



Becton, Dickinson & Co. (BDX)

Updated August 24th, 2025 by Nathan Parsh

Key Metrics

Current Price:	\$200	5 Year Annual Expected Total Return:	16.3%	Market Cap:	\$57 B
Fair Value Price:	\$273	5 Year Growth Estimate:	8.0%	Ex-Dividend Date:	09/08/25
% Fair Value:	73%	5 Year Valuation Multiple Estimate:	6.4%	Dividend Payment Date	09/30/25
Dividend Yield:	2.1%	5 Year Price Target	\$401	Years Of Dividend Growth:	53
Dividend Risk Score:	A	Sector:	Health Care	Rating:	Buy

Overview & Current Events

Becton, Dickinson & Co., or BD, is a global leader in the medical supply industry. The company was founded in 1897 and has 75,000 employees across 190 countries. The company generates almost \$22 billion in annual revenue, with approximately 43% of revenues coming from outside of the U.S. BD is composed of three segments. Products sold by the Medical Division include needles for drug delivery systems, and surgical blades. The Life Sciences division provides products for the collection and transportation of diagnostic specimens. The Intervention segment includes several of the products produced by what used to be Bard.

On November 7th, 2024, BD increased its quarterly dividend 9.5% to \$1.04, extending the company's dividend growth streak to 53 consecutive years.

On August 7th, 2025, BD announced results for the third quarter of fiscal year 2025, which ended June 30th, 2025. For the quarter, revenue improved 10.4% to \$5.5 billion, which was \$10 million more than expected. On a currency neutral basis, revenue increased 8.5%. Adjusted earnings-per-share of \$3.68 compared favorably to \$3.50 in the prior year and was \$0.28 more than anticipated.

For the quarter, U.S. grew 10% while international was up 11% on a reported basis. Excluding currency exchange, international was higher by 9.8%. Organic growth was higher by 3% for the period. The Medical segment grew 3.2% organically to \$2.93 billion, due to continued gains in Mediation Management Solutions and Pharmaceutical Systems. Life Science fell 1.14% to \$1.25 billion. Growth in Specimen Management was more than offset by declines in Biosciences and Diagnostic Solutions. Interventional returned to growth, with sales up 6.8% to \$1.26 billion due to the Urology and Critical Care division. Surgery and Peripheral Intervention were also higher for the period. The company has repurchased \$750 million worth of shares so far in the fiscal year, but none in Q2 or Q3. The company has a 10 million share repurchase authorization. The company announced last quarter that it was seeking to separate the Biosciences and Diagnostic Solutions businesses by the end of fiscal year 2026. In July, BD announced that it would be combining its Biosciences and Diagnostic Solutions business with Waters Corporation through a Reverse Morris Trust.

BD partially reaffirmed its outlook for fiscal year 2025 as well. Revenue is still projected to be in a range of \$21.8 billion to \$21.9 billion, compared to \$21.7 billion to \$21.9 billion and \$21.9 billion to \$22.1 billion previously. Adjusted earnings-per-share is expected to be in a range of \$14.30 to \$14.45, compared to \$14.06 to \$14.34, \$14.30 to \$14.60, and \$14.25 to \$14.60 previously. We have updated our forecast accordingly.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	\$7.16	\$8.59	\$9.48	\$11.01	\$11.68	\$10.19	\$13.08	\$11.35	\$12.21	\$13.14	\$14.38	\$21.13
DPS	\$2.40	\$2.64	\$2.92	\$3.02	\$3.08	\$3.16	\$3.32	\$3.48	\$3.64	\$3.80	\$4.16	\$5.31
Shares¹	211	213	228	265	265	293	289	287	293	291	287	275

BD has increased earnings-per-share 7.0% per year over the past decade, and has grown earnings in 7 out of the last 10 years. We continue to believe that BD can grow earnings at a rate of 8% per year through fiscal 2030.

¹ In millions of shares

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.



Becton, Dickinson & Co. (BDX)

Updated August 24th, 2025 by Nathan Parsh

BD has now increased its dividend for 53 consecutive years. This makes the company a member of the Dividend Kings. The dividend has a compound annual growth rate of 5.2% over the last 10 years and 5.7% over the past five years, though the latest increase is well ahead of its medium- and long-term averages. We expect that the dividend will grow by 5% annually over the next five years. The dividend growth streak is very likely to continue as BD has a low payout ratio that leaves for plenty of room for additional increases.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	19.5	18.4	19.4	20.8	20.8	24.7	18.8	19.6	21.2	18.3	13.9	19.0
Avg. Yld.	1.7%	1.7%	1.7%	1.3%	1.3%	1.3%	1.4%	1.6%	1.4%	1.6%	2.1%	1.3%

BD’s stock has increased \$30, or 17.6%, since our May 8th, 2025 report. Based off estimates for fiscal year 2025, shares currently have a price-to-earnings ratio of just 13.9. Our target price-to-earnings ratio for fiscal year 2030 of 19 is near the long-term average. Therefore, valuation could add 6.4% to annual returns over the next five years. BD’s current yield of 2.1% is above the stock’s 10-year average yield of 1.5%.

Safety, Quality, Competitive Advantage, & Recession Resiliency

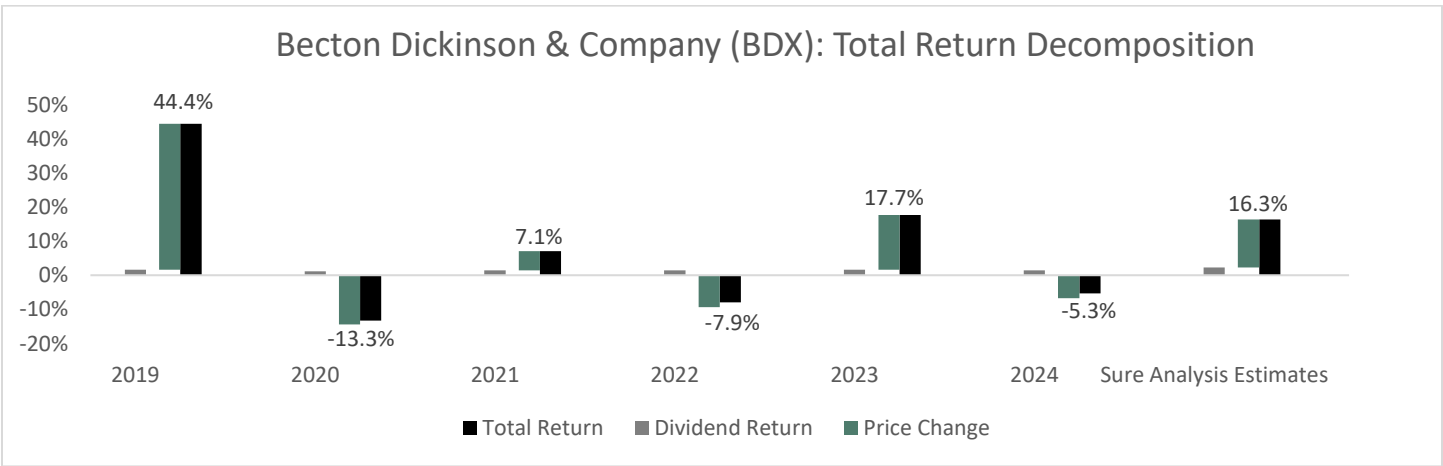
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	34%	31%	31%	27%	26%	31%	25%	31%	30%	29%	29%	25%

BD showed that it can perform well in less than ideal economic conditions during the last recession. The company’s key competitive advantage is that its products are in high demand as medical devices and other healthcare products are still sought out during a recession. People will seek medical care regardless of how the economy is performing. This ability to grow or maintain earnings in any economic climate makes BD a quality company and a safe stock. The company has also been aggressive about making acquisitions to add on to the core businesses.

Final Thoughts & Recommendation

Becton, Dickinson & Co. is expected to offer a total return of 16.3% annually over the next five years, down from 19.9% previously. This is due to an 8% expected earnings growth rate, the 2.1% starting dividend yield, and a mid-single-digit contribution from multiple expansion. Results were generally improved for the company during the quarter. Management also raised its adjusted EPS forecast. The separation of the Biosciences and Diagnostic Solutions businesses will make BD a more pure play medical technology company, which could unlock value for shareholders. We have raised our five-year price target \$5 to \$401 due to EPS estimates. We continue to rate shares of BD as a buy due to projected returns and a strong dividend risk score.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.



Becton, Dickinson & Co. (BDX)

Updated August 24th, 2025 by Nathan Parsh

Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	10,282	12,483	12,093	15,983	17,290	16,074	19,131	18,870	19,372	20,178
Gross Profit	4,695	5,991	5,965	7,269	8,288	6,798	8,631	8,477	8,170	9,153
Gross Margin	45.7%	48.0%	49.3%	45.5%	47.9%	42.3%	45.1%	44.9%	42.2%	45.4%
SG&A Exp.	2,563	3,005	2,909	4,016	4,332	4,185	4,719	4,709	4,719	4,857
D&A Exp.	891	1,114	1,088	1,978	2,253	2,115	2,230	2,229	2,288	2,286
Operating Profit	1,500	2,158	1,876	2,249	2,240	1,211	2,430	2,475	2,424	2,884
Operating Margin	14.6%	17.3%	15.5%	14.1%	13.0%	7.5%	12.7%	13.1%	12.5%	14.3%
Net Profit	695	976	1,100	311	1,233	874	2,092	1,779	1,484	1,726
Net Margin	6.8%	7.8%	9.1%	1.9%	7.1%	5.4%	10.9%	9.4%	7.7%	8.6%
Free Cash Flow	1,133	1,866	1,823	1,970	2,373	2,770	3,454	1,661	2,115	3,073
Income Tax	44	97	(124)	862	(57)	62	88	148	132	307

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	26,478	25,586	37,734	53,904	51,765	54,012	53,880	52,934	52,780	57,286
Cash & Equivalents	1,424	1,541	14,179	1,140	536	2,825	2,283	1,006	1,416	1,717
Accounts Receivable	1,618	1,618	1,744	2,319	2,345	2,398	2,350	2,191	2,534	3,033
Inventories	1,959	1,719	1,818	2,451	2,579	2,743	2,743	3,224	3,273	3,843
Goodwill & Int. Ass.	14,924	13,700	13,456	40,041	38,353	37,433	36,670	36,930	35,469	37,383
Total Liabilities	19,313	17,952	24,786	32,910	30,683	30,247	30,203	27,652	26,983	31,375
Accounts Payable	631	665	797	1,106	1,092	1,355	1,739	1,699	1,641	
Long-Term Debt	12,822	11,551	18,870	21,495	19,390	17,930	17,610	16,065	15,879	20,110
Shareholder's Equity	7,165	7,634	12,946	20,992	21,080	23,763	23,675	25,280	25,797	25,911
LTD/E Ratio	1.79	1.51	1.46	1.02	0.92	0.75	0.74	0.64	0.62	0.78

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	3.6%	3.7%	3.5%	0.7%	2.3%	1.7%	3.9%	3.3%	2.8%	3.1%
Return on Equity	11.4%	13.2%	10.7%	1.8%	5.9%	3.9%	8.8%	7.3%	5.8%	6.7%
ROIC	4.8%	5.0%	4.3%	0.8%	3.0%	2.1%	5.0%	4.3%	3.6%	3.9%
Shares Out.	211	213	228	265	265	293	289	287	293	291
Revenue/Share	49.55	57.38	54.09	60.40	62.92	56.92	65.50	65.67	67.17	69.34
FCF/Share	5.46	8.58	8.15	7.44	8.64	9.81	11.83	5.78	7.33	10.56

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

Disclaimer

Nothing presented herein is, or is intended to constitute, specific investment advice. Nothing in this research report should be construed as a recommendation to follow any investment strategy or allocation. Any forward-looking statements or forecasts are based on assumptions and actual results are expected to vary from any such statements or forecasts. No reliance should be placed on any such statements or forecasts when making any investment decision. While Sure Dividend has used reasonable efforts to obtain information from reliable sources, we make no representations or warranties as to the accuracy, reliability or completeness of third-party information presented herein. No guarantee of investment performance is being provided and no inference to the contrary should be made. There is a risk of loss from an investment in marketable securities. Past performance is not a guarantee of future performance.