Delivering Transformational Medicines to Patients

WE WORK FOR *Rusty*

Since he was first diagnosed with stage four metastatic melanoma in 2006, **Rusty Cline**, 51, who lives on a horse farm in Purcellville, Virginia, has had to endure at least 10 surgeries, including two brain surgeries, as the cancer spread and ravaged his body. He had enrolled in several clinical trials for experimental treatments, but recurrences forced him to leave those studies. In 2012, he was given *Yervoy* (ipilimumab), which had recently been approved as a potential treatment option. But his disease continued to progress.

"By September, I had quite a few active tumors that were sticking out of my body. I wasn't able to work [he is an IT consultant], and was essentially just waiting to die. And I didn't think the wait would be long," he recalls.

Yet, his parents and a close friend convinced him to enter one more trial – even though it was hundreds of miles from home – at Memorial Sloan Kettering Cancer Center in New York City – and stood by him throughout his treatments. The study for nivolumab (approved in the U.S. in late 2014 as *Opdivo* for certain patients with metastatic melanoma) sought to determine whether his immune system could be activated to fight the disease, even after failing on other treatments.

After eight weeks, scans showed a 23 percent reduction in Rusty's tumors. And he reports that today the tumors have shrunk by about 95 percent. "The doctors think that what's left is probably not even the cancer anymore, but scar tissue," he adds. "From the time I started on *Opdivo*, I could feel the tumors in my body getting smaller. The question for me was no longer whether it was going to work, but how quickly it was going to work."

Today Rusty has gone back to work and to two of his favorite hobbies – galloping horses and riding motorcycles. "I'm doing everything I used to do. It's simply amazing," he says.

> "I'M DOING EVERYTHING I USED TO DO. IT'S SIMPLY AMAZING."

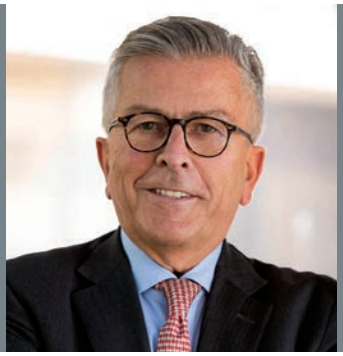
OUR PERFORMANCE IN 2014 across brands and geographies, continued **innovation** and **productivity** in R&D, and investments in **business development** opportunities reflect the **strength** and **execution** of our BioPharma **strategy** and positions us well for 2015. By keeping **patients** at the center of everything we do, we are **working** hard to **develop** innovative **medicines** that have the potential to **transform** the **lives** of the people we **serve**.

The patient stories shared in this Annual Report depict individual patient responses to our medicines or investigational compounds and are not representative of all patient responses. In addition, there is no guarantee that potential drugs or indications still in

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

"BY EVERY INDICATION, BRISTOL-MYERS SQUIBB IS WELL POSITIONED FOR CONTINUED SUCCESS. WE HAVE THE RIGHT PRODUCTS. WE HAVE THE RIGHT PLANS. WE HAVE THE RIGHT PEOPLE."

– Lamberto Andreotti, Chief Executive Officer



2014 was an exciting year for Bristol-Myers Squibb. We achieved commercial and clinical milestones. We launched new and innovative products. We strengthened our company in meaningful ways.

Throughout the year, we executed against our BioPharma strategy, delivering across the organization and across the globe. We also accelerated our evolution to a diversified specialty BioPharma company, transforming our organization and laying the foundation for future growth.

This balanced approach – driving results today, while building for tomorrow – remains a key to our success. It is good for our business. It is good for our patients.

Delivering Our Results

In 2014, we had revenues of $15.9 billion, representing 6% sales growth, excluding our diabetes franchise. Our new and inline product sales grew by 19%. Our performance across key markets was strong.

Immuno-Oncology

With respect to immuno-oncology, 2014 was a groundbreaking year.

Sales of *Yervoy* (for metastatic melanoma) continued to pick up momentum. We reached $1 billion in global annual sales and have every reason to be optimistic about the future as prescription trends are very encouraging.

Opdivo was approved for metastatic melanoma in the U.S. and Japan, and we are working towards approvals in Europe and the rest of the world for both melanoma and lung cancer. Over the course of the year, we presented important clinical data regarding *Opdivo*, including the first confirmation of a survival benefit for a PD-1 immune checkpoint inhibitor in both melanoma and lung cancer. And with *Opdivo* being studied across 20 tumor types in more than 50 trials – as both a monotherapy and in combination with other medicines – we are anticipating more positive data in the months to come.

Most recently, in early March 2015, *Opdivo* was approved in the U.S. for the treatment of patients with previously treated metastatic squamous non-small cell lung cancer. This was a very significant development – one that provides this patient population with its first immuno-oncology therapy.

Hepatitis C

With respect to hepatitis C, 2014 was an exciting year, because it became evident that an actual cure for this chronic disease is now possible. It also became evident that this increasingly competitive, increasingly complex and rapidly changing area of high unmet medical need requires that we constantly update our approach.

We received approvals for and have launched *Daklinza* in key regions around the world. Our dual regimen of *Daklinza* and *Sunvepra* is addressing the needs of HCV patients in Japan, while the combination of *Daklinza* with other HCV agents is on the market in several countries around Europe.

In the U.S., we withdrew our New Drug Application for asunaprevir, due to the rapidly changing treatment landscape in HCV. Consequently, we received a Complete Response Letter from the FDA for *Daklinza*, requesting additional information about its use in combination with other agents different than asunaprevir. This has delayed a potential U.S. approval. However, we have Phase III data for *Daklinza* in combination with another agent that we will use to address the FDA request, and we remain confident that we will be able to resume the U.S. review process quickly.

Cardiovascular

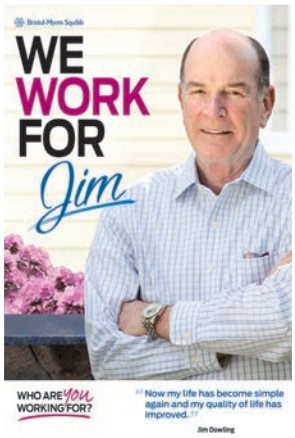
With respect to *Eliquis*, 2014 was a very good year – one characterized by new indications, accelerated growth and an increased appreciation for the product's unique and differentiated profile.

Eliquis sales grew every quarter, and we expect that trend to continue. We have invested increased resources, and our people have used them effectively. For that reason, *Eliquis* became

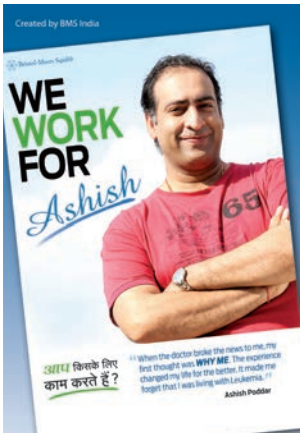
WHO ARE *you* WORKING FOR?

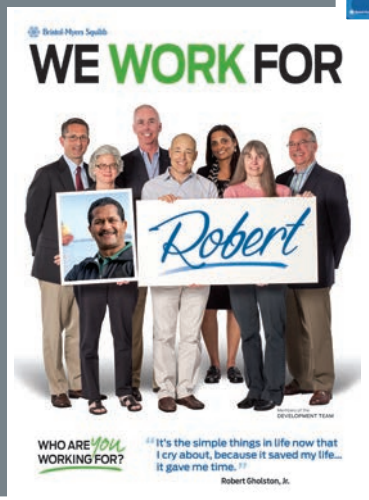
AT BRISTOL-MYERS SQUIBB, WE PUT PEOPLE AT THE CENTER OF ALL WE DO, FROM THE PATIENTS WE SERVE TO THE EMPLOYEES WHO MAKE IT ALL POSSIBLE.

We are evolving to a diversified specialty BioPharma company in order to lead and win in the marketplace and to best fulfill our promises to our patients, customers and shareholders. Making a difference in people's lives is what we are all about. We are united by this common goal, but each of us has our own source of inspiration that drives our success and motivates us to achieve more.

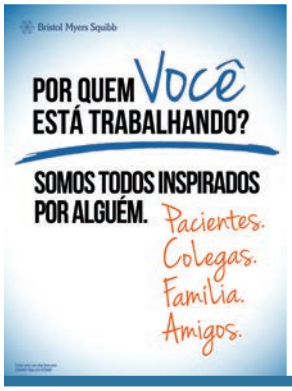


"Now my life has become simple again and my quality of life has improved."





There are people who do a job. Then there are those who impact lives. You are among the latter."



"I wish to express my gratitude to BMS and China Cancer Foundation for bringing a second life for my boy."

the number one new oral anticoagulant prescribed by cardiologists for new-to-brand patients in the U.S. and Japan.

Laying Our Foundation

Our success in 2014 was measured not only in the results driven over the course of the year, but also in our ability to lay the foundation for the next one and beyond.

To that end, we devoted a great deal of resources – people, time and money – to building our pipeline of the future. In addition to the clinical work in immuno-oncology and hepatitis C already mentioned:

- We continued to advance new HIV agents toward late-stage development.
- We conducted mid-stage trials in fibrotic diseases.
- We entered human trials with 12 new agents for diseases, including lupus, rheumatoid arthritis, cancer, thrombosis, fibrosis and genetically defined diseases.

We also pursued several academic collaborations and business development opportunities in immuno-oncology, oncology, fibrosis and genetically defined diseases – underscoring the fact that business development remains a top priority for us in areas aligned with our key strategic diseases.

Serving Our Communities

Throughout 2014, we continued to pursue our community-based activities across the globe and across therapeutic areas to help underserved populations and to benefit the places in which we live and work.

Our Bristol-Myers Squibb Foundation launched two new initiatives – one to expand access to specialty care for vulnerable populations in the U.S. and one to address the lung cancer epidemic in the area of the U.S. known as the "tobacco belt," which has the highest lung cancer incidence and mortality in the country.

The Foundation also expanded our *SECURE THE FUTURE* program to the prevention and care for cervical and breast cancers in women living with HIV in sub-Saharan Africa. And we continued all of the work we have been doing to combat hepatitis B and C in China and India, to fight cancer in Central and Eastern Europe, and to help returning veterans and their families in the United States.

With respect to sustainability, Bristol-Myers Squibb was again ranked number one overall on Corporate Responsibility magazine's annual list of the "100 Best Corporate Citizens," a leading benchmark for socially responsible investors and other stakeholders. This reflects our commitment to people, high ethical standards and progress on social and environmental sustainability.

Strengthening Our Organization

To accelerate our evolution, we made important changes to our company, beginning with the completion of the divestiture of our diabetes business. We refocused our commercial organization to optimize global brands and key markets. We continued to sharpen our R&D focus on specialty products. And in an effort to significantly expand our company's biologics manufacturing capacity, we started the expansion of our plant in Devens, Massachusetts, and recently announced our plan to build a new state-of-the-art facility in Cruiserath, Ireland.

On January 20, 2015, **Giovanni Caforio** was designated chief executive officer by the Board of Directors, effective May 5, 2015. Giovanni currently serves as chief operating officer with responsibility for leading a fully integrated worldwide commercial organization and the companywide functions of Enterprise Services and Global Manufacturing & Supply. In June 2014, Giovanni was elected to the company's Board of Directors.

Giovanni joined Bristol-Myers Squibb in 2000 as vice president and general manager for Italy, subsequently assumed responsibility for South-East Europe, and was appointed senior vice president, European Marketing and Brand Commercialization, in 2004. From 2007 to 2011, he helped build the company's leadership in immuno-oncology as the head of the U.S. and Global Oncology organizations. Giovanni made valuable contributions to the company's strategic focus and operational performance in roles as U.S. president and chief commercial officer from 2011 to 2014. Prior to joining Bristol-Myers Squibb, Giovanni spent 12 years with Abbott Laboratories in a number of leadership positions. Giovanni earned his M.D. degree from the University of Rome before joining the pharmaceutical industry.

"I AM HONORED TO HAVE THE PRIVILEGE TO LEAD THIS GREAT COMPANY."

– Giovanni Caforio, M.D.
Chief Operating Officer
and CEO-Designate

DOCKET ALARM

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