

BMS announces Q2 2012 results

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Singapore: Bristol-Myers Squibb (BMS) reported results for the second quarter (Q2) of 2012 and also adjusted its GAAP EPS guidance range and confirmed its non-GAAP EPS guidance range for 2012.

BMS posted Q2 2012 net sales of \$4.4 billion, a decrease of 18 percent as compared to the same period a year ago, following the US patent expiration of Avapro/Avalide in March 2012 and Plavix in May 2012. Excluding Plavix and Avapro/Avalide, net sales grew by eight percent when compared with the second quarter of 2011. Net sales in the US decreased 27 percent to \$2.6 billion in the quarter compared to the same period a year ago following the US patent expiration of Avapro/Avalide and Plavix. International net sales decreased one percent to \$1.9 billion. Furthermore, planned acquisition of Amylin is expected to add two marketed GLP-1 agonists to BMS' diabetes franchise.

Gross margin as a percentage of net sales was 72 percent in the quarter compared to 72.7 percent in the same period a year ago. Marketing, selling and administrative expenses decreased three percent to \$1 billion in the quarter. Advertising and product promotion spending decreased 11 percent to \$224 million in the quarter. R&D expenses increased four percent to \$962 million in the quarter. The effective tax rate on earnings before income taxes was 23.7 percent in the quarter, compared to 27.0 percent in the second quarter last year. BMS reported net earnings attributable to Bristol-Myers Squibb of \$645 million, or \$0.38 per share, in the quarter compared to \$902 million, or \$0.52 per share, a year ago.

BMS reported non-GAAP net earnings of \$808 million, or \$0.48 per share, in the second quarter, compared to \$971 million, or \$0.56 per share, for the same period in 2011. Cash, cash equivalents and marketable securities were \$8.8 billion, with a net cash position of \$3.3 billion, as of June 30, 2012.

Mr Lamberto Andreotti, CEO, Bristol-Myers Squibb, said that, "We have been preparing for the expected loss of exclusivity of Plavix and Avapro/Avalide for a number of years and I am pleased with our company's progress as we look to the future. With the growth of a large number of key products from across our portfolio, the promising data from our immuno-oncology franchise presented at ASCO and the innovative planned acquisition of Amylin we are building a strong foundation for success."