BD Announces Offerings of $2.25 Billion of Common Stock and $2.25 Billion of Depositary Shares Representing Interests in Mandatory Convertible Preferred Stock

PR Newswire

FRANKLIN LAKES, N.J., May 7, 2017 /PRNewswire/ -- BD (Becton, Dickinson and Company) (NYSE:BDX) announced today that it has commenced registered offerings of $2.25 billion of common stock, par value $1.00 per share, and $2.25 billion of depositary shares, each representing a 1/20th interest in its mandatory convertible preferred stock, par value $1.00 per share, Series A. Pursuant to the offerings, BD intends to grant the underwriters an option to purchase from BD up to an additional $225 million of common stock and up to an additional $225 million of depositary shares.

BD intends to use the proceeds from the offerings to finance a portion of the cash consideration payable in connection with BD's previously announced acquisition of C. R. Bard, Inc. ("Bard") and to pay related fees and expenses. The acquisition is expected to close in the fall of 2017. The closings of these offerings are not conditioned on each other or on the closing of the acquisition.

Each depositary share entitles the holder of such depositary share to a proportional fractional interest in the rights and preferences of the mandatory convertible preferred stock, including conversion, dividend, liquidation and voting rights, subject to the terms of the deposit agreement. Unless previously converted or redeemed, on or around May 1, 2020, each then outstanding share of mandatory convertible preferred stock will automatically convert into a number of shares of BD's common stock based on the applicable conversion rate, and each depositary share will automatically convert into a number of shares of common stock equal to a proportionate fractional interest in such shares of common stock. The conversion rates, dividend rate and other terms of the mandatory convertible preferred stock will be determined at the time of pricing of the offering of the depositary shares.

Currently, no public market exists for the depositary shares. BD intends to apply to list the depositary shares on the New York Stock Exchange under the symbol "BDXA."

The joint book-running managers for the offering of common stock are Citigroup; J.P. Morgan; Morgan Stanley; Wells Fargo Securities; BNP PARIBAS; MUFG; and Barclays, and the co-managers are Scotiabank; BTIG; BNY Mellon Capital Markets, LLC; ING; Loop Capital Markets; and The Williams Capital Group, L.P. The joint book-running managers for the offering of depositary shares are Citigroup; J.P. Morgan; Morgan Stanley; MUFG; BNP PARIBAS; Barclays; and Wells Fargo Securities, and the co-managers are Standard Chartered Bank; Scotiabank; US Bancorp; BNY Mellon Capital Markets, LLC; ING; Loop Capital Markets; and The Williams Capital Group, L.P. You may obtain a preliminary prospectus supplement for either offering by contacting Citigroup Global Markets Inc., c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717 (Tel: 800-831-9146); J.P. Morgan Securities LLC, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, toll-free: (866) 803-9204, email: prospectus-eq_fi@jpmchase.com; Morgan Stanley & Co. LLC, 180 Varick Street, 2nd Floor, New York, NY 10014, United States, Attention: Prospectus Dept.; MUFG Securities Americas Inc. by Toll-free Prospectus Request Hotline: (877) 649-6848, email: Prospectus@us.sc.mufg.jp; or Wells Fargo Securities, LLC, Attn: Equity Syndicate, 375 Park Avenue, New York, NY 10152, by telephone (800) 326-5897, or by email at cmclientsupport@wellsfargo.com.

About BD

BD is a global medical technology company that is advancing the world of health by improving medical discovery, diagnostics and the delivery of care. BD leads in patient and health care worker safety and the technologies that enable medical research and clinical laboratories. The company provides innovative solutions that help advance medical research and genomics, enhance the diagnosis of infectious disease and cancer, improve medication management, promote infection prevention, equip surgical and interventional procedures, and support the management of diabetes. The company partners with organizations around the world to address some of the most challenging global health issues. BD has nearly 50,000 associates across 50 countries who work in close collaboration with customers and partners to help enhance outcomes, lower health care delivery costs, increase efficiencies, improve health care safety and expand access to health.

FORWARD-LOOKING STATEMENTS

This press release contains certain estimates and other "forward-looking statements" within the meaning of the federal

securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward looking statements generally are accompanied by words such as "will", "expect", "outlook" "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," "target," or other similar words, phrases or expressions and variations or negatives of these words. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements regarding BD's ability to consummate the financings on the terms described in this press release or at all and the consummation of the Bard acquisition and other statements that are not historical facts. These statements are based on the current expectations of BD management and are not predictions of actual performance.

These statements are subject to a number of risks and uncertainties regarding BD and Bard's respective businesses and the proposed acquisition, and actual results may differ materially. These risks and uncertainties include, but are not limited to, (i) the ability of the parties to successfully complete the proposed acquisition on anticipated terms and timing, including obtaining required shareholder and regulatory approvals, anticipated tax treatment, unforeseen liabilities, future capital expenditures, revenues, expenses, earnings, synergies, economic performance, indebtedness, financial condition, losses, future prospects, business and management strategies for the management, expansion and growth of the new combined company's operations and other conditions to the completion of the acquisition, (ii) risks relating to the integration of Bard's operations, products and employees into BD and the possibility that the anticipated synergies and other benefits of the proposed acquisition will not be realized or will not be realized within the expected timeframe, (iii) the outcome of any legal proceedings related to the proposed acquisition, (iv) access to available financing including for the refinancing of BD's or Bard's debt on a timely basis and reasonable terms, (v) the ability to market and sell Bard's products in new markets, including the ability to obtain necessary regulatory product registrations and clearances, (vi) the loss of key senior management or other associates; the anticipated demand for BD's and Bard's products, including the risk of future reductions in government healthcare funding, changes in reimbursement rates or changes in healthcare practices that could result in lower utilization rates or pricing pressures, (vii) the impact of competition in the medical device industry, (viii) the risks of fluctuations in interest or foreign currency exchange rates, (ix) product liability claims, (x) difficulties inherent in product development, including the timing or outcome of product development efforts, the ability to obtain regulatory approvals and clearances and the timing and market success of product launches, (xi) risks relating to fluctuations in the cost and availability of raw materials and other sourced products and the ability to maintain favorable supplier arrangements and relationships, (xii) successful compliance with governmental regulations applicable to BD, Bard and the combined company, (xiii) changes in regional, national or foreign economic conditions, (xiv) uncertainties of litigation, and (xv) other factors discussed in BD's and Bard's respective filings with the Securities and Exchange Commission.

The forward-looking statements in this press release speak only as of date of this announcement. BD and Bard undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date hereof, except as required by applicable laws or regulations.

BD
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