FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

(Mark One)

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

For the quarterly period ended December 31, 1995

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 1-4802

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

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

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

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

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

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

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

Class of Common Stock	Shares Outstanding as of January 31, 1996
Common stock, par value $1.00	64,004,929

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

Condensed Consolidated Balance Sheets at December 31, 1995 and September 30, 1995

Condensed Consolidated Statements of Income for the three months ended December 31, 1995 and 1994

Condensed Consolidated Statements of Cash Flows for the three months ended December 31, 1995 and 1994

Notes to Condensed Consolidated Financial Statements

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

<TABLE>
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Assets	December 31, 1995 (Unaudited)	September 30, 1995
Current Assets:		
Cash and equivalents	$ 199,205	$ 198,506
Short-term investments	33,587	41,495
Trade receivables, net	527,378	573,093
Inventories (Note 2):		
Materials	90,510	87,116
Work in process	65,365	71,316
Finished products	254,536	250,203
	410,411	408,635
Prepaid expenses, deferred taxes and other	113,764	105,789
Total Current Assets	1,284,345	1,327,518
Investments in Marketable Securities	44,400	44,400
Property, plant and equipment	2,436,746	2,423,080
Less allowances for depreciation and amortization	1,169,165	1,142,049
	1,267,581	1,281,031
Intangibles, Net		
Patents and other	85,002	84,403
Goodwill	102,982	97,098
Other	156,349	165,055
Total Assets	$2,940,659	$2,999,505
Liabilities and Shareholders' Equity		
Current Liabilities:		
Short-term debt	$ 222,155	$ 205,799
Payables and accrued expenses	485,110	514,236
Total Current Liabilities	707,265	720,035
Long-Term Debt	556,310	557,594
Long-Term Employee Benefit Obligations	297,616	289,711
Deferred Income Taxes and Other	35,195	33,780
Commitments and Contingencies	-	-
Shareholders' Equity:		
Preferred stock	54,269	54,713
Common stock	85,349	85,349
Capital in excess of par value	120,739	118,201
Cumulative currency translation adjustments	(2,254)	6,767
Retained earnings	1,976,254	1,946,636
Unearned ESOP compensation	(36,818)	(36,941)
Shares in treasury - at cost	(853,266)	(776,340)
Total Shareholders' Equity	1,344,273	1,398,385
Total Liabilities and Shareholders' Equity	$2,940,659	$2,999,505

</TABLE>

See notes to condensed consolidated financial statements

BECTON, DICKINSON AND COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
Thousands of Dollars, Except Per Share Data
(Unaudited)

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Three Months Ended

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	December 31, 1995	December 31, 1994
REVENUES	$ 639,935	$ 593,476
Cost of products sold	348,746	327,065
Selling and administrative	181,909	171,606
Research and development	37,334	35,223
TOTAL OPERATING COSTS AND EXPENSES	567,989	533,894
OPERATING INCOME	71,946	59,582
Interest expense, net	(9,287)	(10,554)
Other expense, net	(823)	(1,382)
INCOME BEFORE INCOME TAXES	61,836	47,646
Income tax provision	17,314	14,102
NET INCOME	$ 44,522	$ 33,544
EARNINGS PER SHARE	$ .65	$ .46
DIVIDENDS PER SHARE	$ .23	$ .205
Average common and common equivalent shares outstanding	67,343	70,411

</TABLE>

See notes to condensed consolidated financial statements

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

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	Three Months Ended December 31, 1995	Three Months Ended December 31, 1994
Operating Activities:		
Net income	$ 44,522	$ 33,544
Adjustments to net income to derive net cash provided by operating activities:		
Depreciation and amortization	51,035	50,270
Change in working capital	(14,695)	20,470
Other, net	7,981	1,231
Net cash provided by operating activities	88,843	105,515
Investing Activities:		
Capital expenditures	(30,643)	(22,938)
Acquisitions of businesses	(10,418)	-
Change in investments, net	7,891	21,174
Other, net	5,379	4,926
Net cash (used for) provided by investing activities	(27,791)	3,162
Financing Activities:		
Change in short-term debt	17,717	66,199
Payments of long-term debt	(1,604)	(1,626)
Issuance of common stock	5,020	2,623
Repurchase of common stock	(79,852)	(150,147)
Dividends paid	(881)	(915)

Net cash used for financing activities	(59,600)	(83,866)
Effect of exchange rate changes on cash and equivalents	(753)	(687)
Net increase in cash and equivalents	699	24,124
Opening Cash and Equivalents	198,506	94,913
Closing Cash and Equivalents	$ 199,205	$ 119,037

</TABLE>

See notes to condensed consolidated financial statements

BECTON, DICKINSON AND COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1995

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 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 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 1995 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.

Note 2 - Inventory Valuation

An actual valuation of inventory under the LIFO method can be made only at the end of each fiscal year based on the inventory levels and costs at that time. Accordingly, interim LIFO calculations are based on management's estimates of expected year-end inventory levels and costs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Results of Operations

First quarter reported revenues of $640 million exceeded the prior year's revenues by 8%. The favorable effect of a weaker dollar versus the prior year added an estimated $9 million to revenues, or 1.5 percentage points. Reported revenue growth was unfavorably impacted by the decrease in revenues as a result of the divestiture of the glove business last year. This reduction was offset by the estimated increase in sales in the first quarter due to the reduction in promotional activity at the end of the prior fiscal year. Medical Supplies and Devices segment revenues of $347 million increased 8%, or 7% after excluding the estimated favorable effect of foreign currency translation. Diagnostic Systems segment revenues of $293 million increased 7%, or 6% after excluding the estimated impact of foreign currency translation.

Domestic Medical segment revenues of $174 million increased 5%. Domestic Medical segment revenues were unfavorably impacted by the absence of sales due to the divestiture of the gloves business. This impact was offset by the increase in sales in the quarter which resulted from the reduction in promotional activity in the fourth quarter of last year. International Medical segment revenues of $173 million increased 12%, or 8% after excluding the estimated favorable impact of foreign currency translation. Good growth rates were experienced worldwide by both the injection systems and infusion therapy businesses which continue to benefit from the conversion to safety products.

Domestic Diagnostic segment revenues of $153 million increased 2%. Diagnostic segment revenue growth continues to be unfavorably impacted by cost containment initiatives in the marketplace. The Company is responding to these trends by continuing the effort to develop innovative and cost effective products. International Diagnostic segment revenues of $140 million increased 14%, or 11% after excluding the estimated favorable effect of foreign currency translation. Strong sales growth continued in the sample collection and flow cytometry products lines in Europe, Japan and the Asia-Pacific region. This strength was partially offset by unfavorable trends related to cost containment initiatives in the infectious disease diagnostics business.

The gross profit margin of 45.5% was over one-half of a percentage point higher than last year's first quarter rate of 44.9%. The improvement reflects productivity improvements and a more profitable mix of products sold as well as favorable foreign currency translation. Selling and administrative expense of $182 million was 28.4% of revenues. This ratio is an improvement of one-half of a percentage point over last year's ratio of 28.9%, despite the increase in some targeted investments in sales and marketing for critical strategic initiatives and international expansion. Investment of $37 million in research and development increased 6% over last year's first quarter expenditures, reflecting the funding of strategic choices made last year.

Operating income of $72 million increased 21% from last year's first quarter amount of $60 million. The improvement in the operating margin from 10.0% to 11.2% primarily reflects the improved gross profit margin and improved expense ratios.

Net interest expense of $9 million was $1 million lower than last year's first quarter amount, reflecting the Company's strong cash flow and reduced working capital requirements. Other expense, net was $1 million which was approximately the same as last year's first quarter amount. The first quarter income tax rate was 28.0%, compared with last year's first quarter rate of 29.6%, reflecting the forecasted mix in income among tax jurisdictions.

Net income was $45 million compared with $34 million last year, an increase of 33%. Earnings per share of $.65 increased 41% over last year's $.46, or approximately 33% after excluding the estimated $.04 favorable effect of foreign currency translation. Strong growth in operating income as well as the Company's continuation of the share repurchase program contributed to this favorable earnings per share growth.

Financial Condition

During the first quarter of 1996, cash provided by operations was $89 million, compared with $106 million during the first quarter of last year. In the first quarter of 1996, net working capital decreased $30 million reflecting the emphasis on asset management. Total debt increased $15 million during the first quarter of 1996. The percentage of debt to capitalization (wherein capitalization is defined as the sum of shareholders' equity, net non-current deferred income tax liabilities, and debt) was 36.5%, significantly lower than 40.4% a year ago.

Capital expenditures for the quarter were $31 million compared with $23 million during the first quarter of last year. For the full year, capital expenditures are expected to be approximately $150 million. In the first quarter, the Company also expended $10 million to complete acquisitions in the infectious disease and sample collection businesses.

Because of its strong credit ratings, the Company believes it has the capacity to arrange significant additional borrowings should the need arise.

During the first quarter of 1996, the Company repurchased 1.2 million shares of its common stock for a total expenditure of $80 million. At December 31, 1995, authorization from the Board of Directors remained outstanding to acquire an additional 2.9 million shares. For the full year, the Company expects to spend less than $300 million for share repurchases.

At its November 1995 meeting, the Board of Directors increased the Company's quarterly dividend from $.205 to $.23 per common share.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K.

a) Exhibits

11 - Computation of Earnings Per Share.
27 - Financial Data Schedule

b) Reports on Form 8-K

A report on Form 8-K dated November 28, 1995 was filed with the Securities and Exchange Commission by the registrant on December 14, 1995. Item 5 ("Other Events") was reported and disclosed the registrant's adoption of a new shareholder rights plan. Pursuant to the new plan, one Right will be issued for each outstanding share of common stock, par value $1.00 per share, of the registrant on the expiration of the existing rights (April 25, 1996). A description of the terms of the Rights was included and referred to in the report.

SIGNATURE

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)

Date February 12, 1996

/s/ Edward J. Ludwig
Edward J. Ludwig
Senior Vice President - Finance
and Chief Financial Officer
(Principal Financial and Accounting
Officer)

EXHIBIT INDEX

Exhibit Number	Description	Method of Filing
11	Computation of Earnings Per Share	Filed with this report
27	Financial Data Schedule	Filed with this report

Exhibit 11

BECTON, DICKINSON AND COMPANY
COMPUTATION OF EARNINGS PER SHARE
(All amounts in thousands, except per share data)

<TABLE>
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PRIMARY EARNINGS PER SHARE	Three Months Ended December 31, 1995	1994
<S>	<C>	<C>
Net income	$ 44,522	$ 33,544
Less preferred stock dividends	(882)	(909)
Net income applicable to common stock	$ 43,640	$ 32,635
Shares:		
Average shares outstanding	64,503	68,689
Add dilutive stock equivalents from stock plans	2,840	1,722
Weighted average number of common and common equivalent shares outstanding during the year	67,343	70,411
Earnings per share	$ .65	$ .46
FULLY DILUTED EARNINGS PER SHARE		
Net income applicable to common stock	$ 43,640	$ 32,635
Add preferred stock dividends using the "if converted" method	882	909
Less additional ESOP contribution, using the "if converted" method	(326)	(359)
Net income for fully diluted earnings per share	$ 44,196	$ 33,185
Shares:		
Average shares outstanding	64,503	68,689
Add:		
Dilutive stock equivalents from stock plans	3,131	1,763
Shares issuable upon conversion of preferred stock	1,472	1,517
Weighted average number of common shares used in calculating fully diluted earnings per share	69,106	71,969
Fully diluted earnings per share	$ .64	$ .46

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This Schedule contains summary financial information extracted from the Company's Consolidated Financial Statements for the three months ended December 31, 1995, and is qualified in its entirety by reference to such financial statements.
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