Investor Insights Newsletter

Corporate Profile:

- Amgen discovers, develops, manufactures, and delivers innovative human therapeutics. A biotechnology pioneer since 1980, Amgen was one of the first companies to realize the new science's promise by bringing safe, effective medicines from lab to manufacturing plant to patient. Amgen therapeutics have changed the practice of medicine, helping people around the world in the fight against serious illnesses. With a deep and broad pipeline of potential new medicines, Amgen remains committed to advancing science to dramatically improve people's lives.

Q1 2018 Financial Highlights:

- Total revenues increased 2 percent versus the first quarter of 2017 to $5.6 billion.
- Non-GAAP EPS increased 10 percent to $3.47 driven by higher product sales, a lower tax rate and lower weighted-average shares outstanding.
- Non-GAAP operating income increased 1 percent to $3.0 billion and non-GAAP operating margin decreased 0.7 percentage points to 56.9 percent.
- 2018 non-GAAP EPS guidance revised to $12.80-$13.70;
  Total revenues guidance revised to $21.9-$22.8 billion.*
- The Company generated $2.6 billion of free cash flow in the first quarter of 2018.

$Millions, except EPS and percentages	Q1'18	Q1'17	YOY Δ
Total Revenues	$ 5,554	$ 5,464	2%
GAAP Operating Income	$ 2,726	$ 2,591	5%
GAAP Net Income	$ 2,311	$ 2,071	12%
GAAP Earnings Per Share	$ 3.25	$ 2.79	16%
Non-GAAP Operating Income	$ 3,038	$ 2,995	1%
Non-GAAP Net Income	$ 2,466	$ 2,333	6%
Non-GAAP EPS	$ 3.47	$ 3.15	10%

References in this document to "non-GAAP" measures, measures presented "on a non-GAAP basis" and to "free cash flow" (computed by subtracting capital expenditures from operating cash flow) refer to non-GAAP financial measures. Adjustments to the most directly comparable GAAP financial measures and other items are presented on the attached reconciliations.
** Guidance as of April 24, 2018, and is not being updated at this time.*

MESSAGE FROM BOB BRADWAY, CEO

Amgen is off to a solid start in 2018 with 3% growth in product sales leading us to 10% growth in non-GAAP earnings per share. We had double-digit unit growth in all of our new and recently launched products including Repatha® (evolocumab), KYPROLIS®(carfilzomib), Prolia® (denosumab) and XGEVA® (denosumab). We also generated strong volume growth outside the U.S. where our legacy brands have faced competition for some time.

We are looking forward to launching Aimovig™ (erenumab), our first neuroscience therapeutic which is a first-in-class Calcitonin Gene-Related Peptide (CGRP) antibody for the prevention of migraine in adult patients.

Later this year, we will see our biosimilar efforts begin to come to fruition as we launch AMGEVITA™ (our biosimilar to Humira®) internationally. We have a compelling opportunity to leverage our decades of biotechnology experience to create and reliably supply high-quality biosimilars to patients worldwide. While gaining regulatory approval of biosimilars has proven challenging for many in the field, we have successfully executed on our plans, receiving first-cycle approvals for AMGEVITA™ and MVASI™ (our biosimilar to Avastin®). Our next opportunity for approval is with KANJINTI™ (our biosimilar to Herceptin®) on May 28th in the U.S.

We have a strong track record of returning capital to our shareholders. Since initiating the dividend 7 years ago, we have raised it, on average, 25% a year while also returning excess capital through share buybacks.

As I look to the business today and into the future, our outlook remains strong as we continue to deliver for patients and shareholders.

AMGEN MISSION

To serve patients

AMGEN QUICK FACTS

Headquarters

Thousand Oaks, California

Staff

Approximately 20,800 worldwide

Stock Listing

NASDAQ: AMGN

Chairman, CEO and President

Robert A. Bradway

2017 Financial Highlights

Total revenue: $22.8 billion

Product sales: $21.8 billion

Non-GAAP R&D expense: $3.5 billion

AMGEN PRODUCTS

Aranesp® (darbepoetin alfa)
BLINCYTO® (blinatumomab)
Corlanor® (ivabradine)
Enbrel® (etanercept)
EPOGEN® (epoetin alfa)
IMLYGIC® (talimogene laherparepvec)
KYPROLIS® (carfilzomib)
Neulasta® (pegfilgrastim)
NEUPOGEN® (filgrastim)
Nplate® (romiplostim)
Parsabiv™ (etelcalcetide)
Prolia® (denosumab)
Repatha® (evolocumab)
Sensipar® (cinacalcet)
Vectibix® (panitumumab)
XGEVA® (denosumab)

For product information, including important safety information, visit www.amgen.com.

QUESTIONS?

CONTACT US

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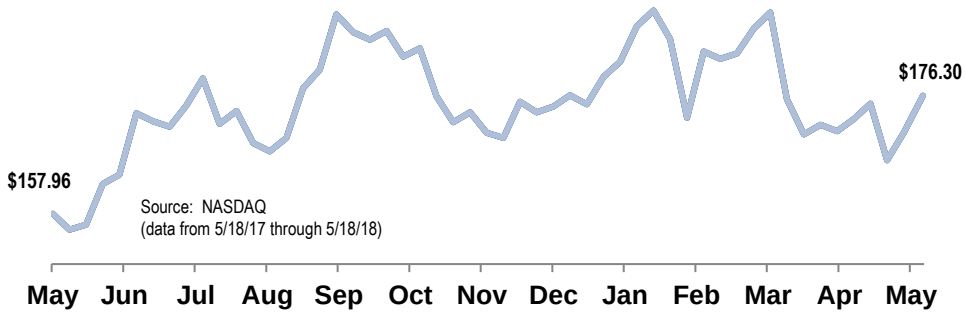
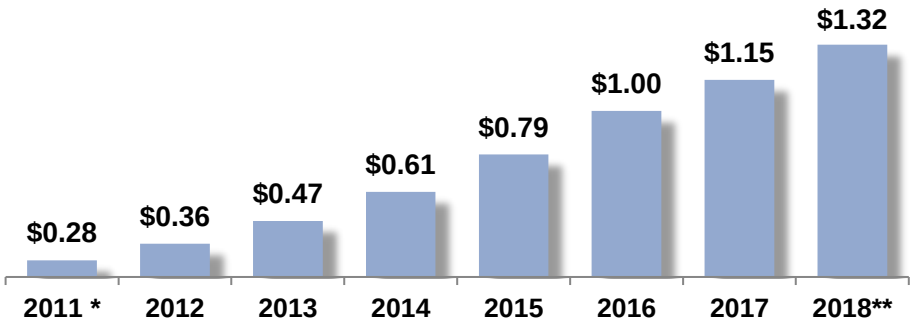
Stock Price Performance (Last 12 Months)



Quarterly Per Share Dividend History



* Dividend initiated in September 2011
** Represents Q1 paid and Q2 dividend payable on June 8, 2018

Key Quarterly News:

Amgen Announces Rhode Island Will Be Location of First U.S. Next-Generation Biomanufacturing Plant

- The new revolutionary and innovative plant, the first of its kind in the United States (U.S.), will employ Amgen's proven next-generation biomanufacturing capabilities and manufacture products for the U.S. and global markets.
- A next-generation biomanufacturing plant incorporates multiple innovative technologies into a single facility, and therefore is built in half the construction time with approximately one half of the operating cost of a traditional plant. Next-generation biomanufacturing plants require a smaller manufacturing footprint and offer greater environmental benefits, including reduced consumption of water and energy and lower levels of carbon emissions.
- "Amgen has three decades of experience in biologics manufacturing, and we are proud of our track record of providing a reliable supply of high-quality medicines for patients around the world," said Esteban Santos, executive vice-president of Operations at Amgen. "We are pleased to build the first commercial scale, next-generation biomanufacturing plant in the U.S., leveraging Amgen's capabilities and incorporating the latest technologies."
- A comprehensive evaluation of global locations was conducted to select the location. Following recent U.S. federal tax reform, which provides company incentives to invest in innovation and advanced technologies, Amgen made the decision to locate the new plant in the United States. Rhode Island was selected based on the historical success of the Amgen West Greenwich manufacturing facility, its capabilities and talented workforce, and quality of living for staff and potential to grow.

Non-GAAP Financial Measures

Management has presented its operating results for the first quarters of 2018 and 2017 and full year 2017 in accordance with U.S. Generally Accepted Accounting Principles (GAAP) and on a non-GAAP basis. In addition, management has presented its full year 2018 EPS guidance on a non-GAAP basis. These non-GAAP financial measures are computed by excluding certain items related to acquisitions, restructuring and certain other items from the related GAAP financial measures. Reconciliations for these non-GAAP financial measures to the most directly comparable GAAP financial measures are attached. Management has also presented Free Cash Flow (FCF), which is a non-GAAP financial measure, for the first quarter of 2018. FCF is computed by subtracting capital expenditures from operating cash flow, each as determined in accordance with GAAP.

The Company believes that its presentation of non-GAAP financial measures provides useful supplementary information to and facilitates additional analysis by investors. The Company uses certain non-GAAP financial measures to enhance an investor's overall understanding of the financial performance and prospects for the future of the Company's ongoing business activities by facilitating comparisons of results of ongoing business operations among current, past and future periods. The Company believes that FCF provides a further measure of the Company's liquidity.

The Company uses the non-GAAP financial measures set forth in this document in connection with its own budgeting and financial planning internally to evaluate the performance of the business, including to allocate resources and to evaluate results relative to incentive compensation targets. The non-GAAP financial measures are in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

Forward-Looking Statements

This document contains forward-looking statements that are based on the current expectations and beliefs of Amgen. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements, including estimates of revenues, operating margins, capital expenditures, cash, other financial metrics, expected legal, arbitration, political, regulatory or clinical results or practices, customer and prescriber patterns or practices, reimbursement activities and outcomes and other such estimates and results. Forward-looking statements involve significant risks and uncertainties, including those discussed below and more fully described in the Securities and Exchange Commission reports filed by Amgen, including our most recent annual report on Form 10-K and any subsequent periodic reports on Form 10-Q and Form 8-K. Unless otherwise noted, Amgen is providing this information as of the date of this document and does not undertake any obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.

No forward-looking statement can be guaranteed and actual results may differ materially from those we project. Our results may be affected by our ability to successfully market both new and existing products domestically and internationally, clinical and regulatory developments involving current and future products, sales growth of recently launched products, competition from other products including biosimilars, difficulties or delays in manufacturing our products and global economic conditions. In addition, sales of our products are affected by pricing pressure, political and public scrutiny and reimbursement policies imposed by third-party payers, including governments, private insurance plans and managed care providers and may be affected by regulatory, clinical and guideline developments and domestic and international trends toward managed care and healthcare cost containment. Furthermore, our research, testing, pricing, marketing and other operations are subject to extensive regulation by domestic and foreign government regulatory authorities. We or others could identify safety, side effects or manufacturing problems with our products, including our devices, after they are on the market. Our business may be impacted by government investigations, litigation and product liability claims. In addition, our business may be impacted by the adoption of new tax legislation or exposure to additional tax liabilities. If we fail to meet the compliance obligations in the corporate integrity agreement between us and the U.S. government, we could become subject to significant sanctions. Further, while we routinely obtain patents for our products and technology, the protection offered by our patents and patent applications may be challenged, invalidated or circumvented by our competitors, or we may fail to prevail in present and future intellectual property litigation. We perform a substantial amount of our commercial manufacturing activities at a few key facilities, including in Puerto Rico, and also depend on third parties for a portion of our manufacturing activities, and limits on supply may constrain sales of certain of our current products and product candidate development. In addition, we compete with other companies with respect to many of our marketed products as well as for the discovery and development of new products. Discovery or identification of new product candidates cannot be guaranteed and movement from concept to product is uncertain; consequently, there can be no guarantee that any particular product candidate will be successful and become a commercial product. Further, some raw materials, medical devices and component parts for our products are supplied by sole third-party suppliers. Certain of our distributors, customers and payers have substantial purchasing leverage in their dealings with us. The discovery of significant problems with a product similar to one of our products that implicate an entire class of products could have a material adverse effect on sales of the affected products and on our business and results of operations. Our efforts to acquire other companies or products and to integrate the operations of companies we have acquired may not be successful. A breakdown, cyberattack or information security breach could compromise the confidentiality, integrity and availability of our systems and our data. Our stock price is volatile and may be affected by a number of events. Our business performance could affect or limit the ability of our Board of Directors to declare a dividend or our ability to pay a dividend or repurchase our common stock. We may not be able to access the capital and credit markets on terms that are favorable to us, or at all.

Amgen Inc.
Reconciliation of GAAP EPS Guidance to Non-GAAP
EPS Guidance for the Year Ending December 31, 2018
(Unaudited)

GAAP diluted EPS guidance	$	11.30	-	$	12.28
Known adjustments to arrive at non-GAAP*:					
Acquisition-related expenses (a)			1.42		
Restructuring charges		0.03	-		0.11
Tax adjustments (b)			(0.03)		
Non-GAAP diluted EPS guidance	$	12.80	-	$	13.70

* The known adjustments are presented net of their related tax impact, which amount to approximately $0.40 per share, in the aggregate.

(a) The adjustments relate primarily to non-cash amortization of intangible assets acquired in business combinations.

(b) The adjustments relate primarily to certain acquisition items and prior period items excluded from GAAP earnings.

Our GAAP diluted EPS guidance does not include the effect of GAAP adjustments triggered by events that may occur subsequent to this press release such as acquisitions, asset impairments, litigation and changes in the fair value of our contingent consideration.

Amgen Inc.
GAAP to Non-GAAP Reconciliations
(Dollars in millions)
(Unaudited)

	Three months ended March 31,		Year ended December 31,
	2018	2017	2017
GAAP research and development expenses			$ 3,562
Adjustments to research and development expenses:			
Acquisition-related expenses **(a)**			(77)
Certain net charges pursuant to our restructuring initiative			(3)
Total adjustments to research and development expenses			(80)
Non-GAAP research and development expenses			$ 3,482
GAAP operating income	$ 2,726	$ 2,591	
Adjustments to operating expenses:			
Acquisition-related expenses **(a)**	308	365	
Certain net charges pursuant to our restructuring initiative **(b)**	4	39	
Total adjustments to operating expenses	312	404	
Non-GAAP operating income	$ 3,038	$ 2,995	
GAAP operating income as a percentage of product sales	51.0%	49.8%	
Impact of total adjustments to operating income	5.9	7.8	
Non-GAAP operating income as a percentage of product sales	56.9%	57.6%	
GAAP net income	$ 2,311	$ 2,071	
Adjustments to net income:			
Adjustments to operating expenses	312	404	
Adjustments to other income **(c)**	(75)	-	
Income tax effect of the adjustments to operating expenses **(d)**	(64)	(119)	
Other income tax adjustments **(e)**	(18)	(23)	
Total adjustments to net income	155	262	
Non-GAAP net income	$ 2,466	$ 2,333	

Amgen Inc.
GAAP to Non-GAAP Reconciliations
(In millions, except per share data)
(Unaudited)

The following table presents the computations for GAAP and non-GAAP diluted EPS.

	Three months ended March 31, 2018		Three months ended March 31, 2017	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Net income	$ 2,311	$ 2,466	$ 2,071	$ 2,333
Weighted-average shares for diluted EPS	711	711	741	741
Diluted earnings per share	$ 3.25	$ 3.47	$ 2.79	$ 3.15

(a) The adjustments related primarily to non-cash amortization of intangible assets acquired in business combinations.

(b) For the three months ended March 31, 2017, the adjustment related primarily to severance expenses associated with our restructuring initiative.

(c) For the three months ended March 31, 2018, the adjustment related to the net gain associated with the Kirin-Amgen share acquisition.

(d) The tax effect of the adjustments between our GAAP and non-GAAP results takes into account the tax treatment and related tax rate(s) that apply to each adjustment in the applicable tax jurisdiction(s). Generally, this results in a tax impact at the U.S. marginal tax rate for certain adjustments, including the majority of amortization of intangible assets, whereas the tax impact of other adjustments, including restructuring expense, depends on whether the amounts are deductible in the respective tax jurisdictions and the applicable tax rate(s) in those jurisdictions.

(e) The adjustments related primarily to certain acquisition items and prior period items excluded from GAAP earnings.

Amgen Inc.
Reconciliations of Cash Flows
(In millions)
(Unaudited)

	Three months ended March 31,	
	2018	2017
Net cash provided by operating activities	$ 2,727	$ 2,385
Net cash provided by (used in) investing activities	14,906	(157)
Net cash used in financing activities	(11,692)	(2,111)
Increase in cash and cash equivalents	5,941	117
Cash and cash equivalents at beginning of period	3,800	3,241
Cash and cash equivalents at end of period	$ 9,741	$ 3,358

	Three months ended March 31,	
	2018	2017
Net cash provided by operating activities	$ 2,727	$ 2,385
Capital expenditures	(155)	(168)
Free cash flow	$ 2,572	$ 2,217