AGC | Arabian Gulf Capital

WEEKLY REVIEW

BRISTOL-MYERS SQUIBB CO

WEEKLY REVIEW

4 August 2026

AGC
Arabian Gulf Capital

BRISTOL-MYERS SQUIBB CO (BMY US EQUITY) – REVIEW

Bristol Myers Squibb is a global biopharmaceutical company focused on developing therapies across oncology, hematology, immunology, cardiovascular, and neuroscience. Its portfolio includes products such as Opdivo, Eliquis, Camzyos, Reblozyl, Breyanzi, Opdualag, Orencia, Sotyktu, and Cobenfy, supported by a broad late-stage development pipeline. Through scientific research, strategic partnerships, and ongoing investment in innovation, the company continues to expand its portfolio across several therapeutic areas.

Bristol Myers Squibb continues to expand its next generation of growth products, supported by improving commercial execution, strong financial performance, and solid cash generation. While investor attention remains focused on upcoming patent expiries, the company has continued to grow its newer product portfolio and advance its late-stage pipeline. The stock continues to trade at valuation multiples below many large-cap pharmaceutical peers, reflecting the market's focus on future patent expiries and long-term execution.

Specification

Ticker	BMY
Exchange	NYSE
Sector	Large Pharma
Market Cap	$133.41B
ISIN	US1101221083

BMY Price per share, USD - 1Y Chart

**** For informational purposes only and should not be interpreted as investment recommendations or valuation opinions.*

WEEKLY REVIEW

4 August 2026

AGC
Arabian Gulf Capital

Financial Performance – Growth Portfolio Driving Results

Bristol Myers Squibb reported Q2 2026 revenue of $12.97 billion, while Net Income increased 20.81% YoY to $4.17 billion and EPS rose 20.71% to $2.04. Growth was supported by the company's Growth Portfolio, led by Camzyos (+60%), Breyanzi (+41%), Reblozyl (+29%), Opdualag (+23%), and Sotyktu (+23%), while Growth Portfolio revenue increased 15% YoY to $7.6 billion, offsetting continued declines in the Legacy Portfolio. The quarter reflects the increasing contribution of newer products to Bristol Myers' overall financial performance and revenue mix.

Key Financial Highlights – Q2 2026

In Millions, USD	2025 Q2	2026 Q2	YoY
Revenue	12,269	12,973	5.74%
Gross Profit	8,913	9,264	3.94%
EBITDA	5,402	5,639	4.39%
Net Income	3,455	4,174	20.81%
EPS	1.69	2.04	20.71%

Key Financial Highlights – Last 5 Years

In Millions, USD	2022	2023	2024	2025
Revenue	46,159	45,006	48,300	48,194
Gross Profit	36,378	34,488	34,512	34,436
EBITDA	20,825	19,010	19,496	19,286
Net Income	8,704	9,477	13,158	13,482
EPS	4.06	4.56	6.49	6.61
Cash From Operations	13,066	13,860	15,190	14,156
Capex	-1,118	-1,209	-1,248	-1,311
Free Cash Flow	11,948	12,651	13,942	12,845

*** *Financial metrics and valuation information are provided solely for informational purposes and should not be interpreted as investment recommendations or valuation opinions.*

Key Growth Drivers

Growth Portfolio Continues to Expand

Bristol Myers' Growth Portfolio generated $7.6 billion in revenue during Q2 2026, representing 15% YoY growth and offsetting continued declines in the Legacy Portfolio. Growth was led by Camzyos (+60%), Breyanzi (+41%), Reblozyl (+29%), Opdualag (+23%), and Sotyktu (+23%), reflecting continued expansion across multiple therapeutic areas.

Pipeline Progress Supports Future Product Development

Bristol Myers continues to advance a broad late-stage pipeline, with multiple regulatory submissions, pivotal trial readouts, and label expansion programs expected through 2028. Key development programs include Iberdomide, Mezigdomide, Milvexian, Cobenfy, and Sotyktu, spanning oncology, cardiovascular, immunology, and neuroscience.

2026 Guidance Updated Following First-Half Results

Following first-half 2026 results, management increased its full-year revenue guidance to $49–50 billion and non-GAAP EPS guidance to $6.75–7.00. The updated outlook reflects continued Growth Portfolio performance, expected 20–25% global Eliquis revenue growth, and current operating expectations for the remainder of the year.

Preliminary AstraZeneca Discussions Reported

Recent media reports indicated that AstraZeneca held preliminary discussions regarding a potential $400 billion merger with Bristol Myers. While analysts generally view a transaction as uncertain due to valuation, antitrust, and patent-related considerations, the reports highlighted Bristol Myers' commercial platform, oncology portfolio, and product pipeline. Neither company has publicly confirmed that discussions remain ongoing.

**** All data above are provided solely for informational purposes and should not be interpreted as investment recommendations or valuation opinions.*

Valuation Overview

Bristol Myers Squibb currently trades at 10.03x P/E, 9.57x Forward P/E, ~0.12x PEG, and 8.30x Forward EV/EBITDA. These valuation multiples reflect current market expectations regarding the company's upcoming patent expiries, long-term earnings transition, and execution of its growth strategy. At the same time, the company continues to expand its Growth Portfolio, advance its late-stage pipeline, and deliver solid financial performance.

Key Multiples

Metric	BMY
P/E	10.03 x
Forward P/E	9.57 x
PEG	0.12 x
P/B	5.98 x
Forward P/B	5.57 x
FWD EV/Sales	3.37 x
FWD EV/EBITDA	8.30 x

Historical Ratios – Last 5 Years

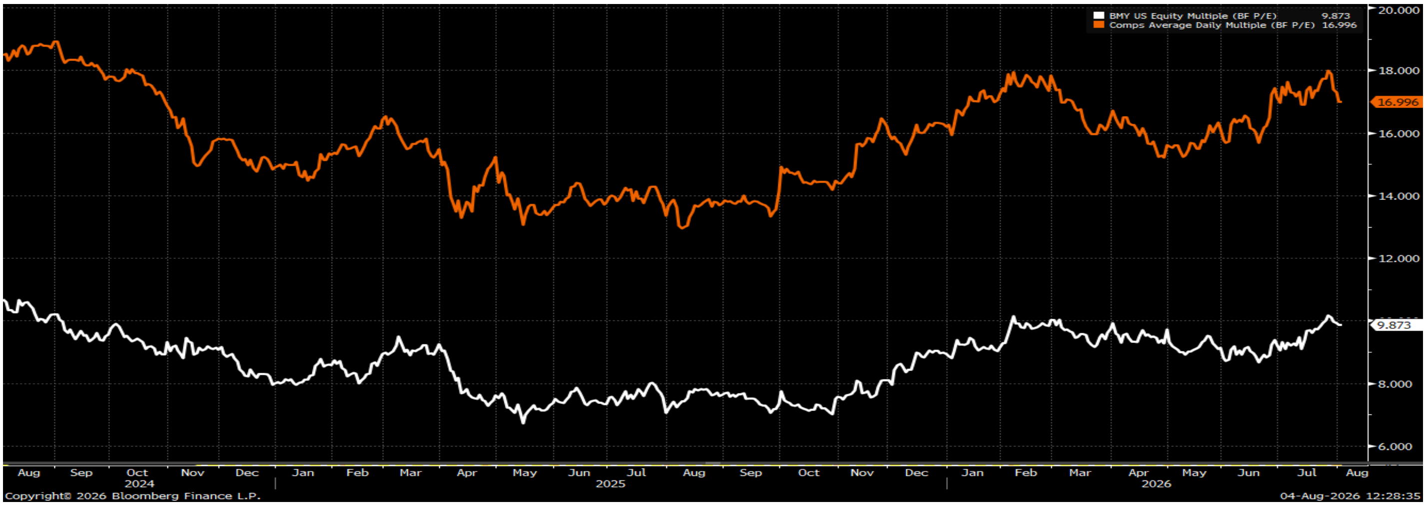
Ratio	2022	2023	2024	2025	Current - Q2 26
ROE	18.88%	26.53%	-39.10%	40.53%	46.70%
ROA	6.14%	8.36%	-9.53%	7.72%	10.18%
ROC	9.59%	12.82%	-10.68%	12.74%	15.65%
Gross Margin	78.04%	76.24%	71.08%	71.08%	71.28%
EBITDA Margin	40.69%	38.55%	4.90%	29.56%	35.60%
Operating Margin	17.96%	16.18%	-15.50%	20.75%	31.03%
Net Income Margin	13.71%	17.83%	-18.53%	14.64%	25.57%
CFO, USD Millions	13,066	13,860	1,519	14,156	3,393
FCF, USD Millions	11,948	12,651	13,942	12,845	3,088
Total Debt, USD Millions	40,717	41,464	51,200	47,139	45,053
Total Debt/T12M EBITDA	2.17 x	2.39 x	21.61 x	3.31 x	3.02 x
Net Debt/EBITDA	1.68 x	1.66 x	16.89 x	2.53 x	2.25 x
EBITDA to Interest Expense	15.25 x	14.88 x	1.22 x	7.53 x	11.35 x

**** Financial metrics and valuation information are provided solely for informational purposes and should not be interpreted as investment recommendations or valuation opinions.*

BMY vs Peers

Ticker	FWD P/E	FWD P/B	PEG	FWD EV/EBITDA
BMY	**9.57**	**5.57**	**0.12**	**8.30**
PFE	8.48	1.62	-	7.96
MRK	47.22	6.19	7.34	21.28
JNJ	22.06	6.98	2.71	17.80
LLY	33.27	20.84	1.47	26.13

BMY – Blended Forward P/E vs Peers



BMY – Blended Forward EV/EBITDA vs Peers

**** Financial metrics and valuation information are provided solely for informational purposes and should not be interpreted as investment recommendations or valuation opinions.*

Key Risks

Bristol Myers Squibb's primary risk remains the upcoming patent expiries of several key legacy products, particularly Eliquis, Opdivo, and Orencia, which are expected to affect revenue over the coming years. The company's future financial performance will depend on the continued commercialization and adoption of newer therapies to help offset these declines. Additional risks include slower-than-expected uptake of recently launched products such as Cobenfy, potential clinical, regulatory, or development setbacks across the late-stage pipeline, pricing and reimbursement pressures, and increasing competition across key therapeutic areas. These factors could affect the pace of the company's portfolio transition and future financial performance.

Overall Assessment

Bristol Myers Squibb continues to expand its Growth Portfolio while advancing a broad late-stage pipeline across oncology, hematology, immunology, cardiovascular, and neuroscience. Recent financial results, updated 2026 guidance, and continued commercialization of newer therapies highlight the company's ongoing portfolio transition as legacy products approach patent expiry. At the same time, the company continues to invest in research and development, support pipeline advancement, and maintain financial flexibility through its capital allocation strategy. These developments remain key areas for investors to monitor as Bristol Myers executes its long-term business strategy.

- *Source: Public company filings, Bloomberg, market data providers, and publicly available information as of the date of publication.*
- *This material is provided for informational purposes only and does not constitute independent investment research, investment advice, or a recommendation to buy or sell any financial instruments.*
- *Investments in equity securities are subject to market risk, sector risk, liquidity risk, and issuer-specific risks which may result in partial or total loss of invested capital.*

Disclaimer

Arabian Gulf Capital BSC (Closed) is licensed and regulated by the Central Bank of Bahrain (CBB) as a Bahraini Investment Firm (Category 1). This communication is intended solely for Professional Clients (Expert and Accredited Investors). Office Address: Office No. 3201, Building 01, Isa AlKabeer Avenue, Bahrain World Trade Center, Block 316, Manama, Kingdom of Bahrain. The fees and tariffs mentioned in this document are provided for informational purposes only and are subject to change at the discretion of Arabian Gulf Capital BSC (Closed). Additional charges such as VAT, duties, and other external fees may apply. Clients are advised to review the latest tariff schedule and consult with their relationship manager for any clarifications. This document does not constitute an offer, solicitation, or recommendation to transact in any securities or investment products. All investments carry risks, and past performance is not indicative of future results. Clients should consider their individual circumstances and seek independent advice before making investment decisions. For further details or inquiries, please contact Arabian Gulf Capital BSC (Closed) directly.