Stock Study

1 Growth Analysis

NYSE: BDX

FY 2009 Q3 (Ended 6/30/2009)
RECENT QUARTERLY FIGURES

	SALES ($M)	EARNINGS PER SHARE ($)
Latest Quarter	1,820.3	1.30
Year Ago Quarter	1,849.3	1.18
Percentage Change	−1.6%	10.2%

	Default	Override	
Projected 5 Year Sales @	7.5%	0.0	10,273.2
Less Expenses	19.8%	0.0	−8,239.1
Less Taxes	27.5%	0.0	−559.4
Less Preferred Dividends	$0.0	0.0	0.0
			===========
Projected 5 Yr Total Earnings			1,474.7
Divided by Shares Outs.	239.5	0.0	6.16
Calculated Growth Rate			6.7

Chart values: 10,273.2 — 7,155.9 — 7.52 — 1,553.6 — 4.46

(1) Historical Sales Growth	8.7 %	(3) Historical Earnings Per Share Growth	13.5 %
(2) Estimated Future Sales Growth	7.5 %	(4) Estimated Future Earnings Per Share Growth	11.0 %
(5) Sales Growth R^2	0.99	(6) Earnings Per Share Growth R^2	0.98

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2 QUALITY ANALYSIS

Company **BECTON DICKINSON & CO** **(BDX)** 08/07/09

		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	5 YEAR AVG.	TREND UP / DOWN
A	% Pre-tax Profit on Sales	15.2	15.7	15.5	16.3	16.5	18.2	18.7	19.4	20.9	21.7	19.8	UP
B	% ROE (Beginning Yr)		23.2	21.6	21.1	22.6	22.4	24.1	24.7	24.6	24.9	24.2	UP
C	% Debt to Equity	54.8	40.4	34.0	32.7	41.3	38.6	32.3	24.9	21.9	19.3	27.4	DOWN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE **64.420**   52-WEEK HIGH **89.240**   52-WEEK LOW **58.140**

	Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1	2004	54.1	35.2	2.56	21.1	13.8	0.600	23.4	1.7
2	2005	60.4	49.4	2.94	20.5	16.8	0.720	24.5	1.5
3	2006	70.9	49.7	3.28	21.6	15.2	0.860	26.2	1.7
4	2007	84.9	68.8	3.84	22.1	17.9	0.980	25.5	1.4
5	2008	93.2	76.0	4.46	20.9	17.0	1.140	25.6	1.5
6	AVERAGE		55.8		21.2	16.1		25.0	

AVERAGE P/E RATIO	18.7	PROJECTED P/E RATIO	12.0	TTM EPS		4.82
CURRENT P/E RATIO	13.4	PEG RATIO	1.1	FTM EPS		5.35
RELATIVE VALUE	71.7%	PROJ. RELATIVE VALUE	64.4%			

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS
Selected High P/E __**21.2**__ X Estimated High Earnings/Share __**7.52**__ = Forecast High Price $ __**159.4**__

B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS
(a) Avg. Low P/E __**16.1**__ (as adj.) X Estimated Low Earnings/Share __**4.46**__ = $ __**71.8**__
(b) Average 5-Year Low Price = __**55.8**__
(c) Recent Severe Low Price = __**58.1**__
(d) Price Dividend Will Support = Present Divd. ÷ High Yield = __**1.320**__ ÷ __**0.017**__ = __**76.3**__
Selected Estimated Low Price _____ = $ __**51.5**__

C PRICE RANGES
Forecast High Price __**159.4**__ - Estimated Low Price __**51.5**__ = Range __**107.9**__ 25% of Range = __**27.0**__

BUY (Lower 25% of Range) = __**51.5**__ to __**78.5**__
MAYBE (Middle 50% of Range) = __**78.5**__ to __**132.4**__
SELL (Upper 25% of Range) = __**132.4**__ to __**159.4**__

Current Price __**64.420**__ is in the __**Buy**__ Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price __**159.4**__ - Current Price __**64.420**__) ÷ (Current Price __**64.420**__ - Estimated Low Price __**51.5**__) = __**7.4**__ To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD
Present Full Year's Dividend $ __**1.320**__ ÷ Current Price of Stock $ __**64.420**__ = __**2.0 %**__ Present Yield or % Returned on Purchase Price

B AVERAGE YIELD OVER NEXT 5 YEARS
(Avg. EPS Next 5 Years __**6.10**__ X Avg. % Payout __~~25.0~~ **25.0**__) ÷ Current Price $ __**64.420**__ = __**2.4**__ %

C % COMPOUND ANNUAL TOTAL RETURN
Average Yield __**1.2**__ % + Annual Appreciation __**19.9**__ % = Compound Annual Total Return __**21.0**__ %

D % PROJECTED AVERAGE RETURN
Average Yield __**1.3**__ % + Annual Appreciation __**16.8**__ % = Projected Average Total Return __**18.2**__ %