

Amgen Inc.
Condensed Consolidated Statements of Income and
Reconciliation of GAAP Earnings to "Adjusted" Earnings
(In millions, except per share data)
(Unaudited)

	Three Months Ended March 31, 2010			Three Months Ended March 31, 2009		
	GAAP	Adjustments	"Adjusted"	GAAP	Adjustments	"Adjusted"
Revenues:						
Product sales.....	\$ 3,528	\$ -	\$ 3,528	\$ 3,238	\$ -	\$ 3,238
Other revenues.....	64	-	64	70	-	70
Total revenues.....	<u>3,592</u>	<u>-</u>	<u>3,592</u>	<u>3,308</u>	<u>-</u>	<u>3,308</u>
Operating expenses:						
Cost of sales (excludes amortization of certain acquired intangible assets presented below).....	508	(4) (a)	504	477	(3) (a)	474
Research and development.....	646	(12) (a)	617	633	(11) (a)	605
		(17) (b)			(17) (b)	
Selling, general and administrative.....	884	(11) (a)	873	798	(10) (a)	774
		(14) (e)			(14) (e)	
Amortization of certain acquired intangible assets.....	74	(74) (c)	-	74	(74) (c)	-
Other charges.....	(1)	1 (d)	-	5	(5) (e)	-
Total operating expenses.....	<u>2,111</u>	<u>(117)</u>	<u>1,994</u>	<u>1,987</u>	<u>(134)</u>	<u>1,853</u>
Operating income.....	1,481	117	1,598	1,321	134	1,455
Interest expense, net.....	145	(65) (f)	80	147	(61) (f)	86
Interest and other income, net.....	84	-	84	58	-	58
Income before income taxes.....	1,420	182	1,602	1,232	195	1,427
Provision for income taxes.....	253	67 (g)	320	213	69 (h)	307
		25 (i)			25 (i)	
Net income.....	<u>\$ 1,167</u>	<u>\$ 115</u>	<u>\$ 1,282</u>	<u>\$ 1,019</u>	<u>\$ 101</u>	<u>\$ 1,120</u>
Earnings per share:						
Basic.....	\$ 1.19		\$ 1.31	\$ 0.99		\$ 1.09
Diluted (j).....	\$ 1.18		\$ 1.30 (a)	\$ 0.98		\$ 1.08 (a)
Average shares used in calculation of earnings per share:						
Basic.....	982		982	1,032		1,032
Diluted (j).....	988		988 (a)	1,037		1,037 (a)

(a) - (j) See explanatory notes on the following pages.

Amgen Inc.

Notes to Reconciliation of GAAP Earnings to "Adjusted" Earnings

(In millions, except per share data)

(Unaudited)

- (a) To exclude stock option expense. For the three months ended March 31, 2010 and 2009, the total pre-tax expense for employee stock options was \$27 million and \$24 million, respectively.

"Adjusted" diluted EPS including the impact of stock option expense for the three months ended March 31, 2010 and 2009 was as follows:

	Three months ended March 31,	
	2010	2009
"Adjusted" diluted EPS, excluding stock option expense.....	\$ 1.30	\$ 1.08
Impact of stock option expense (net of tax).....	<u>(0.02)</u>	<u>(0.01)</u>
"Adjusted" diluted EPS, including stock option expense.....	<u>\$ 1.28</u>	<u>\$ 1.07</u>

- (b) To exclude the ongoing, non-cash amortization of the R&D technology intangible assets with alternative future uses acquired with the acquisitions of Abgenix, Inc. ("Abgenix") and Avidia, Inc. ("Avidia").
- (c) To exclude the ongoing, non-cash amortization of acquired product technology rights, primarily ENBREL, related to the Immunex Corporation ("Immunex") acquisition.
- (d) To exclude the net benefit arising from legal settlements.
- (e) To exclude the expenses associated with our restructuring plan announced in August 2007 and certain additional cost savings initiatives subsequently identified.
- (f) To exclude the incremental non-cash interest expense resulting from a change in the accounting for our convertible notes effective January 1, 2009.
- (g) To reflect the tax effect of the above adjustments for 2010.
- (h) To reflect the tax effect of the above adjustments for 2009.
- (i) To exclude the net tax benefit resulting from adjustments to previously established deferred taxes, primarily related to prior acquisitions and stock option expense, due to changes in California tax law effective for future periods.
- (j) The following table presents the computations for GAAP and "Adjusted" diluted earnings per share, computed under the treasury stock method. "Adjusted" earnings per share presented below excludes stock option expense:

	Three months ended March 31, 2010		Three months ended March 31, 2009	
	GAAP	"Adjusted"	GAAP	"Adjusted"
Income (Numerator):				
Net income for basic and diluted EPS.....	\$ 1,167	\$ 1,282	\$ 1,019	\$ 1,120
Shares (Denominator):				
Weighted-average shares for basic EPS.....	982	982	1,032	1,032
Effect of dilutive securities.....	<u>6</u>	<u>6 (*)</u>	<u>5</u>	<u>5 (*)</u>
Weighted-average shares for diluted EPS.....	<u>988</u>	<u>988</u>	<u>1,037</u>	<u>1,037</u>
Diluted earnings per share.....	<u>\$ 1.18</u>	<u>\$ 1.30</u>	<u>\$ 0.98</u>	<u>\$ 1.08</u>

- (*) Dilutive securities used to compute "Adjusted" diluted earnings per share for the three months ended March 31, 2010 and 2009 were computed under the treasury stock method assuming that we do not expense stock options.

Amgen Inc.
Product Sales Detail by Product and Geographic Region
(In millions)
(Unaudited)

	Three months ended	
	March 31,	
	2010	2009
Aranesp [®] - U.S.	\$ 268	\$ 292
Aranesp [®] - International.....	359	334
EPOGEN [®] - U.S.....	623	565
Neulasta [®] - U.S.	637	594
NEUPOGEN [®] - U.S.	225	202
Neulasta [®] - International.....	226	183
NEUPOGEN [®] - International.....	91	94
Enbrel [®] - U.S.	754	712
Enbrel [®] - Canada	50	46
Sensipar [®] - U.S.	117	99
Sensipar [®] - International.....	62	49
Vectibix [®] - U.S.	25	25
Vectibix [®] - International.....	42	28
Nplate [®] - U.S.	28	13
Nplate [®] - International.....	<u>21</u>	<u>2</u>
Total product sales	<u>\$ 3,528</u>	<u>\$ 3,238</u>
U.S.	\$ 2,677	\$ 2,502
International.....	<u>851 (a)</u>	<u>736</u>
Total product sales.....	<u>\$ 3,528 (a)</u>	<u>\$ 3,238</u>

(a) The change in international product sales for the three months ended March 31, 2010 was positively impacted by \$39 million due to favorable movements in foreign currency exchange rates (including \$16 million for Aranesp[®], \$16 million for Neulasta[®]/NEUPOGEN[®], \$3 million for ENBREL, \$2 million for Sensipar[®], \$1 million for Vectibix[®] and \$1 million for Nplate[®]).

Amgen Inc.
Condensed Consolidated Balance Sheets - GAAP
(In millions)
(Unaudited)

	<u>March 31,</u> <u>2010</u>	<u>December 31,</u> <u>2009</u>
Assets		
Current assets:		
Cash, cash equivalents and marketable securities.....	\$ 14,117	\$ 13,442
Trade receivables, net.....	2,271	2,109
Inventories.....	2,202	2,220
Other current assets.....	1,219	1,161
Total current assets.....	<u>19,809</u>	<u>18,932</u>
Property, plant and equipment, net.....	5,619	5,738
Intangible assets, net.....	2,462	2,567
Goodwill.....	11,335	11,335
Other assets.....	1,141	1,057
Total assets.....	<u>\$ 40,366</u>	<u>\$ 39,629</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities.....	\$ 4,184	\$ 3,873
Current portion of convertible notes.....	2,378	-
Total current liabilities.....	<u>6,562</u>	<u>3,873</u>
Convertible notes.....	2,201	4,512
Other long-term debt.....	7,085	6,089
Other non-current liabilities.....	2,179	2,488
Stockholders' equity.....	<u>22,339</u>	<u>22,667</u>
Total liabilities and stockholders' equity.....	<u>\$ 40,366</u>	<u>\$ 39,629</u>
Shares outstanding.....	966	995

Amgen Inc.
Reconciliation of GAAP Debt Outstanding to "Adjusted" Debt Outstanding
(In billions)
(Unaudited)

	March 31, 2010			March 31, 2009		
	<u>GAAP</u>	<u>Adjustments for accounting standard</u>	<u>"Adjusted"</u>	<u>GAAP</u>	<u>Adjustments for accounting standard</u>	<u>"Adjusted"</u>
Total debt outstanding.....	\$ 11.7	\$ 0.5 (a)	\$ 12.2	\$ 11.4	\$ 0.8 (a)	\$ 12.2

(a) To exclude the impact of adopting an accounting standard on January 1, 2009 that changed the method of accounting for our convertible notes.

Amgen Inc.
Reconciliation of GAAP Stockholders' equity to Stockholders' equity as adjusted for the new accounting standard
(In billions)
(Unaudited)

	March 31, 2010			March 31, 2009		
	<u>GAAP</u>	<u>Adjustments for accounting standard</u>	<u>"Adjusted"</u>	<u>GAAP</u>	<u>Adjustments for accounting standard</u>	<u>"Adjusted"</u>
Stockholders' equity.....	\$ 22.3	\$ (0.3) (a)	\$ 22.0	\$ 20.0	\$ (0.5) (a)	\$ 19.5

(a) To exclude the impact of adopting an accounting standard on January 1, 2009 that changed the method of accounting for our convertible notes.

Amgen Inc.
Reconciliation of GAAP Earnings Per Share Guidance to "Adjusted"
Earnings Per Share Guidance for the Year Ending December 31, 2010
(Unaudited)

The following table shows a reconciliation of GAAP earnings per share (diluted) guidance to "Adjusted" earnings per share (diluted) guidance. On April 21, 2010, the Company announced "Adjusted" earnings per share guidance, including an anticipated impact of \$200 million to \$250 million due to U.S. Health Care Reform, now expected towards lower end of current guidance range of \$5.05-\$5.25.

	<u>2010</u>
GAAP earnings per share (diluted) guidance	\$ 4.56 - \$ 4.78
Known adjustments to arrive at "Adjusted" earnings*:	
Amortization of acquired intangible assets, product technology rights..... (a)	0.19
Incremental non-cash interest expense..... (b)	0.17
Stock option expense..... (c)	0.06 - 0.08
Amortization of acquired intangible assets, R&D technology rights..... (d)	<u>0.05</u>
"Adjusted" earnings per share (diluted) guidance	<u>\$ 5.05 - \$ 5.25</u>

* The known adjustments are presented net of their related aggregate tax impact of approximately \$0.27 to \$0.28 per share.

- (a) To exclude the ongoing, non-cash amortization of acquired product technology rights, primarily ENBREL, related to the Immunex acquisition.
- (b) To exclude the incremental non-cash interest expense resulting from a change in accounting in January 2009 related to our convertible debt.
- (c) To exclude stock option expense.
- (d) To exclude the ongoing, non-cash amortization of the R&D technology intangible assets acquired with the Abgenix and Avidia acquisitions.

Amgen Inc.
Reconciliation of GAAP Tax Rate Guidance to "Adjusted"
Tax Rate Guidance for the Year Ending December 31, 2010
(Unaudited)

	<u>2010</u>
GAAP tax rate guidance	17.7% - 19.0%
Tax rate effect of known adjustments discussed above.....	<u>2.0% - 2.3%</u>
"Adjusted" tax rate guidance	<u>20.0% - 21.0%</u>