Bristol-Myers Squibb

The Alexandria Center for Life Science
West Tower
430 E. 29th Street, New York, NY 10016

Dear Fellow Shareholder:

Your Board of Directors and management team are focused on enhancing value for all Bristol-Myers Squibb shareholders. To achieve that objective, we conducted a thorough strategic process, and we are confident that acquiring Celgene is the best path forward for Bristol-Myers Squibb shareholders.

The transaction will deliver sustainable growth and compelling value. We are excited to recognize the significant benefits for shareholders, patients and employees. **As outlined below, the Board unanimously supports the Celgene transaction for the following reasons:**

1. The major franchises at Bristol-Myers Squibb show strong growth. The acquisition of Celgene provides significant advantages with less risk compared to other strategic alternatives, including a strategy of pursuing several smaller transactions. The transaction will ensure that Bristol-Myers Squibb's strong growth continues for the foreseeable future; diversifies and balances the portfolio and immediately establishes market leadership in oncology, including IO/solid tumors and hematology, top 5 in immunology and #1 in cardiovascular.

2. The combined company is expected to create more value for shareholders and patients compared to standalone Bristol-Myers Squibb over the short-, medium- and long-term.

3. We undertook a robust and comprehensive review of our core business and strategic expansion opportunities potentially available to the Company and identified the Celgene acquisition as the most attractive opportunity for shareholder value creation.

4. The Company conducted extensive and thorough due diligence on Celgene in consultation with legal and financial advisors and subject matter experts.

5. The Bristol-Myers Squibb management team is well positioned to realize the full potential of the transaction with Celgene, and the Board will continue to provide the necessary oversight and accountability to ensure success.

We believe the choice for shareholders is clear. **Vote the WHITE proxy card "FOR" a better company, with greater potential to create value.** It is quick and easy to vote by Internet or Telephone. Follow the simple instructions on your WHITE proxy card or email notice.

VOTE BY TELEPHONE, INTERNET OR MAIL BY FOLLOWING THE INSTRUCTIONS ON THE ENCLOSED PROXY CARD

NATURAL NEXT STEP THAT PROVIDES SIGNIFICANT ADVANTAGES AND LESS RISK OVER PURSUING OTHER STRATEGIC ALTERNATIVES

The acquisition of Celgene is consistent with our strategy of combining the innovation and agility of biotech with the scale and flexibility of traditional pharma, which has delivered strong revenue and earnings growth for Bristol-Myers Squibb shareholders. We have reviewed multiple alternative transactions and none of them, individually or as a group, was nearly as strategically and financially compelling as Celgene. The acquisition of Celgene immediately creates a combined company with:

- A broader, more balanced and earlier life-cycle marketed portfolio with at least nine products with over $1 billion in annual sales;
- The #1 franchise in oncology, including IO/solid tumors and hematology, top 5 in immunology and #1 in cardiovascular – all substantial growth areas;
- A late-stage pipeline that includes six expected near-term product launches representing more than $15 billion in non-risk adjusted revenue potential;
- Of the six near-term product launches, three (ozanimod, luspatercept and fedratinib) are substantially de-risked with completed Phase III trials and completed or near-term submissions to the FDA for approval;
- Risk is further mitigated on three of the six products (ozanimod, liso-cel (JCAR017) and bb2121) because Bristol-Myers Squibb would not pay on a contingent value right (CVR) unless all three are approved by the FDA by near-term deadlines;
- Bristol-Myers Squibb's projected total sales from Celgene's "Big 5" (luspatercept, fedratinib, liso-cel (JCAR017), bb2121 and ozanimod) in 2025 consistent with Street forecasts;
- An enhanced and differentiated platform in the CAR-T space, which has significant long-term potential in oncology given the unprecedented efficacy demonstrated by this modality;
- A robust early-stage development pipeline, including 20 compounds in oncology I/O solid tumors, 11 in oncology/hematology, nine in cardiovascular/fibrosis and 11 in immunology & inflammation;
- Significantly reduced concentration of Bristol-Myers Squibb's top three products in 2025 (from approximately 70% of sales on a standalone basis to approximately 45% of sales on a combined basis).

Given the scarcity of attractive biotech opportunities, high premiums paid in bolt-on acquisitions, a longer timeline and the likelihood of competitive auctions that reduce the probability of prevailing, Bristol-Myers Squibb determined that acquiring Celgene's Big-5 late-stage pipeline, plus its 22 Phase I and II clinical programs, would represent a bundled 'string-of-pearls' that in totality offers a greater value creation opportunity than other strategic alternatives.

BRISTOL-MYERS SQUIBB + CELGENE = A POWERFUL VALUE CREATION OPPORTUNITY FOR OUR SHAREHOLDERS

The acquisition of Celgene is value-creating across multiple metrics. We are paying a very attractive price relative to the aggregate value of Celgene's marketed portfolio, cost synergies from the combination and the deep pipeline of late- and early-stage assets. The transaction brings together two high-quality and complementary organizations with proven track records of transforming the lives of patients with unmet needs.

The transaction delivers substantial value in excess of our standalone plan, including:

- Greater than 40% accretion to Bristol-Myers Squibb standalone EPS in the first full year post-transaction and accretive in each year through 2025;
- An internal rate of return (IRR) of 11%, well in excess of cost of capital;

- Approximate 10% accretion to the Bristol-Myers Squibb standalone discounted cash flow value per share after taking into account the issuance of equity to Celgene shareholders;
- Value of approximately $55 billion from marketed products and in excess of $20 billion from synergies implies the Celgene pipeline was acquired for a highly attractive price when compared to the aggregate purchase price of $90 billion;
- Powerful free cash flow generation – greater than $45 billion cumulative free cash flow generated in the first three years post-transaction to enable rapid deleveraging and flexibility to continue business development;
- Significant cash flows from Revlimid are expected to drive rapid deleveraging, even with our forecasts which are more conservative than those of sell-side analysts;
- Continued dividend increases, subject to Board approval;
- Accelerated share repurchase of $5 billion expected to be executed subject to the closing of the transaction, market conditions and Board approval;
- Significant margin improvement of approximately 800 basis points to 36% on a 2018 pro forma basis before the impact of cost synergies compared to 28% on a standalone basis;
- Run-rate cost synergies of approximately $2.5 billion by 2022;
- Sales and earnings projected to grow every year through 2025.

ROBUST BOARD AND MANAGEMENT PROCESS TO ENHANCE VALUE FOR ALL SHAREHOLDERS

The Bristol-Myers Squibb Board of Directors and management team conducted a robust and comprehensive review of our core business and strategic expansion opportunities potentially available to us:

- Beginning in early-2018, the Company prioritized a potential target list of more than 20 transformational and 'string-of-pearls' opportunities, and subsequently, in June of 2018, the Company embarked on in-depth market assessments of seven of the most actionable opportunities;
- In September of 2018, Celgene emerged as the most attractive opportunity from a strategic and financial perspective;
- The Board held eight meetings between June 2018 and January 2019 to discuss the merits of the Celgene opportunity, in addition to review by the Board's Science and Technology Committee;
- Our diligence of Revlimid intellectual property included an in-depth review, supported by a team of external experts, of all related patent information and a review of the unredacted Natco settlement agreement, a document which is not publicly available. This also included extensive discussions with Celgene regarding the ongoing litigations and potential outcomes. This diligence process allowed us to develop a fully informed forecast for Revlimid;
- Starting with a deep familiarity with Celgene, our management team conducted extensive analysis of Celgene's business, pipeline and clinical data over a six-month timeframe led by approximately 25 of our senior business leaders and their teams across functional areas supported by subject matter experts and financial and legal advisors, which enabled a comprehensive view of Celgene opportunities and risks as well as a curated list of targeted questions for confidential due diligence;
- Starting in late November, our management team also conducted thorough confidential due diligence, which included full data room access and extensive meetings with Celgene teams on scientific, commercial, and manufacturing matters focused on Celgene's products, pipeline, intellectual property, capabilities, and other topics, led by an expanded group of approximately 40 of our senior business leaders and their teams and leveraging external subject matter experts and advisors. Our access to Celgene's non-public information reinforced our view regarding the attractiveness of the opportunity.

STRONG LEADERSHIP TEAM TO REALIZE SIGNIFICANT VALUE POTENTIAL OF TRANSACTION

- Successfully transitioned Company's portfolio through losses of exclusivity (LOEs), with approximately 60% of 2018 sales coming from new products launched within the last five years;
- Bristol-Myers Squibb has significant experience and success in dealing with patent expirations. For example, at their peak, Plavix and Avapro represented 38% of Bristol-Myers Squibb's sales. Bristol-Myers Squibb managed through the patent expirations of these two products and returned to growth by adding new products from internal and external sources;
- On a pro forma basis, Bristol-Myers Squibb expects sales to grow every year through 2025, including the estimated impact of Revlimid;
- Demonstrated ability to complement internal R&D with successful development of acquired assets;
- Opdivo has been the most successful oncology launch based on the cumulative sales in the first four years and currently has the leading share in most approved indications;
- Eliquis achieved the leading share in the novel anticoagulant market overtaking two prior entrants;
- Significantly improved operating margins by 725 basis points through operating model transformation;
- Delivered adjusted operating income[1] compounded annual growth rate (CAGR) of 13.1% and adjusted earnings per share CAGR of 16.9%.

The Board comprises 11 directors, 10 of whom are independent and five of whom joined the Board in the last three years. The directors bring extensive experience across a broad range of areas that are important to the Company's success and are actively involved in oversight of the Company's operational and strategic activities, including the upcoming integration of Celgene.

VOTE "FOR" THE PROPOSED TRANSACTION WITH CELGENE TO CREATE COMPELLING SHAREHOLDER VALUE AND A PREMIER INNOVATIVE BIOPHARMA COMPANY

The Bristol-Myers Squibb Board **unanimously recommends that you vote your shares "FOR"** the proposed transaction with Celgene: by signing, dating and returning the Company's WHITE proxy card at your earliest convenience.

Thank you for your continued support of the Company.

Sincerely,

The Bristol-Myers Squibb Board of Directors

[1] Non-GAAP gross profit less SG&A and R&D expenses

Click here for Information For Stockholders.

VOTE BY TELEPHONE, INTERNET OR MAIL BY FOLLOWING THE INSTRUCTIONS ON THE ENCLOSED PROXY CARD

If you have questions or need assistance voting your shares, please contact the firm assisting us in the solicitation of proxies:

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