

BECTON, D'SON. NYSE-BDX

RECENT PRICE **64.57** P/E RATIO **12.9** (Trailing: 13.6; Median: 19.0) RELATIVE P/E RATIO **0.88** DIV'D YLD **2.0%** **VALUE LINE**

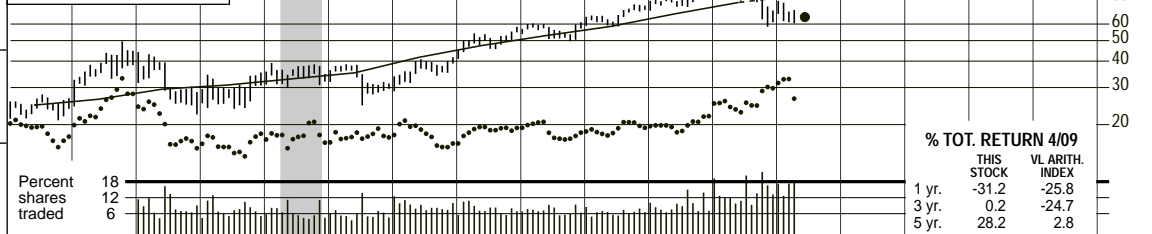
TIMELINESS 2 Lowered 5/15/09
SAFETY 1 Raised 3/4/05
TECHNICAL 3 Lowered 5/1/09
BETA .65 (1.00 = Market)

LEGENDS
 — 11.5 x "Cash Flow" p sh
 Relative Price: Strength
 2-for-1 split 8/96
 2-for-1 split 8/98
 Options: Yes
 Shaded area: prior recession
 Latest recession began 12/07

2012-14 PROJECTIONS
 Price **125** Gain **(+95%)** Ann'l Total Return **19%**
 High **125** Low **105** (+65%) **14%**

Insider Decisions
 J A S O N D J F M
 to Buy 0 0 0 0 0 0 0 0 0 0
 Options 0 0 0 0 0 0 0 0 0 0
 to Sell 0 0 0 0 1 2 0 0 0 0

Institutional Decisions
 202008 302008 402008
 to Buy 348 336 338
 to Sell 275 302 332
 Hlds(000) 20581 201496 196039



1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	© VALUE LINE PUB., INC.	12-14
8.25	9.10	10.42	11.20	11.51	12.58	13.63	14.27	14.48	15.78	18.03	19.79	21.86	23.79	26.08	29.44	29.90	32.15	Sales per sh ^A	40.80
1.35	1.52	1.77	1.96	2.15	2.29	2.56	2.68	2.86	3.06	3.63	4.13	4.60	5.08	5.82	6.60	7.15	7.75	"Cash Flow" per sh	9.90
.68	.75	.90	1.06	1.21	1.30	1.46	1.49	1.63	1.79	2.15	2.56	2.88	3.28	3.84	4.46	4.92	5.40	Earnings per sh ^{AB}	7.15
.17	.19	.21	.23	.26	.29	.34	.37	.38	.39	.40	.60	.72	.86	.98	1.14	1.32	1.48	Div's Decl'd per sh ^C	1.95
.62	.44	.48	.59	.70	.73	1.24	1.48	1.43	1.02	1.04	1.07	1.28	1.87	2.28	2.68	2.50	2.55	Cap'l Spending per sh	2.95
4.68	5.07	5.16	5.15	5.46	6.31	6.87	7.54	8.83	9.59	11.40	12.18	13.26	15.63	17.89	20.30	23.05	26.50	Book Value per sh ^D	39.10
298.91	281.11	260.30	247.22	244.17	247.84	250.80	253.50	259.24	255.53	251.13	249.33	247.68	245.47	243.84	243.08	239.00	238.00	Common Shs Outst'g ^E	237.00
13.8	12.9	15.0	18.5	19.7	25.6	24.4	18.5	20.8	19.1	15.9	18.0	19.3	18.8	19.5	19.0	16.0	16.0	Avg Ann'l P/E Ratio	16.0
.82	.85	1.00	1.16	1.14	1.33	1.39	1.20	1.07	1.04	.91	.95	1.03	1.02	1.04	1.20	1.04	1.20	Relative P/E Ratio	1.05
1.8%	1.9%	1.5%	1.2%	1.1%	.9%	1.0%	1.3%	1.1%	1.1%	1.2%	1.3%	1.3%	1.4%	1.3%	1.3%	1.6%	1.7%	Avg Ann'l Div'd Yield	1.7%

CAPITAL STRUCTURE as of 3/31/09
 Total Debt \$1153.2 mill. Due in 5 Yrs \$415.0 mill.
 LT Debt \$747.7 mill. LT Interest \$46.0 mill.
 (13% of Capital)
Leases, Uncapitalized Annual rentals \$48.6 mill.
Pension Assets-9/08 \$1100.0 mill.
Oblig. \$1272.5 mill.
Preferred Stock None
Common Stock 239,533,755 shares
MARKET CAP: \$15.5 billion (Large Cap)

3418.4	3618.3	3754.3	4033.1	4527.9	4934.7	5414.7	5840.2	6359.7	7155.9	7150	7650	Sales (\$mill) ^A	9675
25.0%	22.2%	25.3%	24.3%	24.9%	26.1%	26.2%	26.6%	27.8%	28.4%	30.3%	30.7%	Operating Margin	31.0%
258.9	288.3	305.7	304.9	344.5	357.2	387.5	405.1	441.3	477.4	485	505	Depreciation (\$mill)	575
386.3	392.9	438.4	480.0	569.2	673.5	750.7	840.8	978.3	1127.9	1225	1340	Net Profit (\$mill)	1770
26.3%	24.4%	24.0%	23.6%	23.5%	25.0%	25.3%	25.9%	26.2%	27.4%	27.5%	28.0%	Income Tax Rate	28.0%
11.3%	10.9%	11.7%	11.9%	12.6%	13.6%	13.9%	14.4%	15.4%	15.8%	17.1%	17.5%	Net Profit Margin	18.3%
354.4	307.2	498.2	676.2	1295.2	1591.2	1675.9	1609.0	1651.8	2198.1	2010	2250	Working Cap'l (\$mill)	3110
954.2	779.6	783.0	803.0	1184.0	1171.5	1060.8	957.0	955.7	953.2	750	750	Long-Term Debt (\$mill)	545
1768.7	1956.0	2328.8	2488.0	2897.0	3067.9	3284.0	3836.2	4362.0	4935.6	5515	6300	Shr. Equity (\$mill) ^D	9265
15.2%	14.9%	15.0%	15.3%	14.5%	16.5%	18.0%	18.1%	18.9%	19.6%	20.0%	19.5%	Return on Total Cap'l	18.0%
21.8%	20.1%	18.8%	19.3%	19.6%	22.0%	22.9%	21.9%	22.4%	22.9%	22.0%	21.5%	Return on Shr. Equity	19.0%
17.3%	15.5%	14.7%	15.2%	16.2%	17.2%	17.3%	16.4%	16.9%	17.2%	16.5%	15.5%	Retained to Com Eq	14.0%
23%	24%	23%	22%	18%	23%	24%	25%	25%	25%	26%	26%	All Div'ds to Net Prof	26%

BUSINESS: Becton, Dickinson & Co. operates three segments: Medical (53% of FY'08 sales) produces a broad array of medical devices. Diagnostics (30%) provides products for the safe collection and transport of diagnostic specimens, and instrumentation for analysis across a broad range of infectious disease testing. Biosciences (17%) produces research and clinical tools that facilitate the study of cells. FY'08 R&D: 5.5% of sales. Employs about 28,275. Officers & directors own 1.3% of common stock; Barclays Global, 8.6%; FMR, 7.8%; State Street, 5.3% (12/08 proxy). Chairman, President & CEO: Edward J. Ludwig. Incorporated: New Jersey. Address: One Becton Drive, Franklin Lakes, New Jersey 07417. Telephone: 201-847-6800. Internet: www.bd.com.

CURRENT POSITION (\$MILL.)	2007	2008	3/31/09
Cash Assets	669.5	1030.4	730.2
Receivables	1083.2	1079.1	1062.1
Inventory (FIFO)	1052.0	1080.4	1180.7
Other	325.9	424.8	434.8
Current Assets	3130.6	3614.7	3407.8
Accts Payable	267.0	260.9	250.0
Debt Due	207.6	201.3	405.5
Other	1004.2	954.4	855.2
Current Liab.	1478.8	1416.6	1510.7

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '06-'08
of change (per sh)	8.5%	10.5%	7.5%
Sales	10.5%	13.0%	9.0%
"Cash Flow"	12.5%	16.0%	11.0%
Earnings	14.5%	20.5%	12.0%
Dividends	12.5%	12.5%	14.0%
Book Value			

Fiscal Year Ends	Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2006	1414.0	1449.3	1483.7	1493.2	5840.2
2007	1501.5	1575.9	1631.2	1651.1	6359.7
2008	1705.8	1746.9	1867.6	1835.6	7155.9
2009	1733.5	1740.8	1825.7	1850	7150
2010	1850	1875	1950	1975	7650

Fiscal Year Ends	Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2006	.83	.79	.81	.85	3.28
2007	.96	.92	.98	.98	3.84
2008	1.07	1.09	1.18	1.13	4.46
2009	1.26	1.18	1.23	1.25	4.92
2010	1.33	1.29	1.37	1.41	5.40

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2005	.36	.18	.18	--	.72
2006	.43	.215	.215	--	.86
2007	.49	.245	.245	--	.98
2008	.57	.285	.285	--	1.14
2009	.66				

Becton, Dickinson continues to post solid results, despite the mounting global economic pressures. (Fiscal years end September 30th.) At first blush, it appears as though the company's March-quarter sales performance was lackluster. Indeed, the top line slipped slightly, to \$1.741 billion. By segment, Biosciences and Diagnostics managed to report small revenue advances, but Medical tallied a modest sales decline. However, all three of the medical device maker's divisions posted respectable top-line gains after adjusting for the negative impact of foreign currency translation. The admirable revenue performance, along with aggressive cost management, enabled BD to report a sizable bottom-line advance. Indeed, March-quarter share earnings (excluding a non-recurring charge footnoted below) climbed 8%, to \$1.18.

We made some adjustments to our fiscal 2009 estimates. We lowered our top-line target by \$100 million, to \$7.150 billion, to reflect likely foreign exchange losses related to the strengthening U.S. dollar. Nevertheless, the Medical segment ought to continue benefiting from the

robust demand of surgical systems products. Increased sales of safety-engineered devices, cancer diagnostics products, and infectious disease testing systems should boost the Diagnostics division's results. Finally, strong international sales growth of research instruments and reagents should continue fueling the Biosciences group. We added two pennies to our bottom-line estimate, which now stands at \$4.92 a share. Recently implemented spending controls and cost-cutting initiatives ought to widen operating margins markedly. Stock repurchases should provide a nice lift to share earnings, as well.

Our fiscal 2010 targets are largely unchanged. We continue to expect BD to post top- and bottom-line gains of 7% and 10%, respectively.

We like this top-quality issue. Thanks to relatively favorable price momentum and the hefty share-earnings growth posted of late, this stock ought to outperform the broader market in the year ahead (Timeliness: 2). In addition, long-term capital appreciation potential is worthwhile.

Erik A. Antonson

May 29, 2009