BD to Sell Surgical Instrumentation Platform to STERIS

Divestiture Advances BD2025 Strategy to Simplify Portfolio and Focus on Higher-Growth Markets

FRANKLIN LAKES, N.J., June 20, 2023 /PRNewswire/ -- BD (Becton, Dickinson and Company) (NYSE: BDX), a leading global medical technology company, today announced that it has signed a definitive agreement to sell its Surgical Instrumentation platform to STERIS (NYSE: STE) for $540 million.

The divestiture will include V. Mueller™, Snowden-Pencer™ and Genesis™ branded products and three manufacturing facilities located in St. Louis, Mo., Cleveland, Ohio and Tuttlingen, Germany. Approximately 360 employees who support this platform will transfer to STERIS upon the completion of the transaction. The divestiture is expected to close within BD's fiscal year 2023, ending Sept. 30, pending satisfaction of customary closing conditions and U.S. Federal Trade Commission (FTC) regulatory approval. The Surgical Instrumentation platform is reported as part of the BD Surgery business within the BD Interventional segment.

Strategic Rationale

Divesting the platform advances the "Simplify" pillar of the BD 2025 strategy and is an important step in simplifying BD's product portfolio and manufacturing network. The platform has three dedicated manufacturing sites and about 20,000 SKUs in its portfolio. This strong value-creating transaction supports the achievement of BD's 2025 financial goals, including revenue growth and margin expansion. Cash proceeds will be deployed consistent with BD's capital allocation priorities to enable a continued durable growth profile.

STERIS is a leading global provider of products and services that support patient care with an emphasis on infection prevention. With global sales of $5 billion, STERIS has more than 17,000 dedicated associates around the world working together to supply a broad array of infection prevention and other procedural products and services, focused primarily on health care, pharmaceutical, medical device and dental customers. BD's surgical instrumentation platform is complementary to STERIS's Healthcare segment and will allow them to better meet hospitals' and surgery centers' product and service needs.

"The Surgical Instrumentation platform has a 120-year legacy of providing reliable and trusted high-quality products, and STERIS is well positioned to maximize the value of this extensive portfolio and is fortunate to be adding such a dedicated and talented team to its organization," said Rick Byrd, president of the Interventional segment at BD. "This transaction further advances the BD Interventional segment's focus on high-growth end markets. We look forward to continuing to address unmet needs in health care through a highly differentiated and innovative set of solutions and products."

Transaction Information

The assets included in the sale account for annualized revenue of approximately$170 million. If the transaction closes as expected within BD's fiscal year 2023, the impact to adjusted earnings per share (EPS) would be immaterial. Other terms of the agreement were not disclosed. Additional commentary regarding this transaction will be provided during the company's fiscal year 2023 third-quarter earnings conference call.

Ropes and Gray, LLP were legal advisers for BD.

About BD
BD is one of the largest global medical technology companies in the world and is advancing the world of health by improving medical discovery, diagnostics and the delivery of care. The company supports the heroes on the frontlines of health care by developing innovative technology, services and solutions that help advance both clinical therapy for patients and clinical process for health care providers. BD and its 77,000 employees have a passion and commitment to help enhance the safety and efficiency of clinicians' care delivery process, enable laboratory scientists to accurately detect disease and advance researchers' capabilities to develop the next generation of diagnostics and therapeutics. BD has a presence in virtually every country and partners with organizations around the world to address some of the most challenging global health issues. By working in close collaboration with customers, BD can help enhance outcomes, lower costs, increase efficiencies, improve safety and expand access to health care. For more information on BD, please visit bd.com or connect with us on LinkedIn at www.linkedin.com/company/bd1/ and Twitter @BDandCo.

Forward Looking Statements
This press release contains certain forward-looking statements (as defined under Federal securities laws) relating to the pending sale of BD's Surgical Instrumentation platform. Forward-looking statements can be identified by the use of words such as "will", "expect", and similar words. All such statements are based on the current expectations of BD management and involve a number of risks and uncertainties, including the risk that the transaction may not be completed or that it will not be completed in the anticipated timeframe. The forward-looking statements in this press release speak only as of the date hereof, and BD

undertakes 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.

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