

TO OUR STOCKHOLDERS

Message from the Chief Executive Officer

2012 was a year of strategic transition – one that allowed us to deliver meaningful results, while laying the groundwork for 2013 and beyond – one that further established Bristol-Myers Squibb as a benchmark BioPharma company.

During the year, we evolved our portfolio. We reaffirmed our leadership in a range of therapeutic areas. We set the stage for sustained, long-term growth.

Our revenues and earnings declined – due to the expected losses of exclusivity of *Plavix* and *Avapro/Avalide* – but we closed the year in a very good position. Our financials were solid. Our pipeline robust. Our portfolio strengthened by the addition of new, innovative medicines.

Specifically, our new and in-line product sales grew by 15% in 2012. Among the strongest drivers with double-digit growth were *Yervoy* (metastatic melanoma), *Onglyza* (type 2 diabetes), *Orencia* (rheumatoid arthritis), *Sprycel* (myeloid leukemia) and *Baraclude* (hepatitis B). We had several key regulatory successes, including the European approval of *Forxiga* (type 2 diabetes) and multiple approvals of *Eliquis* (atrial fibrillation). And we made some significant clinical advances, particularly with respect to our immuno-oncology and hepatitis C assets.

Taken together, it was an important year that ended strong.

Our Solid Foundation

Clearly, we did not get to our good position overnight.

Beginning in 2007, our BioPharma Transformation has been comprehensive, impacting all parts of our organization in all parts of the world. It has been a journey. It has taken vision. And it has taken a lot of hard work.

- It has also taken a new Mission – one based on helping patients prevail over serious diseases exclusively through innovative pharmaceutical products.
- It has taken a new strategy – one premised on the three pillars of innovation, continuous improvement and selective integration.
- It has taken a new approach to the way we do business – one guided and fueled by a more agile, entrepreneurial and accountable culture.
- And it has taken an unwavering commitment to compliance, business ethics and personal integrity – a commitment that has become central to who we are, what we do and how we do it.

Simply stated, our BioPharma Transformation has been built on a solid foundation of realistic expectations, high aspirations and a commitment to excellence that runs throughout our entire company.