AMGEN®

Pioneering science delivers vital medicines™

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 2016 Financial Highlights:

- Total revenues increased 10 percent versus the first quarter of 2015 to $5,527 million, with 7 percent product sales growth driven by Enbrel® (etanercept), Prolia® (denosumab), Aranesp® (darbepoetin alfa), Neulasta® (pegfilgrastim), Kyprolis® (carfilzomib) and XGEVA® (denosumab).
- Adjusted operating income increased 17 percent to $2,859 million and adjusted operating margin improved by 4.4 percentage points to 54.6 percent.
- Adjusted EPS grew 17 percent versus the first quarter of 2015 to $2.90 driven by higher revenues and higher operating margins.
- GAAP EPS were $2.50 compared to $2.11 and GAAP operating income was $2,402 million compared to $2,022 million.
- Free cash flow was $1.8 billion compared to $1.4 billion in the first quarter of 2015 driven by higher revenues and higher operating income.

$Millions, except EPS and percentages	Q1'16	Q1'15	YOY Δ
Total Revenues	$ 5,527	$ 5,033	10%
Adjusted Operating Income	$ 2,859	$ 2,449	17%
Adjusted Net Income	$ 2,203	$ 1,911	15%
Adjusted EPS	$ 2.90	$ 2.48	17%
GAAP Operating Income	$ 2,402	$ 2,022	19%
GAAP Net Income	$ 1,900	$ 1,623	17%
GAAP EPS	$ 2.50	$ 2.11	18%

MESSAGE FROM BOB BRADWAY, CEO

We are off to a strong start in 2016 with 10% revenue growth and 17% adjusted earnings-per-share growth in the first quarter. Amgen is in a strong position to manage competition for our legacy products while investing for growth with our newly launched and late stage pipeline products. Last year, we had six launches in the United States. We expect these products, especially Kyprolis and Repatha® (evolocumab), to drive long-term growth.

2016 will be a year of international launches as we take Repatha, Kyprolis and our other new products into countries around the world. In total this year, we are expecting about 80 new launches across countries and products. For example, Repatha is launching now in Japan, Brazil, and in multiple countries in Europe. The early signs are good. Similarly, Kyprolis is off to a strong early start in its first markets in Europe.

Our oncology and cardiovascular franchises received a lot of visibility last year, due to clinical data and product launches in these therapeutic areas. This year we expect attention to also focus on our other franchises as our pipeline advances with important new opportunities. In bone health, romosozumab is coming into focus with recently released positive Phase 3 data. In nephrology, we expect approval later this year for Parsabiv™(etelcalcetide)*, a therapeutic for dialysis patients, and we expect pivotal data in neuroscience for our migraine antibody, AMG 334.

Our transformation efforts are well underway and delivering results. This includes cost savings as well as improved speed to market and speed in the market. We designed our capital allocation strategy to deliver value for shareholders through both an attractive return of capital through dividends and share buybacks, as well as vigorous investment for long-term growth. This is an exciting time in the field of biology with promising clinical opportunities and breakthroughs arising in many of our areas of interest. So with a strong balance sheet and a long-term investment outlook, we will continue to look for the most promising internal and external opportunities. Our emphasis will be on focus and capital discipline as we do this.

* Trade name provisionally approved by FDA

As used in this document, adjusted EPS, adjusted operating income, adjusted net income, adjusted operating margin, adjusted research and development (R&D) expense and free cash flow are non-GAAP financial measures. These adjustments and other items are presented on the attached reconciliations.
Unless otherwise noted, Amgen is providing this information as of May 6, 2016 and expressly disclaims any duty to update the information contained herein.

AMGEN MISSION

To serve patients

AMGEN QUICK FACTS

Headquarters

Thousand Oaks, California

Staff

Approximately 17,900 worldwide

Stock Listing

NASDAQ: AMGN

Chairman, CEO and President

Robert A. Bradway

2015 Financial Highlights

Total revenue: $21.7 billion

Product sales: $20.9 billion

Adj. R&D expense: $3.9 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)
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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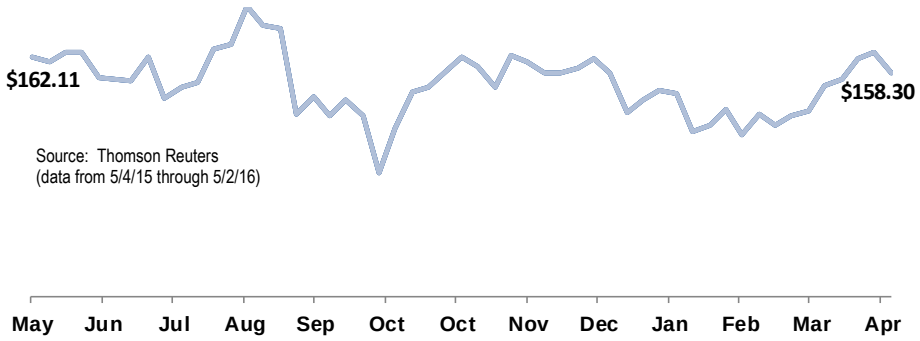
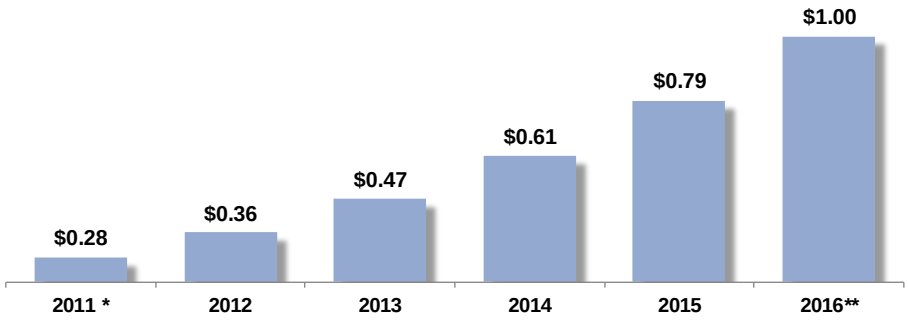
Stock Price Performance (Last 12 Months)



Source: Thomson Reuters
(data from 5/4/15 through 5/2/16)

Quarterly Per Share Dividend History



* Dividend initiated in September 2011

** Represents dividend paid in Q1, and Q2 dividend payable on June 8, 2016

Key Quarterly News:

AmgenScience.com Highlights Our Latest Efforts in Oncology and Neuroscience

- Visit the Amgen Science website (www.amgenscience.com) for in-depth, interactive features that explore some of the innovative Science happening at Amgen.
- In the publication **Ultimate Parasite**, Amgen's head of Discovery Research, Alexander Kamb, discusses his view on why we get cancer, what makes it so difficult to treat, and why immunotherapeutic approaches look so promising.
- **The Passionate Pursuit of Nav 1.7** highlights how Amgen scientists are using creative approaches and unconventional tools to explore the potential of Nav 1.7 as a new drug target for pain. From hand-feeding tiny mouse pups to designing peptides based on tarantula venom, our scientists have gone to unusual lengths to explore the exciting potential of this drug target.
- While Amgen has long been recognized for its strength in developing biologic medicines, our expertise also extends to the field of small molecule drug design. A **Paragon of Structure Based Drug Design** details the elegant science applied to a tough cancer target underscoring this capability for Amgen.
- You can also access our **Pipeline Website** for the latest information on molecules in our clinical development pipeline.

Non-GAAP Financial Measures

Management has presented its operating results for the first quarters of 2016 and 2015, as applicable, in accordance with U.S. Generally Accepted Accounting Principles (GAAP) and on an adjusted (or 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. Management has also presented Free Cash Flow (FCF), which is a non-GAAP financial measure, for the first quarters of 2016 and 2015. FCF is computed by subtracting capital expenditures from operating cash flow, each as determined in accordance with GAAP. Reconciliations for these non-GAAP financial measures to the most directly comparable GAAP financial measures are attached.

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 core business activities by facilitating comparisons of results of core business operations among current, past and future periods. In addition, the Company believes that excluding the non-cash amortization of intangible assets, including developed product technology rights, acquired in business combinations treats those assets as if the Company had developed them internally in the past, and thus provides a supplemental measure of profitability in which the Company's acquired intellectual property is treated in a comparable manner to its internally developed intellectual property. 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. 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 May 6, 2016 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 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 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. 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. We may not be able to access the capital and credit markets on terms that are favorable to us, or at all. We are increasingly dependent on information technology systems, infrastructure and data security. 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.

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

	Three months ended March 31,	
	2016	**2015**
GAAP operating income	$ 2,402	$ 2,022
Acquisition-related expenses **(a)**	434	338
Certain net charges pursuant to our restructuring initiative **(b)**	(4)	92
Expense related to a legal proceeding	27	-
Other	-	(3)
Total adjustments to operating income	457	427
Adjusted operating income	$ 2,859	$ 2,449
Product sales	$ 5,239	$ 4,874
GAAP operating margin	45.8%	41.5%
Impact of total adjustments to operating income	8.8%	8.7%
Adjusted operating margin	54.6%	50.2%
GAAP net income	$ 1,900	$ 1,623
Adjustments to net income:		
Adjustments to operating income	457	427
Income tax effect of the above adjustments **(c)**	(139)	(139)
Other income tax adjustments **(d)**	(15)	-
Total adjustments to net income	303	288
Adjusted net income	$ 2,203	$ 1,911
Weighted-average shares for diluted EPS	760	770
GAAP diluted EPS	$ 2.50	$ 2.11
Adjusted diluted EPS	$ 2.90	$ 2.48
Operating Cash Flow	$ 1,915	$ 1,482 **(e)**
Capital Expenditures	(156)	(118)
Free Cash Flow	$ 1,759	$ 1,364

	Year ended December 31, 2015
GAAP research and development expenses	$ 4,070
Adjustments to research and development expenses:	
Acquisition-related expenses **(f)**	(89)
Certain charges pursuant to our restructuring initiative	(64)
Total adjustments to research and development expenses	(153)
Adjusted research and development expenses	$ 3,917

(a) The adjustments related primarily to non-cash amortization of intangible assets acquired in business combinations. The 2016 adjustments also included a $73-million charge resulting from the reacquisition of Prolia®, XGEVA® and Vectibix® license agreements in certain markets from Glaxo Group Limited.

(b) The 2015 adjustments related primarily to severance expenses, accelerated depreciation and other costs related to site closures.

(c) 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 ended March 31, 2016 and 2015, were 30.4% and 32.6%, respectively.

(d) The adjustments related to certain prior period items excluded from adjusted earnings.

(e) 2015 restated to include $153 million, which was previously included in cash flows from financing activities, as a result of the adoption of Accounting Standards Update 2016-09.

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