

BRISTOL MYERS SQUIBB CO  
Form 11-K  
June 26, 2008  
Table of Contents

# SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

## FORM 11-K

x ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF  
1934

For the fiscal year ended December 31, 2007

.. TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT  
OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

COMMISSION FILE NUMBER 1-1136

A. Full title of the plan and the address of plan, if different from that of the issuer named below:  
BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

# **BRISTOL-MYERS SQUIBB COMPANY**

**345 PARK AVENUE**

**NEW YORK, NY 10154**

**(212) 546-4000**

**Table of Contents**

SIGNATURE

**The Plan**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Bristol-Myers Squibb Company Savings Plan Committee has duly caused this annual report to be signed on its behalf by the undersigned, hereunto duly authorized.

BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

Date: June 26, 2008

By: /s/ Jean-Marc Huet  
Jean-Marc Huet  
Chairman, Bristol-Myers Squibb

Company Savings Plan Committee

**Table of Contents**

BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

INDEX TO FINANCIAL STATEMENTS AND SCHEDULE

	<b>Page No.</b>
<u>Report of Independent Registered Public Accounting Firm</u>	2
FINANCIAL STATEMENTS:	
<u>Statements of Net Assets Available For Benefits As of December 31, 2007 and 2006</u>	3
<u>Statement of Changes in Net Assets Available For Benefits For the Year Ended December 31, 2007</u>	4
<u>Notes to Financial Statements</u>	5 to 13
SUPPLEMENTAL SCHEDULE:	
<u>Form 5500, Schedule H, Part IV, Line (4i) Schedule of Assets (Held at Year End) as of December 31, 2007</u>	S-1
<u>EXHIBIT 23a Consent of Independent Registered Public Accounting Firm</u>	E-1
All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ( ERISA ) have been omitted because they are not applicable.	

**Table of Contents**

**Report of Independent Registered Public Accounting Firm**

To the Participants of The Bristol-Myers Squibb

Company Employee Incentive Thrift Plan and the

Bristol-Myers Squibb Company Savings Plan Committee

We have audited the accompanying statements of net assets available for benefits of the Bristol-Myers Squibb Company Employee Incentive Thrift Plan (the Plan) as of December 31, 2007 and 2006, and the related statement of changes in net assets available for benefits for the year ended December 31, 2007. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2007 and 2006, and the changes in net assets available for benefits for the year ended December 31, 2007 in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2007 is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This schedule is the responsibility of the Plan's management. Such schedule has been subjected to the auditing procedures applied in our audit of the basic 2007 financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ Deloitte & Touche LLP

Parsippany, New Jersey

June 26, 2008

**Table of Contents**

BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

AS OF DECEMBER 31, 2007 AND 2006

<b>(Dollars in Thousands)</b>	<b>2007</b>	<b>2006</b>
<b>Assets:</b>		
Participant directed investments, at fair value:		
Plan interest in Savings Plan Master Trust	\$ 74,339	\$ 77,344
Loans to participants	824	834
<b>Total investments</b>	<b>75,163</b>	<b>78,178</b>
<b>Receivables:</b>		
Employer contributions	3	33
Participants contributions	7	77
<b>Total receivables</b>	<b>10</b>	<b>110</b>
 Net Assets Available for Benefits, at fair value	 75,173	 78,288
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(113)	141
 Net Assets Available for Benefits	 \$ 75,060	 \$ 78,429

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

**Table of Contents**

BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2007

(Dollars in Thousands)

ADDITIONS:

CONTRIBUTIONS:

Employer contributions	\$ 870
Participants contributions	2,143
<b>Total contributions</b>	<b>3,013</b>

INVESTMENT INCOME:

Plan's share of net investment income in Savings Plan Master Trust	4,328
Interest on participant loans	47
<b>Net investment income</b>	<b>4,375</b>

<b>Total additions</b>	<b>7,388</b>
------------------------	--------------

DEDUCTIONS:

Distributions and withdrawals	(9,782)
Administrative expenses	(3)
Net transfer	(972)

<b>Total deductions</b>	<b>(10,757)</b>
-------------------------	-----------------

<b>Decrease in net assets</b>	<b>(3,369)</b>
-------------------------------	----------------

NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of Year	78,429
<b>End of Year</b>	<b>\$ 75,060</b>

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

**Table of Contents**

BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

NOTES TO FINANCIAL STATEMENTS

**NOTE 1 DESCRIPTION OF PLAN**

**General**

The Squibb Employee Incentive Thrift Plan commenced operations on July 1, 1973 as one of two successor plans to the original Squibb Employee Incentive Thrift Plan which was adopted effective January 1, 1968 by E.R. Squibb & Sons, Inc., a subsidiary of Squibb Corporation. On October 4, 1989, Squibb Corporation merged with a subsidiary of Bristol-Myers Company and Bristol-Myers Company changed its name to Bristol-Myers Squibb Company (the Company). Effective January 1, 1991, the name of the Squibb Employee Incentive Thrift Plan was changed to the Bristol-Myers Squibb Company Employee Incentive Thrift Plan (the Plan). The Plan is a defined contribution plan.

The assets of the Plan, as well as the assets of the Bristol-Myers Squibb Company Savings and Investment Program (the Savings Program) and the Bristol-Myers Squibb Puerto Rico, Inc. Savings and Investment Program (the Puerto Rico Program) are maintained in the Bristol-Myers Squibb Company Savings Plan Master Trust (the Savings Plan Master Trust) as presented in Note 5 The Savings Plan Master Trust. The assets of the Savings Plan Master Trust are maintained by Fidelity Investments (Fidelity).

The Bristol-Myers Squibb Company Savings Plan Committee (the Committee) is the Administrator of the Plan and named fiduciary for Plan assets.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). In August 2006, the Pension Protection Act of 2006 (the Act) was signed into law. The Plan has adopted all necessary provisions of the Act.

**Eligibility and Contributions**

Any union employee who is covered by a collective bargaining agreement that provides for participation in the Plan and who meets certain service requirements is eligible to participate in the Plan. Eligible employees may participate in the Plan following their date of hire, although the Company matching contributions do not begin until an eligible employee has attained six months of service as prescribed by the Plan. An employee electing to participate in the Plan can elect to contribute up to 25% of his or her annual benefit salary or wages (as defined in the Plan) on an after-tax basis or to reduce his or her compensation by up to 25% and have such amount contributed on his or her behalf on a pre-tax basis subject to applicable limitations. Participants may also elect a combination of contributions up to a combined total of 25%, both on an after-tax and pre-tax basis. The Company contributes a matching contribution of 75% for each dollar that the participant contributes at the time of the participant's contribution, whether the contributions are made on a pre-tax or after-tax basis, on the first 6% of the participant's pay.

All contributions are recorded on an accrual basis. All investment decisions are self-directed by participants. During the years ended December 31, 2007 and December 31, 2006, participant contributions were invested in any one or more of the funds which comprise the Savings Plan Master Trust (see Savings Plan Master Trust Investments section below).

The default fund for future Company matching contributions for participants who do not actively designate a fund for their Company matching contributions is the Fidelity Retirement Money Market Portfolio. Employees may invest prior and future Company matching contributions in any of the funds available under the Plan.



**Table of Contents**

BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

NOTES TO FINANCIAL STATEMENTS

**NOTE 1 DESCRIPTION OF PLAN (Continued)**

The Plan allows for catch-up contributions for eligible participants who are 50 years of age or older. The catch-up contribution is intended to give employees who are approaching retirement age, and exceed the age requirement, the opportunity to make additional pre-tax contributions over the applicable Internal Revenue Service (IRS) and Plan limits. The catch-up contribution itself was limited to \$5 thousand in 2007 and 2006. Prior to January 1, 2007, the eligible employee contribution rate would have to be at 25% to allow for catch-up contributions to be deducted. Effective January 1, 2007, the requirement for an employee to meet the 25% contribution rate in order to be able to make catch-up contributions was eliminated. Employee catch-up contributions (if elected) are deducted at the same time as all other contributions and are indexed for inflation. There is no Company match on catch-up contributions.

**Participant Accounts**

Each participant's account is credited with the participant's contribution and allocation of the Company's contribution and Plan earnings and charged with withdrawals and distributions and Plan losses. The benefit to which a participant is entitled is the benefit under the participant's vested account.

**Loans**

While remaining in employment, a participant may request a loan from the Plan. The amount of the loan may not exceed the lesser of (1) 50% of the participant's entire vested interest under the Plan, determined as of the valuation date, or (2) \$50 thousand less the highest outstanding loan balance during the previous 12 months. Loans are secured by the balance in the participant accounts and bear interest at rates set by the Committee.

**Savings Plan Master Trust Investments**

During the years ended December 31, 2007 and 2006, participant contributions may have been invested in any of the following funds which comprise the Savings Plan Master Trust:

Company Stock Fund Bristol-Myers Squibb Company Common Stock

Fidelity Puritan Fund

Fidelity Growth Company Fund

Fidelity Retirement Money Market Portfolio

Fidelity U.S. Bond Index Fund

Dreyfus Appreciation Fund, Inc.

Managers Special Equity Fund

Vanguard Total International Stock Index Fund Investor Class

American Funds EuroPacific Growth Fund Class R5

Fidelity U.S. Equity Index Commingled Pool Class 2

The Goldman Sachs Collective Trust Strategic Value Fund CCT

Northern Trust Global Investment QM Daily Russell 2000 Equity Index Fund CCT

Fixed Income Fund

Effective July 1, 2006, The Goldman Sachs Collective Trust Strategic Value Fund CCT was added to the Plan and replaced the Fidelity Equity-Income Fund.

The Company Stock Fund consists primarily of shares of common stock of Bristol-Myers Squibb Company, which are registered for the purpose of the Plan with the United States Securities and Exchange Commission (SEC). From time to time, the Plan may invest in U.S. Government obligations or other investments of a short-term nature, which will ultimately be used for the purchase of shares of common stock of the Bristol-Myers Squibb Company.

The Fixed Income Fund consists primarily of a group of annuity contracts issued by various insurance companies to the trustee of the Plan under which the insurance companies provide a guarantee of principal and credit interest at a guaranteed rate. All contracts pay interest on a net basis (see Note 6 Fixed Income Fund). From time to time, the Fixed Income Fund may invest in obligations of the U.S Government or its agencies, bank investment contracts, other investments of a short-term nature and/or investments in qualified commingled trust funds managed by the trustee for the investment of funds of profit sharing and savings plans and programs.

**Table of Contents**

BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

NOTES TO FINANCIAL STATEMENTS

**NOTE 1 DESCRIPTION OF PLAN (Continued)**

At any point in time, the Fixed Income Fund's average yield will be a combined rate based upon the balances and the interest rates of the investments which comprise the fund, and depends on the amount of contributions invested in the fund, the amounts withdrawn from the fund and the amounts transferred to and from the fund. The fund's average yield is measured by investment performance using general market reporting methods. The average yield of the Plan's share of the Fixed Income Fund for the years ended December 31, 2007 and 2006 was 4.6% and 4.8%, respectively. The crediting interest rate of the Fixed Income Fund at December 31, 2007 and 2006 was 4.7% and 4.8%, respectively. The crediting interest rate at any date is the weighted average of the yields on the individual contracts and other investments in the Fixed Income Fund on that date.

**Withdrawals Prior to Retirement**

While remaining in employment, a participant may withdraw all or part of the employee and vested employer contributions made, subject to certain restrictions of the Plan and excise taxes imposed by the Internal Revenue Code (IRC).

**Vesting**

A participant vests in employer contributions at the rate of 20% for each year of qualifying service so that after five years of qualifying service he or she is 100% vested in employer contributions. Upon becoming eligible for benefits under the Company's long-term disability benefits plan, death or normal retirement, a participant will become 100% vested in employer contributions regardless of his or her years of qualifying service. If a participant leaves the Company before becoming fully vested, the unvested portion of the employer contributions are forfeited and returned to the Company (see below for further discussions on forfeited accounts). Participants who return to work for the Company who were partially or fully vested will be reinstated to their previous level of vesting and may immediately enroll in the Plan. A participant is always 100% vested in his or her own contributions—pre-tax, after-tax, rollover contributions from other plans and catch-up contributions and earnings thereon.

**Termination of Employment and Payment of Benefits**

Upon the termination of a participant's employment, the participant, or in the event of his or her death, the participant's spouse or designated beneficiary, may, under varying circumstances, receive (1) a lump sum payment, (2) installment payments for a period between two and 15 years, and in the event there are minimum required distributions, the installment payment shall not exceed the joint life expectancy of the participant and the participant's spouse (five years if payment is by reason of death) or (3) an annuity for employees hired prior to October 1, 1994. In each case the payment will be based on the vested value in the respective funds allocated to the participant.

**Forfeited Accounts**

During the years ended December 31, 2007 and 2006, nonvested accounts forfeited totaled \$11 thousand and \$2 thousand, respectively. These accounts will be used to reduce future employer contributions and administration fees. During the year ended December 31, 2007, employer contributions were not reduced by forfeited nonvested accounts.

**Net Transfer**

A participant's account may be transferred to or from another savings plan within the Company if their employment status changes such that they become eligible for a different plan. A participant's account could also be transferred to another company's savings plan if required under the terms of a divestiture of a business unit. New accounts could be transferred in from another company's savings plan, if required under the terms of an acquisition of a new company.



**Table of Contents**

BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

NOTES TO FINANCIAL STATEMENTS

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP).

**Valuation**

The Savings Plan Master Trust's investment valuation policies are as follows: The Company Stock Fund is valued based upon quoted prices of underlying assets, and for the Company stock portion at the last reported sales price at the end of the year, or, if there was not a sale that day, the last reported bid price. Shares of the mutual funds are valued at quoted market prices which represent the net asset value of shares held by the Plan at year end. Common/collective trust (CCT) funds are stated at fair value, based on the fair value of the underlying investments. Money market instruments are valued at cost plus interest earned, which approximates their fair values. The fully benefit-responsive investment contracts in the Fixed Income Fund are stated at fair value and are adjusted to contract value in the Statements of Net Assets Available for Benefits. Fair values of the contracts are calculated by discounting the related cash flows based on current yields of similar instruments with comparable durations. Contract value represents contributions made to the fund, plus earnings, less participant withdrawals. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The value of outstanding participant loans is determined based on the outstanding principal balance as of the last day of the Plan year, which approximates fair value.

**Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of additions and deductions to net assets available for benefits during the reporting period. Actual results could differ from those estimates.

**Risks and Uncertainties**

The Plan provides for various investment options as discussed above. Investment securities, in general, are exposed to various risks, such as interest rate, overall market volatility and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect participants' account balances, and the amounts reported in the Statements of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Benefits.

**Payment of Benefits**

Benefits are recorded when paid. There were no amounts allocated to accounts of persons who have elected to withdraw from the Plan but have not yet been paid at December 31, 2007 and 2006.

**Income, Expenses and Realized and Unrealized Gains and Losses on Securities**

Interest, dividends, and realized and unrealized gains and losses earned from participation in the Savings Plan Master Trust are allocated to the Plan based upon participants' account balances and activity. This investment activity is presented on a net basis on the Statement of Changes in Net Assets Available for Benefits as the Plan's share of net investment income in the Savings Plan Master Trust.

## Edgar Filing: BRISTOL MYERS SQUIBB CO - Form 11-K

Interest is recorded by the Savings Plan Master Trust as earned, and dividends are recorded on the ex-dividend date. Purchases and sales of securities are recorded by the Savings Plan Master Trust on a trade-date basis. Realized gains and losses for security transactions are reported using the average cost method. Realized and unrealized gains and losses are included in net appreciation/depreciation in fair value of investments in the Statement of Changes in Net Assets Available for Benefits.

**Table of Contents**

BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

NOTES TO FINANCIAL STATEMENTS

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

All expenses incurred by the Plan, other than investment management and trustee fees, which are paid from each fund's assets, are paid by the Company.

Management fees charged to the Plan for investments in the mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees are reflected as a reduction of investment return for such investments.

**Recently Issued Accounting Standards**

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 157, *Fair Value Measurements*. This pronouncement defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. This Statement is effective for fiscal years beginning after November 15, 2007. The Plan's management is currently in the process of evaluating the impact of adopting this pronouncement on the Plan's assets and liabilities.

**NOTE 3 TAX STATUS**

In the Plan's latest determination letter dated July 8, 2003, the IRS stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is currently designed and operated in compliance with the applicable requirements of the IRC, and the Plan and related trust continues to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

**NOTE 4 TERMINATION OF THE PLAN**

Although the Company has not expressed any intent to do so, it has the right to discontinue its contributions and to terminate the Plan in accordance with the provisions of ERISA. If the Plan is terminated, the interest of each participant in all funds will vest immediately. In accordance with Plan provisions, the Company has the right to amend or replace the Plan for any reason.

**Table of Contents**

BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

NOTES TO FINANCIAL STATEMENTS

**NOTE 5 SAVINGS PLAN MASTER TRUST**

The Plan's investment assets are held in the Savings Plan Master Trust. The Plan's share of the Savings Plan Master Trust's net assets and investment activities is based upon the total of each individual participant's share of the Savings Plan Master Trust. The Plan's approximate share of the net assets of the Savings Plan Master Trust at December 31, 2007 and 2006 was 2% in each year.

At December 31, 2007 and 2006, the Statements of Net Assets Available for Benefits of the Savings Plan Master Trust were as follows:

(Dollars in Thousands)	2007	2006
<b>Investments:</b>		
Determined based on quoted market-price:		
*Company Stock Fund - Bristol-Myers Squibb Company Common Stock	\$ 733,068	\$ 759,212
Mutual Funds:		
*Fidelity Puritan Fund	123,178	104,967
*Fidelity Growth Company Fund	444,347	381,478
*Fidelity Retirement Money Market Portfolio	242,417	179,219
*Fidelity U.S. Bond Index Fund	122,719	107,514
Dreyfus Appreciation Fund, Inc.	73,583	68,966
Managers Special Equity Fund	66,321	67,851
Vanguard Total International Stock Index Fund - Investor Class	186,115	132,444
American Funds EuroPacific Growth Fund - Class R5	155,808	110,023
Determined based on underlying fair value of investments held:		
Common Collective Trusts:		
*Fidelity U.S. Equity Index Commingled Pool - Class 2	358,593	360,654
The Goldman Sachs Collective Trust Strategic Value Fund	213,848	228,092
Northern Trust Global Investments QM Daily Russell 2000 Equity Index Fund	132,500	144,804
Fixed Income Fund - Group Annuity Contracts (See Note 6):	632,697	768,160
Stated at cost plus interest earned which approximates fair value:		
*Company Stock Fund - Fidelity Management Trust Company Institutional Cash Portfolio	10,134	6,489
*Fixed Income Fund - Fidelity Institutional Cash Portfolio Money Market and Other	46,577	6,377
Total Investments, at fair value	3,541,905	3,426,250
Adjustments from fair value to contract value for fully benefit-responsive investment contracts	(4,582)	5,983
Net Assets of the Savings Plan Master Trust	\$ 3,537,323	\$ 3,432,233
Program's interest in Savings Plan Master Trust	\$ 74,339	\$ 77,344

\* Denotes a party-in-interest to the Plan.



**Table of Contents**

BRISTOL-MYERS SQUIBB COMPANY
EMPLOYEE INCENTIVE THRIFT PLAN
NOTES TO FINANCIAL STATEMENTS

**NOTE 5 SAVINGS PLAN MASTER TRUST (Continued)**

The Plan's share of investments within the Savings Plan Master Trust stated at fair value that represented 5% or more of the Plan's net assets available for benefits as of December 31, 2007 or 2006 are as follows:

(Dollars in Thousands)	2007	2006
Investment:		
Company Stock Fund - Bristol-Myers Squibb Company Common Stock	\$ 34,441	\$ 38,020
Fidelity Retirement Money Market Portfolio	5,732	5,139
Fixed Income Fund - Group Annuity Contracts, Prudential Life Insurance Company**	4,175	*
Fidelity U.S. Equity Index Commingled Pool - Class 2	3,816	*
Fixed Income Fund - Group Annuity Contracts, New York Life Insurance Company ***	*	5,627

\* Investments less than 5% of net assets available for benefits.

\*\* The contract value of this investment for 2007 was \$4,161 thousand.

\*\*\* The contract value of this investment for 2006 was \$5,614 thousand.

The total investment income of the Savings Plan Master Trust for the year ended December 31, 2007 was as follows:

(Dollars in Thousands)	
Investment income, net:	
Interest income	\$ 47,402
Dividend income	82,317
Net appreciation in fair value of investments	111,632
<b>Total investment income</b>	<b>\$ 241,351</b>

The net appreciation (depreciation) in the fair value of the Savings Plan Master Trust investments (including gains and losses on investments bought and sold, as well as held during the year) by fund for the year ended December 31, 2007 were as follows:

(Dollars in Thousands)	
Determined based on quoted market-price:	
Company Stock Fund - Bristol-Myers Squibb Company Common Stock	\$ 8,016
Fidelity Puritan Fund	(6,293)
Fidelity Growth Company Fund	70,191
Fidelity U.S. Bond Index Fund	320
Dreyfus Appreciation Fund, Inc.	1,562
Managers Special Equity Fund	(15,538)
Vanguard Total International Stock Index Fund - Investor Class	17,351

Edgar Filing: BRISTOL MYERS SQUIBB CO - Form 11-K

American Funds EuroPacific Growth Fund - Class R5	9,047
Determined based on underlying fair value of investments held:	
Fidelity U.S. Equity Index Commingled Pool - Class 2	19,966
The Goldman Sachs Collective Trust Strategic Value Fund - CCT	8,595
Northern Trust Global Investments QM Daily Russell 2000 Equity Index Fund - CCT	(1,585)
Net Appreciation of the fair value of investments	\$ 111,632

**Table of Contents**

BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

NOTES TO FINANCIAL STATEMENTS

**NOTE 6 FIXED INCOME FUND**

The Savings Plan Master Trust holds group annuity investment contracts in several fully benefit-responsive investment contracts with various insurance companies within the Fixed Income Fund. The insurance companies maintain the contributions in a general account, which is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. Each contract is presented in the Statements of Net Assets Available for Benefits at fair value and then adjusted on a separate line item in the Statement of Net Assets Available for Benefits to contract value as reported to the Plan by such insurance companies per Financial Accounting Standards Board Staff Position, AICPA Audit and Accounting Guide, Investment Companies INV-1 and Statements of Position 94-4-1, *Reporting of Fully Benefit-Responsive Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the FSP). Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. Plan management believes that the occurrence of events that would cause the Plan to transact at less than contract value is not probable. The insurance companies may not terminate a contract at any amount less than contract value.

The fully benefit-responsive investment contracts held in the Fixed Income Fund as of December 31, 2007 and 2006 are as follows:

	2007	Per Annum Interest Rates on Contracts as of December 31, 2007	Maturity Date As of December 31, 2007	2006	Per Annum Interest Rates on Contracts as of December 31, 2006	Maturity Date As of December 31, 2006
Group Annuity Contracts, New York Life Insurance Company	\$ 74,771	5.54% to 5.56%	Varying maturity dates through 2011	\$ 229,697	4.08% to 5.95%	Varying maturity dates through 2008
Group Annuity Contracts, Metropolitan Life Insurance Company	117,070	2.98% to 4.70%	Varying maturity dates through 2009	164,212	2.98% to 4.75%	Varying maturity dates through 2009
Group Annuity Contract, SunAmerica Life Insurance	51,268	4.53%	2009	47,767	4.53%	2009
Group Annuity Contracts, Prudential Life Insurance Company	153,156	4.09% to 5.03%	Varying maturity dates through 2010	114,257	4.09% to 5.00%	Varying maturity dates through 2009
Group Annuity Contracts, Principal Mutual Life Insurance Company	126,043	4.85% to 5.47%	Varying maturity dates through 2010	130,498	4.75% to 5.85%	Varying maturity dates through 2010
Group Annuity Contracts, John Hancock Mutual Life Insurance Company	32,485	4.03%	2009	81,729	4.03% to 4.42%	Varying maturity dates through 2009
Group Annuity Contracts, Hartford Life	77,904	5.12% to 5.86%	2012			
	\$632,697			\$ 768,160		

Total Group Annuity  
Contracts, at fair value

**Table of Contents**

BRISTOL-MYERS SQUIBB COMPANY  
EMPLOYEE INCENTIVE THRIFT PLAN  
NOTES TO FINANCIAL STATEMENTS

**NOTE 6 FIXED INCOME FUND (Continued)**

The insurance companies are contractually obligated to pay the principal and specified interest rate that is guaranteed to the Plan. The crediting interest rate is based on a formula agreed upon with the issuer, but may not be less than the percentage based on the individual contracts which range during 2007 from 2.98% to 5.95%. The average yields for investment contracts with insurance companies on an overall savings plan Master Trust level for the years ended December 31, 2007 and 2006 are as follows:

	2007	2006
Average yields:		
Based on annualized earnings (1)	4.64%	4.78%
Based on interest rate credited to participants (2)	4.64%	4.78%

- (1) Computed by dividing the annualized one-day actual earnings of the contract on the last day of the Plan year by the fair value of the investments on the same date.
- (2) Computed by dividing the annualized one-day earnings credited to participants on the last day of the Plan year by the fair value of the investments on the same date.

**NOTE 7 ERISA LITIGATION AND SECURITIES LITIGATION**

In August 2006, \$300 thousand of settlement proceeds were received by the Plan in the following matters: *In re BMS Securities Litigation, 02 Civ. 2251 (LAP) (S.D.N.Y.)*, *U.S. Securities and Exchange Commission v. BMS*, No. 04-3680 (FSH) (D.N.J.), and Deferred Prosecution Agreement, executed June 15, 2005, between the Company and the U.S. Department of Justice. This amount represented approximately 80% of total settlement proceeds to be received by the Plan and was allocated and posted to the Plan accounts of eligible class members on August 23, 2006. The remaining settlement distribution to the Plan, if any, is expected to be completed upon receipt of a distribution order from the Court and is subject to the resolution of certain contingencies, such as additional administrative expenses, interest, taxes, and the resolution of disputed claims, that may affect the amount and timing of the remaining distribution.

In June 2006, U.S. Trust Company, N.A., as independent fiduciary for the Qualified Plans, submitted a proof of claim in connection with the settlement of the securities class action captioned *In re BMS Securities Litigation, No. 00-1990 (N.J.)*. In the second quarter of 2008, the Court approved a distribution order authorizing the distribution of the net settlement proceeds. Total net settlement proceeds to be distributed to the Savings Plan Master Trust on or about June 27, 2008 is expected to be \$1.83 million. The Plan's share of these settlement proceeds is expected to be consistent with the Program's approximate share of the net assets of the Savings Plan Master Trust.

**NOTE 8 EXEMPT PARTY-IN-INTEREST TRANSACTIONS**

Certain Plan investments are shares in registered mutual funds or units in pooled investment funds managed by affiliates of Fidelity Management Trust Company (Fidelity Trust) through the Savings Plan Master Trust. Fidelity Trust is the trustee as defined by the Plan. The transactions involving the registered mutual funds are exempt party-in-interest transactions pursuant to the Department of Labor Class Exemption 77-4 and the transactions involving the pooled investment funds are exempt party-in-interest transactions pursuant to Section 408(b)(8) of ERISA. The Plan also invests in shares of the Company. At December 31, 2007 and 2006, the Plan held 1.6 million shares and 1.8 million shares of Company common stock, respectively, with a cost basis of \$26.9 million and \$28.5 million, respectively. During the year ended December 31, 2007, the Plan recorded dividend income of \$1.4 million. The Company is the Plan sponsor and, therefore, these transactions qualify as exempt party-in-interest transactions. In addition, certain Plan participants borrowed from the Plan. As of December 31, 2007 and 2006, the outstanding

## Edgar Filing: BRISTOL MYERS SQUIBB CO - Form 11-K

loans of the Plan participants were \$824 thousand and \$834 thousand, respectively, with interest rates ranging from 5.0% to 9.25% and varying maturity dates. Plan participants are a party-in-interest to the Plan. Certain employees of the Company serve in a management capacity for the Plan.

**Table of Contents**

FORM 5500, SCHEDULE H, PART IV, LINE (4i)

PLAN NUMBER: 007  
EIN NUMBER: 22-0790350

BRISTOL-MYERS SQUIBB COMPANY

EMPLOYEE INCENTIVE THRIFT PLAN

SCHEDULE OF ASSETS (HELD AT YEAR END)

DECEMBER 31, 2007

(IN THOUSANDS)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost Value **	(e) Current Value
*	Plan participants	Participant loans, with varying maturity dates ranging from 2008 to 2016, and interest rates between 5.0% and 9.25%	\$	\$ 824
		Total	\$	824

\* Denotes a party-in-interest to the Plan.

\*\* Cost information is not required for participant directed investments.