

Bristol-Myers Squibb and KAI Pharmaceuticals Enter Global Alliance to Develop and Commercialize KAI-9803 for Cardiovascular Disease

First-in-Class Compound Designed to Improve Clinical Outcomes During Treatment of a Heart Attack

Princeton, NJ, and South San Francisco, CA – May 13, 2008 – Bristol-Myers Squibb Company (NYSE:BMJ) and KAI Pharmaceuticals, Inc., a privately held biotechnology company, today announced an exclusive agreement for the global development and commercialization of KAI-9803, KAI's proprietary, first-in-class inhibitor of the delta protein kinase C pathway (delta PKC).

KAI-9803 is designed to reduce the size of the heart attack and to improve clinical outcomes during treatment of acute myocardial infarction (AMI). KAI-9803 is expected to enter Phase 2b clinical testing by the end of 2008 in patients with ST elevation myocardial infarction (STEMI).

Under the terms of the collaboration, KAI will receive an upfront cash payment of \$25 million. Bristol-Myers Squibb will fund all future development, including the Phase 2b clinical trial to be conducted by KAI. In addition, at KAI's option, Bristol-Myers Squibb will purchase \$10 million of KAI stock at the time of a qualified initial public offering, or under other specified future conditions. KAI may receive from Bristol-Myers Squibb up to \$192 million in milestone payments based on the achievement of pre-specified development and regulatory milestones for KAI-9803. KAI could be eligible for additional milestones if other compounds are developed. KAI will have an option to co-promote KAI-9803 in the United States and will receive royalty payments on product net sales worldwide. The closing of the transaction is subject to customary regulatory approvals.

“Bristol-Myers Squibb has deep expertise in helping patients in their battle against cardiovascular disease,” said Brian Daniels, M.D., Senior Vice President, Global Development & Medical Affairs. “KAI-9803 provides us with the opportunity to develop and market a truly innovative therapy that leverages our core capabilities in this area of high unmet medical need. This licensing agreement is an example of our company's strategy to integrate external innovation that enriches our pipeline and contributes to our transformation to a next-generation biopharma leader.”

KAI CEO, Steven James, commented, “This is a major milestone for KAI-9803, our most advanced of three clinical programs, and a strategically important collaboration for KAI. Bristol-Myers Squibb is a great partner for us with its impressive history of developing and commercializing breakthrough medicines in cardiovascular disease. We believe this deal is testimony to the value and potential of KAI-9803 and our broad proprietary technology around protein kinase C modulation.”

About KAI-9803

KAI-9803 is an isozyme-selective inhibitor of the delta protein kinase C pathway designed to reduce the size of the heart attack and to improve clinical outcomes during treatment of acute myocardial infarction (AMI). During a heart attack, blood flow to the heart is compromised resulting in myocardial and endothelial cell necrosis and apoptosis. Selective inhibition of the delta PKC isozyme by KAI-9803 may reduce the injury to myocardial and endothelial cells during a heart attack and reduce the risk of death or heart failure. KAI-9803 has received Fast Track designation from the FDA for this indication.

In KAI's Phase 1/2 clinical study in patients undergoing balloon angioplasty for the treatment of acute myocardial infarction, patients receiving intracoronary injections of KAI-9803 experienced less damage to heart muscle compared to patients receiving a placebo. KAI has also demonstrated the feasibility of administering KAI-9803 intravenously in both preclinical and clinical studies. The Company intends to begin enrolling patients with ST segment elevation myocardial infarction in a Phase 2b clinical trial of KAI-9803 administered by intravenous infusion in late 2008.

About KAI Pharmaceuticals

KAI Pharmaceuticals is a privately held, venture-backed drug discovery and development company with clinical-stage programs addressing significant and unmet patient needs in cardiovascular disease, metabolic bone disease and pain. The company has applied its core expertise in the biology of protein kinase C (PKC) to discover highly potent and selective inhibitors and activators for validated PKC isozymes. KAI is based in South San Francisco, California, and can be found online at www.kaipharma.com.

About Bristol-Myers Squibb

Bristol-Myers Squibb is a global biopharmaceutical company whose mission is to extend and enhance human life. For more information visit www.bms.com

This press release contains "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995, regarding the research, development and commercialization of pharmaceutical products. Such forward-looking statements are based on current expectations and involve inherent risks and uncertainties, including factors that could delay, divert or change any of them, and could cause actual outcomes and results to differ materially from current expectations. No forward-looking statement can be guaranteed. Among other risks, there can be no guarantee that the clinical trials will begin on the timeframe described in this release, that the clinical studies described in this release will support a regulatory filing or that the product will receive regulatory approval. There can be no assurance that if approved, the product described in this release will be commercially successful. Nor is there any assurance that the transaction described in this release will receive the necessary regulatory approvals to close.

Forward-looking statements in the press release should be evaluated together with the many uncertainties that affect Bristol-Myers Squibb's business, particularly those identified in the cautionary factors discussion in Bristol-Myers Squibb's Annual Report on Form 10-K for the year ended December 31, 2007, its Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. Bristol-Myers Squibb undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise.

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