



Becton, Dickinson & Co. (BDX)

Updated February 11th, 2026, by Nathan Parsh

Key Metrics

Current Price:	\$181	5 Year Annual Expected Total Return:	12.6%	Market Cap:	\$49 B
Fair Value Price:	\$238	5 Year Growth Estimate:	5.0%	Ex-Dividend Date:	03/10/26
% Fair Value:	76%	5 Year Valuation Multiple Estimate:	5.6%	Dividend Payment Date:	03/31/26
Dividend Yield:	2.3%	5 Year Price Target:	\$303	Years Of Dividend Growth:	54
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. Effective October 1st, 2025, BD has reorganized its segments into five distinct, separately managed systems. They include Medical Essentials, Connected Care, BioPharma Systems, Interventional, and Life Sciences.

On November 6th, 2025, BD increased its quarterly dividend 1.0% to \$1.05, extending the company's dividend growth streak to 54 consecutive years.

On February 9th, 2026, BD reported that it had completed its separation of its Biosciences and Diagnostic Solutions business, which immediately combined with Waters Corporation (WAT).

That same day, BD also announced results for the first quarter of fiscal year 2026, which ended December 31st, 2026. For the quarter, revenue improved 1.5% to \$5.25 billion, which topped estimates by \$100 million. Adjusted earnings-per-share of \$2.91 compared unfavorably to \$3.43 in the prior year, but this was \$0.10 more than expected.

For the quarter, Medical Essentials was down 0.6% on a currency neutral basis to \$1.6 billion as gains in U.S. Vascular Access Management and the BD Vacutainer portfolio were more than offset by order timing in China. Connected Care grew 4.7% to \$1.13 billion due to growth in Pharmacy Automation and strength in Advanced Patient Monitoring. BioPharma was up 1% to \$429 million due to double-digit growth in Biologics. Interventional climbed 5.1% to \$1.33 billion, mostly due to higher demand for the PureWick franchise and Advanced Tissue Regeneration. Life Sciences was lower by 10.5% to \$766 million due to headwinds in U.S. Point of Care and market dynamics in China.

BD provided an updated outlook for fiscal year 2026 as well. Revenue is still projected to grow at a low single-digit rate. Adjusted earnings-per-share are now expected to be in a range of \$12.35 to \$12.65 for the fiscal year, down from \$14.75 to \$15.05 previously. The change in EPS forecast reflects the separation of the Biosciences and Diagnostic Solutions businesses. We have updated our forecast accordingly.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$8.59	\$9.48	\$11.01	\$11.68	\$10.19	\$13.08	\$11.35	\$12.21	\$13.14	\$14.40	\$12.50	\$15.95
DPS	\$2.64	\$2.92	\$3.02	\$3.08	\$3.16	\$3.32	\$3.48	\$3.64	\$3.80	\$4.16	\$4.20	\$5.36
Shares¹	213	228	265	265	293	289	287	293	291	287	286	275

BD has increased earnings-per-share 5.9% per year over the past decade, and has grown earnings in 7 out of the last 10 years. We now forecast that BD can grow earnings at a rate of 5% per year through fiscal 2031, down from 8% previously, as this is more in-line with the long-term average.

BD has now increased its dividend for 54 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 4.8% over the past five years,

¹ In millions of shares

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though the latest increase is below the 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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	18.4	19.4	20.8	20.8	24.7	18.8	19.6	21.2	18.3	13.0	14.5	19.0
Avg. Yld.	1.7%	1.7%	1.3%	1.3%	1.3%	1.4%	1.6%	1.4%	1.6%	2.2%	2.3%	1.8%

BD's stock has declined \$13, or 6.7%, since our December 6th, 2025 report. Based off estimates for fiscal year 2026, shares currently have a price-to-earnings ratio of just 14.5. Our target price-to-earnings ratio for fiscal year 2031 of 19 is near the long-term average. Therefore, valuation could add 5.6% to annual returns over the next five years. BD's current yield of 2.3% is above the stock's 10-year average yield of 1.6%.

Safety, Quality, Competitive Advantage, & Recession Resiliency

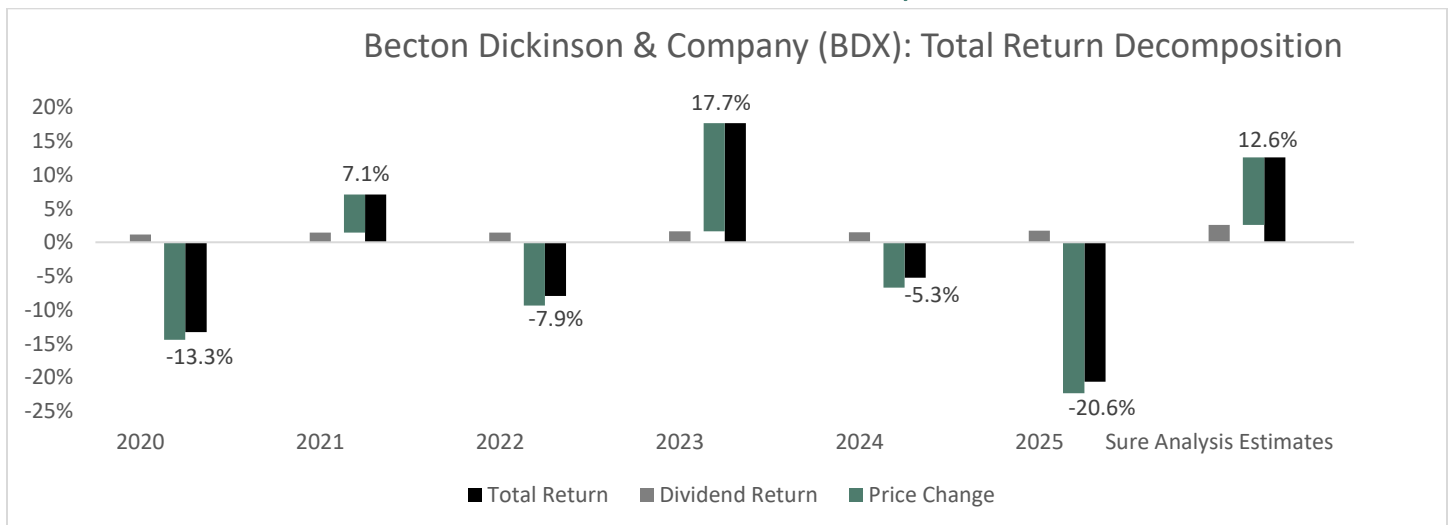
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	31%	31%	27%	26%	31%	25%	31%	30%	29%	29%	34%	34%

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 12.6% annually over the next five years, down from 14.7% previously. This is due to expected earnings growth of 5%, the 2.3% starting dividend yield, and a mid-single-digit contribution from multiple expansion. Results were generally improved once again for the company during the quarter. 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, but will lead to year-over-year EPS declines. We have lowered our five-year price target \$58 to \$303 due a lower EPS guidance, but 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



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	12,483	12,093	15,983	16,218	16,074	19,131	18,870	19,372	20,178	21,840
Gross Profit	5,991	5,942	7,269	7,498	6,798	8,631	8,477	8,170	9,125	9,925
Gross Margin	48.0%	49.1%	45.5%	46.2%	42.3%	45.1%	44.9%	42.2%	45.2%	45.4%
SG&A Exp.	3,005	2,925	4,016	4,185	4,185	4,719	4,709	4,719	4,857	5,278
D&A Exp.	1,114	1,088	1,978	2,253	2,154	2,230	2,229	2,288	2,286	2,462
Operating Profit	2,158	2,169	2,249	2,309	1,574	2,633	2,516	2,196	3,087	3,380
Operating Margin	17.3%	17.9%	14.1%	14.2%	9.8%	13.8%	13.3%	11.3%	15.3%	15.5%
Net Profit	976	1,100	311	733	352	1,604	1,635	1,530	1,705	1,678
Net Margin	7.8%	9.1%	1.9%	4.5%	2.2%	8.4%	8.7%	7.9%	8.4%	7.7%
Free Cash Flow	1,841	1,823	1,970	2,373	2,729	3,453	1,661	2,115	3,073	2,670
Income Tax	98	(124)	862	(141)	62	88	148	132	300	203

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	25,586	37,734	53,904	51,765	54,012	53,866	52,934	52,780	57,286	55,325
Cash & Equivalents	1,568	14,200	1,253	620	2,937	2,404	1,167	1,489	2,301	859
Accounts Receivable	1,618	1,744	2,319	2,345	2,398	2,350	2,191	2,534	3,033	2,994
Inventories	1,719	1,818	2,451	2,579	2,743	2,743	3,224	3,273	3,843	3,894
Goodwill & Int. Ass.	13,770	13,456	40,041	38,354	37,433	36,659	36,931	35,469	37,382	36,017
Total Liabilities	17,953	24,786	32,910	30,684	30,247	30,189	27,652	26,983	31,396	29,935
Accounts Payable	665	797	1,106	1,092	1,355	1,739	1,699	1,641	1,896	1,974
Long-Term Debt	11,350	18,867	21,485	19,380	18,262	17,954	16,449	16,293	20,777	19,885
Shareholder's Equity	7,633	12,946	20,992	21,079	23,763	23,675	25,280	25,797	25,890	25,390
LTD/E Ratio	1.51	1.46	1.02	0.92	0.77	0.76	0.66	0.64	0.81	0.79

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	3.7%	3.5%	0.7%	1.4%	0.7%	3.0%	3.1%	2.9%	3.1%	3.0%
Return on Equity	13.2%	10.7%	1.8%	3.5%	1.6%	6.8%	6.7%	6.0%	6.6%	6.5%
ROIC	5.0%	4.3%	0.8%	1.8%	0.9%	3.8%	3.9%	3.6%	3.8%	3.6%
Shares Out.	213	228	265	265	293	289	287	293	291	287
Revenue/Share	57.38	54.09	60.40	59.02	56.92	65.50	65.67	67.17	69.34	75.70
FCF/Share	8.46	8.15	7.44	8.64	9.66	11.82	5.78	7.33	10.56	9.25

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

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