AMGEN®

Pioneering science delivers vital medicines™

Q4 ’14 Earnings Call

January 27, 2015

Safe Harbor Statement

This presentation contains forward-looking statements that are based on management's current expectations and beliefs and are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those described. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements, including statements about 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 (SEC) reports filed by Amgen, including Amgen's most recent annual report on Form 10-K and any subsequent periodic reports on Form 10-Q and Form 8-K. Please refer to Amgen's most recent Forms 10-K, 10-Q and 8-K for additional information on the uncertainties and risk factors related to our business. Unless otherwise noted, Amgen is providing this information as of January 27, 2015 and expressly disclaims any duty to update information contained in this presentation.

No forward-looking statement can be guaranteed and actual results may differ materially from those we project. The Company's results may be affected by our ability to successfully market both new and existing products domestically and internationally, clinical and regulatory developments (domestic or foreign) involving current and future products, sales growth of recently launched products, competition from other products (domestic or foreign) and difficulties or delays in manufacturing our products. In addition, sales of our products are affected by 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 as well as U.S. legislation affecting pharmaceutical pricing and reimbursement. Government and others' regulations and reimbursement policies may affect the development, usage and pricing of our products. 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 after they are on the market. Our business may be impacted by government investigations, litigation and products liability claims. 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. We depend on third parties for a significant portion of our manufacturing capacity for the supply of certain of our current and future products 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 some 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. Our efforts to integrate the operations of companies we have acquired may not be successful. Cost saving initiatives may result in us incurring impairment or other related charges on our assets. We may experience difficulties, delays or unexpected costs and not achieve anticipated benefits and savings from our recently announced restructuring plans. 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.

This presentation includes GAAP and non-GAAP financial measures. In accordance with the requirements of SEC Regulation G, reconciliations between these two measures, if these slides are in hard copy, accompany the hard copy presentation or, if these slides are delivered electronically, are available on the Company's website at www.amgen.com within the Investors section.

Agenda

Introduction	Arvind Sood
Opening Remarks	Bob Bradway
Q4 ’14 and FY ’14 Business Results	David Meline
Global Commercial Review	Tony Hooper
R&D Review	Sean Harper
Q&A	All

Delivered Results In 2014

- **Reported strong revenue and adjusted earnings growth*, with significant adjusted operating margin* improvement throughout 2014**
- **Paved the way for a new product cycle: positive pivotal data for six programs, four innovative molecule submissions (two received FDA priority review), and two approvals**
- **Initiated transformation of our business from a position of strength**
- **Delivered ~ $800M of earnings growth from Enbrel®**
- **Increased dividend 30%**
- **Reinitiated share repurchases**

***Non-GAAP financial measure—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section**

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Q4 ’14 Adjusted Income Statement

$ Millions, Except Adjusted EPS

Item	Q4 ’14	Q4 ’13	B/(W) %
Revenue	$5,331	$5,011	6%
Product Sales	$5,174	$4,799	8%
Other Revenues	$157	$212	
Operating Expenses	$3,298	$3,244	(2%)
Cost of Sales *% of product sales*	$825 *15.9%*	$770 *16.0%*	
R&D *% of product sales*	$1,168 *22.6%*	$1,168 *24.3%*	
SG&A *% of product sales*	$1,305 *25.2%*	$1,306 *27.2%*	
Operating Income *% of product sales*	$2,033 *39.3%*	$1,767 *36.8%*	15%
Other Income/(Expense)	($173)	($173)	
Net Income	$1,670	$1,391	20%
Adjusted EPS	$2.16	$1.82	19%
Average Shares	772	766	(1%)
Tax Rate	10.2%	12.7%	2.5 pts

All income statement items for Q4 ’14 and/or Q4 ’13, except revenue, are adjusted, non-GAAP financial measures—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section

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FY ’14 Adjusted Income Statement

$ Millions, Except Adjusted EPS

Item	FY ’14	FY ’13	B/(W) %
Revenue	$20,063	$18,676	7%
Product Sales	$19,327	$18,192	6%
Other Revenues	$736	$484	
Operating Expenses	$11,588	$11,704	1%
Cost of Sales *% of product sales*	$3,059 *15.8%*	$2,870 *15.8%*	
R&D *% of product sales*	$4,121 *21.3%*	$3,929 *21.6%*	
SG&A *% of product sales*	$4,408 *22.8%*	$4,905 *27.0%*	
Operating Income *% of product sales*	$8,475 *43.9%*	$6,972 *38.3%*	22%
Other Income/(Expense)	($606)	($568)	
Net Income	$6,700	$5,814	15%
Adjusted EPS	$8.70	$7.60	14%
Average Shares	770	765	(1%)
Tax Rate	14.9%	9.2%	(5.7) pts

All income statement items for FY ’14 and/or FY ’13, except revenue, are adjusted, non-GAAP financial measures—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section

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Amgen Transformation Update

- **Transformation to a more focused operating model in full execution mode in 2015**
  - **Reduced workforce by ~ 3,000**
  - **Significant progress in reducing facilities footprint toward the 23% goal**
- **Transformation savings in 2014 totaled over $300M toward $1.5B goal (expect to reduce total adjusted OPEX* by at least $800M in 2018 vs 2013)**
  - **In 2015, incremental savings of $400M will largely offset launch investments and one-time transition costs**
- **In 2015, we expect to further improve adjusted operating margins* on trajectory to 2018 target of 52%–54% through improved operating leverage**

***Non-GAAP financial measure—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section**

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FY ’14 Balance Sheet and Cash Flow

$ Billions

Cash Flow Data	FY ’14	FY ’13
Capital Expenditures	$0.7	$0.7
Free Cash Flow*	7.8	5.6
Share Repurchase	0.2	0.8
Dividends Paid	1.9	1.4
Balance Sheet Data	**FY ’14**	**FY ’13**
Cash and Investments†	$27.0	$22.8
Debt Outstanding	30.7	32.1

***Non-GAAP financial measure—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section**

†2013 includes long-term restricted investments

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2015 Revenue and EPS Guidance

	Guidance
Revenue	$20.8B–$21.3B
Adjusted EPS*	$9.05–$9.40
Adjusted Tax Rate*	18%–19%
Capital Expenditures	~ $800M

***Adjusted, non-GAAP financial measure—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, or amounts pertain to previously issued financial guidance, see reconciliations available at: www.amgen.com within the Investors section**

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Global Commercial Review

Tony Hooper

Executive Vice President, Global Commercial Operations

Q4 ’14 Global Commercial Review

$ Millions, Net Sales	Q4 ’14			Q4 ’13	YoY △
	US	ROW	Total	Total	Total
Enbrel®	$1,261	$76	$1,337	$1,200	11%
Neulasta®/NEUPOGEN®	1,143	311	1,454	1,407	3%
Neulasta®	946	234	1,180	1,098	7%
NEUPOGEN®	197	77	274	309	(11%)
Prolia®	197	118	315	236	33%
XGEVA®	225	100	325	286	14%
Vectibix®	49	83	132	102	29%
Kyprolis®	84	7	91	73	25%
EPOGEN®	539	0	539	525	3%
Aranesp®	206	273	479	470	2%
Sensipar®/Mimpara®	229	88	317	307	3%
Nplate®	67	52	119	120	(1%)
Other*	3	63	66	73	(10%)
Total Product Sales	$4,003	$1,171	$5,174	$4,799	8%

***Other includes Bergamo, MN Pharma, and BLINCYTO™**

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Q4 ’14 Product Sales Grew 8% YoY

$ Millions, Net Sales

Key Drivers

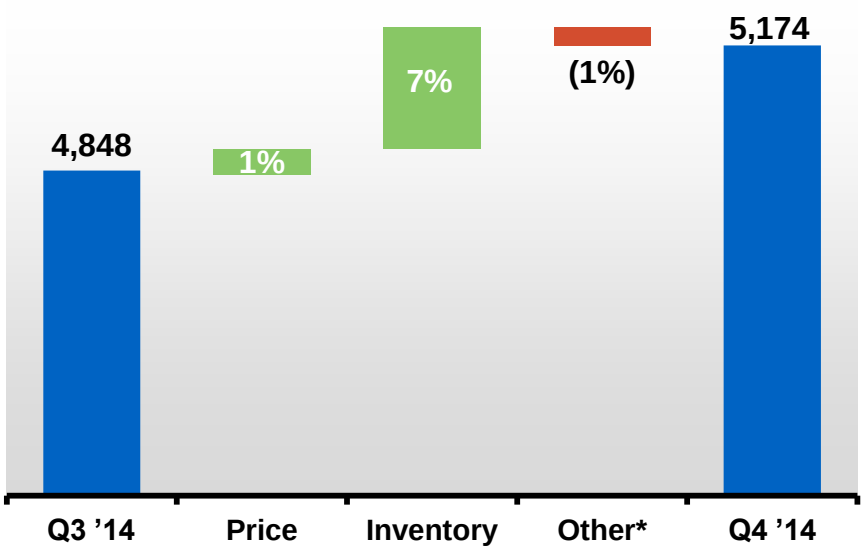
- YoY sales growth driven by higher unit demand, and to a lesser extent, price
- Significant contribution from Enbrel®, Neulasta®, Prolia®, XGEVA®, and Vectibix®

Note: Inventory represents wholesaler and, based on prescription data for ENBREL and Sensipar®, end-user inventories

AMGEN®

Q4 ’14 Product Sales Grew 7% QoQ

$ Millions, Net Sales



Key Drivers

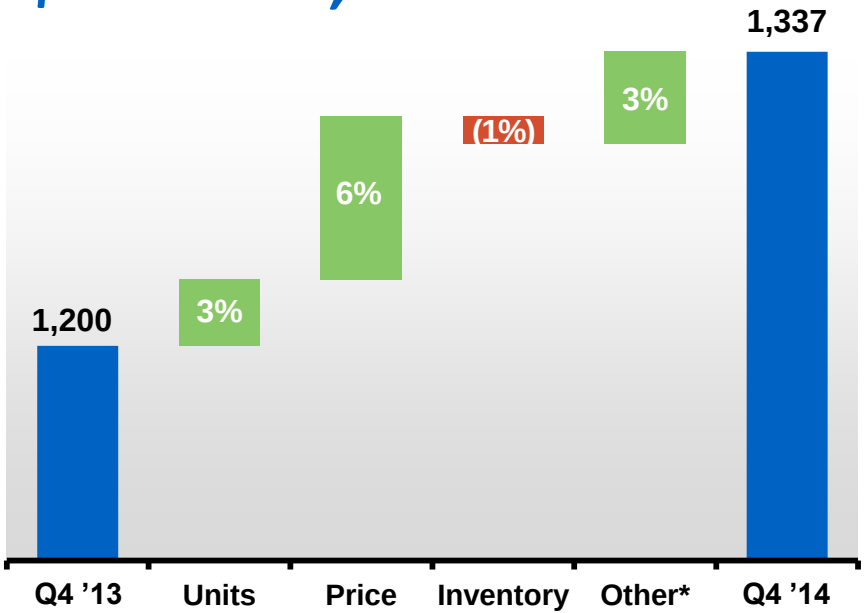
- **US wholesaler inventory returned to normal levels**

Note: Inventory represents wholesaler and, based on prescription data for Enbrel® and Sensipar®, end-user inventories
***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, and/or other sales adjustments**

AMGEN®

Q4 ’14 Enbrel® Sales Grew 11% YoY

$ Millions, Net Sales



Key Drivers

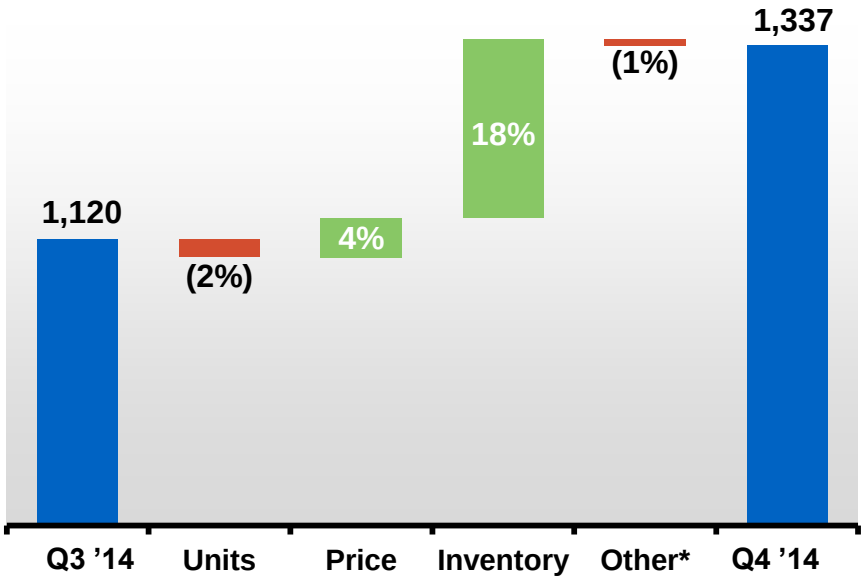
- **Sales grew due to price, and to a lesser extent, higher unit demand**
- **Both rheumatology and dermatology segments grew 24% YoY on a value basis**

Note: Inventory represents wholesaler and, based on prescription data, end-user inventories
***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, and/or other sales adjustments**

AMGEN®

Q4 ’14 Enbrel® Sales Grew 19% QoQ

$ Millions, Net Sales



Key Drivers

- **Sales benefited from a positive impact from sequential wholesaler inventory changes**
- **Sequential value share grew slightly in both rheumatology and dermatology segments**

Note: Inventory represents wholesaler and, based on prescription data, end-user inventories
***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, and/or other sales adjustments**

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Q4 ’14 Neulasta® Sales Grew 7% YoY

$ Millions, Net Sales

Key Drivers

- Sales growth of 7% driven mainly by price
- Our international business benefited from the acquisition of commercial rights in new and emerging markets
- In December, FDA approved our On-Body Injector for Neulasta®; launch planned for Q1 2015

***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, and/or other sales adjustments**

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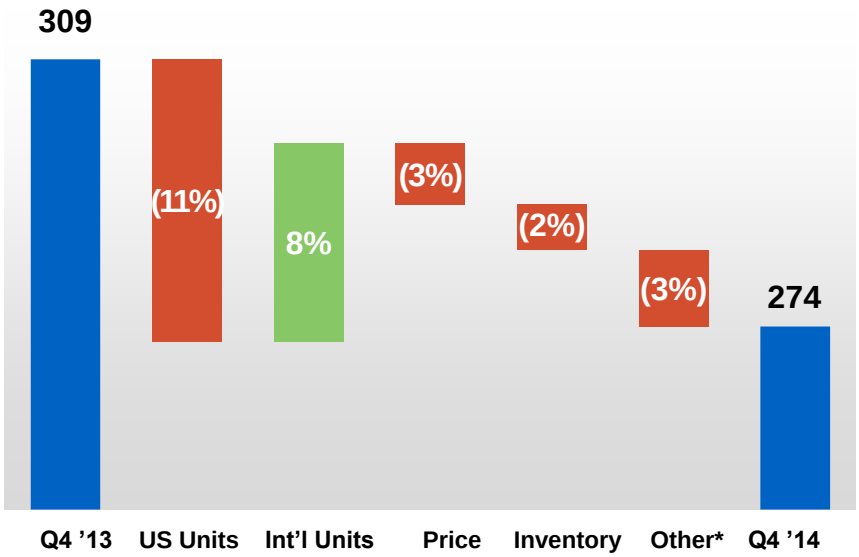
Q4 ’14 NEUPOGEN® Sales Declined 11% YoY

$ Millions, Net Sales



Key Drivers

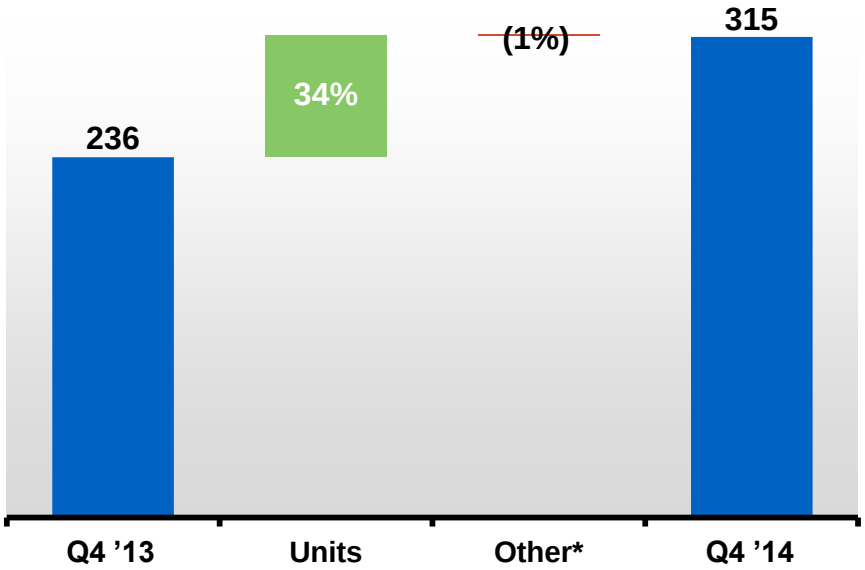
- **Sales decline of 11% driven by competition in US**
- **Our international business benefited from the acquisition of commercial rights in new and emerging markets**

Note: Inventory represents wholesaler inventories
***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, and/or other sales adjustments**

AMGEN®

Q4 ’14 Prolia® Sales Grew 33% YoY

$ Millions, Net Sales



Key Drivers

- Worldwide sales grew 33% YoY, driven by strong unit demand from share growth
- Unit share gains of ~ 6 pts in the US and ~ 4 pts in Europe
- One in three patients in the US starting postmenopausal osteoporosis treatment are prescribed Prolia®

***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, changes in wholesaler inventories, and/or other sales adjustments**

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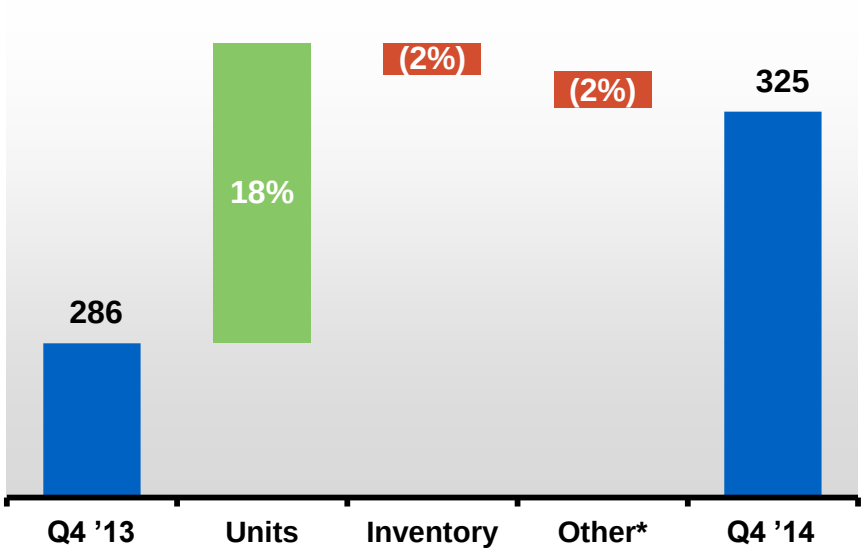
AMGEN®

Q4 ’14 XGEVA® Sales Grew 14% YoY

$ Millions, Net Sales



Key Drivers

- Worldwide sales grew 14% YoY driven by higher unit demand
- Continued to capture unit share in growing market segments; gains of ~ 4 pts in the US and ~ 8 pts in Europe
- Focused on emphasizing the superior clinical profile† of XGEVA®

Note: Inventory represents wholesaler inventories
***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, and/or other sales adjustments; †SRE prevention**

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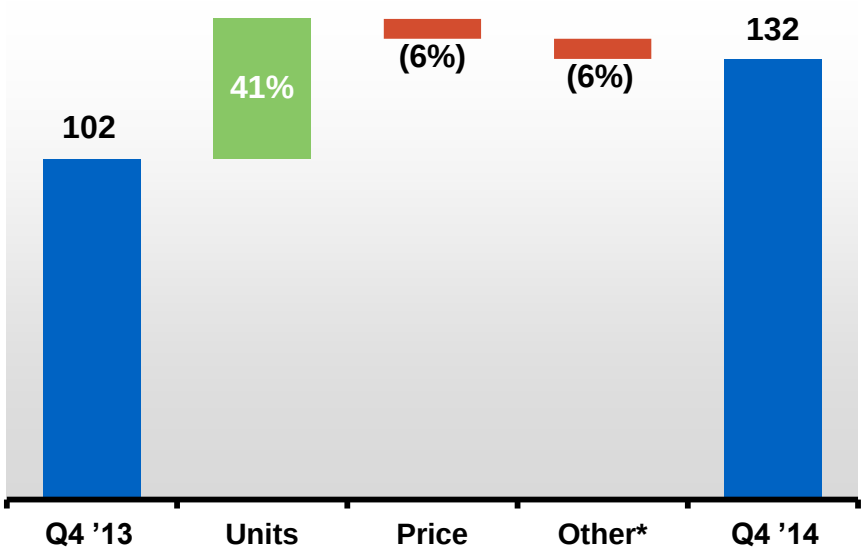
Q4 ’14 Vectibix® Sales Grew 29% YoY

$ Millions, Net Sales



Key Drivers

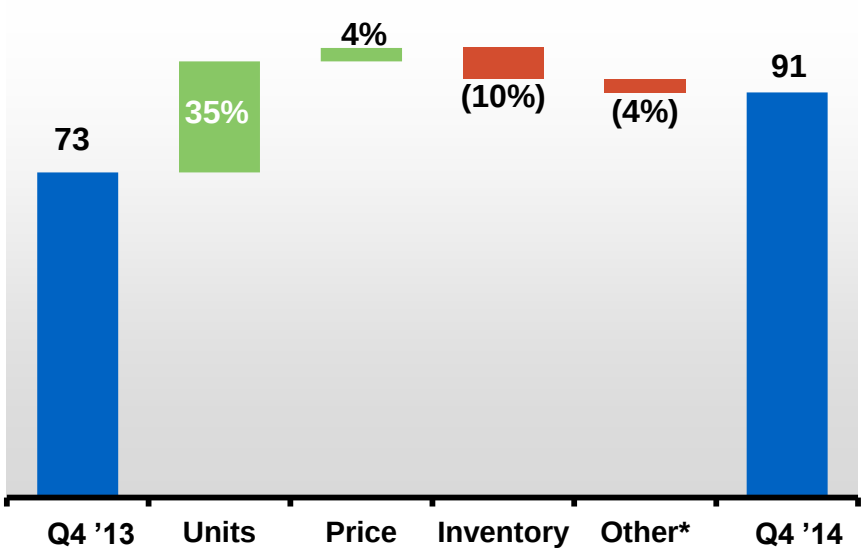
- **Growth mainly due to higher unit demand in first line mCRC† in combination with FOLFOX**

mCRC = metastatic colorectal cancer
† US = wild type *KRAS*; EU = wild type *RAS*
***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, and/or other sales adjustments**

AMGEN®

Q4 ’14 Kyprolis® Sales Grew 25% YoY

$ Millions, Net Sales



Key Drivers

- Sales grew 25% driven by higher unit demand
- Continues to maintain leading share in the third-line multiple myeloma setting
- The next major inflection point will come from label expansion into relapsed disease (second line)

Note: Inventory represents wholesaler inventories

***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, and/or other sales adjustments**

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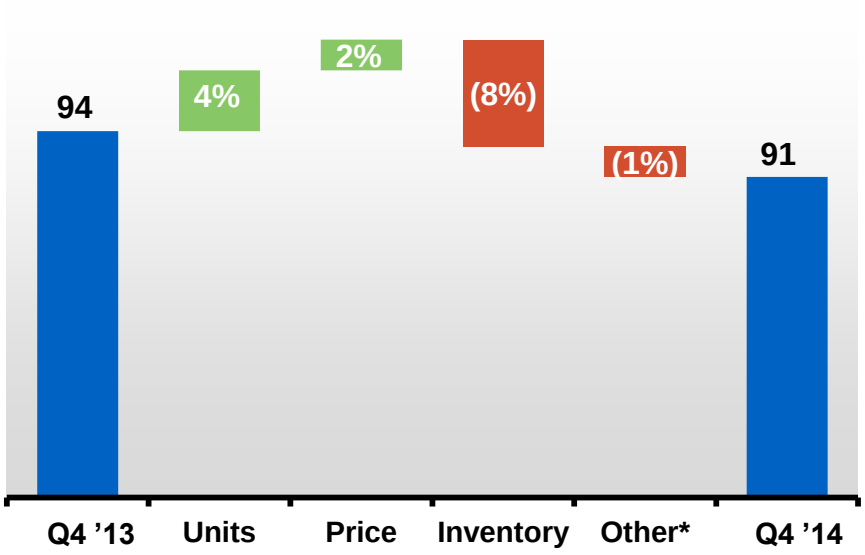
Q4 ’14 Kyprolis® Sales Declined 3% QoQ

$ Millions, Net Sales



Note: Inventory represents wholesaler inventories
***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, and/or other sales adjustments**

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Key Drivers

- **Sales declined 3% driven by changes in inventory, partially offset by increases in unit demand and price**
- **Unit demand growth of 6% in the US**
- **Continues to maintain leading share in the third-line multiple myeloma setting**
- **The next major inflection point will come from label expansion into relapsed disease (second line)**

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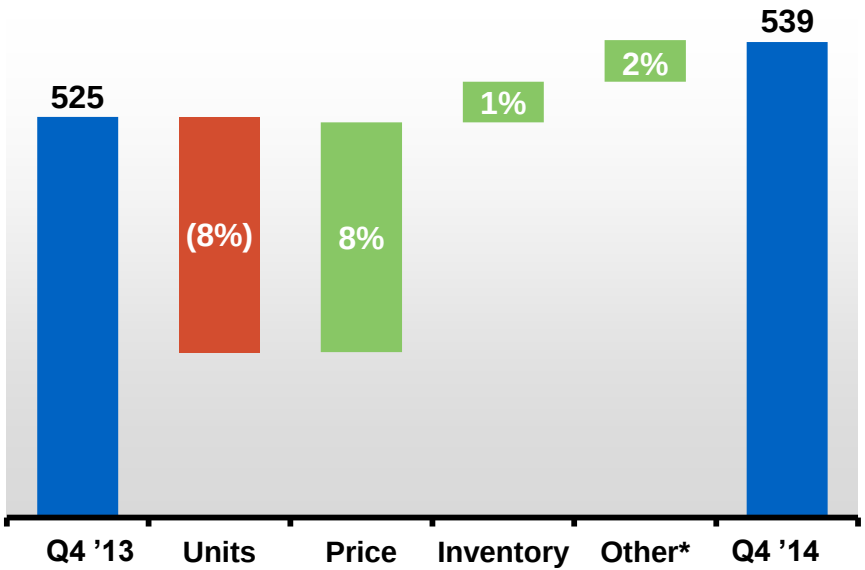
Q4 ’14 EPOGEN® Sales Grew 3% YoY

$ Millions, Net Sales



Key Drivers

- **Sales growth was driven primarily by price and was partially offset by a decline in unit demand**
- **Unit demand in Q4 2013 included a few large customer buy-ins**

Note: Inventory represents wholesaler inventories

***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, and/or other sales adjustments**

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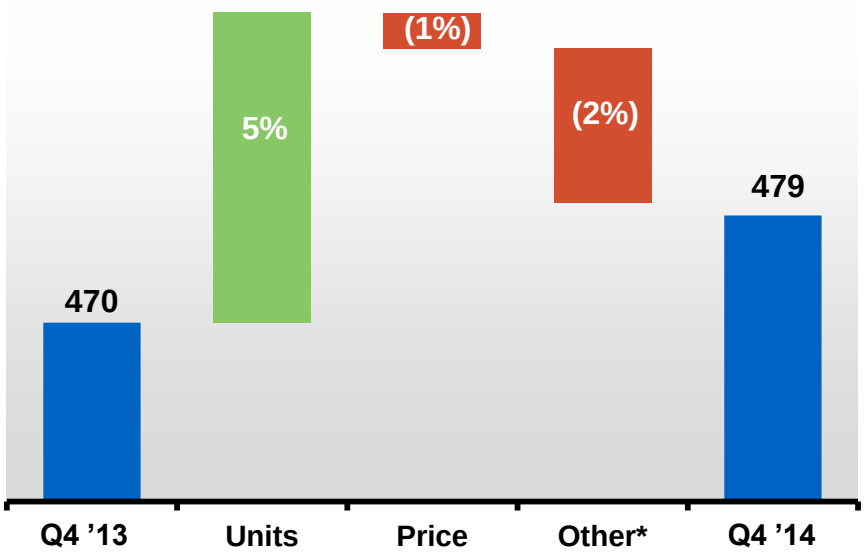
Q4 ’14 Aranesp® Sales Grew 2% YoY

$ Millions, Net Sales



Key Drivers

- **Sales grew 2% driven by higher unit demand**

***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, changes in wholesaler inventories, and/or other sales adjustments**

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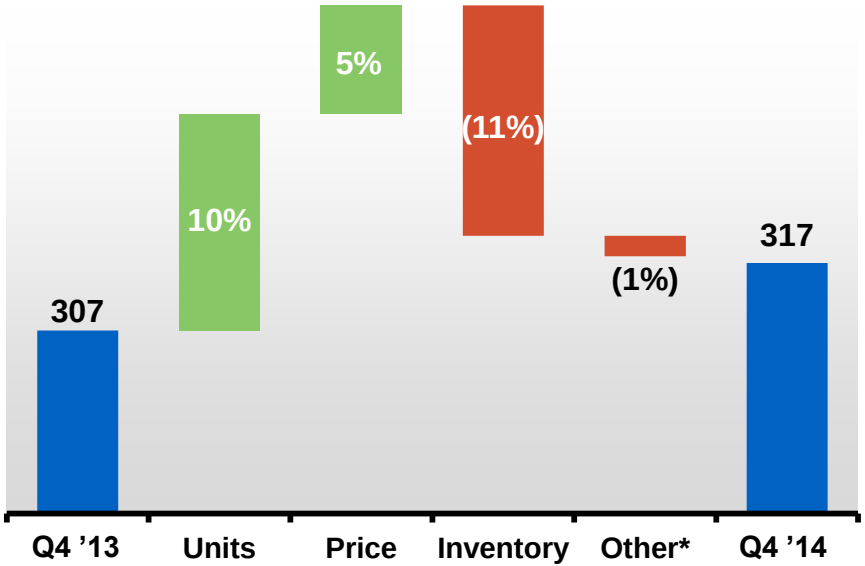
Q4 ’14 Sensipar® Sales Grew 3% YoY

$ Millions, Net Sales



Key Drivers

- **Growth due to unit demand and price, partially offset by changes in inventory levels**

Note: Inventory represents wholesaler and, based on prescription data, end-user inventories
***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, and/or other sales adjustments**

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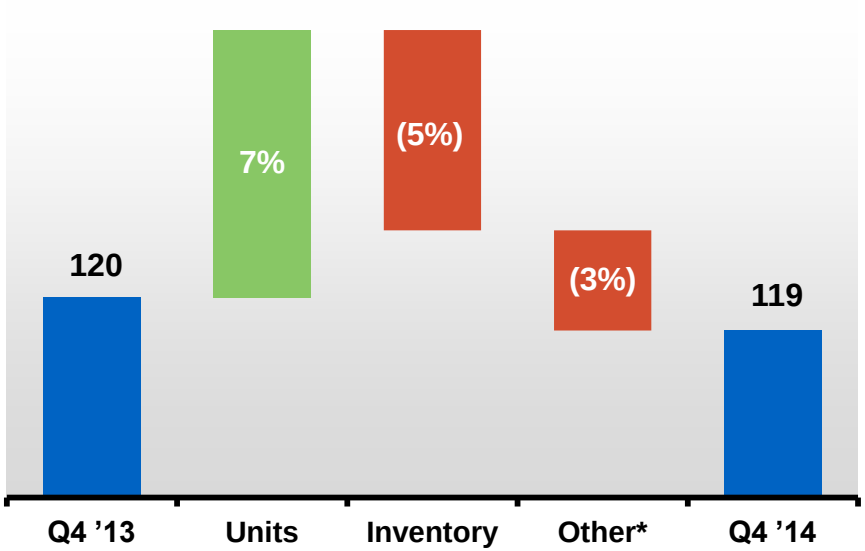
Q4 ’14 Nplate® Sales Declined 1% YoY

$ Millions, Net Sales



Key Drivers

- **Higher unit demand was more than offset by unfavorable changes in inventory levels and foreign exchange rates**

Note: Inventory represents wholesaler inventories

***Other includes changes in estimated sales deductions and returns, foreign currency exchange impacts, and/or other sales adjustments**

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R&D Review

Sean E. Harper, MD

Executive Vice President, Research and Development

Q4 ’14 Regulatory Update

BLINCYTO™

- FDA approval for Philadelphia chromosome-negative relapsed/refractory B-precursor acute lymphoblastic leukemia

Neulasta®

- FDA approval of On-Body Injector for Neulasta®

Kyprolis®

- Submitted sNDA in US and MAA in EU for relapsed multiple myeloma
- Granted accelerated assessment by the European Medicines Agency

Corlanor® (ivabradine)†

- 3-month extension of Prescription Drug User Fee Act (PDUFA) target action date due to FDA request for additional existing clinical data, which has been submitted

Talimogene laherparepvec

- 3-month extension of PDUFA target action date due to FDA request for additional existing manufacturing data, which has been submitted

sNDA = supplemental New Drug Application; MAA = Marketing Authorization Application; †Trade names provisionally approved by FDA

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Eight Innovative R&D Programs Meaningfully Advanced In 2014

Clinical Program	Lead Indication	Milestone
Repatha™ (evolocumab)†	Dyslipidemia	US submission
		EU submission
Corlanor® (ivabradine)†	Chronic heart failure	US submission
Kyprolis® (carfilzomib)	Multiple myeloma	Phase 3 ASPIRE data
Talimogene laherparepvec	Metastatic melanoma	US submission
		EU submission
BLINCYTO™ (blinatumomab)	Relapsed/refractory (R/R) ALL	US approval
		EU submission
Brodalumab*	Moderate-to-severe plaque psoriasis	Phase 3 data
AMG 416	Secondary hyperparathyroidism	Phase 3 data
AMG 334	Migraine prophylaxis	Phase 2b data (episodic)

ALL = acute lymphoblastic leukemia; *Developed in collaboration with AstraZeneca
†Trade names provisionally approved by FDA

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We Have Numerous Pipeline Milestones In 2015

Clinical Program	Indication	Milestone
Repatha™ (evolocumab)	Dyslipidemia	Global regulatory reviews
Corlanor® (ivabradine)	Chronic heart failure	US regulatory review
Kyprolis®	Relapsed multiple myeloma	Global regulatory reviews
Talimogene laherparepvec	Metastatic melanoma	Global regulatory reviews
Brodalumab*	Asthma	Phase 2b data
	Moderate-to-severe plaque psoriasis	Global submissions
AMG 416	Secondary hyperparathyroidism	Phase 3 data vs Sensipar®
AMG 334	Episodic migraine	Phase 3 initiation
Omecamtiv mecarbil†	Chronic heart failure	Phase 2b data
ABP 501 (adalimumab)	Moderate-to-severe rheumatoid arthritis	Phase 3 data
ABP 215 (bevacizumab)	Advanced NSCLC	Phase 3 data

NSCLC = non-small-cell lung cancer; *Developed in collaboration with AstraZeneca; †Developed in collaboration with Cytokinetics

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Q4 ’14 Earnings Call

January 27, 2015

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Reconciliations

Amgen Inc.
Condensed Consolidated Statements of Income - GAAP
(In millions, except per share data)
(Unaudited)

	Three months ended December 31,		Years ended December 31,	
	2014	**2013**	**2014**	**2013**
Revenues:				
Product sales	$ 5,174	$ 4,799	$ 19,327	$ 18,192
Other revenues	157	212	736	484
Total revenues	5,331	5,011	20,063	18,676
Operating expenses:				
Cost of sales	1,183	1,029	4,422	3,346
Research and development	1,234	1,249	4,297	4,083
Selling, general and administrative	1,327	1,521	4,699	5,184
Other	128	25	454	196
Total operating expenses	3,872	3,824	13,872	12,809
Operating income	1,459	1,187	6,191	5,867
Interest expense, net	261	261	1,071	1,022
Interest and other income, net	88	88	465	420
Income before income taxes	1,286	1,014	5,585	5,265
Provision for income taxes	(8)	(7)	427	184
Net income	$ 1,294	$ 1,021	$ 5,158	$ 5,081
Earnings per share:				
Basic	$ 1.70	$ 1.35	$ 6.80	$ 6.75
Diluted	$ 1.68	$ 1.33	$ 6.70	$ 6.64
Weighted average shares used in calculation of earnings per share:				
Basic	761	754	759	753
Diluted	772	766	770	765

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

	December 31, 2014	December 31, 2013
Assets		
Current assets:		
Cash, cash equivalents and marketable securities	$ 27,026	$ 19,401
Trade receivables, net	2,546	2,697
Inventories	2,647	3,019
Other current assets	2,494	2,250
Total current assets	34,713	27,367
Property, plant and equipment, net	5,223	5,349
Intangible assets, net	12,693	13,262
Goodwill	14,788	14,968
Restricted investments	-	3,412
Other assets	1,592	1,767
Total assets	$ 69,009	$ 66,125
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 6,508	$ 5,442
Current portion of long-term debt	500	2,505
Total current liabilities	7,008	7,947
Long-term debt	30,215	29,623
Long-term deferred tax liability	3,461	3,498
Other non-current liabilities	2,547	2,961
Stockholders' equity	25,778	22,096
Total liabilities and stockholders' equity	$ 69,009	$ 66,125
Shares outstanding	760	755

Amgen Inc.
GAAP to Adjusted Reconciliations
(In millions)
(Unaudited)

	Three months ended December 31,		Years ended December 31,	
	2014	2013	2014	2013
GAAP cost of sales	$ 1,183	$ 1,029	$ 4,422	$ 3,346
Adjustments to cost of sales:				
Acquisition-related expenses **(a)**	(279)	(256)	(1,249)	(467)
Impairment and accelerated depreciation charges pursuant to our restructuring initiative	(76)	-	(104)	-
Stock option expense	(3)	(3)	(10)	(9)
Total adjustments to cost of sales	(358)	(259)	(1,363)	(476)
Adjusted cost of sales	$ 825	$ 770	$ 3,059	$ 2,870
GAAP research and development expenses	$ 1,234	$ 1,249	$ 4,297	$ 4,083
Adjustments to research and development expenses:				
Acquisition-related expenses **(b)**	(32)	(79)	(124)	(142)
Accelerated depreciation and other charges pursuant to our restructuring initiative	(34)	-	(49)	-
Stock option expense	-	(2)	(3)	(12)
Total adjustments to research and development expenses	(66)	(81)	(176)	(154)
Adjusted research and development expenses	$ 1,168	$ 1,168	$ 4,121	$ 3,929
GAAP selling, general and administrative expenses	$ 1,327	$ 1,521	$ 4,699	$ 5,184
Adjustments to selling, general and administrative expenses:				
Acquisition-related expenses **(c)**	(32)	(212)	(150)	(266)
Expense resulting from clarified guidance on branded prescription drug fee **(d)**	16	-	(129)	-
Accelerated depreciation and other charges pursuant to our restructuring initiative	(6)	-	(9)	-
Stock option expense	-	(3)	(3)	(13)
Total adjustments to selling, general and administrative expenses	(22)	(215)	(291)	(279)
Adjusted selling, general and administrative expenses	$ 1,305	$ 1,306	$ 4,408	$ 4,905
GAAP operating expenses	$ 3,872	$ 3,824	$ 13,872	$ 12,809
Adjustments to operating expenses:				
Adjustments to cost of sales	(358)	(259)	(1,363)	(476)
Adjustments to research and development expenses	(66)	(81)	(176)	(154)
Adjustments to selling, general and administrative expenses	(22)	(215)	(291)	(279)
Certain charges pursuant to our restructuring and other cost savings initiatives **(e)**	(66)	(25)	(434)	(71)
(Expense)/Benefit resulting from changes in the estimated fair values of the contingent consideration obligations related to prior year business combinations	(17)	(2)	30	(113)
Write-off of a non-key in-process R&D program acquired in a prior year business combination	(46)	-	(46)	-
Other **(f)**	1	2	(4)	(12)
Total adjustments to operating expenses	(574)	(580)	(2,284)	(1,105)
Adjusted operating expenses	$ 3,298	$ 3,244	$ 11,588	$ 11,704
GAAP operating income	$ 1,459	$ 1,187	$ 6,191	$ 5,867
Adjustments to operating expenses	574	580	2,284	1,105
Adjusted operating income	$ 2,033	$ 1,767	$ 8,475	$ 6,972
GAAP other income/(expense)	$ (173)	$ (173)	$ (606)	$ (602)
Adjustments to other income/(expense):				
Non-cash interest expense associated with our convertible notes	-	-	-	12
Bridge financing costs associated with the Onyx business combination	-	-	-	22
Total adjustments to other income/(expense)	-	-	-	34
Adjusted other income/(expense)	$ (173)	$ (173)	$ (606)	$ (568)
GAAP income before income taxes	$ 1,286	$ 1,014	$ 5,585	$ 5,265
Adjustments to income before income taxes:				
Adjustments to operating expenses	574	580	2,284	1,105
Non-cash interest expense associated with our convertible notes	-	-	-	12
Bridge financing costs associated with the Onyx business combination	-	-	-	22
Total adjustments to income before income taxes	574	580	2,284	1,139
Adjusted income before income taxes	$ 1,860	$ 1,594	$ 7,869	$ 6,404
GAAP provision for income taxes	$ (8)	$ (7)	$ 427	$ 184
Adjustments to provision for income taxes:				
Income tax effect of the above adjustments **(g)**	187	228	717	376
Other income tax adjustments **(h)**	11	(18)	25	30
Total adjustments to provision for income taxes	198	210	742	406
Adjusted provision for income taxes	$ 190	$ 203	$ 1,169	$ 590
GAAP net income	$ 1,294	$ 1,021	$ 5,158	$ 5,081
Adjustments to net income:				
Adjustments to income before income taxes, net of the income tax effect of the above adjustments	387	352	1,567	763
Other income tax adjustments **(h)**	(11)	18	(25)	(30)
Total adjustments to net income	376	370	1,542	733
Adjusted net income	$ 1,670	$ 1,391	$ 6,700	$ 5,814

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

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

	Three months ended December 31, 2014		Three months ended December 31, 2013	
	GAAP	Adjusted	GAAP	Adjusted
Net income	$ 1,294	$ 1,670	$ 1,021	$ 1,391
Weighted-average shares for diluted EPS	772	772	766	766
Diluted EPS	$ 1.68	$ 2.16	$ 1.33	$ 1.82

	Year ended December 31, 2014		Year ended December 31, 2013	
	GAAP	Adjusted	GAAP	Adjusted
Net income	$ 5,158	$ 6,700	$ 5,081	$ 5,814
Weighted-average shares for diluted EPS	770	770	765	765
Diluted EPS	$ 6.70	$ 8.70	$ 6.64	$ 7.60

(a) The adjustments related primarily to non-cash amortization of intangible assets, including developed product technology rights, acquired in business combinations. For the year ended December 31, 2014, the adjustments also included a $99-million charge related to the termination of a supply contract with F. Hoffmann-La Roche Ltd. as a result of acquiring the licenses to filgrastim and pegfilgrastim effective January 1, 2014.

(b) The 2014 adjustments related primarily to non-cash amortization of intangible assets acquired in business combinations. For the three months ended December 31, 2013, the adjustments related primarily to charges associated with the Onyx business combination, which included the acceleration of Onyx unvested equity compensation (Onyx equity compensation). The three months and year ended December 31, 2013, also included adjustments related primarily to non-cash amortization of intangible assets acquired in business combinations.

(c) The 2014 adjustments related primarily to non-cash amortization of intangible assets acquired in business combinations. The adjustments in 2013 related primarily to the Onyx equity compensation.

(d) The 2014 adjustments related to the Internal Revenue Service issuing final regulations that required us to recognize an additional year of the non-tax deductible branded prescription drug fee.

(e) The adjustments related primarily to severance expenses.

(f) The adjustments for 2014 and the three months ended December 31, 2013, related primarily to various acquisition-related expenses. For the year ended December 31, 2013, the adjustments related primarily to various legal proceedings.

(g) The tax effect of the adjustments between our GAAP and Adjusted 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. Due to these factors, the effective tax rates for the adjustments to our GAAP income before income taxes, for the three months and year ended December 31, 2014, were 32.6% and 31.4%, respectively, compared with 39.3% and 33.0% for the corresponding periods of the prior year.

(h) The adjustments in 2014 and the three months ended December 31, 2013, related primarily to certain prior period items excluded from adjusted earnings. For the year ended December 31, 2013, the adjustments related to resolving certain non-routine transfer-pricing and acquisition-related issues with tax authorities as well as the impact related to certain prior period items excluded from adjusted earnings.

Amgen Inc.
Reconciliations of Free Cash Flow
(In millions)
(Unaudited)

	Three months ended December 31,		Years ended December 31,	
	2014	2013	2014	2013
Operating Cash Flow	$ 2,445	$ 1,835	$ 8,555	$ 6,291
Capital Expenditures	(203)	(201)	(718)	(693)
Free Cash Flow	$ 2,242	$ 1,634	$ 7,837	$ 5,598

Reconciliation of GAAP EPS Guidance to Adjusted
EPS Guidance for the Year Ending December 31, 2015
(Unaudited)

		2015
GAAP diluted EPS guidance		$ 7.48 - $ 7.87
Known adjustments to arrive at Adjusted earnings*:		
Acquisition-related expenses	(a)	1.21
Restructuring and other cost savings initiatives		0.32 - 0.36
Adjusted diluted EPS guidance		$ 9.05 - $ 9.40

* The known adjustments are presented net of their related tax impact which amount to approximately $0.73 to $0.75 per share in the aggregate.

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

Reconciliation of GAAP Tax Rate Guidance to Adjusted
Tax Rate Guidance for the Year Ending December 31, 2015
(Unaudited)

	2015
GAAP tax rate guidance	14% - 16%
Tax rate effect of known adjustments discussed above	3% - 4%
Adjusted tax rate guidance	18% - 19%

Amgen Inc.
Reconciliation of Future GAAP to Adjusted Financial Measures

Management has presented herein certain forward-looking statements about the Company's future financial performance that include non-GAAP (or "as-adjusted") operating margin for the Years Ending December 31, 2015 through 2018. This non–GAAP financial measure is 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 this non-GAAP financial measure 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 measure to its most directly comparable forward-looking GAAP financial measure because management cannot reliably predict all of the necessary components of such GAAP measure. Historically, management has excluded the following items from this non-GAAP financial measure, and such items may also be excluded in future periods and could be significant:

- Expenses related to the acquisition of businesses, including amortization and / or impairment of acquired intangible assets, including in-process research and development, adjustments to contingent consideration, integration costs, severance and retention costs and transaction costs;
- Charges associated with restructuring or cost saving initiatives, including but not limited to asset impairments, accelerated depreciation, severance costs and lease abandonment charges; and
- Legal settlements or awards