UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended June 30, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____

Commission File Number 001-01136

BRISTOL-MYERS SQUIBB COMPANY
(Exact name of registrant as specified in its charter)

Delaware	**22-0790350**
(State or other jurisdiction of incorporation or organization)	**(I.R.S Employer Identification No.)**

430 E. 29th Street, 14FL, New York, NY 10016
(Address of principal executive offices) (Zip Code)
(212) 546-4000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.10 Par Value	BMY	New York Stock Exchange
1.000% Notes due 2025	BMY25	New York Stock Exchange
1.750% Notes due 2035	BMY35	New York Stock Exchange
Celgene Contingent Value Rights	CELG RT	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to the filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

APPLICABLE ONLY TO CORPORATE ISSUERS:

At June 30, 2021, there were 2,222,113,553 shares outstanding of the Registrant's $0.10 par value common stock.

BRISTOL-MYERS SQUIBB COMPANY
INDEX TO FORM 10-Q
June 30, 2021

PART I—FINANCIAL INFORMATION

* Indicates brand names of products which are trademarks not owned by BMS. Specific trademark ownership information is included in the Exhibit Index at the end of this Quarterly Report on Form 10-Q.

PART I—FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

BRISTOL-MYERS SQUIBB COMPANY
CONSOLIDATED STATEMENTS OF EARNINGS
Dollars in Millions, Except Per Share Data
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
EARNINGS	**2021**	**2020**	**2021**	**2020**
Net product sales	$ 11,405	$ 9,817	$ 22,203	$ 20,358
Alliance and other revenues	298	312	573	552
Total Revenues	11,703	10,129	22,776	20,910
Cost of products sold[(a)]	2,452	2,699	5,293	6,361
Marketing, selling and administrative	1,882	1,628	3,548	3,234
Research and development	3,271	2,522	5,496	4,894
Amortization of acquired intangible assets	2,547	2,389	5,060	4,671
Other (income)/expense, net	(2)	(736)	(704)	427
Total Expenses	10,150	8,502	18,693	19,587
Earnings Before Income Taxes	1,553	1,627	4,083	1,323
Provision for Income Taxes	492	1,707	993	2,169
Net Earnings/(Loss)	1,061	(80)	3,090	(846)
Noncontrolling Interest	6	5	14	14
Net Earnings/(Loss) Attributable to BMS	$ 1,055	$ (85)	$ 3,076	$ (860)
Earnings/(Loss) per Common Share				
Basic	$ 0.47	$ (0.04)	$ 1.38	$ (0.38)
Diluted	0.47	(0.04)	1.36	(0.38)

(a) Excludes amortization of acquired intangible assets.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME/(LOSS)
Dollars in Millions
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
COMPREHENSIVE INCOME/(LOSS)	**2021**	**2020**	**2021**	**2020**
Net Earnings/(Loss)	$ 1,061	$ (80)	$ 3,090	$ (846)
Other Comprehensive Income/(Loss), net of taxes and reclassifications to earnings:				
Derivatives qualifying as cash flow hedges	6	(59)	286	11
Pension and postretirement benefits	15	(7)	38	9
Available-for-sale debt securities	(2)	8	(4)	9
Foreign currency translation	7	51	1	(65)
Total Other Comprehensive Income/(Loss)	26	(7)	321	(36)
Comprehensive Income/(Loss)	1,087	(87)	3,411	(882)
Comprehensive Income Attributable to Noncontrolling Interest	6	5	14	14
Comprehensive Income/(Loss) Attributable to BMS	$ 1,081	$ (92)	$ 3,397	$ (896)

The accompanying notes are an integral part of these consolidated financial statements.

BRISTOL-MYERS SQUIBB COMPANY
CONSOLIDATED BALANCE SHEETS
Dollars in Millions
(UNAUDITED)

ASSETS	**June 30, 2021**	**December 31, 2020**
Current Assets:		
Cash and cash equivalents	$ 11,024	$ 14,546
Marketable debt securities	1,946	1,285
Receivables	9,017	8,501
Inventories	2,137	2,074
Other current assets	5,037	3,786
Total Current Assets	29,161	30,192
Property, plant and equipment	5,795	5,886
Goodwill	20,529	20,547
Other intangible assets	48,065	53,243
Deferred income taxes	650	1,161
Marketable debt securities	143	433
Other non-current assets	6,454	7,019
Total Assets	$ 110,797	$ 118,481
LIABILITIES		
Current Liabilities:		
Short-term debt obligations	$ 2,655	$ 2,340
Accounts payable	3,609	2,713
Other current liabilities	12,727	14,027
Total Current Liabilities	18,991	19,080
Deferred income taxes	4,931	5,407
Long-term debt	42,503	48,336
Other non-current liabilities	7,498	7,776
Total Liabilities	73,923	80,599
Commitments and contingencies		
EQUITY		
Bristol-Myers Squibb Company Shareholders' Equity:		
Preferred stock	—	—
Common stock	292	292
Capital in excess of par value of stock	44,064	44,325
Accumulated other comprehensive loss	(1,518)	(1,839)
Retained earnings	22,168	21,281
Less cost of treasury stock	(28,198)	(26,237)
Total Bristol-Myers Squibb Company Shareholders' Equity	36,808	37,822
Noncontrolling interest	66	60
Total Equity	36,874	37,882
Total Liabilities and Equity	$ 110,797	$ 118,481

The accompanying notes are an integral part of these consolidated financial statements.

BRISTOL-MYERS SQUIBB COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
Dollars in Millions
(UNAUDITED)

	Six Months Ended June 30,	
	2021	**2020**
Cash Flows From Operating Activities:		
Net earnings/(loss)	$ 3,090	$ (846)
Adjustments to reconcile net earnings/(loss) to net cash provided by operating activities:		
Depreciation and amortization, net	5,380	5,035
Deferred income taxes	(95)	1,365
Stock-based compensation	308	423
Impairment charges	579	116
Pension settlements and amortization	25	22
Divestiture gains and royalties	(302)	(295)
Asset acquisition charges	801	361
Equity investment gains	(749)	(480)
Contingent consideration fair value adjustments	(510)	391
Other adjustments	204	(91)
Changes in operating assets and liabilities:		
Receivables	(626)	(197)
Inventories	111	2,090
Accounts payable	158	480
Income taxes payable	(795)	185
Other	(695)	(129)
Net Cash Provided by Operating Activities	6,884	8,430
Cash Flows From Investing Activities:		
Sale and maturities of marketable debt securities	1,968	3,537
Purchase of marketable debt securities	(2,343)	(1,957)
Proceeds from sales of equity investment securities	814	12
Capital expenditures	(383)	(317)
Divestiture and other proceeds	382	336
Acquisition and other payments, net of cash acquired	(401)	(445)
Net Cash Provided by Investing Activities	37	1,166
Cash Flows From Financing Activities:		
Short-term debt obligations, net	(185)	(22)
Repayment of long-term debt	(5,522)	—
Repurchase of common stock	(3,011)	(81)
Dividends	(2,207)	(2,038)
Other	448	94
Net Cash Used in Financing Activities	(10,477)	(2,047)
Effect of Exchange Rates on Cash, Cash Equivalents and Restricted Cash	(20)	(7)
(Decrease)/Increase in Cash, Cash Equivalents and Restricted Cash	(3,576)	7,542
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	14,973	12,820
Cash, Cash Equivalents and Restricted Cash at End of Period	$ 11,397	$ 20,362

The accompanying notes are an integral part of these consolidated financial statements.

Note 1. BASIS OF PRESENTATION AND RECENTLY ISSUED ACCOUNTING STANDARDS

Basis of Consolidation

Bristol-Myers Squibb Company ("BMS") prepared these unaudited consolidated financial statements following the requirements of the SEC and U.S. GAAP for interim reporting. Under those rules, certain footnotes and other financial information that are normally required for annual financial statements can be condensed or omitted. The Company is responsible for the consolidated financial statements included in this Quarterly Report on Form 10-Q, which include all adjustments necessary for a fair presentation of the financial position at June 30, 2021 and December 31, 2020, the results of operations for the three and six months ended June 30, 2021 and 2020, and cash flows for the six months ended June 30, 2021 and 2020. All intercompany balances and transactions have been eliminated. These financial statements and the related notes should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2020 included in the 2020 Form 10-K. Refer to the Summary of Abbreviated Terms at the end of this Quarterly Report on Form 10-Q for terms used throughout the document.

Business Segment Information

BMS operates in a single segment engaged in the discovery, development, licensing, manufacturing, marketing, distribution and sale of innovative medicines that help patients prevail over serious diseases. A global research and development organization and supply chain organization are responsible for the discovery, development, manufacturing and supply of products. Regional commercial organizations market, distribute and sell the products. The business is also supported by global corporate staff functions. Consistent with BMS's operational structure, the Chief Executive Officer ("CEO"), as the chief operating decision maker, manages and allocates resources at the global corporate level. Managing and allocating resources at the global corporate level enables the CEO to assess both the overall level of resources available and how to best deploy these resources across functions, therapeutic areas, regional commercial organizations and research and development projects in line with our overarching long-term corporate-wide strategic goals, rather than on a product or franchise basis. The determination of a single segment is consistent with the financial information regularly reviewed by the CEO for purposes of evaluating performance, allocating resources, setting incentive compensation targets, and planning and forecasting future periods. For further information on product and regional revenue, see "—Note 2. Revenue."

Use of Estimates and Judgments

Revenues, expenses, assets and liabilities can vary during each quarter of the year. Accordingly, the results and trends in these unaudited consolidated financial statements may not be indicative of full year operating results. The preparation of financial statements requires the use of management estimates, judgments and assumptions. The most significant assumptions are estimates used in determining accounting for business combinations; impairments of intangible assets; sales rebate and return accruals; legal contingencies; and income taxes. Actual results may differ from estimates.

Reclassifications

Certain reclassifications were made to conform the prior period consolidated financial statements to the current period presentation. Cash payments resulting from licensing arrangements, including upfront and contingent milestones previously included in operating activities in the consolidated statements of cash flows are now presented in investing activities. The adjustment resulted in an increase to net cash provided by operating activities and net cash used in investing activities of $267 million in the six months ended June 30, 2020. Proceeds received from the sale of equity investment securities previously presented in Divestiture and other proceeds in the consolidated statements of cash flows is now presented separately in Proceeds from sales of equity investment securities. These reclassifications did not have an impact on net assets or net earnings.

Recently Adopted Accounting Standards

In December 2019, the FASB issued amended guidance on the accounting and reporting of income taxes. The guidance is intended to simplify the accounting for income taxes by removing exceptions related to certain intraperiod tax allocations and deferred tax liabilities; clarifying guidance primarily related to evaluating the step-up tax basis for goodwill in a business combination; and reflecting enacted changes in tax laws or rates in the annual effective tax rate. BMS adopted the new guidance effective January 1, 2021. The amended guidance did not have a material impact on BMS's results of operations.

Note 2. REVENUE

The following table summarizes the disaggregation of revenue by nature:

Dollars in Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net product sales	$ 11,405	$ 9,817	$ 22,203	$ 20,358
Alliance revenues	159	163	301	268
Other revenues	139	149	272	284
Total Revenues	$ 11,703	$ 10,129	$ 22,776	$ 20,910

Products are sold principally to wholesalers, distributors, specialty pharmacies, and to a lesser extent, directly to retailers, hospitals, clinics and government agencies. Customer orders are generally fulfilled within a few days of receipt resulting in minimal order backlog. Contractual performance obligations are usually limited to transfer of control of the product to the customer. The transfer occurs either upon shipment, upon receipt of the product after considering when the customer obtains legal title to the product, or upon infusion for cell therapies and when BMS obtains a right of payment. At these points, customers are able to direct the use of and obtain substantially all of the remaining benefits of the product.

The following table summarizes GTN adjustments:

Dollars in Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Gross product sales	$ 16,782	$ 13,788	$ 32,341	$ 28,474
GTN adjustments[(a)]				
Charge-backs and cash discounts	(1,720)	(1,292)	(3,306)	(2,632)
Medicaid and Medicare rebates	(2,139)	(1,482)	(3,857)	(2,980)
Other rebates, returns, discounts and adjustments	(1,518)	(1,197)	(2,975)	(2,504)
Total GTN adjustments	(5,377)	(3,971)	(10,138)	(8,116)
Net product sales	$ 11,405	$ 9,817	$ 22,203	$ 20,358

(a) Includes adjustments for provisions for product sales made in prior periods resulting from changes in estimates of $85 million and $302 million for the three and six months ended June 30, 2021, and $44 million and $116 million for the three and six months ended June 30, 2020, respectively.

The following table summarizes the disaggregation of revenue by product and region:

Dollars in Millions	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Prioritized Brands				
Revlimid	$ 3,202	$ 2,884	$ 6,146	$ 5,799
Eliquis	2,792	2,163	5,678	4,804
Opdivo	1,910	1,653	3,630	3,419
Orencia	814	750	1,572	1,464
Pomalyst/Imnovid	854	745	1,627	1,458
Sprycel	541	511	1,011	1,032
Yervoy	510	369	966	765
Abraxane	296	308	610	608
Empliciti	86	97	171	194
Reblozyl	128	55	240	63
Inrebic	16	15	32	27
Onureg	12	—	27	—
Zeposia	28	1	46	1
Breyanzi	17	—	17	—
Abecma	24	—	24	—
Established Brands				
Vidaza	45	126	99	284
Baraclude	109	121	222	243
Other Brands	319	331	658	749
Total Revenues	$ 11,703	$ 10,129	$ 22,776	$ 20,910
United States	$ 7,388	$ 6,487	$ 14,398	$ 13,253
Europe	2,689	2,136	5,242	4,703
Rest of the World	1,435	1,334	2,781	2,669
Other[(a)]	191	172	355	285
Total Revenues	$ 11,703	$ 10,129	$ 22,776	$ 20,910

(a) Other revenues include royalties and alliance-related revenues for products not sold by BMS's regional commercial organizations.

Revenue recognized from performance obligations satisfied in prior periods was $146 million and $430 million for the three and six months ended June 30, 2021 and $98 million and $228 million for the three and six months ended June 30, 2020, respectively, consisting primarily of revised estimates for GTN adjustments related to prior period sales and royalties for out-licensing arrangements. Contract assets were not material at June 30, 2021 and December 31, 2020.

Note 3. ALLIANCES

BMS enters into collaboration arrangements with third parties for the development and commercialization of certain products. Although each of these arrangements is unique in nature, both parties are active participants in the operating activities of the collaboration and exposed to significant risks and rewards depending on the commercial success of the activities. BMS may either in-license intellectual property owned by the other party or out-license its intellectual property to the other party. These arrangements also typically include research, development, manufacturing, and/or commercial activities and can cover a single investigational compound or commercial product or multiple compounds and/or products in various life cycle stages. The rights and obligations of the parties can be global or limited to geographic regions. BMS refers to these collaborations as alliances and its partners as alliance partners.

Selected financial information pertaining to alliances was as follows, including net product sales when BMS is the principal in the third-party customer sale for products subject to the alliance. Expenses summarized below do not include all amounts attributed to the activities for the products in the alliance, but only the payments between the alliance partners or the related amortization if the payments were deferred or capitalized.

	Three Months Ended June 30,		Six Months Ended June 30,	
Dollars in Millions	2021	2020	2021	2020
Revenues from alliances:				
Net product sales	$ 2,805	$ 2,201	$ 5,687	$ 4,924
Alliance revenues	159	163	301	268
Total Revenues	$ 2,964	$ 2,364	$ 5,988	$ 5,192
Payments to/(from) alliance partners:				
Cost of products sold	$ 1,346	$ 1,050	$ 2,743	$ 2,356
Marketing, selling and administrative	(48)	(38)	(97)	(78)
Research and development	736	233	743	279
Other (income)/expense, net	(14)	(16)	(19)	(31)

Dollars in Millions	June 30, 2021	December 31, 2020
Selected Alliance Balance Sheet information:		
Receivables – from alliance partners	$ 349	$ 343
Accounts payable – to alliance partners	2,032	1,093
Deferred income from alliances[a]	349	366

(a) Includes unamortized upfront and milestone payments.

Specific information pertaining to significant alliances including their nature and purpose; the significant rights and obligations of the parties; and specific accounting policy elections are discussed in the 2020 Form 10-K.

Eisai

In the second quarter of 2021, BMS and Eisai commenced an exclusive global strategic collaboration for the co-development and co-commercialization of MORAb-202, a selective folate receptor alpha antibody-drug conjugate being investigated in endometrial, ovarian, lung and breast cancers. MORAb-202 is currently in Phase I/II clinical trials for solid tumors.

BMS and Eisai will jointly develop and commercialize MORAb-202 in the U.S., Canada, Europe, Russia, Japan, China and certain other countries in the Asia-Pacific region (the "collaboration territory"). Eisai will be responsible for the global manufacturing and supply. Profits, research and development and commercialization costs are shared in the collaboration territories. BMS will be responsible for development and commercialization outside of the collaboration territory and will pay a royalty on those sales.

A $650 million upfront collaboration fee was included in Research and development expense in the second quarter of 2021 and paid in the third quarter of 2021. BMS is also obligated to pay up to $2.5 billion upon the achievement of contingent development, regulatory and sales-based milestones.

Note 4. DIVESTITURES, LICENSING AND OTHER ARRANGEMENTS

Divestitures

The following table summarizes the financial impact of divestitures including royalties, which are included in Other (income)/expense, net. Revenue and pretax earnings related to all divestitures were not material in all periods presented (excluding divestiture gains or losses).

	Three Months Ended June 30,					
	Net Proceeds[a]		Divestiture (Gains)/Losses		Royalty Income	
Dollars in Millions	2021	2020	2021	2020	2021	2020
Diabetes Business	$ 132	$ 127	$ —	$ —	$ (152)	$ (129)
*Erbitux** Business	6	3	—	—	—	—
Manufacturing Operations	23	10	—	—	—	—
Mature Brands and Other	41	1	(11)	9	—	(1)
Total	$ 202	$ 141	$ (11)	$ 9	$ (152)	$ (130)

	Six Months Ended June 30,					
	Net Proceeds[a]		Divestiture (Gains)/Losses		Royalty Income	
ars in Millions	2021	2020	2021	2020	2021	2020
betes Business	$ 296	$ 288	$ —	$ —	$ (286)	(256)
*itux** Business	6	7	—	—	—	—
ufacturing Operations	23	10	—	(1)	—	—
*ix** and *Avapro*/Avalide**	5	7	—	(12)	—	—
ure Brands and Other	52	32	(11)	6	(1)	(32)
otal	$ 382	$ 336	$ (11)	$ (7)	$ (287)	(288)

(a) Includes royalties received subsequent to the related sale of the asset or business.

Licensing and Other Arrangements

The following table summarizes the financial impact of *Keytruda** royalties, *Tecentriq** royalties, up-front licensing fees and milestones for products that have not obtained commercial approval, which are included in Other (income)/expense, net.

	Three Months Ended June 30,		Six Months Ended June 30,	
Dollars in Millions	2021	2020	2021	2020
*Keytruda** royalties	$ (204)	$ (155)	$ (396)	$ (316)
*Tecentriq** royalties	(23)	—	(45)	—
Up-front licensing fees	—	—	—	(30)
Contingent milestone income	(2)	(5)	(2)	(46)
Amortization of deferred income	(15)	(15)	(30)	(30)
Other royalties	(9)	(6)	(12)	(11)
Total	$ (253)	$ (181)	$ (485)	$ (433)

Agenus

In July 2021, BMS obtained a global exclusive license to Agenus' proprietary AGEN1777 bispecific antibody program that blocks TIGIT and an additional target. AGEN1777 is being studied in oncology and is in preclinical development. BMS will be responsible for the development and any subsequent commercialization of AGEN1777 and its related products worldwide, including strategic decisions, regulatory responsibilities, funding and manufacturing. BMS paid a $200 million upfront licensing fee to Agenus and is obligated to pay up to $1.4 billion upon achievement of contingent development, regulatory and sales-based milestones as well as royalties on global net sales.

Note 5. OTHER (INCOME)/EXPENSE, NET

	Three Months Ended June 30,		Six Months Ended June 30,	
Dollars in Millions	2021	2020	2021	2020
Interest expense	$ 330	$ 357	$ 683	$ 719
Contingent consideration	—	(165)	(510)	391
Royalties and licensing income	(405)	(311)	(772)	(721)
Equity investment gains	(148)	(818)	(749)	(480)
Integration expenses	152	166	293	340
Provision for restructuring	78	115	123	275
Litigation and other settlements	44	(1)	36	31
Transition and other service fees	(22)	(50)	(37)	(111)
Investment income	(12)	(25)	(21)	(86)
Reversion excise tax	—	—	—	76
Divestiture (gains)/losses	(11)	9	(11)	(7)
Intangible asset impairment	—	21	—	21
Loss on debt redemption	—	—	281	—
Other	(8)	(34)	(20)	(21)
Other (income)/expense, net	$ (2)	$ (736)	$ (704)	$ 427

Note 6. RESTRUCTURING

Celgene Acquisition Plan

In 2019, a restructuring and integration plan was implemented as an initiative to realize sustainable run rate synergies resulting from cost savings and avoidance from the Celgene acquisition which is currently expected to be approximately $3.0 billion. The synergies are expected to be realized in Cost of products sold (10%), Marketing, selling and administrative expenses (55%) and Research and development expenses (35%). Charges of approximately $3.0 billion are expected to be incurred through 2022. Cumulative charges of approximately $2.3 billion have been recognized including integration planning and execution expenses, employee termination benefit costs and accelerated stock-based compensation, contract termination costs and other shutdown costs associated with site exits. Cash outlays in connection with these actions are expected to be approximately $2.5 billion. Employee workforce reductions were approximately 240 and 900 for the six months ended June 30, 2021 and 2020, respectively.

MyoKardia Acquisition Plan

In 2020, a restructuring and integration plan was initiated to realize expected cost synergies resulting from cost savings and avoidance from the MyoKardia acquisition. Charges of approximately $150 million are expected to be incurred through 2022, and consist of integration planning and execution expenses, employee termination benefit costs and other costs. Cumulative charges of approximately $95 million have been recognized for these actions.

Company Transformation

In 2016, a restructuring plan was announced to evolve and streamline BMS's operating model. Cumulative charges of approximately $1.5 billion were recognized for these actions since the announcement. Actions under the plan were completed as of December 31, 2020.

The following provides the charges related to restructuring initiatives by type of cost:

	Three Months Ended June 30,		Six Months Ended June 30,	
Dollars in Millions	2021	2020	2021	2020
Celgene Acquisition Plan	$ 200	$ 317	$ 373	$ 641
MyoKardia Acquisition Plan	19	—	56	—
Company Transformation	—	23	—	105
Total charges	$ 219	$ 340	$ 429	$ 746
Employee termination costs	$ 75	$ 107	$ 119	$ 256
Other termination costs	3	8	4	19
Provision for restructuring	78	115	123	275
Integration expenses	152	166	293	340
Accelerated depreciation	—	11	—	41
Asset impairments	—	39	24	81
Other shutdown costs, net	(11)	9	(11)	9
Total charges	$ 219	$ 340	$ 429	$ 746
Cost of products sold	$ —	$ 11	$ 24	$ 27
Marketing, selling and administrative	—	1	—	1
Research and development	—	39	—	95
Other (income)/expense, net	219	289	405	623
Total charges	$ 219	$ 340	$ 429	$ 746

The following summarizes the charges and spending related to restructuring plan activities:

Dollars in Millions	Six Months Ended June 30, 2021	2020
Liability at December 31	$ 148	$ 100
Provision for restructuring[a]	114	228
Foreign currency translation and other	(2)	1
Payments	(134)	(188)
Liability at June 30	$ 126	$ 141

(a) Includes a reduction of the liability resulting from changes in estimates of $8 million and $6 million for the six months ended June 30, 2021 and 2020, respectively. Excludes $9 million and $47 million for the six months ended June 30, 2021 and 2020, respectively, of accelerated stock-based compensation relating to the Celgene Acquisition Plan.

Note 7. INCOME TAXES

Dollars in Millions	Three Months Ended June 30, 2021	2020	Six Months Ended June 30, 2021	2020
Earnings Before Income Taxes	$ 1,553	$ 1,627	$ 4,083	$ 1,323
Provision for Income Taxes	492	1,707	993	2,169
Effective Tax Rate	31.7 %	104.9 %	24.3 %	163.9 %

Income taxes in interim periods are determined based on the estimated annual effective tax rates and the tax impact of discrete items that are reflected immediately. The effective tax rates in 2021 and 2020 were impacted by low jurisdictional tax rates attributed to the unwinding of inventory fair value adjustments and intangible asset amortization and contingent value rights fair value adjustments that are not taxable or deductible. The three and six months ended June 30, 2020 includes an $853 million deferred tax charge resulting from an internal transfer of certain intangible assets to the U.S. and an additional $255 million GILTI tax charge upon finalization of the *Otezla** divestiture tax consequences with tax authorities. Additional changes to the effective tax rate may occur in future periods due to various reasons, including changes to the estimated pretax earnings mix and tax reserves and revised interpretations or changes to the relevant tax code.

It is reasonably possible that the amount of unrecognized tax benefits at June 30, 2021 could decrease in the range of approximately $430 million to $480 million in the next twelve months as a result of the settlement of certain tax audits and other events. The expected change in unrecognized tax benefits may result in the payment of additional taxes, adjustment of certain deferred taxes and/or recognition of tax benefits.

BMS is currently under examination by a number of tax authorities, which have proposed or are considering proposing material adjustments to tax positions for issues such as transfer pricing, certain tax credits and the deductibility of certain expenses. As previously disclosed, BMS received several notices of proposed adjustments from the IRS related to transfer pricing and other tax positions for the 2008 to 2012 tax years. BMS disagrees with the IRS's positions and continues to work cooperatively with the IRS to resolve these open tax audits. It is reasonably possible that new issues will be raised by tax authorities that may increase unrecognized tax benefits; however, an estimate of such increases cannot reasonably be made at this time. BMS believes that it has adequately provided for all open tax years by tax jurisdiction.

Note 8. EARNINGS/(LOSS) PER SHARE

Amounts in Millions, Except Per Share Data	Three Months Ended June 30, 2021	2020	Six Months Ended June 30, 2021	2020
Net Earnings/(Loss) Attributable to BMS Used for Basic and Diluted EPS Calculation	$ 1,055	$ (85)	$ 3,076	$ (860)
Weighted-Average Common Shares Outstanding – Basic	2,227	2,263	2,232	2,261
Incremental Shares Attributable to Share-Based Compensation Plans	25	—	26	—
Weighted-Average Common Shares Outstanding – Diluted	2,252	2,263	2,258	2,261
Earnings/(Loss) per Common Share				
Basic	$ 0.47	$ (0.04)	$ 1.38	$ (0.38)
Diluted	0.47	(0.04)	1.36	(0.38)

The total number of potential shares of common stock excluded from the diluted earnings/(loss) per common share computation because of the antidilutive impact was 9 million for both the three and six months ended June 30, 2021 and 127 million for both the three and six months ended June 30, 2020.

Note 9. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

Financial assets and liabilities measured at fair value on a recurring basis are summarized below:

	June 30, 2021			December 31, 2020		
Dollars in Millions	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Cash and cash equivalents - money market and other securities	$ —	$ 9,246	$ —	$ —	$ 12,361	$ —
Marketable debt securities:						
Certificates of deposit	—	1,591	—	—	1,020	—
Corporate debt securities	—	498	—	—	698	—
Derivative assets	—	131	19	—	42	27
Equity investments	3,275	139	—	3,314	138	—
Derivative liabilities	—	42	—	—	270	—
Contingent consideration liability:						
Contingent value rights	10	—	—	530	—	—
Other acquisition related contingent consideration	—	—	67	—	—	78

As further described in "Item 8. Financial Statements and Supplementary Data—Note 9. Financial Instruments and Fair Value Measurements" in the Company's 2020 Form 10-K, the Company's fair value estimates use inputs that are either (1) quoted prices for identical assets or liabilities in active markets (Level 1 inputs); (2) observable prices for similar assets or liabilities in active markets or for identical or similar assets or liabilities in markets that are not active (Level 2 inputs); or (3) unobservable inputs (Level 3 inputs).

Contingent consideration obligations are recorded at their estimated fair values and these obligations are revalued each reporting period until the related contingencies are resolved. The contingent value rights are adjusted to fair value using the traded price of the securities at the end of each reporting period. The fair value measurements for other contingent consideration liabilities are estimated using probability-weighted discounted cash flow approaches that are based on significant unobservable inputs related to product candidates acquired in business combinations and are reviewed quarterly. These inputs include, as applicable, estimated probabilities and timing of achieving specified development and regulatory milestones and the discount rate used to calculate the present value of estimated future payments. Significant changes which increase or decrease the probabilities of achieving the related development and regulatory events or shorten or lengthen the time required to achieve such events would result in corresponding increases or decreases in the fair values of these obligations. The fair value of other acquisition related contingent consideration as of June 30, 2021 was calculated using the following significant unobservable inputs:

	Ranges (weighted average) utilized as of:
Inputs	**June 30, 2021**
Discount rate	0.3% to 1.3% (0.6%)
Probability of payment	0% to 80% (2.4%)
Projected year of payment for development and regulatory milestones	2022 to 2028

There were no transfers between levels 1, 2 and 3 during the six months ended June 30, 2021. The following table represents a roll-forward of the fair value of level 3 instruments:

	Six Months Ended June 30, 2021		Six Months Ended June 30, 2020	
Dollars in Millions	Asset	Liability	Asset	Liability
Fair value as of January 1	$ 27	$ 78	$ —	$ 106
Changes in estimated fair value	(8)	2	—	(36)
Payments	—	(12)	—	—
Foreign exchange	—	(1)	—	1
Fair value as of June 30	$ 19	$ 67	$ —	$ 71

Available-for-sale Debt Securities and Equity Investments

The following table summarizes available-for-sale debt securities:

Dollars in Millions	June 30, 2021 Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	December 31, 2020 Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Certificates of deposit	$ 1,591	$ —	$ —	$ 1,591	$ 1,020	$ —	$ —	$ 1,020
Corporate debt securities	490	8	—	498	684	14	—	698
Total available-for-sale debt securities[(a)]	$ 2,081	$ 8	$ —	$ 2,089	$ 1,704	$ 14	$ —	$ 1,718

(a) All marketable debt securities mature within two years as of June 30, 2021 and December 31, 2020.

The following summarizes the carrying amount of equity investments:

Dollars in Millions	June 30, 2021	December 31, 2020
Equity investments with readily determinable fair values	$ 3,414	$ 3,452
Equity investments without readily determinable fair values	616	694
Equity method investments	638	549
Total equity investments	$ 4,668	$ 4,695

The following summarizes the activity related to equity investments. Changes in fair value of equity investments are included in Other (income)/expense, net.

Dollars in Millions	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Net gain/(loss) recognized on equity investments with readily determinable fair values[(a)]	$ 11	$ 778	$ 448	$ 550
Realized gain/(loss) recognized on equity investments with readily determinable fair value sold	1	—	(2)	—
Upward adjustments on equity investments without readily determinable fair value	99	55	130	130
Impairments and downward adjustments on equity investments without readily determinable fair value	—	(14)	(1)	(202)
Cumulative upward adjustments on equity investments without readily determinable fair value			243	
Cumulative impairments and downward adjustments on equity investments without readily determinable fair value			(142)	

(a) Net unrealized net gains on equity investments still held were $11 million and $353 million for the three and six months ended June 30, 2021 and $778 million and $550 million for the three and six months ended June 30, 2020, respectively.

Qualifying Hedges and Non-Qualifying Derivatives

Cash Flow Hedges — Foreign currency forward contracts are used to hedge certain forecasted intercompany inventory purchases and sales transactions and certain foreign currency transactions. The fair value for contracts designated as cash flow hedges are temporarily reported in Accumulated other comprehensive loss and included in earnings when the hedged item affects earnings. The net gain or loss on foreign currency forward contracts is expected to be reclassified to net earnings (primarily included in Cost of products sold and Other (income)/expense, net) within the next 12 months. The notional amount of outstanding foreign currency forward contracts was primarily attributed to the euro of $3.1 billion and Japanese yen of $1.1 billion at June 30, 2021.

The earnings impact related to discontinued cash flow hedges and hedge ineffectiveness was not material during all periods presented. Cash flow hedge accounting is discontinued when the forecasted transaction is no longer probable of occurring within 60 days after the originally forecasted date or when the hedge is no longer effective. Assessments to determine whether derivatives designated as qualifying hedges are highly effective in offsetting changes in the cash flows of hedged items are performed at inception and on a quarterly basis. Foreign currency forward contracts not designated as hedging instruments are used to offset exposures in certain foreign currency denominated assets, liabilities and earnings. Changes in the fair value of these derivatives are recognized in earnings as they occur.

BMS may hedge a portion of its future foreign currency exposure by utilizing a strategy that involves both a purchased local currency put option and a written local currency call option that are accounted for as hedges of future sales denominated in that local currency. Specifically, BMS sells (or writes) a local currency call option and purchases a local currency put option with the same expiration dates and local currency notional amounts but with different strike prices. The premium collected from the sale of the call option is equal to the premium paid for the purchased put option, resulting in no net premium being paid. This combination of transactions is generally referred to as a "zero-cost collar." The expiration dates and notional amounts correspond to the amount and timing of forecasted foreign currency sales. If the U.S. Dollar weakens relative to the currency of the hedged anticipated sales, the purchased put option value reduces to zero and BMS benefits from the increase in the U.S. Dollar equivalent value of our anticipated foreign currency cash flows; however, this benefit would be capped at the strike level of the written call, which forms the upper end of the collar.

Net Investment Hedges — Non-U.S. Dollar borrowings of €950 million ($1.1 billion) at June 30, 2021 are designated as net investment hedges to hedge euro currency exposures of the net investment in certain foreign affiliates and are recognized in long-term debt. The effective portion of foreign exchange gain on the remeasurement of euro debt was included in the foreign currency translation component of Accumulated other comprehensive loss with the related offset in long-term debt.

Cross-currency interest rate swap contracts of $400 million at June 30, 2021 are designated to hedge Japanese yen currency exposure of BMS's net investment in its Japan subsidiaries. Contract fair value changes are recorded in the foreign currency translation component of Other Comprehensive Income/(Loss) with a related offset in Other non-current assets or Other non-current liabilities.

Fair Value Hedges — Fixed to floating interest rate swap contracts are designated as fair value hedges and used as an interest rate risk management strategy to create an appropriate balance of fixed and floating rate debt. The contracts and underlying debt for the hedged benchmark risk are recorded at fair value. The effective interest rate for the contracts is one-month LIBOR (0.10% as of June 30, 2021) plus an interest rate spread of 4.6%. Gains or losses resulting from changes in fair value of the underlying debt attributable to the hedged benchmark interest rate risk are recorded in interest expense with an associated offset to the carrying value of debt. Since the specific terms and notional amount of the swap are intended to align with the debt being hedged, all changes in fair value of the swap are recorded in interest expense with an associated offset to the derivative asset or liability on the consolidated balance sheet. As a result, there was no net impact in earnings. If the underlying swap is terminated prior to maturity, then the fair value adjustment to the underlying debt is amortized as a reduction to interest expense over the remaining term of the debt.

The following table summarizes the fair value of outstanding derivatives:

	June 30, 2021				December 31, 2020			
	Asset[a]		Liability[b]		Asset[a]		Liability[b]	
Dollars in Millions	Notional	Fair Value	Notional	Fair Value	Notional	Fair Value	Notional	Fair Value
Derivatives designated as hedging instruments:								
Interest rate swap contracts	$ 255	$ 16	$ —	$ —	$ 255	$ 24	$ —	$ —
Cross-currency interest rate swap contracts	400	16	—	—	—	—	400	(10)
Foreign currency forward contracts	3,776	90	1,445	(36)	231	1	5,813	(259)
Derivatives not designated as hedging instruments:								
Foreign currency forward contracts	932	9	531	(6)	1,104	17	336	(1)
Other	—	19	—	—	—	27	—	—

(a) Included in Other current assets and Other non-current assets.
(b) Included in Other current liabilities and Other non-current liabilities.

The following table summarizes the financial statement classification and amount of (gain)/loss recognized on hedging instruments:

	Three Months Ended June 30, 2021		Six Months Ended June 30, 2021	
Dollars in Millions	Cost of products sold	Other (income)/expense, net	Cost of products sold	Other (income)/expense, net
Interest rate swap contracts	$ —	$ (7)	$ —	$ (15)
Cross-currency interest rate swap contracts	—	(3)	—	(6)
Foreign currency forward contracts	59	16	126	(16)

Dollars in Millions	Three Months Ended June 30, 2020		Six Months Ended June 30, 2020	
	Cost of products sold	Other (income)/expense, net	Cost of products sold	Other (income)/expense, net
Interest rate swap contracts	$ —	$ (7)	$ —	$ (14)
Cross-currency interest rate swap contracts	—	(3)	—	(5)
Foreign currency forward contracts	(35)	21	(58)	(55)
Foreign currency zero-cost collar contracts	—	10	—	1

The following table summarizes the effect of derivative and non-derivative instruments designated as hedging instruments in Other Comprehensive Income/(Loss):

Dollars in Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Derivatives qualifying as cash flow hedges				
Foreign currency forward contracts gain/(loss):				
Recognized in Other Comprehensive Income/(Loss)[a]	$ (38)	$ (34)	$ 221	$ 63
Reclassified to Cost of products sold	53	(32)	89	(52)
Derivatives qualifying as net investment hedges				
Cross-currency interest rate swap contracts gain:				
Recognized in Other Comprehensive Income/(Loss)	—	4	26	10
Non-derivatives qualifying as net investment hedges				
Non-U.S. dollar borrowings gain:				
Recognized in Other Comprehensive Income/(Loss)	(16)	(32)	25	(12)

(a) The majority is expected to be reclassified into earnings in the next 12 months.

Debt Obligations

Short-term debt obligations include:

Dollars in Millions	June 30, 2021	December 31, 2020
Non-U.S. short-term borrowings	$ 63	$ 176
Current portion of long-term debt	2,497	2,000
Other	95	164
Total	$ 2,655	$ 2,340

Long-term debt and the current portion of long-term debt include:

Dollars in Millions	June 30, 2021	December 31, 2020
Principal Value	$ 43,666	$ 48,711
Adjustments to Principal Value:		
Fair value of interest rate swap contracts	16	24
Unamortized basis adjustment from swap terminations	131	149
Unamortized bond discounts and issuance costs	(279)	(303)
Unamortized purchase price adjustments of Celgene debt	1,466	1,755
Total	$ 45,000	$ 50,336
Current portion of long-term debt	$ 2,497	$ 2,000
Long-term debt	42,503	48,336
Total	$ 45,000	$ 50,336

The fair value of long-term debt was $50.6 billion at June 30, 2021 and $58.5 billion at December 31, 2020 valued using Level 2 inputs, which are based upon the quoted market prices for the same or similar debt instruments. The fair value of short-term borrowings approximates the carrying value due to the short maturities of the debt instruments.

In the first quarter of 2021, BMS purchased aggregate principal amount of $3.5 billion of certain of its debt securities for approximately $4.0 billion of cash in a series of tender offers and "make whole" redemptions. In connection with these transactions, a $281 million loss on debt redemption was recognized based on the carrying value of the debt and included in Other (income)/expense, net. In addition, the $500 million 2.875% Notes matured and were repaid.

In the second quarter of 2021, the $1.0 billion 2.550% Notes matured and were repaid.

Interest payments were $807 million and $845 million for the six months ended June 30, 2021 and 2020, respectively, net of amounts related to interest rate swap contracts.

As of June 30, 2021, BMS had four separate revolving credit facilities totaling $6.0 billion, which consisted of a 364-day $2.0 billion facility expiring in January 2022, a three-year $1.0 billion facility expiring in January 2022 and two five-year $1.5 billion facilities that were extended to September 2025 and July 2026, respectively. The facilities provide for customary terms and conditions with no financial covenants and may be used to provide backup liquidity for BMS's commercial paper borrowings and are extendable annually by one year on the anniversary date with the consent of the lenders. No borrowings were outstanding under any revolving credit facility at June 30, 2021 or December 31, 2020.

Note 10. RECEIVABLES

Dollars in Millions	June 30, 2021	December 31, 2020
Trade receivables	$ 8,309	$ 7,882
Less charge-backs and cash discounts	(569)	(645)
Less allowance for expected credit loss	(27)	(18)
Net trade receivables	7,713	7,219
Alliance, royalties, VAT and other	1,304	1,282
Receivables	$ 9,017	$ 8,501

Non-U.S. receivables sold on a nonrecourse basis were $638 million and $464 million for the six months ended June 30, 2021 and 2020, respectively. Receivables from the three largest customers in the U.S. represented approximately 58% and 56% of total trade receivables at June 30, 2021 and December 31, 2020, respectively.

Note 11. INVENTORIES

Dollars in Millions	June 30, 2021	December 31, 2020
Finished goods	$ 891	$ 932
Work in process	1,852	2,015
Raw and packaging materials	270	207
Total inventories	$ 3,013	$ 3,154
Inventories	$ 2,137	$ 2,074
Other non-current assets	876	1,080

Total inventories include fair value adjustments resulting from the Celgene acquisition of $606 million at June 30, 2021 and $774 million at December 31, 2020. Other non-current assets include inventory expected to remain on hand beyond one year in both periods.

Note 12. PROPERTY, PLANT AND EQUIPMENT

Dollars in Millions	June 30, 2021	December 31, 2020
Land	$ 169	$ 189
Buildings	5,705	5,732
Machinery, equipment and fixtures	3,194	3,063
Construction in progress	565	487
Gross property, plant and equipment	9,633	9,471
Less accumulated depreciation	(3,838)	(3,585)
Property, plant and equipment	$ 5,795	$ 5,886

Depreciation expense was $143 million and $278 million for the three and six months ended June 30, 2021 and $145 million and $315 million for the three and six months ended June 30, 2020, respectively.

Note 13. GOODWILL AND OTHER INTANGIBLE ASSETS

Dollars in Millions	Estimated Useful Lives	June 30, 2021	December 31, 2020
Goodwill		$ 20,529	$ 20,547
Other intangible assets:			
Licenses	5 – 15 years	327	328
Acquired marketed product rights	3 – 15 years	60,712	59,076
Capitalized software	3 – 10 years	1,405	1,325
IPRD		4,360	6,130
Gross other intangible assets		66,804	66,859
Less accumulated amortization		(18,739)	(13,616)
Other intangible assets		$ 48,065	$ 53,243

In the six months ended June 30, 2021, $1.5 billion of IPRD was reclassified to acquired marketed product rights upon approval of *Breyanzi* and *Abecma* in the U.S. Amortization expense of other intangible assets was $2.5 billion and $5.1 billion for the three and six months ended June 30, 2021 and $2.5 billion and $4.8 billion for the three and six months ended June 30, 2020, respectively.

In the second quarter of 2021, a $230 million IPRD impairment charge was recorded in Research and development expense following a decision to discontinue development of an investigational compound in connection with the prioritization of current pipeline opportunities. The compound was being studied as a potential treatment for fibrotic diseases and was acquired in the acquisition of Celgene. The charge represented a full write-down based on the estimated fair value determined using discounted cash flow projections.

In the first quarter of 2021, *Inrebic* EU regulatory approval milestones of $300 million were achieved resulting in a $385 million increase to the acquired marketed product rights intangible asset, after establishing the applicable deferred tax liability. An impairment charge of $315 million was recognized in Cost of products sold as the carrying value of this asset exceeded the projected undiscounted cash flows of the asset. The charge was equal to the excess of the asset's carrying value over its estimated fair value using discounted cash flow projections.

Note 14. SUPPLEMENTAL FINANCIAL INFORMATION

Dollars in Millions	June 30, 2021	December 31, 2020
Income taxes	$ 2,258	$ 1,799
Research and development	576	492
Equity investments	1,046	619
Restricted cash	174	89
Other	983	787
Other current assets	$ 5,037	$ 3,786

ars in Millions	June 30, 2021	December 31, 2020
ity investments	$ 3,628	4,076
ntories	876	1,080
rating leases	1,006	859
sion and postretirement	234	208
ricted cash[(a)]	199	338
er	517	458
er non-current assets	$ 6,458	7,019

(a) Restricted cash consists of funds restricted for annual Company contributions to the defined contribution plan in the U.S. and escrow for litigation settlements. Restricted cash of $373 million at June 30, 2021 and $428 million at June 30, 2020 was included in cash, cash equivalents and restricted cash in the consolidated statements of cash flows.

Dollars in Millions	June 30, 2021	December 31, 2020
Rebates and returns	$ 5,665	$ 5,688
Income taxes	638	647
Employee compensation and benefits	896	1,412
Research and development	1,469	1,423
Dividends	1,107	1,129
Interest	373	434
Royalties	386	461
Operating leases	173	164
Contingent value rights	—	515
Other	2,020	2,154
Other current liabilities	$ 12,727	$ 14,027

Dollars in Millions	June 30, 2021	December 31, 2020
Income taxes payable	$ 4,690	$ 5,017
Pension and postretirement	838	899
Operating leases	962	833
Deferred income	324	357
Deferred compensation	416	344
Other	268	326
Other non-current liabilities	$ 7,498	$ 7,776

Note 15. EQUITY

The following table summarizes changes in equity for the six months ended June 30, 2021:

Dollars and Shares in Millions	Common Stock Shares	Common Stock Par Value	Capital in Excess of Par Value of Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Treasury Stock Shares	Treasury Stock Cost	Noncontrolling Interest
Balance at December 31, 2020	2,923	$ 292	$ 44,325	$ (1,839)	$ 21,281	679	$ (26,237)	$ 60
Net earnings	—	—	—	—	2,021	—	—	8
Other Comprehensive Income	—	—	—	295	—	—	—	—
Cash dividends declared[a]	—	—	—	—	(1,098)	—	—	—
Share repurchase program	—	—	—	—	—	28	(1,768)	—
Stock compensation	—	—	(473)	—	—	(15)	806	—
Balance at March 31, 2021	2,923	$ 292	$ 43,852	$ (1,544)	$ 22,204	692	$ (27,199)	$ 68
Net earnings	—	—	—	—	1,055	—	—	6
Other Comprehensive Income	—	—	—	26	—	—	—	—
Cash dividends declared[a]	—	—	—	—	(1,091)	—	—	—
Stock repurchase program	—	—	—	—	—	19	(1,235)	—
Stock compensation	—	—	212	—	—	(10)	236	—
Distributions	—	—	—	—	—	—	—	(8)
Balance at June 30, 2021	2,923	292	44,064	(1,518)	22,168	701	(28,198)	66

(a) Cash dividends declared per common share were $0.49 for the three months ended March 31, 2021 and June 30, 2021.

The following table summarizes changes in equity for the six months ended June 30, 2020:

Dollars and Shares in Millions	Common Stock Shares	Common Stock Par Value	Capital in Excess of Par Value of Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Treasury Stock Shares	Treasury Stock Cost	Noncontrolling Interest
Balance at December 31, 2019	2,923	$ 292	$ 43,709	$ (1,520)	$ 34,474	672	$ (25,357)	$ 100
Net loss	—	—	—	—	(775)	—	—	9
Other Comprehensive Loss	—	—	—	(29)	—	—	—	—
Cash dividends declared[a]	—	—	—	—	(1,028)	—	—	—
Share repurchase program	—	—	—	—	—	1	(81)	—
Stock compensation	—	—	(455)	—	—	(13)	681	—
Distributions	—	—	—	—	—	—	—	(43)
Balance at March 31, 2020	2,923	$ 292	$ 43,254	$ (1,549)	$ 32,671	660	$ (24,757)	$ 66
Net loss	—	—	—	—	(85)	—	—	5
Other Comprehensive Loss	—	—	—	(7)	—	—	—	—
Cash dividends declared[b]	—	—	—	—	(1,021)	—	—	—
Stock repurchase program	—	—	1,400	—	—	16	(1,400)	—
Stock compensation	—	—	(210)	—	—	(7)	506	—
Distributions	—	—	—	—	—	—	—	(5)
Balance at June 30, 2020	2,923	292	44,444	(1,556)	31,565	669	(25,651)	66

(a) Cash dividends declared per common share were $0.45 for the three months ended March 31, 2020 and June 30, 2020.

BMS has a share repurchase program, authorized by its Board of Directors, allowing for repurchases of its shares. The share repurchase program does not obligate us to repurchase any specific number of shares, does not have a specific expiration date and may be suspended or discontinued at any time. Treasury stock is recognized at the cost to reacquire the shares. Shares issued from treasury are recognized utilizing the first-in first-out method.

The outstanding share repurchase authority authorization under the program was $4.4 billion as of December 31, 2020. In January 2021, the Board of Directors approved an increase of $2.0 billion to the share repurchase authorization for BMS's common stock. BMS repurchased approximately 47 million shares of its common stock for $3.0 billion during the six months ended June 30, 2021. The remaining share repurchase capacity under the share repurchase program was approximately $3.4 billion as of June 30, 2021.

BMS repurchased 1.4 million shares of its common stock for $81 million in the six months ended June 30, 2020.

In the fourth quarter of 2019, BMS executed accelerated share repurchase ("ASR") agreements to repurchase an aggregate $7 billion of common stock. The ASR was funded with cash on-hand. In the fourth quarter of 2019, approximately 99 million shares of common stock (80% of the $7 billion aggregate repurchase price) were received by BMS and included in treasury stock. In the second quarter of 2020, the agreement was settled and approximately 16 million shares of common stock were received by BMS and transferred to treasury stock.

The components of Other Comprehensive Income/(Loss) were as follows:

	2021			2020		
Dollars in Millions	Pretax	Tax	After Tax	Pretax	Tax	After Tax
Three Months Ended June 30,						
Derivatives qualifying as cash flow hedges:						
Unrealized gain/(losses)	$ (38)	$ (3)	$ (41)	$ (34)	$ 4	$ (30)
Reclassified to net earnings[a]	53	(6)	47	(32)	3	(29)
Derivatives qualifying as cash flow hedges	15	(9)	6	(66)	7	(59)
Pension and postretirement benefits:						
Actuarial losses	1	2	3	(20)	5	(15)
Amortization[b]	10	(2)	8	9	(2)	7
Settlements[b]	5	(1)	4	2	(1)	1
Pension and postretirement benefits	16	(1)	15	(9)	2	(7)
Available-for-sale debt securities:						
Unrealized gains/(losses)	(3)	1	(2)	12	(3)	9
Realized Losses	—	—	—	(1)	—	(1)
Available-for-sale debt securities	(3)	1	(2)	11	(3)	8
Foreign currency translation	3	4	7	45	6	51
Other Comprehensive Income/(Loss)	$ 31	$ (5)	$ 26	$ (19)	$ 12	$ (7)

	2021			2020		
Dollars in Millions	Pretax	Tax	After Tax	Pretax	Tax	After Tax
Six Months Ended June 30,						
Derivatives qualifying as cash flow hedges:						
Unrealized gain/(losses)	$ 221	$ (14)	$ 207	$ 63	$ (6)	$ 57
Reclassified to net earnings[a]	89	(10)	79	(52)	6	(46)
Derivatives qualifying as cash flow hedges	310	(24)	286	11	—	11
Pension and postretirement benefits:						
Actuarial losses	22	(3)	19	(12)	3	(9)
Amortization[b]	19	(5)	14	18	(3)	15
Settlements[b]	6	(1)	5	4	(1)	3
Pension and postretirement benefits	47	(9)	38	10	(1)	9
Available-for-sale debt securities:						
Unrealized gains/(losses)	(6)	2	(4)	14	(4)	10
Realized losses	—	—	—	(1)	—	(1)
Available-for-sale debt securities:	(6)	2	(4)	13	(4)	9
Foreign currency translation	12	(11)	1	(65)	—	(65)
Other Comprehensive Income/(Loss)	$ 363	$ (42)	$ 321	$ (31)	$ (5)	$ (36)

(a) Included in Cost of products sold.
(b) Included in Other (income)/expense, net.

The accumulated balances related to each component of Other Comprehensive Income/(Loss), net of taxes, were as follows:

Dollars in Millions	June 30, 2021	December 31, 2020
Derivatives qualifying as cash flow hedges	$ 49	$ (237)
Pension and postretirement benefits	(936)	(974)
Available-for-sale debt securities	7	11
Foreign currency translation	(638)	(639)
Accumulated other comprehensive loss	$ (1,518)	$ (1,839)

Note 16. EMPLOYEE STOCK BENEFIT PLANS

Stock-based compensation expense was as follows:

Dollars in Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Cost of products sold	$ 15	$ 9	$ 30	$ 19
Marketing, selling and administrative	65	86	125	174
Research and development	74	89	144	183
Other (income)/expense, net	3	29	9	47
Total stock-based compensation expense	$ 157	$ 213	$ 308	$ 423
Income tax benefit[(a)]	$ 33	$ 40	$ 64	$ 86

(a) Income tax benefit excludes excess tax benefits from share-based compensation awards that were vested or exercised of $12 million and $29 million for the three and six months ended June 30, 2021 and $5 million and $28 million for the three and six months ended June 30, 2020, respectively.

The number of units granted and the weighted-average fair value on the grant date for the six months ended June 30, 2021 were as follows:

Units in Millions	Units	Weighted-Average Fair Value
Restricted stock units	8.2	$ 56.62
Market share units	1.0	58.04
Performance share units	1.5	59.04

Dollars in Millions	Stock Options	Restricted Stock Units	Market Share Units	Performance Share Units
Unrecognized compensation cost	$ 20	$ 953	$ 73	$ 124
Expected weighted-average period in years of compensation cost to be recognized	0.9	2.8	3.2	2.0

Note 17. LEGAL PROCEEDINGS AND CONTINGENCIES

BMS and certain of its subsidiaries are involved in various lawsuits, claims, government investigations and other legal proceedings that arise in the ordinary course of business. These claims or proceedings can involve various types of parties, including governments, competitors, customers, suppliers, service providers, licensees, employees, or shareholders, among others. These matters may involve patent infringement, antitrust, securities, pricing, sales and marketing practices, environmental, commercial, contractual rights, licensing obligations, health and safety matters, consumer fraud, employment matters, product liability and insurance coverage, among others. The resolution of these matters often develops over a long period of time and expectations can change as a result of new findings, rulings, appeals or settlement arrangements. Legal proceedings that are significant or that BMS believes could become significant or material are described below.

While BMS does not believe that any of these matters, except as otherwise specifically noted below, will have a material adverse effect on its financial position or liquidity as BMS believes it has substantial defenses in the matters, the outcomes of BMS's legal proceedings and other contingencies are inherently unpredictable and subject to significant uncertainties. There can be no assurance that there will not be an increase in the scope of one or more of these pending matters or any other or future lawsuits, claims, government investigations or other legal proceedings will not be material to BMS's financial position, results of operations or cash flows for a particular period. Furthermore, failure to enforce BMS's patent rights would likely result in substantial decreases in the respective product revenues from generic competition.

Unless otherwise noted, BMS is unable to assess the outcome of the respective matters nor is it able to estimate the possible loss or range of losses that could potentially result for such matters. Contingency accruals are recognized when it is probable that a liability will be incurred and the amount of the related loss can be reasonably estimated. Developments in legal proceedings and other matters that could cause changes in the amounts previously accrued are evaluated each reporting period. For a discussion of BMS's tax contingencies, see "—Note 7. Income Taxes".

INTELLECTUAL PROPERTY

Anti-PD-1 Antibody Litigation
In September 2015, Dana-Farber Cancer Institute ("Dana-Farber") filed a complaint in the U.S. District Court for the District of Massachusetts seeking to correct the inventorship on up to six related U.S. patents directed to methods of treating cancer using PD-1 and PD-L1 antibodies. Specifically, Dana-Farber is seeking to add two scientists as inventors to these patents. In October 2017, Pfizer was allowed to intervene in this case alleging that one of the scientists identified by Dana-Farber was employed by a company eventually acquired by Pfizer during the relevant period. In February 2019, BMS settled the lawsuit with Pfizer. A bench trial in the lawsuit with Dana-Farber took place in February 2019. In May 2019, the District Court issued an opinion ruling that the two scientists should be added as inventors to the patents, which was affirmed on appeal. In May 2021, the U.S. Supreme Court declined to consider the case. In June 2019, Dana-Farber filed a new lawsuit in the District of Massachusetts against BMS seeking damages as a result of the Court's decision adding the scientists as inventors. In February 2021, BMS filed a motion to dismiss the complaint.

CAR T
In October 2017, Juno and Sloan Kettering Institute for Cancer Research ("SKI") filed a complaint for patent infringement against Kite Pharma, Inc. ("Kite") in the U.S. District Court for the Central District of California. The complaint alleged that Kite's *Yescarta*® product infringes certain claims of U.S. Patent No. 7,446,190 (the "'190 Patent") concerning CAR T cell technologies. Kite filed an answer and counterclaims asserting non-infringement and invalidity of the '190 Patent. In December 2019, following an eight-day trial, the jury rejected Kite's defenses, finding that Kite willfully infringed the '190 Patent and awarding to Juno and SKI a reasonable royalty consisting of a $585 million upfront payment and a 27.6% running royalty on Kite's sales of *Yescarta*® through the expiration of the '190 Patent in August 2024. In January 2020, Kite renewed its previous motion for judgment as a matter of law and also moved for a new trial, and Juno filed a motion seeking enhanced damages, supplemental damages, ongoing royalties, and prejudgment interest. In March 2020, the Court denied both of Kite's motions in their entirety. In April 2020, the Court granted in part Juno's motion and entered a final judgment awarding to Juno and SKI approximately $1.2 billion in royalties, interest and enhanced damages and a 27.6% running royalty on Kite's sales of *Yescarta*® from December 13, 2019 through the expiration of the '190 Patent in August 2024. In April 2020, Kite appealed the final judgment to the U.S. Court of Appeals for the Federal Circuit and the Court held an oral hearing on July 6, 2021.

***Eliquis* – Europe**
In November 2020 and January 2021, Sandoz Limited ("Sandoz") and Teva Pharmaceutical Industries Ltd. ("Teva Limited"), respectively, filed lawsuits in the United Kingdom seeking revocation of the UK apixaban composition of matter patent and related Supplementary Protection Certificate. BMS subsequently filed counterclaims for infringement in both actions. A trial is scheduled to begin in early 2022.

There are similar lawsuits filed in the Republic of Ireland, the Netherlands and Sweden seeking revocation of a composition of matter patent relating to *Eliquis*.

Additional infringement and invalidity actions involving *Eliquis* patents may be filed in various countries in Europe in the coming months.

***Eliquis* - U.S.**
In 2017, BMS received Notice Letters from twenty-five generic companies notifying BMS that they had filed aNDAs containing paragraph IV certifications seeking approval of generic versions of *Eliquis*. As a result, two *Eliquis* patents listed in the FDA Orange Book are being challenged: the composition of matter patent claiming apixaban specifically and a formulation patent. In response, BMS, along with its partner Pfizer, initiated patent infringement actions under the Hatch-Waxman Act against all generic filers in the U.S. District Court for the District of Delaware in April 2017. In August 2017, the U.S. Patent and Trademark Office granted patent term restoration to the composition of matter patent to November 2026, thereby restoring the term of the *Eliquis* composition of matter patent, which is BMS's basis for projected LOE. BMS settled with a number of aNDA filers. These settlements do not affect BMS's projected LOE for *Eliquis*. A trial with the remaining aNDA filers took place in late 2019. In August 2020, the U.S. District Court issued a decision finding that the remaining aNDA filers' products infringed the *Eliquis* composition of matter and formulation patents and that both *Eliquis* patents are not invalid. The remaining aNDA filers have appealed to the U.S. Court of Appeals for the Federal Circuit. The oral argument for the appeal is scheduled to occur in September 2021.

Plavix* **- Australia**

Sanofi was notified that, in August 2007, GenRx Proprietary Limited ("GenRx") obtained regulatory approval of an application for clopidogrel bisulfate 75mg tablets in Australia. GenRx, formerly a subsidiary of Apotex Inc., subsequently changed its name to Apotex ("GenRx-Apotex"). In August 2007, GenRx-Apotex filed an application in the Federal Court of Australia seeking revocation of Sanofi's Australian Patent No. 597784 (Case No. NSD 1639 of 2007). Sanofi filed counterclaims of infringement and sought an injunction. On September 21, 2007, the Federal Court of Australia granted Sanofi's injunction. A subsidiary of BMS was subsequently added as a party to the proceedings. In February 2008, a second company, Spirit Pharmaceuticals Pty. Ltd., also filed a revocation suit against the same patent. This case was consolidated with the GenRx-Apotex case. On August 12, 2008, the Federal Court of Australia held that claims of Patent No. 597784 covering clopidogrel bisulfate, hydrochloride, hydrobromide, and taurocholate salts were valid. The Federal Court also held that the process claims, pharmaceutical composition claims, and claim directed to clopidogrel and its pharmaceutically acceptable salts were invalid. BMS and Sanofi filed notices of appeal in the Full Court of the Federal Court of Australia ("Full Court") appealing the holding of invalidity of the claim covering clopidogrel and its pharmaceutically acceptable salts, process claims, and pharmaceutical composition claims. GenRx-Apotex appealed the holding of validity of the clopidogrel bisulfate, hydrochloride, hydrobromide, and taurocholate claims. On September 29, 2009, the Full Court held all of the claims of Patent No. 597784 invalid. In March 2010, the High Court of Australia denied a request by BMS and Sanofi to hear an appeal of the Full Court decision. The case was remanded to the Federal Court for further proceedings related to damages sought by GenRx-Apotex. BMS and GenRx-Apotex settled, and the GenRx-Apotex case was dismissed. The Australian government intervened in this matter seeking maximum damages up to 449 million AUD ($341 million), plus interest, which would be split between BMS and Sanofi, for alleged losses experienced for paying a higher price for branded *Plavix**®** during the period when the injunction was in place. BMS and Sanofi dispute that the Australian government is entitled to any damages. A trial was concluded in September 2017. In April 2020, the Federal Court issued a decision dismissing the Australian government's claim for damages. In May 2020, the Australian government appealed the Federal Court's decision and an appeal hearing concluded in February 2021.

Pomalyst **- Canada**

Celgene received a Notice of Allegation in January 2020 from Natco Pharma (Canada) Inc. ("Natco Canada") notifying Celgene that it had filed an Abbreviated New Drug Submission ("aNDS") with Canada's Minister of Health with respect to certain of Celgene's Canadian patents. Natco Canada is seeking to market a generic version of *Pomalyst* in Canada. In response, Celgene initiated a patent infringement action in the Federal Court of Canada. Natco Canada alleges that the asserted patents are invalid and/or not infringed. A trial is scheduled to begin in November 2021.

Celgene received a second Notice of Allegation in November 2020 from Natco Canada notifying Celgene that it had filed a second aNDS with Canada's Minister of Health with respect to certain of Celgene's Canadian patents. In response, Celgene initiated a patent infringement action in the Federal Court of Canada. Natco Canada alleges that the asserted patents are invalid and/or not infringed. A trial is scheduled to begin in May 2022.

Celgene received four Notices of Allegation in February 2021 from Apotex Inc. notifying Celgene that it had filed two aNDSs with Canada's Minister of Health with respect to certain of Celgene's Canadian patents. Apotex Inc. is seeking to market a generic version of *Pomalyst* in Canada. In response, in April 2021, Celgene initiated patent infringement actions against Apotex Inc. in the Federal Court of Canada. In July 2021, Celgene and Apotex Inc. entered into a confidential settlement agreement and the cases were discontinued.

Pomalyst **- U.S.**

Beginning in 2017, Celgene received Notice letters on behalf of Apotex Inc. and Apotex Corp. (together, "Apotex"); Hetero Labs Limited, Hetero Labs Limited Unit-V, Hetero Drugs Limited, Hetero USA, Inc. (collectively, "Hetero"); Eugia Pharma Specialities Limited, Aurobindo Pharma Ltd., Aurobindo Pharma USA, Inc., and Aurolife Pharma LLC (collectively, "Aurobindo"); and Mylan Pharmaceuticals Inc. notifying Celgene that they had filed aNDAs containing paragraph IV certifications seeking approval to market generic versions of *Pomalyst* in the U.S. In response, Celgene filed patent infringement actions against the companies in the U.S. District Court for the District of New Jersey asserting certain FDA Orange Book-listed patents and the companies filed answers, counterclaims and declaratory judgment actions alleging that the asserted patents are invalid, unenforceable, and not infringed. These litigations were subsequently consolidated. In March 2020, Celgene subsequently filed additional patent infringement actions in the U.S. District Court for the District of New Jersey against each of the companies asserting a newly-issued patent that is listed in the FDA Orange Book and that covers formulations comprising pomalidomide. The companies each filed responsive pleadings alleging that the patent is invalid and not infringed. The Court has consolidated these additional litigations with the previously-consolidated litigations. In September 2020, the Court granted Mylan Pharmaceuticals Inc.'s motion to dismiss, which decision Celgene has appealed. In October 2020, Aurobindo received final approval from the FDA of its aNDA. In April and July 2021, Celgene entered into confidential settlement agreements with Apotex and Aurobindo, respectively, settling all outstanding claims in the litigation with Apotex and Aurobindo. Trial against the remaining defendant, Hetero, is set for November 2021.

In February and March 2019, Celgene filed additional patent infringement actions in the U.S. District Court for the District of New Jersey against the companies asserting certain patents that are not listed in the FDA Orange Book and that cover polymorphic forms of pomalidomide, and the companies filed answers and/or counterclaims alleging that each of these patents is invalid and/or not infringed. These actions have been consolidated with the earlier-filed actions against the companies.

In June 2019, Celgene received a Notice Letter from Dr. Reddy's Laboratories, Ltd. and Dr. Reddy's Laboratories, Inc. (together, "DRL") notifying Celgene that they had filed an aNDA containing paragraph IV certifications seeking approval to market a generic version of *Pomalyst* in the U.S. In response, Celgene initiated a patent infringement action against DRL in the U.S. District Court for the District of New Jersey asserting certain FDA Orange Book-listed patents, and DRL filed an answer and counterclaims alleging that each of the patents is invalid and/or not infringed. In March 2020, Celgene filed an additional patent infringement action in the U.S. District Court for the District of New Jersey against DRL asserting a newly-issued patent that is listed in the FDA Orange Book and that covers formulations comprising pomalidomide, which has been consolidated with the above DRL case. In April 2021, DRL received tentative approval from the FDA of its aNDA. The Court has not set a trial date in this consolidated action.

In February 2021, Celgene filed an additional patent infringement action in the U.S. District Court for the District of New Jersey against DRL asserting certain patents that are not listed in the FDA Orange Book and that cover polymorphic forms of pomalidomide. No trial date has been set for this matter.

***Revlimid* - U.S.**
Celgene has received Notice Letters on behalf of Sun Pharma Global FZE, Sun Pharma Global Inc., Sun Pharmaceutical Industries, Inc., and Sun Pharmaceutical Industries Limited (collectively, "Sun"); Hetero; Mylan Pharmaceuticals Inc., Mylan Inc., and Mylan N.V. (collectively, "Mylan"); Aurobindo; Lupin Limited ("Lupin"); Hikma Pharmaceuticals USA, Inc.; Biocon Pharma Limited, Biocon Limited, and Biocon Pharma, Inc.; and Torrent Pharmaceuticals Limited and Torrent Pharma Inc. notifying Celgene that they had filed aNDAs containing paragraph IV certifications seeking approval to market generic versions of *Revlimid* in the U.S. In response, Celgene filed patent infringement actions against the companies in the U.S. District Court for the District of New Jersey asserting certain FDA Orange Book-listed patents as well as other litigations asserting other non-FDA Orange Book-listed patents against certain defendants, who have filed answers and/or counterclaims alleging that the asserted patents are invalid and/or not infringed. No trial date has been scheduled in any of these New Jersey actions.

Celgene also filed a patent infringement action against Mylan in the U.S. District Court for the Northern District of West Virginia asserting certain FDA Orange Book-listed patents and other non-FDA Orange Book-listed patents. Mylan filed its answer and counterclaims alleging that the patents are invalid and/or not infringed.

In June and July 2021, Celgene entered into confidential settlement agreements with Sun, Aurobindo, and Mylan, respectively, settling all outstanding claims in the litigations with Sun, Aurobindo, and Mylan.

***Sprycel* - U.S.**
In August 2019, BMS received a Notice Letter from Dr. Reddy's Laboratories, Inc. notifying BMS that it had filed an aNDA containing paragraph IV certifications seeking approval of a generic version of *Sprycel* in the U.S. and challenging two FDA Orange Book-listed monohydrate form patents expiring in 2025 and 2026. In response, BMS filed a patent infringement action in the U.S. District Court for the District of New Jersey.

In 2020, BMS received a Notice Letter from Lupin notifying BMS that it had filed an aNDA containing paragraph IV certifications seeking approval of a generic version of *Sprycel* in the U.S. and challenging two FDA Orange Book-listed monohydrate form patents expiring in 2025 and 2026. In response, BMS filed patent infringement actions in the U.S. District Courts for the District of New Jersey and Delaware. The case in Delaware has been dismissed.

In July 2021, BMS entered into confidential settlement agreements with Dr. Reddy's Laboratories, Inc. and Lupin, settling all outstanding claims in the litigations.

PRICING, SALES AND PROMOTIONAL PRACTICES LITIGATION

Plavix* **State Attorneys General Lawsuits**
BMS and certain Sanofi entities are defendants in consumer protection actions brought by the attorneys general of Hawaii and New Mexico relating to the labeling, sales and/or promotion of *Plavix**. A trial in the Hawaii matter occurred in 2020. In February 2021, the Court issued a decision against Sanofi and BMS, imposing penalties in the total amount of $834 million, with $417 million attributed to BMS. Sanofi and BMS disagree with the decision and are appealing it. BMS remains confident in the merits of its case and its likelihood of success on appeal and BMS does not believe establishing a reserve is warranted for this matter. A trial in the New Mexico matter is scheduled to begin in April 2022.

PRODUCT LIABILITY LITIGATION

BMS is a party to various product liability lawsuits. Plaintiffs in these cases seek damages and other relief on various grounds for alleged personal injury and economic loss. As previously disclosed, in addition to lawsuits, BMS also faces unfiled claims involving its products.

Abilify*
BMS and Otsuka are co-defendants in product liability litigation related to *Abilify**. Plaintiffs allege *Abilify** caused them to engage in compulsive gambling and other impulse control disorders. There have been over 2,500 cases filed in state and federal courts and additional cases are pending in Canada. The Judicial Panel on Multidistrict Litigation consolidated the federal court cases for pretrial purposes in the U.S. District Court for the Northern District of Florida. In February 2019, BMS and Otsuka entered into a master settlement agreement establishing a proposed settlement program to resolve all *Abilify** compulsivity claims filed as of January 28, 2019 in the MDL as well as various state courts, including California and New Jersey. To date, approximately 2,700 cases, comprising approximately 3,900 plaintiffs, have been dismissed based on participation in the settlement program or failure to comply with settlement related court orders. In the U.S., less than 20 cases remain pending on behalf of plaintiffs, who either chose not to participate in the settlement program or filed their claims after the settlement cut-off date. There are eleven cases pending in Canada (four class actions, seven individual injury claims). Out of the eleven cases, only two are active (the class actions in Quebec and Ontario). Both class actions have now been certified and will proceed separately, subject to a pending appeal of the Ontario class certification decision.

Byetta*
Amylin, a former subsidiary of BMS, and Lilly are co-defendants in product liability litigation related to *Byetta**. As of June 2021, there are approximately 590 separate lawsuits pending on behalf of approximately 2,250 active plaintiffs (including pending settlements), which include injury plaintiffs as well as claims by spouses and/or other beneficiaries, in various courts in the U.S. The majority of these cases have been brought by individuals who allege personal injury sustained after using *Byetta**, primarily pancreatic cancer, and, in some cases, claiming alleged wrongful death. The majority of cases are pending in Federal Court in San Diego in an MDL or in a coordinated proceeding in California Superior Court in Los Angeles ("JCCP"). In April 2020 the defendants filed a motion for summary judgment based on federal preemption and a motion for summary judgment based on the absence of general causation evidence in the MDL and JCCP. Both motions were granted in March 2021 and April 2021, respectively. The orders will result in the dismissal of all claims alleging an injury of pancreatic cancer in the MDL and JCCP. Plaintiffs have appealed the MDL order and may seek appeals in the JCCP. BMS sold *Byetta** to AstraZeneca in February 2014 as part of BMS's global diabetes business divestiture and any additional liability to Amylin with respect to *Byetta** is expected to be shared with AstraZeneca.

Onglyza*
BMS and AstraZeneca are co-defendants in product liability litigation related to *Onglyza**. Plaintiffs assert claims, including claims for wrongful death, as a result of heart failure or other cardiovascular injuries they allege were caused by their use of *Onglyza**. As of June 2021, claims are pending in state and federal court on behalf of approximately 270 individuals who allege they ingested the product and suffered an injury. In February 2018, the Judicial Panel on Multidistrict Litigation ordered all federal cases to be transferred to an MDL in the U.S. District Court for the Eastern District of Kentucky. A significant majority of the claims are pending in the MDL. As part of BMS's global diabetes business divestiture, BMS sold *Onglyza** to AstraZeneca in February 2014 and any potential liability with respect to *Onglyza** is expected to be shared with AstraZeneca.

SECURITIES LITIGATION

BMS Securities Class Action
Since February 2018, two separate putative class action complaints were filed in the U.S. District for the Northern District of California and in the U.S. District Court for the Southern District of New York against BMS, BMS's Chief Executive Officer, Giovanni Caforio, BMS's Chief Financial Officer at the time, Charles A. Bancroft and certain former and current executives of BMS. The case in California has been voluntarily dismissed. The remaining complaint alleges violations of securities laws for BMS's disclosures related to the CheckMate-026 clinical trial in lung cancer. In September 2019, the Court granted BMS's motion to dismiss, but allowed the plaintiffs leave to file an amended complaint. In October 2019, the plaintiffs filed an amended complaint. In September 2020, the Court granted BMS's motion to dismiss the amended complaint with prejudice. The plaintiffs appealed the Court's decision in October 2020.

Celgene Securities Class Action
Beginning in March 2018, two putative class actions were filed against Celgene and certain of its officers in the U.S. District Court for the District of New Jersey (the "Celgene Securities Class Action"). The complaints allege that the defendants violated federal securities laws by making misstatements and/or omissions concerning (1) trials of GED-0301, (2) Celgene's 2020 outlook and projected sales of *Otezla*®, and (3) the new drug application for *Zeposia*. The Court consolidated the two actions and appointed a lead plaintiff, lead counsel, and co-liaison counsel for the putative class. In February 2019, the defendants filed a motion to dismiss plaintiff's amended complaint in full. In December 2019, the Court denied the motion to dismiss in part and granted the motion to dismiss in part (including all claims arising from alleged misstatements regarding GED-0301). Although the Court gave the plaintiff leave to re-plead the dismissed claims, it elected not to do so, and the dismissed claims are now dismissed with prejudice. In November 2020, the Court granted class certification with respect to the remaining claims. In December 2020, the defendants sought leave to appeal the Court's class certification decision, which was denied without prejudice in March 2021. No trial date has been scheduled.

In April 2020, certain Schwab management investment companies on behalf of certain Schwab funds filed an individual action in the U.S. District Court for the District of New Jersey asserting largely the same allegations as the Celgene Securities Class Action against the same remaining defendants in that action. In July 2020, the defendants filed a motion to dismiss the plaintiffs' complaint in full. In March 2021, the Court granted in part and denied in part defendants' motion to dismiss consistent with its decision in the Celgene Securities Class Action.

The California Public Employees' Retirement System in April 2021 and DFA Investment Dimensions Group Inc., on behalf of certain of its funds, and American Century Mutual Funds, Inc., on behalf of certain of its funds, in July 2021 filed separate individual actions in the U.S. District Court for the District of New Jersey asserting largely the same allegations as the Celgene Securities Class Action and the Schwab individual action against the same remaining defendants in those actions.

Contingent Value Rights Litigation
In June 2021, an action was filed against BMS in the U.S. District Court for the Southern District of New York asserting claims of alleged breaches of a Contingent Value Rights Agreement ("CVR Agreement") entered into in connection with the closing of BMS's acquisition of Celgene Corporation in November 2019. The successor trustee under the CVR Agreement alleges that BMS breached the CVR Agreement by allegedly failing to use "diligent efforts" to obtain FDA approval of liso-cel (*Breyanzi*) before a contractual milestone date, thereby avoiding a $6.4 billion potential obligation to holders of the contingent value rights governed by the CVR Agreement and by allegedly failing to permit inspection of records in response to a request by the successor trustee. The successor trustee seeks damages in an amount to be determined at trial and other relief, including interest and attorneys' fees. BMS disputes the successor trustee's allegations.

OTHER LITIGATION

Average Manufacturer Price Litigation
BMS is a defendant in a qui tam (whistleblower) lawsuit in the U.S. District Court for the Eastern District of Pennsylvania, in which the U.S. Government declined to intervene. The complaint alleges that BMS inaccurately reported its average manufacturer prices to the Centers for Medicare and Medicaid Services to lower what it owed. Similar claims have been filed against other companies. In January 2020, BMS reached an agreement in principle to resolve this matter subject to the negotiation of a definitive settlement agreement and other contingencies. In March 2021, BMS finalized an agreement with the U.S. government and qui tam relator to resolve the claims asserted in the lawsuit. BMS has paid $75 million plus interest to the federal and state governments. Individual agreements will be negotiated with participating states based on the federal agreement. To the extent BMS does not finalize a settlement agreement with any state, that state's share of the settlement will revert to BMS.

HIV Medication Antitrust Lawsuits
BMS and two other manufacturers of HIV medications are defendants in related lawsuits pending in the Northern District of California. The lawsuits allege that the defendants' agreements to develop and sell fixed-dose combination products for the treatment of HIV, including *Atripla*® and *Evotaz*, violate antitrust laws. The currently pending actions, asserted on behalf of indirect purchasers, were initiated in 2019 in the Northern District of California and in 2020 in the Southern District of Florida. The Florida matter was transferred to the Northern District of California. In July 2020, the Court granted in part defendants' motion to dismiss, including dismissing with prejudice plaintiffs' claims as to an overarching conspiracy and plaintiffs' theories based on the alleged payment of royalties after patent expiration. Other claims, however, remain. In September and October 2020, two purported class actions have also been filed asserting similar claims on behalf of direct purchasers. In March 2021, the Court dismissed one of the direct purchaser cases and limited the claims of the remaining direct purchaser case to those arising in 2016 or later. However, the Court gave plaintiffs leave to amend their complaints, and one plaintiff filed an amended complaint on March 16, 2021. A trial on both the direct and indirect purchaser claims is scheduled for November 2022.

In February 2021, BMS and two other manufacturers of HIV medications were sued in State Court in New Mexico by the Attorney General of the State of New Mexico in a case alleging that the defendants' agreements to develop and sell various fixed-dose combination products for the treatment of HIV, including *Atripla**, and agreements to settle certain patent litigation violate the antitrust laws of the State of New Mexico. No schedule has been set for the case.

***Thalomid* and *Revlimid* Litigations**

Beginning in November 2014, certain putative class action lawsuits were filed against Celgene in the U.S. District Court for the District of New Jersey alleging that Celgene violated various antitrust, consumer protection, and unfair competition laws by (a) allegedly securing an exclusive supply contract for the alleged purpose of preventing a generic manufacturer from securing its own supply of thalidomide active pharmaceutical ingredient, (b) allegedly refusing to sell samples of *Thalomid* and *Revlimid* brand drugs to various generic manufacturers for the alleged purpose of bioequivalence testing necessary for aNDAs to be submitted to the FDA for approval to market generic versions of these products, (c) allegedly bringing unjustified patent infringement lawsuits in order to allegedly delay approval for proposed generic versions of *Thalomid* and *Revlimid*, and/or (d) allegedly entering into settlements of patent infringement lawsuits with certain generic manufacturers that allegedly have had anticompetitive effects. The plaintiffs, on behalf of themselves and putative classes of third-party payers, sought injunctive relief and damages. The various lawsuits were consolidated into a master action for all purposes. In March 2020, Celgene reached a settlement with the class plaintiffs. In October 2020, the Court entered a final order approving the settlement and dismissed the matter. That settlement does not resolve the claims of certain entities that opted out of the settlement.

In May 2018, Humana, Inc. ("Humana") filed a lawsuit against Celgene in the Pike County Circuit Court of the Commonwealth of Kentucky. Humana's complaint alleges Celgene engaged in unlawful off-label marketing in connection with sales of *Thalomid* and *Revlimid* and asserts claims against Celgene for fraud, breach of contract, negligent misrepresentation, unjust enrichment and violations of New Jersey's Racketeer Influenced and Corrupt Organizations Act. The complaint seeks, among other things, treble and punitive damages, injunctive relief and attorneys' fees and costs. In April 2019, Celgene filed a motion to dismiss Humana's complaint, which the Court denied in January 2020. No trial date has been scheduled.

In March 2019, Humana filed a lawsuit against Celgene in the U.S. District Court for the District of New Jersey. Humana's complaint makes largely the same claims and allegations as were made in the class action litigation. The complaint purports to assert claims on behalf of Humana and its subsidiaries in several capacities, including as a direct purchaser and as an indirect purchaser, and seeks, among other things, treble and punitive damages, injunctive relief and attorneys' fees and costs. In May 2019, Celgene filed a motion to dismiss Humana's complaint, and the Court has stayed discovery pending adjudication of that motion. No trial date has been scheduled.

In March 2020, United HealthCare Services, Inc. ("UHS"), affiliates of which opted out of the first settlement in the *Thalomid* and *Revlimid* Antitrust Class Action Litigation, filed a lawsuit against Celgene in the U.S. District Court for the District of Minnesota. UHS's complaint makes largely the same claims and allegations as were made in the class action litigation in addition to certain claims regarding donations directed to copay assistance. The complaint purports to assert claims on behalf of UHS and its subsidiaries in several capacities, including as a direct purchaser and as an indirect purchaser, and seeks, among other things, treble and punitive damages, injunctive relief and attorneys' fees and costs. In December 2020, Celgene's motion to transfer the action to the District of New Jersey was granted and the case is now pending in that Court. In January 2021, Celgene filed a motion to dismiss UHS's complaint, which the Court administratively terminated in June 2021 pending its decision on Celgene's pending motion to dismiss Humana's complaint. No trial date has been scheduled.

In May 2020, Celgene filed suit against Humana Pharmacy, Inc. ("HPI"), a Humana subsidiary, in Delaware Superior Court. Celgene's complaint alleges that HPI breached its contractual obligations to Celgene by assigning claims to Humana that Humana is now asserting. The complaint seeks damages for HPI's breach as well as a declaratory judgment. In September 2020, HPI filed a motion to dismiss Celgene's complaint, which was denied in February 2021. A trial has been scheduled for March 2023.

In July 2020, Blue Cross Blue Shield Association ("BCBSA") sued Celgene and BMS on behalf of the Federal Employee Program in the U.S. District Court for the District of Columbia. BCBSA's complaint makes largely the same claims and allegations as were made in the class action litigation. In April 2021, the parties' joint motion to transfer the action to the District of New Jersey was granted and the case is now pending in that Court. No trial date has been scheduled.

In August 2020, BCBSM Inc., Health Care Service Corporation ("HCSC"), Blue Cross and Blue Shield of Florida Inc., and Molina Healthcare, Inc. ("Molina") sued Celgene and BMS in a Minnesota state court. The complaint makes largely the same claims and allegations as were made in the class action litigation but adds allegations on behalf of HCSC only as to alleged off-label marketing of *Thalomid* and *Revlimid*. In September 2020, Celgene and BMS removed the action to the U.S. District Court for the District of Minnesota. In March 2021, that Court denied plaintiffs' motion to remand the action to state court, dismissed Molina for lack of personal jurisdiction and granted defendants' motion to transfer the action to the District of New Jersey. The case is now pending in the District of New Jersey. No trial date has been scheduled.

In January 2021, Cigna Corporation ("Cigna") sued Celgene and BMS in the U.S. District Court for the Eastern District of Pennsylvania. Cigna's complaint makes largely the same claims and allegations as were made in the class action litigation. Cigna's complaint purports to assert claims on behalf of Cigna and its subsidiaries in several capacities, including as a direct purchaser and as an indirect purchaser. In May 2021, the parties' joint motion to transfer the action to the District of New Jersey was granted and the case is now pending in that Court. No trial date has been scheduled.

In May 2021, Molina sued Celgene and BMS in San Francisco Superior Court. Molina's complaint makes largely the same claims and allegations as were made in the class action litigation. No trial date has been scheduled.

GOVERNMENT INVESTIGATIONS

Like other pharmaceutical companies, BMS and certain of its subsidiaries are subject to extensive regulation by national, state and local authorities in the U.S. and other countries in which BMS operates. As a result, BMS, from time to time, is subject to various governmental and regulatory inquiries and investigations as well as threatened legal actions and proceedings. It is possible that criminal charges, substantial fines and/or civil penalties, could result from government or regulatory investigations.

ENVIRONMENTAL PROCEEDINGS

As previously reported, BMS is a party to several environmental proceedings and other matters, and is responsible under various state, federal and foreign laws, including CERCLA, for certain costs of investigating and/or remediating contamination resulting from past industrial activity at BMS's current or former sites or at waste disposal or reprocessing facilities operated by third parties.

CERCLA Matters

With respect to CERCLA matters for which BMS is responsible under various state, federal and foreign laws, BMS typically estimates potential costs based on information obtained from the U.S. Environmental Protection Agency, or counterpart state or foreign agency and/or studies prepared by independent consultants, including the total estimated costs for the site and the expected cost-sharing, if any, with other "potentially responsible parties," and BMS accrues liabilities when they are probable and reasonably estimable. BMS estimated its share of future costs for these sites to be $75 million at June 30, 2021, which represents the sum of best estimates or, where no best estimate can reasonably be made, estimates of the minimal probable amount among a range of such costs (without taking into account any potential recoveries from other parties). The amount includes the estimated costs for any additional probable loss associated with the previously disclosed North Brunswick Township High School Remediation Site.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's discussion and analysis of results of operations and financial condition is provided as a supplement to and should be read in conjunction with the consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q to enhance the understanding of our results of operations, financial condition and cash flows.

EXECUTIVE SUMMARY

Bristol-Myers Squibb Company is a global biopharmaceutical company whose mission is to discover, develop and deliver innovative medicines that help patients prevail over serious diseases. Our principal strategy is to combine the resources, scale and capability of a pharmaceutical company with the speed and focus on innovation of the biotech industry. Our focus as a biopharmaceutical company is on discovering, developing and delivering transformational medicines for patients facing serious diseases in areas where we believe that we have an opportunity to make a meaningful difference: oncology (both solid tumors and hematology), immunology, cardiovascular and fibrosis. Our four strategic priorities are to drive enterprise performance, maximize the value of our commercial portfolio, ensure the long-term sustainability of our pipeline through combined internal and external innovation and establish our new culture and embed our people strategy. For further information on our strategy, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations-Executive Summary-Strategy" in our 2020 Form 10-K. Refer to the Summary of Abbreviated Terms at the end of this Quarterly Report on Form 10-Q for terms used throughout the document.

In 2021, we received 13 approvals for new medicines and additional indications and formulations of currently marketed medicines in major markets (the U.S., EU and Japan), including advancement in hematology malignancies through regulatory approvals of *Breyanzi* and *Abecma*, the first approvals of our cell therapy portfolio. In support of our continued investment in our cell therapy portfolio, we are expanding our manufacturing capabilities through the construction of new state-of-the-art cell therapy manufacturing facilities in Devens, Massachusetts and Leiden, Netherlands. We continue to see momentum in our oncology portfolio with the approvals for both *Opdivo* and *Opdivo+Yervoy* in various indications. We continue to expand our portfolio in immunology with the FDA approval of *Zeposia* for the treatment of adults with moderately to severely active UC and an important opportunity for deucravacitinib, our TYK2 inhibitor, for the treatment of psoriasis and other diseases. We bolstered our leading cardiovascular franchise by adding mavacamten with the acquisition of MyoKardia in 2020. In March 2021, the FDA accepted the NDA for mavacamten for patients with symptomatic obstructive HCM with an assigned PDUFA goal date of January 28, 2022.

Our revenues increased by 9% for the six months ended June 30, 2021 due to *Eliquis, Revlimid*, our IO and new product portfolios and foreign exchange, partially offset by lower demand for established brands. The $1.74 change in GAAP EPS primarily resulted from specified items including, lower unwinding of inventory fair value adjustments, contingent value rights and lower tax charges, partially offset by higher research and development, impairment and debt redemption charges. After adjusting for specified items, non-GAAP EPS increased $0.32 as a result of higher revenues, partially offset by higher costs and expenses to support product launches and the broader portfolio.

	Three Months Ended June 30,		Six Months Ended June 30,	
Dollars in Millions, except per share data	2021	2020	2021	2020
Total Revenues	$ 11,703	$ 10,129	$ 22,776	$ 20,910
Diluted Earnings/(Loss) Per Share				
GAAP	$ 0.47	$ (0.04)	$ 1.36	$ (0.38)
Non-GAAP	1.93	1.63	3.67	3.35

Our non-GAAP financial measures, including non-GAAP earnings and related EPS information, are adjusted to exclude specified items that represent certain costs, expenses, gains and losses and other items impacting the comparability of financial results. For a detailed listing of all specified items and further information and reconciliations of non-GAAP financial measures refer to "—Non-GAAP Financial Measures."

Economic and Market Factors

COVID-19

In December 2019, COVID-19 emerged and subsequently expanded to a pandemic, resulting in international, federal, state and local public health and governmental authorities taking a number of actions to limit the spread of COVID-19 and address material disruptions in the U.S. and global economy. Against this background, we benefited from the impact of COVID-19 related buying patterns in the first quarter of 2020 but experienced sales channel inventory workdowns for our products during second quarter of 2020. We began to note improvement in the demand for certain products during the third and fourth quarters in 2020 but continue to experience impacts on revenues from COVID-19 primarily due to lower new patient starts and patient visits. Although the pandemic has not significantly impacted our results of operations, it remains difficult to reasonably assess or predict the full extent of the negative impact that the COVID-19 pandemic may have on our business, financial condition, results of operations and cash flows. The future financial and operational impact of the COVID-19 pandemic on BMS will depend on developments such as the ultimate duration and recovery from the pandemic, government actions, impact on the U.S. and global economies, customer behavior changes and timing for resumption to our normal operations, among others. See risk factor on the Company's risk factors resulting from the COVID-19 pandemic included under "Part I—Item 1A. Risk Factors—The COVID-19 pandemic is affecting our business and could have a material adverse effect on us" in our 2020 Form 10-K.

As the COVID-19 pandemic affected global healthcare systems as well as major economic and financial markets, we adopted several procedures focused on ensuring the continued supply of our medicines to our patients and protecting the health, wellbeing and safety of our workforce:

Workplace and Community

- We are maintaining our steadfast commitment to protecting the health and safety of our workforce and our communities while ensuring uninterrupted supply of medicines to patients and building on our competitive advantage.
- Our manufacturing sites have remained open throughout the pandemic supported by on site personnel. We have taken a thoughtful and phased approach to bringing the rest of our workforce back to our 250 plus sites around the world and into the field, guided by the following principles:
    - Serving the needs of our patients and customers
    - Prioritizing health and safety
    - Following medical advice and government direction
    - Leading with compassion and flexibility
    - Modeling key learnings
- Our timelines and circumstances have varied across the globe. We are monitoring local conditions and government direction closely and adjusting our plans as appropriate acting in a nimble and flexible manner.
- We continue to take significant measures to protect the safety of our colleagues on site, including providing protective equipment, ensuring physical distancing, enhanced cleaning and creating a robust COVID-19 website to assist our workforce.

Supply of Our Medicines and Support to Patients, Physicians and Advocacy Groups

- An important element of keeping our promise to patients, their families and our healthcare providers is to ensure that our supply chain is robust and carefully managed. Our clinical and commercial supply chain teams have proactively identified alternative means for moving our raw materials and products to our markets and clinical sites over the past months. As a result of these efforts, we have not seen any disruption in our clinical or commercial supply chain due to the pandemic.
- Our customer-facing personnel are employing a combination of in-person and remote interactions to ensure continued support for healthcare professionals, patient care, and access to our medicines across our global markets. The balance between in-person and remote engagement is varying market to market based on local conditions and government direction.

Our Clinical Trials and Research

- We are working with health authorities and investigators to protect our trial participants and personnel at BMS and our clinical trial sites, while ensuring regulatory compliance and the integrity of our science.
- We have provided clinical trial investigators with overarching principles and guidance regarding the conduct of our clinical trials worldwide in light of COVID-19, and are taking into account guidance from health authorities, where applicable.

Governmental Actions

Additional regulations in the U.S. may occur in the future, including healthcare reform initiatives, further changes to tax laws and pricing laws and potential importation restrictions, that may reduce our results of operations, operating cash flow, liquidity and financial flexibility. For example, in November 2020 the U.S. federal government issued regulations regarding U.S. drug prices and payment for pharmaceutical products, including regulations that: (i) would reduce physician reimbursement for certain Medicare Part B drugs administered in doctors' offices or hospitals to a "most favored nation price" drawn from the lowest price paid by certain countries in the Organisation for Economic Co-operation and Development, which would apply to many cancer medications; (ii) would authorize states and private parties to develop and implement programs to import certain prescription drugs from Canada and sell them in the U.S.; and (iii) would reform the use of rebates in Medicare Part D. The outcome of these regulations remains uncertain as a result of ongoing litigation and other factors. See risk factor on the Company's risk factors on the executive orders included under "Part I—Item 1A. Risk Factors—Increased pricing pressure and other restrictions in the U.S. and abroad continue to negatively affect our revenues and profit margins" in our 2020 Form 10-K.

Significant Product and Pipeline Approvals

The following is a summary of the significant approvals received in 2021:

Product	Date	Approval
Opdivo+Yervoy	June 2021	EC approval of *Opdivo* plus *Yervoy* for the treatment of adult patients with mismatch repair deficient or microsatellite instability-high mCRC after prior fluoropyrimidine-based combination chemotherapy.
Onureg	June 2021	EC approval of *Onureg* as a maintenance therapy in adult patients with AML who achieved complete remission or complete remission with incomplete blood count recovery following induction therapy with or without consolidation treatment and who are not candidates for, including those who choose not to proceed to, hematopoietic stem cell transplantation.
Opdivo+Yervoy	June 2021	EC approval of *Opdivo* plus *Yervoy* for the first-line treatment of adults with unresectable malignant pleural mesothelioma.
Zeposia	May 2021	FDA approval of *Zeposia* for the treatment of adults with moderately to severely active UC.
Opdivo	May 2021	Announced Japan's Ministry of Health, Labour and Welfare approval of *Opdivo* and *Yervoy* in combination therapy for the first-line treatment of unresectable advanced or recurrent malignant pleural mesothelioma.
Opdivo	May 2021	FDA approval of *Opdivo* for the adjuvant treatment of patients with completely resected esophageal or gastroesophageal junction cancer with residual pathologic disease after neoadjuvant chemoradiotherapy.
Opdivo	April 2021	FDA approval of *Opdivo* in combination with chemotherapy for patients with advanced or metastatic gastric cancer, gastroesophageal junction cancer, and esophageal adenocarcinoma, regardless of PD-L1 expression status.
Opdivo	April 2021	EC approval of *Opdivo* in combination with *Cabometyx** for the first-line treatment of patients with advanced RCC.
Abecma	March 2021	FDA approval of *Abecma* (idecabtagene vicleucel; ide-cel) for the treatment of adult patients with relapsed or refractory multiple myeloma after four or more prior lines of therapy, including an immunomodulatory agent, a proteasome inhibitor, and an anti-CD38 monoclonal antibody.
Breyanzi	March 2021	Announced Japan's Ministry of Health, Labour and Welfare approval of *Breyanzi* (lisocabtagene maraleucel: liso-cel) for the treatment of patients with relapsed or refractory large B-cell lymphoma and relapsed or refractory follicular lymphoma.
Inrebic	February 2021	EC approval of *Inrebic* for the treatment of disease-related splenomegaly or symptoms in adult patients with primary myelofibrosis, post-polycythaemia vera myelofibrosis or post-essential thrombocythaemia myelofibrosis, who are Janus Associated Kinase inhibitor naïve or have been treated with ruxolitinib.
Breyanzi	February 2021	FDA approval of *Breyanzi* (lisocabtagene maraleucel; liso-cel) for the treatment of adult patients with relapsed or refractory large B-cell lymphoma after two or more lines of systemic therapy.
Opdivo	January 2021	FDA approval of *Opdivo* in combination with *Cabometyx** for the first-line treatment of patients with advanced RCC.

The FDA has indicated it is undertaking an industry-wide review of indications that received accelerated approval and for which the confirmatory studies did not meet their primary endpoints. This is not specific to BMS, but we have two *Opdivo* indications that are subject to this review by the FDA in the third-line treatment of SCLC and second-line treatment of HCC. In consultation with the FDA, we have withdrawn the *Opdivo* indication in the third-line treatment of SCLC. Additionally, we decided to withdraw the *Opdivo* indication in the second-line treatment of HCC.

Refer to "—Product and Pipeline Developments" for all of the developments in our marketed products and late-stage pipeline in 2021.

Divestitures, Licensing and Other Arrangements

Divestitures, licensing and other arrangements allow us to focus our resources behind our growth opportunities that drive the greatest long-term value. Significant transactions entered into in 2021 are summarized below. Refer to "Item 1. Financial Statements—Note 3. Alliances" and "—Note 4. Divestitures, Licensing and Other Arrangements" for further information.

Agenus - We obtained a global exclusive license to Agenus' proprietary bispecific antibody program, AGEN1777, that blocks TIGIT and an additional target. AGEN1777 is being studied in oncology and is in preclinical development.

Eisai - We commenced an exclusive global strategic collaboration with Eisai for the co-development and co-commercialization of MORAb-202, a selective folate receptor alpha antibody-drug conjugate being investigated in endometrial, ovarian, lung and breast cancers. MORAb-202 is currently in Phase I/II clinical trials for solid tumors.

Prothena - We exercised our option under the global neuroscience research and development collaboration to enter into an exclusive U.S. license for PRX005, an anti-tau antibody that specifically targets an area within the microtubule binding region for the potential treatment of Alzheimer's disease. A Phase I clinical trial with PRX005 has been initiated.

Rockefeller University - We entered into an agreement with Rockefeller University, granting us the global exclusive license to develop, manufacture and commercialize Rockefeller's novel monoclonal antibody duo treatment that neutralizes the SARS-CoV-2 virus for therapy, or prevents in certain patients, of COVID-19. Phase I clinical trials to assess dosing for IV and subcutaneous formulations and to assess safety have been completed by Rockefeller. In May 2021, enrollment initiated in the Phase II study within the NIH ACTIV-2 protocol at a network of sites within the U.S.

RESULTS OF OPERATIONS

Regional Revenues

The composition of the changes in revenues was as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
Dollars in Millions	2021	2020	% Change	Foreign Exchange[b]	2021	2020	% Change	Foreign Exchange[b]
United States	$ 7,388	$ 6,487	14 %	—	$ 14,398	$ 13,253	9 %	—
Europe	2,689	2,136	26 %	10 %	5,242	4,703	11 %	9 %
Rest of the World	1,435	1,334	8 %	4 %	2,781	2,669	4 %	3 %
Other[a]	191	172	11 %	N/A	355	285	25 %	N/A
Total	$ 11,703	$ 10,129	16 %	3 %	$ 22,776	$ 20,910	9 %	2 %

(a) Other revenues include royalties and alliance-related revenues for products not sold by our regional commercial organizations.
(b) Foreign exchange impacts were derived by applying the prior period average currency rates to the current period sales.

United States

- U.S. revenues for the second quarter 2021 and year-to-date increased due to higher demand for *Eliquis*, our IO and new product portfolios and *Revlimid*. The second quarter 2020 was negatively impacted from sales channel inventory work downs and lower new patient starts due to the COVID-19 pandemic. Average U.S. net selling prices increased 1% year-to-date compared to the same period a year ago.

Europe

- Europe revenues for the second quarter 2021 and year-to-date increased due to higher demand for *Eliquis*, *Revlimid*, our IO portfolio and foreign exchange, partially offset by lower demand for established brands. The second quarter 2020 was negatively impacted from sales channel inventory work downs and lower new patient starts due to the COVID-19 pandemic. Average net selling prices decreased year-to-date compared to the same period a year ago.

Rest of the World

- Rest of the World revenues for the second quarter 2021 and year-to-date increased due to higher demand for *Pomalyst/Imnovid*, our IO portfolio, and *Eliquis* and foreign exchange, partially offset by lower demand for established brands. The second quarter 2020 was negatively impacted from sales channel inventory work downs and lower new patient starts due to the COVID-19 pandemic. Average net selling prices decreased year-to-date compared to the same period a year ago.

No single country outside the U.S. contributed more than 10% of total revenues during the six months ended June 30, 2021 or 2020. Our business is typically not seasonal.

GTN Adjustments

The reconciliation of gross product sales to net product sales by each significant category of GTN adjustments was as follows:

	Three Months Ended June 30,			Six Months Ended June 30,		
Dollars in Millions	2021	2020	% Change	2021	2020	% Change
Gross product sales	$ 16,782	$ 13,788	22 %	$ 32,341	$ 28,474	14 %
GTN adjustments						
Charge-backs and cash discounts	(1,720)	(1,292)	33 %	(3,306)	(2,632)	26 %
Medicaid and Medicare rebates	(2,139)	(1,482)	44 %	(3,857)	(2,980)	29 %
Other rebates, returns, discounts and adjustments	(1,518)	(1,197)	27 %	(2,975)	(2,504)	19 %
Total GTN adjustments	(5,377)	(3,971)	35 %	(10,138)	(8,116)	25 %
Net product sales	$ 11,405	$ 9,817	16 %	$ 22,203	$ 20,358	9 %
GTN adjustments percentage	32 %	29 %	3 %	31 %	28 %	3 %
U.S.	38 %	34 %	4 %	37 %	34 %	3 %
Non-U.S.	15 %	16 %	(1) %	16 %	15 %	1 %

Reductions to provisions for product sales made in prior periods resulting from changes in estimates were $302 million and $116 million for the six months ended June 30, 2021 and 2020, respectively. The reductions to provisions in 2021 was primarily related to *Eliquis* coverage gap discounts. GTN adjustments are primarily a function of product sales volume, regional and payer channel mix, contractual or legislative discounts and rebates. U.S. GTN adjustments percentage increased primarily due to higher government channel mix, which has higher GTN adjustment percentages.

Product Revenues

Dollars in Millions	Three Months Ended June 30, 2021	2020	% Change	Six Months Ended June 30, 2021	2020	% Change
Prioritized Brands						
Revlimid	$ 3,202	$ 2,884	11 %	$ 6,146	$ 5,799	6 %
U.S.	2,164	2,048	6 %	4,122	4,014	3 %
Non-U.S.	1,038	836	24 %	2,024	1,785	13 %
Eliquis	2,792	2,163	29 %	5,678	4,804	18 %
U.S.	1,722	1,363	26 %	3,645	3,140	16 %
Non-U.S.	1,070	800	34 %	2,033	1,664	22 %
Opdivo	1,910	1,653	16 %	3,630	3,419	6 %
U.S.	1,076	956	13 %	2,020	1,964	3 %
Non-U.S.	834	697	20 %	1,610	1,455	11 %
Orencia	814	750	9 %	1,572	1,464	7 %
U.S.	593	554	7 %	1,129	1,054	7 %
Non-U.S.	221	196	13 %	443	410	8 %
Pomalyst/Imnovid	854	745	15 %	1,627	1,458	12 %
U.S.	567	522	9 %	1,079	1,011	7 %
Non-U.S.	287	223	29 %	548	447	23 %
Sprycel	541	511	6 %	1,011	1,032	(2)%
U.S.	325	308	6 %	600	608	(1)%
Non-U.S.	216	203	6 %	411	424	(3)%
Yervoy	510	369	38 %	966	765	26 %
U.S.	328	254	29 %	622	511	22 %
Non-U.S.	182	115	58 %	344	254	35 %
Abraxane	296	308	(4)%	610	608	—
U.S.	234	218	7 %	459	423	9 %
Non-U.S.	62	90	(31)%	151	185	(18)%
Empliciti	86	97	(11)%	171	194	(12)%
U.S.	51	59	(14)%	102	118	(14)%
Non-U.S.	35	38	(8)%	69	76	(9)%
Reblozyl	128	55	**	240	63	**
U.S.	110	55	100 %	208	63	**
Non-U.S.	18	—	N/A	32	—	N/A
Inrebic	16	15	7 %	32	27	19 %
U.S.	15	15	—	30	27	11 %
Non-U.S.	1	—	N/A	2	—	N/A
Onureg	12	—	N/A	27	—	N/A
U.S.	12	—	N/A	26	—	N/A
Non-U.S.	—	—	N/A	1	—	N/A
Zeposia	28	1	**	46	1	**
U.S.	20	1	**	33	1	**
Non-U.S.	8	—	N/A	13	—	N/A

Dollars in Millions	Three Months Ended June 30,			Six Months Ended June 30,		
	2021	2020	% Change	2021	2020	% Change
Prioritized Brands						
Breyanzi	17	—	N/A	17	—	N/A
U.S.	17	—	N/A	17	—	N/A
Non-U.S.	—	—	N/A	—	—	N/A
Abecma	24	—	N/A	24	—	N/A
U.S.	24	—	N/A	24	—	N/A
Non-U.S.	—	—	N/A	—	—	N/A
Established Brands						
Vidaza	45	126	(64) %	99	284	(65) %
U.S.	2	—	N/A	7	2	**
Non-U.S.	43	126	(66) %	92	282	(67) %
Baraclude	109	121	(10) %	222	243	(9) %
U.S.	2	3	(33) %	6	6	—
Non-U.S.	107	118	(9) %	216	237	(9) %
Other Brands	319	331	(4) %	658	749	(12) %
U.S.	126	131	(4) %	269	311	(14) %
Non-U.S.	193	200	(4) %	389	438	(11) %
Total Revenues	**11,703**	**10,129**	**16 %**	**22,776**	**20,910**	**9 %**
U.S.	**7,388**	**6,487**	**14 %**	**14,398**	**13,253**	**9 %**
Non-U.S.	**4,315**	**3,642**	**18 %**	**8,378**	**7,657**	**9 %**

** Change in excess of 100%.

Revlimid (lenalidomide) — an oral immunomodulatory drug that in combination with dexamethasone is indicated for the treatment of patients with multiple myeloma. *Revlimid* as a single agent is also indicated as a maintenance therapy in patients with multiple myeloma following autologous hematopoietic stem cell transplant.

- U.S. revenues increased 6% in the second quarter 2021 due to higher demand and higher average net selling prices.

  U.S. revenues increased 3% year-to-date due to higher average net selling prices.

- International revenues increased 24% in the second quarter 2021 due to higher demand and foreign exchange of 8%. Excluding foreign exchange impacts, revenues increased by 16%.

  International revenues increased 13% year-to-date due to foreign exchange of 7% and higher demand. Excluding foreign exchange impacts, revenues increased 6%.

Eliquis (apixaban) — an oral Factor Xa inhibitor targeted at stroke prevention in adult patients with NVAF and the prevention and treatment of VTE disorders.

- U.S. revenues increased 26% in the second quarter 2021 due to higher demand and a second quarter 2020 inventory work down resulting from the COVID-19 pandemic (primarily sales channel inventory work down), partially offset by lower average net selling prices.

  U.S. revenues increased 16% year-to-date due to higher demand, partially offset by lower average net selling prices.

- International revenues increased 34% in the second quarter 2021 and 22% year-to-date due to higher demand and foreign exchange of 10% and 9%, respectively. The second quarter 2020 was negatively affected from the COVID-19 pandemic (primarily sales channel inventory work down). Excluding foreign exchange impacts, revenues increased by 24% and 13%, respectively.

Following the May 2021 expiration of regulatory exclusivity for *Eliquis* in Europe, generic manufacturers may seek to market generic versions of *Eliquis* in Europe prior to the expiration of our patents, which may lead to additional, infringement and invalidity actions involving our *Eliquis* patents being filed in various countries in Europe. We believe in the innovative science behind *Eliquis* and the strength of our intellectual property, which we will defend against infringement. Refer to "Item 1. Financial Statements—Note 17. Legal Proceedings and Contingencies—Intellectual Property—" for further information.

Opdivo (nivolumab) — a fully human monoclonal antibody that binds to the PD-1 on T and NKT cells that has been approved for several anti-cancer indications including bladder, blood, colon, head and neck, kidney, liver, lung, melanoma and stomach. The *Opdivo+Yervoy* regimen also is approved in multiple markets for the treatment of NSCLC, melanoma, RCC, and CRC. There are several ongoing potentially registrational studies for *Opdivo* across other tumor types and disease areas, in monotherapy and in combination with *Yervoy* and various anti-cancer agents.

- U.S. revenues increased 13% in the second quarter 2021 and 3% year-to-date due to higher demand across multiple therapies including the *Opdivo+Yervoy* combinations in NSCLC (launched in the second quarter 2020), *Opdivo+Cabometyx** combination in kidney cancer and *Opdivo* in various gastric and esophageal cancers, partially offset by declining second-line eligibility across tumor indications and increased competition. The second quarter 2020 was negatively affected from the COVID-19 pandemic (primarily lower new patient starts and patient visits).

- International revenues increased 20% in the second quarter 2021 and 11% year-to-date due to higher demand and foreign exchange of 7% and 5%, respectively. Excluding foreign exchange impacts, revenues increased by 13% and 6%, respectively.

Orencia (abatacept) — a fusion protein indicated for adult patients with moderate to severe active RA and PsA and is also indicated for reducing signs and symptoms in certain pediatric patients with moderately to severely active polyarticular JIA.

- U.S. revenues increased 7% in the second quarter 2021 and year-to-date due to higher demand. The second quarter 2020 was negatively impacted by lower demand from the COVID-19 pandemic.

- International revenues increased 13% in the second quarter 2021 and 8% year-to-date due to foreign exchange of 6% and 5%, respectively, higher demand and higher average net selling prices. The second quarter 2020 was negatively impacted by lower demand from the COVID-19 pandemic. Excluding foreign exchange impacts, revenues increased by 7% and 3%, respectively.

Pomalyst/Imnovid (pomalidomide) — a proprietary, distinct, small molecule that is administered orally and modulates the immune system and other biologically important targets. *Pomalyst/Imnovid* is indicated for patients with multiple myeloma who have received at least two prior therapies including lenalidomide and a proteasome inhibitor and have demonstrated disease progression on or within 60 days of completion of the last therapy.

- U.S. revenues increased 9% in the second quarter 2021 and 7% year-to-date due to higher demand and higher average net selling prices.

- International revenues increased 29% in the second quarter 2021 and 23% year-to-date, due to higher demand and foreign exchange of 6% for both periods, partially offset by lower average net selling prices. Excluding foreign exchange impacts, revenues increased by 23% and 17%.

Sprycel (dasatinib) — an oral inhibitor of multiple tyrosine kinase indicated for the first-line treatment of patients with Philadelphia chromosome-positive CML in chronic phase and the treatment of adults with chronic, accelerated, or myeloid or lymphoid blast phase CML with resistance or intolerance to prior therapy, including *Gleevec** (imatinib mesylate) and the treatment of children and adolescents aged 1 year to 18 years with chronic phase Philadelphia chromosome-positive CML.

- U.S. revenues increased 6% in the second quarter 2021 due to higher demand.

  U.S. revenues decreased 1% year-to-date due lower average net selling prices.

- International revenues increased 6% in the second quarter 2021 due to foreign exchange of 4%, and to a lesser extent, higher demand. Excluding foreign exchange impacts, revenues increased by 2%.

  International revenues decreased 3% year-to-date due to lower demand as a result of increased generic competition and lower average net selling prices, partially offset by foreign exchange of 4%. Excluding foreign exchange impacts, revenues decreased by 7%.

Yervoy (ipilimumab) — a monoclonal antibody for the treatment of patients with unresectable or metastatic melanoma. The *Opdivo+Yervoy* regimen also is approved in multiple markets for the treatment of NSCLC, melanoma, RCC, and CRC.

- U.S. revenues increased 29% in the second quarter 2021 and 22% year-to-date due to higher demand primarily from the *Opdivo+Yervoy* combination for NSCLC (launched in the second quarter 2020).

- International revenues increased 58% in the second quarter 2021 and 35% year-to-date due to higher demand and foreign exchange of 10% and 7%, respectively, partially offset by lower average net selling prices. Excluding foreign exchange impacts, revenues increased by 48% and 28%, respectively.

Abraxane (paclitaxel albumin-bound particles for injectable suspension) — a solvent-free protein-bound chemotherapy product that combines paclitaxel with albumin using our proprietary *Nab*® technology platform, and is used to treat breast cancer, NSCLC and pancreatic cancer, among others.

- U.S. revenues increased 7% in the second quarter 2021 due to higher demand, partially offset by lower average net selling prices and 9% year-to-date due to higher demand.

- International revenues decreased 31% in the second quarter 2021 and 18% year-to-date due to supply chain delays, partially offset by foreign exchange of 5% and 4%, respectively. Excluding foreign exchange impacts, revenues decreased by 36% and 22%, respectively. We expect that the supply chain delays will continue into the third or fourth quarter 2021.

Empliciti (elotuzumab) — a humanized monoclonal antibody for the treatment of multiple myeloma.

Reblozyl (luspatercept-aamt) — an erythroid maturation agent indicated for the treatment of anemia in adult patients with beta thalassemia who require regular red blood cell transfusions and for the treatment of anemia failing an erythropoiesis stimulating agent ("ESA") in adult patients with very low- to intermediate-risk MDS who have ring sideroblasts and require RBC transfusions. *Reblozyl* was launched for adult patients with MDS previously treated with ESA in April 2020.

Inrebic (fedratinib) — an oral kinase inhibitor indicated for the treatment of adult patients with intermediate-2 or high-risk primary or secondary (post-polycythemia vera or post-essential thrombocythemia) myelofibrosis. *Inrebic* was launched in August 2019.

Onureg (azacitidine) — an oral hypomethylating agent that incorporates into DNA and RNA, indicated for continued treatment of adult patients with AML who achieved first complete remission or complete remission with incomplete blood count recovery following intensive induction chemotherapy and are not able to complete intensive curative therapy. *Onureg* was launched in September 2020.

Zeposia (ozanimod) — an oral immunomodulatory drug used to treat relapsing forms of multiple sclerosis, to include clinically isolated syndrome, relapsing-remitting disease, and active secondary progressive disease, in adults and to treat moderately to severely active UC in adults. *Zeposia* was launched in June 2020.

Breyanzi (lisocabtagene maraleucel) — a CD19-directed genetically modified autologous T cell immunotherapy indicated for the treatment of adult patients with certain types of relapsed or refractory large B-cell lymphoma after two or more lines of systemic therapy. *Breyanzi* was launched in April 2021.

Abecma (idecabtagene vicleucel) — a B-cell maturation antigen-directed genetically modified autologous T cell immunotherapy indicated for the treatment of adult patients with relapsed or refractory multiple myeloma after four or more prior lines of therapy, including an immunomodulatory agent, a proteasome inhibitor, and an anti-CD38 monoclonal antibody. *Abecma* was launched in May 2021.

Vidaza (azacitidine for injection) — a hypomethylating agent with several approved indications worldwide for frontline treatment of patients with myelodysplastic syndromes, chronic myelomonocytic leukemia (CMMoL), and acute myeloid leukemia.

- International revenues decreased due to lower demand and lower average net selling prices resulting from generic competition.

Baraclude (entecavir) — an oral antiviral agent for the treatment of chronic hepatitis B.

- International revenues decreased due to lower demand resulting from generic competition.

Other Brands — includes all other brands, including those which have lost exclusivity in major markets, OTC brands and royalty revenue.

- International revenues decreased primarily due to continued generic erosion.

Estimated End-User Demand

Pursuant to the SEC Consent Order described in our 2020 Form 10-K, we monitor inventory levels on hand in the U.S. wholesaler distribution channel and outside of the U.S. in the direct customer distribution channel. We are obligated to disclose products with levels of inventory in excess of one month on hand or expected demand, subject to a *de minimis* exception. There were no products in the U.S. wholesaler distribution channel and outside of the U.S. in the direct customer distribution channel with estimated levels of inventory in excess of one month at June 30, 2021 (U.S.) and March 31, 2021 (outside of the U.S.).

In the U.S., we generally determine our months on hand estimates using inventory levels of product on hand and the amount of out-movement provided by our three largest wholesalers, which account for approximately 85% of total gross sales of U.S. products for the six months ended June 30, 2021. Factors that may influence our estimates include generic competition, seasonality of products, wholesaler purchases in light of increases in wholesaler list prices, new product launches, new warehouse openings by wholesalers and new customer stockings by wholesalers. In addition, these estimates are calculated using third-party data, which may be impacted by their recordkeeping processes.

Revlimid and *Pomalyst* are distributed in the U.S. primarily through contracted pharmacies under the *Revlimid* REMS and *Pomalyst* REMS programs, respectively. These are proprietary risk-management distribution programs tailored specifically to provide for the safe and appropriate distribution and use of *Revlimid* and *Pomalyst*. Internationally, *Revlimid* and *Imnovid* are distributed under mandatory risk-management distribution programs tailored to meet local authorities' specifications to provide for the products' safe and appropriate distribution and use. These programs may vary by country and, depending upon the country and the design of the risk-management program, the product may be sold through hospitals or retail pharmacies.

Our non-U.S. businesses have significantly more direct customers. Information on available direct customer product level inventory and corresponding out-movement information and the reliability of third-party demand information varies widely. We limit our direct customer sales channel inventory reporting to where we can influence demand. When this information does not exist or is otherwise not available, we have developed a variety of methodologies to estimate such data, including using historical sales made to direct customers and third-party market research data related to prescription trends and end-user demand. Given the difficulties inherent in estimating third-party demand information, we evaluate our methodologies to estimate direct customer product level inventory and to calculate months on hand on an ongoing basis and make changes as necessary. Factors that may affect our estimates include generic competition, seasonality of products, price increases, new product launches, new warehouse openings by direct customers, new customer stockings by direct customers and expected direct customer purchases for governmental bidding situations. As such, all of the information required to estimate months on hand in the direct customer distribution channel for non-U.S. business for the quarter ended June 30, 2021 is not available prior to the filing of this Quarterly Report on Form 10-Q. We will disclose any product with levels of inventory in excess of one month on hand or expected demand for the current quarter, subject to a *de minimis* exception, in our next quarterly report on Form 10-Q.

Expenses

Dollars in Millions	Three Months Ended June 30, 2021	2020	% Change	Six Months Ended June 30, 2021	2020	% Change
Cost of products sold[(a)]	$ 2,452	$ 2,699	(9) %	$ 5,293	$ 6,361	(17) %
Marketing, selling and administrative	1,882	1,628	16 %	3,548	3,234	10 %
Research and development	3,271	2,522	30 %	5,496	4,894	12 %
Amortization of acquired intangible assets	2,547	2,389	7 %	5,060	4,671	8 %
Other (income)/expense, net	(2)	(736)	(100) %	(704)	427	**
Total Expenses	$ 10,150	$ 8,502	19 %	$ 18,693	$ 19,587	(5) %

** In excess of +/- 100%.

(a) Excludes amortization of acquired intangible assets.

Cost of Products Sold

- Cost of products sold decreased by $247 million in the second quarter 2021 primarily due to lower unwinding of inventory fair value adjustments ($626 million), partially offset by higher *Eliquis* profit sharing ($303 million) and foreign exchange.

- Cost of products sold decreased by $1.1 billion year-to-date primarily due to lower unwinding of inventory fair value adjustments ($2.0 billion), partially offset by higher *Eliquis* profit sharing ($395 million), charges related to *Inrebic* regulatory approval milestones in the EU ($315 million) and foreign exchange.

Marketing, Selling and Administrative

- Marketing, selling and administrative expenses increased by $254 million in the second quarter 2021 and $314 million year-to-date, primarily due to higher advertising and promotion expenses and higher costs to support new product launches.

Research and Development

- Research and development expense increased by $749 million in the second quarter 2021 and $602 million year-to-date, primarily due to license and asset acquisition charges of $780 million in the second quarter 2021 primarily relating to Eisai ($650 million) and Prothena ($80 million) and a $230 million IPRD impairment charge resulting from the decision to discontinue further development of an investigational compound. The second quarter 2020 included license and asset acquisition charges of $300 million relating to bluebird ($200 million) and Cormorant ($100 million).

Amortization of Acquired Intangible Assets

- Amortization of acquired intangible assets increased by $158 million in the second quarter 2021 and $389 million year-to-date, due to additional product approvals.

Other (Income)/Expense, Net

- Other (income)/expense, net changed by $734 million in the second quarter 2021 and $1.1 billion year-to-date, primarily due to fair value adjustments to contingent value rights and equity investments and other items discussed below.

Dollars in Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Interest expense	$ 330	$ 357	$ 683	$ 719
Contingent consideration	—	(165)	(510)	391
Royalties and licensing income	(405)	(311)	(772)	(721)
Equity investment gains	(148)	(818)	(749)	(480)
Integration expenses	152	166	293	340
Provision for restructuring	78	115	123	275
Litigation and other settlements	44	(1)	36	31
Transition and other service fees	(22)	(50)	(37)	(111)
Investment income	(12)	(25)	(21)	(86)
Reversion excise tax	—	—	—	76
Divestiture (gains)/losses	(11)	9	(11)	(7)
Intangible asset impairment	—	21	—	21
Loss on debt redemption	—	—	281	—
Other	(8)	(34)	(20)	(21)
Other (income)/expense, net	$ (2)	$ (736)	$ (704)	$ 427

- Contingent consideration primarily includes fair value adjustments resulting from the change in the traded price of contingent value rights issued with the Celgene acquisition. The contractual obligation to pay the contingent value rights terminated in January 2021 because the FDA did not approve liso-cel (JCAR017) by December 31, 2020.
- Royalties and licensing income includes diabetes business royalties, *Keytruda*® royalties, *Tecentriq*® royalties, up-front licensing fees and milestones for products that have not obtained commercial approval. Refer to "Item 1. Financial Statements—Note 4. Divestitures, Licensing and Other Arrangements" for further information.
- Equity investment gains includes fair value adjustments on equity investments that have readily determinable fair value and other observable price changes on equity investments without readily determinable fair values. The fair value of equity investments with or without readily determinable fair values in the first quarter 2020 were significantly negatively impacted by changes in market conditions primarily caused by the COVID-19 pandemic and subsequently recovered in the second quarter 2020. Refer to "Item 1. Financial Statements—Note 9. Financial Instruments and Fair Value Measurements" for more information. Our share of income from equity method investments of $37 million in the second quarter 2021 and $174 million year-to-date are primarily due to fair value adjustments attributed to limited partnerships.
- Integration expenses primarily includes consulting fees to implement Celgene integration initiatives related to processes and systems.
- Provision for restructuring includes exit and other costs primarily related to the Celgene acquisition plan. We are on track to achieve the annualized pre-tax cost savings of approximately $3.0 billion through 2022 as detailed in the restructuring activities. Refer to "Item 1. Financial Statements—Note 6. Restructuring" for further information.
- Investment income decreased primarily due to lower interest rates in the second quarter and year-to-date 2021.
- Reversion excise tax resulted from the transfer of the retiree medical plan assets back to the Company in the first quarter 2020.
- A loss on debt redemption resulted from the early redemption of $3.5 billion long-term debt obligations in the first quarter 2021.

Income Taxes

Dollars in Millions	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Earnings Before Income Taxes	$ 1,553	$ 1,627	$ 4,083	$ 1,323
Provision for Income Taxes	492	1,707	993	2,169
Effective Tax Rate	31.7 %	104.9 %	24.3 %	163.9 %
Impact of Specified Items	14.8 %	91.1 %	7.5 %	149.0 %
Effective Tax Rate Excluding Specified Items	16.9 %	13.8 %	16.8 %	14.9 %

The tax impact attributed to specified items was primarily due to low jurisdictional tax rates attributed to the unwinding of inventory fair value adjustments and intangible asset amortization and contingent value rights fair value adjustments that are not taxable or deductible. The three and six months ended June 30, 2020 includes an $853 million deferred tax charge resulting from an internal transfer of certain intangible assets to the U.S. and an additional $255 million GILTI tax charge upon finalization of the *Otezla®* divestiture tax consequences with tax authorities. The effective tax rate excluding specified items increased by 3.1% in the second quarter 2021 and 1.9% year-to-date due to unfavorable earnings mix and the catch-up effect of a decrease to the estimated annual effective tax rate in the second quarter 2020. Refer to "Item 1. Financial Statements—Note 7. Income Taxes" for additional information.

Non-GAAP Financial Measures

Our non-GAAP financial measures, such as non-GAAP earnings and related EPS information, are adjusted to exclude certain costs, expenses, gains and losses and other specified items that are evaluated on an individual basis. These items are adjusted after considering their quantitative and qualitative aspects and typically have one or more of the following characteristics, such as being highly variable, difficult to project, unusual in nature, significant to the results of a particular period or not indicative of future operating results. Similar charges or gains were recognized in prior periods and will likely reoccur in future periods including (i) amortization of acquired intangible assets, including product rights that generate a significant portion of our ongoing revenue and will recur until the intangible assets are fully amortized, (ii) unwind of inventory fair value adjustments, (iii) acquisition and integration expenses, (iv) restructuring costs, (v) accelerated depreciation and impairment of property, plant and equipment and intangible assets, (vi) R&D charges or other income resulting from upfront or contingent milestone payments in connection with the acquisition or licensing of third-party intellectual property rights, (vii) divestiture gains or losses, (viii) stock compensation resulting from accelerated vesting of Celgene awards and certain retention-related employee compensation charges related to the Celgene transaction, (ix) pension, legal and other contractual settlement charges, (x) equity investment and contingent value rights fair value adjustments, including fair value adjustments attributed to limited partnership equity method investments and (xi) amortization of fair value adjustments of debt acquired from Celgene in our 2019 exchange offer, among other items. Deferred and current income taxes attributed to these items are also adjusted for considering their individual impact to the overall tax expense, deductibility and jurisdictional tax rates. Certain other significant tax items are also excluded such as the impact resulting from internal transfer of intangible assets and the *Otezla®* divestiture in the second quarter 2020. We also provide international revenues for our priority products excluding the impact of foreign exchange. We calculate foreign exchange impacts by converting our current-period local currency financial results using the prior period average currency rates and comparing these adjusted amounts to our current-period results. Reconciliations of these non-GAAP measures to the most comparable GAAP measures are included in Exhibit 99.2 to our Form 8-K filed on July 28, 2021 and are incorporated herein by reference.

Non-GAAP information is intended to portray the results of our baseline performance, supplement or enhance management, analysts and investors' overall understanding of our underlying financial performance and facilitate comparisons among current, past and future periods. For example, non-GAAP earnings and EPS information is an indication of our baseline performance before items that are considered by us to not be reflective of our ongoing results. In addition, this information is among the primary indicators that we use as a basis for evaluating performance, allocating resources, setting incentive compensation targets and planning and forecasting for future periods. This information is not intended to be considered in isolation or as a substitute for net earnings or diluted EPS prepared in accordance with GAAP and may not be the same as or comparable to similarly titled measures presented by other companies due to possible differences in method and in the items being adjusted. We encourage investors to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure.

Specified items were as follows:

Dollars in Millions	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Inventory purchase price accounting adjustments	$ 88	$ 714	$ 167	$ 2,134
Intangible asset impairment	—	—	315	—
Employee compensation charges	—	1	—	3
Site exit and other costs	1	13	24	29
Cost of products sold	89	728	506	2,166
Employee compensation charges	1	12	1	27
Site exit and other costs	—	(1)	(1)	5
Marketing, selling and administrative	1	11	—	32
License and asset acquisition charges	780	300	780	325
IPRD impairments	230	—	230	—
Inventory purchase price accounting adjustments	—	—	—	17
Employee compensation charges	—	15	1	33
Site exit and other costs	—	39	—	95
Research and development	1,010	354	1,011	470
Amortization of acquired intangible assets	2,547	2,389	5,060	4,671
Interest expense[(a)]	(28)	(41)	(62)	(82)
Contingent consideration	—	(165)	(510)	391
Royalties and licensing income	(15)	(18)	(29)	(101)
Equity investment gains	(154)	(818)	(762)	(479)
Integration expenses	152	166	293	340
Provision for restructuring	78	115	123	275
Reversion excise tax	—	—	—	76
Divestiture (gains)/losses	(11)	9	(11)	(7)
Loss on debt redemption	—	—	281	—
Other (income)/expense, net	22	(752)	(677)	413
Increase to pretax income	3,669	2,730	5,900	7,752
Income taxes on items above	(388)	(3)	(688)	(294)
Income taxes attributed to *Otezla** divestiture	—	255	—	255
Income taxes attributed to internal transfer of intangible assets	—	853	—	853
Income taxes	(388)	1,105	(688)	814
Increase to net earnings	$ 3,281	$ 3,835	$ 5,212	$ 8,566

(a) Includes amortization of purchase price adjustments to Celgene debt.

The reconciliations from GAAP to Non-GAAP were as follows:

Dollars in Millions, except per share data	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net Earnings/(Loss) Attributable to BMS Used for Diluted EPS Calculation – GAAP	$ 1,055	$ (85)	$ 3,076	$ (860)
Specified Items	3,281	3,835	5,212	8,566
Net Earnings Attributable to BMS Used for Diluted EPS Calculation – Non-GAAP	$ 4,336	$ 3,750	$ 8,288	$ 7,706
Weighted-Average Common Shares Outstanding – Diluted – GAAP	2,252	2,263	2,258	2,261
Incremental Shares Attributable to Share-Based Compensation Plans	—	34	—	37
Weighted-Average Common Shares Outstanding – Diluted – Non-GAAP	2,252	2,297	2,258	2,298
Diluted Earnings/(Loss) Per Share Attributable to BMS – GAAP	$ 0.47	$ (0.04)	$ 1.36	$ (0.38)
Diluted EPS Attributable to Specified Items	1.46	1.67	2.31	3.73
Diluted EPS Attributable to BMS – Non-GAAP	$ 1.93	$ 1.63	$ 3.67	$ 3.35

FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

Our net debt position was as follows:

Dollars in Millions	June 30, 2021	December 31, 2020
Cash and cash equivalents	$ 11,024	$ 14,546
Marketable debt securities – current	1,946	1,285
Marketable debt securities – non-current	143	433
Total cash, cash equivalents and marketable debt securities	13,113	16,264
Short-term debt obligations	(2,655)	(2,340)
Long-term debt	(42,503)	(48,336)
Net debt position	$ (32,045)	$ (34,412)

We regularly assess our anticipated working capital needs, debt and leverage levels, debt maturities, capital expenditure requirements, dividend payouts, potential share repurchases and future investments or acquisitions in order to maximize shareholder return, efficiently finance our ongoing operations and maintain flexibility for future strategic transactions. We also regularly evaluate our capital structure to ensure financial risks, adequate liquidity access and lower cost of capital are efficiently managed, which may lead to the issuance of additional debt securities, the repurchase of debt securities prior to maturity or the issuance or repurchase of common stock. We believe that our existing cash, cash equivalents and marketable debt securities together with cash generated from operations and, if required, from the issuance of commercial paper will be sufficient to satisfy our anticipated cash needs for at least the next few years, including dividends, capital expenditures, milestone payments, working capital, restructuring initiatives, business development, debt maturities of approximately $12.0 billion through 2024 as well as any debt repurchases through redemptions or tender offers.

We have a share repurchase program authorized by our Board of Directors allowing for repurchases of our shares. The specific timing and number of shares repurchased will be determined by our management at its discretion and will vary based on market conditions, securities law limitations and other factors. The share repurchase program does not obligate us to repurchase any specific number of shares, does not have a specific expiration date and may be suspended or discontinued at any time. The repurchases may be effected through a combination of one or more open market repurchases, privately negotiated transactions, transactions structured through investment banking institutions and other derivative transactions, relying on Rule 10b-18 and Rule 10b5-1 under the Exchange Act. The outstanding share repurchase authority authorization under the program was $4.4 billion as of December 31, 2020. In January 2021, our Board of Directors approved an increase of $2.0 billion to the share repurchase authorization for our common stock, increasing the total outstanding share repurchase authorization to approximately $6.4 billion. We repurchased approximately 47 million shares of our common stock for $3.0 billion during the six months ended June 30, 2021 reducing the remaining share repurchase capacity under the share repurchase program to approximately $3.4 billion as of June 30, 2021. Refer to “Item 1. Financial Statements—Note 15. Equity” for additional information.

Dividend payments were $2.2 billion in the six months ended June 30, 2021. Dividends declared per common share were $0.98 in the six months ended June 30, 2021. Dividend decisions are made on a quarterly basis by our Board of Directors.

Annual capital expenditures were approximately $750 million in 2020 and are expected to be approximately $1.1 billion in 2021 and $1.2 billion in 2022. We continue to make capital expenditures in connection with the expansion of our manufacturing capabilities, research and development and other facility-related activities.

Under our commercial paper program, we may issue a maximum of $5.0 billion unsecured notes that have maturities of not more than 366 days from the date of issuance. There were no commercial paper borrowings outstanding as of June 30, 2021.

In 2021, we purchased aggregate principal amount of $3.5 billion of certain of our debt securities for approximately $4.0 billion of cash in a series of tender offers and “make whole” redemptions and $1.5 billion of notes matured and were repaid.

As of June 30, 2021, we had four separate revolving credit facilities totaling $6.0 billion, which consisted of a 364-day $2.0 billion facility expiring in January 2022, a three-year $1.0 billion facility expiring in January 2022 and two five-year $1.5 billion facilities that were extended to September 2025 and July 2026, respectively. The revolving facilities provide for customary terms and conditions with no financial covenants, may be used to provide backup liquidity for our commercial paper borrowings and are extendable annually by one year on the anniversary date with the consent of the lenders. No borrowings were outstanding under revolving credit facilities at June 30, 2021 or December 31, 2020.

In November 2020, we entered into a $4.0 billion delayed draw term loan credit agreement which was terminated in February 2021.

Our investment portfolio includes non-current marketable debt securities, which are subject to changes in fair value as a result of interest rate fluctuations and other market factors. Our investment policy establishes limits on the amount and time to maturity of investments with any institution. The policy also requires that investments are only entered into with corporate and financial institutions that meet high credit quality standards. Refer to "Item 1. Financial Statements—Note 9. Financial Instruments and Fair Value Measurements" for further information.

Credit Ratings

Our current long-term and short-term credit ratings assigned by Moody's Investors Service are A2 and Prime-1, respectively, with a stable long-term credit outlook, and our current long-term and short-term credit ratings assigned by Standard & Poor's are A+ and A-1, respectively with a negative long-term credit outlook. The long-term ratings reflect the agencies' opinion that we have a low default risk but are somewhat susceptible to adverse effects of changes in circumstances and economic conditions. The short-term ratings reflect the agencies' opinion that we have good to extremely strong capacity for timely repayment. Any credit rating downgrade may affect the interest rate of any debt we may incur, the fair market value of existing debt and our ability to access the capital markets generally.

Cash Flows

The following is a discussion of cash flow activities:

	Six Months Ended June 30,	
Dollars in Millions	2021	2020
Cash flow provided by/(used in):		
Operating activities	$ 6,884	$ 8,430
Investing activities	37	1,166
Financing activities	(10,477)	(2,047)

Operating Activities

Cash flow from operating activities represents the cash receipts and disbursements from all of our activities other than investing and financing activities. Operating cash flow is derived by adjusting net earnings for noncontrolling interest, non-cash operating items, gains and losses attributed to investing and financing activities and changes in operating assets and liabilities resulting from timing differences between the receipts and payments of cash and when the transactions are recognized in our results of operations. As a result, changes in cash from operating activities reflect the timing of cash collections from customers and alliance partners; payments to suppliers, alliance partners and employees; customer discounts and rebates; and tax payments in the ordinary course of business. For example, annual employee bonuses are typically paid in the first quarter of the subsequent year.

The $1.5 billion change in cash flow from operating activities compared to 2020 was primarily due to higher tax payments of approximately $1.3 billion in 2021, the timing of *Otezla®* receivable collection reimbursements to Amgen of $500 million in 2020 and the reversion of retirement medical plan assets of approximately $300 million (net of excise taxes) in 2020, partially offset by cash collections and timing of payments in the ordinary course of business.

Investing Activities

Cash requirements from investing activities include cash used for acquisitions, manufacturing and facility-related capital expenditures and purchases of marketable securities with original maturities greater than 90 days at the time of purchase, proceeds from business divestitures (including royalties), the sale and maturity of marketable securities, sale of equity investments and upfront and contingent milestones from licensing arrangements.

The $1.1 billion change in cash flow from investing activities compared to 2020 was primarily due to changes in the amount of marketable debt securities held of $2.0 billion, partially offset by higher proceeds from sales of equity investments of approximately $800 million.

Financing Activities

Cash requirements from financing activities include cash used to pay dividends, repurchase common stock and repay long-term debt and other borrowings reduced by proceeds from the exercise of stock options and issuance of long-term debt and other borrowings.

The $8.4 billion change in cash flow from financing activities compared to 2020 was primarily due to higher debt repayments of $5.7 billion, including a series of tender offers and “make whole” redemptions, and higher share repurchases of $2.9 billion in 2021.

Product and Pipeline Developments

Our R&D programs are managed on a portfolio basis from early discovery through late-stage development and include a balance of early-stage and late-stage programs to support future growth. Our late stage R&D programs in Phase III development include both investigational compounds for initial indications and additional indications or formulations for marketed products. The following are the developments in our marketed products and our late-stage pipeline since the start of the second quarter:

Product	Indication	Date	Developments
Opdivo	Bladder	April 2021	Announced that the FDA accepted the sBLA for *Opdivo* for the adjuvant treatment of patients with surgically resected, high-risk muscle-invasive urothelial carcinoma. The FDA granted the application Priority Review and assigned a PDUFA goal date of September 3, 2021. The application is based on results from the Phase III CheckMate-274 trial.
	Gastric and Esophageal Cancers	June 2021	Received a positive CHMP opinion of *Opdivo* for the adjuvant treatment of adult patients with esophageal or gastroesophageal junction cancer who have residual pathologic disease following prior neoadjuvant chemoradiotherapy. The opinion is based on data from the Phase III CheckMate-577 trial.
		May 2021	Announced FDA approval of *Opdivo* for the adjuvant treatment of patients with completely resected esophageal or gastroesophageal junction cancer with residual pathologic disease who have received neoadjuvant chemoradiotherapy. The approval is based on results from the Phase III CheckMate-577 trial.
		April 2021	Announced FDA approval of *Opdivo* in combination with combination with fluoropyrimidine- and platinum-containing chemotherapy for the treatment of patients with advanced or metastatic gastric cancer, gastroesophageal junction cancer, and esophageal adenocarcinoma, regardless of PD-L1 expression status. The approval is based on the Phase III CheckMate-649 trial.
		April 2021	Announced positive topline results from the Phase III CheckMate-648 trial evaluating treatment with *Opdivo* plus chemotherapy or *Opdivo* plus *Yervoy* in patients with unresectable advanced or metastatic ESCC. *Opdivo* plus chemotherapy met primary and secondary endpoints of overall survival in patients with tumors expressing PD-L1 and in the all-randomized patient population, and also the primary endpoint of progression free survival in the PD-L1+ population. *Opdivo* plus *Yervoy* met primary and secondary endpoints of overall survival in both populations, whereas the other primary endpoint of progression free survival in the PD-L1+ population was not met.
	HCC	July 2021	Announced that in consultation with the FDA, we withdrew the U.S. indication for *Opdivo* in HCC who were previously treated with sorafenib. *Opdivo* was granted accelerated approval for this indication in 2017 based on tumor responses from the Phase I/II CheckMate-040 trial. CheckMate-459, the confirmatory randomized study of *Opdivo* versus sorafenib in the first-line setting, did not achieve statistical significance for its primary endpoint of overall survival per the pre-specified analysis.
	RCC	April 2021	Announced EC approval of *Opdivo* in combination with *Cabometyx** for the first-line treatment of adults with advanced RCC. The approval is based on results from the Phase III CheckMate-9ER trial.

Opdivo + Yervoy	CRC	June 2021	Announced EC approval of *Opdivo* plus *Yervoy* for the treatment of adult patients with mismatch repair deficient (dMMR) or microsatellite instability-high mCRC after prior fluoropyrimidine-based combination chemotherapy. The approval is based on results from the Phase II CheckMate-142 trial.
	Melanoma	May 2021	Announced new six-and-a-half year data from the Phase III CheckMate-067 trial demonstrating durable improvement in survival with first-line *Opdivo* plus *Yervoy* therapy and *Opdivo* monotherapy, versus *Yervoy* alone, in patients with advanced melanoma.
	Malignant Pleural Mesothelioma	June 2021	Announced EC approval of *Opdivo* plus *Yervoy* for the first line treatment of adults with unresectable malignant pleural mesothelioma. The approval is based on results from the Phase III CheckMate-743 trial.
		May 2021	Ono, our alliance partner for *Opdivo* in Japan, announced that the companies received approval for combination therapy of *Opdivo* and *Yervoy* in Japan for the first-line treatment of unresectable advanced or recurrent malignant pleural mesothelioma, for a partial change in approved items of the manufacturing and marketing approval. The approval is based on results from the Phase III CheckMate-743 trial.
	NSCLC	May 2021	Announced that Part 1 of the Phase III CheckMate-227 trial continues to demonstrate the long-term survival benefits of first-line treatment with *Opdivo* plus *Yervoy* compared to chemotherapy in patients with advanced NSCLC, regardless of PD-L1 expression level or histology, with a minimum follow-up of over four years.
		May 2021	Announced that *Opdivo* plus *Yervoy* with two cycles of chemotherapy showed a durable survival benefit compared to four cycles of chemotherapy alone after two years of follow-up in previously untreated patients with advanced NSCLC in the Phase III CheckMate-9LA trial.
	SCCHN	July 2021	Announced an update on the Phase III CheckMate-651 trial comparing *Opdivo* plus *Yervoy* to the EXTREME regimen (cetuximab, cisplatin/carboplatin and fluorouracil) as a first-line treatment in platinum-eligible patients with recurrent or metastatic SCCHN. Although *Opdivo* plus *Yervoy* showed a clear, positive trend towards overall survival in patients whose tumors express PD-L1 with a combined positive score ≥ 20, the study did not meet its primary endpoints.
Reblozyl	Beta Thalassemia	June 2021	Announced with Acceleron, that Phase II BEYOND study evaluating *Reblozyl* plus best supportive care in adult patients with non-transfusion dependent beta thalassemia demonstrated that 77.7% of patients treated with *Reblozyl* achieved a hemoglobin increase (≥1.0 gram/deciliter) compared to 0% of patients in the placebo arm.
Onureg	AML	June 2021	Announced EC approval of *Onureg* as a maintenance therapy in adult patients with AML who achieved complete remission or complete remission with incomplete blood count recovery following induction therapy with or without consolidation treatment and who are not candidates for, including those who choose not to proceed to, hematopoietic stem cell transplantation. The approval is based on data from the Phase III QUAZAR AML-001 study.
Zeposia	UC	May 2021	Announced FDA approval of *Zeposia* for the treatment of adults with moderately to severely active UC. The approval is based on data from the pivotal Phase III True North trial.
Breyanzi	Lymphoma	June 2021	Announced positive topline results from the Phase III TRANSFORM trial evaluating *Breyanzi* as a second-line treatment in adults with relapsed or refractory large B-cell lymphoma compared to salvage therapy followed by high-dose chemotherapy and hematopoietic stem cell transplant. Results of a pre-specified interim analysis conducted by an independent review committee showed the study met its primary endpoint of demonstrating a clinically meaningful and highly statistically significant improvement in event-free survival, as well as key secondary endpoints of complete response rate and progression-free survival compared to standard of care.
Abecma	Multiple Myeloma	June 2021	Received a positive CHMP opinion of *Abecma* for the treatment of adult patients with RRMM who have received at least three prior therapies, including an immunomodulatory agent, a proteasome inhibitor and an anti-CD38 antibody and have demonstrated disease progression on the last therapy. The opinion is based on data from the Phase II KarMMa trial.
mavacamten	Obstructive HCM	May 2021	Announced a new analysis of data from the Phase III EXPLORER-HCM study evaluating mavacamten, an investigational, first-in-class cardiac myosin inhibitor, in patients with oHCM. At 30 weeks, the change in Kansas City Cardiomyopathy Questionnaire Overall Summary Score (KCCQ OSS) was greater in mavacamten patients than placebo, with similar benefits across all KCCQ subscales

Critical Accounting Policies

The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses. Our critical accounting policies are those that significantly impact our financial condition and results of operations and require the most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. Because of this uncertainty, actual results may vary from these estimates. For a discussion of our critical accounting policies, refer to "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2020 Form 10-K. There have been no material changes to our critical accounting policies during the six months ended June 30, 2021. For information regarding the impact of recently adopted accounting standards, refer to "Item 1. Financial Statements—Note.1 Basis of Presentation and Recently Issued Accounting Standards."

Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q (including documents incorporated by reference) and other written and oral statements we make from time to time contain certain "forward-looking" statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Exchange Act. You can identify these forward-looking statements by the fact they use words such as "should," "could," "expect," "anticipate," "estimate," "target," "may," "project," "guidance," "intend," "plan," "believe," "will" and other words and terms of similar meaning and expression in connection with any discussion of future operating or financial performance. One can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. Such forward-looking statements are based on historical performance and current expectations and projections about our future financial results, goals, plans and objectives and involve inherent risks, assumptions and uncertainties, including internal or external factors that could delay, divert or change any of them in the next several years, and could cause our future financial results, goals, plans and objectives to differ materially from those expressed in, or implied by, the statements. These statements are likely to relate to, among other things, our goals, plans and objectives regarding our financial position, results of operations, cash flows, market position, product development, product approvals, sales efforts, expenses, performance or results of current and anticipated products, our business development strategy generally and in relation to our ability to realize the projected benefits of our acquisitions of Celgene and MyoKardia, the full extent of the impact of the COVID-19 pandemic on our operations and the development and commercialization of our products, potential laws and regulations to lower drug costs, market actions taken by private and government payers to manage drug utilization and contain costs, the expiration of patents or data protection on certain products, including assumptions about our ability to retain patent exclusivity of certain products, and the outcome of contingencies such as legal proceedings and financial results. No forward-looking statement can be guaranteed. We included in this Quarterly Report on Form 10-Q, in the 2020 Form 10-K, particularly under the caption "Item 1A. Risk Factors," and in our other filings with the SEC additional information on the factors that we believe could cause actual results to differ materially from any forward-looking statement.

Although we believe that we have been prudent in our plans and assumptions, no assurance can be given that any goal or plan set forth in forward-looking statements can be achieved and readers are cautioned not to place undue reliance on such statements, which speak only as of the date made. Additional risks that we may currently deem immaterial or that are not presently known to us could also cause the forward-looking events discussed in this Quarterly Report on Form 10-Q not to occur. Except as otherwise required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise after the date of this Quarterly Report on Form 10-Q.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For a discussion of our market risk, refer to "Item 7A. Quantitative and Qualitative Disclosures about Market Risk" in our 2020 Form 10-K.

Item 4. CONTROLS AND PROCEDURES

Management carried out an evaluation, under the supervision and with the participation of its chief executive officer and chief financial officer, of the effectiveness of the design and operation of its disclosure controls and procedures, as defined in Exchange Act Rules 13a-15(e) and 15d-15(e), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, our principal executive officer and principal financial officer concluded that as of June 30, 2021, such disclosure controls and procedures are effective.

There were no changes in the Company's internal control over financial reporting during the quarter ended June 30, 2021 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Information pertaining to legal proceedings can be found in "Item 1. Financial Statements—Note 17. Legal Proceedings and Contingencies," to the interim consolidated financial statements, and is incorporated by reference herein.

Item 1A. RISK FACTORS

There have been no material changes from the risk factors disclosed in the Company's 2020 Form 10-K.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table summarizes the surrenders of our equity securities during the three months ended June 30, 2021:

Period	Total Number of Shares Purchased[a]	Average Price Paid per Share[a]	Total Number of Shares Purchased as Part of Publicly Announced Programs[b]	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Programs[b]
Dollars in Millions, Except Per Share Data				
April 1 to 30, 2021	6,542,163	$ 64.17	6,443,618	$ 4,227
May 1 to 31, 2021	6,553,060	65.28	6,001,116	3,835
June 1 to 30, 2021	6,578,972	66.02	6,501,411	3,406
Three months ended June 30, 2021	19,674,195		18,946,145	

(a) Includes shares repurchased as part of publicly announced programs and shares of common stock surrendered to the Company to satisfy tax-withholding obligations in connection with the vesting of awards under our long-term incentive program.

(b) In May 2010, the Board of Directors authorized the repurchase of up to $3.0 billion of our common stock and in June 2012 increased its authorization for the repurchase of our common stock by an additional $3.0 billion. The Board of Directors approved a new share repurchase program authorizing the repurchase of an additional $3.0 billion of our common stock in October 2016 and further increased its authorization for the repurchase of our common stock by approximately $7.0 billion in November 2019 and $5.0 billion in February 2020. In January 2021, the Board of Directors approved an increase of $2.0 billion to the share repurchase authorization for our common stock. The remaining share repurchase capacity under the program was approximately $3.4 billion as of June 30, 2021. Refer to "Item 1. Financial Statements-Note 15. Equity" for information on the share repurchase program.

Item 6. EXHIBITS

Exhibits (listed by number corresponding to the Exhibit Table of Item 601 in Regulation S-K).

Exhibit No.	Description
3a.	Certificate of Amendment to the Amended and Restated Certificate of Incorporation, effective as of May 4, 2021 (incorporated herein by reference to Exhibit 3a to the Form 8-K dated and filed on May 4, 2021).
3b.	Amended and Restated Bylaws, effective as of May 4, 2021 (incorporated herein by reference to Exhibit 3b to the Form 8-K dated and filed on May 4, 2021).
10a.	Form of Restricted Stock Units Agreement with 3-year vesting under the 2021 Stock Award and Incentive Plan (incorporated herein by reference to Exhibit 10.1 to the Form 8-K dated and filed on May 4, 2021).
10b.	Form of Restricted Stock Units Agreement with 4-year vesting under the 2021 Stock Award and Incentive Plan (incorporated herein by reference to Exhibit 10.2 to the Form 8-K dated and filed on May 4, 2021).
10c.	Form of Restricted Stock Units Agreement with 5-year vesting under the 2021 Stock Award and Incentive Plan (incorporated herein by reference to Exhibit 10.3 to the Form 8-K dated and filed on May 4, 2021).
10d.	Form of Restricted Stock Units Agreement with 2-year cliff vesting under the 2021 Stock Award and Incentive Plan (incorporated herein by reference to Exhibit 10.4 to the Form 8-K dated and filed on May 4, 2021).
10e.	Form of Restricted Stock Units Agreement with 1-year vesting under the 2021 Stock Award and Incentive Plan (incorporated herein by reference to Exhibit 10.5 to the Form 8-K dated and filed on May 4, 2021).
10f.	Extension Notice, dated June 1, 2021, for the Five Year Competitive Advance and Revolving Credit Facility Agreement dated as of September 29, 2011.
10g.	Amendment and Waiver, dated as of June 22, 2021, to the Five Year Competitive Advance and Revolving Credit Facility Agreement dated as of September 29, 2011 among Bristol-Myers Squibb Company, the several financial institutions from time to time party to the agreement, and JPMorgan Chase Bank, N.A. and Citibank N.A. as administrative agents.
10h.	Extension Notice, dated June 1, 2021, for the Five Year Competitive Advance and Revolving Credit Facility Agreement dated as of July 30, 2012.
10i.	Amendment, dated as of June 22, 2021, to the Five Year Competitive Advance and Revolving Credit Facility Agreement dated as of July 30, 2012 among Bristol-Myers Squibb Company, the several financial institutions from time to time party to the agreement, and JPMorgan Chase Bank, N.A. and Citibank N.A. as administrative agents.
31a.	Section 302 Certification Letter.
31b.	Section 302 Certification Letter.
32a.	Section 906 Certification Letter.
32b.	Section 906 Certification Letter.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Indicates, in this Quarterly Report on Form 10-Q, brand names of products, which are registered trademarks not solely owned by the Company or its subsidiaries. *Abilify* is a trademark of Otsuka Pharmaceutical Co., Ltd.; *Atripla* is a trademark of Gilead Sciences, LLC.; *Avapro/Avalide* (known in the EU as *Aprovel/Karvea*) and *Plavix* are trademarks of Sanofi; *Byetta* is a trademark of Amylin Pharmaceuticals, LLC; *Cabometyx* is a trademark of Exelixis, Inc.; *Erbitux* is a trademark of ImClone LLC; *Onglyza* is a trademark of AstraZeneca AB; *Gleevec* is a trademark of Novartis AG; *Keytruda* is a trademark of Merck Sharp & Dohme Corp; *Otezla* is a trademark of Amgen Inc.; *Plavix* is a trademark of Sanofi-aventis U.S. *Tecentriq* is a trademark of Genentech, Inc.; and *Yescarta* is a trademark of Kite Pharma, Inc. Brand names of products that are in all italicized letters, without an asterisk, are registered trademarks of BMS and/or one of its subsidiaries.

SUMMARY OF ABBREVIATED TERMS

Bristol-Myers Squibb Company and its consolidated subsidiaries may be referred to as Bristol Myers Squibb, BMS, the Company, we, our or us in this Quarterly Report on Form 10-Q, unless the context otherwise indicates. Throughout this Quarterly Report on Form 10-Q we have used terms which are defined below:

2020 Form 10-K	Annual Report on Form 10-K for the fiscal year ended December 31, 2020	Lilly	Eli Lilly and Company
Agenus	Agenus Inc.	LOE	loss of exclusivity
Amgen	Amgen Inc.	MDL	multi-district litigation
AML	acute myeloid leukemia	MDS	myelodysplastic syndromes
Amylin	Amylin Pharmaceuticals, Inc.	MPM	malignant pleural mesothelioma
aNDA	abbreviated new drug applications	MyoKardia	MyoKardia, Inc.
AstraZeneca	AstraZeneca PLC	NKT	natural killer T cells
BCMA	B-cell maturation antigen	NSCLC	non-small cell lung cancer
BLA	biologics license application	NVAF	non-valvular atrial fibrillation
bluebird	bluebird bio, Inc.	oHCM	obstructive hypertrophic cardiomyopathy
CAR T	chimeric antigen receptor T-cell	Ono	Ono Pharmaceutical Co., Ltd.
Celgene	Celgene Corporation	OTC	over-the-counter
CERCLA	U.S. Comprehensive Environmental Response, Compensation and Liability Act	Otsuka	Otsuka Pharmaceutical Co., Ltd.
CML	chronic myeloid leukemia	PD-1	programmed cell death protein 1
Cormorant	Cormorant Pharmaceuticals	PD-L1	programmed death-ligand 1
CRC	Colorectal carcinoma	PDUFA	The Prescription Drug User Fee Act
CVR	contingent value rights	Pfizer	Pfizer, Inc.
EC	European Commission	Prothena	Prothena Corporation plc
Eisai	Eisai Co., Ltd.	PsA	psoriatic arthritis
EMA	European Medicines Agency	Quarterly Report on Form 10-Q	Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2021
EPS	earnings per share	R&D	research and development
ESCC	esophageal squamous cell carcinoma	RA	rheumatoid arthritis
EU	European Union	RBC	red blood cell
FASB	Financial Accounting Standards Board	RCC	renal cell carcinoma
FDA	U.S. Food and Drug Administration	REMS	risk evaluation and mitigation strategy
GAAP	U.S. generally accepted accounting principles	RRMM	relapsed and refractory multiple myeloma
GILTI	Global intangible low-taxed income	Sanofi	Sanofi S.A.
GTN	gross-to-net	sBLA	supplemental Biologics License Application
HCC	hepatocellular carcinoma	SCLC	small cell lung cancer
HIV	human immunodeficiency viruses	SEC	Securities and Exchange Commission
IO	immuno-oncology	TNBC	triple-negative breast cancer
IPRD	in-process research and development	UC	ulcerative colitis
IRS	Internal Revenue Service	U.S.	United States
JIA	juvenile idiopathic arthritis	UK	United Kingdom
Juno	Juno Therapeutics, Inc.	VAT	value added tax
LIBOR	London Interbank Offered Rate	VTE	venous thromboembolic

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BRISTOL-MYERS SQUIBB COMPANY
(REGISTRANT)

Date: July 28, 2021

By: /s/ Giovanni Caforio, M.D.

Giovanni Caforio, M.D.
Chairman of the Board and Chief Executive Officer

Date: July 28, 2021

By: /s/ David V. Elkins

David V. Elkins
Chief Financial Officer

Citibank, N.A., as Administrative Agent
388 Greenwich Street
New York, New York 10013
Attention: Richard Rivera

June 1, 2021

Ladies and Gentlemen:

Re: Extension of Maturity Date

Reference is made to the Five Year Competitive Advance and Revolving Credit Facility Agreement, dated as of September 29, 2011 (as amended, supplemented or otherwise modified prior to the date hereof, the "Credit Agreement") among Bristol-Myers Squibb Company, a Delaware corporation (the "Company"), the Borrowing Subsidiaries, the lenders parties thereto (the "Lenders"), certain Agents, Citibank , N.A., as an Administrative Agent, and JPMorgan Chase Bank, N.A., as an Administrative Agent. Capitalized terms used but not defined herein shall have the meaning assigned to such terms in the Credit Agreement.

Pursuant to Section 2.5 of the Credit Agreement, the Company hereby requests that the Lenders extend the Maturity Date in effect on the date hereof (i.e., September 29, 2024) such that the extended Maturity Date under the Credit Agreement will be September 29, 2025. This letter shall constitute an "Extension Letter" as referred to in Section 2.5 of the Credit Agreement.

BRISTOL-MYERS SQUIBB COMPANY

/s/ Sandra Ramos-Alves
Name: Sandra Ramos-Alves
Title: Vice President and Assistant Treasurer

AMENDMENT AND WAIVER

AMENDMENT AND WAIVER (this "**Amendment and Waiver**"), dated as of June 22, 2021, by and among BRISTOL-MYERS SQUIBB COMPANY, a Delaware corporation (the "**Company**"), the Lenders (as defined below) party hereto and the Administrative Agent (as defined below), which amends that certain FIVE YEAR COMPETITIVE ADVANCE AND REVOLVING CREDIT FACILITY AGREEMENT (as amended, supplemented or otherwise modified from time to time prior to the effectiveness of this Amendment and Waiver, the "**Existing Credit Agreement**" and as modified by this Amendment and Waiver, the "**Credit Agreement**") dated as of September 29, 2011, among the Company, the BORROWING SUBSIDIARIES (as defined in the Credit Agreement) from time to time party thereto, the lenders from time to time party thereto (the "**Lenders**"), certain Agents, JPMORGAN CHASE BANK, N.A., as Administrative Agent (in such capacity, "**JPMCB**"), and CITIBANK, N.A., as Administrative Agent (in such capacity, "**CBNA**"; JPMCB and CBNA are referred to herein individually as an "**Administrative Agent**" and collectively as the "**Administrative Agents**") and as competitive advance facility agent.

W I T N E S S E T H:

WHEREAS, the Company has requested that the Lenders agree to amend or waive certain provisions of the Existing Credit Agreement as set forth herein;

WHEREAS, Section 8.7 of the Existing Credit Agreement permits the Existing Credit Agreement to be amended from time to time by the Company and the Lenders; and

WHEREAS, the Company and each Lender desire to amend the Existing Credit Agreement on the terms set forth herein;

NOW, THEREFORE, it is agreed:

Section 1. Defined Terms.

Capitalized terms used but not defined herein shall have the meaning assigned to such terms in the Credit Agreement.

Section 2. Waiver.

Notwithstanding anything to the contrary contained in Section 2.5(a) of the Existing Credit Agreement, solely with respect to the anniversary of the Effective Date occurring on September 19, 2021, the Company may submit an Extension Letter on or prior to June 30, 2021 requesting an extension of the Maturity Date to September 29, 2025.

Section 3. Amendments. Effective as of the Amendment and Waiver Effective Date (as defined below), the Existing Credit Agreement (excluding the Exhibits and

Schedules thereto, which shall continue to be the Exhibits and Schedules under the Existing Credit Agreement, as amended hereby) is hereby amended as follows:

(a) Section 1.1 of the Existing Credit Agreement is hereby amended by adding the following definitions in appropriate alphabetical order:

"Erroneous Payment" shall have the meaning assigned to such term in Section 8.22(a).

"Erroneous Payment Deficiency Assignment" shall have the meaning assigned to such term in Section 8.22(d).

"Erroneous Payment Impacted Class" shall have the meaning assigned to such term in Section 8.22(d).

"Erroneous Payment Return Deficiency" shall have the meaning assigned to such term in Section 8.22(d).

"Erroneous Payment Subrogation Rights" shall have the meaning assigned to such term in Section 8.22(d).

"Payment Recipient" shall have the meaning assigned to such term in Section 8.22(a).

(b) The definition of "Obligations" is hereby amended by (i) removing the word "and" from before clause (ii) thereof and (ii) adding the following at the end of such definition: "and (iii) Erroneous Payment Subrogation Rights."

(c) Section 2.1 of the Existing Credit Agreement is hereby amended and restated to read as follows:

SECTION 2.1. Commitments. Subject to the terms and conditions set forth herein, each Lender agrees to make Revolving Loans to the Company and any Borrowing Subsidiary from time to time during the Availability Period in Dollars in an aggregate principal amount that will not result in (a) such Lender's Revolving Credit Exposure exceeding such Lender's Commitment or (b) the sum of the total Revolving Credit Exposures plus the total Competitive Loan Exposures exceeding the total Commitments. Within the foregoing limits and subject to the terms and conditions set forth herein, the Company and each applicable Borrowing Subsidiary may borrow, prepay and reborrow Revolving Loans. Notwithstanding anything set forth in this Agreement to the contrary, no Loans shall be made hereunder in any Currency other than Dollars.

(d) Section 2.4(a) of the Existing Credit Agreement is hereby amended to include as the penultimate sentence the following:

Notwithstanding anything set forth in this Agreement to the contrary, no Competitive Loans shall be made hereunder in any Currency other than Dollars.

(e) Article VIII of the Existing Credit Agreement is hereby amended by adding a new Section 8.22 thereto, which shall read as follows:

SECTION 8.22. Erroneous Payments.

(a) If CBNA notifies a Lender or any Person who has received funds on behalf of a Lender, such Lender (any such Lender or other recipient, a "Payment Recipient") that CBNA has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from CBNA or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of CBNA and shall be segregated by the Payment Recipient and held in trust for the benefit of CBNA, and such Lender shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter, return to CBNA the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to CBNA in same day funds at the greater of the Federal Funds Effective Rate and a rate determined by CBNA in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of CBNA to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Lender, or any Person who has received funds on behalf of a Lender, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from CBNA (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by CBNA (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by CBNA (or any of its Affiliates), or (z) that such Lender, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

(i) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from CBNA to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Lender shall (and shall cause any other recipient that receives funds on its behalf to) promptly (and, in all events, within one Business Day of its knowledge of such error) notify CBNA of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying CBNA pursuant to this Section 8.22(b).

(c) Each Lender hereby authorizes CBNA to set off, net and apply any and all amounts at any time owing to such Lender under any Loan Document, or otherwise payable or distributable by CBNA to such Lender from any source, against any amount due to CBNA under immediately preceding clause (a) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by CBNA for any reason, after demand therefor by CBNA in accordance with immediately preceding clause (a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its behalf) (such unrecovered amount, an "Erroneous Payment Return Deficiency"), upon CBNA's notice to such Lender at any time, (i) such Lender shall be deemed to have assigned its Loans (but not its Commitments) of the relevant Class with respect to which such Erroneous Payment was made (the "Erroneous Payment Impacted Class") in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as CBNA may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the "Erroneous Payment Deficiency Assignment") at par plus any accrued and unpaid interest (with the assignment fee to be waived by CBNA in such instance), and is hereby (together with the Borrowers) deemed to execute and deliver an Assignment and Assumption (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to a Platform as to which CBNA and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender shall deliver any promissory notes evidencing such Loans to the Borrowers or CBNA, (ii) CBNA as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, CBNA as the assignee Lender shall become a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender and (iv) CBNA may reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment

Deficiency Assignment. CBNA may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and CBNA shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that CBNA has sold a Loan (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether CBNA may be equitably subrogated, CBNA shall be contractually subrogated to all the rights and interests of the applicable Lender under the Loan Documents with respect to each Erroneous Payment Return Deficiency (the "Erroneous Payment Subrogation Rights").

(e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by any Borrower or any Guarantor, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by CBNA from any Borrower or any Guarantor for the purpose of making such Erroneous Payment.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by CBNA for the return of any Erroneous Payment received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine.

(g) Each party's obligations, agreements and waivers under this Section 8.22 shall survive the resignation or replacement of CBNA as Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

Section 4. Conditions to Effectiveness of Amendment and Waiver.

This Amendment and Waiver shall become effective on the date on which CBNA (or its counsel) shall have received from the Company and the Lenders either (a) a counterpart of this Amendment and Waiver signed on behalf of such party or (b) written evidence satisfactory to CBNA (which may include email or facsimile transmission of a signed signature page of this Amendment and Waiver) that such party has signed a counterpart of this Amendment and Waiver (such date, the "**Amendment and Waiver Effective Date**").

CBNA shall notify the Company and the Lenders of the Amendment and Waiver Effective Date, and such notice shall be conclusive and binding absent manifest error.

Section 5. Effects on Loan Documents.

This Amendment and Waiver shall constitute a "Loan Document" for purposes of the Credit Agreement and the other Loan Documents. From and after the Amendment and Waiver Effective Date, all references to the Existing Credit Agreement and each of the other Loan Documents shall be deemed to be references to the Credit Agreement. Except as expressly amended or waived pursuant to the terms hereof, all of the representations, warranties, terms, covenants and conditions of the Loan Documents shall remain unamended and not waived and shall continue to be in full force and effect. The execution, delivery and effectiveness of this Amendment and Waiver shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Administrative Agents under any of the Loan Documents.

Section 6. Miscellaneous.

(a) The Company represents and warrants to the Lenders and the Administrative Agents that (i) the representations and warranties set forth in Article III of the Credit Agreement are true and correct in all material respects (provided that such representations and warranties qualified as to materiality shall be true and correct in all respects) on the date hereof, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct in all material respects (provided that such representations and warranties qualified as to materiality shall be true and correct in all respects) as of such earlier date and (ii) no Default or Event of Default exists on the Amendment and Waiver Effective Date.

(b) This Amendment and Waiver may be executed in multiple counterparts, each of which shall constitute an original but all of which taken together shall constitute but one contract. A counterpart hereof, or signature page hereto, delivered to the Administrative Agent by facsimile or e-mail shall be effective as delivery of an original manually-signed counterpart.

(c) The provisions of Sections 8.5, 8.11, 8.13 and 8.14 of the Credit Agreement are incorporated herein by reference as if fully set forth herein, mutatis mutandis.

Section 7. Applicable Law.

THIS AMENDMENT AND WAIVER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

Section 8. Electronic Execution.

The words "execution," "signed," "signature," and words of like import in this Amendment and Waiver or in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

[*Signature pages follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment and Waiver to be duly executed by their respective authorized officers as of the day and year first above written.

BRISTOL-MYERS SQUIBB COMPANY

By: /s/ Sandra Ramos-Alves

Name: Sandra Ramos-Alves

Title: Vice President, Assistant Treasurer

CITIBANK, N.A., as Administrative Agent and as a Lender

By: /s/ Richard Rivera

Name: Richard Rivera

Title: Vice President

JPMORGAN CHASE BANK, N.A., as Administrative Agent and as a Lender

By: /s/ Stacey Zoland

Name: Stacey Zoland

Title: Executive Director

BANK OF AMERICA, N.A., as Lender

By: /s/ Darren Merten
Name: Darren Merten
Title: Director

BNP Paribas, as a Lender

By: /s/ Michael Pearce
Name: Michael Pearce
Title: Managing Director

By: /s/ John Bosco
Name: John Bosco
Title: Managing Director

MIZUHO BANK, LTD., as a Lender

By: /s/ John Davies

Name: John Davies

Title: Authorized Signatory

Morgan Stanley Bank, N.A., as a Lender

By: /s/ Michael King

Name: Michael King

Title: Authorized Signatory

MUFG Bank, LTD., as a Lender

By: /s/ Jack Lonker

Name: Jack Lonker

Title: Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Jordan Harris

Name: Jordan Harris

Title: Managing Director

[*Signature Page to Amendment and Waiver under Bristol-Myers Squibb 2011 Credit Agreement*]

BARCLAYS BANK PLC, as a Lender

By: /s/ Ronnie Glenn

Name: Ronnie Glenn

Title: Director

Credit Suisse AG, New York Branch, as a Lender

By: /s/ Judith Smith
Name: Judith Smith
Title: Authorized Signatory

By: /s/ Andrew Griffin
Name: Andrew Griffin
Title: Authorized Signatory

DEUTSCHE BANK AG NEW YORK BRANCH, as a Lender

By: /s/ Ming K. Chu

Name: Ming K. Chu
Title: Director
ming.k.chu@db.com
+1-212-250-5451

[FOR LENDERS REQUIRING TWO SIGNATURE BLOCKS]

By: /s/ Marko Lukin

Name: Marko Lukin
Title: Vice President
marko.lukin@db.com
+1-212-250-7283

GOLDMAN SACHS BANK USA, as a Lender

By: /s/ Jacob Elder

Name: Jacob Elder

Title: Authorized Signatory

HSBC Bank USA, N.A., as a Lender

By: /s/ Iain P. Stewart

Name: Iain P. Stewart

Title: Managing Director

SOCIETE GENERALE, as a Lender

By: /s/ Kimberly Metzger

Name: Kimberly Metzger

Title: Director

SUMITOMO MITSUI BANKING CORPORATION, as a Lender

By: /s/ Gail Motonaga

Name: Gail Motonaga

Title: Executive Director

STANDARD CHARTERED BANK, as a Lender

By: /s/ Kristopher Tracy

Name: Kristopher Tracy

Title: Director, Financing Solutions

Citibank, N.A., as Administrative Agent
388 Greenwich Street
New York, New York 10013
Attention: Richard Rivera

June 1, 2021

Ladies and Gentlemen:

Re: Extension of Maturity Date

Reference is made to the Five Year Competitive Advance and Revolving Credit Facility Agreement, dated as of July 30, 2012 (as amended, supplemented or otherwise modified prior to the date hereof, the "Credit Agreement") among Bristol-Myers Squibb Company, a Delaware corporation (the "Company"), the Borrowing Subsidiaries, the lenders parties thereto (the "Lenders"), certain Agents, Citibank , N.A., as an Administrative Agent, and JPMorgan Chase Bank, N.A., as an Administrative Agent. Capitalized terms used but not defined herein shall have the meaning assigned to such terms in the Credit Agreement.

Pursuant to Section 2.5 of the Credit Agreement, the Company hereby requests that the Lenders extend the Maturity Date in effect on the date hereof (i.e., July 30, 2025) such that the extended Maturity Date under the Credit Agreement will be July 30, 2026. This letter shall constitute an "Extension Letter" as referred to in Section 2.5 of the Credit Agreement.

BRISTOL-MYERS SQUIBB COMPANY

/s/ Sandra Ramos-Alves
Name: Sandra Ramos-Alves
Title: Vice President and Assistant Treasurer

EXECUTION VERSION

AMENDMENT

AMENDMENT (this "**Amendment**"), dated as of June 22, 2021, by and among BRISTOL-MYERS SQUIBB COMPANY, a Delaware corporation (the "**Company**"), the Lenders (as defined below) party hereto and the Administrative Agent (as defined below), which amends that certain FIVE YEAR COMPETITIVE ADVANCE AND REVOLVING CREDIT FACILITY AGREEMENT (as amended, supplemented or otherwise modified from time to time prior to the effectiveness of this Amendment, the "**Existing Credit Agreement**" and as modified by this Amendment, the "**Credit Agreement**") dated as of July 30, 2012, among the Company, the BORROWING SUBSIDIARIES (as defined in the Credit Agreement) from time to time party thereto, the lenders from time to time party thereto (the "**Lenders**"), certain Agents, JPMORGAN CHASE BANK, N.A., as Administrative Agent (in such capacity, "**JPMCB**"), and CITIBANK, N.A., as Administrative Agent (in such capacity, "**CBNA**"; JPMCB and CBNA are referred to herein individually as an "**Administrative Agent**" and collectively as the "**Administrative Agents**") and as competitive advance facility agent.

W I T N E S S E T H:

WHEREAS, the Company has requested that the Lenders agree to amend certain provisions of the Existing Credit Agreement as set forth herein;

WHEREAS, Section 8.7 of the Existing Credit Agreement permits the Existing Credit Agreement to be amended from time to time by the Company and the Lenders; and

WHEREAS, the Company and each Lender desire to amend the Existing Credit Agreement on the terms set forth herein;

NOW, THEREFORE, it is agreed:

SECTION 1. Defined Terms.

Capitalized terms used but not defined herein shall have the meaning assigned to such terms in the Credit Agreement.

SECTION 2. Amendments. Effective as of the Amendment Effective Date (as defined below), the Existing Credit Agreement (excluding the Exhibits and Schedules thereto, which shall continue to be the Exhibits and Schedules under the Existing Credit Agreement, as amended hereby) is hereby amended as follows:

(a) Section 1.1 of the Existing Credit Agreement is hereby amended by adding the following definitions in appropriate alphabetical order:

"Erroneous Payment" shall have the meaning assigned to such term in Section 8.22(a).

"Erroneous Payment Deficiency Assignment" shall have the meaning assigned to such term in Section 8.22(d).

"Erroneous Payment Impacted Class" shall have the meaning assigned to such term in Section 8.22(d).

"Erroneous Payment Return Deficiency" shall have the meaning assigned to such term in Section 8.22(d).

"Erroneous Payment Subrogation Rights" shall have the meaning assigned to such term in Section 8.22(d).

"Payment Recipient" shall have the meaning assigned to such term in Section 8.22(a).

(b) The definition of "Obligations" is hereby amended by (i) removing the word "and" from before clause (ii) thereof and (ii) adding the following at the end of such definition: "and (iii) Erroneous Payment Subrogation Rights."

(c) Section 2.1 of the Existing Credit Agreement is hereby amended and restated to read as follows:

SECTION 2.1. Commitments. Subject to the terms and conditions set forth herein, each Lender agrees to make Revolving Loans to the Company and any Borrowing Subsidiary from time to time during the Availability Period in Dollars in an aggregate principal amount that will not result in (a) such Lender's Revolving Credit Exposure exceeding such Lender's Commitment or (b) the sum of the total Revolving Credit Exposures plus the total Competitive Loan Exposures exceeding the total Commitments. Within the foregoing limits and subject to the terms and conditions set forth herein, the Company and each applicable Borrowing Subsidiary may borrow, prepay and reborrow Revolving Loans. Notwithstanding anything set forth in this Agreement to the contrary, no Loans shall be made hereunder in any Currency other than Dollars.

(d) Section 2.4(a) of the Existing Credit Agreement is hereby amended to include as the penultimate sentence the following:

Notwithstanding anything set forth in this Agreement to the contrary, no Competitive Loans shall be made hereunder in any Currency other than Dollars.

(e) Article VIII of the Existing Credit Agreement is hereby amended by adding a new Section 8.22 thereto, which shall read as follows:

SECTION 8.22. Erroneous Payments.

(a) If CBNA notifies a Lender or any Person who has received funds on behalf of a Lender, such Lender (any such Lender or other recipient, a "Payment Recipient") that CBNA has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from CBNA or any of its

Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of CBNA and shall be segregated by the Payment Recipient and held in trust for the benefit of CBNA, and such Lender shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter, return to CBNA the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to CBNA in same day funds at the greater of the Federal Funds Effective Rate and a rate determined by CBNA in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of CBNA to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Lender, or any Person who has received funds on behalf of a Lender, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from CBNA (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by CBNA (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by CBNA (or any of its Affiliates), or (z) that such Lender, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

(i) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from CBNA to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Lender shall (and shall cause any other recipient that receives funds on its behalf to) promptly (and, in all events, within one Business Day of its knowledge of such error) notify CBNA of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying CBNA pursuant to this Section 8.22(b).

(c) Each Lender hereby authorizes CBNA to set off, net and apply any and all amounts at any time owing to such Lender under any Loan Document, or

otherwise payable or distributable by CBNA to such Lender from any source, against any amount due to CBNA under immediately preceding clause (a) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by CBNA for any reason, after demand therefor by CBNA in accordance with immediately preceding clause (a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its behalf) (such unrecovered amount, an "Erroneous Payment Return Deficiency"), upon CBNA's notice to such Lender at any time, (i) such Lender shall be deemed to have assigned its Loans (but not its Commitments) of the relevant Class with respect to which such Erroneous Payment was made (the "Erroneous Payment Impacted Class") in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as CBNA may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the "Erroneous Payment Deficiency Assignment") at par plus any accrued and unpaid interest (with the assignment fee to be waived by CBNA in such instance), and is hereby (together with the Borrowers) deemed to execute and deliver an Assignment and Assumption (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to a Platform as to which CBNA and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender shall deliver any promissory notes evidencing such Loans to the Borrowers or CBNA, (ii) CBNA as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, CBNA as the assignee Lender shall become a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender and (iv) CBNA may reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. CBNA may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and CBNA shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that CBNA has sold a Loan (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether CBNA may be equitably subrogated, CBNA shall be contractually subrogated to all the rights and interests of the

applicable Lender under the Loan Documents with respect to each Erroneous Payment Return Deficiency (the "Erroneous Payment Subrogation Rights").

(e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by any Borrower or any Guarantor, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by CBNA from any Borrower or any Guarantor for the purpose of making such Erroneous Payment.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by CBNA for the return of any Erroneous Payment received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine.

(g) Each party's obligations, agreements and waivers under this Section 8.22 shall survive the resignation or replacement of CBNA as Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

SECTION 3. Conditions to Effectiveness of Amendment.

This Amendment shall become effective on the date on which CBNA (or its counsel) shall have received from the Company and the Lenders either (a) a counterpart of this Amendment signed on behalf of such party or (b) written evidence satisfactory to CBNA (which may include email or facsimile transmission of a signed signature page of this Amendment) that such party has signed a counterpart of this Amendment (such date, the "**Amendment Effective Date**").

CBNA shall notify the Company and the Lenders of the Amendment Effective Date, and such notice shall be conclusive and binding absent manifest error.

SECTION 4. Effects on Loan Documents.

This Amendment shall constitute a "Loan Document" for purposes of the Credit Agreement and the other Loan Documents. From and after the Amendment Effective Date, all references to the Existing Credit Agreement and each of the other Loan Documents shall be deemed to be references to the Credit Agreement. Except as expressly amended pursuant to the terms hereof, all of the representations, warranties, terms, covenants and conditions of the Loan Documents shall remain unamended and not waived and shall continue to be in full force and effect. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Administrative Agents under any of the Loan Documents.

SECTION 5. Miscellaneous.

(a) The Company represents and warrants to the Lenders and the Administrative Agents that (i) the representations and warranties set forth in Article III of the Credit Agreement are true and correct in all material respects (provided that such representations and warranties qualified as to materiality shall be true and correct in all respects) on the date hereof, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct in all material respects (provided that such representations and warranties qualified as to materiality shall be true and correct in all respects) as of such earlier date and (ii) no Default or Event of Default exists on the Amendment Effective Date.

(b) This Amendment may be executed in multiple counterparts, each of which shall constitute an original but all of which taken together shall constitute but one contract. A counterpart hereof, or signature page hereto, delivered to the Administrative Agent by facsimile or e-mail shall be effective as delivery of an original manually-signed counterpart.

(c) The provisions of Sections 8.5, 8.11, 8.13 and 8.14 of the Credit Agreement are incorporated herein by reference as if fully set forth herein, mutatis mutandis.

SECTION 6. Applicable Law.

THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

SECTION 7. Electronic Execution.

The words "execution," "signed," "signature," and words of like import in this Amendment or in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

BRISTOL-MYERS SQUIBB COMPANY

By: /s/ Sandra Ramos-Alves

Name: Sandra Ramos-Alves

Title: Vice President, Assistant Treasurer

CITIBANK, N.A., as Administrative Agent and as a Lender

By: /s/ Richard Rivera
Name: Richard Rivera
Title: Vice President

JPMORGAN CHASE BANK, N.A., as Administrative Agent and as a Lender

By: /s/ Stacey Zoland

Name: Stacey Zoland

Title: Executive Director

BANK OF AMERICA, N.A., as Lender

By: /s/ Darren Merten
Name: Darren Merten
Title: Director

[*Signature Page to Amendment to Bristol-Myers Squibb 2012 Credit Agreement*]

BARCLAYS BANK PLC, as a Lender

By: /s/ Ronnie Glenn

Name: Ronnie Glenn

Title: Director

DEUTSCHE BANK AG NEW YORK BRANCH, as a Lender

By: /s/ Ming K. Chu

Name: Ming K. Chu
Title: Director
ming.k.chu@db.com
+1-212-250-5451

[FOR LENDERS REQUIRING TWO SIGNATURE BLOCKS]

By: /s/ Marko Lukin

Name: Marko Lukin
Title: Vice President
marko.lukin@db.com
+1-212-250-7283

Morgan Stanley Bank, N.A., as a Lender

By: /s/ Michael King

Name: Michael King

Title: Authorized Signatory

[*Signature Page to Amendment to Bristol-Myers Squibb 2012 Credit Agreement*]

MUFG Bank, LTD., as a Lender

By: /s/ Jack Lonker

Name: Jack Lonker

Title: Director

[*Signature Page to Amendment to Bristol-Myers Squibb 2012 Credit Agreement*]

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Jordan Harris

Name: Jordan Harris

Title: Managing Director

BNP Paribas, as a Lender

By: /s/ Michael Pearce
Name: Michael Pearce
Title: Managing Director

By: /s/ John Bosco
Name: John Bosco
Title: Managing Director

Credit Suisse AG, New York Branch, as a Lender

By: /s/ Judith Smith
Name: Judith Smith
Title: Authorized Signatory

By: /s/ Andrew Griffin
Name: Andrew Griffin
Title: Authorized Signatory

GOLDMAN SACHS BANK USA, as a Lender

By: /s/ Jacob Elder

Name: Jacob Elder

Title: Authorized Signatory

MIZUHO BANK, LTD., as a Lender

By: /s/ John Davies

Name: John Davies

Title: Authorized Signatory

U.S. Bank National Association, as a Lender

By: /s/ David C. Mruk
Name: David C. Mruk
Title: SVP

SOCIETE GENERALE, as a Lender

By: /s/ Kimberly Metzger

Name: Kimberly Metzger

Title: Director

SUMITOMO MITSUI BANKING CORPORATION, as a Lender

By: /s/ Gail Motonaga

Name: Gail Motonaga

Title: Executive Director

HSBC Bank USA, N.A., as a Lender

By: /s/ Iain P. Stewart

Name: Iain P. Stewart

Title: Managing Director

STANDARD CHARTERED BANK, as a Lender

By: /s/ Kristopher Tracy

Name: Kristopher Tracy

Title: Director, Financing Solutions

EXHIBIT 31a

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Giovanni Caforio, certify that:

1. I have reviewed Bristol-Myers Squibb Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a. all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting, which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: July 28, 2021

/s/ Giovanni Caforio, M.D.

Giovanni Caforio, M.D.
Chairman of the Board and Chief Executive Officer

EXHIBIT 31b

CERTIFICATION BY THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David V. Elkins, certify that:

1. I have reviewed Bristol-Myers Squibb Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a. all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting, which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: July 28, 2021

/s/ David V. Elkins

David V. Elkins
Chief Financial Officer

EXHIBIT 32a

Certification by the Chief Executive Officer Pursuant to 18 U. S. C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. Section 1350, I, Giovanni Caforio, hereby certify that, to the best of my knowledge, Bristol-Myers Squibb Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 (the "Report"), as filed with the Securities and Exchange Commission on July 28, 2021, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Bristol-Myers Squibb Company.

/s/ Giovanni Caforio, M.D.

Giovanni Caforio, M.D.
Chairman of the Board and Chief Executive Officer

July 28, 2021

This written statement is being furnished to the Securities and Exchange Commission as an exhibit to the Report. A signed original of this written statement required by Section 906 has been provided to Bristol-Myers Squibb Company and will be retained by Bristol-Myers Squibb Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32b

Certification by the Chief Financial Officer Pursuant to 18 U. S. C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. Section 1350, I, David V. Elkins, hereby certify that, to the best of my knowledge, Bristol-Myers Squibb Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021 (the "Report"), as filed with the Securities and Exchange Commission on July 28, 2021, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Bristol-Myers Squibb Company.

/s/ David V. Elkins

David V. Elkins
Chief Financial Officer

July 28, 2021

This written statement is being furnished to the Securities and Exchange Commission as an exhibit to the Report. A signed original of this written statement required by Section 906 has been provided to Bristol-Myers Squibb Company and will be retained by Bristol-Myers Squibb Company and furnished to the Securities and Exchange Commission or its staff upon request.