



# Bristol-Myers Squibb (BMY)

Updated November 12<sup>th</sup>, 2025 by Nathan Parsh

## Key Metrics

<b>Current Price:</b>	\$49	<b>5 Year Annual Expected Total Return:</b>	14.7%	<b>Market Cap:</b>	\$101 B
<b>Fair Value Price:</b>	\$72	<b>5 Year Growth Estimate:</b>	3.0%	<b>Ex-Dividend Date:</b>	01/05/26 <sup>1</sup>
<b>% Fair Value:</b>	69%	<b>5 Year Valuation Multiple Estimate:</b>	7.9%	<b>Dividend Payment Date:</b>	02/02/26 <sup>2</sup>
<b>Dividend Yield:</b>	5.1%	<b>5 Year Price Target</b>	\$83	<b>Years Of Dividend Growth:</b>	18
<b>Dividend Risk Score:</b>	C	<b>Sector:</b>	Health Care	<b>Rating:</b>	Hold

## Overview & Current Events

Bristol-Myers Squibb was created when Bristol-Myers and Squibb merged on October 4<sup>th</sup>, 1989. Bristol-Myers can trace its corporate beginnings back to 1887. Today this leading drug maker of cardiovascular and anti-cancer therapeutics has annual revenues of about \$46 billion.

On December 11<sup>th</sup>, 2024, Bristol-Myers raised its quarterly dividend 3.3% to \$0.62.

On October 30<sup>th</sup>, 2025, Bristol-Myers reported third quarter results for the period ending September 30<sup>th</sup>, 2025. For the quarter, revenue grew 2.8% to \$12.2 billion, which was \$420 million above estimates. Adjusted earnings-per-share of \$1.63 compared unfavorably to \$1.80 in the prior year, but this was \$0.11 more than expected.

Excluding currency exchange, sales were up 2%. U.S. revenues grew 1% to \$8.3 billion. International grew 6% to \$3.9 billion, but revenue was up 3% when excluding currency exchange. *Revlimid*, which treats myeloma, decreased 59% to \$575 million due to generic competition. *Eliquis*, which prevents blood clots, improved 25% to \$3.75 billion as demand was strong for the product. *Eliquis* remains the top oral anticoagulant outside of the U.S. and generated more than \$13 billion in revenue for 2024, which was a 9% increase from the prior year. *Camzyos*, which helps prevent the heart muscles from thickening, was up 89% to \$296 million due to strong uptake rates. *Opdivo*, which treats cancers such as advanced renal carcinoma, was higher by 7% to \$2.5 billion as global demand remains high. Expanded indications across international markets also aided results. *Reblozyl*, which is used to treat anemia in adults with certain blood disorders, increased 37% to \$615 million due higher demand and a longer duration of therapy. Revenue for *Orencia*, which treats rheumatoid arthritis, grew 3% to \$964 million. *Cobenfy*, the company’s treatment for schizophrenia, contributed \$43 million to results. This product was approved on September 26<sup>th</sup>, 2024 and was launched in the U.S. during Q4 2024. Peak sales could reach upwards of \$5 billion or more by 2030. Other planned registrational studies include Alzheimer’s, Autism, and bipolar disorder. Gross margins contracted 320 basis points to 71.9%.

Bristol-Myers provided revised guidance for 2025 as well. Adjusted earnings-per-share are now projected to be in a range of \$6.40 to \$6.60 for the year, compared to \$6.35 to \$6.65 for the year, \$6.70 to \$6.90, and \$6.55 to \$6.85 previously. This includes a \$0.80 per share headwind from in-process research and development charges related to three transactions closed in 2025.

## Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
<b>EPS</b>	\$0.93	\$2.65	\$3.01	\$3.98	\$4.69	\$6.44	\$7.51	\$7.70	\$7.51	\$1.15	<b>\$6.50</b>	<b>\$7.54</b>
<b>DPS</b>	\$1.49	\$1.53	\$1.57	\$1.60	\$1.64	\$1.80	\$1.96	\$2.16	\$2.28	\$2.40	<b>\$2.48</b>	<b>\$3.17</b>
<b>Shares<sup>3</sup></b>	1661	1664	1625	1623	1918	2252	2219	2124	2033	2037	<b>2036</b>	<b>2000</b>

Bristol-Myers’ earnings-per-share saw a small increase in the years during and directly following the last recession. Since 2015, earnings results have been varied. Overall, Bristol-Myers has seen earnings-per-share grow at a rate of 2.4% per

<sup>1</sup> Estimated ex-dividend date

<sup>2</sup> Estimated dividend payment date

<sup>3</sup> In millions of shares

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year over the last decade, but this figure is somewhat misleading given the charges related to acquisitions in Q1 2024. Due to the somewhat unpredictable nature of the company’s results, we project 3% growth through 2030. Bristol-Myers has increased its dividend at a CAGR of 5.4% since 2015, which has accelerated somewhat to 6.6% over the last five years. We project 5% dividend growth annually over the next five years.

## Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	---	23.9	20.4	13.0	13.7	9.6	8.3	9.3	6.8	49.2	7.5	11.0
Avg. Yld.	2.3%	2.4%	2.8%	3.2%	2.6%	2.9%	3.1%	3.0%	4.4%	4.2%	5.1%	3.8%

Bristol-Myers’ shares have gained \$2, or 4.3%, since our August 13<sup>th</sup>, 2025 report. Excluding last year’s result, the stock has an average price-to-earnings ratio of just over 13 over the last decade. Currently, shares trade at 7.5 times expected EPS for the year. We have a target P/E of 11, implying shares are undervalued at the current price. If the stock were to reach our target by 2030, then valuation would add 7.9% to annual returns over this period. The current yield is well above the long-term average of 3.1%.

## Safety, Quality, Competitive Advantage, & Recession Resiliency

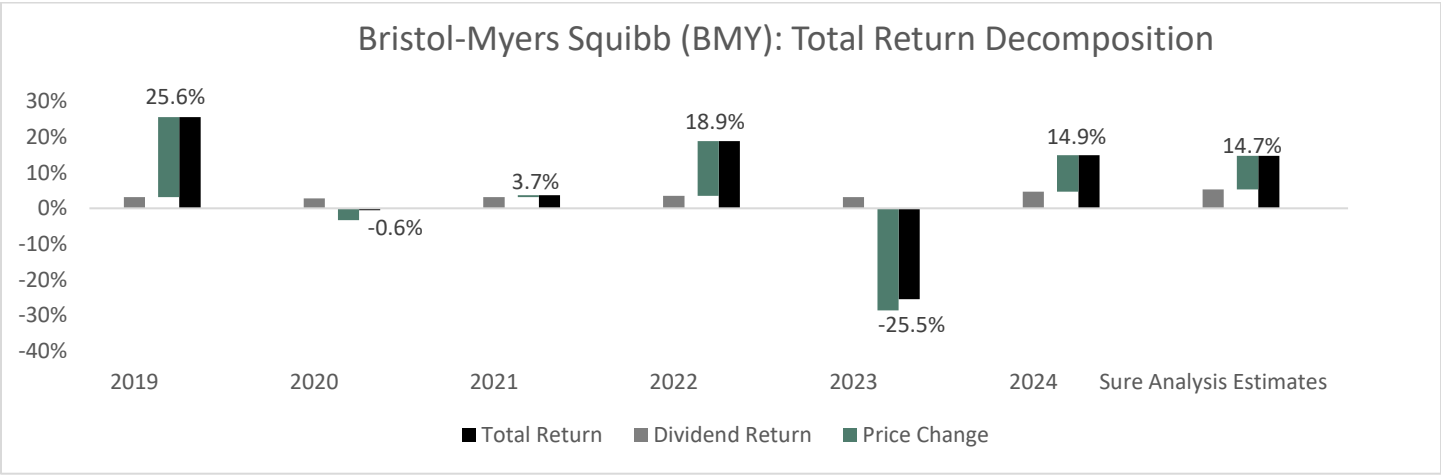
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	160%	58%	52%	40%	35%	28%	26%	28%	30%	209%	38%	42%

The company’s competitive advantage is its ability to either create (through research & development) or acquire patents for pharmaceuticals with high potential revenue. Bristol-Myers top selling pharmaceuticals, such as *Opdivo* and *Eliquis*, have largely shown solid growth rates and are expected to see high peak annual sales, though the former has now lost patent exclusivity in certain markets. New products, such as *Cobenfy*, could add materially to results in the coming years. Bristol-Myers saw earnings increase during the last recession, which is quite normal for health care companies. Even in a recession, people will seek treatment for health problems, especially those suffering from cancer.

## Final Thoughts & Recommendation

Bristol-Myers Squibb is now expected to offer a total annual return of 14.7% through 2030, down from our prior forecast of 15.7%. Projected returns stem from a 3% earnings growth rate, a 5.1% starting dividend yield, and a high single-digit contribution from multiple expansion. Bristol-Myers saw solid growth in most areas, though certain products are suffering from generic competition. Newer products, such as *Cobenfy* and *Camzyos*, offer the potential for strong peak sales. While total return potential is enticing, we rate shares of the company as a hold due to the dividend risk score.

## Total Return Breakdown by Year



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## Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	16,560	19,427	20,776	22,561	26,145	42,518	46,385	46,159	45,006	48,300
Gross Profit	12,651	14,458	14,762	16,094	18,067	30,745	36,445	36,022	34,313	34,332
Gross Margin	76.4%	74.4%	71.1%	71.3%	69.1%	72.3%	78.6%	78.0%	76.2%	71.1%
SG&A Exp.	5,001	4,979	4,751	4,551	4,871	7,661	7,690	7,814	7,772	8,414
D&A Exp.	376	382	789	637	1,746	10,380	10,686	10,276	9,760	9,600
Operating Profit	1,730	4,467	3,446	5,114	5,913	2,177	8,537	9,104	8,195	5,887
Op. Margin	10.4%	23.0%	16.6%	22.7%	22.6%	5.1%	18.4%	19.7%	18.2%	12.2%
Net Profit	1,565	4,457	1,007	4,920	3,439	(9,015)	6,994	6,327	8,025	(8,948)
Net Margin	9.5%	22.9%	4.8%	21.8%	13.2%	-21.2%	15.1%	13.7%	17.8%	-18.5%
Free Cash Flow	1,285	1,843	4,220	6,115	7,374	13,299	15,234	11,948	12,651	13,942
Income Tax	446	1,408	4,156	1,021	1,515	2,124	1,084	1,368	400	554

## Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	31,748	33,707	33,551	34,986	129,944	118,481	109,314	96,820	95,159	92,603
Cash & Equivalents	2,385	4,237	5,421	6,911	12,346	14,546	13,979	9,123	11,464	10,346
Acc. Receivable	2,948	3,774	4,347	4,636	6,476	7,219	7,979	8,151	8,882	9,012
Inventories	1,221	1,241	1,166	1,195	4,293	2,074	2,095	2,339	2,662	2,557
Goodwill & Int.	8,300	8,260	8,073	7,629	86,457	73,996	63,277	57,504	48,654	45,362
Total Liabilities	17,324	17,360	21,704	20,859	78,246	80,599	73,308	65,702	65,674	76,215
Accounts Payable	1,565	1,664	2,248	1,892	2,445	2,713	2,949	3,040	3,259	3,602
Long-Term Debt	6,689	6,708	7,962	7,349	46,733	50,676	44,553	39,320	39,772	49,649
Total Equity	14,266	16,177	11,741	14,031	51,598	37,822	35,946	31,061	29,430	16,335
LTD/E Ratio	0.47	0.41	0.68	0.52	0.91	1.34	1.24	1.27	1.35	3.04

## Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	4.8%	13.6%	3.0%	14.4%	4.2%	-7.3%	6.1%	6.1%	8.4%	-9.5%
Return on Equity	10.6%	29.0%	7.1%	37.9%	10.4%	-20.1%	18.9%	18.9%	26.5%	-39.0%
ROIC	7.1%	20.2%	4.7%	23.8%	5.7%	-9.6%	8.3%	8.4%	11.5%	-13.2%
Shares Out.	1,661	1,664	1,625	1,623	1,918	2,252	2,219	2,124	2,033	2,037
Revenue/Share	9.86	11.56	12.58	13.78	15.27	18.83	20.66	21.51	21.66	23.83
FCF/Share	0.77	1.10	2.55	3.74	4.31	5.89	6.79	5.57	6.09	6.88

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

### Disclaimer

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