space.

--Latin America includes facilities in Argentina, Bolivia, Brazil, Chile, Colombia, Guatemala, Mexico, Panama, Paraguay, Peru, Uruguay, and Venezuela and is comprised of approximately 1,158,010 square feet of owned and 226,940 square feet of leased space.

--Asia Pacific includes facilities in Australia, China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Taiwan, Thailand, and Vietnam and is comprised of approximately 801,120 square feet of owned and 326,210 square feet of leased space.

The table below summarizes property information by business segment:

<TABLE>

<CAPTION>

CATEGORY	BUSINESS SEGMENT: CORPORATE	DIAGNOSTIC SYSTEMS	MEDICAL SUPPLIES AND DEVICES	MIXED(A)	TOTAL
<S>	<C>	<C>	<C>	<C>	<C>
Leased					
Facilities.....	1	16	45	98	160
Square feet.....	1,080	330,779	939,285	1,790,840	3,061,984
Manufacturing square footage.....	--	61,802	381,930	--	443,732
Manufacturing facilities.....	--	4	9	--	13
Owned					
Facilities.....	6	26	20	9	61
Square feet.....	471,260	3,187,567	3,645,103	1,537,531	8,841,461
Manufacturing square footage.....	--	1,450,880	2,217,331	473,053	4,141,264
Manufacturing facilities.....	--	21	20	4	45
Total					
Facilities.....	7	42	65	107	221
Square feet.....	472,340	3,518,346	4,584,388	3,328,371	11,903,445
Manufacturing square footage.....	--	1,512,682	2,599,261	473,053	4,584,996
Manufacturing facilities.....	--	25	29	4	58

</TABLE>

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(A) Facilities used by both business segments.

ITEM 3. LEGAL PROCEEDINGS.

The Company, along with a number of other manufacturers, has been named as a defendant in approximately 196 products 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 analogous procedures have been implemented in the state courts of California, Pennsylvania and New Jersey. 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 is vigorously defending these lawsuits.

The Company, along with another manufacturer and several medical products distributors, has been named as a defendant in nine product liability lawsuits relating to health care workers who allegedly sustained accidental needle sticks, but have not become infected with any disease. The cases have been filed on behalf of an unspecified number of health care workers in nine different states, seeking class action certification under the laws of these states. To date, no class has been certified in any of these cases. The actions are pending in state court in Texas, under the caption Calvin vs. Becton Dickinson et al. (Case No. 342-173329-98, Tarrant County District Court), filed on April 9, 1998; in Federal Court in Ohio, under the caption Grant vs. Becton Dickinson et al. (Case No. C2 98-844, Southern District of Ohio), filed on July 22, 1998; in state court in California, under the caption Chavez vs. Becton Dickinson (Case No. 722978, San Diego County Superior Court), filed on August 4, 1998; in state court in Illinois, under the caption McCaster vs. Becton Dickinson et al. (Case No. 98L09478, Cook County Circuit Court), filed on August 13, 1998; in state court in Oklahoma, under the caption Palmer vs. Becton Dickinson et al. (Case No. CJ-98-685, Sequoyah County District Court), filed on October 27, 1998; in state court in Alabama, under the caption Daniels vs. Becton Dickinson et al. (Case No. CV 1998 2757, Montgomery County Circuit Court), filed on October 30, 1998; in state court in Florida, under the caption Delgado vs. Becton Dickinson et al. (Case No. 98-5608, Hillsborough County Circuit Court), filed on November 9, 1998; in state court in South Carolina, under the caption Bales vs. Becton Dickinson et al. (Case No. 98-CP-40-4343, Richland County Court of Common Pleas), filed on November 25, 1998; and in state court in New Jersey, under the caption Swartley vs. Becton Dickinson et al. (Case No. L-9449-98, Camden County Superior Court), filed on December 7, 1998.

Generally, these actions allege that health care workers have sustained needle sticks using hollow-bore needle devices manufactured by the Company and, as a result, require medical testing, counseling and/or treatment.

Several actions additionally allege that the health care workers have sustained mental anguish. In addition, in the Chavez matter, the plaintiff asserts a claim for unfair competition, alleging the Company has suppressed the market for safety-engineered products through various means. Plaintiffs seek money damages in all actions. The plaintiff in the Chavez matter, in addition to money damages, seeks disgorgement of profits the Company has purportedly obtained as a result of alleged unfair competition.

The pending class actions are in preliminary stages. The Company intends to vigorously oppose class certification and defend these lawsuits.

The Company, along with another manufacturer, a group purchasing organization ("GPO") and three hospitals, has been named as a defendant in an antitrust action brought pursuant to the Texas Free Enterprise Act ("TFEA"). The action is pending in state court in Texas, under the caption Retractable Technologies Inc. vs. Becton Dickinson and Company et al. (Case No. 533*JG98, Brazoria County District Court), filed on August 4, 1998. Plaintiff, a manufacturer of retractable syringes, alleges that the Company's contracts with GPOs exclude plaintiff from the market in syringes and blood collection products, in violation of the TFEA. Plaintiff also alleges that the Company has conspired with other manufacturers to maintain its market share in these products. Plaintiff seeks money damages. The pending action is in preliminary stages. The Company intends to mount a vigorous defense in this action.

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.

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.

On October 10, 1997, the New Jersey Department of Environmental Protection ("NJDEP") filed three Notices of Civil Administrative Penalty Assessment against the Company relating to the Company's previously owned Ivers-Lee division. The NJDEP alleged operating exceedences on certain air pollution control equipment, failure to submit required emission reports, and excess usage of certain printing materials, and sought civil administrative penalties totaling $461,200. In June 1998, the Company entered into a Consent Order with the NJDEP for a full and final settlement of these matters with the payment of a $345,000 penalty, without any admission of liability.

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

Not applicable.

EXECUTIVE OFFICERS OF THE REGISTRANT (AS OF DECEMBER 1, 1998)

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
<C>	<C>	<S>
Clateo Castellini.....	63	Director, Chairman of the Board, President and Chief Executive Officer since June 1994, and prior thereto, Sector President--Medical.
John W. Galiardo.....	64	Director, Vice Chairman of the Board and General Counsel since June 1994, and prior thereto, Vice President and General Counsel.
Robert F. Adrion.....	57	President--Worldwide Infusion Therapy and Injection Systems since October 1998; President--Worldwide Infusion Therapy since October 1995; President--Becton Dickinson Vascular Access from July 1994 to September 1995; and prior thereto, Vice President--Research and Development, Becton Dickinson Vascular Access.

</TABLE>

<TABLE>
<CAPTION>

NAME	AGE	POSITION
<C>	<C>	<S>

Richard Brajer.....	38	President--Worldwide Sample Collection since October 1998; President--Infusion Therapy Europe from February 1998 to September 1998; Vice President/General Manager--Consumer Products Europe from October 1995 to January 1998; Director, North America Marketing, Diabetes Health Care from October 1993 to September 1995; Director, Corporate Strategic Planning from July 1991 to September 1993; and prior thereto, Director, Business Planning and Development Medical Sector.
Jean-Luc Butel.....	42	President--Worldwide Consumer Health Care since October 1998; Vice President/General Manager, North American Consumer Health Care from January 1998 to September 1998; President, Nippon Becton Dickinson from October 1994 to January 1998; and prior thereto, General Manager Microbiology, Nippon Becton Dickinson.
Gary M. Cohen.....	39	Executive Vice President since July 1998; President--Becton Dickinson Europe and Worldwide Sample Collection from October 1997 to June 1998; 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.....	48	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.....	45	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.
William A. Kozy.....	46	Senior Vice President--Company Manufacturing since October 1998; President--Worldwide Injection Systems from October 1996 to October 1998; President--Worldwide Blood Collection from July 1995 to September 1996; and prior thereto, Division President--Vacutainer Systems.
Edward J. Ludwig.....	47	Executive Vice President since July 1998; Senior Vice President--Finance and Chief Financial Officer from July 1995 to June 1998; 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.....	55	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.

</TABLE>

<TABLE>
<CAPTION>

NAME	AGE	POSITION
<C>	<C>	<S>
Deborah J. Neff.....	45	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.
Mark C. Throdahl.....	47	Senior Vice President since July 1995; Sector President--Drug Delivery from October 1994 to June 1995; President--Nippon Becton Dickinson from May 1991 to September 1994; and prior thereto, Director--Corporate Planning.
Kenneth R. Weisshaar.....	48	Senior Vice President--Finance and Chief Financial Officer since July 1998; President--Worldwide Consumer Health Care from October 1997 to June 1998; 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, 1998, there were approximately 10,058 shareholders of record. The balance of the information required by this item appears under the caption "Common Stock Prices and Dividends" on page 66 of the Company's 1998 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 "Seven-Year Summary of Selected Financial Data" on page 43 of the Company's 1998 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 35-42 of the Company's 1998 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 page 37 of the "Financial Review" section of the Company's 1998 Annual Report, and in Notes 1 and 10 to the consolidated financial statements contained in the Company's 1998 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 is included on pages 44-45 and pages 48-64 of the Company's 1998 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, 1998 (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 1998 Annual Report at the pages indicated in parentheses, are incorporated by reference in Item 8 hereof:

Consolidated Statements of Income--Years ended September 30, 1998, 1997 and 1996 (page 48)

Consolidated Balance Sheets--September 30, 1998 and 1997 (page 49)

Consolidated Statements of Cash Flows--Years ended September 30, 1998, 1997 and 1996 (page 50)

Notes to Consolidated Financial Statements (pages 51-64)

(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 16)

All other schedules for which provisions are 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 17, 18 and 19 hereof for a list of all management contracts, compensatory plans and arrangements required by this item (Exhibit Nos. 10(a)(i) through 10(m)), and all other Exhibits filed or incorporated by reference as a part of this report.

(b) Reports on Form 8-K

On August 4, 1998, the registrant filed a report on Form 8-K for purposes of filing certain agreements and instruments executed in connection with a public offering by the registrant of its 6.7% Debenture due August 1, 2028. On July 27, 1998 the registrant filed a report on Form 8-K (as amended by a report on Form 8-K/A filed by the registrant on July 29, 1998) for purposes of reporting its results of operations for the third quarter ended June 30, 1998. No other reports on Form 8-K were filed by the registrant during the three-month period ended September 30, 1998.

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, 1998

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES EXCHANGE ACT OF 1934, THIS REPORT HAS BEEN SIGNED BELOW ON THE 16TH DAY OF DECEMBER, 1998 BY THE FOLLOWING PERSONS ON BEHALF OF THE REGISTRANT AND IN THE CAPACITIES INDICATED.

<TABLE>
<CAPTION>

NAME	CAPACITY
<S>	<C>
/s/ Clateo Castellini CLATEO CASTELLINI	Chairman of the Board, President, Chief Executive Officer and Director (Principal Executive Officer)
/s/ Kenneth R. Weisshaar KENNETH R. WEISSHAAR	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

</TABLE>

<TABLE>
<CAPTION>

NAME	CAPACITY
<S>	<C>
/s/ Gloria M. Shatto GLORIA M. SHATTO	Director
/s/ Alfred Sommer ALFRED SOMMER	Director
/s/ Raymond S. Troubh RAYMOND S. TROUBH	Director
/s/ Margaretha af Ugglas MARGARETHA AF UGGLAS	Director

</TABLE>

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, 1998 and 1997, and the consolidated results of its operations and its cash flows for each of the three years in the period ended September 30, 1998 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 5, 1998

BECTON, DICKINSON AND COMPANY

SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS

YEARS ENDED SEPTEMBER 30, 1998, 1997, AND 1996
(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>
1998				
Against trade receivables:				
For doubtful accounts	$20,234	$ 9,406	$ 4,901(A)	$24,739
For cash discounts	8,499	33,646	31,366	10,779
Total	$28,733	$43,052	$36,267	$35,518
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

</TABLE>

(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(a)(iii)	Amendment to the Restated Certificate of Incorporation, as of August 10, 1998	Incorporated by reference to Exhibit 3(a)(iii) to the registrant's Quarterly Report on Form 10-Q for the period ended June 30, 1998
3(b)	By-Laws, as amended February 10, 1998	Incorporated by reference to Exhibit 3(ii) to the registrant's Quarterly Report on Form 10-Q for the period ended March 31, 1998
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	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

	position or a significant change in such officers' respective duties within two years after a change in control of the registrant	
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	Incorporated by reference to Exhibit 10(e) to the registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 1997
10(f)	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(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)	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(i)	Retirement Benefit Restoration Plan and related Benefit Restoration Plan Trust, as amended and restated as of November 22, 1994	Filed with this report
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>

<TABLE>
<CAPTION>

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)	1995 Stock Option Plan, as amended and restated January 27, 1998	Filed with this report
10(l)	1998 Stock Option Plan	Incorporated by reference to Exhibit 10.1 to the registrant's Quarterly Report on Form 10-Q/A for the period ended March 31, 1998
10(m)	Australian, French and Spanish addenda to the Becton, Dickinson and Company Stock Option Plans	Filed with this report
13	Portions of the registrant's Annual Report to Shareholders for fiscal year 1998	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 (10)(i)

BECTON, DICKINSON AND COMPANY

RETIREMENT BENEFIT RESTORATION PLAN

Restatement effective November 22, 1994

Table of Contents

BECTON DICKINSON AND COMPANY
RETIREMENT BENEFIT RESTORATION PLAN

SECTION I

PURPOSE AND EFFECTIVE Date

1.1 The purpose of the Becton, Dickinson and Company Retirement Benefit Restoration Plan is to restore to participating employees the benefits that would be payable to them under the Becton, Dickinson and Company Retirement Plan in the absence of benefit limitations required under such Plan by the Internal Revenue Code.

1.2 This Plan is effective November 22, 1994 and supersedes the provisions of the prior version of the Plan, effective October 1, 1989.

SECTION 2

Definitions

When used herein, the following terms shall have the following meanings:

2.1 "Act" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

2.2 "Beneficiary" means the beneficiary or beneficiaries who, pursuant to the provisions of Section 9, are to receive the amount, if any, payable under this Plan upon the death of a Participant.

2.3 "Board of Directors" means the Board of Directors of the Company.

2.4 "Change in Control" of the Company means any of the following events:

(i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company, or a corporation owned, directly or indirectly by the stockholders of the Company in substantially the same proportions, becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 25% or more of the combined voting power of the Company's then outstanding securities, or

(ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board of Directors and any new director whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(iii) substantially all the assets of the Company are disposed of by the Company pursuant to a merger, consolidation, partial or complete liquidation, a sale of assets (including stock of a subsidiary) or otherwise, but not including a reincorporation or similar transaction resulting in a change only in the form of ownership of such assets.

2.5 "Code" means the Internal Revenue Code of 1986, as amended from time to time. References in the Plan to a Code Section shall be deemed to refer to any successor provision of the Code, as appropriate.

2.6 "Committee" means the Retirement Benefit Restoration Plan Committee designated by the Board of Directors to administer the Plan pursuant to Section 7.

2.7 "Company" means Becton, Dickinson and Company, a New Jersey corporation, or any successor under the provisions of Section 10.2.

2.8 "Deferred Amounts" means any bonus, salary or stock awards electively deferred by a Participant under any plan of the Company to the extent that such amounts would be includible in the definition of Total Compensation under the Retirement Plan if not so deferred.

2.9 "Deferred Amounts Restoration Benefit" means the benefit provided under Section 4.3 of the Plan.

2.10 "Employee" means an employee of an Employer.

2.11 "Employer" means the Company and any subsidiary or affiliate of the Company that becomes an Employer in accordance with Section 10.1.

2.12 "Excess Benefit" means the benefit provided under Section 4.1 of the Plan.

2.13 "Participant" means any employee of an Employer who is entitled to participate in the Plan in accordance with Section 3.

2.14 "Plan" means the Becton, Dickinson and Company Retirement Benefit Restoration Plan as set forth herein and as amended and restated from time to time.

2.15 "Retirement Plan" means, the Becton, Dickinson and Company Retirement Plan, as it may be amended and restated from time to time.

2.16 "Supplemental Benefit" means the benefit provided under Section 4.2 of the Plan.

2.17 "Termination of Employment" means the termination of a Participant's employment with the Company and all subsidiaries and affiliates of the Company.

2.18 "Total Compensation" means Total Compensation under the Retirement Plan.

SECTION 3

Participation

3.1 Unless the Committee determines otherwise:

(a) Any Employee who participates in the Retirement Plan and whose benefits under the Retirement Plan are limited pursuant to the provisions included in the Retirement Plan in order to comply with Code Section 415 shall be a Participant in this Plan with respect to benefits payable under Section 4.1.

(b) Any Employee who participates in the Retirement Plan and whose benefits under the Retirement Plan are limited pursuant to the provisions included in the Retirement Plan in order to comply with Code Section 401(a)(17) shall be a Participant in this

Plan with respect to benefits payable under Section 4.2.

(c) Any Employee who participates in the Retirement Plan whose benefits under the Retirement Plan would be greater if Deferred Amounts were included in the definition of Total Compensation under such Plan shall be a Participant in this Plan with respect to benefits payable under Section 4.3.

3.2 The participation of any Participant may be suspended or terminated by the Committee at any time, but no such suspension or termination shall operate to reduce any benefits accrued by the Participant under the Plan prior to the date of suspension or termination.

SECTION 4

Retirement Benefits

4.1 A Participant's Excess Benefit shall equal the excess (if any) of (i) the benefit that would have been payable under the Retirement Plan in respect of the Participant in the absence of the provisions included in the Retirement Plan in order to comply with Section 415 of the Code, over (ii) the benefit actually payable in respect of the Participant under the Retirement Plan.

4.2 A Participant's Supplemental Benefit shall equal the excess (if any) of (i) the benefit that would have been payable under the Retirement Plan in respect of the Participant in the absence of the provisions included in the Retirement Plan in order to comply with Section 401(a)(17) of the Code and Section 415 of the Code, over (ii) the sum of the Participant's Excess Benefit and the benefit actually payable in respect of the Participant under the Retirement Plan.

4.3 A Participant's Deferred Amount Restoration Benefit shall equal the excess (if any) of (i) the benefit that would have been payable under the Retirement Plan in respect of the Participant in the absence of the provisions included in the Retirement Plan in order to comply with Section 401(a)(17) of the Code and Section 415 of the Code and if "Deferred Amounts" or any other excludable bonus were included in the definition of Total Compensation under the Retirement Plan over (ii) the sum of the Participant's Excess Benefit and Supplemental Benefit and the benefit actually payable in respect of the Participant under the Retirement Plan.

4.4 The calculations made in Section 4.1, 4.2 and 4.3 shall reflect the applicable adjustments under the Retirement Plan for early commencement and the form of benefit selected.

SECTION 5

Vesting and Payment

5.1 No amount shall be payable to a Participant or his or her Beneficiary under the Plan to the extent it represents benefits that would have been forfeited under the vesting provisions of the Retirement Plan if payable thereunder.

5.2 Except as provided in Sections 5.5 and 5.6, Plan benefits shall be paid to a Participant (or to his or her Beneficiary in the event of the Participant's death) in a cash lump sum at the same time as payments commence under the Retirement Plan (or as soon as practicable thereafter).

5.3 The amount of the lump-sum payment in respect of a Participant under Section 5.2 or 5.5 shall equal the actuarial present value (at the time payment becomes due) of the sum of the Participant's Excess Benefit, Supplemental Benefit and Deferred Amounts Restoration Benefit, based on the following assumptions:

(i) the interest rate used by the Pension Benefit Guaranty Corporation for purposes of calculating the present value of benefits under single employer plans terminated on the last day of the month preceding the calendar quarter in which payment is due under the Plan; and

(ii) the mortality table used under the Retirement Plan for valuing optional forms of payment at the time payment is due under the Plan.

5.4 The present value described in Section 5.3 shall include the present value of the Retirement Plan benefit, using the assumptions described in Section 5.3, that would be payable absent the limitations effected by Section 415 of the Code, Section 401(a)(17) of the Code and if Deferred Amounts were includible in the definition of Total Compensation under the Retirement Plan, multiplied by the following: 1 - b/c, where (b) is the actual benefit payable under the Retirement Plan, and (c) is the sum of (b) plus the amounts described in Sections 4.1, 4.2 and 4.3.

5.5 Notwithstanding the provisions of Section 5.2 to the contrary, each Participant's benefits shall (to the extent not previously paid) be payable (i) to the Participant in a cash lump sum as soon as practicable, but not later than 10 business days, after the Participant's Termination of Employment following a Change in Control, or (ii) to the Participant's Beneficiary in a cash lump sum as soon as practicable following the Participant's death.

5.6 Notwithstanding any other provision of this Plan, the Committee may defer the distribution of any Plan benefits to a Participant if the Committee anticipates that the amount of such Plan benefits, or any portion thereof, would be nondeductible for corporate income tax purposes to the Company pursuant to Section 162(m) of the Code.

SECTION 6

Source of Payment

6.1 All benefits provided for under the Plan shall be paid in cash from the general funds of the Company; provided, however, that such benefits
-------- -------
shall be reduced by the amount of any payments made to the Participant or his or her Beneficiary from any trust or special or separate fund established by the Company, to the extent such trust or fund is intended to assure the payment of such benefits. The Company shall not be required to establish a special or separate fund or other segregation of assets to assure the payment of Plan benefits, and, if the Company shall make any investments to aid it in meeting its obligations hereunder, the Participant and his or her Beneficiary shall have no right, title, or interest whatever in or to any such investments except as may otherwise be expressly provided in a separate written instrument relating to such investments. Nothing contained in this Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind between the Company and any Participant or Beneficiary. To the extent that any Participant or Beneficiary acquires a right to receive payments from the Company hereunder, such right shall be no greater than the right of an unsecured creditor of the Company.

SECTION 7

Administration and Interpretation of the Plan

7.1 Prior to a Change in Control the Plan shall be administered by the Retirement Benefit Restoration Plan Committee appointed by the Board of Directors to administer the Plan. The Committee shall have full discretion, power and authority to interpret, construe and administer the Plan, to provide for claims review procedures, and to review claims for benefits under the Plan. After a Change in Control, the Trustee shall administer the Plan and shall have the same privileges and rights as given to the Committee prior to a Change in Control. The Committee's interpretations and constructions of the Plan and the actions taken thereunder by the Committee shall be binding and conclusive on all persons and for all purposes.

7.2 To the extent that the Plan provides benefits which would be provided under the Retirement Plan but for the limitations imposed by Section 415 of the Code, the Plan is intended to be an "excess benefit plan" within the meaning of the Act. To the extent that the Plan provides other benefits, the Plan is intended to be a separate, unfunded deferred compensation plan "for a select group of management or highly compensated employees" within the meaning of the Act. Each provision of the Plan shall be administered, interpreted and construed to carry out such intention, and any provision that cannot be so administered, interpreted and construed shall, to that extent, be disregarded.

7.3 The Committee shall establish and maintain Plan records and may arrange for the engagement of such accounting, actuarial or legal advisors, who may be advisors to the Company, and make use of such agents and clerical or other personnel as it shall require or may deem advisable for purposes of the Plan. The Committee may rely upon the written opinion of such advisors engaged by the Committee and may delegate to any agent or

to any sub-committee or member of the Committee its authority to perform any act hereunder, including without limitation those matters involving the exercise of discretion, provided that such delegation shall be subject to revocation at any time at the discretion of the Committee.

7.4 To the maximum extent permitted by law, no member of the Board of Directors or the Committee shall be personally liable by reason of any contract or other instrument executed by him or her or on his or her behalf in his or her capacity as a member of the Board of Directors or the Committee nor for any mistake of judgment made in good faith, and the Company shall indemnify and hold harmless, directly from its own assets (including the proceeds of any insurance policy the premiums of which are paid from the Company's own assets), each member of the Board of Directors or the Committee and each other officer, employee, or director of the Company to whom any duty or power relating to the administration or interpretation of the Plan or to the management or control of the assets of the Plan may be delegated or allocated, against any cost or expense (including counsel fees) or liability (including any sum paid in settlement of a claim with the approval of the

Company) arising out of any act or omission to act in connection with the Plan unless arising out of such person's own fraud or bad faith.

SECTION 8

Amendment and Termination

8.1 The Plan may be amended, suspended or terminated, in whole or in part, by the Board of Directors, but no such action shall retroactively impair or otherwise adversely affect the rights of any person to benefits under the Plan which have accrued prior to the date of such action.

SECTION 9

Designation of Beneficiaries

9.1 A Participant's Beneficiary under this Plan shall be the person or persons who would receive the benefit payable upon the Retirement's death if paid under the Retirement Plan instead of this Plan.

9.2 If the Committee is in doubt as to the right of any person to receive an amount payable upon a Participant's death, the Committee may retain such amount, without liability for any interest thereon, until the rights thereto are determined, or the Committee may pay such amount into any court of appropriate jurisdiction and such payment shall be a complete discharge of the liability of the Plan and the Company therefor.

SECTION 10

General Provisions

10.1 Any subsidiary or affiliate of the Company may, upon approval by the Committee, adopt the Plan and become an Employer under the terms of the Plan. Each Employer shall bear the costs of the benefits provided under the Plan with respect to persons employed by it (subject to the allocation of costs among Employers by the Committee, in the case of Participants employed by more than one Employer).

10.2 This Plan shall be binding upon and inure to the benefit of the Company, its subsidiaries and affiliates, and their successors and assigns and the Participant, his or her Beneficiary or designees and his or her estate. Nothing in this Plan shall preclude the Company from consolidating or merging into or with, or transferring all or substantially all of its assets to, another corporation which assumes this Plan and all obligations of the Company hereunder. Upon such a consolidation, merger or transfer of assets and assumption, the term "Company" shall refer to such other corporation and this Plan shall continue in full force and effect.

10.3 Neither the Plan nor any action taken hereunder shall be construed as giving to a Participant or any employee the right to be retained in the employ of an Employer or any other subsidiary or affiliate of the Company or as affecting the right of an Employer or such a subsidiary or affiliate to dismiss any Participant or employee with or without cause.

10.4 The Company may provide for the withholding from any benefits payable under this Plan all Federal, state, city or other taxes as shall be

appropriate pursuant to any law or governmental regulation or ruling and may delay the payment of any benefit until the Participant or Beneficiary provides payment to the Company of all applicable withholding taxes.

10.5 No right to any amount payable at any time under the Plan may be assigned, transferred, pledged, or encumbered, either voluntarily or by operation of law, except as provided expressly herein as to payments to a Beneficiary or as may otherwise be required by law.

10.6 If the Committee shall find that any person to whom any amount is or was payable hereunder is unable to care for his or her affairs because of illness or accident, or had died, then the Committee, if it so elects, may direct that any payment due him or her or his or her estate (unless a prior claim therefor has been made by a duly appointed legal representative) or any part thereof be paid or applied for the benefit of such person or to or for the benefit ot his or her spouse, children or other dependents, an institution maintaining or having, custody of such person, any other person deemed by the Committee to be a proper recipient on behalf of such person otherwise entitled to payment, or any of them, in such manner and proportion as the Committee may deem proper. Any such payment shall be in complete

discharge of the liability therefor of the Company, the Plan or the Committee or any member, officer or employee thereof.

10.7 All elections, designations, requests, notices, instructions, and other communications from a Participant, Beneficiary or other person to the Committee or the Company pursuant to the Plan shall be in such form as is prescribed from time to time by the Committee, shall be mailed by first-class mail or delivered to such location as shall be specified by the Committee, and shall be deemed to have been given and delivered only upon actual receipt thereof at such location.

10.8 The benefits payable under this Plan shall be in addition to all other benefits provided for employees of the Company.

10.9 The captions preceding the sections and articles hereof have been inserted solely as a matter of convenience and in no way define or limit the scope or intent of any provisions of the Plan.

10.10 To the extent not preempted by Federal law, this plan shall be governed by the laws of the State of New Jersey, without regard to the principles of conflict of laws thereof, as from time to time in effect.

EXHIBIT 10(k)

BECTON, DICKINSON AND COMPANY

1995 STOCK OPTION PLAN, AS AMENDED
AND RESTATED EFFECTIVE JANUARY 27, 1998

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

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

(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

(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 or a Nonqualified Stock Option shall be at least 100% of the Fair Market Value of a share of the Stock on the Granting Date.

(c) 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.

(d) 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.

(e) 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.

(f) 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.

(g) 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.

(h) 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(m)

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(m)

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.

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 10(m)

BECTON, DICKINSON AND COMPANY

1998 STOCK OPTION PLAN

FRENCH ADDENDUM

This Addendum to the Becton, Dickinson and Company 1998 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(m)

AUSTRALIAN ADDENDUM

This Addendum to each of the Becton, Dickinson and Company 1982 Non-Qualified Stock Option Plan, the 1990 Stock Option Plan, the 1995 Stock Option Plan and the proposed 1998 Stock Option Plan (collectively the "Plans") modifies and supplements the terms and conditions of each of such Plans with respect to the Stock Options granted to any Grantee subject to taxation by the government of Australia (an "Australian Optionholder"). Capitalized terms used and not otherwise defined herein shall have the same meanings as set forth in the Plans.

1. Notwithstanding anything contained in any of the Plans to the contrary, in no event shall any Stock Appreciation Right be granted in connection with any Stock Option to an Australian Optionholder under any of the Company's Plans.

EXHIBIT 10(m)

BECTON, DICKINSON AND COMPANY

1982 UNQUALIFIED STOCK OPTION PLAN

SPANISH ADDENDUM

This Addendum to the Becton, Dickinson and Company (the "Company") 1982 Unqualified Stock Option Plan (the "Plan") modifies and supplements the terms and conditions of the Plan with respect to the grant of Stock Options to Employees in Spain ("Spanish Employees"). Capitalized terms used and not otherwise defined herein shall have the same meanings as set forth in the Plan.

Notwithstanding anything contained in the Plan to the contrary, no Stock Option shall be granted under the Plan to a Spanish Employee if as a result of such grant, outstanding Stock Options issued under the Plan and all other stock option plans of the Company would be held by fifty (50) or more Spanish Employees.

EXHIBIT 10(m)

BECTON, DICKINSON AND COMPANY

1990 STOCK OPTION PLAN

SPANISH ADDENDUM

This Addendum to the Becton, Dickinson and Company (the "Company") 1990 Stock Option Plan (the "Plan") modifies and supplements the terms and conditions of the Plan with respect to the grant of Stock Options to Employees in Spain ("Spanish Employees"). Capitalized terms used and not otherwise defined herein shall have the same meanings as set forth in the Plan.

Notwithstanding anything contained in the Plan to the contrary, no Stock Option shall be granted under the Plan to a Spanish Employee if as a result of such grant, outstanding Stock Options issued under the Plan and all other stock option plans of the Company would be held by fifty (50) or more Spanish Employees.

EXHIBIT 10(m)

BECTON, DICKINSON AND COMPANY

1995 STOCK OPTION PLAN

SPANISH ADDENDUM

This Addendum to the Becton, Dickinson and Company (the "Company") 1995 Stock Option Plan (the "Plan") modifies and supplements the terms and conditions of the Plan with respect to the grant of Stock Options to Employees in Spain ("Spanish Employees"). Capitalized terms used and not otherwise defined herein shall have the same meanings as set forth in the Plan.

Notwithstanding anything contained in the Plan to the contrary, no Stock Option shall be granted under the Plan to a Spanish Employee if as a result of such grant, outstanding Stock Options issued under the Plan and all other stock option plans of the Company would be held by fifty (50) or more Spanish Employees.

BECTON, DICKINSON AND COMPANY

1998 STOCK OPTION PLAN

SPANISH ADDENDUM

This Addendum to the Becton, Dickinson and Company (the "Company") 1998 Stock Option Plan (the "Plan") modifies and supplements the terms and conditions of the Plan with respect to the grant of Stock Options to Employees in Spain ("Spanish Employees"). Capitalized terms used and not otherwise defined herein shall have the same meanings as set forth in the Plan.

Notwithstanding anything contained in the Plan to the contrary, no Stock Option shall be granted under the Plan to a Spanish Employee if as a result of such grant, outstanding Stock Options issued under the Plan and all other stock option plans of the Company would be held by fifty (50) or more Spanish Employees.

EXHIBIT 13

Financial Table of Contents

Becton Dickinson is a medical technology company that manufactures and sells a broad range of supplies, devices and systems for use by health care professionals, medical research institutions, industry 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. The following references to years relate to the Company's fiscal year, which ends on September 30.

Stock Split and Per-Share Data

In August 1998, the Company distributed shares to effect a two-for-one stock split to shareholders of record on August 10, 1998. In December 1997, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 128 "Earnings per Share", which requires presentation of both basic and diluted earnings per share in the income statement. Share and per-share data presented in the Financial Review for all periods have been restated to reflect the stock split and to conform to the SFAS No. 128 requirements.

Special and Other Charges

During the third quarter of 1998, the Company recorded special charges of $91 million, primarily associated with the restructuring of certain manufacturing operations and the write-down of impaired assets. The Company's plan for restructuring its manufacturing operations includes the closure of a surgical blade plant in the United States and the consolidation of certain other production functions. The write-down of assets includes an impairment loss related primarily to goodwill associated with prior acquisitions in the manual microbiology business. The sustained decline in sales volume of this business, combined with the Company's increased focus on new and developing alternative technologies, created an impairment indicator that required a reassessment of recoverability.

The Company also recorded $22 million of charges in 1998, primarily in the third and fourth quarters, associated with the reengineering of business processes relating to the enterprise-wide program to upgrade the Company's business systems. The majority of these charges are included in selling and administrative expense. This program will develop a platform of common business practices for the Company and will coordinate the installation of a global software system to provide more efficient access to worldwide business information. Over the next three years, the Company expects to spend approximately $154 million associated with this program, primarily relating to hardware and software-related costs which will be substantially capitalized. For additional discussion of the above charges, see Note 5 of the Notes to Consolidated Financial Statements.

Acquisitions

During 1998, the Company acquired six businesses, primarily in the Medical segment, for an aggregate of $546 million in cash and up to 595,520 shares of the Company's common stock, pending the resolution of certain post-closing matters. These acquisitions include the purchase of the Medical Devices Division ("MDD") of The BOC Group for approximately $457 million in cash, subject to certain post-closing adjustments. The Company recorded a charge of $30 million for purchased in-process research and development in connection with this acquisition. Last year, the Company acquired two businesses in the Diagnostic Segment, for an aggregate of $217 million in cash. The Company recorded a charge of $15 million last year for purchased in-process research and development in connection with these acquisitions. All acquisitions were recorded under the purchase method of accounting and the results of operations of the acquired companies are included in the consolidated results of the Company from their respective acquisition dates. For additional discussion of acquisitions, see Note 2 of the Notes to Consolidated Financial Statements. The Company continues to seek 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 11% to $3.1 billion. Excluding the estimated impact of unfavorable foreign currency translation, worldwide revenues grew 14%, with acquisitions contributing 7%. The growth in the underlying businesses (which as used herein excludes the effects of foreign currency translation and acquisitions in 1998 and 1997) resulted primarily from volume increases and an improved product mix in both segments.

Health care cost containment remains an important factor in many of the markets served by the Company. By improving manufacturing and administrative 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 purchasing arrangements with the Company to take full advantage of logistic efficiencies and the aggregation of their buying power. Although such arrangements typically increase pricing pressures, they ultimately contribute to manufacturing and administrative efficiencies for the Company.

Medical revenues of $1.7 billion increased 14%. Excluding the estimated impact of unfavorable foreign currency translation, Medical revenues grew 16%, with acquisitions contributing 8%. Revenue growth of the underlying businesses was led by strong sales of infusion therapy and hypodermic products due to market share gains, and increased sales of prefillable syringes to pharmaceutical companies. Diabetes health care products also exhibited strong sales growth.

Medical operating income of $320 million decreased 8% compared to 1997. Excluding special and other charges, the estimated unfavorable impact of foreign currency translation, and the impact of acquisitions, including related charges of $30 million recorded in 1998 for purchased in-process research and development, Medical operating income increased 19%. This performance was primarily due to revenue growth, improved sales mix and productivity improvements.

Diagnostic revenues of $1.4 billion increased 8%. Excluding the estimated impact of unfavorable foreign currency translation, Diagnostic revenues grew 11%, with acquisitions contributing 7%. Revenue growth of the underlying businesses was led by continued strong sales of sample collection devices, fueled by the continued conversion of the market to higher value, lower cost-in-use safety-engineered products. Sales of FACS brand flow cytometry systems continued to grow from market share gains and new product introductions. Although overall revenues of infectious disease products increased as a result of a prior year acquisition, the growth rate of this business continues to be adversely affected by cost containment in testing.

Diagnostic operating income of $193 million was about the same as last year. Excluding special and other charges, the estimated impact of unfavorable foreign currency translation, and the impact of acquisitions, including related charges of $15 million recorded in 1997 for purchased in-process research and development, Diagnostic operating income increased 22%. This performance was primarily due to an improved sales mix and manufacturing productivity.

On a geographical basis, revenues outside the United States of $1.4 billion increased 8%. Excluding the estimated impact of unfavorable foreign currency translation, revenues outside the United States grew 14%, with acquisitions contributing 8%. Revenue growth of the underlying businesses was led by strong sales of injection systems products, sample collection devices and FACS brand flow cytometry systems, particularly in Europe and Latin America. Revenue growth in the Asia Pacific region, while in excess of 10% excluding the estimated impact of unfavorable foreign currency translation, was adversely affected by the continuing slow down of economic growth in this region.

Revenues in the United States were $1.7 billion, an increase of 14%, with acquisitions contributing 7%. Revenue growth of the underlying businesses was led by strong increases in sales of sample collection devices, infusion therapy products and diabetes health care products. FACS brand flow cytometry systems also exhibited strong sales growth, reflecting market share gains and new product introductions. As mentioned earlier, sales of infectious disease products continued to be negatively affected by cost containment in testing.

Gross profit margin was 50.6%, compared with 49.7% 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 $862 million was 27.6% of revenues. Excluding the effects of the reengineering charges related to the enterprise-wide program to upgrade the Company's business systems and the impact of the MDD acquisition, selling and administrative expense would have been 26.7% of revenues, compared with last year's ratio of 27.3%. This ratio reflects savings achieved through the Company's tight spending controls and productivity improvements.

Investment in research and development increased to $218 million or 7.0% of revenues, including the $30 million charge for purchased in-process research and development related to the MDD acquisition. In 1997, the Company recorded a charge of $15 million for purchased in-process research and development associated with two acquisitions. Excluding the effect of purchased in-process research and development in both years, investment in research and development remained at 6% of revenues, or an increase of 13% over 1997. This increase includes additional funding directed toward emerging new platforms, such as DNA

probe technology and other new diagnostic platforms, to support the Company's efforts to accelerate its rate of revenue growth.

Operating income in 1998 of $405 million decreased from last year's $451 million. Excluding the incremental impact of acquisitions and special and other charges, operating income would have been $544 million, or 18.7% of revenues in 1998. The 1997 operating margin would have been 16.6%, adjusted to exclude last year's purchased in-process research and development charges. This increase in operating margin resulted from an improved gross profit margin, as well as a lower selling and administrative expense ratio.

Net interest expense of $56 million in 1998 was $17 million higher than in 1997, primarily due to additional borrowings to fund acquisitions.

"Other (expense) income, net" in 1998 included foreign exchange losses of $11 million, including hedging costs, and a gain of $3 million on the sale of an investment.

The effective tax rate in 1998 was 30.6% compared to 29% in 1997. The increase is principally due to the lack of a tax benefit associated with a larger purchased in-process research and development charge recorded in 1998 as compared to 1997.

Net income was $237 million, compared with $300 million in 1997. Diluted earnings per share were $.90, compared with $1.15 in 1997. The effects of the special and other charges and the MDD acquisition, including the purchased in-process research and development charge recorded in 1998, decreased diluted earnings per share by $.47, and the estimated impact of unfavorable foreign currency translation was $.07 per share. Exclusive of these items and the in-process research and development charges recorded in 1997, diluted earnings per share grew 19% over last year.

Financial Instrument Market Risk

The Company selectively uses financial instruments to manage the impact of foreign exchange rate and interest rate fluctuations on earnings. The counterparties to these contracts are highly-rated financial institutions and the Company does not have significant exposure to any one counterparty. The Company does not enter into financial instruments for trading or speculative purposes.

The Company's foreign currency exposure is primarily in Western Europe, Asia Pacific, Japan, Brazil and Mexico. Foreign exchange risk arises when the Company enters into transactions in non-hyperinflationary countries, generally on an intercompany basis, that are denominated in currencies other than the functional currency. In hyperinflationary countries, principally Mexico, net monetary assets denominated in local currencies are exposed to foreign exchange risk. During 1998 and 1997, the Company hedged substantially all of its foreign exchange exposures primarily through the use of forward contracts and currency options. These derivative instruments typically have average maturities of less than six months. As hedges, gains or losses on these derivative instruments are largely offset by the gains or losses on the underlying hedged transactions. Therefore, with respect to derivative instruments outstanding at September 30, 1998 and 1997, a 10% appreciation or depreciation of the U.S. dollar from the September 30, 1998 and 1997 market rates would not have a material effect on the Company's earnings.

The Company's primary interest rate exposure results from changes in short-term U.S. dollar interest rates. In an effort to manage interest rate exposures, the Company strives to achieve an acceptable balance between fixed and floating rate debt and may enter into interest rate swaps to help maintain that balance. Based on the Company's overall interest rate exposure at September 30, 1998 and 1997, a change of 10% in interest rates would not have a material effect on the Company's earnings or cash flows over a one-year period. An increase of 10% in interest rates would decrease the fair value of the Company's long-term debt and interest rate swaps at September 30, 1998 and 1997 by approximately $48 million and $35 million, respectively. A 10% decrease in interest rates would increase the fair value of the Company's long-term debt and interest rate swaps at September 30, 1998 and 1997 by approximately $54 million and $39 million, respectively.

In 1998, the currencies of many countries in Southeast Asia, in which the Company maintains operations, depreciated against the U.S. dollar, continuing a trend which began in the second half of 1997. The Company largely offset the foreign exchange transaction impact of these devaluations through the hedging of its exposures in the affected currencies, and therefore, the impact on the Company was insignificant.

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. Effective January 1, 1998, the Company no longer considered its Brazilian business to be operating in a highly inflationary economy as defined by SFAS No. 52 "Foreign Currency Translation". The Company also manufactures in Mexico and imports various medical and diagnostic products from affiliates 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 Company anticipates that, effective January 1, 1999, it will no longer consider its Mexican business to be operating in a highly inflationary economy as defined by SFAS No. 52.

Liquidity and Capital Resources

Cash provided by operations continued to be the Company's primary source of funds to finance operating needs and capital expenditures. In 1998, net cash provided by operating activities was $501 million, compared with $443 million in 1997.

Capital expenditures were $181 million in 1998, compared with $170 million in the prior year. Medical capital spending, which totaled $105 million in 1998, included spending on a new syringe manufacturing facility in India, an additional pen needle manufacturing line in Ireland, and the expansion of the prefillable syringe business in Mexico. Funds also were expended for the acquisition of equipment for the ongoing expansion of the hypodermic and infusion therapy businesses. Diagnostic capital spending, which totaled $66 million in 1998, included the acquisition of additional equipment by the sample collection business for capacity expansion for several products with added safety features. Funds also were expended for the acquisition of equipment for the Company's new identification and susceptibility testing product, and the new BDProbeTec ET brand DNA probe diagnostic product. Funds expended outside of the above segments included those related to the enterprise-wide program to upgrade the Company's business systems, as discussed earlier. The Company expects capital expenditures to increase about 20-25% in 1999 over 1998.

The Company expended $537 million, net of cash acquired, for business acquisitions. The Company intends to use substantial

amounts of the excess cash that is expected to be generated over the next several years to pursue acquisitions and strategic alliances. In October 1998, the Company acquired a home health care business for $15 million in cash, subject to certain post-closing adjustments. The terms of this agreement provide for additional consideration to be paid if the acquired entity's revenues exceed certain targeted levels. The maximum amount of the remaining contingent consideration is approximately $72 million, which if earned, would be payable over the next four years.

Net cash provided by financing activities was $242 million during 1998 as compared with a use of cash of $92 million during 1997. This change was due primarily to a reduction in common share repurchases, as well as net proceeds received from the issuance of commercial paper in 1998 versus net repayments in 1997.

In 1998, the Company repurchased 1.8 million of its common shares at an average cost of $24.34 for a total expenditure of $44 million, compared with repurchases totaling $150 million in 1997. This reduction in share repurchases was consistent with the Company's long-standing strategy of allocating funds to meet the needs of businesses and to finance strategic acquisitions before funding share repurchases. Although the Company expects to limit its share repurchases in the future, authorization to repurchase up to an additional 21.3 million shares remained at September 30, 1998 under a March 24, 1998 Board of Directors' resolution.

During 1998, total debt increased $352 million, primarily as a result of increased spending on acquisitions. Short-term debt was 33% of total debt at year end, compared with 17% in 1997. The change in the percentage was principally attributable to the use of short-term debt to finance a portion of the MDD acquisition. The Company's weighted average cost of total debt at the end of 1998 was 7.3%, compared with 7.6% at the end of last year. Debt to capitalization at year end increased to 41.4% from 36.3% last year due to additional borrowings related to acquisitions.

The Company negotiated a one-year, $100 million line of credit to supplement its existing five-year, $500 million syndicated and committed revolving credit facility. There were no borrowings outstanding under either facility at September 30, 1998. These facilities can be used to support the Company's commercial paper program, under which $205 million was outstanding at September 30, 1998, and for other general corporate purposes. In addition, the Company has informal lines of credit outside the United States. In July 1998, the Company issued to the public $200 million of 30-year non-redeemable notes with a coupon rate of 6.7% and an effective rate of 7.08%. The Company used the net proceeds to repay a portion of its commercial paper. 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. The Company has available $300 million under a $500 million shelf registration statement filed in October 1997 for the issuance of debt securities.

Return on equity decreased to 15.8% in 1998 from 22.1% in 1997, primarily due to the impact of special and other charges and the MDD acquisition, including the purchased in-process research and development charge.

Year 2000 Readiness Disclosure

General

The Company has developed and is well into implementing a Company-wide Year 2000 plan (the "Plan") with the intent to ensure that its computer equipment and software and devices with date-sensitive embedded technology will be able to distinguish between the year 1900 and the year 2000 and will function properly with respect to all dates, whether in the twentieth or twenty-first centuries (such functionality is referred to below as being "Year 2000 compliant"). An inability to function accurately with respect to all such dates could result in a system failure or disruption of operations, including a temporary inability to process transactions, receive orders, send invoices or engage in other customary business practices.

The Company's Plan includes a series of initiatives to ensure that all of the Company's computer equipment and software will function properly into the next millennium. "Computer equipment (or hardware) and software" includes systems generally thought of as information-technology dependent, such as accounting, data processing, and telephone equipment, as well as systems not obviously information-technology dependent, such as manufacturing equipment, telecopier machines, and security systems. These systems may contain embedded technology, which requires that the Company's Plan include broad identification, assessment, remediation and testing efforts.

Based upon its identification and assessment efforts to date, the Company believes that certain of its computer equipment and software will require replacement or modification. In addition, in the ordinary course of business, the Company periodically replaces computer equipment and software, and in so doing, seeks to acquire only Year 2000 compliant software and hardware. The Company presently believes that its planned modifications or replacements of certain existing computer equipment and software will be completed on a timely basis so as to avoid any of the potential Year 2000-related disruptions or malfunctions of its computer equipment and software that it has identified.

Project

The Company's Plan consists of four major focus areas: information-technology ("IT") systems; non-IT systems; third-party considerations; and products.

The tasks common to each of these areas of focus are: (i) the identification and assessment of Year 2000 issues; (ii) prioritization of the identified issues; (iii) assessment of compliance; (iv) remediation; (v) testing; and (vi) design and implementation of contingency and business continuation plans.

The Company is utilizing both internal and external resources to ensure that it is Year 2000 compliant prior to any currently anticipated impact of the new millennium. The following table set forth below summarizes, by focus area, the current status and projected dates of completion for each of the related tasks:

Estimated % of Completion / Projected Date of Completion

<TABLE>
<CAPTION>

Focus Area	IT Systems	Non-IT Systems	3rd Party Considerations	Products
<S>	<C>	<C>	<C>	<C>
Identification and Assessment of Year 2000 Issues	100% Completed	100% Completed	100% Completed	100% Completed
Prioritization of Identified Issues	100% Completed	100% Completed	100% Completed	100% Completed
Assessment of Compliance	100% Completed	80% June 1999	15% September 1999	100% Completed
Remediation	60% September 1999	30% June 1999	-- September 1999	75% June 1999
Testing	30% September 1999	15% June 1999	-- September 1999	75% July 1999
Contingency and Business Continuation Plans	-- September 1999	-- June 1999	-- September 1999	50% May 1999

</TABLE>

IT Systems

The IT Systems section focuses on the Company's computer hardware and software. The Company estimates that as of October 31, 1998, it had completed approximately 55% of the effort it believes necessary or prudent to adequately address the potential Year 2000 issues it has identified in connection with its IT systems. The balance of the work is underway and is scheduled for completion on or about September 1999. The testing process is continuous, as hardware or software is remediated, upgraded or replaced. The Company is in the early stages

of contingency and business continuation planning which it expects to complete on or about September 1999.

Non-IT Systems

The non-IT Systems section includes the hardware, software and associated embedded computer technologies that are used to operate Company facilities, equipment and other activities that are not related to IT systems. The Company estimates that as of October 31, 1998, it had completed approximately 50% of the initiatives that it believes necessary or prudent to adequately address potential Year 2000 issues affecting its non-IT systems. The Company intends to commence its non-IT systems contingency and business continuation planning in January 1999 and have all phases of the Plan relating to non-IT systems completed on or about June 1999.

Third-Party Considerations

The Company is in the process of identifying, prioritizing and communicating with critical suppliers, distributors and customers to determine the extent to which the Company may be vulnerable in the event those parties fail to properly identify and remediate their own Year 2000 issues. Detailed evaluations of the most critical third parties have been initiated through questionnaires, interviews, on-site visits and other available means. The Company intends to monitor the progress made by those parties, test critical system interfaces and formulate appropriate contingency and business continuation plans to address third-party issues identified through its evaluations and assessments.

Products

The mission of the products team is to identify any Company products that are not Year 2000 compliant and determine and implement on a timely basis appropriate remedial steps. The Company has completed its identification of such products and estimates that it will have completed the necessary upgrades and replacements required to make such products Year 2000 compliant by June 1999. Contingency and business continuation planning with respect to products that may prove to be non-Year 2000 compliant is scheduled to be completed by May 1999.

Costs

The total cost of the Company's Year 2000 Plan is not expected to be material to the Company's financial condition. The estimated total cost of the Plan is approximately $15 million, and is being funded through operating cash flows. As of September 30, 1998, the Company had incurred approximately $2.5 million in costs related to its Year 2000 identification, assessment, remediation and testing efforts. Of the total remaining anticipated costs of the Plan, approximately $2 million is attributable to the purchase of new software and hardware and approximately $4 million is attributable to contingency and business continuation plans. The remaining $6.5 million relates to the repair, reprogramming or modification of hardware and software, of which approximately $4 million represents the redeployment of existing resources. None of the Company's other information technology projects have been delayed or deferred as a result of the implementation of the Plan.

Risks

The Company presently believes it has an effective Plan in place to anticipate and resolve any potential Year 2000 issues in a timely manner. In the event, however, that the Company does not properly identify Year 2000 issues or the compliance assessment, remediation and testing is not conducted on a timely basis with respect to the Year 2000 issues that are identified, there can be no assurance that Year 2000 issues will not materially and adversely affect the Company's results of operations or relationships with third parties. In addition, disruptions in the economy generally resulting from Year 2000 issues also could materially and adversely affect the Company. The amount of potential liability and lost revenue that would be reasonably likely to result from the failure by the Company and certain key third parties to achieve Year 2000 compliance on a timely basis cannot be reasonably estimated at this time. A contingency plan has not yet been developed for dealing with the most reasonably likely worst case scenario, and such scenario has not yet been clearly identified. The Company expects to complete its analysis and contingency planning by September 30, 1999.

The estimated costs of the Company's Plan and the dates by which the Company believes it will have completed each of the phases of the Plan, are based upon management's best estimates, which rely upon numerous assumptions regarding future events, including the continued availability of certain resources, third-party remediation plans, and other factors. These estimates, however, may prove not to be accurate, and actual results could differ materially from those anticipated. Factors that could result in material differences include, without limitation, the availability and cost of personnel with the appropriate training and experience, the ability to identify, assess, remediate and test all relevant computer codes and embedded technology, and similar uncertainties. In addition, Year 2000-related issues may lead to possible third-party claims, the impact of which cannot yet be estimated. No assurance can be given that the aggregate cost of defending and resolving such claims, if any, would not have a material adverse effect on the Company.

- ---
Other Matters
- ---

On January 1, 1999, the eleven member countries of the European Union will begin the transition to a common currency, the "euro". These participating countries expect the euro transition to be completed by July 1, 2002. The Company expects to have the system modifications necessary to accommodate euro-denominated transactions by January 1, 1999. The Company is currently evaluating the impact of the euro conversion on market risk and price competition. The Company does not expect this conversion to have a material impact on its results of operations, financial condition or cash flows.

The Company believes that the fundamentally non-cyclical 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 1998, inflation did not have a material impact on the Company's overall operations.

Litigation

The Company, along with a number of other manufacturers, has been named as a defendant in approximately 194 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 analogous procedures have been implemented in the state courts of California, Pennsylvania and New Jersey. 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 is vigorously defending these lawsuits.

The Company, along with another manufacturer and several medical product distributors, has been named as a defendant in seven product liability lawsuits relating to health care workers who allegedly sustained accidental needle sticks, but have not become infected with any disease. The cases have been filed on behalf of an unspecified number of health care workers in seven different states, seeking class action certification under the laws of these states. To date, no class has been certified in any of these cases. The actions are pending in state court in Texas, under the caption Calvin vs. Becton Dickinson et al. (Case No. 342-173329-98, Tarrant County District Court), filed on April 9, 1998; in Federal court in Ohio, under the caption Grant vs. Becton Dickinson et al. (Case No. C2 98-844, Southern District of Ohio), filed on July 22, 1998; in state court in California, under the caption Chavez vs. Becton Dickinson (Case No. 722978, San Diego County Superior Court), filed on August 4, 1998; in state court in Illinois, under the caption McCaster vs. Becton Dickinson et al. (Case No. 98L09478, Cook County Circuit Court), filed on August 13, 1998; in state court in Oklahoma, under the caption Palmer vs. Becton Dickinson et al. (Case No. CJ-98-685, Sequoyah County District Court), filed on October 27, 1998; in state court in Alabama, under the caption Daniels vs. Becton Dickinson et al. (Case No. CV 1998 2757, Montgomery County Circuit Court), filed on October 30, 1998; and in state court in Florida, under the caption Delgado vs. Becton Dickinson et al. (Case No. 98-5608, Hillsborough County Circuit Court), filed on November 9, 1998.

Generally, these actions allege that health care workers have sustained needle sticks using hollow-bore needle devices

manufactured by the Company and, as a result, require medical testing, counseling and/or treatment. Several actions additionally allege that the health care workers have suffered mental anguish. In addition, in the Chavez matter, the plaintiff asserts a claim for unfair competition, alleging that the Company has suppressed the market for safety-engineered products through various means. Plaintiffs seek money damages in all actions. The plaintiff in the Chavez matter, in addition to money damages, seeks disgorgement of profits the Company has purportedly obtained as a result of alleged unfair competition.

The pending class actions are in preliminary stages. The Company intends to vigorously oppose class certification and defend these lawsuits.

The Company, along with another manufacturer, a group purchasing organization ("GPO") and three hospitals, has been named as a defendant in an antitrust action brought pursuant to the Texas Free Enterprise Act ("TFEA"). The action is pending in state court in Texas, under the caption Retractable Technologies Inc. vs. Becton Dickinson and Company et al. (Case No. 5333*JG98, Brazoria County District Court), filed on August 4, 1998. Plaintiff, a manufacturer of retractable syringes, alleges that the Company's contracts with GPOs exclude plaintiff from the market in syringes and blood collection products, in violation of the TFEA. Plaintiff also alleges that the Company has conspired with other manufacturers to maintain its market share in these products. Plaintiff seeks money damages. The pending action is in preliminary stages. The Company intends to mount a vigorous defense in this action.

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.

Environmental Matters

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.

Adoption of New Accounting Standards

In June 1997, the Financial Accounting Standards Board ("FASB") issued SFAS No. 130, "Reporting Comprehensive Income". This Statement requires the presentation of comprehensive income, which consists of net income and other comprehensive income, and its components in a full set of financial statements. As required, the Company will adopt the provisions of this Statement in the first quarter of fiscal year 1999. For additional discussion, see Note 11 of the Notes to Consolidated Financial Statements.

In June 1997, the FASB issued SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information". This Statement 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. As required by the Statement, the Company will adopt the provisions of SFAS No. 131 in its fiscal year-end 1999 financial statements and different operating segments may be reported by the Company.

In February 1998, the FASB issued SFAS No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits". This Statement standardizes the disclosure requirements, requires additional information on changes in benefit obligations and fair values of plan assets, and eliminates certain disclosures. As required by the Statement, the Company will adopt the new disclosure rules in its fiscal year-end 1999 financial statements.

In June 1998, the FASB issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities". The Company is required to adopt the provisions of this Statement no later than its fiscal year 2000. This Statement requires that all derivatives be recorded in the balance sheet as either an asset or liability measured at fair value. The Statement requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. The Company is in the process of evaluating this Statement and has not yet determined the future impact on the Company's consolidated financial statements.

1997 Compared With 1996

Worldwide revenues for 1997 rose 1.5% to $2.8 billion. Excluding the estimated impacts of unfavorable foreign currency translation of 3% and the net impact of acquisitions and divestitures, the resulting growth rate was 5%. This growth rate resulted primarily from volume increases and an improved product mix in both segments. Price increases were 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. Medical revenues for 1997 of $1.5 billion increased 7% over the prior year, excluding the estimated unfavorable impact of foreign currency translation and the decrease in revenues related to divested non-

core product lines. Diagnostic revenues for 1997 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%.

The Company's gross profit margin rose to 49.7%, compared with 48.4% in 1996, reflecting the Company's continued success in improving manufacturing efficiency as well as a more profitable mix of products sold.

Selling and administrative expense 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 $15 million of charges for purchased in-process research and development recorded in 1997, research and development was 5.9% of revenues, compared with 5.6% in 1996. This spending included additional funding for new blood collection and infusion therapy safety-engineered products, and emerging new platforms.

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. "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 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. Diluted earnings per share were $1.15, an increase of 10% over $1.05 in 1996. The purchased in-process research and development charges recorded in 1997 decreased diluted earnings per share by $.06, and the estimated impact of unfavorable foreign currency translation was $.08 per share. Adjusting for these two items, diluted earnings per share grew 23% over 1996.

Cash provided by operations continued to be the Company's primary source of funds to finance operating needs and capital expenditures. Capital expenditures were $170 million, compared with $146 million in 1996. Medical and Diagnostic capital spending totaled $106 million and $50 million, respectively, 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 microbiology product line.

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.

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 ratio was principally attributable to the repayment of short-term debt with the proceeds of the Company's issuances of long-term debt.

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

Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements (as defined under Federal securities laws) made by or on behalf of our Company. Our Company and its representatives from time to time may make certain verbal or written forward-looking statements regarding the Company's performance (including future revenues, products and income), or events or developments that the Company expects to occur or anticipates occurring in the future. All such statements 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, Year 2000 issues, and changes in health care or other governmental practices or regulation, as well as other factors discussed herein and in other of the Company's filings with the Securities Exchange Commission.

<TABLE>
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Seven-Year Summary of Selected Financial Data — Becton, Dickinson and Company

Years Ended September 30
Dollars in thousands,
except per-share amounts

	1998	1997	1996	1995	1994	1993	1992
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Operations							
Revenues	$3,116,873	$2,810,523	$2,769,756	$2,712,525	$2,559,461	$2,465,405	$2,365,317
Gross Profit Margin	50.6%	49.7%	48.4%	47.0%	45.3%	44.5%	

45.0%						
Operating Income	405,432	450,515	431,249	396,650	325,038	270,425
328,592						
Interest Expense, Net	56,340	39,373	37,409	42,833	47,624	53,412
49,116						
Income Before Income Taxes and Cumulative Effect of Accounting Changes	340,866	422,640	393,676	349,578	296,159	222,894
269,457						
Income Tax Provision	104,298	122,566	110,229	97,882	68,985	10,054
68,704						
Income Before Cumulative Effect of Accounting Changes	236,568	300,074	283,447	251,696	227,174	212,840
200,753						
Net Income	236,568	300,074	283,447	251,696	227,174	71,783(A)
200,753						
Diluted Earnings Per Share:						
-Before Cumulative Effect of Accounting Changes	.90	1.15	1.05	.89	.76	.67
.63						
-Net Income	.90	1.15	1.05	.89	.76	.22(A)
.63						
Dividends Per Common Share	.29	.26	.23	.21	.19	.17
.15						
Average Common and Common Equivalent Shares Outstanding-Assuming Dilution (thousands)	262,128	259,586	267,646	280,350	298,618	313,208
313,442						

Financial Position						
Current Assets	$1,542,762	$1,312,609	$1,276,841	$1,327,518	$1,326,551	$1,150,742
$1,221,209						
Current Liabilities	1,091,913	678,197	766,122	720,035	678,321	636,062
713,335						
Current Ratio	1.4	1.9	1.7	1.8	2.0	1.8
1.7						
Property, Plant and Equipment, Net	1,302,650	1,250,705	1,244,148	1,281,031	1,376,349	1,403,070
1,429,519						
Total Assets	3,846,038	3,080,252	2,889,752	2,999,505	3,159,533	3,087,565
3,177,675						
Long-Term Debt	765,176	665,449	468,223	557,594	669,157	680,581
685,081						
Shareholders' Equity	1,613,820	1,385,433	1,325,183	1,398,385	1,481,694	1,456,953
1,594,926						
Book Value Per Common Share	6.51	5.68	5.36	5.37	5.27	4.88
5.25						

Financial Relationships						
Income Before Income Taxes and Cumulative Effect of Accounting Changes as a Percent of Revenues	10.9%	15.0%	14.2%	12.9%	11.6%	9.0%
11.4%						
Return on Total Assets(B)	11.7%	15.9%	15.2%	13.3%	11.5%	9.2%(C)
11.1%						
Return on Equity	15.8%	22.1%	20.8%	17.5%	15.5%	13.3%(C)
13.6%						
Debt to Capitalization(D)	41.4%	36.3%	34.3%	35.2%	36.1%	37.8%
36.1%						

Additional Data						
Depreciation and Amortization	$ 228,749	$ 209,771	$ 200,482	$ 207,756	$ 203,705	$ 189,756
$ 169,638						
Capital Expenditures	181,416	170,349	145,929	123,760	123,017	184,168
185,559						
Research and Development Expense	217,900	180,626	154,220	144,201	144,227	139,141
125,207						
Number of Employees	21,700	18,900	17,900	18,100	18,600	19,000
19,100						
Number of Shareholders	9,784	8,944	8,027	7,712	7,489	7,463
7,086						

</TABLE>

All average shares outstanding and per-share data have been restated to reflect the 1998 two-for-one stock split and to conform to the SFAS No. 128 requirements.

(A) Includes after-tax charge of $141,057, or $.45 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.

<TABLE>
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Summary by Business Segment (See Note 15 to Financial Statements) Thousands of dollars	1998	1997	1996
	Becton, Dickinson and Company		
<S>	<C>	<C>	<C>
Revenues			
Medical Supplies and Devices	$ 1,714,952	$ 1,510,881	$ 1,509,417
Diagnostic Systems	1,401,921	1,299,642	1,260,339
Total Segments	$ 3,116,873	$ 2,810,523	$ 2,769,756
Segment Operating Income			
Medical Supplies and Devices	$ 320,184(A)	$ 349,613	$ 342,015
Diagnostic Systems	193,065(B)	194,611	174,656
Total Segments	513,249	544,224	516,671
Unallocated Expenses	(172,383)(C)	(121,584)	(122,995)
Income Before Income Taxes	$ 340,866	$ 422,640	$ 393,676
Identifiable Assets			
Medical Supplies and Devices	$ 2,092,828	$ 1,324,035	$ 1,337,355
Diagnostic Systems	1,474,501	1,423,612	1,209,970
Total Segments	3,567,329	2,747,647	2,547,325
Corporate(D)	278,709	332,605	342,427
Total	$ 3,846,038	$ 3,080,252	$ 2,889,752
Capital Expenditures			
Medical Supplies and Devices	$ 105,417	$ 106,298	$ 90,918
Diagnostic Systems	65,870	50,390	49,651
Total Segments	171,287	156,688	140,569
Corporate	10,129	13,661	5,360
Total	$ 181,416	$ 170,349	$ 145,929
Depreciation and Amortization			
Medical Supplies and Devices	$ 104,684	$ 88,603	$ 89,727
Diagnostic Systems	113,388	108,971	101,618
Total Segments	218,072	197,574	191,345
Corporate	10,677	12,197	9,137
Total	$ 228,749	$ 209,771	$ 200,482

</TABLE>

(A) Includes $43,181 of the special charges discussed in Note 5.
(B) Includes $45,552 of the special charges discussed in Note 5.
(C) Includes $2,212 of the special charges discussed in Note 5.
(D) 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.

<TABLE>
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Summary by Geographic Area (See Note 15 to Financial Statements) Thousands of dollars	1998	1997	1996
Revenues			
United States	$ 1,690,282	$ 1,486,701	$ 1,423,883
Europe	873,526	787,335	835,984
Other	553,065	536,487	509,889
Total(A)	$ 3,116,873	$ 2,810,523	$ 2,769,756
Area Operating Income			
United States	$ 395,434(B)	$ 383,186	$ 349,560
Europe	105,395(C)	147,040	148,812
Other	12,420(D)	13,998	18,299
Total	513,249	544,224	516,671
Unallocated Expenses	(172,383)(E)	(121,584)	(122,995)
Income Before Income Taxes	$ 340,866	$ 422,640	$ 393,676
Identifiable Assets			
United States	$ 1,840,257	$ 1,653,144	$ 1,459,260
Europe	1,128,084	601,398	649,206
Other	598,988	493,105	438,859
Total	3,567,329	2,747,647	2,547,325
Corporate(F)	278,709	332,605	342,427
Total	$ 3,846,038	$ 3,080,252	$ 2,889,752

(A) Interarea revenues to affiliates amounted to $423,370 in 1998, $406,898 in 1997 and $368,834 in 1996. These revenues, which are principally from the United States, are eliminated in consolidation. Intersegment revenues are not material.
(B) Includes $56,703 of the special charges discussed in Note 5.
(C) Includes $21,702 of the special charges discussed in Note 5.
(D) Includes $10,328 of the special charges discussed in Note 5.
(E) Includes $2,212 of the special charges discussed in Note 5.
(F) 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.

Consolidated Statements of Income Years Ended September 30 Thousands of dollars, except per-share amounts		1998	1997	1996
Operations	Revenues	$3,116,873	$ 2,810,523	$2,769,756
	Cost of products sold	1,541,032	1,413,311	1,429,177
	Selling and administrative expense	861,564	766,071	755,110
	Research and development expense	217,900	180,626	154,220
	Special charges	90,945	--	--
	Total Operating Costs and Expenses	2,711,441	2,360,008	2,338,507
	Operating Income	405,432	450,515	431,249
	Interest expense, net	(56,340)	(39,373)	(37,409)
	Other (expense) income, net	(8,226)	11,498	(164)
	Income Before Income Taxes	340,866	422,640	393,676
	Income tax provision	104,298	122,566	110,229
	Net Income	$ 236,568	$ 300,074	$ 283,447
Earnings Per Share	Basic	$.95	$1.21	$ 1.10
	Diluted	$.90	$1.15	$ 1.05

See notes to consolidated financial statements

<CAPTION>

Consolidated Balance Sheets — Becton, Dickinson and Company
September 30
Thousands of dollars, except per-share amounts

		1998	1997
<S>		<C>	<C>
Assets	Current Assets		
	Cash and equivalents	$ 83,251	$ 112,639
	Short-term investments	7,390	28,316
	Trade receivables, net	726,558	595,685
	Inventories	536,791	438,337
	Prepaid expenses, deferred taxes and other	188,772	137,632
	Total Current Assets	1,542,762	1,312,609
	Property, Plant and Equipment, Net	1,302,650	1,250,705
	Goodwill, Net	412,070	164,097
	Other Intangibles, Net	334,275	167,847
	Other	254,281	184,994
	Total Assets	$3,846,038	$3,080,252
Liabilities	Current Liabilities		
	Short-term debt	$ 385,162	$ 132,440
	Accounts payable	208,500	128,476
	Accrued expenses	278,964	226,182
	Salaries, wages and related items	180,854	145,396
	Income taxes	38,433	45,703
	Total Current Liabilities	1,091,913	678,197
	Long-Term Debt	765,176	665,449
	Long-Term Employee Benefit Obligations	326,620	306,514
	Deferred Income Taxes and Other	48,509	44,659
	Commitments and Contingencies	--	--
Shareholders' Equity	ESOP convertible preferred stock - $1 par value: authorized - 1,016,949 shares; issued and outstanding - 829,815 shares in 1998 and 866,286 shares in 1997	48,959	51,111
	Common stock - $1 par value: authorized 640,000,000 shares in 1998 and 320,000,000 in 1997; issued - 332,662,160 shares in 1998 and 167,244,580 shares in 1997	332,662	167,245
	Capital in excess of par value	--	83,422
	Cumulative currency translation adjustments	(83,216)	(86,870)
	Retained earnings	2,350,781	2,249,463
	Unearned ESOP compensation	(24,463)	(28,620)
	Deferred compensation	4,903	--
	Common shares in treasury - at cost - 84,818,944 shares in 1998 and 45,161,091 shares in 1997	(1,015,806)	(1,050,318)
	Total Shareholders' Equity	1,613,820	1,385,433
	Total Liabilities and Shareholders' Equity	$ 3,846,038	$ 3,080,252

</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

		1998	1997	1996
<S>		<C>	<C>	<C>
Operating Activities	Net income	$ 236,568	$ 300,074	$ 283,447
	Adjustments to net income to derive net cash provided by operating activities:			
	Depreciation and amortization	228,749	209,771	200,482
	Non-cash special charges	58,445	--	--
	Deferred income taxes	(32,332)	(29,695)	(13,497)
	Purchased in-process research and development	30,000	14,750	--
	Change in operating assets (excludes impact of acquisitions):			
	Trade receivables	(77,649)	(30,014)	(21,589)
	Inventories	(54,066)	(24,074)	(10,141)
	Prepaid expenses, deferred taxes and other	(42,378)	8,301	(20,581)
	Accounts payable, income taxes and other liabilities	133,500	(11,760)	28,596
	Other, net	19,925	5,394	13,726
	Net Cash Provided by Operating Activities	500,762	442,747	460,443
Investing Activities	Capital expenditures	(181,416)	(170,349)	(145,929)
	Acquisitions of businesses, net of cash acquired	(536,501)	(200,832)	(16,501)
	Proceeds from dispositions of businesses	--	24,343	38,027
	(Purchases) proceeds of short-term investments, net	(3,197)	2,544	5,190
	Proceeds from sales of long-term investments	26,709	31,307	29,208

	Purchases of long-term investments	(18,925)	(6,000)	(3,125)
	Other, net	(56,438)	(45,079)	(16,736)
	Net Cash Used for Investing Activities	(769,768)	(364,066)	(109,866)
Financing Activities	Change in short-term debt	127,802	(77,687)	71,103
	Proceeds of long-term debt	190,639	292,168	--
	Payment of long-term debt	(2,951)	(118,686)	(130,597)
	Issuance of common stock	46,013	29,393	35,366
	Repurchase of common stock	(44,476)	(150,003)	(325,874)
	Dividends paid	(75,332)	(67,161)	(61,660)
	Net Cash Provided by (Used for) Financing Activities	241,695	(91,976)	(411,662)
	Effect of exchange rate changes on cash and equivalents	(2,077)	(9,217)	(2,270)
	Net Decrease in Cash and Equivalents	(29,388)	(22,512)	(63,355)
	Opening Cash and Equivalents	112,639	135,151	198,506
	Closing Cash and Equivalents	$ 83,251	$ 112,639	$ 135,151

</TABLE>

See notes to consolidated financial statements

Index

1 Summary of Significant Accounting Policies

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 principally 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 and is amortized over periods principally ranging from fifteen to forty years, using the straight-line method. Other intangibles, which include patents, technology and other, are amortized over periods principally ranging from three to forty years, using the straight-line method. Goodwill and other intangibles are periodically reviewed to assess recoverability from future operations using undiscounted cash flows. An impairment loss is recognized in operating results to the extent their carrying value exceeds fair value.

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

In December 1997, the Company adopted the provisions of Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings per Share", which specifies the computation, presentation and disclosure requirements for earnings per share for entities with publicly held common stock or potential common stock. This Statement simplifies the computation of earnings per share by replacing the previously reported primary and fully diluted earnings per share with basic and diluted earnings per share, respectively. Unlike primary earnings per share, basic earnings per share exclude any dilutive effect of options, warrants and convertible securities. Diluted earnings per share are very similar to the previously reported fully diluted earnings per share. For all periods, per-share data has been restated to conform to the SFAS No. 128 requirements and to reflect a two-for-one stock split, the shares for which were distributed in August 1998.

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 hedges its foreign currency exposures by entering into offsetting forward exchange contracts and purchased currency options, when it deems appropriate. 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 debt and investments. In connection with issuances of long-term debt, the Company may also enter into forward rate 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 derivative financial instruments using the deferral method of accounting when such instruments are intended to hedge an identifiable firm foreign currency commitment and are designated as, and effective as, hedges. Foreign exchange exposures arising from certain receivables, payables, and short-term borrowings that do not meet the criteria for the deferral method are marked to market. Resulting gains and losses are recognized currently in Other (expense) income, net, largely offsetting the respective losses and gains recognized on the underlying exposures.

The Company designates its interest rate hedge agreements as hedges of the underlying debt. Interest expense on the debt is adjusted to include the payments made or received under such hedge agreements.

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.

2 Acquisitions

During fiscal year 1998, the Company acquired six businesses for an aggregate of $545,603 in cash and up to 595,520 shares of the Company's common stock, or 297,760 shares on a pre-split basis. At September 30, 1998, 74,440 of these shares, or 37,220 shares on a pre-split basis, remained in escrow, pending the resolution of certain post-closing matters. These acquisitions were recorded under the purchase method of accounting and, therefore, the purchase prices have been allocated to assets acquired and liabilities assumed based on estimated fair values. The results of operations of the acquired companies were included in the consolidated results of the Company from their respective acquisition dates.

Included in 1998 acquisitions is the purchase of the Medical Devices Division ("MDD") of The BOC Group, which was completed in April, for approximately $457,000 in cash, subject to certain post-closing adjustments. In connection with this acquisition, a charge of $30,000 for purchased in-process research and development was included in the Company's third quarter results. This charge represented the fair value of certain acquired research and development projects that were determined to have not reached technological feasibility. The estimated fair value of assets acquired and liabilities assumed relating to the MDD acquisition, which is subject to further refinement, is summarized below, after giving effect to the write-off of purchased in-process research and development:

Working capital	$ 24,996
Property, plant and equipment	50,907
Other intangibles	172,472
Goodwill	195,313
Other assets	1,190
Long-term liabilities	(18,173)

Goodwill and other intangibles related to MDD are being amortized on a straight-line basis over their useful lives, which range from 15 to 25 years. The Company expects to finalize its plans for combining the acquired MDD businesses with its existing operations by the middle of fiscal 1999. Any resultant severance and exit costs will be reflected as an adjustment to the allocation of the purchase price.

The following unaudited pro forma data summarize the results of operations for the periods indicated as if the MDD acquisition had been completed as of the beginning of the periods presented. The pro forma data give effect to actual operating results prior to the acquisition, adjusted to include the pro forma effect of interest expense, amortization of intangibles and income taxes. The 1998 pro forma data include the $30,000 for purchased in-process research and development. These pro forma amounts do not purport to be indicative of the results that would have actually been obtained if the acquisition occurred as of the beginning of the periods presented or that may be obtained in the future.

<TABLE>
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	Twelve Months Ended September 30, 1998	Twelve Months Ended September 30, 1997
<S>	<C>	<C>
Revenues	$3,206,837	$3,005,634
Net income	227,664	284,806
Earnings per share:		
Basic	.91	1.15
Diluted	.86	1.09

</TABLE>

Unaudited pro forma consolidated results after giving effect to the other businesses acquired during fiscal 1998 would not have been materially different from the reported amounts for either year.

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 of $217,370 in cash. These acquisitions were recorded under the purchase method of accounting, and accordingly, their purchase prices have been allocated to assets acquired and liabilities assumed based on estimated fair values. Goodwill related to PharMingen and Difco is being amortized on a straight-line basis over 15 and 20 years, respectively. The results of operations for these acquisitions are included in the accompanying consolidated financial statements from the respective dates of acquisition. In connection with the Difco and PharMingen acquisitions, a charge of $14,750 for purchased in-process research and development was included in the 1997 results of operations. This charge represented the fair value of certain acquired research and development projects that were determined to have not reached technological feasibility. The assumed

liabilities for these acquisitions included approximately $17,500 for severance and other exit costs associated with the closing of certain Difco facilities, which are expected to be substantially paid over the next twelve months.

3 Employee Stock Ownership Plan (ESOP)/Savings Incentive Plan

The Company has an Employee Stock Ownership Plan ("ESOP") as part of its voluntary defined contribution plan (Savings Incentive 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 6.4 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 Incentive Plan follow:

	1998	1997	1996
Total expense of the Savings Incentive Plan	$ 4,183	$ 4,257	$ 5,115
Compensation expense (included in total expense above)	$ 1,975	$ 2,087	$ 2,693
Dividends on ESOP shares used for debt service	$ 3,235	$ 3,366	$ 3,484
Number of preferred shares allocated at September 30	373,884	357,465	325,632

The Company guarantees employees' contributions to the fixed income fund of the Savings Incentive Plan. The amount guaranteed was $88,055 at September 30, 1998.

4 Benefit Plans

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:

	1998	1997	1996
Service cost: benefits earned during the year	$ 21,436	$ 19,946	$ 20,217
Interest cost on projected benefit obligation	33,663	31,389	29,204
Return on assets:			
Actual gain	(29,717)	(103,350)	(53,055)
Net amortization and deferral	(19,302)	65,187	18,014
Expected return	(49,019)	(38,163)	(35,041)
Net pension cost	$ 6,080	$ 13,172	$ 14,380

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

	1998	1997	1996
Discount rate:			
End of year	6.75%	7.50%	7.75%
Beginning of year	7.50%	7.75%	7.50%
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, 1998 and 1997 for the Company's

domestic defined benefit pension plans:

	1998	1997
Actuarial present value of benefit obligations:		
Vested benefit obligation	$391,797	$339,139
Accumulated benefit obligation	$409,777	$354,440
Projected benefit obligation	$517,354	$467,866
Plan assets at fair value	471,118	480,435
Plan assets (less than) in excess of projected benefit obligation	(46,236)	12,569
Unrecognized net gain	(33,467)	(85,336)
Unrecognized net asset at October 1, 1985, net of amortization	(1,213)	(1,820)
Net pension liability recognized in the consolidated balance sheets	$ 80,916	$ 74,587

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:

	1998	1997	1996
Service cost: benefits earned during the year	$ 2,239	$ 2,154	$ 2,251
Interest cost on projected benefit obligation	12,015	11,467	10,925
Net amortization and deferral	(5,591)	(6,364)	(6,334)
Postretirement benefit cost	$ 8,663	$ 7,257	$ 6,842

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, 1998 and 1997 was as follows:

	1998	1997
Accumulated postretirement benefit obligation:		
Retirees	$133,737	$123,044
Fully eligible active participants	15,715	14,892
Other active participants	34,180	28,204
Total	183,632	166,140
Unrecognized gain from plan amendments	59,685	69,432
Unrecognized actuarial loss	(31,576)	(21,225)
Accrued postretirement benefit liability	$211,741	$214,347

At September 30, 1998 and 1997, health care cost trends of 10% and 11%, respectively, pre-age 65 and 7% and 8%, respectively, post-age 65 were assumed. These rates were assumed to decrease gradually to an ultimate rate of 5% 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, 1998 by $5,901 and the postretirement cost for 1998 by $398. The discount rate used to estimate the postretirement benefit cost was 7.5% in 1998 and 7.75% in 1997. The discount rate used to estimate the accumulated postretirement benefit obligation at September 30, 1998 was 6.75% and 7.5% at September 30, 1997.

In February 1998, the Financial Accounting Standards Board issued SFAS No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits". This Statement standardizes the disclosure requirements, requires additional information on changes in benefit obligations and fair values of plan assets, and eliminates certain disclosures. As required by the Statement, the Company will adopt the new disclosure rules in its year-end 1999 financial statements.

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.

	1998	1997	1996
Postemployment benefit costs	$24,000	$25,500	$12,200

5 Special and Other Charges

During the third quarter of 1998 the Company recorded special charges of $90,945, primarily associated with the restructuring of certain manufacturing operations and the write-down of impaired assets.

The Company's plan for restructuring its manufacturing operations included the closure of a surgical blade plant in the United States and the consolidation of certain other production functions. The restructuring plan will be substantially completed over the next twelve to eighteen months, and includes approximately $35,000 in special charges related primarily to severance and other termination costs and losses from the disposal of assets. The Company expects that approximately 350 people will be affected by this plan. As of September 30, 1998, no significant amounts have been charged against the related accruals. The write-down of assets includes approximately $38,000 in special charges to recognize an impairment loss related primarily to goodwill associated with prior acquisitions in the manual microbiology business. The sustained decline in sales volume of this business, combined with the Company's increased focus on new and developing alternative technologies, created an impairment indicator that required a reassessment of recoverability. An impairment loss was recorded as a result of the carrying value of these assets exceeding their fair value, as calculated on the basis of discounted estimated future cash flows. The remaining special charges of approximately $18,000 consisted of various other one-time charges.

The Company also recorded $22,000 of charges in 1998, primarily in the third and fourth quarters, associated with the reengineering of business processes relating to the enterprise-wide program to upgrade its business systems. The majority of these charges are included in Selling and administrative expense. This program will develop a platform of common business practices for the Company and will coordinate the installation of a global software system to provide more efficient access to worldwide business information.

6 Other (Expense) Income, Net

Other (expense), net in 1998 included foreign exchange losses of $11,038, including hedging costs, and a gain of $2,909 on the sale of an investment.

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

7 Income Taxes

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

	1998	1997	1996
Current:			
Domestic:			
Federal	$ 67,740	$ 81,588	$ 70,769
State and local, including Puerto Rico	35,078	34,442	33,521
Foreign	33,812	36,231	19,436
	136,630	152,261	123,726
Deferred:			
Domestic	(30,349)	(15,798)	(19,769)
Foreign	(1,983)	(13,897)	6,272
	(32,332)	(29,695)	(13,497)
	$104,298	$122,566	$110,229

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, 1998 and 1997, net current deferred tax assets

of $70,490 and $62,702, respectively, were included in Prepaid expenses, deferred taxes and other. Net non-current deferred tax assets of $53,712 and $49,046, respectively, were included in Other non-current assets. Net current deferred tax liabilities of $3,613 and $8,313, respectively, were included in Current Liabilities - Income taxes. Net non-current deferred tax liabilities of $13,527 and $15,389, 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, 1998, the cumulative amount of such undistributed earnings approximated $983,000 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>

	1998		1997		1996	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Compensation and benefits	$144,719	$ --	$143,665	$ --	$133,061	$ --
Property and equipment	--	100,741	--	100,169	--	108,455
Other	147,449	74,026	131,319	74,163	89,853	27,400
	292,168	174,767	274,984	174,332	222,914	135,855
Valuation allowance	(10,339)	--	(12,606)	--	(6,886)	--
	$281,829	$174,767	$262,378	$174,332	$216,028	$135,855

</TABLE>

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

	1998	1997	1996
Federal statutory tax rate	35.0%	35.0%	35.0%
State and local income taxes, net of federal tax benefit	.1	1.3	1.4
Effect of foreign and Puerto Rican income	(3.7)	(5.3)	(4.2)
Foreign tax credits	(2.4)	(2.3)	(2.5)
Research tax credit	(1.6)	(.3)	(.3)
Purchased in-process research and development	3.1	1.2	--
Other, net	.1	(.6)	(1.4)
	30.6%	29.0%	28.0%

The approximate dollar and diluted per-share amounts of tax reductions related to tax holidays in various countries in which the Company does business were: 1998-$18,000 and $.07; 1997-$17,400 and $.07; and 1996-$17,700 and $.07. The tax holidays expire at various dates through 2010.

The Company made income tax payments, net of refunds, of $117,321 in 1998, $151,050 in 1997 and $126,236 in 1996.
The components of Income Before Income Taxes follow:

	1998	1997	1996
Domestic, including Puerto Rico	$238,109	$264,910	$231,021
Foreign	102,757	157,730	162,655
	$340,866	$422,640	$393,676

8 Supplemental Balance Sheet Information

Trade Receivables

Allowances for doubtful accounts and cash discounts netted against trade receivables were $35,518 and $28,733 at September 30, 1998 and 1997, respectively.

Inventories

	1998	1997
Materials	$122,232	$ 92,307
Work in process	86,239	79,519
Finished products	328,320	266,511
	$536,791	$438,337

Inventories valued under the LIFO method were $285,384 in 1998 and $252,243 in 1997. Inventories valued under the LIFO method would have been higher by

approximately $18,900 in 1998 and $32,200 in 1997, if valued on a current cost basis.

Property, Plant and Equipment	1998	1997
Land	$ 72,158	$ 60,912
Buildings	916,353	893,696
Machinery, equipment and fixtures	1,703,788	1,561,521
Leasehold improvements	34,724	33,699
	2,727,023	2,549,828
Less allowances for depreciation and amortization	1,424,373	1,299,123
	$1,302,650	$1,250,705

Goodwill	1998	1997
Goodwill	$ 498,012	$ 212,870
Less accumulated amortization	85,942	48,773
	$412,070	$ 164,097

Other Intangibles	1998	1997
Patents, technology and other	$ 488,869	$ 299,420
Less accumulated amortization	154,594	131,573
	$334,275	$ 167,847

9 Debt

The components of Short-term debt follow:

	1998	1997
Loans payable:		
Domestic	$ 204,875	$ 78,500
Foreign	72,038	46,281
Current portion of long-term debt	108,249	7,659
	$ 385,162	$ 132,440

Domestic loans payable consists of commercial paper. Foreign loans payable consists of short-term borrowings from financial institutions. The weighted average interest rates for loans payable were 5.9% and 5.5% at September 30, 1998 and 1997, respectively. The Company has a $500,000 syndicated and committed revolving credit facility, which expires in November 2001. In March 1998, the Company entered into a 364 day $100,000 committed facility. Both of these facilities can be used to support the Company's commercial paper borrowing program and for other general corporate purposes. Restrictive covenants under these agreements include a minimum tangible net worth level. There were no borrowings outstanding under either facility at September 30, 1998. In addition, the Company had unused foreign lines of credit pursuant to informal arrangements of approximately $193,000 and $197,000 at September 30, 1998 and 1997, respectively.

The components of Long-Term Debt follow:

	1998	1997
Domestic notes due through 2015 (average year-end interest rate: 5.8% - 1998; 5.9% - 1997)	$ 17,003	$ 15,614
Foreign notes due through 2011 (average year-end interest rate: 6.9% - 1998; 6.2% - 1997)	19,692	16,493
9.95% Notes due March 15, 1999	--	100,000
8.80% Notes due March 1, 2001	100,000	100,000
9.45% Guaranteed ESOP Notes due through July 1, 2004	28,481	33,342
6.90% Notes due October 1, 2006	100,000	100,000
8.70% Debentures due January 15, 2025	100,000	100,000
7.00% Debentures due August 1, 2027	200,000	200,000
6.70% Debentures due August 1, 2028	200,000	--
	$765,176	$665,449

In July 1998, the Company issued $200,000 of 6.70% Debentures due on August 1, 2028. The effective yield of the debentures including the results of an interest rate hedge and other financing costs was 7.08%. In July 1997, the Company issued $200,000 of 7% notes due on August 1, 2027, with an effective yield including the results of an interest rate hedge and other financing costs of 7.23%. 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%.

The Company has available $300,000 under a $500,000 shelf registration statement filed in October 1997 for the issuance of debt securities.

The aggregate annual maturities of long-term debt during the fiscal years ending September 30, 2000 to 2003 are as follows: 2000 - $6,993; 2001 - $107,613; 2002 - $9,978; 2003 - $9,006.

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

	1998	1997	1996
Charged to operations	$65,584	$51,134	$54,162
Capitalized	10,011	6,469	5,368
	$75,595	$57,603	$59,530

Interest paid, net of amounts capitalized, was $64,160 in 1998, $48,573 in 1997, and $59,053 in 1996.

10 Financial Instruments

Fair Value of Financial Instruments

Cash equivalents, short-term investments and short-term debt are carried at cost which approximates fair value. Other investments are classified as available-for-sale securities. 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.

The estimated fair values of the Company's financial instruments at September 30, 1998 and 1997 were as follows:

<TABLE>
<CAPTION>

	1998		1997	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<S>	<C>	<C>	<C>	<C>
Assets:				
Other investments (non-current) (A)	$ 17,125	$ 6,115	$ 9,000	$ 8,380
Purchased currency options (B)	51	101	279	233
Liabilities:				
Long-term debt	$765,176	$832,250	$665,449	$698,852
Forward exchange contracts (C)	948	393	5,979	5,270
Interest rate swaps	77	498	130	(462)

</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 currency options. The Company's foreign currency risk exposure is primarily in Western Europe, Asia Pacific, Japan, Brazil and Mexico.

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:

	1998	1997
Forward exchange contracts	$742,995	$639,334
Purchased currency options	8,500	43,000

At September 30, 1998, $661,833 of the forward exchange contracts mature within 90 days and $81,162 at various other dates in fiscal 1999. The purchased currency options at September 30, 1998 expire within 125 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.

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 short-term third-party and intercompany debt and investments outside the United States. At September 30,

1998 and 1997, 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. The notional amounts of the Company's outstanding interest rate swap agreements were $12,000 and $133,357 at September 30, 1998 and 1997, respectively.

In June 1998, the FASB issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities". This Statement requires that all derivatives be recorded in the balance sheet as either an asset or liability measured at its fair value and that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. The Company is in the process of evaluating this statement and has not yet determined the future impact on its consolidated financial statements. The Company is required to adopt the provisions of this Statement no later than the beginning of its fiscal year 2000.

Concentration Of Credit Risk

Substantially all of the Company's trade receivables are due from public and private entities involved in health care. 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.

11 Shareholders' Equity

<TABLE>
<CAPTION>

	Series B, ESOP Preferred Stock	Common Stock	Capital in Excess of Par	Retained	Unearned ESOP	Deferred	Treasury Stock	
	Issued	Issued	Value	Earnings	Compensation	Compensation	Shares	Amount
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance at October 1, 1995	$54,713	$ 85,349	$118,201	$1,946,636	$(36,941)	$ --	(20,273,690)	$ (776,340)
Net income				283,447				
Cash dividends:								
Common ($.23 per share)				(58,147)				
Preferred ($3.835 per share), net of tax benefits				(2,675)				
Common stock issued for:								
Employee stock plans, net			17,164				828,731	18,202
Business acquisition			8,077				165,867	4,176
Repurchase of common stock							(4,752,100)	(324,970)
Common stock held in trusts							(20,707)	(904)
Retirement of common stock		(214)	(101)	(8,982)			214,012	9,297
Reduction in unearned ESOP compensation for the year					4,154			
Adjustment for redemption provisions	(1,786)		386				55,232	1,400
Two-for-one stock split		85,349	(85,349)				(23,090,930)	
Balance at September 30, 1996	52,927	170,484	58,378	2,160,279	(32,787)	--	(46,873,585)	(1,069,139)
Net income				300,074				
Cash dividends:								
Common ($.26 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				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)	(2,289)	(144,475)			3,239,500	150,003
Reduction in unearned ESOP compensation for the year					4,167			
Adjustment for redemption provisions	(1,816)		391				98,420	1,425
Balance at September 30, 1997	51,111	167,245	83,422	2,249,463	(28,620)	--	(45,161,091)	(1,050,318)
Net income				236,568				
Cash dividends:								
Common ($.29 per share)				(71,265)				
Preferred ($3.835 per share), net of tax benefits				(2,592)				
Common stock issued for:								
Employee stock plans, net			49,303				2,469,852	29,817
Business acquisition			15,314				297,760	3,886
Repurchase of common stock							(913,500)	(44,476)
Common stock held in trusts						4,903	(14,769)	(882)
Retirement of common stock		(914)	(730)	(42,832)			913,500	44,476
Reduction in unearned ESOP compensation for the year					4,157			
Adjustment for redemption provisions	(2,152)		461				130,845	1,691
Two-for-one stock split		166,331	(147,770)	(18,561)			(42,541,541)	
Balance at September 30, 1998	$48,959	$332,662	$ --	$2,350,781	$(24,463)	$4,903	(84,818,944)	$(1,015,806)

</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.

On July 28, 1998, the Board of Directors authorized a two-for-one stock split, the shares for which were distributed on August 20, 1998 to shareholders of record on August 10, 1998. Par value remained at $1.00 per common share, and the number of authorized common shares increased from 320,000,000 to 640,000,000 shares. The stock split was recorded by reclassifying $166,331, the par value of the additional shares resulting from the split, from Capital in excess of par value and Retained earnings to Common stock. All per-share data and all references to average shares outstanding in the Annual Report have been restated to reflect the split for all periods presented.

In June 1997, the Financial Accounting Standards Board ("FASB") issued SFAS No. 130 "Reporting Comprehensive Income". SFAS No. 130 requires the presentation of comprehensive income, which consists of net income and other comprehensive income, and its components in a full set of financial statements. Foreign currency translation adjustments would be included as a component of other comprehensive income. Additional items may be included in other comprehensive income in the future. The Company is required to adopt the provisions of this Statement no later than its 1999 fiscal year. The Company plans to display comprehensive income and its components in a Statement of Shareholders' Equity beginning in fiscal year 1999.

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, are included in the cumulative currency translation adjustment account in Shareholders' Equity. The following is an analysis of the account:

	1998	1997	1996
Balance at October 1	$(86,870)	$(14,959)	$ 6,767
Translation adjustment	3,654	(71,911)	(21,726)
Balance at September 30	$(83,216)	$(86,870)	$(14,959)

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-quarter 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.

12 Commitments and Contingencies

Commitments

Rental expense for all operating leases amounted to $44,800 in 1998, $48,200 in 1997 and $52,000 in 1996. Future minimum rental commitments on noncancelable leases are as follows: 1999 - $30,900; 2000 - $22,300; 2001 - $18,100; 2002 - $13,500; 2003 - $6,500 and an aggregate of $20,700 thereafter.

As of September 30, 1998, the Company has certain future capital commitments, aggregating approximately $66,900, 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 194 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 analogous procedures have been implemented in the state courts of California, Pennsylvania and New Jersey. 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 is vigorously defending these lawsuits.

The Company, along with another manufacturer and several medical product distributors, has been named as a defendant in six product liability lawsuits relating to health care workers who allegedly sustained accidental needle sticks, but have not become infected with any disease. The cases have been filed on behalf of an unspecified number of health care workers in six

different states, seeking class action certification under the laws of these states. To date, no class has been certified in any of these cases. The actions are pending in state court in Texas, under the caption Calvin vs. Becton Dickinson et al. (Case No. 342-173329-98, Tarrant County District Court), filed on April 9, 1998; in Federal court in Ohio, under the caption Grant vs. Becton Dickinson et al. (Case No. C2 98-844, Southern District of Ohio), filed on July 22, 1998; in state court in California, under the caption Chavez vs. Becton Dickinson (Case No. 722978, San Diego County Superior Court), filed on August 4, 1998; in state court in Illinois, under the caption McCaster vs. Becton Dickinson et al. (Case No. 98L09478, Cook County Circuit Court), filed on August 13, 1998; in state court in Oklahoma, under the caption Palmer vs. Becton

Dickinson et al. (Case No. CJ-98-685, Sequoyah County District Court), filed on October 27, 1998; and in state court in Alabama, under the caption Daniels vs. Becton Dickinson et al. (Case No. CV 1998 2757, Montgomery County Circuit Court), filed on October 30, 1998.

Generally, these actions allege that health care workers have sustained needle sticks using hollow-bore needle devices manufactured by the Company and, as a result, require medical testing, counseling and/or treatment. Several actions additionally allege that the health care workers have suffered mental anguish. In addition, in the Chavez matter, the plaintiff asserts a claim for unfair competition, alleging that the Company has suppressed the market for safety-engineered products through various means. Plaintiffs seeks money damages in all actions. The plaintiff in the Chavez matter, in addition to money damages, seeks disgorgement of profits the Company has purportedly obtained as a result of alleged unfair competition.

The pending class actions are in preliminary stages. The Company intends to vigorously oppose class certification and defend these lawsuits.

The Company, along with another manufacturer, a group purchasing organization ("GPO") and three hospitals, has been named as a defendant in an antitrust action brought pursuant to the Texas Free Enterprise Act ("TFEA"). The action is pending in state court in Texas, under the caption Retractable Technologies Inc. vs. Becton Dickinson and Company et al. (Case No. 5333*JG98, Brazoria County District Court), filed on August 4, 1998. Plaintiff, a manufacturer of retractable syringes, alleges that the Company's contracts with GPOs exclude plaintiff from the market in syringes and blood collection products, in violation of the TFEA. Plaintiff also alleges that the Company has conspired with other manufacturers to maintain its market share in these products. Plaintiff seeks money damages. The pending action is in its preliminary stages. The Company intends to mount a vigorous defense in this action.

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.

The Company has developed a Company-wide Year 2000 plan (the "Plan") to, among other things, prepare its computer equipment and software and devices with date-sensitive embedded technology for the year 2000. The estimated costs of the Company's Plan and the dates by which the Company believes it will have completed each phase of the Plan, are based upon management's best estimates, which rely upon numerous assumptions regarding future events, including the continued availability of certain resources, third-party remediation plans, and other factors. These estimates, however, may prove not to be accurate, and actual results could differ materially from those anticipated. Factors that could result in material differences include, without limitation, the availability and cost of personnel with appropriate training and experience, the ability to identify, assess, remediate and test all relevant computer codes and embedded technology, and similar uncertainties. In addition, Year 2000-related issues may lead to possible third-party claims, the impact of which cannot yet be estimated. No assurance can be given that the aggregate cost of defending and resolving such claims, if any, would not have a material adverse effect on the Company.

13 Stock Plans

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, 1995 and 1998 Stock Option Plans made available 16,000,000, 24,000,000 and 10,000,000 shares of the Company's common stock for the granting of options, respectively. At September 30, 1998, shares available for future grant under the 1990, 1995, and 1998 Plans were 158,514, 5,852,786, and 9,950,000, respectively. All stock plan data has been retroactively restated to reflect the two-for-one stock splits in 1998, 1996 and 1993, where applicable.

A summary of changes in outstanding options is as follows:

	1998		1997		1996	
	Options for Shares	Weighted Average Exercise Price	Options for Shares	Weighted Average Exercise Price	Options for Shares	Weighted Average Exercise Price
Balance at October 1	30,168,526	$15.20	27,051,424	$12.15	23,660,184	$ 9.46
Granted	4,843,750	29.64	6,590,144	24.72	6,571,368	20.19
Exercised	(4,593,739)	9.92	(3,258,458)	9.05	(2,791,080)	8.23

Forfeited, canceled or expired	(513,678)	23.05	(214,584)	16.36	(389,048)	12.41
Balance at September 30	29,904,859	$18.22	30,168,526	$15.20	27,051,424	$12.15
Exercisable at September 30	23,266,773	$15.90	19,100,330	$11.92	21,874,502	$11.66
Weighted average fair value of options granted	$ 9.40		$ 7.08		$ 5.24	
Available for grant at September 30	15,961,300		10,291,372		16,663,632	

The maximum term of options is ten years. Options outstanding as of September 30, 1998 expire on various dates from May 1999 through May 2008.

	September 30, 1998				
	Options Outstanding			Options Exercisable	
Range Of Option Exercise Price	Number Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Number Exercisable	Weighted Average Exercise Price
$6.52 - $12.55	13,036,193	$10.02	4.9 years	11,966,836	$ 9.79
18.83 - 24.81	12,069,036	22.53	7.9 years	11,299,937	22.38
29.35 - 34.83	4,799,630	29.64	9.3 years	--	--
	29,904,859	$18.22	7.6 years	23,266,773	$15.90

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.

The 1990 Plan has 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 1998, 1997 or 1996.

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 1998, 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 1998, 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.

	1998		1997		1996	
	As Reported	Pro Forma	As Reported	Pro Forma	As Reported	Pro Forma
Net Income	$236,568	$216,680	$300,074	$290,697	$283,447	$267,953
Earnings Per Share:						
Basic	.95	.87	1.21	1.17	1.10	1.04
Diluted	.90	.82	1.15	1.11	1.05	1.00

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 1998, 1997 and 1996: risk free interest rates of 5.55%, 6.51% and 5.64%, respectively; expected dividend yields of 1.28%, 1.42% and 1.64% respectively; expected volatility of 24.4%, 18.0% and 19.2% respectively; and expected lives of 6 years for each year presented.

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 following retirement, the remainder is distributable in five equal annual installments. During 1998, 132,276 shares were distributed. No awards were granted in 1998, 1997 or 1996. At September 30, 1998, 2,637,264 shares were reserved for future issuance, of which awards for 535,876 shares have been granted.

The Company has a compensatory Restricted Stock Plan for Non-Employee Directors which reserves for issuance 300,000 shares of the Company's common stock. Restricted shares of 1,560 and 9,940 were issued in 1997 and 1996, respectively, in accordance with the provisions of the plan. No restricted shares were issued in 1998.

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, 1998, 126,630 shares were held in trust, of which 14,852 shares represented Directors' compensation in 1998, 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.

14 Earnings Per Share

For the years ended September 30, 1998, 1997, and 1996, the following table sets forth the computations of basic and diluted earnings per share, restated to reflect the 1998 two-for-one stock split and to conform to the SFAS No. 128 requirements (shares in thousands):

	1998	1997	1996
Net income	$236,568	$300,074	$283,447
Preferred stock dividends	(3,235)	(3,366)	(3,484)
Income available to common shareholders (A)	233,333	296,708	279,963
Preferred stock dividends using "if converted" method	3,235	3,366	3,484
Additional ESOP contribution using "if converted" method	(1,000)	(1,124)	(1,288)
Income available to common shareholders after assumed conversions (B)	$235,568	$298,950	$282,159
Average common shares outstanding (C)	245,700	245,230	253,418
Dilutive stock equivalents from stock plans	11,117	8,812	8,486
Shares issuable upon conversion of preferred stock	5,311	5,544	5,742
Average common and common equivalent shares outstanding assuming dilution (D)	262,128	259,586	267,646
Basic earnings per share (A/C)	$ .95	$ 1.21	$ 1.10
Diluted earnings per share (B/D)	$ .90	$ 1.15	$ 1.05

15 Business Segment Data

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 11% of revenues in 1998, 10% in 1997 and 11% of revenues in 1996, 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, 1998, 1997 and 1996 is presented on pages 44 and 45 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". 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. As required by the Statement, the Company will adopt the provisions of SFAS No. 131 in its year-end 1999 financial statements and different operating segments may be reported by the Company.

<TABLE>
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Quarterly Data (Unaudited)
Thousands of dollars, except per-share amounts

	1998				
	1st	2nd	3rd	4th	Year
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Revenues	$701,640	$738,433	$833,561	$843,239	$3,116,873
Gross Profit	346,837	374,353	414,554	440,097	1,575,841
Net Income (Loss) (A)	64,321	92,335	(9,985)(A)	89,897	236,568
Earnings (Loss) Per Share(B):					
Basic	.26	.37	(.04)	.36	.95
Diluted	.25	.35	(.04)	.34	.90

	1997				
	1st	2nd	3rd	4th	Year
<S>	<C>	<C>	<C>	<C>	<C>
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(B):					
Basic	.23	.33	.28	.36	1.21
Diluted	.22	.32	.27	.34	1.15

</TABLE>

(A) Includes $90,945 of special charges and a charge of $30,000 for purchased in-process research and development.

(B) Restated to reflect 1998 two-for-one stock split and to conform to SFAS No. 128 requirements.

Financial Statements

corporate data

Annual Meeting
2:30 p.m.
Tuesday, February 9, 1999
1 Becton Drive
Franklin Lakes, NJ 07417-1880

Direct Stock Purchase Plan

The Direct Stock Purchase Plan replaced the Becton Dickinson Dividend Reinvestment Plan in February 1998. This plan, established through First Chicago Trust Company of New York, enhances the services provided to existing shareholders and facilitates initial investments in Becton Dickinson shares. Additional information may be obtained by calling First Chicago Trust Company of New York at 1-800-955-4743.

NYSE Symbol
BDX

Web Site
http://www.bd.com

Shareholder Information

Shareholders may receive, without charge, a copy of the company's 1998 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
Internet: http://www.ey.com

common stock prices and dividends

<TABLE>
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By Quarter

	1998			1997		
	High	Low	Dividends	High	Low	Dividends
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First	$26 11/16	$20 15/16	$.07 1/4	$22 3/4	$18 1/2	$.06 1/2
Second	35 11/16	24 3/8	.07 1/4	25 13/16	21 5/16	.06 1/2
Third	39 9/32	33 13/16	.07 1/4	26 5/8	21 3/8	.06 1/2
Fourth	43 13/16	33 1/16	.07 1/4	27 13/16	23 3/8	.06 1/2

</TABLE>

Data for both years have been restated to reflect the 1998 two-for-one stock split.

EXHIBIT 21

<TABLE>
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SUBSIDIARIES OF BECTON, DICKINSON AND COMPANY

Name of Subsidiary	State of Jurisdiction of Incorporation	Percentage of Voting Securities Owned
1751 Hancock Street, Inc.	California	100% (1)
228 Coshocton, Inc.	Nevada	100%
Alchem, Inc.	Massachusetts	100% (1)
American Agar and Chemical Company	California	100% (1)
Bauer & Black, Inc.	Delaware	100%
BBL Realty, Inc.	Maryland	100% (1)
B-D (Cambridge, U.K.) Ltd.	United Kingdom	100% (1)
BD Holding S. de R.L. de C.V.	Mexico	100% (1)
BDX INO LLC	Delaware	100%
Becton Dickinson AcuteCare Holdings, Inc.	Delaware	100%
Becton Dickinson AcuteCare, Inc.	Massachusetts	100% (1)
Becton Dickinson Asia Limited	Hong Kong	100% (1)
Becton Dickinson Asia Pacific Limited	British Virgin Islands	100%
Becton Dickinson Austria GmbH	Austria	100% (1)
Becton Dickinson Benelux N.V.	Belgium	100% (1)
Becton Dickinson Canada Inc.	Canada	100% (1)
Becton Dickinson Caribe, Ltd.	Cayman Islands	100% (1)
Becton Dickinson Cellular Imaging Systems B.V.	Netherlands	100% (1)
Becton Dickinson Colombia Ltda.	Colombia	100% (1)
Becton Dickinson Critical Care Systems PTE LTD.	Singapore	100%
Becton Dickinson Czechia s.r.o.	Czech Republic	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 Guatemala S.A.	Guatemala	100% (1)
Becton Dickinson Hellas S.A.	Greece	100% (1)
Becton Dickinson Holdings GmbH	Germany	100% (1)
Becton Dickinson Holdings N.V.	Belgium	100% (1)
Becton Dickinson Hungary Kft.	Hungary	100% (1)
Becton Dickinson India Pvt. Ltd.	India	100% (1)
Becton Dickinson Infusion Therapy AB	Sweden	100% (1)
Becton Dickinson Infusion Therapy A/S	Denmark	100% (1)
Becton Dickinson Infusion Therapy B.V.	Netherlands	100% (1)
Becton Dickinson Infusion Therapy GmbH	Germany	100% (1)
Becton Dickinson Infusion Therapy Holdings AB	Sweden	100% (1)
Becton Dickinson Infusion Therapy Holdings Inc.	Delaware	100%
Becton Dickinson Infusion Therapy Holdings Inc., S.A. de C.V.	Mexico	100% (1)
Becton Dickinson Infusion Therapy UK Limited	United Kingdom	100% (1)
Becton Dickinson Infusion Therapy Systems Inc.	Delaware	100%
Becton Dickinson Infusion Therapy Holdings UK Limited	United Kingdom	100% (1)
Becton Dickinson Insulin Syringe, Ltd.	Cayman Islands	100% (1)
Becton Dickinson Ithalat Ltd. Sirketi	Turkey	100% (1)
Becton Dickinson Korea, Inc.	Korea	100%
Becton Dickinson Korea Holding, Inc.	Delaware	100%
Becton Dickinson Malaysia, Inc.	Oregon	100%
Becton Dickinson (Mauritius) Limited	Mauritius	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 Medizintechnik GmbH & Co. KG	Germany	100% (1)
Becton Dickinson Monoclonal Center, Inc.	Delaware	100%
Becton Dickinson Ltd.	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 (Pty) Ltd.	South Africa	100% (1)
Becton Dickinson Sdn. Bhd.	Malaysia	100% (1)
Becton Dickinson Service (Pvt.) Ltd.	Pakistan	51%
Becton Dickinson (Thailand) Limited	Thailand	100% (1)
Becton Dickinson Venezuela, C.A.	Venezuela	100% (1)
Becton Dickinson Venture LLC	Delaware	100%
</TABLE>

Becton Dickinson Verwaltungs GmbH	Germany	100% (1)
Becton Dickinson Worldwide, Inc.	Delaware	100%
Becton Dickinson, S.A.	Spain	100% (1)
Becton, Dickinson (Royston) Limited	United Kingdom	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 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. Holdings Limited	United Kingdom	100% (1)
Becton, Dickinson U.K. Limited	United Kingdom	100% (1)
Becton, Dickinson Warenvertriebsgesellschaft gmbH	Austria	100% (1)
Bedins Ltd.	Bermuda	100% (1)
Belvedere, Inc.	New Hampshire	100% (1)
Benex Ltd.	Ireland	100%
Beta - Lab Limited	United Kingdom	100% (1)
Boin Medica Co., Ltd.	Korea	100% (1)
Cascade Medical Leasing, Inc.	Oregon	100% (1)
Cell Analysis Systems, Inc.	Illinois	100%
Collaborative Biomedical Products, Inc.	Delaware	100%
D.H. Farms Company	Michigan	100% (1)
D.L.D. Company	Delaware	100% (1)
D.L.D., Ltd.	Bermuda	100% (1)
Dantor S.A.	Uruguay	100% (1)
Difco Laboratories GmbH	Germany	100% (1)
Difco Laboratories Incorporated	Michigan	100%
Difco Laboratories Incorporated	Wisconsin	100% (1)
Difco Laboratories Limited	United Kingdom	100% (1)
Difco Microbiology Systems, Inc.	Michigan	100% (1)
Digestive Ferments, Inc.	Michigan	100% (1)
EPV S.A. de C.V.	Mexico	100% (1)
Franklin Lakes Enterprises, L.L.C.	New Jersey	100%
Healthcare Holdings AB	Sweden	100% (1)
IBD Holdings LLC	Delaware	50%
JLI Leasing, Inc.	Maryland	100% (1)
Johnston Ferguson Vestel, Inc.	Maryland	100%(1)
Johnston Laboratories, Inc.	Maryland	100%
Lee Laboratories Inc.	Georgia	100% (1)
MDI Instruments, Inc.	Delaware	100%
Med-Safe Systems, Inc.	California	100%
Micropette, Inc.	Delaware	100%
Nippon Becton Dickinson Company, Ltd.	Japan	100% (1)
Pasco Laboratories Inc.	Colorado	100% (1)
PharMingen Canada Inc.	Canada	100% (1)
PharMingen SPC	California	100% (1)
PharMingen, Inc.	California	100%
Phase Medical, Inc.	California	100% (1)
Promedicor de Mexico, S.A. de C.V.	Mexico	100% (1)
Southeastern Animal Resources, Inc.	Georgia	100% (1)
Tru-Fit Marketing Corporation	Massachusetts	100% (1)
Visitec 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, 333-16091 and 333-46089 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 5, 1998, 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, 1998.

/s/ Ernst & Young LLP

Ernst & Young LLP

Hackensack, New Jersey
December 14, 1998

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS AND IS QUALIFIED IN ITS ENTIRETY BY
REFERENCE TO SUCH FINANCIAL STATEMENTS.
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<F1> Reflects two-for-one stock split effective August 1998. Prior Financial
Data Schedules have not been restated for the stock split.
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