

Amgen Inc.

**Reconciliation of GAAP Earnings Per Share to "Adjusted" Earnings Per Share
(Unaudited)**

<u>Results for the years ended December 31,</u>	<u>2010</u>	<u>2009</u>
GAAP earnings per share (diluted)	\$ 4.79	\$ 4.51
Adjustments to GAAP earnings per share*:		
Amortization of acquired intangible assets, product technology rights.....	0.19 (a)	0.18 (a)
Incremental non-cash interest expense.....	0.17 (b)	0.15 (b)
Tax settlement.....	(0.15) (c)	(0.09) (c)
Stock option expense.....	0.09 (d)	0.08 (d)
Asset impairment charge.....	0.08 (e)	-
Amortization of acquired intangible assets, research and development (R&D) technology rights.....	0.05 (f)	0.04 (f)
Tax benefit resulting from prior-period charges.....	(0.01) (g)	(0.02) (g)
Restructuring and related costs.....	-	0.05 (h)
Legal settlements.....	-	0.03 (i)
California tax law change.....	-	(0.02) (j)
"Adjusted" earnings per share (diluted)	\$ 5.21	\$ 4.91

Notes:

* The following adjustments are presented net of their related per share tax impact of \$0.33 and \$0.29 for 2010 and 2009, respectively.

- (a) To exclude the ongoing, non-cash amortization of acquired product technology rights, primarily ENBREL, related to the Immunex Corporation acquisition in 2002.
- (b) To exclude the incremental non-cash interest expense resulting from a change in the accounting for our convertible notes effective January 1, 2009.
- (c) To exclude the net tax benefit recognized as the result of resolving certain transfer pricing issues with tax authorities for prior periods.
- (d) To exclude stock option expense.
- (e) To exclude an asset impairment charge associated with the transaction announced in January 2011 involving our manufacturing operation in Fremont, California.
- (f) To exclude the ongoing, non-cash amortization of the R&D technology intangible assets acquired with alternative future uses with the 2006 acquisitions of Abgenix, Inc. and Avidia, Inc.
- (g) To exclude the tax benefit related principally to certain prior-period charges excluded from "Adjusted" earnings.
- (h) To exclude restructuring and related cost savings initiative charges.
- (i) To exclude loss accruals for legal settlements.
- (j) To exclude the net tax benefit resulting from adjustments to previously established deferred taxes, related primarily to prior acquisitions and stock option expense, due to changes in California tax law effective in 2011.

Amgen Inc.**Forward-Looking Non-GAAP Financial Measures**

Management has presented herein certain forward-looking statements about the Company's future financial performance that include non-GAAP (or "as-adjusted") financial measures, including Adjusted Net Income, Adjusted EPS and Adjusted R&D expense. These non-GAAP financial measures are derived by excluding certain amounts, expenses or income, from the corresponding financial measures determined in accordance with GAAP. The determination of the amounts that are excluded from these non-GAAP financial measures is a matter of management judgment and depends upon, among other factors, the nature of the underlying expense or income amounts recognized in a given period. We are unable to present a quantitative reconciliation of the aforementioned forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures because management cannot reliably predict all of the necessary components of such GAAP measures. Historically, management has excluded the following items from certain of these non-GAAP measures, and such items may also be excluded in future periods and could be significant amounts.

- Expenses related to the acquisition of other businesses, including amortization and / or impairment of acquired intangible assets, integration costs, severance and retention costs and transaction costs;
- The impact of certain accounting changes, including accounting for stock options and certain convertible debt;
- Charges associated with restructuring and cost saving initiatives, including but not limited to asset impairments, accelerated depreciation, severance costs and lease abandonment charges;
- Asset impairment charges and inventory write-offs;
- Legal settlements or awards;
- The tax effect of the above items; and
- Non-routine settlements with tax authorities.

In addition, the following supplemental information is provided with respect to the method of computing certain other forward-looking non-GAAP financial measures reflected herein.

- Free Cash Flow (FCF)

- FCF is computed by subtracting capital expenditures from cash flow from operations, each as determined in accordance with GAAP and as reflected in the statement of cash flows.