



**Fourth Quarter and Full-Year Results  
Fiscal Year 2010  
Fiscal Year 2011 Guidance**

**November 4, 2010**

## Forward-Looking Statements

- These materials include forward-looking statements and it's possible that actual results could differ from our expectations. Factors that could cause such differences appear in our fourth quarter earnings release and in our recent SEC filings.

## Non-GAAP Financial Measures

- These materials also include Non-GAAP financial measures. A reconciliation to the comparable GAAP measures can be found herein, or in our earnings release and the financial schedules attached thereto.
- ***A copy of the release, including the financial schedules, is posted on the "Investors" section of the BD.com website***

## Results from Continuing Operations

- The following financial information represents results from continuing operations. Certain financial information excludes the following items:
  1. The second quarter fiscal 2010 non-cash charge related to healthcare reform impacting Medicare Part D reimbursements
  2. The impact of foreign currency translation, including hedge gains or losses
  3. The charge relating to the pending antitrust settlement agreement with direct purchaser plaintiffs recorded in the second quarter of fiscal year 2009
  4. The tax benefit relating to various tax settlements in multiple jurisdictions recorded in the third quarter of fiscal year 2009

FXN = Estimated foreign exchange-neutral currency growth.

\$ = Dollars in millions except per share data.

Note: All figures on accompanying slides are rounded. Totals may not add due to rounding. Percentages are based on un-rounded figures.

## **Edward J. Ludwig** Chairman and CEO

- Solid Q4 and 2010 results
- 10<sup>th</sup> straight year of meeting or exceeding our commitments
- 38<sup>th</sup> year of consecutive dividend increases
- Continued execution of operational excellence initiatives
- Delivered steady and predictable cash flow and return to shareholders

**BD's Strategy** is to Apply Technology to Address Unmet and Underappreciated, But Important, Needs Within Healthcare and Life Sciences. There Are Four Areas of Focus:

- Enabling safer, simpler and more effective parenteral drug delivery
- Improving clinical outcomes through new, accurate and faster diagnostics
- Providing tools and technologies to the research community that facilitate basic science, drug discovery and cell therapy
- Enhancing disease management in Diabetes, Women's Health and Cancer, and Infection Control

- Strengthen the core
- Focused investments in platform extensions and innovation
- Grow in emerging markets
- Operational excellence
- Drive an efficient capital structure and strong shareholder returns


	<b>FY 2010 Adjusted</b>	<b>FY 2011</b>	<b>FY 2011-2013</b>
	<b>FXN Growth</b>	<b>FXN Growth</b>	<b>FXN Growth</b>
<b>Revenues</b>	5.6%	~4%	~6%
<b>EPS</b>	9.2%	10-12%	10-12%

**David V. Elkins**  
Executive Vice President and CFO





# Divestiture and Specified Item Reconciliation

	FY 2010	Guidance FY 2011	
<b>EPS Pre-Items <sup>(1)</sup></b>	\$5.11		
<b>Divestiture <sup>(1)</sup></b>	(\$0.21)		
<b>Reported EPS</b>	\$4.90		
<b>Medicare Pro forma</b>	\$0.04		
<b>Pro forma EPS</b>	\$4.94	 \$5.45-\$5.55	<b>10-12% growth</b>

<sup>(1)</sup> EPS of \$5.11 and the divestiture excludes the \$0.38 gain from the sale of the Ophthalmic Systems unit, surgical blade platform, and critical care platform. Adding back the amount of \$0.38 will result in diluted EPS of \$5.49 as reported in the press release financial schedules for the full fiscal year 2010.

- Fourth Quarter results are in line with the Company's expectations
- Revenue growth of 2.9% FXN partially impacted by tough comparison to FY 09 pandemic flu sales in both the Medical and Diagnostics segments
- Strong growth in emerging markets (Asia Pacific, EMA, Latin America)
- Delivered on EPS guidance

	Fourth Quarter			Total Year		
	2010	Reported Growth	FXN Growth	2010	Adjusted Growth	Adjusted FXN Growth
<b>Revenues</b>	\$1,873	1.0%	2.9%	\$7,372	5.5%	5.6%
<b>EPS</b>	\$1.24	3.3%	1.7%	\$4.94	3.8%	9.2%

# FY 2010 Revenues by Segment

	Fourth Quarter			Total Year		
	\$	Reported Growth %	FXN %	\$	Reported Growth %	FXN %
<b>Total Revenues</b>	<b>\$1,873</b>	<b>1.0%</b>	<b>2.9%</b>	<b>\$7,372</b>	<b>5.5%</b>	<b>5.6%</b>
<b>Medical</b>	\$959	-0.3%	2.1%	\$3,796	6.7%	6.2%
<b>Diagnostics</b>	\$591	2.0%	3.1%	\$2,319	4.2%	4.0%
<b>Biosciences</b>	\$323	3.5%	5.3%	\$1,257	4.4%	6.8%



# FY 2010 U.S. and International Revenues

	Fourth Quarter			Total Year		
	\$	Reported Growth %	FXN %	\$	Reported Growth %	FXN %
<b>Total U.S.</b>	<b>832</b>	<b>1.4</b>	<b>1.4</b>	<b>3,287</b>	<b>5.0</b>	<b>5.0</b>
Medical	400	2.1	2.1	1,596	6.2	6.2
Diagnostics	308	0.7	0.7	1,214	3.1	3.1
Biosciences	124	0.6	0.6	476	6.0	6.0
<b>International</b>	<b>1,041</b>	<b>0.8</b>	<b>4.2</b>	<b>4,086</b>	<b>5.9</b>	<b>6.0</b>
Medical	558	-2.0	2.1	2,200	7.2	6.2
Diagnostics	284	3.4	5.7	1,105	5.3	4.9
Biosciences	199	5.4	8.4	781	3.5	7.2

Note: International data includes hedge allocation.

# FY 2010 Safety Revenues

	Fourth Quarter			Total Year		
	\$	Reported Growth %	FXN %	\$	Reported Growth %	FXN %
<b>Total Safety</b>	<b>\$443</b>	<b>3.9%</b>	<b>4.8%</b>	<b>\$1,730</b>	<b>6.5%</b>	<b>6.0%</b>
<b>By Geography</b>						
U.S.	\$283	2.4%	2.4%	\$1,108	4.9%	4.9%
International	\$160	6.7%	9.2%	\$622	9.5%	8.1%
<b>By Segment</b>						
Medical	\$209	2.1%	2.7%	\$819	7.6%	6.9%
Diagnostics	\$235	5.6%	6.7%	\$911	5.5%	5.2%

Note: International data includes hedge allocation.



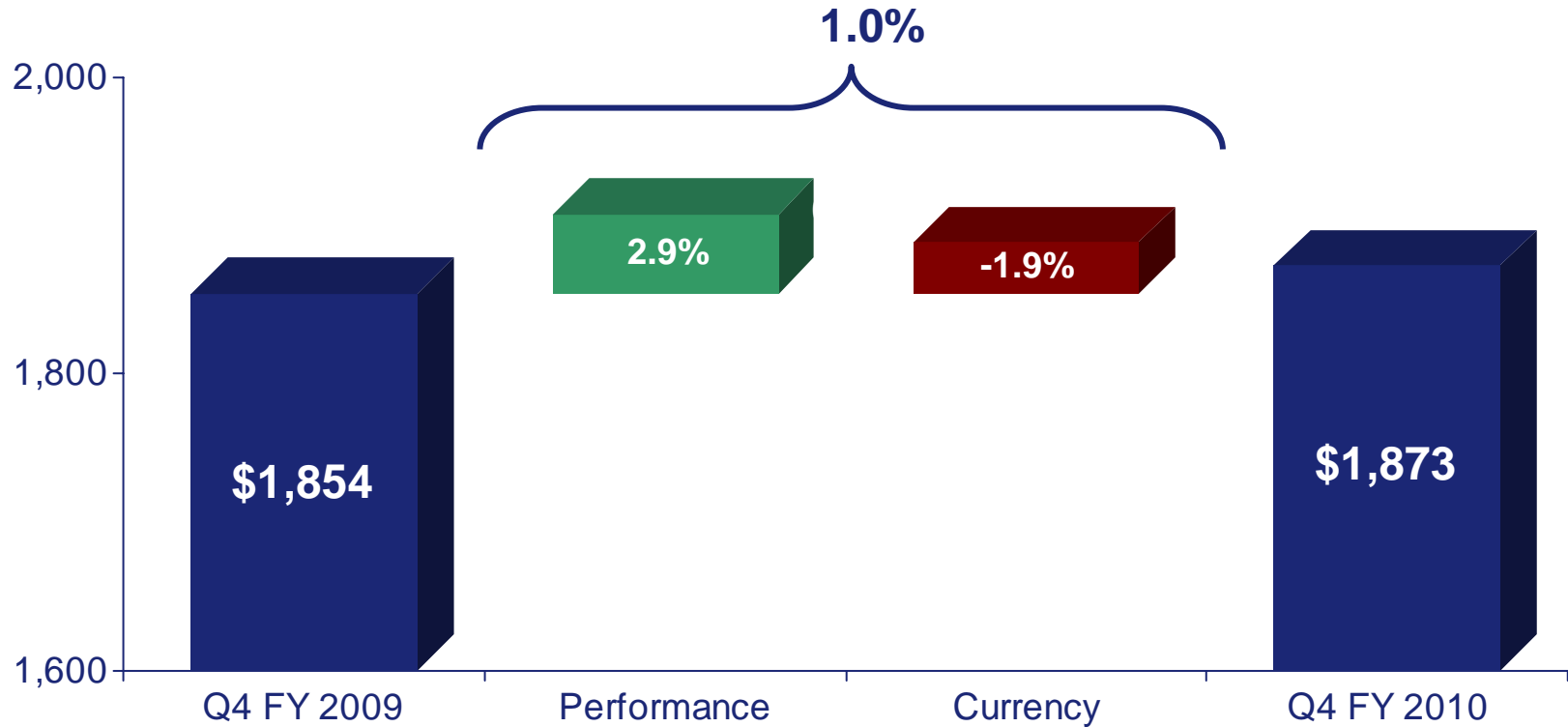
# FY 2010 Impact of Flu on Revenue Growth by Quarter

	Q1	Q2	1 <sup>st</sup> Half	Q3	Q4	2 <sup>nd</sup> Half	Total Year
<b>FXN Growth</b>	9.3%	6.6%	8.0%	3.8%	2.9%	3.4%	5.6%
<b>Flu-Related</b>	4.3%	0.7%	2.5%	0.9%	3.0%	1.9%	0.2%
<b>W/O Flu</b>	5.0%	5.9%	5.5%	4.7%	5.9%	5.3%	5.4%

Note: In the first half of the year, pandemic flu provided a benefit to our revenue growth of 2.5 percent which is mainly in the U.S. For the second half of the fiscal year, the pandemic flu resulted in a 1.9 percent negative impact to our revenue growth due to the international pandemic revenues that were recorded in the second-half of fiscal year 2009 that did not repeat in fiscal year 2010.

# Q4 FY 2010 Revenue Growth Year-Over-Year

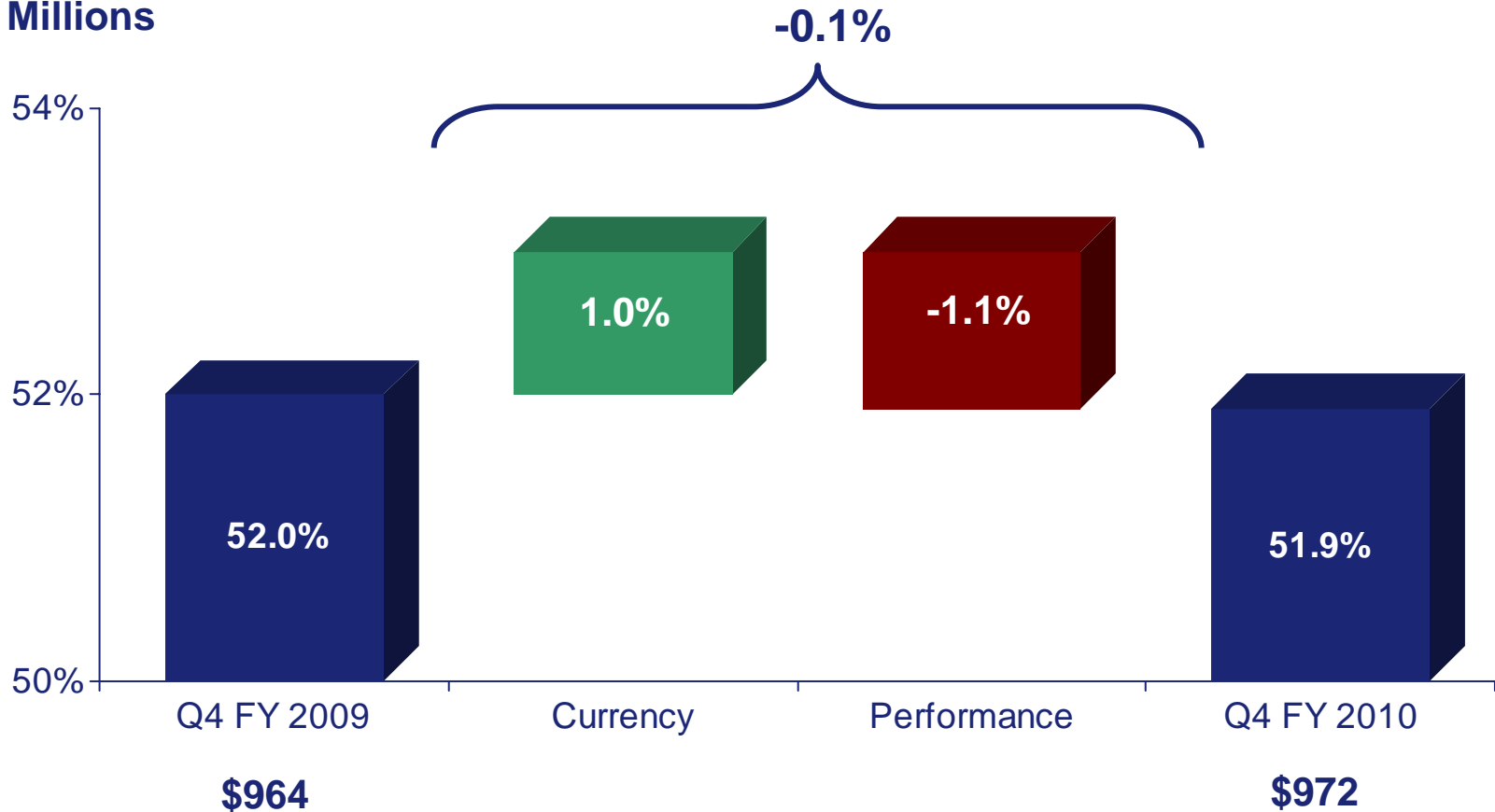
\$ in Millions





# Q4 FY 2010 Gross Margin Change Year-Over-Year

\$ in Millions

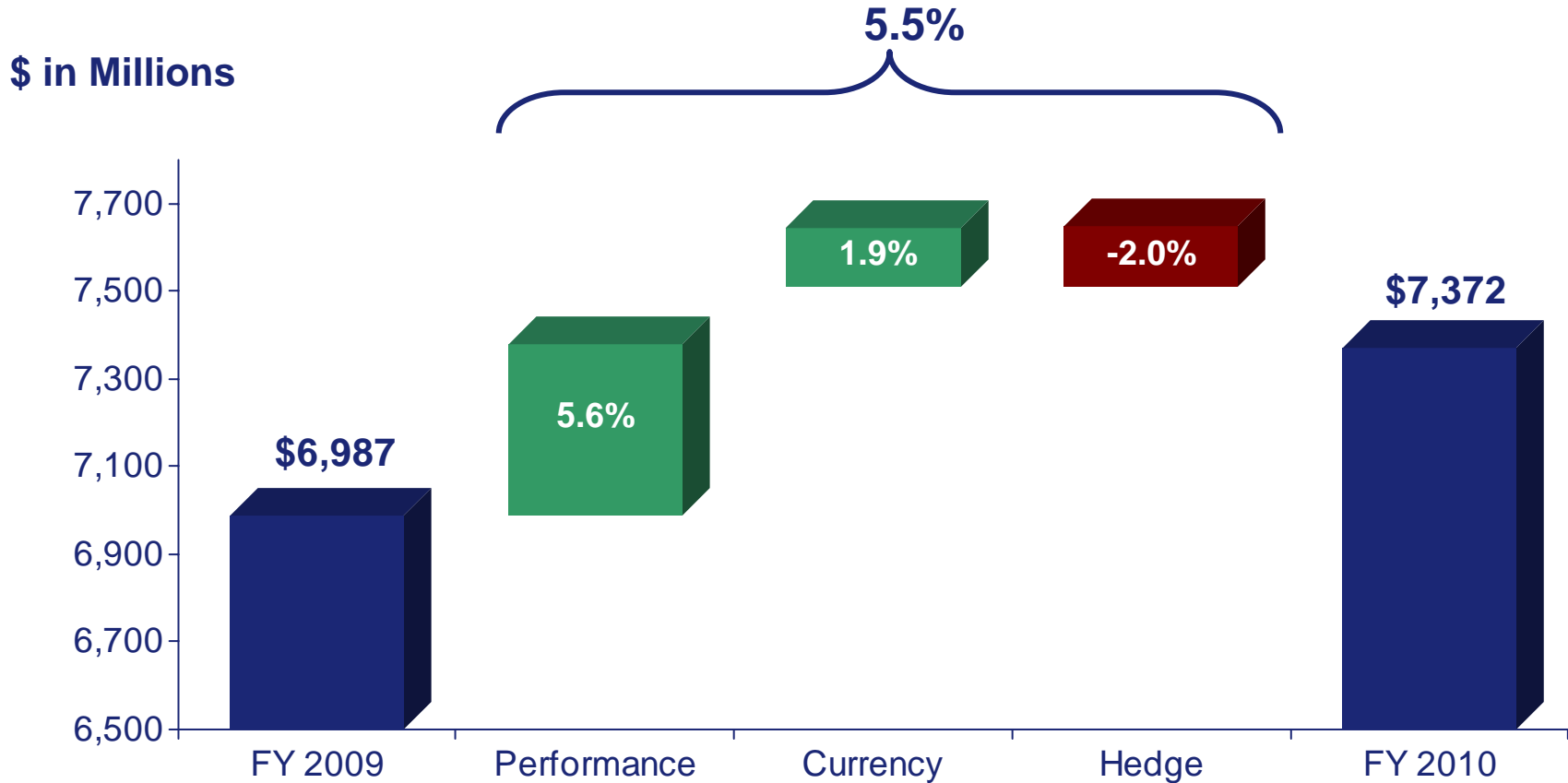


# Q4 FY 2010 Income Statement

	Q4 FY 2010	Q4 FY 2009	Favorable (Unfavorable)		
			\$ Change	Reported % Change	FXN % Change
<b>Revenues</b>	1,873	1,854	19	1.0%	2.9%
<b>Gross Profit</b>	972	964	8	0.9%	0.9%
% of Revenues	51.9%	52.0%			
<b>SSG&amp;A</b>	438	427	(11)	-2.6%	-3.7%
% of Revenues	23.4%	23.0%			
<b>R&amp;D</b>	124	113	(11)	-9.5%	-10.3%
% of Revenues	6.6%	6.1%			
<b>Operating Income</b>	411	424	(13)	-3.2%	-4.5%
% of Revenues	21.9%	22.9%			
<b>EPS</b>	\$1.24	\$1.20	\$0.04	3.3%	1.7%

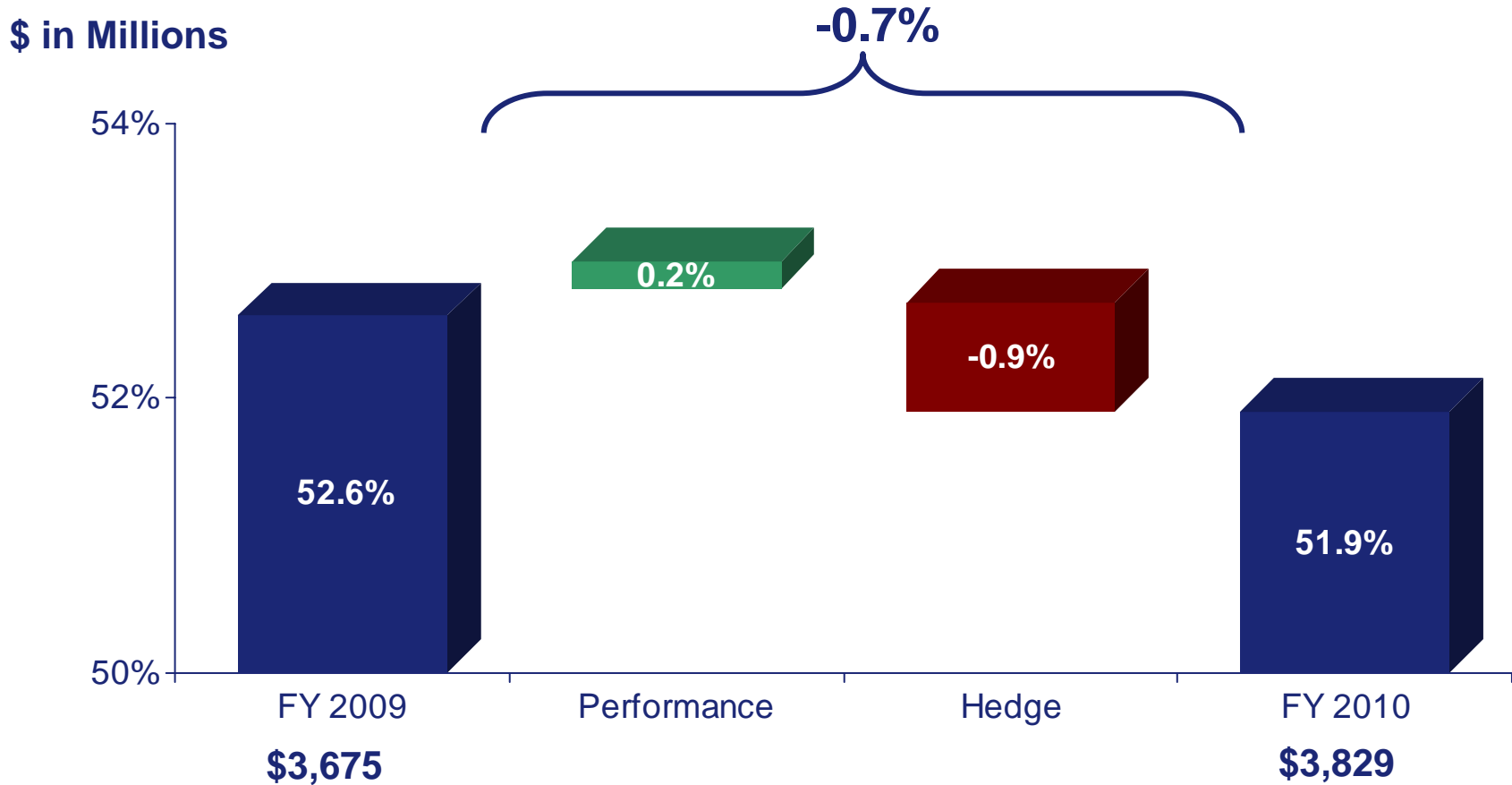


# FY 2010 Total Year Revenue Growth Year-Over-Year





# FY 2010 Total Year Gross Margin Change Year-Over-Year



# FY 2010 Total Year Income Statement

	Adjusted FY 2010 Total Year	Adjusted FY 2009 Total Year	Favorable (Unfavorable)		
			\$ Change	Adjusted % Change	FXN % Change
<b>Revenues</b>	7,372	6,987	386	5.5%	5.6%
<b>Gross Profit</b>	3,829	3,675	154	4.2%	6.0%
% of Revenues	51.9%	52.6%			
<b>SSG&amp;A</b>	1,721	1,636	(86)	-5.2%	-3.2%
% of Revenues	23.3%	23.4%			
<b>R&amp;D</b>	431	405	(26)	-6.5%	-6.0%
% of Revenues	5.8%	5.8%			
<b>Operating Income</b>	1,677	1,635	42	2.6%	8.8%
% of Revenues	22.7%	23.4%			
<b>EPS</b>	\$4.94	\$4.76	\$0.18	3.8%	9.2%

**Our guiding principles are:**

- **Maintain solid investment grade rating**
- **Ensure ongoing access to debt markets for strategic opportunities**
- **Optimize cost of capital based on market conditions**

**Given historically low interest rate levels we plan on accessing the credit markets in the coming weeks.**

**Proceeds of any debt issuance will be used for general corporate purposes and share repurchases.**

	FY 2010	Guidance FY 2011	
Revenue	\$7.4B	~\$7.7B	← Tough comparison due to pandemic and stimulus orders in 2010
Gross Profit	51.9%	52.2%-52.4%	} Increased investment: EVEREST/SAP Shared services Key R&D investments
SSG&A	23.3%	23.2%-23.4%	
R&D	5.8%	6.1%-6.3%	
Operating Income	22.7%	22.8%-23.0%	
Tax Rate	28.7%	27.0%-27.5%	
Operating Cash Flow	\$1.7B	~\$1.9B	
Share Repurchase	\$750M	\$1.5B	
Capital Expenditures	\$537M	\$550-\$575M	
EPS	\$4.94	\$5.45-\$5.55	

- **Solid operating performance in the year**
- **Efficiency programs well under way to deliver in 2011**
- **Increasing our investments in key R&D projects and geographic expansion**
- **Seeking to maximize our capital structure given current market conditions**
- **Continued commitment to return cash to shareholders**



## **Vincent A. Forlenza** President and COO

# FY 2011 Guidance by Segment

	<b>FY 2010 FXN Growth</b>	<b>FY 2011 FXN Growth</b>	<b>Growth Excluding Pandemic/Stimulus</b>
<b>BD Total</b>	5.6%	~4%	~6%
<b>Medical</b>	6.2%	~4%	~6%
<b>Diagnostics</b>	4.0%	~5%	~6%
<b>Biosciences</b>	6.8%	~4%	~7%

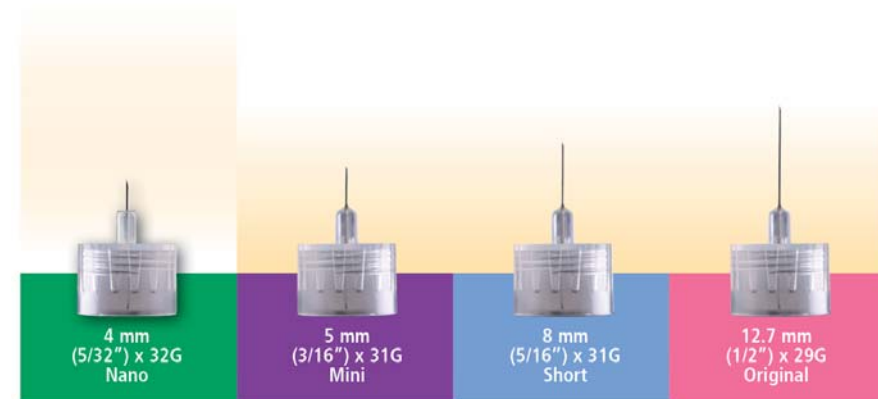
## ● ReLoCo

- ◆ Program to drive sustained low-cost capability for Medical Surgical Systems (Operational Excellence)
- ◆ Estimate break-even 2011
- ◆ \$50-\$60 million annualized savings 2013

## ● ReKindle

- ◆ Program targeted at accelerating BD's Hypodermic growth in underpenetrated markets
  - > Achieve cost-competitive position
  - > Complete / optimized portfolio of hypodermic products
  - > Effective local execution

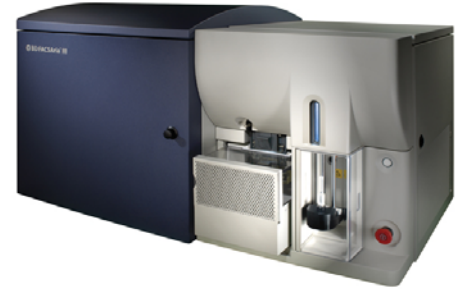
- **Accelerated international growth**
  - ◆ **BD Intima™ II safety catheter** – first healthcare worker safety product in China, specifically designed to meet the local clinical practices
- **Portfolio expansion**
  - ◆ **Expansion of SAIS devices**
  - ◆ **New products for insulin pump users, leveraging base of leadership in insulin delivery and acute care infusion**
- **Extending our leadership with pen needles**



- Strengthening leadership in microbiology and investing to expand our position in molecular and cancer diagnostics
- Investing in BD Viper™ XTR and Viper LT and BD HPV test
- BD SurePath™ Plus Molecular Pap test system expected calendar 2013
- BD MAX™ 6-color open system expected calendar Q3 2011



- Strong instrument and reagent opportunities
- Two next-generation analyzers
  - ◆ Research cell analysis market
  - ◆ CD4 testing in developing world
- Next-generation lower-cost desk top sorter
- First animal-free, antibiotic-free facility in Miami



- **\*2010 emerging markets \$1.4B in revenues**
  - ◆ **Robust growth rate of approximately 13% FXN**
- **Align traditional BD capabilities with key needs in these markets**
- **ReKindle initiative helps to drive strategy into local markets where previously not feasible**
- **Significant investment in sales and customer education, partnering with local community**
- **Customized market penetration strategies based on each market's unique situation**
- **Continued strong growth expected from these markets**

- **ReLoCo/ ReKindle**
- **SAP (EVEREST) – global enterprise resource planning initiative**
  - ◆ Designed to optimize processes, refresh technology and improve service to our customers
  - ◆ Pleased with progress to date – in implementation phase and 3 years from completion
  - ◆ Confident ability to shut off several legacy systems will enable us to reap significant savings long-term
- **Shared service centers – consolidate and streamline functions such as back-office HR, Finance, and Customer Service**
  - ◆ Reduce number of non-customer-facing roles, increase sales
  - ◆ Recently announced North American center in San Antonio, consolidating Asia Pacific transactions into center in Singapore



- **Strengthen and leverage our core franchise**
- **Invest in R&D, key platform extensions and new products**
- **Invest in rapidly growing emerging markets**
- **Drive operational excellence across the P&L**
- **Very optimistic about BD's future and ability to deliver strong shareholder returns**

# Q & A

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# Q4 FY 2010 Reconciliations - FX Impact

Three Months Ended September 30

	Actual 2010	Actual 2009	Growth \$	FY09 Hedge Gain	Foreign Currency Translation	FY10 Hedge Gain	Total FX	FXN Change	FXN Growth
Revenue	\$ 1,873	1,854	19	(11)	(35)	11	(35)	55	2.9%
Gross Profit	972	964	8	(11)	0	11	0	8	0.9%
% of Revenue	51.9%	52.0%							
SSG&A	438	427	(11)	-	5	-	5	(16)	-3.7%
% of Revenue	23.4%	23.0%							
R&D	124	113	(11)	-	1	-	1	(12)	-10.3%
% of Revenue	6.6%	6.1%							
Operating Income	411	424	(13)	(11)	6	11	6	(19)	-4.5%
	21.9%	22.9%							
Income Tax	121	127	6	4	(3)	(4)	(3)	9	nm
Effective Tax Rate	29.2%	30.1%							
Income from Continuing Operations	293	294	(1)	(7)	4	7	4	(5)	-1.8%
% of Revenue	15.6%	15.9%							
EPS	\$ 1.24	1.20	0.04	(0.03)	0.02	0.03	0.02	0.02	1.7%

\$ Amounts in millions except per share data.

All figures rounded. Totals may not add due to rounding.



# FY 2010 Reconciliations - FX Impact

Twelve Months Ended September 30

	Adjusted <sup>(1)</sup> 2010	Adjusted <sup>(1)</sup> 2009	Adjusted Growth \$	FY09 FX Holding	FY09 Hedge Gain	Foreign Currency Translation	FY10 Hedge Loss	Total FX	Adjusted FXN Change	FXN Growth
Revenue	\$ 7,372	6,987	386	-	(105)	133	(31)	(4)	389	5.6%
Gross Profit	3,829	3,675	154	(35)	(105)	105	(31)	(66)	221	6.0%
% of Revenue	51.9%	52.6%								
SSG&A	1,721	1,636	(86)	-	-	(32)	-	(32)	(53)	-3.2%
% of Revenue	23.3%	23.4%								
R&D	431	405	(26)	-	-	(2)	-	(2)	(24)	-6.0%
% of Revenue	5.8%	5.8%								
Operating Income	1,677	1,635	42	(35)	(105)	70	(31)	(101)	143	8.8%
	22.7%	23.4%								
Income Tax	476	449	(27)	13	40	(32)	12	33	(60)	nm
Effective Tax Rate	28.7%	27.6%								
Income from Continuing Operations	1,185	1,175	10	(22)	(65)	43	(20)	(63)	73	6.2%
% of Revenue	16.1%	16.8%								
EPS	\$ 4.94	4.76	0.18	(0.09)	(0.26)	0.17	(0.08)	(0.26)	0.44	9.2%

<sup>(1)</sup> Excluding Specified Items per reconciliation included in this presentation.

\$ Amounts in millions except per share data.

All figures rounded. Totals may not add due to rounding.



# FY 2010 Reconciliations

	Reported FY 2010	Tax <sup>(1)</sup>	Adjusted FY 2010	Reported FY 2009	Litigation Charge <sup>(2)</sup>	Tax <sup>(3)</sup>	Adjusted FY 2009	Adjusted % Growth
Revenues	\$ 7,372		\$ 7,372	\$ 6,987			\$ 6,987	5.5%
Gross Profit	3,829		3,829	3,675			3,675	4.2%
% of Revenue	51.9%		51.9%	52.6%			52.6%	
SSG&A	1,721		1,721	1,681	\$ (45)		1,636	-5.2%
% of Revenue	23.3%		23.3%	24.1%			23.4%	
R&D	431		431	405			405	-6.5%
% of Revenue	5.8%		5.8%	5.8%			5.8%	
Operating Income	1,677		1,677	1,590	45		1,635	2.6%
% of Revenue	22.7%		22.7%	22.8%			23.4%	
Income Tax	485	\$ (9)	476	411	17	\$ 20	449	nm
Effective Tax Rate	29.2%		28.7%	26.1%			27.6%	
Income from Continuing Operations	1,176	9	1,185	1,167	28	(20)	1,175	0.9%
% of Revenue	16.0%		16.1%	16.7%			16.8%	
EPS	\$ 4.90	\$ .04	\$ 4.94	\$ 4.73	\$ 0.11	\$ (0.08)	\$ 4.76	3.8%

<sup>(1)</sup> Represents a non-cash charge related to healthcare reform impacting Medicare Part D reimbursements.

<sup>(2)</sup> Represents the charge relating to the pending settlement with the direct purchaser plaintiffs (which includes BD's distributors) in the antitrust class actions.

<sup>(3)</sup> Represents the tax benefit relating to various tax settlements in multiple jurisdictions.

\$ Amounts in millions except per share data.  
All figures rounded. Totals may not add due to rounding.