

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

(Mark One)

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

For the quarterly period ended December 31, 2006

OR

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

For the transition period from _____ to _____

Commission file number 001-4802

Becton, Dickinson and Company

(Exact name of registrant as specified in its charter)

New Jersey

(State or other jurisdiction of
incorporation or organization)

22-0760120

(I.R.S. Employer Identification No.)

1 Becton Drive, Franklin Lakes, New Jersey 07417-1880

(Address of principal executive offices)

(Zip Code)

(201) 847-6800

(Registrant's telephone number, including area code)

N/A

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

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

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

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

Class of Common Stock
Common stock, par value \$1.00

Shares Outstanding as of December 31, 2006
244,590,791

BECTON, DICKINSON AND COMPANY
FORM 10-Q
For the quarterly period ended December 31, 2006

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

<u>Assets</u>	December 31, 2006	September 30, 2006
	(Unaudited)	
Current Assets:		
Cash and equivalents	\$ 533,425	\$ 1,000,289
Short-term investments	109,928	106,386
Trade receivables, net	928,725	885,748
Inventories:		
Materials	123,187	121,598
Work in process	180,918	156,957
Finished products	622,493	597,183
	926,598	875,738
Prepaid expenses, deferred taxes and other	326,446	317,092
	2,825,122	3,185,253
Property, plant and equipment	4,888,550	4,742,957
Less allowances for depreciation and amortization	2,682,420	2,609,409
	2,206,130	2,133,548
Goodwill	614,590	565,146
Core and Developed Technology, Net	377,662	244,811
Other Intangibles, Net	85,139	91,501
Capitalized Software, Net	179,839	189,355
Other	522,059	414,911
	\$ 6,810,541	\$ 6,824,525
 <u>Liabilities and Shareholders' Equity</u>		
Current Liabilities:		
Short-term debt	\$ 205,866	\$ 427,218
Payables and accrued expenses	1,266,404	1,149,111
	1,472,270	1,576,329
Long-Term Debt	956,114	956,971
Long-Term Employee Benefit Obligations	207,636	270,495
Deferred Income Taxes and Other	243,521	184,526
Commitments and Contingencies	-	-
Shareholders' Equity:		
Common stock	332,662	332,662
Capital in excess of par value	927,459	873,535
Retained earnings	5,427,451	5,345,697
Deferred compensation	12,143	11,134
Common shares in treasury – at cost	(2,803,261)	(2,698,016)
Accumulated other comprehensive income (loss)	34,546	(28,808)
	3,931,000	3,836,204
Total Liabilities and Shareholders' Equity	\$ 6,810,541	\$ 6,824,525

See notes to condensed consolidated financial statements

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

	Three Months Ended December 31,	
	2006	2005
Revenues	\$ 1,501,526	\$ 1,393,845
Cost of products sold	708,933	665,946
Selling and administrative	384,084	349,027
Research and development	194,679	68,359
Total Operating Costs and Expenses	<u>1,287,696</u>	<u>1,083,332</u>
Operating Income	213,830	310,513
Interest income	16,114	14,671
Interest expense	(12,868)	(16,760)
Other expense, net	<u>(2,368)</u>	<u>(1,163)</u>
Income From Continuing Operations Before Income Taxes	214,708	307,261
Income tax provision	<u>83,657</u>	<u>83,559</u>
Income From Continuing Operations	131,051	223,702
Income (loss) from Discontinued Operations, net	<u>11,828</u>	<u>(5,842)</u>
Net Income	<u>\$ 142,879</u>	<u>\$ 217,860</u>
 <u>Basic Earnings per Share:</u>		
Income from Continuing Operations	\$ 0.53	\$ 0.90
Income (loss) from Discontinued Operations	<u>0.05</u>	<u>(0.02)</u>
Basic Earnings per Share	<u>\$ 0.58</u>	<u>\$ 0.88</u>
 <u>Diluted Earnings per Share:</u>		
Income from Continuing Operations	\$ 0.51	\$ 0.87
Income (loss) from Discontinued Operations	<u>0.05</u>	<u>(0.02)</u>
Diluted Earnings per Share	<u>\$ 0.56</u>	<u>\$ 0.85</u>
Dividends per Common Share	<u>\$ 0.245</u>	<u>\$ 0.215</u>

See notes to condensed consolidated financial statements

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

	Three Months Ended December 31,	
	2006	2005
<u>Operating Activities</u>		
Net income	\$ 142,879	\$ 217,860
(Income) loss from discontinued operations, net	(11,828)	5,842
Income from continuing operations	131,051	223,702
Adjustments to income from continuing operations to derive net cash provided by continuing operating activities, net of amounts acquired:		
Depreciation and amortization	101,081	99,161
Share-based compensation	34,611	34,643
Deferred income taxes	(27,457)	(11,139)
Acquired in-process research and development	114,739	-
Change in working capital	(23,579)	(60,695)
Pension obligation	(67,973)	(126,707)
Other, net	13,599	14,257
Net Cash Provided by Continuing Operating Activities	276,072	173,222
<u>Investing Activities</u>		
Capital expenditures	(110,579)	(64,059)
Capitalized software	(5,405)	(3,568)
Purchases of investments, net	(1,587)	(7,668)
Acquisition of business, net of cash acquired	(339,528)	-
Proceeds from discontinued operations	19,971	-
Other, net	(12,415)	(13,995)
Net Cash Used for Continuing Investing Activities	(449,543)	(89,290)
<u>Financing Activities</u>		
Change in short-term debt	(122,246)	99,484
Payments of debt	(99,948)	(99)
Repurchase of common stock	(112,329)	(100,547)
Issuance of common stock from treasury	19,101	38,493
Excess tax benefits from payments under share-based plans	9,454	12,591
Net Cash (Used for) Provided by Continuing Financing Activities	(305,968)	49,922
<u>Discontinued Operations</u>		
Net cash provided by (used for) operating activities	9,487	(7,495)
Net cash used for investing activities	-	(271)
Net Cash Provided by (Used for) Discontinued Operations	9,487	(7,766)
Effect of exchange rate changes on cash and equivalents	3,088	(5)
Net (decrease) increase in cash and equivalents	(466,864)	126,083
Opening Cash and Equivalents	1,000,289	1,042,890
Closing Cash and Equivalents	\$ 533,425	\$ 1,168,973

See notes to condensed consolidated financial statements



BECTON, DICKINSON AND COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
Dollar and share amounts in thousands, except per share data
December 31, 2006

Note 1 - Basis of Presentation

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

Note 2 – Comprehensive Income

Comprehensive income was comprised of the following:

	Three Months Ended December 31,	
	2006	2005
Net Income	\$ 142,879	\$ 217,860
Other Comprehensive Income (Loss), Net of Tax		
Foreign currency translation adjustments	75,477	(27,605)
Unrealized (losses) on investments, net of amounts reclassified	(10,397)	(1,779)
Unrealized (losses) gains on cash flow hedges, net of amounts realized	(1,726)	2,734
	63,354	(26,650)
Comprehensive Income	\$ 206,233	\$ 191,210

The amount of unrealized losses or gains on investments and cash flow hedges in comprehensive income has been adjusted to reflect any realized gains and recognized losses included in net income during the three months ended December 31, 2006 and 2005. The change in foreign currency translation adjustments is primarily attributable to stronger European currencies versus the U.S. dollar for the three months ended December 31, 2006, compared with the three months ended December 31, 2005.

Note 3 - Earnings per Share

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

	Three Months Ended December 31,	
	2006	2005
Average common shares outstanding	245,550	248,046
Dilutive share equivalents from share-based plans	9,391	7,805
Average common and common equivalent shares outstanding – assuming dilution	254,941	255,851

Note 4 - Contingencies

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

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

Note 5 – Segment Data

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

	Three Months Ended December 31,	
	2006	2005
<u>Revenues (A)</u>		
Medical	\$ 826,247	\$ 750,484
Diagnostics	442,400	434,118
Biosciences	232,879	209,243
	<u>\$ 1,501,526</u>	<u>\$ 1,393,845</u>
<u>Segment Operating Income</u>		
Medical	\$ 246,143	\$ 223,630
Diagnostics	(345)(B)	119,246
Biosciences	56,235	49,323
	<u>302,033</u>	<u>392,199</u>
Total Segment Operating Income		
Unallocated Items (C)	(87,325)	(84,938)
	<u></u>	<u></u>
Income from Continuing Operations Before Income Taxes	<u>\$ 214,708</u>	<u>\$ 307,261</u>

	Three Months Ended December 31,	
	2006	2005
<u>Revenues by Organizational Units</u>		
<u>BD Medical</u>		
Medical Surgical Systems	\$ 467,751	\$ 428,163
Diabetes Care	168,686	163,480
Pharmaceutical Systems	172,940	143,763
Ophthalmic Systems	16,870	15,078
	<u>\$ 826,247</u>	<u>\$ 750,484</u>
<u>BD Diagnostics</u>		
Preanalytical Systems	\$ 240,072	\$ 222,163
Diagnostic Systems	202,328	211,955
	<u>\$ 442,400</u>	<u>\$ 434,118</u>
<u>BD Biosciences</u>		
Immunocytometry Systems	\$ 129,601	\$ 112,852
Pharming	39,390	36,946
Discovery Labware	63,888	59,445
	<u>\$ 232,879</u>	<u>\$ 209,243</u>
	<u>\$1,501,526</u>	<u>\$1,393,845</u>

(A) *Intersegment revenues are not material.*

(B) *Includes the in-process research and development charge related to the TriPath acquisition. See Note 8 for additional information.*

(C) *Includes primarily share-based compensation expense; interest, net; foreign exchange; and corporate expenses.*

Note 6 – Share-Based Compensation

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

Compensation expense relating to share-based payments is recognized in net income using a fair-value measurement method. Under the fair value method, the estimated fair value of awards is charged to income on a straight-line basis over the requisite service period, which is generally the vesting period.

Share-based compensation expense reduced the Company’s results of operations as follows:

	Three Months Ended December 31,	
	2006	2005
Selling and administrative expense	\$ 24,582	\$ 25,002
Cost of products sold	6,146	5,852
Research and development expense	3,883	3,789
Income From Continuing Operations Before Income Taxes	\$ 34,611	\$ 34,643
Net Income	\$ 22,676 (A)	\$ 23,211 (A)

(A) Share-based compensation attributable to discontinued operations was not material.

The amount of unrecognized compensation expense for all non-vested share-based awards as of December 31, 2006 was approximately \$181,206, which is expected to be recognized over a weighted-average remaining life of approximately 2.38 years.

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

Note 7 – Benefit Plans

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

Net pension and postretirement cost included the following components for the three months ended December 31:

	Pension Plans		Other Postretirement Benefits	
	2006	2005	2006	2005
Service cost	\$ 13,804	\$ 17,635	\$ 1,088	\$ 1,017
Interest cost	15,124	17,249	3,644	3,716
Expected return on plan assets	(17,709)	(19,143)	-	-
Amortization of prior service cost	39	45	(1,531)	(1,558)
Amortization of loss	3,449	6,796	1,166	1,769
Net pension and postretirement cost	\$ 14,707	\$ 22,582	\$ 4,367	\$ 4,944

Note 8 – Acquisition and Divestiture

TriPath Acquisition

On December 20, 2006, the Company acquired the outstanding shares (approximately 93.8%) of TriPath Imaging, Inc. (“TriPath”) which it did not previously own. TriPath develops, manufactures, markets and sells innovative solutions to improve the clinical management of cancer, including detection, diagnosis, staging and treatment. The acquisition advances the Company’s position in cancer diagnostics. The acquisition was accounted for as a business combination and the results of operations of TriPath were included in the Diagnostics Segment’s results as of the acquisition date. Pro forma information was not provided as the acquisition did not have a material effect on the Company’s consolidated results. The purchase price was \$361,883 in cash, including transaction costs and other consideration. The purchase price was allocated based upon the fair values of the assets and liabilities acquired. The allocation of the purchase price resulted in deferred tax assets of \$74,221 primarily consisting of net operating loss carry-forwards and credits; core and developed technology of \$135,097; deferred tax liabilities of \$52,662 primarily associated with other intangible assets; and other net assets of \$51,857 consisting primarily of cash and trade receivables. Core and developed technology will be amortized on a straight-line basis over its estimated useful life of approximately 15 years. The excess of the purchase price over the fair value of the assets acquired of \$38,631 was recorded as goodwill.

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

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

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

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

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

BGM Divestiture

On September 28, 2006, the Company announced a plan to exit the blood glucose monitoring ("BGM") market. The decision to exit the BGM market was made following an evaluation of the future outlook for the product line. The Company recorded a pre-tax charge of \$63,414, which was included in the Medical segment, in connection with its decision to exit the BGM product line. At September 30, 2006, an accrual of \$32,408, which primarily consisted of inventory related purchase commitments and severance, was reported in current liabilities.

During the first quarter of 2007, the Company received an unsolicited offer for the purchase of the BGM product line. On December 11, 2006, the Company sold the product line for \$19,971 and recognized a pre-tax gain on sale of \$15,226. Following the sale, the Company's prior period Condensed Consolidated Statements of Income and Cash Flows and related disclosures have been restated to separately present the results of the BGM product line as discontinued operations. The September 30, 2006 Condensed Consolidated Balance Sheet has not been restated. In connection with the sale, previously accrued inventory-related purchase

commitments of \$3,188 were reversed and included in discontinued operations. At December 31, 2006, the remaining accrual relating to the exit costs was \$14,558.

Results of discontinued operations were as follows:

	Three Months Ended December 31,	
	2006	2005
Revenues	\$ 21,738	\$ 20,216
Income (loss) from discontinued operations before income taxes	18,968	(9,392)
Income tax (provision) benefit	(7,140)	3,550
Income (loss) from discontinued operations, net	\$ 11,828	\$ (5,842)

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

Company Overview

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

BD’s management operates the business consistent with the following core strategies:

- To increase revenue growth by focusing on products that deliver greater benefits to patients, healthcare workers and researchers;
- To improve operating effectiveness and balance sheet productivity; and,
- To strengthen organizational and associate capabilities in the ever-changing healthcare environment.

In assessing the outcomes of these strategies and BD’s financial condition and operating performance, management generally reviews quarterly forecast data, monthly actual results, segment sales and other similar information. We also consider trends related to certain key financial data, including gross profit margin, selling and administrative expense, investment in research and development and cash flows.

The results of our strategies are reflected in our first quarter 2007 financial and operational performance. BD reported first quarter revenues of \$1.502 billion, an increase of 8% from the same period a year ago, and reflected volume increases of approximately 6% and favorable foreign currency translation of approximately 2%. Sales in the United States of safety-engineered devices grew 8% to \$247 million in the first quarter of 2007, compared with the prior year’s period. International sales of safety-engineered devices grew 30% to \$96 million in the first quarter of 2007, compared with the prior year’s period. Overall, international revenue growth of 7% for the three-month period included a 4% favorable impact of foreign currency translation. As further discussed in our 2006 Annual Report on Form 10-K, we face currency exposure that arises from translating the results of our worldwide operations to the U.S. dollar at exchange rates that fluctuate from the beginning of the period. We purchase option and forward contracts to partially protect against adverse foreign exchange rate movements.

Our balance sheet remains strong, with net cash provided by continuing operations at approximately \$276 million for the three months ended December 31, 2006, and our debt-to-capitalization ratio (shareholders' equity, net non-current deferred income tax liabilities, and debt) decreasing to 21.9% at December 31, 2006 from 25.8% at September 30, 2006.

Our ability to sustain our long-term growth will depend on a number of factors, including our ability to expand our core business (including geographical expansion), develop innovative new products with higher gross profit margins across our business segments, and continue to improve operating efficiency and organizational effectiveness. Numerous factors can affect our ability to achieve these goals, including without limitation, U.S. and global economic conditions, increased competition and healthcare cost containment initiatives. We believe that there are several important factors relating to our business that tend to reduce the impact on BD of any potential economic or political events in countries in which we do business, including the effects of possible healthcare system reforms. For example, since many of our products are used in essential medical care, demand for such products tends not to be significantly affected by economic fluctuations. Other factors include the international nature of our business and our ability to meet the needs of the worldwide healthcare industry with cost-effective and innovative products.

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

Our anticipated revenue growth over the next three years, excluding any impact relating to foreign exchange, is expected to come from the following:

- Business growth and expansion among all segments, and
- Development in each business segment of new products and services that provide increased benefits to patients, healthcare workers and researchers.

On December 20, 2006, we acquired the 93.8% of the outstanding stock of TriPath Imaging, Inc. ("TriPath") which we did not previously own, for a cash purchase price of \$9.25 per share, or approximately \$362 million. TriPath develops, manufactures, markets and sells innovative solutions to improve the clinical management of cancer, including detection, diagnosis, staging and treatment. In connection with the acquisition, BD incurred a charge of \$115 million for acquired in-process research and development. See Note 8 of the Condensed Consolidated Financial Statements for additional discussion.

During the first quarter of 2007, we received an unsolicited offer for the purchase of the BGM product line. On December 11, 2006, we sold the product line for \$20 million and recognized a pre-tax gain on sale of \$15 million. Following the sale, prior period Condensed Consolidated

Statements of Income and Cash Flows and related discussions have been restated to separately present the results of the BGM product line as discontinued operations.

Results of Operations

Revenues

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

Medical Segment

First quarter revenues of \$826 million represented an increase of \$76 million, or 10%, from the prior year's quarter, including an estimated \$15 million, or 2%, favorable impact due to foreign currency translation. Strong sales of Pharmaceutical Systems products and safety-engineered devices contributed to this growth. Global sales of safety-engineered products were \$173 million, as compared with \$154 million in the prior year's quarter.

Diagnostics Segment

First quarter revenues of \$442 million represented an increase of \$8 million, or 2%, over the prior year quarter, including an estimated \$7 million, or 2%, favorable impact due to foreign currency translation. The Preanalytical Systems unit of the segment reported revenue growth of 8% over the prior year's quarter. Global sales of safety-engineered products totaled \$169 million, compared with \$148 million in the prior year's quarter due, in large part, to strong sales of *BD Vacutainer* Push Button Blood Collection Sets in the current year's quarter. Revenues in the Diagnostic Systems unit of the segment decreased 5%. The decrease is primarily related to an approximate \$24 million decline in sales of flu diagnostics test sales in Japan, as compared to the prior year period. This decrease in flu diagnostics sales more than offset the growth from the *BD ProbeTec ET* and *BD Phoenix* instruments. Revenue in the prior year's quarter reflected strong sales of flu diagnostics tests to distributors in Japan. Also contributing to the decline in the first quarter is a relatively mild flu season in Japan and the United States in 2007 and the transition to an internally-sourced flu test that has yet to receive market acceptance in Japan. There can be no assurance that our flu test will achieve market acceptance in Japan.

Biosciences Segment

First quarter revenues of \$233 million represented an increase of \$24 million, or 11%, over the prior year's quarter, including an estimated \$4 million, or 2%, favorable impact due to foreign currency translation. Research instruments and reagent sales continued to be the primary growth contributors, driven by increased demand for research analyzers and clinical reagents.

Segment Operating Income

Medical Segment

Segment operating income for the first quarter was \$246 million of Medical revenues, compared with \$224 million in the prior year's quarter, or 29.8% of Medical revenues in both years. Gross profit margin declined slightly due to unfavorable mix between business units, combined with higher resin-based raw material costs. See further discussion on gross profit margin below. Selling and administrative expense as a percent of Medical revenues in the first quarter of 2007 was moderately lower than the first quarter of 2006, due to tight controls in administrative

expenses. Research and development expenses for the quarter increased \$3.5 million, or 17%, reflecting increased investment in new products and platforms.

Diagnostics Segment

Segment operating income for the first quarter decreased \$120 million from \$119 million in the prior year's quarter, primarily due to the in-process research and development charge of \$115 million associated with the TriPath acquisition, as well as the operating results of GeneOhm, which was acquired in the second quarter of 2006. Gross profit margin was higher than the first quarter of 2006, primarily due to a favorable sales mix of products with higher margins, as well as productivity gains. See further discussion on gross profit margin below. Selling and administrative expense as a percentage of Diagnostics revenues in the first quarter of 2007 was higher than the comparable amount in the first quarter of 2006, largely due to the impact of GeneOhm, partially offset by tight controls on spending. Research and development expenses in the first quarter of 2007 increased \$119 million, which includes the in-process research and development charge. Research and development expenses also reflect investment in new products and incremental GeneOhm expenses.

Biosciences Segment

Segment operating income for the first quarter was \$56 million, or 24.1%, of Biosciences revenues, compared with \$49 million, or 23.6%, in the prior year's quarter. The increase in operating income as a percentage of revenues reflected increased sales of products with higher margins. See further discussion on gross profit margin below. Selling and administrative expense as a percent of Biosciences revenues for the quarter was slightly lower compared with the prior year's quarter. Research and development expenses in the quarter increased \$2.2 million, or 14%, reflecting increased spending on new product development.

Gross Profit Margin

Gross profit margin was 52.8% for the first quarter, compared with 52.2% for the comparable prior year period. Gross profit margin in the first quarter of fiscal 2007 as compared with the prior period reflected an estimated 0.7% net improvement relating to increased sales of products with relatively higher margins and an estimated 0.2% improvement associated primarily with productivity gains. These improvements were partially offset by an estimated 0.3% impact from foreign currency translation. We expect gross profit margin to improve, on a reported basis, by about 70 basis points in fiscal 2007, with TriPath operations accounting for 20 basis points.

Selling and Administrative Expense

Selling and administrative expense was 25.6% of revenues for the first quarter, compared with 25.0% for the prior year's period. Aggregate expenses for the current period reflect increases in base spending of \$12 million, in line with inflation, and in expenses associated with the GeneOhm and TriPath operations of \$10 million. Increases in selling and administrative expense also reflect the absence of proceeds from insurance settlements of \$7 million received in the prior year's quarter in connection with the Company's previously owned latex glove business, as well as an unfavorable foreign exchange impact of \$6 million. Selling and administrative expense as a percentage of revenues is expected to increase, on a reported basis, by about 10 basis points in fiscal 2007, with 20 basis points attributable to TriPath's operations.

Research and Development Expense

Research and development expense was \$195 million, or 13.0% of revenues for the first quarter, compared with the prior year's amount of \$68 million, or 4.9% of revenues. The in-process research and development charge of \$115 million associated with the TriPath acquisition was included in Research and development expense in the first quarter of 2007. Research and development expenditures also reflects increased spending for new programs in each of our segments. We anticipate Research and development expense to increase, on a reported basis, about 35% for fiscal 2007, with approximately 15% due to the impact of the in-process research and development charges for TriPath in fiscal 2007 and GeneOhm in fiscal 2006 and 5% due to the impact of TriPath's operations in fiscal 2007.

Non-Operating Expense and Income

Interest income was \$16 million in the first quarter, compared with \$15 million in the prior year's period, and reflected higher interest rates and cash balances. Interest expense was \$13 million in the first quarter, compared with \$17 million in the prior year's period, which reflects lower debt levels.

Income Taxes

The income tax rate was 39.0% for the first quarter, compared with the prior year's rate of 27.2% . The increase is principally due to the non-deductibility of the acquired in-process research and development charge associated with the TriPath acquisition, partially offset by the impact of approximately 2.0% resulting from the retroactive reinstatement of the research and experimentation tax credit. The prior year's first quarter rate also reflected the impact of approximately 0.3% relating to proceeds received from insurance settlements. The Company expects the reported tax rate for the full year to be approximately 29%.

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

Income from continuing operations and diluted earnings per share from continuing operations for the first quarter of 2007 were \$131 million and 51 cents, respectively. Income from continuing operations and diluted earnings per share from continuing operations for the prior year's first quarter were \$224 million and 87 cents, respectively. The in-process research and development charge associated with the TriPath acquisition reduced income from continuing operations for the current quarter by \$115 million and diluted earnings per share from continuing operations by 45 cents. Proceeds from insurance settlements increased income from continuing operations in the prior year's quarter by \$4 million and diluted earnings per share from continuing operations by 2 cents.

Liquidity and Capital Resources

Net cash provided by continuing operating activities, which continues to be our primary source of funds to finance operating needs and capital expenditures, was \$276 million during the first quarter of 2007, compared with \$173 million in the same period in 2006. Change in working capital was \$24 million in the first three months of 2007, as compared with the prior year's period of \$61 million, and reflects an increase in accounts payable and accrued expenses. Net cash provided by continuing operations in the first quarters of 2007 and 2006 was reduced by changes in the pension obligation, resulting primarily from discretionary cash contributions of \$75 million and \$150 million, respectively.

Net cash used for continuing investing activities for the first quarter of the current year was \$450 million, compared with \$89 million in the prior year period. The current year amount reflects the payment in the first quarter of \$340 million of net cash paid for the TriPath acquisition. Capital expenditures were \$111 million in the first three months of 2007 and \$64 million in the same period in 2006. We expect capital spending for 2007 to be in the \$600 to \$650 million range.

Net cash used for continuing financing activities for the first quarter of the current year was \$306 million, while in the prior year period there was net cash provided by continuing financing activities of \$50 million. As of December 31, 2006, total debt of \$1.2 billion represented 21.9% of total capital (shareholders' equity, net non-current deferred income tax liabilities, and debt), versus 25.8% at September 30, 2006. Short-term debt decreased to 18% of total debt at the end of the three-month period, from 31% at September 30, 2006.

For the first quarter of the current year, the Company repurchased approximately \$112 million of its common stock, compared with approximately \$101 million of its common stock in the prior year period. At December 31, 2006, authorization to repurchase an additional 5.5 million common shares remained. Stock repurchases were offset, in part, by the issuance of common stock from treasury upon the exercise of stock options by employees.

We have in place a commercial paper borrowing program that is available to meet our short-term financing needs, including working capital requirements. Borrowings outstanding under this program were \$200 million at December 31, 2006. During the quarter, we amended our syndicated credit facility to increase the amount available from \$900 million to \$1 billion and extend the expiration date from August 2009 to December 2011. This credit facility, under which there were no borrowings outstanding at December 31, 2006, provides backup support for our commercial paper program and can also be used for other general corporate purposes. This credit facility includes a single financial covenant that requires BD to maintain an interest expense coverage ratio (ratio of earnings before income taxes, depreciation and amortization to interest expense) of not less than 5-to-1 for the most recent four consecutive fiscal quarters. On the last eight measurement dates, this ratio has ranged from 17-to-1 to 21-to-1. In addition, we have informal lines of credit outside the United States.

BD's ability to generate cash flow from operations, issue debt, enter into other financing arrangements and attract long-term capital on acceptable terms could be adversely affected in the event there was a material decline in the demand for BD's products, deterioration in BD's key financial ratios or credit ratings or other significantly unfavorable changes in conditions. While a deterioration in the Company's credit ratings would increase the costs associated with maintaining and borrowing under its existing credit arrangements, such a downgrade would not affect the Company's ability to draw on these credit facilities, nor would it result in an acceleration of the scheduled maturities of any outstanding debt.

Adoption of New Accounting Standards

In July 2006, the Financial Accounting Standards Board (the "FASB") issued Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" ("FIN 48"). FIN 48 prescribes guidance for recognition, measurement, and disclosure of uncertain tax positions recognized in financial statements in accordance with Statement of Financial Accounting Standards No. 109 "Accounting for Income Taxes". The provisions of this interpretation will be applied to all tax positions upon its initial adoption. The Company is required to adopt this interpretation in fiscal

year 2008 and the cumulative effect, if any, of applying this interpretation will be reported as an adjustment to the opening balance of retained earnings for such fiscal year. The Company is currently evaluating the impact of FIN 48 on its consolidated financial statements.

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

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

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

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

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

- Regional, national and foreign economic factors, including inflation and fluctuations in interest rates and foreign currency exchange rates and the potential effect of such fluctuations on revenues, expenses and resulting margins.
- We operate in a highly competitive environment. New product introductions by our current or future competitors could adversely affect our ability to compete in the global market. For example, new forms of inhaled or other methods of insulin delivery, such as the new inhaled form of insulin approved by the U.S. Food and Drug Administration (“FDA”) and European authorities, could adversely impact sales of our insulin injection devices. Patents attained by competitors, particularly as patents on our products expire, may also adversely impact our competitive position.
- Changes in domestic and foreign healthcare industry practices and regulations resulting in increased pricing pressures, including the continued consolidation among healthcare providers; trends toward managed care and healthcare cost containment and government laws and regulations relating to sales and promotion, reimbursement and pricing generally.
- The effects, if any, of governmental and media activities relating to U.S. Congressional hearings regarding the business practices of group purchasing organizations, which negotiate product prices on behalf of their member hospitals with BD and other suppliers.
- Fluctuations in the cost and availability of raw materials and the ability to maintain favorable supplier arrangements and relationships (particularly with respect to sole-source suppliers) and the potential adverse effects of any disruption in the availability of such raw materials.
- Our ability to obtain the anticipated benefits of any restructuring programs, if any, that we may undertake.
- Adoption of or changes in government laws and regulations affecting domestic and foreign operations, including those relating to trade, monetary and fiscal policies, taxation, environmental matters, sales practices, price controls, licensing and regulatory approval of new products, or changes in enforcement practices with respect to any such laws and regulations.
- Fluctuations in U.S. and international governmental funding and policies for life science research.
- Difficulties inherent in product development, including the potential inability to successfully continue technological innovation, complete clinical trials, obtain regulatory approvals in the United States and abroad, or gain and maintain market approval of products, as well as the possibility of encountering infringement claims by competitors with respect to patent or other intellectual property rights, all of which can preclude or delay commercialization of a product.

- Pending and potential litigation or other proceedings adverse to BD, including antitrust claims, product liability claims, and patent infringement claims, as well as other risks and uncertainties detailed from time to time in our SEC filings.
- The effects, if any, of adverse media exposure or other publicity regarding BD's business or operations.
- Our ability to achieve earnings forecasts, which are generated based on projected volumes and sales of many product types, some of which are more profitable than others. There can be no assurance that we will achieve the projected level or mix of product sales.
- The effect of market fluctuations on the value of assets in BD's pension plans and the possibility that BD may need to make additional contributions to the plans as a result of any decline in the value of such assets.
- Our ability to effect infrastructure enhancements and incorporate new systems technologies into our operations.
- Product efficacy or safety concerns resulting in product recalls, regulatory action on the part of the FDA (or foreign counterparts) or declining sales.
- Economic and political conditions in international markets, including civil unrest, terrorist activity, governmental changes and restrictions on the ability to transfer capital across borders.
- The effects of natural disasters, including hurricanes or pandemic diseases, on our ability to manufacture our products, particularly where production of a product line is concentrated in one or more plants, or on our ability to source components from suppliers that are needed for such manufacturing.
- Our ability to penetrate developing and emerging markets, which also depends on economic and political conditions, and how well we are able to acquire or form strategic business alliances with local companies and make necessary infrastructure enhancements to production facilities, distribution networks, sales equipment and technology.
- The impact of business combinations, including acquisitions and divestitures, both internally for BD and externally, in the healthcare industry.
- Issuance of new or revised accounting standards by the Financial Accounting Standards Board or the SEC.

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

Item 3. Quantitative and Qualitative Disclosures About Market Risk

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

Item 4. Controls and Procedures

An evaluation was carried out by BD's management, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of BD's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) as of December 31, 2006. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were, as of the end of the period covered by this report, adequate and effective to ensure that material information relating to BD and its consolidated subsidiaries would be made known to them by others within these entities. There were no changes in our internal control over financial reporting during the fiscal quarter ended December 31, 2006 identified in connection with the above-referenced evaluation that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

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

Since September 30, 2006, the following developments have occurred with respect to the legal proceedings in which we are involved:

Healthcare Research & Development Institute, LLC

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

Summary

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

Item 1A. Risk Factors

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

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

The table below sets forth certain information regarding our purchases of common stock of BD during the fiscal quarter ended December 31, 2006.

Issuer Purchases of Equity Securities

For the three months ended December 31, 2006	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (2)
October 1 – 31, 2006	952	\$70.13	-	7,063,814
November 1 – 30, 2006	753,376	\$71.42	750,000	6,313,814
December 1 – 31, 2006	810,769	\$72.55	810,000	5,503,814
Total	1,565,097	\$72.00	1,565,000	5,503,814

(1) Includes 3,491 shares purchased during the quarter in open market transactions by the trustee under BD's Deferred Compensation Plan and 1996 Directors' Deferral Plan, and 1,606 shares delivered to BD in connection with stock option exercises.

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

Item 3. Defaults Upon Senior Securities.

Not applicable.

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

There were no matters submitted to a vote of security holders during the fiscal quarter ended December 31, 2006.

Our Annual Meeting of Shareholders was held on January 30, 2007, at which the following matters were voted upon:

i.) A management proposal for the election of five directors for the terms indicated below was voted upon as follows:

<u>Nominee</u>	<u>Term</u>	<u>For Votes</u>	<u>Votes</u>	<u>Withheld</u>
Claire M. Fraser-Liggett	2 Years	221,040,823		3,017,370
Henry P. Becton, Jr.	3 Years	219,133,338		4,924,855
Edward F. DeGraan	3 Years	214,048,405		10,009,788
Adel A. F. Mahmoud	3 Years	221,372,532		2,685,661
James F. Orr	3 Years	220,025,639		4,032,554

The directors whose term of office as a director continued after the meeting are: Basil L. Anderson, Edward J. Ludwig, Gary A. Mecklenburg, Willard J. Overlock, Jr., James E. Perrella, Bertram L. Scott and Alfred Sommer.

- ii.) A management proposal to ratify the selection of Ernst & Young, LLP as independent registered public accounting firm for the fiscal year ending September 30, 2007 was voted upon. 220,918,988 shares were voted for the proposal, 1,649,598 shares were voted against, and 1,489,607 shares abstained.
- iii.) A management proposal to amend the 2004 Employee and Director Equity-Based Compensation Plan was voted upon. 183,174,467 shares were voted for the proposal, 18,429,334 shares were voted against, 1,914,459 shares abstained, and there were 20,539,933 broker non-votes.
- iv.) A shareholder proposal requesting that the Board of Directors take the necessary steps to provide for cumulative voting in the election of directors was voted upon. 84,694,869 shares were voted for the proposal, 116,625,302 shares were voted against, 2,196,731 shares abstained, and there were 20,541,291 broker non-votes.

Item 5. Other Information.

Not applicable.

Item 6. Exhibits

- | | |
|-------------------|--|
| Exhibit 10 (d)(i) | Deferred Compensation Plan, as amended and restated as of January 30, 2007. |
| Exhibit 10(d)(ii) | 1996 Directors' Deferral Plan, as amended and restated as of January 30, 2007. |
| Exhibit 31 | Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to SEC Rule 13a - 14(a). |
| Exhibit 32 | Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to Rule 13a - 14(b) and Section 1350 of Chapter 63 of Title 18 of the U.S. Code. |

SIGNATURES

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

Becton, Dickinson and Company
(Registrant)

Dated: February 6, 2007

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

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

INDEX TO EXHIBITS

Exhibit Number Description of Exhibits

10(d)(i)	Deferred Compensation Plan, as amended and restated as of January 30, 2007.
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32	Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to Rule 13a - 14(b) and Section 1350 of Chapter 63 of Title 18 of the U.S. Code.

BECTON, DICKINSON AND COMPANY

DEFERRED COMPENSATION PLAN

(Formerly the Becton, Dickinson and Company Salary and Bonus Deferral Plan)

Amended and Restated as of January 30, 2007

BECTON, DICKINSON AND COMPANY
DEFERRED COMPENSATION PLAN
Amended and Restated as of March 22, 2004

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BECTON, DICKINSON AND COMPANY

DEFERRED COMPENSATION PLAN

Amended and Restated as of March 22, 2004

FOREWORD

Effective as of August 1, 1994 (the "Effective Date"), Becton, Dickinson and Company (the "Company") adopted the Becton, Dickinson and Company Salary and Bonus Deferral Plan (the "Plan") for the benefit of certain of its employees. The Plan is intended to be an unfunded plan of deferred compensation primarily for the benefit of a select group of management and highly compensated employees. To the extent that the Plan permits the voluntary deferral of bonuses, the Plan is intended to amend and replace the Bonus Deferral Option of the Becton, Dickinson and Company Executive Bonus Plan.

The purpose of the Plan is to permit those employees of the Company who are part of a select group of management or highly compensated employees to defer, pursuant to the provisions of the Plan, a portion of the salaries, bonuses and other remuneration (including certain equity-based compensation) otherwise payable to them.

Effective as of August 15, 1996, the Board of Directors of the Company amended the Plan to permit Participants to have their deferred salaries or deferred bonuses considered to be invested in Common Stock of the Company, to permit those Participants to vote a number of shares of Common Stock equal to the number considered to be held for their benefit under the Plan, and for certain other purposes.

Effective as of November 1, 2001, the Plan is amended and restated to rename the Plan as the Becton, Dickinson and Company Deferred Compensation Plan, and to modify the deferral opportunities and the distribution and withdrawal options under the Plan, and to make certain other modifications deemed desirable.

Effective as of March 22, 2004, the Plan is amended and restated to permit participants to defer certain equity-based compensation awarded under the Becton, Dickinson and Company Stock Award Plan (the "Stock Award Plan") and the Becton, Dickinson and Company 2004 Employee and Director Equity-Based Compensation Plan (the "Equity-Based Compensation Plan") and to clarify the Committee's discretion to require Deferral Elections to be made earlier than September 30 of a Plan Year with respect to amounts to be paid in a year or years following the Plan Year. The Plan is also amended to allow reallocations from a Participant's Deferred Stock Account to other Investment Options.

ARTICLE I

Definitions

Section 1.1 “Accounts” means the bookkeeping accounts established under the Plan, if any, on behalf of a Participant and includes earnings credited thereon or losses charged thereto.

Section 1.2 “Annual Open Enrollment Period” means the annual period designated by the Committee, which ends not later than the December 31 of a Plan Year, during which a Participant may make or change elections to defer annual Base Salary, Bonuses, Equity-Based Compensation, and SERP distributions. Notwithstanding the foregoing, the Annual Open Enrollment Period for 2001 shall be the period designated by the Committee which ends not later than November 9, 2001.

Section 1.3 “Base Salary” means the base salary or wages otherwise taken into account under the Becton, Dickinson and Company Savings Incentive Plan, determined in accordance with the provisions of such plan, but without regard to the limitation on compensation otherwise required under Code section 401(a)(17), and without regard to any deferrals of the foregoing of compensation under this or any other plan of deferred compensation maintained by the Company.

Section 1.4 “Board of Directors” means the Board of Directors of the Company.

Section 1.5 “Bonus” means the annual bonus payable under the Company’s Performance Incentive Plan, or any successor thereto.

Section 1.6 “Change in Control” of the Company means any of the following events:

(1) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 25% or more of either (A) the then-outstanding shares of common stock of the Company (the “Outstanding Company Common Stock”) or (B) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the “Outstanding Company Voting Securities”); provided, however, that, for purposes of this Section 1.6, the following acquisitions shall not constitute a Change of Control: (i) any acquisition directly from the Company, (ii) any acquisition by the Company, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any affiliated company, (iv) any acquisition by any corporation pursuant to a transaction that complies with Sections 1.6(3)(A), 1.6(3)(B) and 1.6(3)(C), or (v) any acquisition that the Board determines, in good faith, was inadvertent, if the acquiring Person divests as promptly as practicable a sufficient amount of the Outstanding Company Common Stock and/or the Outstanding

Company Voting Securities, as applicable, to reverse such acquisition of 25% or more thereof.

(2) Individuals who, as of April 24, 2000, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to April 24, 2000 whose election, or nomination for election as a director by the Company’s shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board.

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

(4) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

Section 1.7 “Code” means the Internal Revenue Code of 1986, as amended, or any successor statute.

Section 1.8 “Committee” means the committee that is responsible for administering the Plan. The Committee shall consist of three or more employees of the Company as determined by, and appointed by, the Board of Directors. The Committee may delegate pursuant to a written authorization (including, by way of illustration, through a contract, memorandum, or other written delegation document) any or all of its responsibilities involving ongoing day-to-day administration or ministerial acts, as set forth in this Plan to one or more individuals or service-providers. In any case where this Plan refers to the Committee, such reference is deemed to be a reference to any delegate of the Committee appointed for such purpose.

Section 1.9 “Common Stock” means the common stock (\$1.00 par value) of the Company, including any shares into which it may be split, subdivided or combined.

Section 1.10 “Company” means Becton, Dickinson and Company and any successor to such corporation by merger, purchase or otherwise.

Section 1.11 “Company Discretionary Credits” means the amounts credited to a Participant’s Company Discretionary Credit Account, if any, pursuant to Section 3.6.

Section 1.12 “Company Discretionary Credit Account” means the bookkeeping account established under Section 3.6, if any, on behalf of a Participant and includes any earnings credited thereon or losses charged thereto pursuant to Article IV.

Section 1.13 “Company Matching Credits” means the amounts credited to a Participant’s Company Matching Credit Account, if any, pursuant to Section 3.5.

Section 1.14 “Company Matching Credit Account” means the bookkeeping account established under Section 3.5, if any, on behalf of a Participant and includes any earnings credited thereon or losses charged thereto pursuant to Article IV.

Section 1.15 “Deferral Election” means the Participant’s election to participate in this Plan and defer amounts eligible for deferral in accordance with the Plan terms. Except as the context otherwise requires, references herein to Deferral Elections include any subsequent modifications of a prior Deferral Election.

Section 1.16 “Deferred Bonus” means the amount of a Participant’s Bonus that such Participant has elected to defer until a later year pursuant to an election under Section 3.2.

Section 1.17 “Deferred Bonus Account” means the bookkeeping account established under Section 3.2 on behalf of a Participant, and includes any earnings credited thereon or losses charged thereto pursuant to Article IV.

Section 1.18 “Deferred Bonus Election” means the election by a Participant under Section 3.2 to defer a portion of the Participant’s Bonus until a later year.

Section 1.19 “Deferred Equity-Based Compensation” means the amount of a Participant’s Equity-Based Compensation that such Participant has elected to defer until a later year pursuant to an election under Section 3.3.

Section 1.20 “Deferred Equity-Based Compensation Account” means the bookkeeping account established under Section 3.3 on behalf of a Participant, and includes any earnings credited thereon or losses charged thereto pursuant to Section 4.3(b) .

Section 1.21 “Deferred Equity-Based Compensation Election” means the election by a Participant under Section 3.3 to defer a portion of the Participant’s Equity-Based Compensation.

Section 1.22 “Deferred Salary” means the amount of a Participant’s Base Salary that such Participant has elected to defer until a later year pursuant to an election under Section 3.1.

Section 1.23 “Deferred Salary Account” means the bookkeeping account established under Section 3.1 on behalf of a Participant, and includes any earnings credited thereon or losses charged thereto pursuant to Article IV.

Section 1.24 “Deferred Salary Election” means the election by a Participant under Section 3.1 to defer until a later year a portion of his or her Base Salary.

Section 1.25 “Deferred SERP Distribution” means the amount of a Participant’s SERP distribution that such Participant has elected to defer under this Plan pursuant to an election under Section 3.4.

Section 1.26 “Deferred SERP Distribution Account” means the bookkeeping account established under Section 3.4 on behalf of a Participant, and includes any earnings credited thereon or losses charged thereto pursuant to Article IV.

Section 1.27 “Deferred SERP Distribution Election” means the election by a Participant under Section 3.4 to defer all or a portion of the Participant’s SERP distribution.

Section 1.28 “Deferred Stock Account” means the bookkeeping account established under Section 4.3(b) on behalf of a Participant and includes, in addition to amounts stated in that Section, any Dividend Reinvestment Return credited thereon.

Section 1.29 “Deferred Stock Election” means the election by a Participant under Section 4.3(b) to have applicable deferred amounts credited in the form of Common Stock to the Participant’s Deferred Stock Account.

Section 1.30 “Disabled” means that a Participant is totally and permanently disabled as defined in the Company’s Long-Term Disability Plan.

Section 1.31 “Dividend Reinvestment Return” means the amounts which are credited to each Participant’s Deferred Stock Account pursuant to Section 4.3(b) to reflect dividends declared by the Company on its Common Stock.

Section 1.32 “Equity-Based Compensation” means (i) November 24, 2003, awards granted under the Stock Award Plan and (ii) Restricted Stock Units, Performance Units, and Other Stock-Based Awards granted under Sections 7, 8, and 9 of the Equity-Based Compensation Plan, and does not include any such awards that qualify as vested stock, restricted stock, stock option awards, or stock appreciation rights.

Section 1.33 “Equity-Based Compensation Plan” means the Becton, Dickinson and Company 2004 Employee and Director Equity-Based Compensation Plan.

Section 1.34 “ERISA” means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute.

Section 1.35 “Fiscal Year” means the fiscal year of the Company, which currently is the twelve month period commencing on the first day of October and ending on the last day of September of the following calendar year.

Section 1.36 “Investment Election” means the Participant’s election to have deferred amounts credited with hypothetical earnings credits (or losses) that track the investment performance of the Investment Options and/or Company Common Stock in accordance with Article IV.

Section 1.37 “Investment Options” means those hypothetical targeted investment options designated by the Committee as measurements of the rate of return to be credited to (or charged against) amounts deferred to Participants’ Accounts.

Section 1.38 “NYSE” means The New York Stock Exchange.

Section 1.39 “Other Stock-Based Awards” means awards granted under Section 9 of the Equity-Based Compensation Plan.

Section 1.40 “Participant” means a common law employee of the Company who meets the eligibility requirements for a deferral under this Plan as set forth in Article II and who is eligible to elect to defer amounts under this Plan in accordance with Article III.

Section 1.41 “Performance Units” means awards granted under Section 8 of the Equity-Based Compensation Plan.

Section 1.42 “Plan” means the Becton, Dickinson and Company Deferred Compensation Plan (previously the Becton, Dickinson and Company Salary and Bonus Deferral Plan) as from time to time in effect.

Section 1.43 “Plan Year” means the calendar year.

Section 1.44 “Restricted Stock Units” means Restricted Stock Units granted under Section 7 of the Equity-Based Compensation Plan.

Section 1.45 “SERP” means the Becton, Dickinson and Company Retirement Benefit Restoration Plan, as from time to time in effect.

Section 1.46 "Stock Award Plan" means the Becton, Dickinson and Company Stock Award Plan as the same may be amended from time to time.

Section 1.47 "Stock Trust" means the Becton, Dickinson and Company Deferred Salary and Bonus Trust established as of August 15, 1996 between the Company and Wachovia Bank of North Carolina, N.A., as amended from time to time thereafter.

ARTICLE II

Eligibility and Participation

Section
2.1 Eligibility

- (a) An individual shall be eligible to become a Participant in this Plan if the individual meets the following requirements:
- (i) the individual is a common law employee of a unit of the Company (or of one of its subsidiaries) to which the Plan has been adopted pursuant to a decision by, or with the approval of, the Board of Directors;
 - (ii) the individual is not a nonresident alien of the United States receiving no United States source income within the meaning of sections 861(a)(3) or 911(d)(2) of the Code; and
 - (iii) the employee has annualized Base Salary of \$100,000 or more for the calendar year in which the Deferral Election is required to be made.
- (b) The Committee shall have the ability to adjust, prospectively for any Plan Year, the dollar limitation in Section 2.1(a)(iii).
- (c) The Committee may also:
- (i) designate as ineligible particular individuals, groups of individuals or employees of business units who otherwise would be eligible under Section 2.1(a); or
 - (ii) designate as eligible particular individuals, groups of individuals or employees of business units who otherwise would be ineligible under Section 2.1(a).
- (d) An employee who, at any time, ceases to meet the foregoing eligibility requirements, as determined in the sole discretion of the Committee, shall thereafter cease to be a Participant eligible to continue making deferrals under the Plan, and any deferral elections then in effect shall cease to be effective. In such case, the individual may remain a Participant in the Plan with respect to amounts already deferred prior to the date such individual ceased to be an active Participant.

Section
2.2 Participation

- (a) Deferral Election. As soon as practicable after the Committee determines that an employee is eligible to become a Participant, the Committee shall
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provide the Participant with the appropriate election forms with which a Participant may make a Deferral Election. In the case of an employee who first becomes eligible during a Plan Year, such Deferral Election may be made within the first thirty (30) days of eligibility with respect to any Salary to be earned thereafter for the remainder of the Plan Year. In the case of a newly-hired participant, such Deferral Election within the first thirty (30) days of eligibility may also be made with respect to any Equity- Based Compensation awarded or granted at the time of hire and to be earned thereafter. In the case of Bonus awards granted in 2004 and 2005 and Equity-Based Compensation awards granted in 2003 and 2004, the Deferred Bonus and Deferred Equity-Based Compensation Elections shall be made by September 30, 2004, or such earlier time determined by the Committee. In the event that such Deferred Bonus and Deferred Equity- Based Compensation Elections are required by the Committee to be made earlier than September 30, 2004, in order that the Deferral Elections will be grandfathered under certain proposed legislation, but the legislation, as enacted, does not grandfather the Deferral Elections, the early Deferral Elections shall be void. If the Participant does not return the completed forms to the Committee at such time as required by the Committee, the Participant will not be allowed to participate in the Plan until the next Annual Open Enrollment Period. All Deferral Elections hereunder (including any modifications of prior Deferral Elections otherwise permitted under the Plan) may be made in accordance with written, electronic or telephonic procedures prescribed by the Committee.

- (b) Contents of Deferral Election. A Participant's Deferral Election must be made in the manner designated by the Committee and must be accompanied by:
- (i) an election to defer Base Salary, Bonus, and/or Company Matching Credits and, with respect to deferrals made on or after January 1, 2002, and through December 31, 2003, a single deferral period election and distribution option election with respect to all such amounts deferred for any Plan Year (all such amounts deferred with respect to any Plan Year shall be treated as a single category of deferral for purposes of determining deferral periods and distribution options), and, with respect to amounts deferred after December 31, 2003, a single deferral period election and distribution option election with respect to Base Salary and Company Matching Credit (Base Salary and Company Matching Credit deferrals with respect to any Plan Year shall be treated as a single category of deferral for purposes of determining deferral periods and distribution options) and separate deferral period and distribution option elections with respect to Bonus;
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- (ii) an election to defer Equity-Based Compensation and a deferral period election with respect to Equity-Based Compensation, as determined by the Committee;
 - (iii) an election to defer SERP distributions and any Company Discretionary Credits and a separate deferral period election with respect to each such separate category of deferral;
 - (iv) an Investment Election (except with respect to an Equity-Based Compensation Election, which shall automatically be credited to a Deferred Stock Account for investment return purposes);
 - (v) a designation of a beneficiary or beneficiaries to receive any deferred amounts owed upon the Participant's death;
 - (vi) subject to section 2.2(b)(i), a designation as to the form of distribution for each separate year's deferral and each separate category of deferral; provided, however, that if no specific election is made with respect to any deferred amount, the Participant will be deemed to have elected to receive such amounts in the form of a lump sum distribution (in cash and, solely to the extent distributable amounts are credited to the Participant's Deferred Stock Account at the time of the distribution, shares of Common Stock);
 - (vii) an application for a policy of life insurance under which the Participant is the insured and the Company is the sole owner of and beneficiary under such policy; and
 - (viii) such additional information as the Committee deems necessary or appropriate.
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ARTICLE III

Deferral Elections and Deferral Periods

Section 3.1 Deferred Salary Election

- (a) Each Participant who has elected to defer the maximum pre-tax elective deferral that is permitted for a calendar year under the Becton, Dickinson and Company Savings Incentive Plan and under Code section 402(g) may make a Deferred Salary Election with respect to Base Salary otherwise to be paid in such calendar year, provided that a valid Deferred Salary Election is made by the date specified in Section 3.1(b). A Participant may elect to defer from 1% to 75% of the Participant's Base Salary (in increments of 1%); provided, however, that the Participant must elect a Deferred Salary amount of at least \$5,000. Notwithstanding the foregoing, any Deferred Salary Election must be made in a manner that will ensure that the Participant is paid a sufficient amount of Base Salary that will allow adequate amounts available for (i) any pre-tax elective deferrals under the Becton, Dickinson and Company Savings Incentive Plan, and (ii) any amounts to be deferred by the Participant in order to participate in any other benefit programs maintained by the Company.
- (b) Except with respect to Deferred Salary Elections made by Participants who first become eligible to participate during a Plan Year (which elections must be made as specified in Section 2.2(a)), a Deferred Salary Election with respect to Base Salary for a particular calendar year must be made on or before the December 31 (November 9, 2001 with respect to salary earned during the 2002 year) preceding the commencement of such calendar year or at such earlier time as determined by the Committee. Once a Deferred Salary Election is made, it shall be irrevocable for the applicable calendar year and apply only to Base Salary otherwise to be paid during the applicable calendar year. Such Deferred Salary shall be credited to the Participant's Deferred Salary Account as of the first business day after the last day of each payroll period.

Section 3.2 Deferred Bonus Election

- (a) Each Participant may elect to make a Deferred Bonus Election with respect to a Bonus otherwise to be paid in the calendar year immediately following (or, in the discretion of the Committee, in a later year following) the year of the Participant's Deferred Bonus Election. A Participant may elect to defer from 1% to 100% of the Participant's Bonus (in increments of 1%); provided, however, that the Participant's Deferred Bonus Election must result in a deferral of at least \$5,000.
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- (b) A Deferred Bonus Election with respect to any Bonus to be paid in a particular calendar year must be made on or before the September 30 preceding the commencement of such calendar year (November 9, 2001 with respect to Bonus amounts to be paid in 2002) or at such earlier time as determined by the Committee. Once made, a Deferred Bonus Election cannot be changed or revoked except as provided herein. Such Deferred Bonus shall be credited to the Participant's Deferred Bonus Account as of the first business day in January of the year that the Bonus otherwise would have been paid to the Participant in the absence of any deferral hereunder.

Section 3.3 Deferred Equity-Based Compensation Election

- (a) To the extent permitted by law on a tax deferred basis, each Participant may elect to make a Deferred Equity-Based Compensation Election with respect to Equity-Based Compensation otherwise to be paid in the calendar year immediately following (or, in the discretion of the Committee, in a later year following) the year of the Participant's Deferred Equity-Based Compensation Election. A Participant may elect to defer from 1% to 100% of the Participant's Equity-Based Compensation, and may make separate elections with respect to each of the Participant's Restricted Stock Units, Performance Units, Other Stock-Based Awards, and November 24, 2003, awards under the Stock Award Plan, provided, however, that the Participant's total Equity-Based Compensation Election must result in a deferral of at 100 units of Equity-Based Compensation.
- (b) A Deferred Equity-Based Compensation Election with respect to any Equity-Based Compensation to be paid in a particular calendar year must be made on or before September 30 preceding the commencement of such calendar year or at such earlier time as determined by the Committee. Once made, a Deferred Equity-Based Compensation Election cannot be changed or revoked except as provided herein. Such Deferred Equity- Based Compensation shall be credited to the Participant's Deferred Equity-Based Compensation Account as soon as practicable after the Equity-Based Compensation otherwise would vest and be paid, and will be credited for investment tracking purposes to the Participant's Deferred Stock Account under Section 4.3(b).

Section 3.4 Deferred SERP Distribution Election

- (a) Each Participant who is otherwise a participant in the SERP may elect to make a Deferred SERP Distribution Election, at the time specified in subsection (b) below, with respect to a SERP distribution that is otherwise to be paid to the Participant. A Participant may elect to defer from 1% to 100% of the Participant's applicable SERP distribution (in increments of 1%); provided, however, that the total of the Participant's Deferred SERP Distribution Election must result in a deferral of at least \$5,000.
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- (b) A Deferred SERP Distribution Election with respect to any SERP distribution payable during a particular calendar year must be made at least one year before the date that the SERP distribution is otherwise payable to the Participant. Once made, a Deferred SERP Distribution Election cannot be changed or revoked except as provided herein. Such Deferred SERP Distribution shall be credited to the Participant's Deferred SERP Distribution Account as soon as practicable after such amount would otherwise have been payable to the Participant. If the Participant otherwise becomes entitled to a SERP distribution after having made such an election and before the end of such one-year period, such election shall be ineffective and the applicable SERP distribution shall not be deferred hereunder.

Section 3.5 Company Matching Credits

If a Participant has made a Deferred Salary Election in accordance with Section 3.1 and, as a result of such Deferred Salary Election, the Participant is entitled to a lower matching contribution amount under the SIP, then the Participant shall be eligible to have Company Matching Credits credited to the Participant's Company Matching Credit Account. The amount of such Company Matching Credits shall equal the amount of the matching contribution to which the Participant would have been entitled under the SIP had the Participant not made any Deferred Salary Election for the Plan Year under this Plan (taking into account all applicable Code limitations that limit the amount of matching contributions under the SIP) less an amount equal to the actual matching contribution to which the Participant is entitled under the SIP for the Plan Year. Such amounts shall be credited to the Participant's Company Matching Credit Account as soon as practicable after the end of the Plan Year and shall be subject to the vesting schedule described in Article IV.

Section 3.6 Company Discretionary Credits

The Company may, in its sole discretion, provide for additional credits to all or some Participants' Accounts at any time. Such amounts shall be credited to the Participant's Company Discretionary Credit Account and shall be subject to the vesting schedule established by the Company at the time such amounts are credited.

Section 3.7 Deferral Period

With respect to amounts deferred in accordance with Sections 3.1 through 3.6, in accordance with section 2.2(b), each Participant must elect the deferral period for each separate category of deferral. Subject to the additional deferral provisions of Section 3.8 and the acceleration provisions of Article V, a Participant's deferral period may be for a specified number of years or until a specified date, subject to any

limitations that the Committee in its discretion may choose to apply, provided that, in all events, a deferral period must be for at least two (2) years from the first day of the Plan Year in which the deferred amounts would otherwise be payable (or, in the case of amounts described in Section 3.5 or Section 3.6, credited to the Participant's Account). However, notwithstanding the deferral period otherwise specified, payments shall be paid or begin to be paid under the Plan in accordance with the mandatory distribution provisions in Article V.

Section 3.8 Modification of Deferral Period

- (a) With respect to any previously deferred amount credited to a Participant's Accounts, a Participant may request that the Committee approve an additional deferral period of at least two (2) years from the date the previously deferred amounts were otherwise payable. Any such request must be made by written notice to the Committee at least twelve (12) months before the expiration of the deferral period for any previously deferred amount with respect to which an additional deferral election is requested. A separate additional deferral election is required to be made for each separate category of previously deferred amount that is treated as subject to a single deferral period election under section 2.2(b) above. Each such additional deferral election request shall include a newly designated manner of payment election in accordance with the provision of Section 5.2 below. No more than two such extensions may be elected by a Participant with respect to any specific deferred amount.

 - (b) With respect to any previously deferred amount credited to a Participant's Accounts, a Participant may request that the Committee approve an accelerated deferral date with respect to amounts that are not otherwise payable for at least three (3) years from the date of such request, provided that the resulting accelerated deferral date may not be any earlier than two (2) years from the date of such Participant election. A separate deferral modification election is required to be made for each separate category of previously deferred amount that is treated as subject to a single deferral period election under section 2.2(b) above. Each such modified deferral period request shall include a newly designated manner of payment election in accordance with the provisions of Section 5.2 below. No more than two such modifications may be elected by a Participant with respect to any specific deferred amount.
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ARTICLE IV

Participants' Accounts

Section 4.1 Crediting of Employee Deferrals and Company Matching and Discretionary Credits

Deferrals to this Plan that are made under Article III shall be credited to the Participant's Accounts in accordance with such rules established by the Committee from time to time. Each Participant's Accounts shall be administered in a way to permit separate Deferral Elections, deferral periods, and Investment Elections with respect to various Plan Year deferrals and compensation types as the Committee determines, in its sole discretion, are necessary or appropriate.

Section 4.2 Investment Election

Effective January 1, 2002, all balances reflected through December 31, 2001 credited to the Accounts of Participants who are not actively employed on January 1, 2002 shall continue to be credited with earnings (or charged with losses) to reflect the income (or loss) that would have been earned had the deferred amounts been invested in the Investment Options then in effect with respect to such Participants. With respect to amounts credited to all other Participants' Accounts under the Plan, Participants' Investment Elections with respect to deferred amounts hereunder shall be made pursuant to the written, telephonic or electronic methods prescribed by the Committee and subject to such rules on Investment Elections and Investment Options as established by the Committee from time to time. Upon receipt by the Committee, and in accordance with rules established by the Committee, an Investment Election shall be effective as soon as practicable after receipt and processing of the election by the Committee. Investment Elections will continue in effect until changed by the Participant. An eligible Participant (including a Participant who terminates employment on or after January 1, 2002) may change a prior Investment Election (or default Investment Election) with respect to deferred amounts on a monthly basis, by notifying the Committee, at such time and in such manner as approved by the Committee. Any such changed Investment Election may result in amending Investment Elections for prior deferrals or for future deferrals or both.

Section 4.3 Hypothetical Earnings

- (a) General. Subject to Section 4.2, additional hypothetical bookkeeping amounts shall be credited to (or deducted from) a Participant's Accounts to reflect the earnings (or losses) that would have been experienced had
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the deferred amounts been invested in the Investment Options selected by the Participant as targeted rates of return, net of all fees and expenses otherwise associated with the Investment Options. The Committee may add or delete Investment Options, on a prospective basis, by notifying all Participants whose Accounts are hypothetically invested in such Options, in advance, and soliciting elections to transfer deferred amounts so that they track investments in other Investment Options then available.

- (b) Company Stock Investment Option. Instead of having deferred amounts credited with hypothetical earnings (or losses) in accordance with Section 4.3(a), and subject to Section 4.2, a Participant may elect to have all or part of the Participant's deferred amounts (in whole percentage increments) credited in the form of Common Stock to a Deferred Stock Account. Such an election may be made as a part of the Participant's Deferral Election and thereafter on the same basis as Participants are permitted to make other Investment Elections and using the same or similar procedures as participants use to make other Investment Elections under Section 4.2. In addition, any amounts credited to a Participant's Accounts other than the Participant's Deferred Stock Account may be transferred for hypothetical investment tracking purposes to the Participant's Deferred Stock Account. In all events, once amounts are credited to a Participant's Deferred Stock Account, no Investment Election may cause amounts credited to a Participant's Deferred Stock Account to be transferred for hypothetical investment tracking purposes to a Participant's Accounts other than the Participant's Deferred Stock Account. All distributions of amounts credited to a Participant's Deferred Stock Account may only be distributed in whole shares of Common Stock (with cash for fractional shares).

A Participant's Deferred Stock Account will be credited:

- (i) as of the first business day after the last day of each bi-weekly payroll period, with the number of shares of Common Stock (in whole shares and fractional shares, as determined by the Committee) determined by dividing the Participant's deferred amounts attributable to Deferred Salary for such bi-weekly payroll period subject to the Deferred Stock Election by the price for shares of Common Stock, determined by the Committee, as of the day such deferred amounts are credited to the Participant's Account; and
 - (ii) annually, as of the first business day in January of each calendar year, with the number of shares of Common Stock (in whole shares and fractional shares, as determined by the Committee) determined by dividing the portion of the Participant's Deferred Bonus and Company Matching Credits subject to the Deferred Stock Election by the price for shares of Common Stock, determined by the
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Committee, as of the day such deferred amounts are credited to the Participant's Accounts; and

- (iii) at such other times as the Committee determines with respect to all other deferred amounts under the Plan, with the number of shares of Common Stock (in whole shares and fractional shares, as determined by the Committee) determined by dividing the portion of the Participant's deferred amounts to be credited in the Deferred Stock Account by the price for shares of Common Stock, determined by the Committee, as of the day such deferred amounts are credited to the Participant's Account, or, in the case of deferred amounts measured in stock units, by crediting the account with the same number of shares of Common Stock.

If the Company enters into transactions involving stock splits, stock dividends, reverse splits or any other recapitalization transactions, the number of shares of Common Stock credited to a Participant's Deferred Stock Account will be adjusted (in whole shares and fractional shares, as determined by the Committee) so that the Participant's Deferred Stock Account reflects the same equity percentage interest in the Company after the recapitalization as was the case before such transaction.

If at least a majority of the Company's stock is sold or exchanged by its shareholders pursuant to an integrated plan for cash or property (including stock of another corporation) or if substantially all of the assets of the Company are disposed of and, as a consequence thereof, cash or property is distributed to the Company's shareholders, each Participant's Deferred Stock Account will, to the extent not already so credited under this Section 4.3(b), be (i) credited with the amount of cash or property receivable by a Company shareholder directly holding the same number of shares of Common Stock as is credited to such Participant's Deferred Stock Account and (ii) debited by that number of shares of Common Stock surrendered by such equivalent Company shareholder.

Each time the Company declares a dividend on its Common Stock, each Participant's Deferred Stock Account will be credited with a Dividend Reinvestment Return equal to that number of shares of Common Stock (in whole shares and fractional shares, as determined by the Committee) determined by dividing (i) the amount that would have been paid (or the fair market value thereof, if the dividend is not paid in cash) to the Participant on the total number of shares of Common Stock credited to the Participant's Deferred Stock Account had that number of shares of Common Stock been held by such Participant by (ii) the price for shares of Common Stock, determined by the Committee, as of the dividend payment date.

(c) Limitations on Allocations and Reallocations to and From Deferred Stock Account.

Pursuant to the Policy Statement on Insider Trading and Compliance, as the same may be amended (the “Policy”), there are time periods (each, a “blackout period”) during which time Participants may not effect transactions, directly or indirectly, in Company equity securities. Under the Policy, the Company’s Corporate Secretary may also impose additional blackout periods with respect to some or all Participants. Participants whose ability to effect transactions is prohibited during such blackout periods also will be prohibited during such periods from making any Investment Election or Deferred Stock Election that increases or decreases the amount credited to the participant’s Deferred Stock Account. The Committee, at the direction of the Company’s Corporate Secretary, shall adopt and implement procedures to ensure that the provisions of this Paragraph are carried out.

Section 4.4 Vesting

At all times a Participant shall be fully vested in his Deferred Salary, Deferred Bonus, Deferred Equity-Based Compensation, and Deferred SERP Distribution Accounts hereunder (including any earnings or losses and Dividend Reinvestment Return thereon). A Participant shall become vested in any Company Matching Credits in the same manner and to the same extent as the Participant is vested in matching contributions otherwise credited to the Participant under the Becton, Dickinson and Company Savings Incentive Plan. A Participant shall become vested in any Company Discretionary Credits pursuant to the vesting schedule established by the Company at the time such Credits, if any, are made. Except as otherwise provided in Section 5.1(b) (death) or Section 5.1(c) (disability), if a Participant terminates employment at any time prior to becoming fully vested in amounts credited to the Participant’s Accounts hereunder, the nonvested amounts credited to the Participant’s Accounts shall be immediately forfeited and the Participant shall have no right or interest in such nonvested deferred amounts.

Section 4.5 Account Statements

Within 60 days following the end of each Plan Year (or at such more frequent times determined by the Committee), the Committee shall furnish each Participant with a statement of Account which shall set forth the balances of the individual’s Accounts as of the end of such Plan Year (or as of such time determined by the Committee), inclusive of tracked earnings (or losses) and any Dividend Reinvestment Return. In addition, the Committee shall maintain records reflecting each year’s deferrals separately by type of compensation.

ARTICLE V

Distributions and Withdrawals

Section
5.1

Timing of Distribution

- (a) Time of Distribution – Distributions Other than Death, Disability, or Scheduled Distributions. Except as otherwise provided herein in the case of a Participant who retires and subject to Section 5.1(d), a Participant's vested Accounts shall be paid or commence to be paid, in the form of distribution elected in a particular Deferral Election (subject to Section 5.2), at such date as determined in the sole discretion of the Committee following the earlier of: (i) the Participant's termination of employment, or (ii) the date otherwise specified in the Participant's Deferral Election. In the case of a Participant who retires from employment hereunder (as defined below), and subject to Section 5.1(d), a Participant's vested Accounts shall be paid or commence to be paid, in the form of distribution elected in a particular Deferral Election (subject to Section 5.2), at such date as determined in the sole discretion of the Committee following the later of: (i) the Participant's retirement from active employment (or, in the case of certain Equity-Based Compensation that vests one year after retirement, one year after retirement), or (ii) the date otherwise specified in the Participant's Deferral Election; provided however that, in all events distributions to such a retired Participant must be made (or commence to be paid) as of the earlier of the Participant's attainment of age 70 or death. For purposes of this Section 5.1(a), a Participant has "retired" from active employment if:
- (i) the Participant terminates from active employment after having attained age 65 with five years of service with the Company or an affiliate;
 - (ii) the Participant terminates from active employment after having attained age 55 with ten years of service with the Company or an affiliate; or
 - (iii) the Committee, in its sole discretion, otherwise determines that the Participant has retired for this purpose.
- (b) Timing of Distributions – Participant's Death. If a Participant dies before the full distribution of the Participant's Accounts under this Article V, any deferred amounts that are not vested and have not previously been forfeited shall become 100% vested. Unless the Participant had commenced receiving installment payments, as soon as practicable after the Participant's death, all remaining amounts credited to the Participant's Accounts shall be paid in a single lump sum payment to the Participant's
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named beneficiary (or beneficiaries). In the absence of any beneficiary designation, payment shall be made to the personal representative, executor or administrator of the Participant's estate. Beneficiary designations may be changed by a Participant at any time without the consent of the Participant's spouse or any prior beneficiary. If the Participant dies after having commenced to receive installment payments, the Participant's beneficiary may accelerate the payment of any remaining installment payments as follows:

- (i) The beneficiary may request (within a reasonable time after the Participant's death, as specified by the Committee) that all remaining installment payments that are otherwise to be paid to the beneficiary at least twelve (12) months after the date of the request be accelerated and paid in a single lump sum payment as of a date specified by the Committee that is at least twelve (12) months after the date of the request; or
 - (ii) The beneficiary may request (within a reasonable time after the Participant's death, as specified by the Committee) that all remaining installment payments that are otherwise to be paid to the beneficiary be accelerated and paid in the form of an immediate lump sum payment, subject to the requirement that ten percent (10%) of the remaining amounts be permanently forfeited.
- (c) Timing of Distributions – Participant's Disability. Notwithstanding anything in the Plan to the contrary, if a Participant becomes Disabled, the Participant will be treated as having terminated employment and any deferred amounts that are not vested and have not previously been forfeited shall become 100% vested. Notwithstanding anything in a Participant's Deferral Election to the contrary with respect to payment commencement, as soon as practicable after the Participant becomes Disabled, all remaining amounts credited to the Participant's Accounts shall be paid or commence to be paid to the Participant in the form of distribution elected by the Participant in the Participant's Deferral Election. In addition, as soon as practicable after the Participant becomes Disabled, the Participant may request that the Committee change any installment distribution election so that amounts subject to the election are accelerated and paid in the form of a single lump sum distribution. Such distribution shall be made only if the Committee, taking into account the type of factors taken into account in the event of a hardship under Section 5.1(f), in its sole discretion, approves such request.
- (d) Scheduled Distribution. As a part of the Participant's Deferral Election, a Participant may elect to receive a lump sum distribution or annual installments (over 2, 3, 4 or 5 years, as elected by the Participant) equal to all or any part of the vested balance of the Participant's Accounts to be paid (or commence to be paid) at a scheduled distribution date, subject to
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the timing requirements in Section 5.1(a). For these purposes, the amount of each installment payment shall be determined by multiplying the value of the Participant's remaining vested Accounts subject to the scheduled distribution election by a fraction, the numerator of which is one (1) and the denominator of which is the number of calendar years remaining in the installment period. These scheduled distributions are generally available only for distributions that are scheduled to commence to be paid while a Participant is employed by the Company. If a Participant terminates employment before commencing receipt of scheduled distributions, the timing requirements of Section 5.1(a) shall apply (which requirements provide for payment upon termination of employment, unless the Participant has attained retirement age, in which case a later distribution date may apply). If a Participant terminates employment while receiving scheduled installment payments, such installment payments shall continue to be paid in the same form of distribution, subject to the Participant's right to accelerate the remaining payments in accordance with Section 5.1(e) or Section 5.1(f). Notwithstanding the foregoing, if a Participant's employment is terminated for cause, as determined by the Company, full payment of all remaining amounts in such Participant's Account shall be paid in the form of a single lump sum payment as soon as practicable after such termination.

- (e) Early Distribution. Notwithstanding any other provision of the Plan, a Participant or beneficiary may, at any time prior to or subsequent to commencement of payments, request in writing to the Committee to have any or all vested amounts in his or her Accounts paid in an immediate lump sum distribution, provided that an amount equal to ten percent (10%) of the requested distribution shall be permanently forfeited from the Participant's Accounts prior to such distribution. Any such lump sum distribution shall be paid as soon as practicable after the Committee's receipt of the Participant's (or beneficiary's) request. The minimum permitted early distribution under this Section 5.1(e) shall be \$3,000.

 - (f) Hardship Distribution. At any time prior to the time an amount is otherwise payable hereunder, an active Participant may request a distribution of all or a portion of any vested amounts credited to the Participant's Accounts on account of the Participant's financial hardship, subject to the following requirements:
 - (i) Such distribution shall be made, in the sole discretion of the Committee, if the Participant has incurred an unforeseeable emergency.
 - (ii) For purposes of this Plan, an "unforeseeable emergency" shall mean an unanticipated emergency that is caused by an event beyond the control of the Participant and that would result in severe financial hardship to the Participant resulting from a sudden
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and unexpected illness or accident of the Participant or of a Participant's dependent (as defined in Code section 152(a)), loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the Participant's control. The circumstances that will constitute an unforeseeable emergency will depend upon the facts of each case and be based on the information supplied by the Participant, in writing, pursuant to the procedure prescribed by the Committee. In addition to the foregoing, distributions under this subsection shall not be allowed for purposes of sending a child to college or the Participant's desire to purchase a home or other residence. In all events, distributions made on account of an unforeseeable emergency are limited to the extent reasonably needed to satisfy the emergency need.

- (iii) Notwithstanding the foregoing, payment under this subsection may not be made to the extent that such hardship is or may be relieved:
 - (A) through reimbursement or compensation by insurance or otherwise,
 - (B) by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or
 - (C) by cessation of deferrals under the Plan.
- (iv) All distributions under this subsection shall be made in cash as soon as practicable after the Committee has approved the distribution and that the requirements of this subsection have been met.
- (v) The minimum permitted hardship withdrawal shall be \$3,000.

Section 5.2 Form of Distribution

- (a) General. Except as otherwise provided in this Article V, all amounts payable from a Participant's Accounts shall be paid in one of the forms of distribution described in Subsections (b) and (c) below, as elected by the Participant in a Deferral Election or as modified by the Participant in accordance with Subsection (d) below. Any Participant who fails to elect a form of distribution with respect to any deferral amount (or any compensation type) shall be deemed to have elected to receive such amounts in the form of a lump sum distribution in cash and, to the extent distributable amounts are credited to the Participant's Deferred Stock Account, in shares of Common Stock (with any fractional share interest therein paid in cash to the extent of the then fair market value thereof).
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- (b) Lump Sum Distribution. A Participant may elect, in accordance with such procedures established by the Committee, to have any vested deferral amounts credited to his Accounts paid in the form of a single lump sum distribution at the time otherwise required or permitted under the Plan.
- (c) Annual Installment Distributions. A Participant may elect, in accordance with such procedures established by the Committee, to have any vested deferral amounts credited to his Accounts paid at the time otherwise required or permitted in the form of annual installments over a 5, 10 or 15- year period commencing at the time otherwise required or permitted under the Plan and paid annually thereafter for the remainder of the installment period (subject to Section 5.1(b)). For these purposes, the amount of each installment payment shall be determined by multiplying the value of the Participant's remaining vested Accounts by a fraction, the numerator of which is one (1) and the denominator of which is the number of calendar years remaining in the installment period. Notwithstanding the foregoing, if a Participant's employment is terminated for cause, as determined by the Company, full payment of all remaining amounts in such Participant's Account shall be paid in the form of a single lump sum payment as soon as practicable after such termination.
- (d) Change in Form
- (i) Notwithstanding the foregoing, in accordance with the written, telephonic or electronic procedures prescribed by the Committee, a Participant may elect to change the form applicable to a particular category of deferral at any time, provided that such election must be made at least twelve (12) consecutive months before the date on which such distribution otherwise would have been made or commenced. Any such change that is not in effect for at least the applicable twelve (12) month period shall be disregarded and the last valid election shall be substituted in its place. In the absence of such a valid election, distribution shall be made in the form of a single lump sum distribution in cash and, to the extent distributable amounts are credited to the Participant's Deferred Stock Account, in shares of Common Stock (with any fractional share interest therein paid in cash to the extent of the then fair market value thereof).
- (ii) In addition, with respect to a Participant who has commenced receiving installment payments, such Participant may elect, pursuant to the written, telephonic or electronic method prescribed by the Committee (or its delegate), to have all remaining installment payments that are otherwise to be paid to the Participant at least twelve (12) months after the date of the election be accelerated and paid in a single lump sum payment as of a date specified by the Committee that is at least twelve (12) months after the date of the election.
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ARTICLE VI

General Provisions

Section 6.1 Unsecured Promise to Pay

The Company shall make no provision for the funding of any amounts payable hereunder that (i) would cause the Plan to be a funded plan for purposes of section 404(a)(5) of the Code, or Title I of ERISA, or (ii) would cause the Plan to be other than an “unfunded and unsecured promise to pay money or other property in the future” under Treasury Regulations § 1.83 -3(e); and, except to the extent specified in the Stock Trust following a “change of control” (as defined in the Stock Trust) of the Company, the Company shall have no obligation to make any arrangement for the accumulation of funds to pay any amounts under this Plan. Subject to the restrictions of the preceding sentence and in Section 4.3, the Company, in its sole discretion, may establish one or more grantor trusts described in Treasury Regulations § 1.677(a) -1(d) to accumulate funds and/or shares of Common Stock to pay amounts under this Plan, provided that the assets of such trust(s) shall be required to be used to satisfy the claims of the Company’s general creditors in the event of the Company’s bankruptcy or insolvency.

Section 6.2 Plan Unfunded

In the event that the Company (or one of its subsidiaries) shall decide to establish an advance accrual reserve on its books against the future expense of payments hereunder, such reserve shall not under any circumstances be deemed to be an asset of this Plan but, at all times, shall remain a part of the general assets of the Company (or such subsidiary), subject to claims of the Company’s (or such subsidiary’s) creditors. A person entitled to any amount under this Plan shall be a general unsecured creditor of the Company (or the Participant’s employer subsidiary) with respect to such amount. Furthermore, a person entitled to a payment or distribution with respect to any amounts credited to Participant Accounts shall have a claim upon the Company (or the Participant’s employer subsidiary) only to the extent of the vested balance(s) credited to such Accounts.

Section 6.3 Designation of Beneficiary

The Participant’s beneficiary under this Plan with respect to amounts credited to the Participant’s Accounts hereunder shall be the person designated to receive benefits on account of the Participant’s death on a form provided by the Committee.

Section 6.4 Expenses

All commissions, fees and expenses that may be incurred in operating the Plan and any related trust(s) established in accordance with the Plan (including the Stock Trust) will be paid by the Company.

Section 6.5 Voting Common Stock

Each Participant who has a Deferred Stock Account shall be entitled to provide directions to the Committee to cause the Committee to similarly direct the Trustee of the Stock Trust to vote, on any matter presented for a vote to the shareholders of the Company, that number of shares of Common Stock held by the Stock Trust equivalent to the number of shares of Common Stock credited to the Participant's Deferred Stock Account. The Committee shall arrange for distribution to all such Participants in a timely manner all communications directed generally to the shareholders of the Company as to which their votes are solicited. If the Stock Trust ever holds fewer shares of Common Stock than there are shares allocated to Deferred Stock Accounts under the Plan as to which timely and proper directions have been received from the applicable Plan participants, the Committee will direct the Trustee to vote all shares held in the Stock Trust in the same proportion as the total shares covered by timely and proper directions that have been directed to be voted.

Section 6.6 Non-Assignability

Participants, their legal representatives and their beneficiaries shall have no right to anticipate, alienate, sell, assign, transfer, pledge or encumber their interests in the Plan, nor shall such interests be subject to attachment, garnishment, levy or execution by or on behalf of creditors of the Participants or of their beneficiaries.

Section 6.7 Mandatory Deferral

Notwithstanding any other provision of this Plan, the Compensation and Benefits Committee of the Company's Board of Directors may require an employee to defer: (i) the portion of any Base Salary, Bonus amount, Equity-Based Compensation, or SERP distribution, or (ii) the portion of any payment from any Account hereunder, in any case where the Company anticipates that such portion otherwise would be nondeductible pursuant to section 162(m) of the Code.

Section 6.8 Employment/Participation Rights

- (a) Nothing in the Plan shall interfere with or limit in any way the right of the at any time, nor confer upon any Participant any right to continue in the employ of the Company.
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- (b) Nothing in the Plan shall be construed to be evidence of any agreement or understanding, express or implied, that the Company will continue to employ a Participant in any particular position or at any particular rate of remuneration.
- (c) No employee shall have a right to be selected as a Participant, or, having been so selected, to be continued as a Participant.
- (d) Nothing in this Plan shall affect the right of a recipient to participate in and receive benefits under and in accordance with any pension, profit-sharing, deferred compensation or other benefit plan or program of the Company.

Section 6.9 Severability

If any particular provision of the Plan shall be found to be illegal or unenforceable for any reason, the illegality or lack of enforceability of such provision shall not affect the remaining provisions of the Plan, and the Plan shall be construed and enforced as if the illegal or unenforceable provision had not been included.

Section 6.10 No Individual Liability

It is declared to be the express purpose and intention of the Plan that no liability whatsoever shall attach to or be incurred by the shareholders, officers, or directors of the Company (or any affiliate) or any representative appointed hereunder by the Company (or any affiliate), under or by reason of any of the terms or conditions of the Plan.

Section 6.11 Tax and Other Withholding

The Company shall have the right to deduct from any payment made under the Plan any amount required by federal, state, local, or foreign law to be withheld with respect to such payment. The Company shall also have the right to withhold from other current salary or wages any amount required by federal, state, local, or foreign law to be withheld with respect to compensation deferred under the Plan at any time prior to payment of such deferred compensation, or if such other current salary or wages are insufficient to satisfy such withholding requirement, to require the Participant to pay the Company such amount required to be withheld to the extent such requirement cannot be satisfied through withholding on other current salary or wages. Additionally, should deferrals under this Plan cause there to be insufficient current salary or wages for purposes of withholding taxes or other amounts required by federal, state, local, or foreign law to be withheld from current salary or wages, the Company shall require the Participant to pay the Company such amount required to be withheld to the extent such requirement cannot be satisfied through withholding on other

current salary or wages. Amounts deferred under the Plan will be taken into account for purposes of any withholding obligation under the Federal Insurance Contributions Act and Federal Unemployment Tax Act at the later of the Plan Year during which the services are performed or the Plan Year during which the rights to the amounts are no longer subject to a substantial risk of forfeiture, as required by section 3121(v) and 3306(r) of the Code and the regulations promulgated thereunder.

Section 6.12 Applicable Law

This Plan shall be governed by and construed in accordance with the laws of the State of New Jersey except to the extent governed by applicable federal law.

Section 6.13 Incompetency

Any person receiving or claiming benefits under the Plan shall be conclusively presumed to be mentally competent and of age until the Committee receives written notice, in a form and manner acceptable to it, that such person is incompetent or a minor, and that a guardian, conservator, or other person legally vested with the care of his estate has been appointed. If the Committee finds that any person to whom a benefit is payable under the Plan is unable to properly care for his or her affairs, or is a minor, then any payment due (unless a prior claim therefor shall have been made by a duly appointed legal representative) may be paid to the spouse, a child, a parent, or a brother or sister, or to any person deemed by the Committee to have incurred expense for the care of such person otherwise entitled to payment. If a guardian or conservator of the estate of any person receiving or claiming benefits under the Plan shall be appointed by a court of competent jurisdiction, payments shall be made to such guardian or conservator provided that proper proof of appointment is furnished in a form and manner suitable to the Committee. Any payment made under the provisions of this Section shall be a complete discharge of liability therefor under the Plan.

Section 6.14 Notice of Address

Any payment made to a Participant or a designated beneficiary at the last known post office address of the distributee on file with the Committee, shall constitute a complete acquittance and discharge of any obligations of the Company under this Plan, unless the Committee shall have received prior written notice of any change in the condition or status of the distributee. Neither the Committee, the Company nor any director, officer, or employee of the Company shall have any duty or obligation to search for or ascertain the whereabouts of a Participant or a designated beneficiary.

ARTICLE VII

Administration

Section 7.1 Committee

Prior to a Change in Control, the Plan shall be administered by the Committee. The Committee shall have the exclusive right to interpret the Plan (including questions of construction and interpretation) and the decisions, actions and records of the Committee shall be conclusive and binding upon the Company and all persons having or claiming to have any right or interest in or under the Plan. The Committee may delegate to such officers, employees or departments of the Company, or to service-providers or other persons, such authority, duties, and responsibilities of the Committee as it, in its sole discretion, considers necessary or appropriate for the proper and efficient operation of the Plan, including, without limitation, (i) interpretation of the Plan, (ii) approval and payment of claims, and (iii) establishment of procedures for administration of the Plan. Notwithstanding the foregoing, after a Change in Control, the trustee of any grantor trust established for the purpose of accumulating funds to satisfy the obligations incurred by the Company under this Plan shall administer the Plan and shall have the same privileges and rights as given to the Committee prior to a Change in Control.

Section 7.2 Claims Procedure

Any person dissatisfied with the Committee's determination of a claim for benefits (or claim for eligibility for participation) hereunder must file a written request for reconsideration with the Committee. This request must include a written explanation setting forth the specific reasons for such reconsideration. The Committee shall review its determination promptly and render a written decision with respect to the claim, setting forth the specific reasons for such denial written in a manner calculated to be understood by the claimant. Such claimant shall be given a reasonable time within which to comment, in writing, to the Committee with respect to such explanation. The Committee shall review its determination promptly and render a written decision with respect to the claim. Such decision of the Committee shall be conclusive, binding, and final upon all claimants under this Plan.

ARTICLE VIII

Amendment, Termination and Effective Date

Section 8.1 Amendment of the Plan

Subject to Section 8.3, the Plan may be wholly or partially amended or otherwise modified at any time by written action of the Board of Directors.

Section 8.2 Termination of the Plan

Subject to the provisions of Section 8.3, the Plan may be terminated at any time by written action of the Board of Directors.

Section 8.3 No Impairment of Benefits

Notwithstanding the provisions of Sections 8.1 and 8.2, no amendment to or termination of the Plan shall reduce the amount credited to any Participant's Accounts hereunder.

Section 8.4 Effective Date

The Plan, as previously amended and restated, was effective as of August 15, 1996. The Plan as set forth herein is amended and restated effective as of March 22__, 2004, with the exception of the amendment to Section 4.2 allowing participants to allocate and reallocate deferrals out of a Deferred Stock Account, which amendment shall be effective beginning as of the first day of the quarter after the Plan amendments are approved.

BECTON, DICKINSON AND COMPANY

1996 DIRECTORS' DEFERRAL PLAN

Adopted As Of November 1, 1996
And Amended As of January 30, 2007

ARTICLE I

Definitions

- 1.1 "Accrued Pension" means the U.S. dollar amount of the actuarially-determined present value of the accrued and unpaid past service pension benefits under the Directors' Nonqualified Pension Arrangements of a Director acting as such at and as of June 30, 1996, as calculated by Kwasha Lipton as of the Termination Date, taking into account the Director's age and years and months of past service and such other assumptions as shall be reasonable and uniformly applied to all Directors.
- 1.2 "Additional Deferral Election" means the election by a participant under Section 3.6(b) to further defer the date payment otherwise would be made (or begin to be made) from a participant's Deferred Account.
- 1.3 "Annual Share Amount" means the number of shares of Common Stock (which is set as of the date hereof at 400 shares) that the Board, from time to time, may agree to credit to Deferred Stock Accounts as compensation to continuing Directors.
- 1.4 "Board" means the Board of Directors of the Company.
- 1.5 "Change-of-Form Election" means the election by a participant under Section 3.6(a) to change the form of distribution from any of his or her Deferred Accounts.
- 1.6 "Code" means the Internal Revenue Code of 1986, as amended, or any successor statute.
- 1.7 "Committee" means the Committee on Directors of the Board, or such other committee as may be designated by the Board to be responsible for administering the Plan.
- 1.8 "Common Stock" means the common stock (\$1.00 par value) of the Company, including any shares into which it may be split, subdivided or combined.
- 1.9 "Company" means Becton, Dickinson and Company, and any successor thereto.
- 1.10 "Conversion Election" means the election by a participant under Section 3.5(a) to convert some or all of his or her Deferred Retainer Account balance, Deferred Fees Account balance and/or Deferred Dividends Account balance from a cash balance into a Deferred Stock Account balance.

- 1.11 "Deferral Election" means a Deferred Pension Election, Restricted Stock Election, Deferred Dividends Election, Deferred Retainer Election, Deferred Fees Election and/or a form-of-distribution election under Section 3.4(e).
- 1.12 "Deferred Account" means the participant's Deferred Pension Account, Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account, Deferred Cash Account and/or Deferred Stock Account.
- 1.13 "Deferred Cash Account" means the bookkeeping account established under Section 3.5(b) on behalf of a participant, and includes any Interest Return credited thereto pursuant to Section 3.7(a).
- 1.14 "Deferred Dividends" means the amount of cash dividends on his or her Restricted Stock that a participant has elected to defer until a later year pursuant to an election under Section 3.2 (c).
- 1.15 "Deferred Dividends Account" means the bookkeeping account established under Section 3.2(c) on behalf of a participant, and includes any Interest Return credited thereto pursuant to Section 3.7(a).
- 1.16 "Deferred Dividends Election" means the election by a participant under Section 3.2(c) to defer until a later year receipt of some or all of the dividends payable in the following year on his or her Restricted Stock.
- 1.17 "Deferred Fees" means the amount of a participant's fees (other than the participant's annual Board retainer fees) that such participant has elected to defer until a later year pursuant to an election under Section 3.3(a).
- 1.18 "Deferred Fees Account" means the bookkeeping account established under Section 3.3 on behalf of a participant, and includes any Interest Return credited thereto pursuant to Section 3.7(a).
- 1.19 "Deferred Fees Election" means the election by a participant under Section 3.3 to defer until a later year receipt of some or all of his or her fees (other than annual Board retainer).
- 1.20 "Deferred Pension" means the amount of a participant's Accrued Pension that such participant has elected to defer until a later year pursuant to an election under Section 3.1.
- 1.21 "Deferred Pension Account" means the bookkeeping Account established under Section 3.1 on behalf of a participant, and includes any Interest Return credited thereto pursuant to Section 3.7(a).
- 1.22 "Deferred Pension Election" means the election by a participant under Section 3.1 to defer until a later year receipt of some or all of his or her Accrued Pension.

- 1.23 "Deferred Retainer" means the amount of a participant's annual Board retainer fees that such participant has elected to defer until a later year pursuant to an election under Section 3.3(a).
- 1.24 "Deferred Retainer Account" means the bookkeeping account established under Section 3.3 on behalf of a participant, and includes any Interest Return credited thereto pursuant to Section 3.7(a).
- 1.25 "Deferred Retainer Election" means the election by a participant under Section 3.3(a) to defer until a later year receipt of some or all of his or her annual Board retainer.
- 1.26 "Deferred Stock Account" means the bookkeeping account established under Sections 3.2, 3.4 and/or 3.5 on behalf of a participant and includes, in addition to amounts stated in those Sections, all Dividend Reinvestment Returns credited thereto pursuant to Section 3.7(b).
- 1.27 "Deferred Stock Election" means the election by a participant under Section 3.4(a) and/or (c) to have his or her Deferred Pension, Deferred Dividends, Deferred Retainer and/or Deferred Fees credited in the form of Common Stock to the participant's Deferred Stock Account.
- 1.28 "Director" means a member of the Board.
- 1.29 "Directors' Nonqualified Pension Arrangements" means the unfunded pension benefits payable to Directors pursuant to resolutions of the Board dated November 24, 1981 and March 28, 1995.
- 1.30 "Directors' Stock Trust" means the Becton, Dickinson and Company 1996 Directors' Deferral Trust established as of November 15, 1996 between the Company and Wachovia Bank of North Carolina, N.A.
- 1.31 "Dividend Reinvestment Return" means the amounts which are credited to each participant's Deferred Stock Account pursuant to Section 3.7(b) to reflect dividends declared and paid by the Company on its Common Stock.
- 1.32 "Effective Date" means the effective date of the Plan set forth in Section 5.4.
- 1.33 "ERISA" means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute.
- 1.34 "Interest Return" means the amounts which are credited from time to time to each participant's Deferred Pension Account, Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account and/or Deferred Cash Account pursuant to Section 3.7(a).

- 1.35 "Investment Election" means the participant's election to have deferred amounts credited with hypothetical earnings credits (or losses) that track the investment performance of the Investment Options in accordance with Article III.
- 1.36 "Investment Options" means those hypothetical targeted investment options, other than Common Stock, designated by the Committee as measurements of the rate of return to be credited to (or charged against) amounts deferred to participants' accounts other than their Deferred Stock Accounts.
- 1.37 "NYSE" means The New York Stock Exchange.
- 1.38 "Payment Date" means the last day of January, April, July or October of each calendar year on which the Directors are paid their compensation for the immediately preceding three (3) month period.
- 1.39 "Plan" means the Becton, Dickinson and Company 1996 Directors' Deferral Plan as from time to time in effect.
- 1.40 "Restricted Stock" means the shares of Common Stock issued to a Director, and bearing restrictions, pursuant to the Company's 1994 Restricted Stock Plan for Non-Employee Directors.
- 1.41 "Restricted Stock Election" means the election by a participant under Section 3.2(a) to surrender some or all of his or her shares of Restricted Stock to the Company and to have an equal number of shares of Common Stock credited to the participant's Deferred Stock Account.
- 1.42 "Shareholders' Meeting" means the regular annual meeting of the shareholders of the Company.
- 1.43 "Termination Date" means December 1, 1996, the date as of which the Directors' Nonqualified Pension Arrangements will have been effectively terminated.

ARTICLE II

Participation

2.1 Participation

- (a) Participation in the Plan shall be limited to an individual who, as at the Effective Date of the Plan and/or any subsequent first day of any calendar quarter, is a Director.
- (b) The Committee may, consistent with Company policy:
 - (i) designate as ineligible particular individuals or groups of individuals who otherwise would be eligible under Section 2.1(a); or
 - (ii) designate as eligible particular individuals or groups of individuals who otherwise would be ineligible under Section 2.1(a).

ARTICLE III

Deferral Elections, Accounts and Distributions

3.1 Deferred Pension Election

- (a) Any participant, who has an Accrued Pension as of the Termination Date, may make a single one-time election, on or before December 5, 1996 in writing and on a form to be furnished by the Committee, to convert 25%, 50%, 75% or 100% of his or her Accrued Pension into a Deferred Pension Account under the Plan. Upon making a Deferred Pension Election, a new Deferred Pension Account will be established in the participant's name and will be credited, on or about December 20, 1996, with the amount of his or her Accrued Pension so converted.
- (b) Once made, a Deferred Pension Election cannot be changed or revoked except as provided herein.
- (c) A Deferred Pension Election shall defer the starting date for the payment of the designated amount of the participant's Accrued Pension, and any Interest Return credited thereon pursuant to Section 3.7, until the earliest of the participant's retirement, permanent and total disability, death or involuntary termination.

- (d) In the event of any such Deferred Pension Election, the form of payment of any distribution (i.e., in a lump sum or in five or in ten approximately equal annual installments) and the starting date of such distribution (i.e., as soon as practicable following the event triggering the distribution or January 31st of the calendar year immediately following such event) shall be elected at the same time. In the event that any distribution is elected to be paid in five or ten approximately equal annual installments, the participant also may elect, at the time of the Deferred Pension Election, to have the form of distribution, automatically and without further action on his or her part, converted to a lump sum payment in accordance with Section 3.8(b) in the event of such participant's death or permanent and total disability occurring prior to the expiration of the complete period of deferral. Except as herein provided, such form-of-payment election shall not be changed or revoked.

3.2

Restricted Stock Elections and Deferred Dividends Elections

- (a) Any participant, who owns Restricted Stock as of the Effective Date, may make a single one-time election, on or before December 5, 1996 and on a form to be furnished by the Committee, to surrender to the Company 25%, 50%, 75% or 100% of his or her shares of Restricted Stock. Upon making such Restricted Stock Election, a new Deferred Stock Account will be established in the participant's name to which will be credited, on or about December 20, 1996, a number of shares of Common Stock equal to the number so surrendered.
- (b) A participant who makes a Restricted Stock Election will defer the receipt of any balance in the participant's Deferred Stock Account, including any Dividend Reinvestment Return credited thereto pursuant to Section 3.7(b), until the earliest of the participant's (i) permanent and total disability, (ii) death and (iii) the later of (1) the date on which such shares of Restricted Stock otherwise would have vested, (2) January 2, 1998, and (3) the date of any retirement or other termination of service.
- (c) Any participant, who owns Restricted Stock from time to time, also can elect, on or before December 31 of any calendar year, to defer 25%, 50%, 75% or 100% of the cash dividends otherwise payable on his or her Restricted Stock for the next succeeding calendar year. Such Deferred Dividends will be credited to the participant's Deferred Dividend Account as of each date on which cash dividends are otherwise paid on the Common Stock.
- (d) A participant who makes a Deferred Dividends Election may defer the payment of any Deferred Dividends, and any Interest Return credited thereon pursuant to Section 3.7(a), until (i) the earliest of the participant's

retirement, permanent and total disability, death or involuntary termination or (ii) a fixed date which is no earlier than three full calendar years after the calendar year during which the Deferred Dividends otherwise were payable and no later than ten years after the earliest date specified in (i), provided, however, that all distributions under Section 3.8(b) must be paid in full no later than ten years after the earliest of the participant's retirement, permanent and total disability, death or involuntary termination.

- (e) Once made, neither a Restricted Stock Election nor a Deferred Dividends Election can be changed or revoked except as provided herein.
- (f) In the event of any such Restricted Stock Election or Deferred Dividends Election, the form of payment of any distribution (i.e., in a lump sum or in five or in ten approximately equal annual installments) and the starting date of such distribution (i.e., as soon as practicable following the event causing the distribution or January 31st of the calendar year immediately following such event) shall be elected at the same time. In the event that any distribution is elected to be paid in five or ten approximately equal annual installments, the participant also may elect, at the time of the Restricted Stock Election or Deferred Dividends Election, to have the form of distribution, automatically and without further action on his or her part, converted to a lump sum payment in accordance with Section 3.8(b) in the event of such participant's death or permanent and total disability occurring prior to the expiration of the complete period of deferral. Except as herein provided, such form-of-payment election shall not be changed or revoked.

3.3

Deferred Retainer Elections and Deferred Fees Elections

- (a) With respect to an individual who is eligible to participate in this Plan in accordance with Section 2.1, elections of Deferred Retainer and/or Deferred Fees shall be made in writing on forms to be furnished by the Committee. A Deferred Retainer Election and/or a Deferred Fees Election shall apply only to the Director's annual retainer or fees, as the case may be, for the particular calendar year specified in the election. A participant may elect to defer from 25% of his or her annual retainer to 100% of that retainer (in increments of 10%) and/or 50% or 100% of his or her other fees.
- (b) A Deferred Retainer Election and/or Deferred Fees Election with respect to payments for a particular calendar year (i) must be made on or before the December 31 preceding such calendar year or, in the case of a newly- elected Director, within thirty (30) days following the date on which he or she becomes a member of the Board, and (ii) once made, cannot be changed or revoked except as provided herein. Such Deferred Retainer

shall be credited to the participant's Deferred Retainer Account (or, if none, to a new such account established in the participant's name) and his or her Deferred Fees shall be credited to the participant's Deferred Fees Account (or, if none, to a new such account established in the participant's name) as of each quarterly Payment Date. Revocation of any Deferred Retainer Election or Deferred Fees Election during a calendar year shall only affect future payments and shall reduce the participant's deferral percentage to zero for the remainder of that calendar year. Notice of revocation must be filed with the Committee by the fifteenth day of the month before the beginning of the next three-month period ending on a Payment Date. Such revocation shall not affect any balances credited to

the participant's Deferred Retainer Account or Deferred Fees Account, as the case may be, before the effective date of the revocation of the election.

- (c) A participant who makes a Deferred Retainer Election or a Deferred Fees Election may defer the payment of any retainer and/or fees, and any Interest Return credited thereon pursuant to Section 3.7(a), until (i) the earliest of the participant's retirement, permanent and total disability, death or involuntary termination or (ii) a fixed date which is no earlier than three full calendar years after the calendar year during which the Deferred Retainer or Deferred Fees otherwise were payable and no later than ten years after the earliest date specified in (i), provided, however, that all distributions under Section 3.8(b) must be paid in full no later than ten years after the earliest of the participant's retirement, permanent and total disability, death or involuntary termination.
- (d) In the event of any such Deferred Retainer Election or Deferred Fees Election, the form of payment of any distribution (i.e., in a lump sum or in five or ten approximately equal annual installments) and the starting date of such distribution (i.e., as soon as practicable following the event causing the distribution or January 31^{s t} of the calendar year immediately following such event) shall be elected at the same time. In the event that any distribution is elected to be paid in five or ten approximately equal annual installments, the participant also may elect, at the time of the Deferred Retainer Election and/or Deferred Fees Election, to have the form of distribution, automatically and without any further action on his or her part, converted to a lump sum payment in accordance with Section 3.8(b) in the event of such participant's death or permanent and total disability occurring prior to the expiration of the complete period of deferral. Except as herein provided, such form-of-payment election shall not be changed or revoked.

Deferred Stock Elections

- (a) Instead of being credited to the participant's Deferred Pension Account, each participant who makes a Deferred Pension Election also may elect to have 25%, 50%, 75% or 100% of the amount otherwise creditable to his or her Deferred Pension Account instead credited in the form of Common Stock to a new Deferred Stock Account established in the participant's name.
- (b) When a Deferred Stock Election is made in connection with a Deferred Pension Election, the participant's Deferred Stock Account will be credited on or about December 20, 1996, with the number of shares of Common Stock (rounded to the nearest one-one hundredth of a share) determined by dividing the amount of the participant's Accrued Pension with respect to which the Deferred Stock Election applies, by the average price paid by the Trustee of the Directors' Stock Trust for shares of Common Stock with respect to such date or, if the Trustee shall not purchase shares of Common Stock equal to the number of shares of Common Stock creditable to all participants' Deferred Stock Accounts on such date, then, to the extent of such shortfall, such price shall be the average of the high and low NYSE market price for the Common Stock on such date and the portion of the participant's Deferred Pension Account balance used in such calculation shall be proportionate to such shortfall amount. At the same time, the participant's Deferred Pension Account will be debited by the amount so credited to the participant's new Deferred Stock Account.
- (c) Instead of being credited to the participant's Deferred Dividends Account, Deferred Retainer Account or Deferred Fees Account, each participant also may elect to have 25%, 50%, 75% or 100% of his or her Deferred Dividends, Deferred Retainer and/or Deferred Fees credited in the form of Common Stock to the participant's Deferred Stock Account. Except as provided in Section 3.5, an election to have Deferred Dividends, Deferred Retainer or Deferred Fees credited to the participant's Deferred Stock Account must be made concurrently with the Deferred Dividends Election, Deferred Retainer Election or Deferred Fees Election, as the case may be.
- (d) A participant's Deferred Stock Account will be credited:
 - i) regularly, as of each date on which dividends are paid on the Common Stock, with the number of shares of Common Stock (rounded to the nearest one-one hundredth of a share) determined by dividing the portion of the participant's Deferred Dividends for such dividend payment date subject to the Deferred Stock Election by the average price paid by the Trustee of the Director's Stock

Trust for shares of Common Stock with respect to such dividend payment date or, if the Trustee shall not at such time purchase any shares of Common Stock, then the price shall be the average of the high and low NYSE market price for the Common Stock on such date;

- ii) quarterly, as of each Payment Date, with the number of shares of Common Stock (rounded to the nearest one-hundredth of a share) determined by dividing the portion of the participant's Deferred Retainer and/or Deferred Fees accumulated during the preceding fiscal quarter and which are subject to the Deferred Stock Election by the average price paid by the Trustee of the Director's Stock Trust for shares of Common Stock with respect to such Payment Date or, if the Trustee shall not at such time purchase any shares of Common Stock, then the price shall be the average of the high and low NYSE market price for the Common Stock on such date; and
 - iii) annually, as of the day after the Shareholders' Meeting with the Annual Share Amount, if, after such meetings the participant was elected or continued to serve as a Director of the Company.
- (e) Each participant who has a Deferred Stock Account shall receive distributions from such Account attributable to his or her Annual Share Amounts, and any Dividend Reinvestment Return credited thereon pursuant to Section 3.7(b), upon the earliest of the participant's retirement, permanent and total disability, death or involuntary termination. Such participant, within thirty (30) days after his or her Deferred Stock Account is credited with an Annual Share Amount, shall elect the form of payment of any such distribution (i.e., in a lump sum or in five or in ten approximately equal annual installments) and the starting date of such distribution (i.e., as soon as practicable following the event triggering the distribution or January 31st of the calendar year immediately following such event).

In the event that any distribution is elected to be paid in five or ten approximately equal annual installments, the participant also may elect, at the time of the initial form-of-distribution election, to have the form of distribution, automatically and without further action on his or her part, converted to a lump sum payment in accordance with Section 3.8(b) in the event of such participant's death or permanent and total disability occurring prior to the expiration of the complete period of deferral. Except as herein provided, such form-of-distribution election shall not be changed or revoked.

- (f) In the event of any merger, consolidation, reorganization, recapitalization, stock dividend (including without limitation, stock dividends consisting of

securities other than the shares of Common Stock), distribution (other than regular cash dividends), stock split, reverse stock split, separation, spin-off, split-off or other distribution of stock or property of the Company, or other change in the corporate structure or capitalization, there shall be appropriate adjustment made by the Board in the number and kind of shares (rounded to the nearest one-one hundredth of a share) or other property that shall be credited in the aggregate and to individual participants' deferred stock accounts under the Plan, so that the participants' Deferred Stock Accounts reflect the same equity percentage interest in the Company after the transaction as was the case before such transaction, and so that each share of Common Stock credited to a participant's Deferred Stock Account before a transaction accrues the same benefits after the transaction as does each share of Common Stock outstanding before such transaction.

- (g) If at least a majority of the Company's stock is sold or exchanged by its Shareholders pursuant to an integrated plan for cash or property (including Stock of another corporation) or if substantially all of the assets of the Company are disposed of and, as a consequence thereof, cash or property is distributed to the Company's shareholders, each participant's Deferred Stock Account will, to the extent not already so credited under Section 3.7(b), be (i) credited with the amount of cash or property receivable by a Company shareholder directly holding the same number of shares of Common Stock as is credited to such participant's Deferred Stock Account and (ii) debited by that number of shares of Common Stock surrendered by such equivalent Company shareholder.
- (h) Each participant who has a Deferred Stock Account also shall be entitled to provide directions to the Committee to cause the Committee to similarly direct the Trustee of the Trust to vote, on any matter presented for a vote to the shareholders of the Company, that number of shares of Common Stock held by the Trust equivalent to the number of shares of Common Stock credited to the participant's Deferred Stock Account. The Committee shall arrange for distribution to all participants in a timely manner of all communications directed generally to the shareholders of the Company as to which their votes are solicited.
- (i) Pursuant to the Policy Statement on Insider Trading and Securities Transactions, as the same may be amended (the "Policy"), there are time periods (each, a "blackout period") during which time participants may not effect transactions, directly or indirectly, in Company equity securities. Under the Policy, the Company's Corporate Secretary may also impose additional blackout periods with respect to some or all participants. Participants whose ability to effect transactions is prohibited during such blackout periods also will be prohibited during such periods from making any Conversion Election, Deferred Stock Election or Investment Election that increases or decreases the amount credited to the participant's Deferred Stock Account. The Committee, at the direction of

the Company's Corporate Secretary, shall adopt and implement procedures to ensure that the provisions of this subsection are carried out.

3.5

Conversion Elections

- (a) Any individual who has a Deferred Dividends Account, Deferred Fees Account, Deferred Retainer Account and/or a Deferred Cash Account may make an additional election, to convert any whole percentage of the participant's deferred account balance as of the date of such election from a cash balance into a Common Stock balance which would be credited to his or her Deferred Stock Account (or, if none, to a new such account established in the participant's name).
- (b) When a Conversion Election is made, the participant's Deferred Stock Account will be credited, on or about January 2nd of the year following the election, with the number of shares of Common Stock (rounded to the nearest one-one hundredth of a share) determined by dividing the balance in the participant's Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account, and/or Deferred Cash Account by the average price paid by the Trustee of the Directors' Stock Trust for shares of Common Stock with respect to such date, or, if the Trustee shall not purchase shares of Common Stock equal to the number of shares of Common Stock creditable to all participants' Deferred Stock Accounts on such date, then, to the extent of such shortfall, such price shall be the average of the high and low NYSE market price for the Common Stock on such date and the portion of the participant's Deferred Dividends Account balance, Deferred Retainer Account balance, Deferred Fees Account balance and/or Deferred Cash Account balance used in such calculation shall be proportionate to such shortfall amount. At the same time, the participant's Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account and/or Deferred Cash Account, as the case may be, will be debited by an amount equal to the amount so credited to the participant's Deferred Stock Account.

3.6

Change-of-Form Elections and Additional Deferral Elections

- (a) Any participant, who has made a Deferral Election, may make an additional election to change the form of distribution of the balance in any of his or her Deferred Accounts to one of the three acceptable forms of distributions under Section 3.8(b). Only one Change-of-Form Election may be made by any participant with respect to the balance in any Deferred Account attributable to any individual Deferred Election during any three (3) calendar years; provided, however, that no such Change-of- Form Election will be effective with respect to any balance in any participant's Deferred Account, unless made in connection with the

establishment of the Deferred Account, until such balance has been in such Deferred Account for at least two (2) calendar years.

- (b) Any participant who has made a Restricted Stock Election, Deferred Dividends Election, Deferred Retainer Election or Deferred Fees Election may make an additional election to further postpone the initial starting date for distributions of the balance in his or her Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account or Deferred Stock Account (to the extent attributable to a Deferred Stock Election or Conversion Election with respect to a Restricted Stock Election, Deferred Dividends Election, Deferred Retainer Election and/or Deferred Fees Election) to a date no earlier than three full calendar years thereafter and no later than the latest date that would have been permitted under Sections 3.2(d) or 3.3(c), as the case may be, for the initial Deferral Election; provided, however, that only one such Additional Deferral Election may be made with respect to the balance in any Deferred Account attributable to any individual Deferral Election.

3.7

Investment Return on Deferred Accounts

- (a) If a participant does not make an Investment Election as provided below, the Committee shall credit the balance of each participant's Deferred Pension Account, Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account and Deferred Cash Account during the calendar year with an Interest Return equal to interest thereon. Such balances shall include all Interest Returns previously credited to the account. The Interest Return to be credited for each calendar year shall be calculated by multiplying the average daily balance in each such Deferred Account by the Moody's Seasoned Aaa Corporate Bond Rate in effect on the first business day of September of the previous calendar year, as published in the weekly *Federal Reserve Statistical Release (Publication H.15)*. Notwithstanding the foregoing, at the time the participant makes a Deferral Election (other than a Restricted Stock Election or a form of distribution election), the participant may make an Investment Election and select Investment Options with respect to the amounts credited to those accounts. If a participant makes an Investment Election, additional hypothetical bookkeeping amounts shall be credited to (or deducted from) the participant's Deferred Pension Account, Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account or Deferred Cash Account to reflect the earnings (or losses) that would have been experienced had the deferred amounts been invested in the Investment Options selected by the participant as targeted rates of return, net of all fees and expenses otherwise associated with the Investment Options. The Committee may add or delete Investment Options, on a prospective basis, by notifying all participants whose accounts are hypothetically invested in such Investment Options, in

advance, and soliciting elections to transfer deferred amounts so that they track investments in other Investment Options then available. Investment Elections will continue in effect until changed by the participant. A participant may change a prior Investment Election on a monthly basis, in such manner as approved by the Committee.

- (b) Each time the Company declares a dividend on its Common Stock, each participant's Deferred Stock Account will be credited with a Dividend Reinvestment Return equal to that number of shares of Common Stock (rounded to the nearest one-one hundredth of a share) determined by dividing (i) the amount that would have been paid (or the fair market value thereof, if the dividend is not paid in cash) to the participant on the total number of shares of Common Stock credited to the participant's Deferred Stock Account had that number of shares of Common Stock been held by such participant by (ii) the average price paid by the Trustee of the Stock Trust for shares of Common Stock with respect to the dividend payment date or, if the Trustee shall not at such time purchase any shares of Common Stock, then the price shall be the average of the high and low NYSE market price for the Common Stock on such date.
- (c) Within 60 days following the end of each calendar year, the Committee shall furnish each participant with a statement of account which shall set forth the balance in each of the individual's Deferred Accounts as of the end of such calendar year, inclusive of cumulative Interest Return and/or Dividend Reinvestment Return.

3.8

Distributions

- (a) Upon occurrence of an event specified in the participant's Deferral Election, as modified by any Change-of-Form Election, the amount of a participant's Deferred Pension Account, Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account and/or Deferred Cash Account shall be paid in cash and the amount of a participant's Deferred Stock Account shall, except as otherwise provided in Section 3.4(g) or 3.9 or to the extent the Company is otherwise, in the reasonable judgment of the Committee, precluded from doing so, be paid in shares of Common Stock (with any fractional share interest therein paid in cash to the extent of the then fair market value thereof), in each case to the participant or his or her beneficiary, as applicable. Such payment(s) shall be from the general assets of the Company (including the Directors' Stock Trust) in accordance with this Section 3.8.
- (b) Unless other arrangements are specified by the Committee on a uniform and nondiscriminatory basis, deferred amounts shall be paid in the form of (i) a lump sum payment, (ii) in five approximately equal annual installments or (iii) in ten approximately equal annual installments, as

elected by the participant at the time of his or her Deferral Election and as modified by any applicable subsequent Change-of-Form Election; provided, however, that payments shall be made only in a single lump sum if payment commences due to termination for cause. Such payments shall be made (or begin to be made) as soon as practicable following the occurrence of the event making payment necessary or, if so elected in the Deferral Election, on the January 31st of the calendar year immediately following such event.

- (c) In case of an unforeseeable emergency, a participant may request the Committee, on a form to be provided by the Committee, that payment be made earlier than the date to which it was deferred; provided, however, that no such acceleration of the distribution date(s) shall apply to that portion of the balance(s) in the participant's Deferred Accounts either attributable to Annual Share Amounts, and any Dividend Reinvestment Return credited thereon pursuant to Section 3.7(b), or to a Deferred Pension Election, and any Interest Return or Dividend Reinvestment Return credited thereon pursuant to Section 3.7.

For purposes of this Section 3.8(c), an "unforeseeable emergency" shall be limited to a severe financial hardship to the participant resulting from a sudden and unexpected illness or accident of the participant or of a dependent (as defined in section 152(a) of the Code) of the participant, loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant. The circumstances that will constitute an unforeseeable emergency will depend upon the facts of each case, but, in any case, payment may not be made to the extent that such hardship is or may be relieved: (i) through reimbursement or compensation by available insurance or otherwise, (ii) by liquidation of the participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship or (iii) by cessation of deferrals under the Plan.

The Committee shall consider any requests for payment under this Section 3.8(c) on a uniform and nondiscriminatory basis and in accordance with the standards of interpretation described in section 457 of the Code and the regulations thereunder.

- (d) The Company shall deduct from all payments under the Plan federal, State and local income and employment taxes, as required by applicable law. No participant or beneficiary shall be entitled to receive any distribution of shares of Common Stock credited to a participant's Deferred Stock Account until the Company has received full payment of such withholding obligations in cash.

- (a) The Company shall make no provision for the funding of any Deferred Accounts payable hereunder that (i) would cause the Plan to be a funded plan for purposes of section 404(a)(5) of the Code or (ii) would cause the Plan to be other than an "unfunded and unsecured promise to pay money or other property in the future" under Treasury Regulations § 1.83-3(e); and, except to the extent specified in the Directors' Stock Trust following a "change of control" (as defined in the Directors' Stock Trust) of the Company, the Company shall have no obligation to make any arrangement for the accumulation of funds to pay any amounts under this Plan. Subject to the restrictions of the preceding sentence and in Section 3.9(c), the Company, in its sole discretion, may establish one or more grantor trusts described in Treasury Regulations § 1.677(a)-1(d) to accumulate funds and/or shares of Common Stock to pay amounts under this Plan, provided that the assets of such trust(s) shall be required to be used to satisfy the claims of the Company's general creditors in the event of the Company's bankruptcy or insolvency.
- (b) In the event that the Company shall decide to establish an advance accrual reserve on its books against the future expense of payments from any Deferred Account, such reserve shall not under any circumstances be deemed to be an asset of this Plan but, at all times, shall remain a part of the general assets of the Company, subject to claims of the Company's creditors.
- (c) A person entitled to any amount under this Plan shall be a general unsecured creditor of the Company with respect to such amount. Furthermore, a person entitled to a payment or distribution with respect to a Deferred Account, shall have a claim upon the Company only to the extent of the balance(s) in his or her Deferred Accounts.
- (d) The participant's beneficiary under this Plan with respect to the balance(s) in his or her Deferred Accounts shall be the person designated to receive benefits on account of the participant's death on a form provided by the Committee.
- (e) All commissions, fees and expenses that may be incurred in operating the Plan and any related trust(s) established in accordance with Section 3.9(a) (including the Directors' Stock Trust) will be paid by the Company.
- (f) Notwithstanding any other provision of this Plan: (i) elections under this Plan may only be made by participants while they are directors of the Company; (ii) no Conversion Election, Change-of-Form Election or Additional Deferral Election shall be effective if made within six (6) months prior to the earlier of (1) the date of the participant's scheduled

retirement or (2) the date the participant voluntarily terminates service on the Board; (iii) no Change-of-Form Election or Additional Deferral Election shall be effective with respect to any balance in any Deferred Account that is scheduled to be paid (or to begin to be paid) within six (6) months after the date of such election; and (iv) distributions otherwise payable to a participant in the form of Common Stock shall be delayed and/or instead paid in cash in an amount equal to the fair market value thereof if such payment in Common Stock would violate any federal or State securities laws (including Section 16(b) of the Securities Exchange Act of 1934, as amended) and/or rules and regulations promulgated thereunder.

3.10 Non-Assignability

Participants, their legal representatives and their beneficiaries shall have no right to anticipate, alienate, sell, assign, transfer, pledge or encumber their interests in the Plan, nor shall such interests be subject to attachment, garnishment, levy or execution by or on behalf of creditors of the participants or of their beneficiaries.

ARTICLE IV

Administration

4.1 Plan Administrator

Subject to the express provisions of the Plan, the Committee shall have the exclusive right to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to it and to make all other determinations necessary or advisable for the administration of the Plan. The decisions, actions and records of the Committee shall be conclusive and binding upon the Company and all persons having or claiming to have any right or interest in or under the Plan.

The Committee may delegate to such officers, employees or departments of the Company such authority, duties, and responsibilities of the Committee as it, in its sole discretion, considers necessary or appropriate for the proper and efficient operation of the Plan, including, without limitation, (i) interpretation of the Plan, (ii) approval and payment of claims, and (iii) establishment of procedures for administration of the Plan.

ARTICLE V

Amendment, Termination and Effective Date

5.1 Amendment of the Plan

Subject to the provisions of Section 5.3, the Plan may be wholly or partially amended or otherwise modified at any time by written action of the Board of Directors.

5.2 Termination of the Plan

Subject to the provisions of Section 5.3, the Plan may be terminated at any time by written action of the Board of Directors.

5.3 No Impairment of Benefits

Notwithstanding the provisions of Sections 5.1 and 5.2, no amendment to or termination of the Plan shall impair any rights to benefits which have accrued hereunder.

5.4 Effective Date

The Plan is effective as of November 1, 1996.

APPENDIX A

EXTENDED DEFERRAL OF EQUITY BASED COMPENSATION INCLUDING

RESTRICTED STOCK UNITS

Effective November 21, 2006, the following provisions apply to a participant's ability to defer distribution of Equity-Based Compensation:

- A.1 Definitions. The following definitions apply to this Appendix A. Any defined term not defined in this Section A.1 will have the same meaning provided under Article I of the Plan.
- (a) "Deferred Equity-Based Compensation Account" means the bookkeeping account established as a sub-account of the Deferred Stock Account on behalf of a participant who makes an Equity-Based Compensation Deferral Election pursuant to Section A.2.
 - (b) "Equity-Based Compensation Plan" means the Becton, Dickinson and Company 2004 Employee and Director Equity-Based Compensation Plan.
 - (c) "Equity-Based Compensation Deferral Election" means the election by a participant under Section A.2 to defer all or a portion of the participant's Equity- Based Compensation.
 - (d) "Equity-Based Compensation" means restricted stock units and other stock-based awards granted under the Equity-Based Compensation Plan, and does not include any such awards that qualify as vested stock, restricted stock, stock option awards, or stock appreciation rights.
- A.2 Equity-Based Compensation Deferral Election.
- (a) Each participant may make an Equity-Based Compensation Deferral Election to defer the initial starting date the Equity-Based Compensation is otherwise distributable to the participant or change an existing Equity-Based Compensation Deferral Election. Any Equity-Based Compensation Deferral Election that changes the time of distribution of a participant's Equity-Based Compensation: 1) must delay receipt of such distribution for at least 5 (five) years but not more than 10 (ten) years beyond the original distribution date; 2) must be made at least 12 months before the original distribution date; and 3) will not be effective until 12 months after the new election. Notwithstanding the foregoing, and in accordance with Code Section 409A and any guidance issued thereunder: (I) a participant may make an Equity-Based Compensation Deferral Election that changes the time and manner of payment of Equity-Based Compensation subject to Code Section 409A and deferred on or before December 31, 2006 at any time on or before December 31, 2006, provided that the election (1) is for Equity-Based

Compensation not otherwise distributable in 2006, and (2) does not cause an amount to be distributed to a participant in 2006; and (II) a participant may make an Equity-Based Compensation Deferral Election that changes the time and manner of payment of Equity-Based Compensation subject to Code Section 409A and deferred on or before December 31, 2007 at any time on or before December 31, 2007, provided that if any such election is made during the calendar year ending on December 31, 2007, the election (1) is for Equity-Based Compensation not otherwise distributable in 2007, and (2) does not cause an amount to be distributed to a participant in 2007. A participant may make an Equity-Based Compensation Deferral Election for any percentage of the participant's Equity- Based Compensation that is a multiple of 10%. Once made, an Equity-Based Compensation Deferral Election cannot be changed or revoked except as provided herein.

- (b) The Committee shall provide the participant with the appropriate election forms with which a participant may make an Equity-Based Compensation Deferral Election. All Equity-Based Compensation Deferral Elections (including any modifications of prior Equity-Based Compensation Deferral Elections otherwise permitted under the Plan) may be made in accordance with written, electronic or telephonic procedures prescribed by the Committee.
- (c) Equity-Based Compensation that is deferred pursuant to an Equity-Based Compensation Deferral Election will be transferred to the Deferred Equity-Based Compensation Account, and credited with dividend equivalent rights as follows: each time the Company declares a dividend on its Common Stock, each participant's Deferred Equity-Based Compensation Account will be credited with a Dividend Reinvestment Return equal to that number of shares of Common Stock (rounded to the nearest one-one hundredth of a share) determined by dividing (i) the amount that would have been paid (or the fair market value thereof, if the dividend is not paid in cash) to the participant on the total number of shares of Common Stock credited to the participant's Deferred Equity-Based Compensation Account had that number of shares of Common Stock been held by such participant by (ii) the average price paid by the Trustee of the Stock Trust for shares of Common Stock with respect to the dividend payment date or, if the Trustee shall not at such time purchase any shares of Common Stock, then the price shall be the average of the high and low NYSE market price for the Common Stock on such date.

A.3 Diversification of Equity-Based Compensation Upon Termination of Service

- (a) On and after the date the participant separates from service on the Board, and before the occurrence of the event specified in the terms of the participant's Equity-Based Compensation Deferral Election form, amounts in the participant's Deferred Equity-Based Compensation Account shall, except as otherwise provided in the Plan or to the extent the Company is otherwise, in the reasonable judgment of the Committee, precluded from doing so, be transferred to the participant's Deferred Stock Account and administered in accordance with the Plan provisions governing the Deferred Stock Account.

A.4 Distributions of Equity-Based Compensation

- (a) Upon the occurrence of an event specified in the terms of the participant's Equity- Based Compensation Deferral Election form, the Equity-Based Compensation in a participant's Deferred Stock Account shall be paid in accordance with the Plan provisions governing the distribution of the Deferred Stock Account, in each case to the participant or his or her beneficiary, as applicable; and the Equity-Based Compensation in a participant's Deferred Cash Account, if any, shall be paid in the same manner as provided in Section 3.8(a) for the Deferred Cash Account, in each case to the participant or his or her beneficiary, as applicable.
- (b) Deferred amounts shall be distributed (or begin to be distributed) as soon as practicable following the occurrence of the event making distribution necessary, but in no event later than the fifteenth day of the third month following the end of the calendar year in which such distribution event occurs.

CERTIFICATIONS

I, Edward J. Ludwig, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Becton, Dickinson and Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 6, 2007

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

I, John R. Considine, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Becton, Dickinson and Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 6, 2007

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

The certification set forth below is being submitted in connection with the Quarterly Report on Form 10-Q of Becton, Dickinson and Company for the quarter ended December 31, 2006 (the "Report") for the purpose of complying with Rule 13a – 14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

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

1. such Report fully complies with the requirements of Section 13(a) of the Exchange Act; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Becton, Dickinson and Company.

February 6, 2007

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

The certification set forth below is being submitted in connection with the Quarterly Report on Form 10-Q of Becton, Dickinson and Company for the quarter ended December 31, 2006 (the "Report") for the purpose of complying with Rule 13a – 14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

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

1. such Report fully complies with the requirements of Section 13(a) of the Exchange Act; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Becton, Dickinson and Company.

February 6, 2007

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