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, 2022

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) 546-4200
(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 July 15, 2022, there were 2,135,255,158 shares outstanding of the Registrant's $0.10 par value common stock.

BRISTOL-MYERS SQUIBB COMPANY
INDEX TO FORM 10-Q
June 30, 2022

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	**2022**	**2021**	**2022**	**2021**
Net product sales	$ 11,485	$ 11,405	$ 22,793	$ 22,203
Alliance and other revenues	402	298	742	573
Total Revenues	11,887	11,703	23,535	22,776
Cost of products sold[(a)]	2,720	2,452	5,191	5,293
Marketing, selling and administrative	1,787	1,882	3,618	3,548
Research and development	2,321	2,478	4,581	4,697
Acquired IPRD	400	793	733	799
Amortization of acquired intangible assets	2,417	2,547	4,834	5,060
Other (income)/expense, net	284	(2)	933	(704)
Total Expenses	9,929	10,150	19,890	18,693
Earnings Before Income Taxes	1,958	1,553	3,645	4,083
Provision for Income Taxes	529	492	933	993
Net Earnings	1,429	1,061	2,712	3,090
Noncontrolling Interest	8	6	13	14
Net Earnings Attributable to BMS	$ 1,421	$ 1,055	$ 2,699	$ 3,076
Earnings per Common Share				
Basic	$ 0.67	$ 0.47	$ 1.26	$ 1.38
Diluted	0.66	0.47	1.25	1.36

(a) Excludes amortization of acquired intangible assets.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
Dollars in Millions
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
COMPREHENSIVE INCOME	**2022**	**2021**	**2022**	**2021**
Net Earnings	$ 1,429	$ 1,061	$ 2,712	$ 3,090
Other Comprehensive Income, net of taxes and reclassifications to earnings:				
Derivatives qualifying as cash flow hedges	301	6	332	286
Pension and postretirement benefits	25	15	46	38
Marketable debt securities	(1)	(2)	(2)	(4)
Foreign currency translation	(88)	7	(100)	1
Total Other Comprehensive Income	237	26	276	321
Comprehensive Income	1,666	1,087	2,988	3,411
Comprehensive Income Attributable to Noncontrolling Interest	8	6	13	14
Comprehensive Income Attributable to BMS	$ 1,658	$ 1,081	$ 2,975	$ 3,397

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

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

	June 30, 2022	December 31, 2021
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 10,750	$ 13,979
Marketable debt securities	2,478	2,987
Receivables	9,054	9,369
Inventories	2,142	2,095
Other current assets	5,762	4,832
Total Current Assets	30,186	33,262
Property, plant and equipment	5,970	6,049
Goodwill	20,446	20,502
Other intangible assets	37,690	42,527
Deferred income taxes	1,337	1,439
Other non-current assets	4,728	5,535
Total Assets	$ 100,357	$ 109,314
LIABILITIES		
Current Liabilities:		
Short-term debt obligations	$ 4,953	$ 4,948
Accounts payable	2,882	2,949
Other current liabilities	13,080	13,971
Total Current Liabilities	20,915	21,868
Deferred income taxes	3,034	4,501
Long-term debt	37,107	39,605
Other non-current liabilities	6,640	7,334
Total Liabilities	67,696	73,308
Commitments and contingencies		
EQUITY		
Bristol-Myers Squibb Company Shareholders' Equity:		
Preferred stock	—	—
Common stock	292	292
Capital in excess of par value of stock	44,375	44,361
Accumulated other comprehensive loss	(992)	(1,268)
Retained earnings	24,217	23,820
Less cost of treasury stock	(35,292)	(31,259)
Total Bristol-Myers Squibb Company Shareholders' Equity	32,600	35,946
Noncontrolling interest	61	60
Total Equity	32,661	36,006
Total Liabilities and Equity	$ 100,357	$ 109,314

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,	
	2022	2021
Cash Flows From Operating Activities:		
Net earnings	$ 2,712	$ 3,090
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization, net	5,167	5,380
Deferred income taxes	(1,469)	(95)
Stock-based compensation	223	308
Impairment charges	83	579
Divestiture gains and royalties	(612)	(302)
Acquired IPRD	733	799
Equity investment losses/(gains)	952	(749)
Contingent consideration fair value adjustments	1	(510)
Other adjustments	218	235
Changes in operating assets and liabilities:		
Receivables	117	(626)
Inventories	(12)	111
Accounts payable	4	158
Rebates and discounts	(410)	(6)
Income taxes payable	(370)	(795)
Other	(1,264)	(693)
Net Cash Provided by Operating Activities	6,073	6,884
Cash Flows From Investing Activities:		
Sale and maturities of marketable debt securities	3,788	1,968
Purchase of marketable debt securities	(3,292)	(2,343)
Proceeds from sales of equity investment securities	150	814
Capital expenditures	(525)	(383)
Divestiture and other proceeds	594	382
Acquisition and other payments, net of cash acquired	(909)	(401)
Net Cash (Used in)/Provided by Investing Activities	(194)	37
Cash Flows From Financing Activities:		
Short-term debt obligations, net	130	(185)
Issuance of long-term debt	5,926	—
Repayment of long-term debt	(8,646)	(5,522)
Repurchase of common stock	(5,000)	(3,011)
Dividends	(2,335)	(2,207)
Other	752	448
Net Cash Used in Financing Activities	(9,173)	(10,477)
Effect of Exchange Rates on Cash, Cash Equivalents and Restricted Cash	(62)	(20)
Decrease in Cash, Cash Equivalents and Restricted Cash	(3,356)	(3,576)
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	14,316	14,973
Cash, Cash Equivalents and Restricted Cash at End of Period	$ 10,960	$ 11,397

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" or "the Company") 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, 2022 and December 31, 2021, the results of operations for the three and six months ended June 30, 2022 and 2021, and cash flows for the six months ended June 30, 2022 and 2021. 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, 2021 included in the 2021 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 acquisitions; impairments of intangible assets; charge-backs, cash discounts, sales rebates, returns and other adjustments; 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. Upfront and contingent milestone charges in connection with asset acquisitions or licensing of third-party intellectual property rights previously presented in Research and development are now presented in Acquired IPRD in the consolidated statements of earnings. Additionally, Rebates and discounts previously presented in Other changes in operating assets and liabilities in the consolidated statements of cash flows are now presented separately in Rebates and discounts.

Recently Issued Accounting Standards Not Yet Adopted

Business Combinations

In October 2021, the FASB issued amended guidance on accounting for contract assets and contract liabilities from contracts with customers in a business combination. The guidance is intended to address inconsistency related to recognition of an acquired contract liability and payment terms and their effect on subsequent revenue recognized. At the acquisition date, an entity should account for the related revenue contracts in accordance with existing revenue recognition guidance generally by assessing how the acquiree applied recognition and measurement in their financial statements. The amended guidance is effective January 1, 2023 on a prospective basis. Early adoption is permitted.

Fair Value Measurements

In June 2022, the FASB issued amended guidance on measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale of an equity security. The guidance clarifies that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring fair value. The guidance also clarifies that an entity cannot, as a separate unit of account, recognize and measure a contractual sale restriction. The amendment requires the following disclosures for equity securities subject to contractual sale restrictions: the fair value of equity securities subject to contractual sale restrictions reflected in the balance sheet; the nature and remaining duration of the restriction(s); and the circumstances that could cause a lapse in the restriction(s). The amended guidance is effective January 1, 2024 on a prospective basis. Early adoption is permitted.

Note 2. REVENUE

The following table summarizes the disaggregation of revenue by nature:

	Three Months Ended June 30,		Six Months Ended June 30,	
Dollars in Millions	2022	2021	2022	2021
Net product sales	$ 11,485	$ 11,405	$ 22,793	$ 22,203
Alliance revenues	199	159	387	301
Other revenues	203	139	355	272
Total Revenues	$ 11,887	$ 11,703	$ 23,535	$ 22,776

The following table summarizes GTN adjustments:

	Three Months Ended June 30,		Six Months Ended June 30,	
Dollars in Millions	2022	2021	2022	2021
Gross product sales	$ 17,299	$ 16,782	$ 33,949	$ 32,341
GTN adjustments[(a)]				
Charge-backs and cash discounts	(1,750)	(1,720)	(3,513)	(3,306)
Medicaid and Medicare rebates	(2,624)	(2,139)	(4,708)	(3,857)
Other rebates, returns, discounts and adjustments	(1,440)	(1,518)	(2,935)	(2,975)
Total GTN adjustments	(5,814)	(5,377)	(11,156)	(10,138)
Net product sales	$ 11,485	$ 11,405	$ 22,793	$ 22,203

(a) Includes adjustments for provisions for product sales made in prior periods resulting from changes in estimates of $123 million and $197 million for the three and six months ended June 30, 2022, and $85 million and $302 million for the three and six months ended June 30, 2021, respectively.

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

Dollars in Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
In-Line Products				
Eliquis	$ 3,235	$ 2,792	6,446	5,678
Opdivo	2,063	1,910	3,986	3,630
Pomalyst/Imnovid	908	854	1,734	1,627
Orencia	876	814	1,668	1,572
Sprycel	544	541	1,027	1,011
Yervoy	525	510	1,040	966
Empliciti	77	86	152	171
Mature and other products	435	473	897	979
New Product Portfolio				
Reblozyl	172	128	328	240
Abecma	89	24	156	24
Zeposia	66	28	102	46
Breyanzi	39	17	83	17
Inrebic	23	16	41	32
Onureg	32	12	55	27
Opdualag	58	—	64	—
Camzyos	3	—	3	—
Recent LOE Products[(a)]				
Revlimid	2,501	3,202	$ 5,298	$ 6,146
Abraxane	241	296	455	610
Total Revenues	$ 11,887	$ 11,703	$ 23,535	$ 22,776
United States	$ 8,268	$ 7,388	$ 15,962	$ 14,398
International	3,427	4,124	7,154	8,023
Other[(b)]	192	191	419	355
Total Revenues	$ 11,887	$ 11,703	$ 23,535	$ 22,776

(a) Recent LOE Products includes products with significant decline in revenue from the prior reporting period as a result of a loss of exclusivity.

(b) 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 $184 million and $331 million for the three and six months ended June 30, 2022 and $146 million and $430 million for the three and six months ended June 30, 2021, respectively, consisting primarily of revised estimates for GTN adjustments related to prior period sales and royalties for out-licensing arrangements.

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.

Dollars in Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Revenues from alliances:				
Net product sales	$ 3,273	$ 2,805	$ 6,512	$ 5,687
Alliance revenues	199	159	387	301
Total Revenues	$ 3,472	$ 2,964	$ 6,899	$ 5,988
Payments to/(from) alliance partners:				
Cost of products sold	$ 1,572	$ 1,346	$ 3,128	$ 2,743
Marketing, selling and administrative	(53)	(48)	(107)	(97)
Research and development	12	6	34	7
Acquired IPRD	100	730	100	736
Other (income)/expense, net	(11)	(14)	(23)	(19)

Dollars in Millions	June 30, 2022	December 31, 2021
Selected Alliance Balance Sheet information:		
Receivables – from alliance partners	$ 325	$ 320
Accounts payable – to alliance partners	1,509	1,229
Deferred income – from alliances[(a)]	321	330

(a) Includes unamortized upfront and milestone payments.

The nature, purpose, significant rights and obligations of the parties and specific accounting policy elections for each of the Company's significant alliances are discussed in the 2021 Form 10-K. Significant developments and updates related to alliances during the six months ended June 30, 2022, and 2021 are set forth below.

BridgeBio

In May 2022, BMS and BridgeBio commenced a collaboration to develop and commercialize BBP-398, a SHP2 inhibitor, in oncology. The transaction included an upfront payment of $90 million, which was expensed to Acquired IPRD during the three months ended June 30, 2022. BridgeBio is eligible to receive contingent development, regulatory and sales-based milestones up to $815 million, as well as royalties on global net sales, excluding certain markets. BridgeBio is responsible for funding and completing ongoing BBP-398 Phase I monotherapy and combination therapy trials. BMS will lead and fund all other development and commercial activities. BridgeBio has an option to co-develop BBP-398 and receive higher royalties in the U.S.

Nektar

In April 2022, BMS and Nektar announced that the companies have jointly decided to end the global clinical development program for bempegaldesleukin in combination with *Opdivo* based on results from pre-planned analyses of two late-stage clinical studies in RCC and bladder cancer. These studies and all other ongoing studies in the program will be discontinued.

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

A $650 million up-front collaboration fee was expensed to Acquired IPRD 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. ACQUISITIONS, DIVESTITURES, LICENSING AND OTHER ARRANGEMENTS

Acquisitions

Turning Point

In June 2022, BMS entered into a definitive merger agreement to acquire Turning Point, a clinical-stage precision oncology company with a pipeline of investigational medicines designed to target the common mutations and alterations that drive cancer growth. The acquisition will provide BMS rights to Turning Point's lead asset, repotrectinib, and several other clinical and pre-clinical stage assets. Repotrectinib is in a registrational Phase II study in adults and a Phase I/II study in pediatric patients, and is a potential best-in-class tyrosine kinase inhibitor targeting the ROS1 and NTRK oncogenic drivers in NSCLC and other advanced solid tumors.

BMS commenced a tender offer in June 2022, which was extended through August 15, 2022, to acquire all of the issued and outstanding shares of Turning Point's common stock for $76.00 per share in an all-cash transaction for a total consideration of $4.1 billion, including cash settlements of equity stock awards. The transaction is subject to the satisfaction of the tender of a majority of the outstanding shares of Turning Point's common stock, as well as other customary closing conditions and regulatory approvals, including the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976. The transaction is expected to close during the third quarter of 2022.

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		Royalty Income	
Dollars in Millions	2022	2021	2022	2021	2022	2021
Diabetes Business	$ 185	$ 132	$ —	$ —	$ (220)	$ (152)
Mature Products and Other	3	70	—	(11)	(1)	—
Total	$ 188	$ 202	$ —	$ (11)	$ (221)	$ (152)

	Six Months Ended June 30, 2022					
	Net Proceeds[a]		Divestiture Gains		Royalty Income	
Dollars in Millions	2022	2021	2022	2021	2022	2021
Diabetes Business	$ 357	$ 296	$ —	$ —	$ (390)	$ (286)
Mature Products and Other	228	86	(211)	(11)	(2)	(1)
Total	$ 585	$ 382	$ (211)	$ (11)	$ (392)	$ (287)

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

Mature Products and Other

Manufacturing Operations

In May 2022, BMS agreed to sell its manufacturing facility in Syracuse, New York to LOTTE Corporation for approximately $170 million. The transaction is expected to close by the end of 2022, subject to certain regulatory approvals and other closing conditions and will be accounted for as a sale of a business. The business was accounted for as held-for-sale and its assets were reduced to the estimated relative fair value resulting in $43 million impairment charge recorded to Cost of products sold during the three months ended June 30, 2022. Assets and liabilities of $155 million and $6 million were reclassified to held-for-sale as of June 30, 2022, and included within Other current assets and Other current liabilities, respectively.

Other

During the first quarter of 2022, product rights to several mature products were sold to Cheplapharm, resulting in cash proceeds of $221 million and a divestiture gain of $211 million.

Licensing and Other Arrangements

The following table summarizes the financial impact of *Keytruda** royalties, *Tecentriq** royalties, upfront 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	2022	2021	2022	2021
*Keytruda** royalties	$ (243)	$ (204)	$ (464)	$ (396)
*Tecentriq** royalties	(19)	(23)	(44)	(45)
Contingent milestone income	(5)	(2)	(46)	(2)
Amortization of deferred income	(11)	(15)	(23)	(30)
Other royalties	(9)	(9)	(16)	(12)
Total	$ (287)	$ (253)	$ (593)	$ (485)

In-license Arrangements

Immatics

During the first quarter of 2022, BMS obtained a global exclusive license to Immatics' TCR bispecific IMA401 program. IMA401 is being studied in oncology and a Clinical Trial Application has been approved by the German federal regulatory authority. The trial commenced in May 2022. BMS and Immatics collaborate on the development and BMS will be responsible for the commercialization of IMA401 and its related products worldwide, including strategic decisions, regulatory responsibilities, funding and manufacturing. Immatics has the option to co-fund U.S. development in exchange for enhanced U.S. royalty payments and/or to co-promote IMA401 in the U.S. The transaction included an upfront payment of $150 million which was expensed to Acquired IPRD in the first quarter of 2022. Immatics is eligible to receive contingent development, regulatory and sales-based milestones of up to $770 million as well as royalties on global net sales.

Dragonfly

During the first quarter of 2022, a Phase I development milestone for interlukin-12 ("IL-12") was achieved resulting in a $175 million payment to Dragonfly and an Acquired IPRD charge. The parties also amended the terms of three future milestones by requiring the achievement of certain criteria by specified dates unless BMS notifies Dragonfly that it will discontinue development of IL-12. These milestones continue to be considered substantive and contingent because the decision to proceed will be based on an assessment of clinical data prior to the specified dates.

Other

Royalty Extinguishment

In April 2022, BMS amended the terms of a license arrangement and paid a third party $295 million to extinguish a future royalty obligation related to mavacamten, prior to its FDA approval in April 2022, resulting in an Acquired IPRD charge during the three months ended June 30, 2022.

Note 5. OTHER (INCOME)/EXPENSE, NET

Dollars in Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Interest expense	$ 313	$ 330	$ 639	$ 683
Royalties and licensing income	(508)	(405)	(985)	(772)
Equity investment losses/(gains)	308	(148)	952	(749)
Integration expenses	124	152	229	293
Contingent consideration	—	—	1	(510)
(Gain)/Loss on debt redemption	(9)	—	266	281
Provision for restructuring	20	78	43	123
Litigation and other settlements	25	44	(12)	36
Investment income	(27)	(12)	(37)	(21)
Divestiture gains	—	(11)	(211)	(11)
Other	38	(30)	48	(57)
Other (income)/expense, net	$ 284	$ (2)	$ 933	$ (704)

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 that are currently expected to be approximately $3.0 billion. The synergies are expected to be realized in Cost of products sold (5%), Marketing, selling and administrative expenses (65%) and Research and development expenses (30%). Charges of approximately $3.3 billion are expected to be incurred. The majority of the charges are expected to be incurred through 2022. Cumulative charges of approximately $2.9 billion have been recognized to date 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 $3.0 billion. Employee workforce reductions were approximately 140 and 240 for the six months ended June 30, 2022 and 2021, 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 $122 million have been recognized for these actions to date.

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

Dollars in Millions	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Celgene Acquisition Plan	$ 146	$ 200	$ 273	$ 373
MyoKardia Acquisition Plan	2	19	5	56
Total charges	$ 148	$ 219	$ 278	$ 429
Employee termination costs	$ 19	$ 75	$ 41	$ 119
Other termination costs	1	3	2	4
Provision for restructuring	20	78	43	123
Integration expenses	124	152	229	293
Accelerated depreciation	4	—	6	—
Asset impairments	—	—	—	24
Other shutdown costs, net	—	(11)	—	(11)
Total charges	$ 148	$ 219	$ 278	$ 429
Cost of products sold	$ —	$ —	$ —	$ 24
Marketing, selling and administrative	4	—	6	—
Other (income)/expense, net	144	219	272	405
Total charges	$ 148	$ 219	$ 278	$ 429

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

Dollars in Millions	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Liability at December 31	$ 101	$ 148
Provision for restructuring[(a)]	43	114
Foreign currency translation and other	(6)	(2)
Payments	(67)	(134)
Liability at June 30	$ 71	$ 126

(a) Includes a reduction of the liability resulting from changes in estimates of $8 million for both the six months ended June 30, 2022 and 2021. Excludes $9 million for the six months ended June 30, 2021 of accelerated stock-based compensation relating to the Celgene Acquisition Plan.

Note 7. INCOME TAXES

Dollars in Millions	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Earnings Before Income Taxes	$ 1,958	$ 1,553	$ 3,645	$ 4,083
Provision for Income Taxes	529	492	933	993
Effective Tax Rate	27.0 %	31.7 %	25.6 %	24.3 %

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 2022 and 2021 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 were not taxable in the six months ended June 30, 2021. 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, 2022 could decrease in the range of approximately $455 million to $505 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 PER SHARE

	Three Months Ended June 30,		Six Months Ended June 30,	
Amounts in Millions, Except Per Share Data	2022	2021	2022	2021
Net Earnings Attributable to BMS Used for Basic and Diluted EPS Calculation	$ 1,421	$ 1,055	$ 2,699	$ 3,076
Weighted-Average Common Shares Outstanding – Basic	2,133	2,227	2,140	2,232
Incremental Shares Attributable to Share-Based Compensation Plans	16	25	17	26
Weighted-Average Common Shares Outstanding – Diluted	2,149	2,252	2,157	2,258
Earnings per Common Share				
Basic	$ 0.67	$ 0.47	$ 1.26	$ 1.38
Diluted	0.66	0.47	1.25	1.36

The total number of potential shares of common stock excluded from the diluted earnings per common share computation because of the antidilutive impact was not material for the three and six months ended June 30, 2022 and 2021.

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, 2022			December 31, 2021		
Dollars in Millions	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Cash and cash equivalents - money market and other securities	$ —	$ 7,708	$ —	$ —	$ 12,225	$ —
Marketable debt securities:						
Certificates of deposit	—	2,022	—	—	2,264	—
Commercial paper	—	316	—	—	320	—
Corporate debt securities	—	140	—	—	403	—
Derivative assets	—	609	8	—	206	12
Equity investments	497	556	—	1,910	109	—
Derivative liabilities	—	17	—	—	25	—
Contingent consideration liability:						
Contingent value rights	6	—	—	8	—	—
Other acquisition related contingent consideration	—	—	33	—	—	35

As further described in "Item 8. Financial Statements and Supplementary Data—Note 9. Financial Instruments and Fair Value Measurements" in the Company's 2021 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).

The fair value of equity investments is adjusted for characteristics specific to the security and is not adjusted for contractual sale restrictions. Equity investments subject to contractual sale restrictions were not material at June 30, 2022 and December 31, 2021. The restrictions will expire by April 2023.

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.

Marketable Debt Securities and Equity Investments

The following table summarizes marketable debt securities:

	June 30, 2022				December 31, 2021			
		Gross Unrealized				Gross Unrealized		
Dollars in Millions	Amortized Cost	Gains	Losses	Fair Value	Amortized Cost	Gains	Losses	Fair Value
Certificates of deposit	$ 2,022	$ —	$ —	$ 2,022	$ 2,264	$ —	$ —	$ 2,264
Commercial paper	316	—	—	316	320	—	—	320
Corporate debt securities	140	—	—	140	401	2	—	403
Total marketable debt securities[(a)]	$ 2,478	$ —	$ —	$ 2,478	$ 2,985	$ 2	$ —	$ 2,987

(a) All marketable debt securities mature within one year as of June 30, 2022 and December 31, 2021.

The following summarizes the carrying amount of equity investments:

Dollars in Millions	June 30, 2022	December 31, 2021
Equity investments with readily determinable fair values	$ 1,053	$ 2,019
Equity investments without readily determinable fair values	389	283
Equity method investments	569	666
Total equity investments	$ 2,011	$ 2,968

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

	Three Months Ended June 30,		Six Months Ended June 30,	
Dollars in Millions	2022	2021	2022	2021
Equity investments with readily determined fair values[(a)]				
Net loss/(gain) recognized	$ 254	$ 81	$ 852	$ (115)
Net (gain)/loss recognized on investments sold	(16)	(1)	(16)	2
Net unrealized loss/(gain) recognized on investments still held	270	82	868	(117)
Equity investments without readily determinable fair values				
Upward adjustments	—	(192)	(6)	(461)
Impairments and downward adjustments	—	—	2	1
Cumulative upward adjustments			(109)	
Cumulative impairments and downward adjustments			52	
Equity in net (income)/loss of affiliates	54	(37)	104	(174)

(a) Certain prior year amounts have been reclassified to conform to the current year's presentation.

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 is 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 24 months. The notional amount of outstanding foreign currency forward contracts was primarily attributed to the euro of $5.3 billion and Japanese yen of $1.3 billion at June 30, 2022.

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.

Net Investment Hedges — Non-U.S. dollar borrowings of €950 million ($992 million) at June 30, 2022 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 $686 million at June 30, 2022 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 Accumulated other comprehensive 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 (1.79% as of June 30, 2022) 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.

In the first quarter of 2022, treasury lock contracts were entered into with a total notional value of $3.0 billion and $2.3 billion to hedge interest rate risk and cash payment associated with long-term debt, respectively. The treasury lock contracts were terminated upon issuance and redemption of long-term debt. These contracts were not designated for hedge accounting and the contract settlements were not material.

The following table summarizes the fair value of outstanding derivatives:

	June 30, 2022				December 31, 2021			
	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	$ (9)	$ 255	$ 10	$ —	$ —
Cross-currency interest rate swap contracts	686	77	—	—	600	26	—	—
Foreign currency forward contracts	7,625	524	540	(5)	3,587	161	1,814	(20)
Derivatives not designated as hedging instruments:								
Foreign currency forward contracts	623	8	522	(3)	883	9	568	(5)
Other	—	8	—	—	—	12	—	—

(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, 2022		Six Months Ended June 30, 2022	
Dollars in Millions	Cost of products sold	Other (income)/expense, net	Cost of products sold	Other (income)/expense, net
Interest rate swap contracts	$ —	$ (7)	$ —	$ (18)
Cross-currency interest rate swap contracts	—	(4)	—	(8)
Foreign currency forward contracts	(131)	(18)	(213)	(75)

Dollars in Millions	Three Months Ended June 30, 2021		Six Months Ended June 30, 2021	
	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)

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

Dollars in Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Derivatives qualifying as cash flow hedges				
Foreign currency forward contracts gain/(loss):				
Recognized in Other Comprehensive Income[(a)]	$ 481	$ (38)	$ 601	$ 221
Reclassified to Cost of products sold	(131)	53	(213)	89
Forward starting interest rate swap contract loss:				
Reclassified to Other (income)/expense, net	—	—	(3)	—
Derivatives qualifying as net investment hedges				
Cross-currency interest rate swap contracts gain:				
Recognized in Other Comprehensive Income	51	—	64	26
Non-derivatives qualifying as net investment hedges				
Non-U.S. dollar borrowings gain:				
Recognized in Other Comprehensive Income	68	(16)	83	25

(a) The majority is expected to be reclassified into earnings in the next 24 months.

Debt Obligations

Short-term debt obligations include:

Dollars in Millions	June 30, 2022	December 31, 2021
Non-U.S. short-term borrowings	$ 151	$ 105
Current portion of long-term debt	4,646	4,764
Other	156	79
Total	$ 4,953	$ 4,948

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

Dollars in Millions	June 30, 2022	December 31, 2021
Principal Value	$ 40,993	$ 43,095
Adjustments to Principal Value:		
Fair value of interest rate swap contracts	(9)	10
Unamortized basis adjustment from swap terminations	107	119
Unamortized bond discounts and issuance costs	(296)	(263)
Unamortized purchase price adjustments of Celgene debt	958	1,408
Total	$ 41,753	$ 44,369
Current portion of long-term debt	$ 4,646	$ 4,764
Long-term debt	37,107	39,605
Total	$ 41,753	$ 44,369

The fair value of long-term debt was $39.7 billion at June 30, 2022 and $49.1 billion at December 31, 2021 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.

During the six months ended June 30, 2022, BMS purchased an aggregate principal amount of $6.0 billion of certain of its debt securities for $6.6 billion of cash in tender offers and "make whole" redemptions. In connection with these transactions, a net of $266 million loss on debt redemption was recognized based on the carrying value of the debt and included in Other (income)/expense, net. In addition, $1.5 billion 2.60% Notes and $500 million Floating Rate Notes matured and were repaid.

During the six months ended June 30, 2022, we issued an aggregate principal amount of $6.0 billion of debt with net proceeds of $5.9 billion. The table below summarizes the issuances:

Dollars in Millions	
Principal Value:	
2.950% Notes due 2032	1,750
3.550% Notes due 2042	1,250
3.700% Notes due 2052	2,000
3.900% Notes due 2062	1,000
Total	$ 6,000

The notes rank equally in right of payment with all of BMS's existing and future senior unsecured indebtedness and are redeemable at any time, in whole, or in part, at varying specified redemption prices plus accrued and unpaid interest.

During the six months ended June 30, 2021, BMS purchased an 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 and $1.0 billion 2.550% Notes matured and were repaid.

Interest payments were $720 million and $807 million for the six months ended June 30, 2022 and 2021, respectively, net of amounts related to interest rate swap contracts.

At December 31, 2021, BMS had four separate revolving credit facilities totaling $6.0 billion, which consisted of a 364-day $2.0 billion facility which expired in January 2022, a three-year $1.0 billion facility which expired in January 2022 and two five-year $1.5 billion facilities that were extended to September 2025 and July 2026, respectively.

In January 2022, BMS entered into a five-year $5.0 billion facility expiring in January 2027, which is extendable annually by one year with the consent of the lenders. This facility provides for customary terms and conditions with no financial covenants and may be used to provide backup liquidity for our commercial paper borrowings. Concurrently with the entry into this facility, the commitments under our existing five-year $1.5 billion facilities were terminated and the three-year $1.0 billion facility and 364-day $2.0 billion facility expired in accordance with their terms in January 2022. No borrowings were outstanding under any revolving credit facility at June 30, 2022 or December 31, 2021.

Note 10. RECEIVABLES

Dollars in Millions	June 30, 2022	December 31, 2021
Trade receivables	$ 8,186	$ 8,723
Less charge-backs and cash discounts	(575)	(723)
Less allowance for expected credit loss	(25)	(21)
Net trade receivables	7,586	7,979
Alliance, Royalties, VAT and other	1,468	1,390
Receivables	$ 9,054	$ 9,369

Non-U.S. receivables sold on a nonrecourse basis were $674 million and $638 million for the six months ended June 30, 2022 and 2021, respectively. Receivables from the three largest customers in the U.S. represented approximately 64% and 59% of total trade receivables at June 30, 2022 and December 31, 2021, respectively.

Note 11. INVENTORIES

Dollars in Millions	June 30, 2022	December 31, 2021
Finished goods	$ 469	$ 543
Work in process	1,912	2,111
Raw and packaging materials	422	350
Total inventories	$ 2,803	$ 3,004
Inventories	$ 2,142	$ 2,095
Other non-current assets	661	909

The fair value adjustments related to the Celgene acquisition were $245 million at June 30, 2022 and $508 million at December 31, 2021. Other non-current assets include inventory expected to remain on hand beyond 12 months in both periods.

In the first quarter of 2022, BMS recorded an out of period adjustment to reduce the remaining amount of inventory fair value adjustments resulting from the Celgene acquisition by $114 million with a corresponding increase to Cost of products sold of $32 million and Research and development expense of $82 million. The adjustment was not material to previously reported balance sheets or results of operations.

Note 12. PROPERTY, PLANT AND EQUIPMENT

Dollars in Millions	June 30, 2022	December 31, 2021
Land	$ 162	$ 169
Buildings	5,740	5,897
Machinery, equipment and fixtures	3,243	3,252
Construction in progress	850	764
Gross property, plant and equipment	9,995	10,082
Less accumulated depreciation	(4,025)	(4,033)
Property, plant and equipment	$ 5,970	$ 6,049

Depreciation expense was $141 million and $286 million for the three and six months ended June 30, 2022 and $143 million and $278 million for the three and six months ended June 30, 2021, respectively.

Note 13. GOODWILL AND OTHER INTANGIBLE ASSETS

Dollars in Millions	Estimated Useful Lives	June 30, 2022	December 31, 2021
Goodwill		$ 20,446	$ 20,502
Other intangible assets:			
Licenses	5 – 15 years	307	307
Acquired marketed product rights	3 – 15 years	60,477	60,454
Capitalized software	3 – 10 years	1,581	1,499
IPRD		3,710	3,750
Gross other intangible assets		66,075	66,010
Less accumulated amortization		(28,385)	(23,483)
Other intangible assets		$ 37,690	$ 42,527

Amortization expense of other intangible assets was $2.4 billion and $4.9 billion for the three and six months ended June 30, 2022 and $2.5 billion and $5.1 billion for the three and six months ended June 30, 2021, respectively.

In the first quarter of 2022, a $40 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 obtained in the acquisition of Celgene and was being studied as a potential treatment for autoimmune diseases. The charge represented a full write-down.

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 of 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, 2022	December 31, 2021
Income taxes	$ 3,067	$ 2,786
Research and development	664	514
Contract assets	419	361
Equity investments	38	255
Restricted cash[(a)]	153	140
Other	1,421	776
Other current assets	$ 5,762	$ 4,832

Dollars in Millions	June 30, 2022	December 31, 2021
Equity investments	$ 1,973	$ 2,713
Inventories	661	909
Operating leases	840	919
Pension and postretirement	315	317
Research and development	572	248
Restricted cash[(a)]	57	197
Other	310	232
Other non-current assets	$ 4,728	$ 5,535

(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. Cash is restricted when withdrawal or general use is contractually or legally restricted. Restricted cash of $373 million at June 30, 2021, was included in cash, cash equivalents and restricted cash in the consolidated statements of cash flows.

Dollars in Millions	June 30, 2022	December 31, 2021
Rebates and discounts	$ 5,842	$ 6,399
Income taxes	1,141	754
Employee compensation and benefits	797	1,375
Research and development	1,386	1,373
Dividends	1,154	1,186
Interest	352	378
Royalties	384	410
Operating leases	167	169
Other	1,857	1,927
Other current liabilities	$ 13,080	$ 13,971

Dollars in Millions	June 30, 2022	December 31, 2021
Income taxes	$ 4,366	$ 4,835
Pension and postretirement	589	654
Operating leases	815	874
Deferred income	307	326
Deferred compensation	354	427
Other	209	218
Other non-current liabilities	$ 6,640	$ 7,334

Note 15. EQUITY

The following table summarizes changes in equity for the six months ended June 30, 2022:

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, 2021	2,923	$ 292	$ 44,361	$ (1,268)	$ 23,820	747	$ (31,259)	$ 60
Net Earnings	—	—	—	—	1,278	—	—	5
Other Comprehensive Income	—	—	—	39	—	—	—	—
Cash dividends declared[(a)]	—	—	—	—	(1,150)	—	—	—
Share repurchase program	—	—	(750)	—	—	65	(4,250)	—
Stock compensation	—	—	145	—	—	(18)	322	—
Balance at March 31, 2022	2,923	$ 292	$ 43,756	$ (1,229)	$ 23,948	794	$ (35,187)	$ 65
Net Earnings	—	—	—	—	1,421	—	—	8
Other Comprehensive Income	—	—	—	237	—	—	—	—
Cash dividends declared[(a)]	—	—	—	—	(1,152)	—	—	—
Share repurchase program	—	—	300	—	—	2	(300)	—
Stock compensation	—	—	319	—	—	(8)	195	—
Distributions	—	—	—	—	—	—	—	(12)
Balance at June 30, 2022	2,923	292	44,375	(992)	24,217	788	(35,292)	61

(a) Cash dividends declared per common share were $0.54 for the three months ended March 31, 2022 and June 30, 2022, respectively.

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 Loss	—	—	—	—	1,055	—	—	6
Other Comprehensive Loss	—	—	—	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, respectively.

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 authorization under the program was approximately $15.2 billion as of December 31, 2021.

During the first quarter of 2022, BMS entered into accelerated share repurchase ("ASR") agreements to repurchase an aggregate $5.0 billion of common stock to be settled in two tranches during the second and third quarters of 2022. The ASR agreements were funded with cash on-hand. In the first quarter of 2022 approximately 65 million shares of common stock (85% of the $5.0 billion aggregate repurchase price) were received by BMS and included in treasury stock. During the three months ended June 30, 2022, the first tranche of the ASR was settled and approximately 2 million shares of common stock were received by BMS and transferred to treasury stock. The second tranche is expected to settle in the third quarter of 2022. The total number of shares to be repurchased under the ASR agreements will be based on volume-weighted average prices of BMS's common stock during the terms of the ASR transactions less a discount and subject to adjustments pursuant to the terms and conditions of the ASR agreements. The remaining share repurchase capacity under the share repurchase program was approximately $10.2 billion as of June 30, 2022.

BMS repurchased 47 million shares of its common stock for $3.0 billion in the six months ended June 30, 2021.

The components of Other Comprehensive Income were as follows:

Dollars in Millions	2022 Pretax	2022 Tax	2022 After Tax	2021 Pretax	2021 Tax	2021 After Tax
Three Months Ended June 30,						
Derivatives qualifying as cash flow hedges:						
Unrealized gains/(losses)	$ 481	$ (65)	$ 416	$ (38)	$ (3)	$ (41)
Reclassified to net earnings[a]	(131)	16	(115)	53	(6)	47
Derivatives qualifying as cash flow hedges	350	(49)	301	15	(9)	6
Pension and postretirement benefits:						
Actuarial gains/(losses)	20	(3)	17	1	2	3
Amortization[b]	6	(1)	5	10	(2)	8
Settlements[b]	4	(1)	3	5	(1)	4
Pension and postretirement benefits	30	(5)	25	16	(1)	15
Marketable debt securities:						
Unrealized (losses)/gains	—	(1)	(1)	(3)	1	(2)
Foreign currency translation	(64)	(24)	(88)	3	4	7
Other Comprehensive Income	$ 316	$ (79)	$ 237	$ 31	$ (5)	$ 26
Six Months Ended June 30,						
Derivatives qualifying as cash flow hedges:						
Unrealized gains/(losses)	$ 601	$ (81)	$ 520	$ 221	$ (14)	$ 207
Reclassified to net earnings[a]	(216)	28	(188)	89	(10)	79
Derivatives qualifying as cash flow hedges	385	(53)	332	310	(24)	286
Pension and postretirement benefits:						
Actuarial gains/(losses)	40	(7)	33	22	(3)	19
Amortization[b]	12	(3)	9	19	(5)	14
Settlements[b]	5	(1)	4	6	(1)	5
Pension and postretirement benefits	57	(11)	46	47	(9)	38
Marketable debt securities:						
Unrealized gains	(2)	—	(2)	(6)	2	(4)
Foreign currency translation	(70)	(30)	(100)	12	(11)	1
Total Other Comprehensive Income	$ 370	$ (94)	$ 276	$ 363	$ (42)	$ 321

(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, net of taxes, were as follows:

Dollars in Millions	June 30, 2022	December 31, 2021
Derivatives qualifying as cash flow hedges	$ 510	$ 178
Pension and postretirement benefits	(722)	(768)
Marketable debt securities	—	2
Foreign currency translation	(780)	(680)
Accumulated other comprehensive loss	$ (992)	$ (1,268)

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,	
	2022	2021	2022	2021
Cost of products sold	$ 11	$ 15	$ 19	$ 30
Marketing, selling and administrative	48	65	96	125
Research and development	57	74	108	144
Other (income)/expense, net	—	3	—	9
Total stock-based compensation expense	$ 116	$ 157	$ 223	$ 308
Income tax benefit[(a)]	$ 22	$ 33	$ 44	$ 64

(a) Income tax benefit excludes excess tax benefits from share-based compensation awards that were vested or exercised of $19 million and $59 million for the three and six months ended June 30, 2022 and $12 million and $29 million for the three and six months ended June 30, 2021, respectively.

The number of units granted and the weighted-average fair value on the grant date for the six months ended June 30, 2022 were as follows:

Units in Millions	Units	Weighted-Average Fair Value
Restricted stock units	8.0	$ 63.81
Market share units	1.0	60.74
Performance share units	1.4	66.76

Dollars in Millions	Stock Options	Restricted Stock Units	Market Share Units	Performance Share Units
Unrecognized compensation cost	$ 1	$ 919	$ 76	$ 132
Expected weighted-average period in years of compensation cost to be recognized	0.3	3.1	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 successfully 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 and Anti-PD-L1 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 sought to add two scientists as inventors to these patents. In October 2017, Pfizer was allowed to intervene in the 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 May 2019, the District Court issued a decision ruling that the two scientists should be added as inventors to the patents which decision was affirmed on appeal. In June 2019, Dana-Farber filed a new lawsuit in the District of Massachusetts against BMS seeking damages as a result of the decision adding the scientists as inventors. In February 2021, BMS filed a motion to dismiss that complaint. In August 2021, the Court denied the motion to dismiss, but ruled that Dana-Farber's claims for damages before May 17, 2019—the date of the District Court's ruling that Dana-Farber was a co-inventor of the patents—are preempted by federal patent law. A trial has been scheduled for May 2023.

On March 17, 2022, BMS filed a lawsuit in U.S. District Court for the District of Delaware against AstraZeneca Pharmaceuticals LP and AstraZeneca UK Ltd ("AZ") alleging that AZ's marketing of the PD-L1 antibody Imfinzi infringes certain claims of U.S. Patent Nos. 9,580,505, 9,580,507, 10,138,299, 10,308,714, 10,266,594, 10,266,595, 10,266,596 and 10,323,092. No trial date has been scheduled.

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. In August 2021, a Federal Circuit panel reversed the jury verdict and district court decision and found the '190 Patent to be invalid. In October 2021, Juno and SKI filed a petition with the Federal Circuit for panel and en banc rehearing which the Federal Circuit denied on January 14, 2022. On June 13, 2022, Juno and SKI filed a petition for a writ of certiorari with the U.S. Supreme Court.

***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 ("SPC"). BMS subsequently filed counterclaims for infringement in both actions. A trial took place in February 2022 and in a judgement issued on April 7, 2022, the judge found the UK apixaban composition of matter patent and related SPC invalid. The Company is seeking permission to appeal from the Court of Appeal.

Similar lawsuits have been filed in various other countries in Europe seeking revocation of our composition of matter patents and SPCs relating to *Eliquis,* and trials have been scheduled in certain of those cases. In May 2022, a Dutch court issued a decision denying a request by the Company for a preliminary injunction that would have prevented an at-risk generic launch in the Netherlands by Sandoz prior to a full trial on the merits.

Following the above decisions in the UK and the Netherlands, generic manufacturers have begun marketing generic versions of *Eliquis* in the UK and Netherlands, and may seek to market generic versions of *Eliquis* in additional countries in Europe, prior to the expiration of our patents, which may lead to additional infringement and invalidity actions involving *Eliquis* patents being filed in various countries in Europe in the coming months.

***Onureg* – U.S.**
In November 2021, BMS received a Notice Letter from Accord notifying BMS that Accord had filed an aNDA containing a paragraph IV certification seeking approval of a generic version of *Onureg* in the U.S. and challenging the one FDA Orange Book-listed formulation patent expiring in 2030. In response, BMS filed a patent infringement action against Accord in the U.S. District Court for the District of Delaware. No trial date has been scheduled.

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. 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 ($309 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 **- U.S.**

In February 2022, Celgene received a Notice Letter from MSN Laboratories Pvt. Ltd. ("MSN") notifying Celgene that MSN 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 MSN in the U.S. District Court for the District of New Jersey asserting certain FDA Orange Book-listed patents. In June 2022, Celgene entered into a confidential settlement agreement with MSN, settling all outstanding claims in the litigation with MSN.

Revlimid **- U.S.**

Celgene received a Notice Letter from Alembic Pharmaceuticals Limited, Alembic Global Holding SA, and Alembic Pharmaceuticals, Inc. ("Alembic") notifying Celgene that Alembic had filed an aNDA containing paragraph IV certifications seeking approval to market a generic version of *Revlimid* in the U.S. In response, Celgene initiated a patent infringement action against Alembic in the U.S. District Court for the District of New Jersey asserting certain FDA Orange Book-listed patents. Alembic filed answers and counterclaims alleging that the asserted patents are invalid and/or not infringed. The parties subsequently settled all disputes pertaining to the Alembic aNDA, and the case was dismissed.

In May 2022, Celgene received a Notice Letter from Oncogen Pharma (Malaysia) Sdn. Bhd. ("Oncogen") notifying Celgene that Oncogen has filed an aNDA containing paragraph IV certifications seeking approval to market a generic version of *Revlimid* in the U.S. In response, Celgene initiated a patent infringement action against Oncogen in the U.S. District Court for the District of New Jersey asserting certain FDA Orange Book-listed patents. The parties subsequently settled all disputes pertaining to the Oncogen aNDA, and the case was dismissed.

In May 2022, Celgene received a Notice Letter from Qilu Pharmaceutical Co. Ltd. ("Qilu") notifying Celgene that Qilu has filed an aNDA containing paragraph IV certifications seeking approval to market a generic version of *Revlimid* in the U.S. In response, Celgene initiated a patent infringement action against Qilu in the U.S. District Court for the District of New Jersey asserting certain FDA Orange Book-listed patents. Qilu has not yet responded to the complaint. No schedule has been entered by the Court.

Sprycel **- U.S.**

In January 2022, BMS received a Notice Letter from Xspray Pharma AB ("Xspray") notifying BMS that Xspray had filed a 505(b)(2) NDA application containing paragraph IV certifications seeking approval of a dasatinib product in the U.S. and challenging two FDA Orange Book-listed monohydrate form patents expiring in 2025 and 2026. In February 2022, BMS filed a patent infringement action against Xspray in the U.S. District Court for the District of New Jersey. Subsequently, the Company also received paragraph IV certification letters from Accord, Biocon, and Nanocopoeia challenging the same patents, and the Company filed patent infringement actions against all three companies. No trial dates have been scheduled in any of these actions.

***Zeposia* - U.S.**
On October 15, 2021, Actelion Pharmaceuticals LTD and Actelion Pharmaceuticals US, INC ("Actelion"), filed a complaint for patent infringement in the United States District Court for the District of New Jersey against BMS and Celgene for alleged infringement of U.S. Patent No. 10,251,867 (the "'867 Patent"). The Complaint alleges that the sale of *Zeposia* infringes certain claims of the '867 Patent and Actelion is seeking damages and injunctive relief. No trial date has been scheduled.

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 has been scheduled for January 2023.

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 and all remaining cases in the U.S. MDL litigation have since been resolved. Three inactive cases remain in New Jersey State court. 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 all appeals of the certification decision have now been exhausted.

Byetta**
Amylin, a former subsidiary of BMS, and Lilly are co-defendants in product liability litigation related to *Byetta**. This litigation involved lawsuits on behalf of plaintiffs, 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 were 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 MDL decision is final as to Amylin and Lilly and all MDL claims have been dismissed. As of June 2022, 80% of the plaintiffs in the JCCP (including injury plaintiffs and spouse/beneficiary plaintiffs) alleging claims against Amylin and Lilly have dismissed their claims with prejudice. Additional dismissals are anticipated. Remaining plaintiffs, if any, may seek to appeal the JCCP dismissal orders. 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 2022, claims are pending in federal and NY state court on behalf of approximately 251 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, with others pending in a coordinated proceeding in California Superior Court in San Francisco ("JCCP"). In August 2021, the MDL and JCCP courts jointly heard evidence regarding the parties' motions to exclude general causation experts. On September 24, 2021, the JCCP court granted defendants' motion to exclude plaintiffs' only general causation expert and largely denied plaintiffs' motions to exclude defendants' general causation experts; on January 5, 2022, the MDL court likewise granted defendants' motion to exclude plaintiffs' expert and denied entirely plaintiffs' motions. On March 30, 2022, the JCCP court granted summary judgment to defendants, thus effectively dismissing the 18 claims previously pending in California state court. Plaintiffs have filed an appeal. Defendants have filed a summary judgment motion in the MDL as well, which remains pending. 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 was voluntarily dismissed. The remaining complaint alleged 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. On March 11, 2022, the Second Circuit affirmed the dismissal with prejudice of the amended complaint. The deadline to file further appeals has expired and the decision in favor of the Company and current and former executives is final.

Celgene Securities Litigations

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 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 (the "Schwab 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 (the "CalPERS Action"); 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 (respectively the "DFA Action" and the "American Century Action"), and GIC Private Limited in September 2021 (the "GIC Action"), 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. In October 2021, these actions were consolidated for pre-trial proceedings with the Schwab Action. The court also consolidated any future direct actions raising common questions of law and fact with the Schwab Action.

No trial dates have been scheduled in any of the above Celgene Securities Litigations.

Contingent Value Rights Litigations

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 and filed a motion to dismiss on July 23, 2021. On June 24, 2022, the court denied BMS's motion to dismiss.

In October 2021, alleged former Celgene stockholders filed a complaint in the U.S. District Court for the Southern District of New York asserting claims on behalf of a putative class of Celgene stockholders who received CVRs in the BMS merger with Celgene for violations of sections 14(a) and 20(a) of the Securities Exchange Act of 1934 relating to the joint proxy statement. That action later was consolidated with another action filed in the same court, and a consolidated complaint thereafter was filed asserting claims on behalf of a class of CVR acquirers, whether in the BMS merger with Celgene or otherwise, for violations of sections 11, 12(a)(2), and 15 of the Securities Act of 1933 and sections 10(b), 14(a) and 20(2) of the Securities Exchange Act of 1934. The complaint alleges that the February 22, 2019 joint proxy statement was materially false or misleading because it failed to disclose that BMS allegedly had no intention to obtain FDA approval for liso-cel (*Breyanzi*) by the applicable milestone date in the CVR Agreement and that certain statements made by BMS or certain BMS officers in periodic SEC filings, earnings calls, press releases, and investor presentations between December 2019 and November 2020 were materially false or misleading for the same reason. Defendants have moved to dismiss the complaint.

In November 2021, an alleged purchaser of CVRs filed a complaint in the Supreme Court of the State of New York for New York County asserting claims on behalf of a putative class of CVR acquirers for violations of sections 11(a) and 12(a)(2) of the Securities Act of 1933. The complaint alleges that the registration statement filed in connection with the proposed merger transaction between Celgene and BMS was materially false or misleading because it failed to disclose that allegedly BMS had no intention at the time to obtain FDA approval for liso-cel (*Breyanzi*) by the contractual milestone date. The complaint asserts claims against BMS, the members of its board of directors at the time of the joint proxy statement, and certain BMS officers who signed the registration statement. BMS removed the action to the U.S. District Court for the Southern District of New York. The plaintiff has filed a motion to remand the action to the state court.

In November 2021, an alleged Celgene stockholder filed a complaint in the Superior Court of New Jersey, Union County asserting claims on behalf of two separate putative classes, one of acquirers of CVRs and one of acquirers of BMS common stock, for violations of sections 11(a), 12(a)(2), and 15 of the Securities Act of 1933. The complaint alleges that the registration statement filed in connection with the proposed merger transaction between Celgene and BMS was materially false or misleading because it failed to disclose that allegedly BMS had no intention at the time to obtain FDA approval for liso-cel (*Breyanzi*) by the contractual milestone date. The complaint asserts claims against BMS, the members of its board of directors at the time of the joint proxy statement, certain BMS officers who signed the registration statement and Celgene's former chairman and chief executive officer. BMS removed the action to the U.S. District Court for the District of New Jersey and filed a motion to transfer the action to the U.S. District Court for the Southern District of New York. The plaintiff has filed a motion to remand the action to the state court.

No trial dates have been scheduled in any of the above CVR Litigations.

OTHER LITIGATION

HIV Medication Antitrust Litigations

BMS and three other manufacturers of HIV medications are defendants in related lawsuits pending in the Northern District of California. The initial lawsuits, filed on behalf of indirect purchasers, alleged that the defendants' agreements to develop and sell fixed-dose combination products for the treatment of HIV, including *Atripla** and *Evotaz*®, violate antitrust laws. 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 October 2021, BMS entered a settlement agreement with the indirect purchasers. On May 6, 2022, the Court granted final approval of that settlement.

In September and October 2020, two purported class actions were also 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. In March 2022, BMS entered into a settlement agreement with the direct purchasers (excluding the retailers discussed below). In June 2022, the Court granted preliminary approval of that settlement.

On September 22, 2021, two additional non-class action direct purchaser complaints were filed by a number of retail pharmacy and grocery store chains against BMS and two other manufacturers of HIV medications. These complaints make allegations similar to those raised in the other federal court cases and the New Mexico state court case described below. In January 2022, BMS entered into an agreement to settle the cases filed against it by the retail pharmacy and grocery store chains, and those cases were dismissed.

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 trial date has been scheduled.

In December 2021, five additional non-class-action indirect purchaser cases were filed in the Northern District of California, and one additional non-class-action indirect purchaser case was filed in California state court naming BMS and two other manufacturers as defendants. These complaints make allegations similar to those in the other federal court cases. In February 2022, BMS reached a settlement agreement with one of the non-class-action indirect purchaser plaintiffs and that case has been dismissed. In April 2022, two additional indirect purchaser plaintiffs filed non-class suits against BMS and other defendants. In July 2022, BMS entered into a settlement agreement resolving these seven remaining indirect purchaser cases.

***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 did not resolve the claims of certain entities that opted out of the settlement.

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 *Thalomid* and *Revlimid* antitrust 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. In April 2022, the Court issued an order denying Celgene's motion to dismiss. That order addressed only Celgene's argument that certain of Humana's claims were barred by the statute of limitations. The Court's order did not address Celgene's other grounds for dismissal and instead directed Celgene to present those arguments in a renewed motion to dismiss following the filing of amended complaints. In May 2022, Humana filed an amended complaint against Celgene and BMS asserting the same claims based on additional factual allegations. Celgene and BMS intend to file a renewed motion to dismiss. No trial date has been scheduled.

United HealthCare Services, Inc. (“UHS”), Blue Cross Blue Shield Association (“BCBSA”), BCBSM Inc., Health Care Service Corporation (“HCSC”), Blue Cross and Blue Shield of Florida Inc., Cigna Corporation (“Cigna”), and several MSP related entities (MSP Recovery Claims, Series LLC; MSPA Claims 1, LLC; MAO-MSO Recovery II, LLC, Series PMPI, a segregated series of MAO-MSO Recovery II, LLC; MSP Recovery Claims Series 44, LLC; MSP Recovery Claims PROV, Series LLC; and MSP Recovery Claims CAID, Series LLC (together, “MSP”)) filed lawsuits making largely the same claims and allegations as were made in the class action litigation. Certain of the matters have made additional claims related to copay assistance and off-label marketing of *Thalomid* and *Revlimid*. These cases are now pending in the U.S. District Court for the District of New Jersey and will proceed as described above with respect to the *Humana* opt-out antitrust action filed in March 2019. No trial dates have 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. In July 2021, Celgene and BMS removed the action to the U.S. District Court for the Northern District of California, and in January 2022, that court granted Molina’s motion to remand to San Francisco Superior Court. In June 2022, the San Francisco Superior Court dismissed 63 of Molina’s claims and stayed the remaining 4 claims. No activity is expected in this case until disposition of the New Jersey actions.

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. Humana subsequently dismissed its claims for breach of contract voluntarily. The complaint seeks, among other things, treble and punitive damages, injunctive relief and attorneys’ fees and costs. A trial has been scheduled for January 2023.

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. A trial has been scheduled for March 2023.

BeiGene Arbitration Matter

On July 5, 2017, Celgene Logistics Sàrl (“Celgene Logistics”) and BeiGene, Ltd. (together with its assignees, “BeiGene”), entered into a License and Supply Agreement (the “LSA”) pursuant to which BeiGene was granted, among other things, an exclusive license to distribute and commercialize *Revlimid*, *Vidaza* and *Abraxane* in China.

As has been disclosed publicly, BeiGene initiated an arbitration proceeding against Celgene Logistics and BMS at the International Chamber of Commerce in June 2020, asserting various claims, including breach of contract under the LSA. In October 2021, Celgene Logistics delivered notice to BeiGene terminating the LSA with respect to *Abraxane*. A final hearing on the merits was held in June 2022, and the parties are currently engaged in post-hearing briefing.

MSK Contract Litigation

On April 1, 2022, Memorial Sloan Kettering Cancer Center and Eureka Therapeutics, Inc. (collectively, “Plaintiffs”) filed a complaint against BMS, Celgene and Juno (collectively, “Defendants”). In June 2022, Plaintiffs filed an amended complaint. Plaintiffs allege that Defendants breached a license agreement by allegedly failing to use commercially reasonable efforts to develop, manufacture, and commercialize a certain chimeric antigen receptor product and by failing to pay Plaintiffs a running royalty of at least 1.5% of worldwide sales of *Abecma* allegedly owed to Plaintiffs under the license agreement. Defendants disagree with plaintiffs' claims and filed a motion to dismiss the amended complaint in July 2022. 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 international 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 $88 million at June 30, 2022, 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 neurology. Our priorities are to continue to renew and diversify our portfolio through launching our new product portfolio, advancing our early, mid and late-stage pipeline, and executing disciplined business development. We remain committed to reducing our debt and returning capital to shareholders. 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 2021 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 2022, we received 14 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 oncology through FDA approval of *Opdualag*, the first PD-1 inhibitor and LAG-3 blocking antibody combination. Additionally, in the U.S., EU and Japan, two *Opdivo* based regimens as first line treatments for unresectable advanced or metastatic ESCC were approved. We continue to advance and invest in our cell therapy portfolio through the approval of *Abecma* in Japan for the treatment of multiple myeloma, and approvals of *Breyanzi* for the second line and third line treatments of relapsed or refractory diffuse large B-cell lymphoma in the U.S. and EU, respectively. We continue the expansion of 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 expand our portfolio in immunology with an important opportunity for deucravacitinib, our TYK2 inhibitor, for the treatment of psoriasis and other diseases. Within cardiovascular, we broadened our New Product Portfolio with the FDA approval of *Camzyos* (mavacamten) in April 2022 for patients with symptomatic obstructive HCM.

Our revenues increased by 3% for the six months ended June 30, 2022 due to In-Line Products (primarily *Eliquis* and *Opdivo)* and New Product Portfolio (primarily *Abecma*, *Opdualag* and *Reblozyl*), partially offset by Recent LOE Products (primarily *Revlimid*) and foreign exchange. The $0.11 decrease in GAAP EPS primarily resulted from specified items, including equity investment and contingent consideration fair value adjustments, partially offset by lower impairment charges and higher divestiture gains in 2022. After adjusting for specified items, non-GAAP EPS increased $0.51 as a result of higher revenues, royalties and licensing income and lower weighted-average common shares outstanding.

Dollars in Millions, except per share data	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Total Revenues	$ 11,887	$ 11,703	$ 23,535	$ 22,776
Diluted Earnings Per Share				
GAAP	$ 0.66	$ 0.47	$ 1.25	$ 1.36
Non-GAAP	1.93	1.63	3.89	3.38

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, reconciliations and changes to our non-GAAP financial measures refer to "—Non-GAAP Financial Measures."

Economic and Market Factors

COVID-19

In response to the COVID-19 pandemic, international, federal, state and local public health and governmental authorities have taken, and continue to take, a number of actions to limit the spread of COVID-19 and address related disruptions in the U.S. and global economy. While we continue to experience impacts on revenues from COVID-19 primarily due to lower new patient starts and patient visits, the pandemic has not significantly impacted our results of operations. The situation remains dynamic and it is 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 future developments such as the ultimate duration and the severity of the spread of COVID-19 and any variant strains in the U.S. and globally, the effectiveness and outreach of vaccines, the effectiveness of federal, state, local and international government's mitigation actions, the pandemic's impact on the U.S. and global economies, changes in the behavior of patients and medical professionals and the timing for resumption to our normal operations, as well as developments affecting healthcare and the delivery of medicines to patients. See “Part I—Item 1A. Risk Factors—General Risks—The COVID-19 pandemic is affecting our business and could have a material adverse effect on us” in our 2021 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. Additional information on the procedures adopted are available at www.bms.com/about-us/responsibility/coronavirus-updates.

Governmental Actions

Our products continue to be subject to increasing pressures across the portfolio from pharmaceutical market access and pricing controls and discounting, changes to tax and importation laws and other restrictions in the U.S., the EU and other regions around the world that result in lower prices, lower reimbursement rates and smaller populations for whom payers will reimburse, which can negatively impact our results of operations (including intangible asset impairment charges), operating cash flow, liquidity and financial flexibility. For example, Congress is currently considering a number of different proposals that would potentially: (i) allow the government to set or negotiate prices for prescription drugs, (ii) penalize manufacturers for price increases beyond inflationary measures, (iii) redesign the Part D benefit with new out of pocket limits for patients and new mandated discounts for manufacturers. The outcome of these Congressional actions is uncertain. Congress is also considering potential changes to U.S. income tax laws which would result in an increase to our income tax expense, including through increased taxation of our international operations. Furthermore, countries are expected to make changes to their tax laws and updates to international tax treaties to implement the agreement by the Organization for Economic Co-operation and Development to establish a global minimum tax. See risk factor on the Company’s risk factors on these items included under “Part I—Item 1A. Risk Factors—Product, Industry and Operational Risks—Increased pricing pressure and other restrictions in the U.S. and abroad continue to negatively affect our revenues and profit margins” and “—Changes to tax regulations could negatively impact our earnings” in our 2021 Form 10-K.

In February 2022, the Russian Federation invaded Ukraine. As a result, the U.S. and many other countries have implemented extensive sanctions on the Russian Federation, with which BMS intends to fully comply. In June 2022, we transferred our commercial operations in the Russian Federation to a third-party distributor and incurred $39 million of exit costs. Our remaining net assets in the Russian Federation are not material. The Russian Federation and Ukraine represent less than 1% of our total revenues, net assets, workforce and clinical trials, and while the situation continues to evolve, as of now, we do not anticipate any significant negative impacts on our business. For a more complete discussion on the risks we encounter in our business, please refer to “Part I—Item 1A. Risk Factors” in our 2021 Form 10-K.

Significant Product and Pipeline Approvals

The following is a summary of the significant approvals received in 2022 as of July 27, 2022:

Product	Date	Approval
Breyanzi	June 2022	FDA approval of *Breyanzi* for the treatment of adult patients with relapsed or refractory large B-cell lymphoma after one line of therapy.
Opdivo+Yervoy	May 2022	Japan's Ministry of Health, Labour and Welfare approval of *Opdivo* plus *Yervoy* as a first-line treatment for adult patients with unresectable advanced or metastatic ESCC regardless of PD-L1 status.
Opdivo	May 2022	Japan's Ministry of Health, Labour and Welfare approval of *Opdivo* in combination with fluoropyrimidine- and platinum-containing chemotherapy as a first-line treatment for adult patients with unresectable advanced or metastatic ESCC regardless of PD-L1 status.
Opdivo+Yervoy	May 2022	FDA approval of *Opdivo* plus *Yervoy* as a first-line treatment for adult patients with unresectable advanced or metastatic ESCC regardless of PD-L1 status.
Opdivo	May 2022	FDA approval of *Opdivo* in combination with fluoropyrimidine- and platinum-containing chemotherapy as a first-line treatment for adult patients with unresectable advanced or metastatic ESCC regardless of PD-L1 status.
Camzyos (mavacamten)	April 2022	FDA approval of *Camzyos* (mavacamten) for the treatment of adults with symptomatic obstructive HCM.
Breyanzi	April 2022	EC approval of *Breyanzi* for the treatment of adult patients with relapsed or refractory diffuse large B-cell lymphoma, primary mediastinal large B-cell lymphoma and follicular lymphoma grade 3B after two or more lines of systemic therapy.
Opdivo+Yervoy	April 2022	EC approval of *Opdivo* plus *Yervoy* for the first-line treatment of adult patients with unresectable advanced, recurrent or metastatic ESCC with tumor cell PD-L1 expression $\geq$ 1%.
Opdivo	April 2022	EC approval of *Opdivo* for the adjuvant treatment of adults with muscle-invasive urothelial carcinoma with tumor cell PD-L1 expression $\geq$ 1% who are at risk of recurrence after undergoing radical resection.
Opdivo	April 2022	EC approval of *Opdivo* in combination with fluoropyrimidine- and platinum-based chemotherapy for the first-line treatment of adult patients with unresectable advanced, recurrent, or metastatic ESCC with PD-L1 expression $\geq$ 1%.
Opdualag	March 2022	FDA approval of *Opdualag,* a fixed-dose combination of nivolumab and relatlimab, for the treatment of adult and pediatric patients 12 years of age and older with unresectable or metastatic melanoma.
Opdivo	March 2022	FDA approval of *Opdivo* in combination with platinum-doublet chemotherapy for adult patients with resectable NSCLC in the neoadjuvant setting.
Opdivo	March 2022	Japan's Ministry of Health, Labour and Welfare approval of *Opdivo* for the adjuvant treatment of urothelial carcinoma.
Abecma	January 2022	Japan’s Ministry of Health, Labour and Welfare approval of *Abecma* for the treatment of adult patients with relapsed or refractory multiple myeloma who have received at least three prior therapies.

Refer to “—Product and Pipeline Developments” for the developments in our marketed products and late-stage pipeline since the start of the second quarter of 2022.

Acquisitions, Divestitures, Licensing and Other Arrangements

Refer to “Item 1. Financial Statements—Note 3. Alliances” and “—Note 4. Acquisitions, Divestitures, Licensing and Other Arrangements” for information on significant divestitures, licensing and other arrangements in 2022.

RESULTS OF OPERATIONS

Regional Revenues

The composition of the changes in revenues was as follows:

Dollars in Millions	Three Months Ended June 30, 2022	2021	% Change	Foreign Exchange[b]	Six Months Ended June 30, 2022	2021	% Change	Foreign Exchange[b]
United States	$ 8,268	$ 7,388	12 %	—	$ 15,962	$ 14,398	11 %	—
International	3,427	4,124	(17)%	(9)%	7,154	8,023	(11)%	(8)%
Other[a]	192	191	1 %	—	419	355	18 %	—
Total	$ 11,887	$ 11,703	2 %	(3)%	$ 23,535	$ 22,776	3 %	(3)%

(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 of 2022 and year-to-date increased due to *Eliquis,* our New Product Portfolio and *Opdivo*. Average U.S. net selling prices increased 4% year-to-date compared to the same period a year ago.

International

- International revenues for the second quarter of 2022 and year-to-date decreased due to lower demand of *Revlimid* as a result of generic erosion and foreign exchange impacts, partially offset by *Eliquis*, *Opdivo* and our New Product Portfolio. Average net selling prices decreased 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, 2022 and 2021. 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:

Dollars in Millions	Three Months Ended June 30, 2022	2021	% Change	Six Months Ended June 30, 2022	2021	% Change
Gross product sales	$ 17,299	$ 16,782	3 %	$ 33,949	$ 32,341	5 %
GTN adjustments						
Charge-backs and cash discounts	(1,750)	(1,720)	2 %	(3,513)	(3,306)	6 %
Medicaid and Medicare rebates	(2,624)	(2,139)	23 %	(4,708)	(3,857)	22 %
Other rebates, returns, discounts and adjustments	(1,440)	(1,518)	(5)%	(2,935)	(2,975)	(1)%
Total GTN adjustments	(5,814)	(5,377)	8 %	(11,156)	(10,138)	10 %
Net product sales	$ 11,485	$ 11,405	1 %	$ 22,793	$ 22,203	3 %
GTN adjustments percentage	34 %	32 %	2 %	33 %	31 %	2 %
U.S.	38 %	38 %	—	38 %	37 %	1 %
Non-U.S.	16 %	15 %	1 %	16 %	16 %	—

Reductions to provisions for product sales made in prior periods resulting from changes in estimates were $123 million and $197 million for the three and six months ended June 30, 2022 and $85 million and $302 million for the three and six months ended June 30, 2021, respectively. The reductions to provisions primarily related to Non-U.S. revisions in clawback amounts primarily driven by the VAT recoverable estimates in 2022 and *Eliquis* coverage gap discounts in 2021. 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, 2022	2021	% Change	Six Months Ended June 30, 2022	2021	% Change
In-Line Products						
Eliquis	$ 3,235	$ 2,792	16 %	6,446	$ 5,678	14 %
U.S.	2,192	1,722	27 %	4,339	3,645	19 %
Non-U.S.	1,043	1,070	(3)%	2,107	2,033	4 %
Opdivo	2,063	1,910	8 %	3,986	3,630	10 %
U.S.	1,205	1,076	12 %	2,304	2,020	14 %
Non-U.S.	858	834	3 %	1,682	1,610	4 %
Pomalyst/Imnovid	908	854	6 %	1,734	1,627	7 %
U.S.	616	567	9 %	1,173	1,079	9 %
Non-U.S.	292	287	2 %	561	548	2 %
Orencia	876	814	8 %	1,668	1,572	6 %
U.S.	654	593	10 %	1,246	1,129	10 %
Non-U.S.	222	221	—	422	443	(5)%
Sprycel	544	541	1 %	1,027	1,011	2 %
U.S.	372	325	14 %	677	600	13 %
Non-U.S.	172	216	(20)%	350	411	(15)%
Yervoy	525	510	3 %	1,040	966	8 %
U.S.	326	328	(1)%	637	622	2 %
Non-U.S.	199	182	9 %	403	344	17 %
Empliciti	77	86	(10)%	152	171	(11)%
U.S.	47	51	(8)%	94	102	(8)%
Non-U.S.	30	35	(14)%	58	69	(16)%

Dollars in Millions	Three Months Ended June 30,			Six Months Ended June 30,		
	2022	2021	% Change	2022	2021	% Change
Mature and other products	435	473	(8)%	897	979	(8)%
U.S.	147	130	13 %	280	282	(1)%
Non-U.S.	288	343	(16)%	617	697	(11)%
New Product Portfolio						
Reblozyl	172	128	34 %	328	240	37 %
U.S.	144	110	31 %	278	208	34 %
Non-U.S.	28	18	56 %	50	32	56 %
Abecma	89	24	**	156	24	37 %
U.S.	72	24	**	128	24	**
Non-U.S.	17	—	N/A	28	—	N/A
Zeposia	66	28	**	102	46	**
U.S.	48	20	**	69	33	**
Non-U.S.	18	8	**	33	13	**
Breyanzi	39	17	**	83	17	**
U.S.	33	17	94 %	74	17	**
Non-U.S.	6	—	N/A	9	—	N/A
Inrebic	23	16	44 %	41	32	28 %
U.S.	20	15	33 %	35	30	17 %
Non-U.S.	3	1	**	6	2	**
Onureg	32	12	**	55	27	**
U.S.	25	12	**	44	26	69 %
Non-U.S.	7	—	N/A	11	1	**
Opdualag	58	—	N/A	64	—	N/A
U.S.	58	—	N/A	64	—	N/A
Non-U.S.	—	—	N/A	—	—	N/A
Camzyos	3	—	N/A	3	—	N/A
U.S.	3	—	N/A	3	—	N/A
Non-U.S.	—	—	N/A	—	—	N/A
Recent LOE Products[(a)]						
Revlimid	2,501	3,202	(22)%	5,298	6,146	(14)%
U.S.	2,130	2,164	(2)%	4,168	4,122	1 %
Non-U.S.	371	1,038	(64)%	1,130	2,024	(44)%
Abraxane	241	296	(19)%	455	610	(25)%
U.S.	176	234	(25)%	349	459	(24)%
Non-U.S.	65	62	5 %	106	151	(30)%
Total Revenues	**11,887**	**11,703**	**2 %**	**23,535**	**22,776**	**3 %**
U.S.	**8,268**	**7,388**	**12 %**	**15,962**	**14,398**	**11 %**
Non-U.S.	**3,619**	**4,315**	**(16)%**	**7,573**	**8,378**	**(10)%**

** Change in excess of 100%.

(a) Recent LOE Products includes products with significant decline in revenue from a prior reporting period as a result of a loss of exclusivity.

Eliquis (apixaban) — an oral Factor Xa inhibitor, indicated for the reduction in risk of stroke/systemic embolism in NVAF and for the treatment of DVT/PE and reduction in risk of recurrence following initial therapy.

- U.S. revenues increased 27% in the second quarter of 2022 and 19% year-to-date due to higher average net selling prices, including favorable GTN adjustments, and higher demand. A majority of *Eliquis* patients enter the coverage gap during the third and fourth quarters which is expected to result in lower revenues during the second half of the year.

- International revenues decreased 3% in the second quarter of 2022 due to foreign exchange impacts of 12%, partially offset by higher demand. Excluding foreign exchange impacts, revenues increased by 9%.

  International revenues increased 4% year-to-date due to higher demand, partially offset by foreign exchange impacts of 9% and lower average net selling prices. Excluding foreign exchange impacts, revenues increased by 13%.

- Following the May 2021 expiration of regulatory exclusivity for *Eliquis* in Europe, generic manufacturers have begun marketing generic versions of *Eliquis* in the UK and Netherlands, and may seek to market generic versions of *Eliquis* in additional countries 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, CRC, head and neck, RCC, HCC, lung, melanoma, MPM, stomach and esophageal cancer. The *Opdivo+Yervoy* regimen also is approved in multiple markets for the treatment of NSCLC, melanoma, MPM, RCC, CRC and various gastric and esophageal cancers. 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 12% in the second quarter of 2022 and 14% year-to-date due to higher demand across multiple indications including the *Opdivo+Yervoy* combinations for NSCLC, *Opdivo+Cabometyx** combination for kidney cancer, bladder and various gastric and esophageal cancers, partially offset by declining second-line eligibility across tumor indications and increased competition.

- International revenues increased 3% in the second quarter of 2022 and 4% year-to-date due to higher demand as a result of additional indication launches and core indications, partially offset by foreign exchange impacts of 10% and 9%, respectively. Excluding foreign exchange impacts, revenues increased 13% in both periods.

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 both the second quarter of 2022 and year-to-date due to higher average net selling prices and higher demand.

- International revenues increased 2% in both the second quarter of 2022 and year-to-date due to higher demand, partially offset by foreign exchange impacts of 9% and 8%, respectively, and lower average net selling prices. Excluding foreign exchange impacts, revenues increased by 11% and 10%, 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 10% in both the second quarter of 2022 and year-to-date due to higher demand.

- International revenues remained consistent in the second quarter of 2022 due to higher demand, offset by foreign exchange impacts of 12%. Excluding foreign exchange impacts, revenues increased by 12%.

  International revenues decreased 5% year-to-date due to foreign exchange impacts of 9%, partially offset by higher demand. Excluding foreign exchange impacts, revenues increased by 4%.

- In the U.S. and EU, estimated LOE dates are based on method of use patents that expired in 2021. Formulation and additional patents expire in 2026 and beyond. There are no *Orencia* biosimilars on the market in the U.S., EU or Japan.

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 14% in the second quarter of 2022 and 13% year-to-date due to higher average net selling prices and higher demand.
- International revenues decreased 20% in the second quarter of 2022 and 15% year-to-date due to foreign exchange impacts of 10% and 9%, respectively and lower demand as a result of generic erosion. Excluding foreign exchange impacts, revenues decreased by 10% and 6%, respectively.

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, MPM, RCC, CRC and esophageal cancer.

- U.S. revenues remained consistent in the second quarter of 2022 due to lower demand offset by higher average net selling prices.

  U.S. revenues increased 2% year-to-date due to higher average net selling prices and higher demand primarily from the *Opdivo*+*Yervoy* combination for NSCLC.

- International revenues increased 9% in the second quarter of 2022 and 17% year-to-date due to higher demand as a result of additional indication launches and core indications, partially offset by lower average net selling prices and foreign exchange impacts of 12% and 10%, respectively. Excluding foreign exchange impacts, revenues increased by 21% and 27%, respectively.

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

Mature and other products — includes all other products, including those which have lost exclusivity in major markets, OTC products, royalty revenue and mature products.

- International revenues decreased 16% in the second quarter of 2022 and 11% year-to-date primarily due to continued generic erosion and foreign exchange impacts of 6% and 2%, respectively. Excluding foreign exchange impacts, revenues decreased by 10% and 9%, respectively.

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 ESA in adult patients with very low- to intermediate-risk MDS who have ring sideroblasts and require RBC transfusions.

- U.S. revenues increased 31% in the second quarter of 2022 and 34% year-to-date due to higher demand.

Abecma (idecabtagene vicleucel) — is a B-cell maturation antigen-directed genetically modified autologous CAR T cell therapy 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.

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

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.

*Opdualag (*nivolumab and relatlimab-rmbw*)* — a combination of nivolumab, a PD-1 blocking antibody, and relatlimab, a lymphocyte activation gene-3 (LAG-3) blocking antibody, indicated for the treatment of adult and pediatric patients 12 years of age or older with unresectable or metastatic melanoma. *Opdualag* was launched in March 2022.

Camzyos (mavacamten) — a cardiac myosin inhibitor indicated for the treatment of adults with symptomatic obstructive HCM to improve functional capacity and symptoms. *Camzyos* was launched in April 2022.

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 decreased 2% in the second quarter of 2022 and increased 1% year-to-date. The increase in revenues year-to-date was due to higher demand in the first quarter of 2022 and higher average net selling prices, partially offset by lower demand in the second quarter of 2022 due to generic erosion. As a result of the availability of generic lenalidomide beginning in March 2022, we expect a material decline in revenue during the second half of 2022.

- International revenues decreased 64% in the second quarter of 2022 and 44% year-to-date due to generic erosion across several European countries and Canada, lower average net selling prices and foreign exchange impacts of 3% and 4%, respectively. Excluding foreign exchange impacts, revenues decreased by 61% and 40%, respectively.

- In the U.S., certain third parties have been granted volume-limited licenses to sell generic lenalidomide beginning in March 2022 or thereafter. In the EU, licenses have been granted to third parties to market generic lenalidomide products prior to expiry of our patent and supplementary protection certificate rights beginning in the UK in January 2022 and in various other major market European countries (e.g. France, Germany, Italy and Spain) where our supplementary protection certificate is in force beginning in February 2022. In Japan, the estimated minimum market exclusivity date is based on a composition of matter patent, which expires in July 2022. Global revenues for *Revlimid* are expected to decline to approximately $9.0 billion to $9.5 billion in 2022.

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 decreased 25% in the second quarter of 2022 and 24% year-to-date due to the entry of authorized generics and lower demand. Year-to-date was also impacted by manufacturing delays in the first quarter of 2022. Revenues in the second quarter of 2022 include product supply sales and profit sharing fees resulting from authorized generic arrangements.

- International revenues increased 5% in the second quarter of 2022 due to higher demand as the manufacturing delays experienced in the prior year were substantially resolved, partially offset by foreign exchange impacts of 8%. Excluding foreign exchange impacts, revenues increased by 13%.

- International revenues decreased 30% year-to-date due to generic erosion, lower demand as a result of manufacturing delays and foreign exchange impacts of 5%. Excluding foreign exchange impacts, revenues decreased by 25%. During the first quarter of 2022, the manufacturing delays experienced in the U.S. and International were substantially resolved.

- In the U.S. and EU, generics have entered the market. In Japan, the estimated minimum market exclusivity date is 2023 based on a method of use patent. Global revenues for *Abraxane* are expected to decline by approximately 25% to 30% in 2022.

Estimated End-User Demand

Pursuant to the SEC Consent Order described in our 2021 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. Estimated levels of inventory in the distribution channel in excess of one month on hand for the following products were not material to our results of operations as of the dates indicated:

Camzyos had 5.1 months of inventory on hand at June 30, 2022 in the U.S to support the product launch. The inventory is expected to be worked down as demand increases post launch.

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 accounted for approximately 77% of total gross sales of U.S. products for the six months ended June 30, 2022. 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, 2022 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, 2022	2021	% Change	Six Months Ended June 30, 2022	2021	% Change
Cost of products sold[(a)]	$ 2,720	$ 2,452	11 %	$ 5,191	$ 5,293	(2)%
Marketing, selling and administrative	1,787	1,882	(5)%	3,618	3,548	2 %
Research and development	2,321	2,478	(6)%	4,581	4,697	(2)%
Acquired IPRD	400	793	(50)%	733	799	(8)%
Amortization of acquired intangible assets	2,417	2,547	(5)%	4,834	5,060	(4)%
Other (income)/expense, net	284	(2)	**	933	(704)	**
Total Expenses	$ 9,929	$ 10,150	(2)%	$ 19,890	$ 18,693	6 %

** In excess of +/- 100%.
(a) Excludes amortization of acquired intangible assets.

Cost of Products Sold

Cost of products sold increased by $268 million in the second quarter of 2022, primarily due to higher profit sharing due to *Eliquis* revenue growth ($228 million), and an impairment charge resulting from the divestiture of a manufacturing site ($43 million), partially offset by foreign exchange and related hedging settlements.

Cost of products sold decreased by $102 million year-to-date, primarily due to the impairment of *Inrebic* EU regulatory approval milestones ($315 million) in 2021, foreign exchange and related hedging settlements, partially offset by higher profit sharing due to *Eliquis* revenue growth ($378 million).

Marketing, Selling and Administrative

Marketing, selling and administrative expenses decreased $95 million in the second quarter of 2022 primarily due to foreign exchange.

Marketing, selling and administrative expenses increased $70 million year-to-date, primarily due to expenses to support new product launches, partially offset by foreign exchange.

Research and Development

Research and development expense decreased by $157 million in the second quarter of 2022 and $116 million year-to-date, primarily due to a $230 million IPRD impairment charge resulting from the decision to discontinue further development of an investigational compound in the second quarter 2021, partially offset by higher costs associated with the overall portfolio, and the unwinding of inventory purchase price adjustments for clinical use during the first six months of 2022 ($108 million).

Acquired IPRD

Acquired IPRD charges resulting from upfront or contingent milestone payments in connection with asset acquisitions or licensing of third-party intellectual property rights were as follows:

Dollars in Millions	Three Months Ended June 30, 2022	2021	Six Months Ended June 30, 2022	2021
Mavacamten royalty extinguishment	$ 295	$ —	$ 295	$ —
Dragonfly milestone	—	—	175	—
Immatics upfront license fee	—	—	150	—
BridgeBio upfront license fee	90	—	90	—
Eisai upfront collaboration fee	—	650	—	650
Prothena opt-in license fee	—	80	—	80
Other	15	63	23	69
Acquired IPRD charges	$ 400	$ 793	$ 733	$ 799

Amortization of Acquired Intangible Assets

Amortization of acquired intangible assets decreased by $130 million in the second quarter of 2022 and $226 million year-to-date, due to a longer than previously expected market exclusivity period for *Pomalyst*.

Other (Income)/Expense, Net

Other (income)/expense, net changed by $286 million in the second quarter of 2022 and $1.6 billion year-to-date, primarily due to equity investments, contingent value rights and other items discussed below.

Dollars in Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Interest expense	$ 313	$ 330	$ 639	$ 683
Royalties and licensing income	(508)	(405)	(985)	(772)
Equity investment losses/(gains)	308	(148)	952	(749)
Integration expenses	124	152	229	293
Contingent consideration	—	—	1	(510)
(Gain)/Loss on debt redemption	(9)	—	266	281
Provision for restructuring	20	78	43	123
Litigation and other settlements	25	44	(12)	36
Investment income	(27)	(12)	(37)	(21)
Divestiture gains	—	(11)	(211)	(11)
Other	38	(30)	48	(57)
Other (income)/expense, net	$ 284	$ (2)	$ 933	$ (704)

- Royalties and licensing income includes diabetes business royalties, Keytruda* royalties, Tecentriq* royalties, upfront licensing fees and milestones for products that have not obtained commercial approval. Refer to “Item 1. Financial Statements—Note 4. Acquisitions, Divestitures, Licensing and Other Arrangements” for further information.
- Equity investment losses/(gains) includes fair value adjustments for investments that have readily determinable fair value and observable price changes for investments without readily determinable fair values resulting primarily from initial public offerings or third-party acquisitions of entities which we held an ownership interest. Our share of income or loss from equity method investments is primarily due to fair value adjustments attributed to limited partnerships. Refer to “Item 1. Financial Statements—Note 9. Financial Instruments and Fair Value Measurements” for more information.
- Integration expenses primarily includes consulting fees to implement Celgene integration initiatives related to processes and systems.
- 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.
- (Gain)/Loss on debt redemption resulted from the early redemption of long-term debt of $849 million in the second quarter of 2022, $5.2 billion in the first quarter of 2022 and $3.5 billion in the first quarter of 2021.
- 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.
- Litigation and other settlements includes income of $40 million resulting from a settlement resolving all legal claims and business interests pertaining to Nimbus’ TYK2 inhibitor in the first quarter of 2022. The settlement also provides for contingent development, regulatory and sales-based milestones payable to BMS upon the occurrence of certain events.
- Divestiture gains resulted from the divestiture of product rights for several mature products in the first quarter of 2022.
- Other includes exit costs of $39 million resulting from the transition of our commercial operations in the Russian Federation to a third-party distributor during the second quarter of 2022 and transition and other service fees in 2021.

Income Taxes

Dollars in Millions	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Earnings Before Income Taxes	$ 1,958	$ 1,553	$ 3,645	$ 4,083
Provision for Income Taxes	529	492	933	993
Effective Tax Rate	27.0 %	31.7 %	25.6 %	24.3 %
Impact of Specified Items	10.0 %	14.1 %	9.2 %	7.1 %
Effective Tax Rate Excluding Specified Items	17.0 %	17.6 %	16.4 %	17.2 %

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 were not taxable in 2021. The 0.8% decrease in the year-to-date effective tax rate excluding specified items during 2022 was due to jurisdictional earnings mix including income taxes attributed to Acquired IPRD charges. 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 past or future operating results. These items are excluded from non-GAAP earnings and related EPS information because the Company believes they neither relate to the ordinary course of the Company's business nor reflect the Company's underlying business performance. 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 purchase price adjustments, (iii) acquisition and integration expenses, (iv) restructuring costs, (v) accelerated depreciation and impairment of property, plant and equipment and intangible assets, (vi) divestiture gains or losses, (vii) stock compensation resulting from accelerated vesting of Celgene awards and certain retention-related employee compensation charges related to the Celgene transaction, (viii) pension, legal and other contractual settlement charges, (ix) equity investment and contingent value rights fair value adjustments (including fair value adjustments attributed to limited partnership equity method investments) and (x) 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. 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 27, 2022 and are incorporated herein by reference.

Beginning with the first quarter of 2022, significant R&D charges or other income resulting from upfront or contingent milestone payments in connection with asset acquisitions or licensing of third-party intellectual property rights are no longer excluded from our non-GAAP financial measures. We are making these changes to our presentation of non-GAAP financial measures following comments from and discussions with the SEC. For purposes of comparability, the non-GAAP financial measures for the three and six months ended June 30, 2021 have been updated to reflect this change.

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. This information is not intended to be considered in isolation or as a substitute for the related financial measures 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, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Inventory purchase price accounting adjustments	$ 102	$ 88	$ 154	$ 167
Intangible asset impairment	—	—	—	315
Site exit and other costs	43	1	43	24
Cost of products sold	145	89	197	506
Employee compensation charges	—	1	—	1
Site exit and other costs	4	—	6	(1)
Marketing, selling and administrative	4	1	6	—
IPRD impairments	—	230	40	230
Inventory purchase price accounting adjustments	21	—	108	—
Employee compensation charges	—	—	—	1
Research and development	21	230	148	231
Amortization of acquired intangible assets	2,417	2,547	4,834	5,060
Interest expense[(a)]	(21)	(28)	(48)	(62)
Equity investment losses/(gains)	307	(154)	950	(762)
Integration expenses	124	152	229	293
Contingent consideration	—	—	—	(510)
(Gain)/Loss on debt redemption	(9)	—	266	281
Provision for restructuring	20	78	43	123
Litigation and other settlements	—	—	(40)	—
Divestiture gains	—	(11)	(211)	(11)
Other	42	—	42	—
Other (income)/expense, net	463	37	1,231	(648)
Increase to pretax income	3,050	2,904	6,416	5,149
Income taxes on items above	(321)	(292)	(719)	(595)
Increase to net earnings	$ 2,729	$ 2,612	$ 5,697	$ 4,554

(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, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Net Earnings Attributable to BMS Used for Diluted EPS Calculation – GAAP	$ 1,421	$ 1,055	$ 2,699	$ 3,076
Specified Items	2,729	2,612	5,697	4,554
Net Earnings Attributable to BMS Used for Diluted EPS Calculation – Non-GAAP	$ 4,150	$ 3,667	$ 8,396	$ 7,630
Weighted-Average Common Shares Outstanding – Diluted	2,149	2,252	2,157	2,258
Diluted Earnings Per Share Attributable to BMS – GAAP	$ 0.66	$ 0.47	$ 1.25	$ 1.36
Diluted EPS Attributable to Specified Items	1.27	1.16	2.64	2.02
Diluted EPS Attributable to BMS – Non-GAAP	$ 1.93	$ 1.63	$ 3.89	$ 3.38

FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

Our net debt position was as follows:

Dollars in Millions	June 30, 2022	December 31, 2021
Cash and cash equivalents	$ 10,750	$ 13,979
Marketable debt securities – current	2,478	2,987
Total cash, cash equivalents and marketable debt securities	13,228	16,966
Short-term debt obligations	(4,953)	(4,948)
Long-term debt	(37,107)	(39,605)
Net debt position	$ (28,832)	$ (27,587)

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. Under the Tax Cuts and Jobs Act of 2017, research and development costs are required to be capitalized and amortized for U.S. tax purposes effective January 1, 2022. Absent a change in law, we estimate our U.S. income tax payments will increase by nearly $2.0 billion as compared to 2021.

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, income taxes, restructuring initiatives, business development, business combinations, asset acquisitions, repurchase of common stock, debt maturities of approximately $13.4 billion through 2026, as well as any debt repurchases through redemptions or tender offers. During the six months ended June 30, 2022, our net debt position increased by $1.2 billion due to common stock repurchases and dividends of $7.3 billion, partially offset by cash from operating activities of $6.1 billion.

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 authorization under the program was $15.2 billion as of December 31, 2021. During the first quarter of 2022, we executed ASR agreements to repurchase an aggregate $5.0 billion of common stock. The remaining share repurchase capacity under the share repurchase program was approximately $10.2 billion as of June 30, 2022. Refer to “Item 1. Financial Statements—Note 15. Equity” for additional information.

Dividend payments were $2.3 billion during the six months ended June 30, 2022. Dividend per common share of $0.54 was declared during each of the first and second quarters of 2022. Dividend decisions are made on a quarterly basis by our Board of Directors.

Annual capital expenditures were approximately $970 million in 2021 and are expected to be approximately $1.2 billion in 2022 and 2023 in each year. We continue to make capital expenditures in connection with the expansion of our manufacturing capabilities, research and development and other facility-related activities.

During the six months ended June 30, 2022, we purchased an aggregate principal amount of $6.0 billion of certain of our debt securities for $6.6 billion of cash in tender offers and “make whole” redemptions. In connection with these transactions, a net $266 million loss on debt redemption was recognized based on the carrying value of the debt and included in Other (income)/expense, net.

During the six months ended June 30, 2022, we issued an aggregate principal amount of $6.0 billion of debt with net proceeds of $5.9 billion. Refer to “Item 1. Financial Statements—Note 9. Financial Instruments and Fair Value Measurements” for further information.

At December 31, 2021, we had four separate revolving credit facilities totaling $6.0 billion, which consisted of a 364-day $2.0 billion facility which expired in January 2022, a three-year $1.0 billion facility which expired in January 2022 and two five-year $1.5 billion facilities that were extended to September 2025 and July 2026, respectively.

In January 2022, we entered into a five-year $5.0 billion facility expiring in January 2027, which is extendable annually by one year with the consent of the lenders. This facility provides for customary terms and conditions with no financial covenants and may be used to provide backup liquidity for our commercial paper borrowings. Concurrently with the entry into this facility, the commitments under our existing five-year $1.5 billion facilities were terminated and the three-year $1.0 billion facility and 364-day $2.0 billion facility expired in accordance with their terms in January 2022. No borrowings were outstanding under revolving credit facilities at June 30, 2022 or December 31, 2021.

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, 2022.

Our investment portfolio includes 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.

In June 2022, we entered into a definitive merger agreement to acquire Turning Point, a clinical-stage precision oncology company with a pipeline of investigational medicines designed to target the most common mutations associated with oncogenesis. We commenced a tender offer in June 2022, which was extended through August 15, 2022, to acquire all of the issued and outstanding shares of Turning Point's common stock for $76.00 per share in an all-cash transaction for a total consideration of $4.1 billion, including cash settlements of equity stock awards. We expect to finance the acquisition with cash on hand. Refer to “Item 1. Financial Statements—Note 4. Acquisitions, Divestitures, Licensing and Other Arrangements” 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 stable 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	2022	2021
Cash flow provided by/(used in):		
Operating activities	$ 6,073	$ 6,884
Investing activities	(194)	37
Financing activities	(9,173)	(10,477)

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.

The $811 million change in cash provided by operating activities compared to 2021 was driven by higher tax payments primarily related to research and development expenses that are capitalized and amortized for tax purposes ($900 million), 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, as well as upfront and contingent milestones from licensing arrangements.

The $231 million change in cash used in investing activities compared to 2021 was primarily due to lower proceeds from the sale of equity investments ($660 million) and higher Acquired IPRD payments ($410 million) in 2022, partially offset by changes in the amount of marketable debt securities held ($870 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 $1.3 billion change in cash used in financing activities compared to 2021 was primarily due to changes in the amount of debt securities ($3.1 billion), partially offset by higher repurchases of common stock ($2.0 billion).

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 of 2022:

Product	Indication	Date	Developments
Opdivo	Bladder	April 2022	Announced EC approval of *Opdivo* for the adjuvant treatment of adults with muscle-invasive urothelial carcinoma with tumor cell PD-LI expression $\geq$ 1% who are at risk of recurrence after undergoing radical resection. The approval is based on results from the Phase III CheckMate -274 trial.
	Esophageal	May 2022	Ono, our alliance partner for *Opdivo* in Japan, announced that Japan's Ministry of Health, Labour and Welfare approved *Opdivo* in combination with fluoropyrimidine- and platinum- containing chemotherapy for the first-line treatment for adult patients with previously untreated unresectable advanced or metastatic ESCC with PD-L1 expression $\geq$ 1%, as well as in the all-randomized population percentage. The approval is based on the Phase III CheckMate -648 trial. (ONO-4538-50/CA209648).
		May 2022	Announced FDA approval of *Opdivo* in combination with fluoropyrimidine- and platinum- containing chemotherapy as a first-line treatment for adult patients with unresectable advanced or metastatic ESCC regardless of PD-L1 status. The approval is based on the Phase III CheckMate -648 trial.
		April 2022	Announced EC approval of *Opdivo* in combination with fluoropyrimidine- and platinum-based chemotherapy for the first-line treatment of adult patients with unresectable advanced, recurrent, or metastatic ESCC with PD-L1 expression $\geq$ 1%. The approval is based on results from the Phase III CheckMate -648 trial.
	NSCLC	April 2022	Ono, our alliance partner for *Opdivo* in Japan, announced that the companies have submitted the supplemental Japanese New Drug Application to Pharmaceuticals and Medical Devices Agency for *Opdivo* to expand its use as a neoadjuvant treatment of resectable NSCLC in combination with chemotherapy for a partial change in approved items of the manufacturing and marketing approval in Japan. The application is based on the Phase III CheckMate -816 study.
		April 2022	Announced results from the Phase III CheckMate-816 trial which showed that neoadjuvant treatment with *Opdivo* in combination with chemotherapy significantly improved event-free survival, a primary endpoint, compared to chemotherapy alone in patients with resectable NSCLC. *Opdivo* in combination with chemotherapy reduced the risk of disease recurrence, progression or death by 37%, and demonstrated favorable early overall survival trend.
	RCC	April 2022	Announced, with our alliance partner Nektar, that based on results from pre-planned analysis of two late-stage clinical studies of bempegaldesleukin in combination with *Opdivo* in RCC and bladder cancer, to jointly end the global clinical development program for bempegaldesleukin in combination with *Opdivo*. These studies and all other ongoing studies in the program will be discontinued.

Product	Indication	Date	Developments
Opdivo + Yervoy	NSCLC	June 2022	Announced five-year follow up results from Part I of the Phase III CheckMate -227 trial demonstrating long-term, durable survival outcomes with *Opdivo* plus *Yervoy* in first-line treatment of patients with metastatic NSCLC regardless of PD-L1 expression levels. In the primary endpoint population, the combination nearly doubled overall survival rate compared to chemotherapy.
		June 2022	Announced three-year follow up results from the Phase III CheckMate -9LA trial demonstrating long-term, durable survival benefits with *Opdivo* plus *Yervoy* with two cycles of chemotherapy compared to four cycles of chemotherapy in patients with previously untreated metastatic NSCLC regardless of PD-L1 expression and histology.
	Bladder	May 2022	Announced that results from Phase III CheckMate -901 trial, comparing *Opdivo* plus *Yervoy* to standard-of-care chemotherapy as a first-line treatment for patients with untreated unresectable or metastatic urothelial carcinoma, who are ineligible for cisplatin baseed chemotherapy, did not meet the primary endpoint of overall survival in patients whose tumor cells express PD-L1 $\geq$ 1% at final analysis.
	Esophageal	May 2022	Ono, our alliance partner for *Opdivo* in Japan, announced that Japan's Ministry of Health, Labour and Welfare approved *Opdivo* in combination with fluoropyrimidine- and platinum- containing chemotherapy for the first-line treatment for adult patients with previously untreated unresectable advanced or metastatic ESCC with PD-L1 expression ≥1%, as well as in the all-randomized population. The approval is based on the Phase III CheckMate -648 trial.
		May 2022	Announced FDA approval of *Opdivo* plus *Yervoy* as a first-line treatment for adult patients with unresectable advanced or metastatic ESCC regardless of PD-L1 status. The approval is based on the Phase III CheckMate -648 trial.
		April 2022	Announced EC approval of *Opdivo* plus *Yervoy* for the first-line treatment of adult patients with unresectable advanced, recurrent or metastatic ESCC with tumor cell PD-L1 expression > 1%. The approval is based on results from the Phase III CheckMate -648 trial.
Opdualag	Melanoma	July 2022	Announced that CHMP recommended approval for LAG-3-blocking antibody combination *Opdualag* (nivolumab and relatlimab) for first-line treatment of advanced melanoma patients with tumor cell PD-L1 expression < 1%. The approval recommendation is based on data from the Phase II/III RELATIVITY-047 trial.
Orencia	COVID-19	June 2022	Announced that initial results from the Phase III Accelerating COVID-19 Therapeutic Interventions and Vaccines (ACTIV-1) immune modulators clinical trial sponsored by the National Institutes of Health showed a strong, but not statistically significant improvement in the primary endpoint of time to recovery as measured by day of hospital discharge. Analyses of the secondary endpoints, including mortality and clinical status, demonstrated *Orencia* reduced participants' risk of death and improved their clinical status at 28 days after entering the study when compared with placebo.
Reblozyl	Beta Thalassemia	June 2022	Announced the withdrawal of the sBLA for *Reblozyl* for the treatment of anemia in adults with non-transfusion dependent beta thalassemia. We could not appropriately address the FDA's questions about the benefit-risk profile of *Reblozyl* in this patient population based on the current dataset from the Phase II BEYOND trial.
Zeposia	MS	June 2022	Announced post-hoc analyses from the *Zeposia* Phase III DAYBREAK open-label extension and Phase III SUNBEAM trials, showing that the majority of patients receiving *Zeposia* for multiple sclerosis reported improved or preserved cognitive function, with the greatest improvement seen when used early in the disease when thalamic volume remains high.
	COVID-19	June 2022	Announced new data on COVID-19 vaccine responses in participants treated with *Zeposia* from the Phase III DAYBREAK open-label extension study in relapsing MS. For participants who showed no evidence of recent COVID-19 infection, results showed seroconversion occurred in 100% (80/80) and 62% (18/29) of fully vaccinated mRNA and non-mRNA vaccine recipients, respectively.

Product	Indication	Date	Developments
Breyanzi	Lymphoma	June 2022	Announced FDA approval of *Breyanzi* for the second-line treatment of adult patients with large B-cell lymphoma, including diffuse large B-cell lymphoma not otherwise specified high-grade B-cell lymphoma, primary mediastinal large B-cell lymphoma and follicular lymphoma grade 3B who have: refractory disease to first line chemoimmunotherapy or relapsed within 12 months of first-line chemoimmunotherapy; or refractory disease to first-line chemoimmunotherapy or relapse after first-line chemoimmunotherapy and are not eligible for hematopoietic stem cell transplant due to comorbidities or age. The approval is based on results from the Phase II PILOT and Phase III TRANSFORM trials.
		June 2022	Announced that the EMA validated its Type II Variation application for extension of the indication for *Breyanzi* in second-line treatment of adult patients with diffuse large B-cell lymphoma, high grade B-cell lymphoma, primary mediastinal large B-cell lymphoma and follicular lymphoma grade 3B, who are refractory or have relapsed within 12 months of initial therapy and are candidates for haematopoietic stem cell transplant. The application is based on the Phase III TRANSFORM study.
		May 2022	Announced results from the primary analysis of PILOT, a multicenter, Phase II study evaluating *Breyanzi* in adults with refractory or relapsed large B-cell lymphoma after first-line therapy who were not deemed candidates for high-dose chemotherapy and hematopoietic stem cell transplant. With a median follow-up of 12.3 months, the majority of patients treated with *Breyanzi* saw a reduction in disease, with 80% of patients responding to treatment and 54% of patients achieving a complete response.
		April 2022	Announced EC approval of *Breyanzi* for the treatment of adult patients with relapsed or refractory diffuse large B-cell lymphoma, primary mediastinal large B-cell lymphoma, and follicular lymphoma grade 3B after two or more lines of systemic therapy. The approval is based on results from the TRANSCEND WORLD and TRANSCEND NHL 001 trials.
Camzyos (mavacamten)	Obstructive HCM	April 2022	Announced FDA approval of *Camzyos* (mavacamten) for the treatment of adults with symptomatic obstructive HCM to improve functional capacity and symptoms. The approval is based on results from the Phase III EXPLORER-HCM trial.
		April 2022	Announced that Phase III VALOR-HCM trial met its primary and secondary endpoints, significantly reducing the need for septal reduction therapy (SRT) in patients with severely symptomatic obstructive HCM who had been appropriate for SRT per the 2011 American College of Cardiology/American Heart Association Guidelines at baseline, after 16 weeks of treatment with mavacamten.
		April 2022	Announced that interim results from the EXPLORER-LTE cohort of the MAVA-LTE trial in patients with symptomatic obstructive HCM showed sustained improvements in cardiovascular function and patient symptoms at 48 and 84-weeks, no new safety signals were observed.
deucravacitinib	SLE	June 2022	Announced results from the Phase II PAISLEY trial that showed statistically significant efficacy at the primary endpoint of SLE Responder Index-4 responses at week 32 among patients with moderate to severe SLE who were treated with deucravacitinib versus placebo. Secondary endpoints demonstrated clinically meaningful improvements at Week 48. The safety profile of deucravacitinib was consistent with previously reported studies in patients with psoriasis and psoriatic arthritis with no new safety signals observed. Data demonstrated favorable risk-benefit profile supportive of progressing into Phase III.
	Plaque Psoriasis	May 2022	Announced two-year results from the POETYK PSO long-term extension trial demonstrating durable efficacy and a consistent safety profile with deucravacitinib treatment in adult patients with moderate to severe plaque psoriasis. Clinical efficacy was maintained through up to two years of deucravacitinib treatment.

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 2021 Form 10-K. There have been no material changes to our critical accounting policies during the six months ended June 30, 2022. 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 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, our ability to realize the projected benefits of our acquisitions of Celgene and MyoKardia, 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 marketing exclusivity of certain products, and the outcome of contingencies such as legal proceedings and financial results. No forward-looking statement can be guaranteed. This Quarterly Report on Form 10-Q, our 2021 Form 10-K, particularly under the section "Item 1A. Risk Factors," and our other filings with the SEC, include 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 2021 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, 2022, 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, 2022 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 2021 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, 2022:

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, 2022	68,474	$ 73.84	—	$ 10,169
May 1 to 31, 2022[c]	2,038,743		1,987,135	10,169
June 1 to 30, 2022	47,405	75.27	—	10,169
Three months ended June 30, 2022	2,154,622		1,987,135	

(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. Shares surrendered for tax withholding included 68,474 in April, 51,608 in May and 47,405 in June with average prices of $73.84, $76.05 and $75.27, respectively.

(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 and December 2021, the Board of Directors approved an increase of $2.0 billion and $15.0 billion, respectively, to the share repurchase authorization for our common stock. The remaining share repurchase capacity under the program is approximately $10.2 billion as of June 30, 2022. Refer to “Item 1. Financial Statements-Note 15. Equity” for information on the share repurchase program.

(c) During the first quarter of 2022, BMS entered into accelerated share repurchase (“ASR”) agreements to repurchase an aggregate $5.0 billion of common stock. Approximately 65 million shares of common stock (85% of the $5.0 billion aggregate purchase price calculated on the basis of a price of $65.89 per share, the closing share price of the Company's common stock on February 8, 2022) were received by BMS and included in treasury stock. During the three months ended June 30, 2022, the first tranche of the ASR was settled and approximately 2 million shares of common stock were received by BMS and transferred to treasury stock. The total number of shares to be repurchased under the ASR agreements, and the average price paid per share, will be determined at the settlement of the ASR agreements and will be based on volume-weighted average prices of BMS's common stock during the terms of the ASR transactions less a discount and subject to adjustments pursuant to the terms and conditions of the ASR agreements.

Item 6. EXHIBITS

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

Exhibit No.	Description
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.; *Byetta* is a trademark of Amylin Pharmaceuticals, LLC; *Cabometyx* is a trademark of Exelixis, Inc.; *Onglyza* is a trademark of AstraZeneca AB; *Keytruda* is a trademark of Merck Sharp & Dohme Corp; *Otezla* is a trademark of Amgen Inc.; *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:

2021 Form 10-K	Annual Report on Form 10-K for the fiscal year ended December 31, 2021	Lilly	Eli Lilly and Company
AML	acute myeloid leukemia	LOE	loss of exclusivity
Amylin	Amylin Pharmaceuticals, Inc.	MAA	marketing authorization application
aNDA	abbreviated new drug application	MDL	multi-district litigation
AstraZeneca	AstraZeneca PLC	MDS	myelodysplastic syndromes
BLA	biologics license application	MPM	malignant pleural mesothelioma
BridgeBio	BridgeBio Pharma Inc.	MS	Multiple Sceloris
CAR T	chimeric antigen receptor T-cell	MyoKardia	MyoKardia, Inc.
Celgene	Celgene Corporation	NDA	new drug application
CERCLA	U.S. Comprehensive Environmental Response, Compensation and Liability Act	NKT	natural killer T cells
CHMP	Committee for Medicinal Products for Human Use	NSCLC	non-small cell lung cancer
CML	chronic myeloid leukemia	NVAF	non-valvular atrial fibrillation
CRC	Colorectal carcinoma	OTC	over-the-counter
CVR	contingent value rights	Otsuka	Otsuka Pharmaceutical Co., Ltd.
EC	European Commission	PD-1	programmed cell death protein 1
Eisai	Eisai Co., Ltd.	PD-L1	programmed death-ligand 1
EMA	European Medicines Agency	Pfizer	Pfizer, Inc.
EPS	earnings per share	PsA	psoriatic arthritis
ESCC	esophageal squamous cell carcinoma	Quarterly Report on Form 10-Q	Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022
EU	European Union	R&D	research and development
FASB	Financial Accounting Standards Board	RA	rheumatoid arthritis
FDA	U.S. Food and Drug Administration	RBC	red blood cell
GAAP	U.S. generally accepted accounting principles	RCC	renal cell carcinoma
GTN	gross-to-net	REMS	risk evaluation and mitigation strategy
HCC	hepatocellular carcinoma	Sanofi	Sanofi S.A.
HCM	hypertrophic cardiomyopathy	sBLA	supplemental Biologics License Application
HIV	human immunodeficiency viruses	SEC	Securities and Exchange Commission
IO	immuno-oncology	SLE	Systemic Lupus Erythematosus
IPRD	in-process research and development	Turning Point	Turning Point Therapeutics, Inc.
IRS	Internal Revenue Service	UC	ulcerative colitis
JIA	juvenile idiopathic arthritis	U.S.	United States
Juno	Juno Therapeutics, Inc.	UK	United Kingdom
LIBOR	London Interbank Offered Rate	VAT	value added tax

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 27, 2022

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

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

Date: July 27, 2022

By: /s/ David V. Elkins

David V. Elkins
Chief Financial Officer

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, 2022;

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 27, 2022

/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, 2022;

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 27, 2022

/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, 2022 (the "Report"), as filed with the Securities and Exchange Commission on July 27, 2022, 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 27, 2022

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, 2022 (the "Report"), as filed with the Securities and Exchange Commission on July 27, 2022, 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 27, 2022

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.