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BD announces intent to separate biosciences and diagnostic solutions business

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New BD will be a pure-play medical technology company



BD (Becton, Dickinson and Company), a leading global medical technology company headquartered in the US, has announced its board of directors has unanimously authorised BD management to pursue a plan to separate BD's Biosciences and Diagnostic Solutions business from the rest of BD to enhance strategic focus and growth-oriented investments and capital allocation for both BD and the separated business and enhance value creation for shareholders.

The separation decision was the result of a comprehensive business portfolio evaluation launched by BD in early 2024. The company believes the separation is expected to unlock value on two fronts: The creation of a New BD that is recognised as a focused, innovative and growth-oriented medical technology leader with four attractive segments aligned to both essential needs and higher-growth trends in healthcare, and the Biosciences and Diagnostic Solutions business that is expected to become a differentiated leader in Life Sciences Tools and Diagnostics.

Following the separation, New BD will be a pure-play medical technology company with leading positions in large and growing end-markets. With this profile, New BD expects to drive concentrated investments in high-impact R&D and disciplined capital allocation including growth accretive M&A, which positions the company to deliver differentiated and durable growth rates in MedTech.

After the separation, the New BD is expected to have fiscal 2024 revenue of approximately$17.8 billion, with a $70+ billion addressable market growing at approximately 5%.

The Biosciences and Diagnostic Solutions business is also expected to benefit from enhanced focus and investments as a pure-play Life Sciences Tools and Diagnostics leader. The business is expected to have approximately$3.4 billion in fiscal 2024 revenue with a $22+ billion addressable market growing at mid- to high-single-digits, with more than 80% recurring revenue, and approximately 30% adjusted EBITDA margins.