Q2 ’16 EARNINGS CALL

JULY 27, 2016

AMGEN®

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 July 27, 2016 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. 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.

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
Q2 ’16 Business Results	David Meline
Global Commercial Review	Tony Hooper
R&D Review	Sean Harper
Q&A	All

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FOCUSED ON LONG-TERM GROWTH AND VALUE CREATION

- **Our business is performing well with YTD 8% revenue growth and 13% non-GAAP EPS* growth**
- **Effectively managing the lifecycle of our mature products**
- **Investing globally in our launch products, with a focus on Repatha® and KYPROLIS®**
- **Advancing our late-stage pipeline, containing both innovative products and biosimilars**
- **Compelling scientific advances based on genetic insights into disease**
- **Delivering efficiencies and speed through our transformation program**
- **Investing for the long-term; plan to meet or exceed our 2018 commitments**

***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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Q2 ’16 BUSINESS RESULTS

DAVID MELINE
EXECUTIVE VICE PRESIDENT
AND CHIEF FINANCIAL OFFICER

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11% NON-GAAP EPS GROWTH IN Q2 ’16 DRIVEN BY HIGHER REVENUES AND HIGHER OPERATING MARGINS

$ Millions, Except Non-GAAP EPS

Item	Q2 ’16	Q2 ’15	B/(W) %
Revenue	$5,688	$5,370	6%
Product Sales	5,474	5,225	5%
Other Revenues	214	145	
Non-GAAP Operating Expenses	2,876	2,819	(2%)
Cost of Sales *% of product sales*	738 *13.5%*	789 *15.1%*	
R&D *% of product sales*	878 *16.0%*	918 *17.6%*	
SG&A *% of product sales*	1,260 *23.0%*	1,112 *21.3%*	
Non-GAAP Operating Income *% of product sales*	2,812 *51.4%*	2,551 *48.8%*	10%
Other Income/(Expense)	(176)	(79)	
Non-GAAP Net Income	$2,146	$1,977	9%
Non-GAAP EPS	$2.84	$2.57	11%
Average Shares	756	768	2%
Non-GAAP Tax Rate	18.6%	20.0%	1.4 pts

All income statement items for Q2 ’16 and/or Q2 ’15, except revenue, other income/(expense) and average shares, 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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FREE CASH FLOW WAS $2.5B IN Q2 ’16

$ Billions

Cash Flow Data	Q2 ’16	Q2 ’15
Capital Expenditures	$0.2	$0.1
Free Cash Flow*	2.5	3.2
Share Repurchase	0.6	0.5
Dividends Paid	0.8	0.6
Balance Sheet Data	**Q2 ’16**	**Q2 ’15**
Cash and Investments	$35.0	$30.0
Debt Outstanding	33.2	32.0

***Free Cash Flow is computed by subtracting capital expenditures from operating cash flow—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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2016 GUIDANCE

	Updated Guidance	Previous Guidance
Revenue	$22.5B–$22.8B	$22.2B–$22.6B
Non-GAAP EPS*	$11.10–$11.40	$10.85–$11.20
Non-GAAP Tax Rate*	19.0%–20.0%	19.0%–20.0%
Capital Expenditures	~ $700M	~ $700M

***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

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Q2 ’16 GLOBAL COMMERCIAL REVIEW

$ Millions, Net Sales

	Q2 ’16			Q2 ’15	YoY △
	U.S.	ROW	Total	Total	Total
Prolia®	286	155	441	340	30%
XGEVA®	275	106	381	331	15%
Enbrel®	1,423	61	1,484	1,348	10%
Sensipar®/Mimpara®	303	86	389	344	13%
Vectibix®	52	108	160	160	0%
Nplate®	84	58	142	125	14%
Neulasta®	962	187	1,149	1,158	(1%)
NEUPOGEN®	141	55	196	256	(23%)
Aranesp®	260	244	504	479	5%
EPOGEN®	331	0	331	491	(33%)
KYPROLIS®	142	30	172	119	45%
BLINCYTO®	21	9	30	17	76%
Repatha®	20	7	27	0	NM
Other*	17	51	68	57	19%
Total Product Sales	$4,317	$1,157	$5,474	$5,225	5%

NM = not meaningful

*Other includes MN Pharma, Bergamo, IMLYGIC® and Corlanor®

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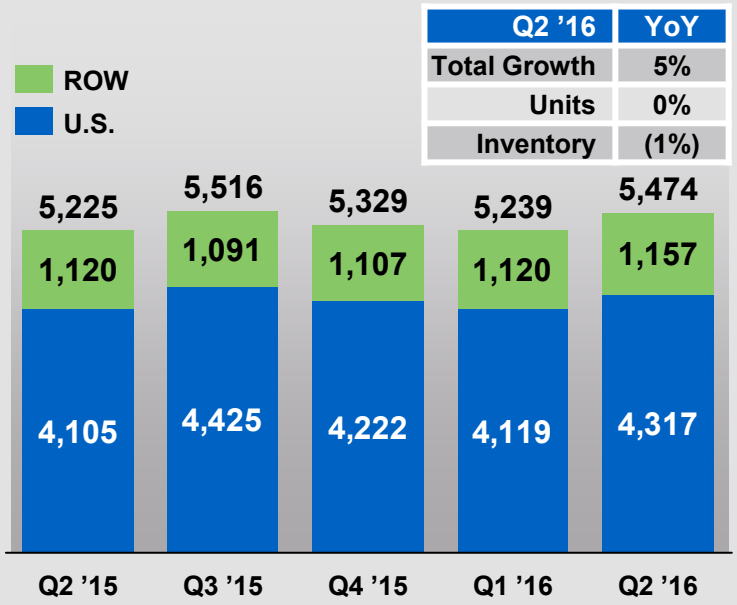
Q2 ’16 PRODUCT SALES GREW 5% YOY

$ Millions, Net Sales



	Q2 ’16	YoY
Total Growth		5%
Units		0%
Inventory		(1%)

Highlights

- U.S. grew 5%; international grew 5%, excluding the negative impact of foreign exchange*, with 11% unit growth in Europe
- Significant contribution from growth products led by Enbrel® and Prolia®
- EPOGEN® and NEUPOGEN® continue to be impacted by competition

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

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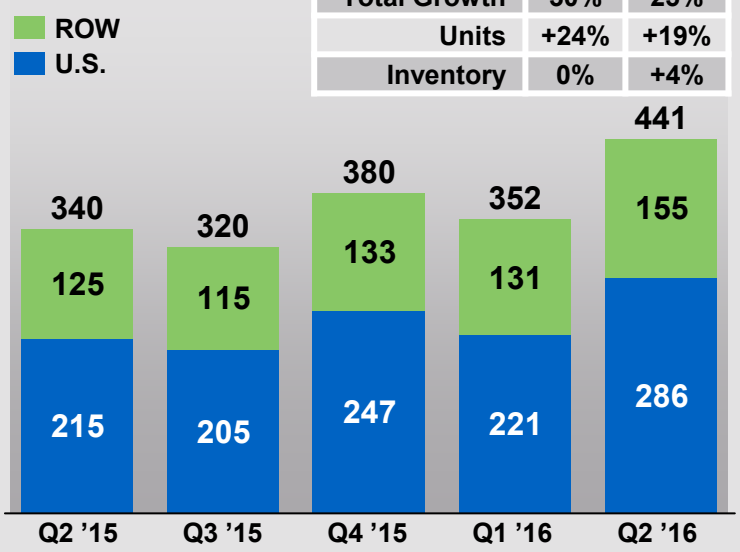
Q2 ’16 PROLIA® SALES GREW 30% YOY

$ Millions, Net Sales

	Q2 ’16	YoY	QoQ
Total Growth		30%	25%
Units		+24%	+19%
Inventory		0%	+4%



Highlights

- YoY sales growth driven by continued growth in new patient starts and strong repeat injection rates
  - YoY unit share up ~ 4 points in U.S. and ~ 3 points in Europe
- Q2 and Q4 are typically the strongest quarters
- Strong profile expected to deliver sustained growth

Note: Inventory represents wholesaler inventories

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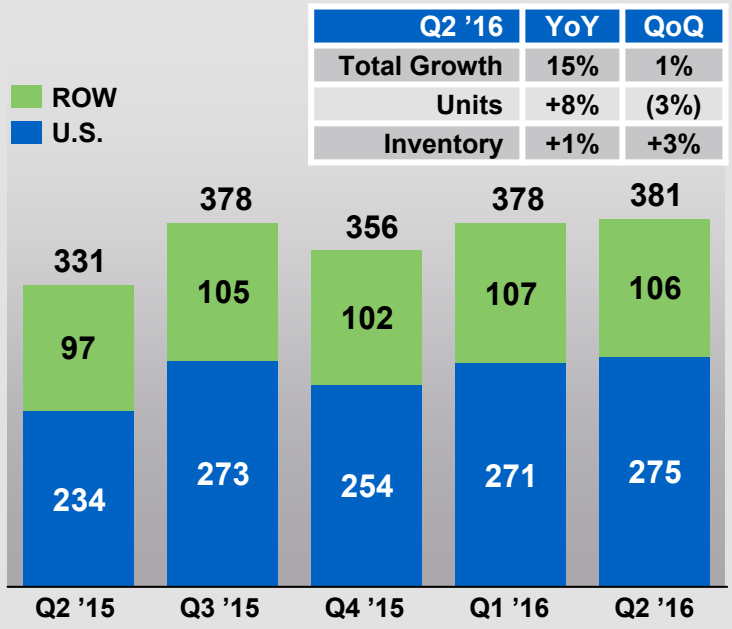
Q2 ’16 XGEVA® SALES GREW 15% YOY

XGEVA (denosumab)

$ Millions, Net Sales



	Q2 ’16	YoY	QoQ
Total Growth		15%	1%
Units		+8%	(3%)
Inventory		+1%	+3%

Highlights

- YoY sales growth driven by continued share gains and, to a lesser extent, net selling price*
- Share up ~ 2 points in U.S. and Europe, driven by focus on superior clinical profile† versus the competition
- Q2 ’16 impacted by purchases of some larger end customers in Q1 ’16

*Net selling price represents the impact of list price changes as well as contracting and access changes; †For the prevention of skeletal-related events in solid tumors
Note: Inventory represents wholesaler inventories

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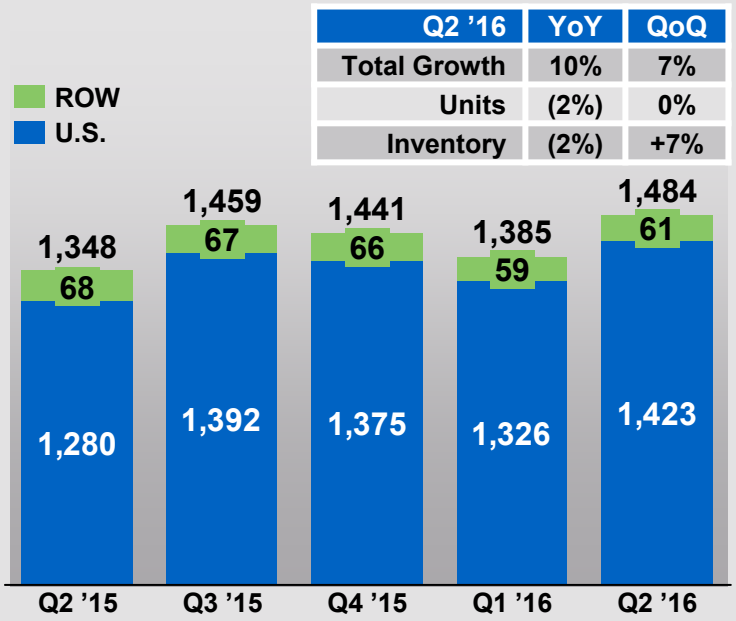
Q2 ’16 ENBREL® SALES GREW 10% YOY

$ Millions, Net Sales



	Q2 ’16	YoY	QoQ
Total Growth		10%	7%
Units		(2%)	0%
Inventory		(2%)	+7%

Highlights

- YoY sales growth driven by net selling price,* offset partially by impact of competition
- ~ 80% of ENBREL sales are in rheumatology
- QoQ value share in both rheumatology and dermatology declined 2 points to 26% and 19%, respectively

*Net selling price represents the impact of list price changes as well as contracting and access changes

Note: Inventory represents wholesaler and, based on prescription data, end-user inventories

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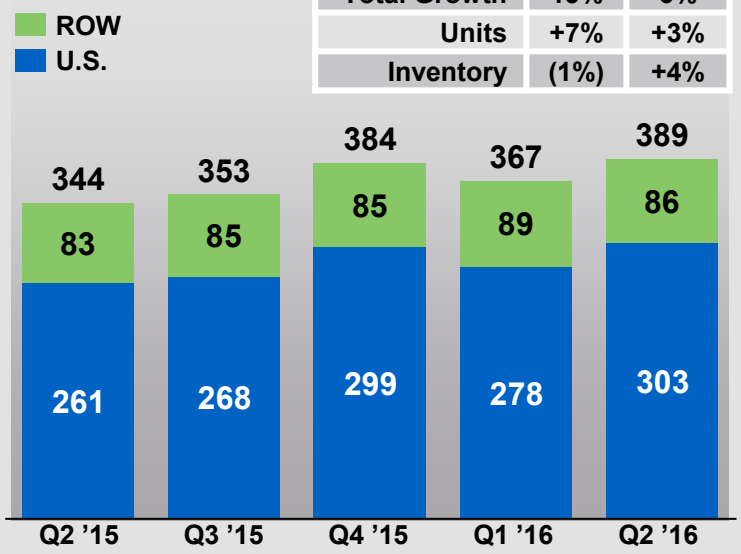
Q2 ’16 SENSIPAR® SALES GREW 13% YOY

Sensipar® (cinacalcet HCl) Tablets 30mg·60mg·90mg

$ Millions, Net Sales

	Q2 ’16	YoY	QoQ
Total Growth		13%	6%
Units		+7%	+3%
Inventory		(1%)	+4%



Highlights

- YoY sales growth driven by net selling price* and higher unit demand
- Strong YoY unit growth in the U.S. and Europe
- Parsabiv™† expected to add another treatment option for secondary hyperparathyroidism

*Net selling price represents the impact of list price changes as well as contracting and access changes; †Trade name provisionally approved by FDA
Note: Inventory represents wholesaler and, based on prescription data, end-user inventories

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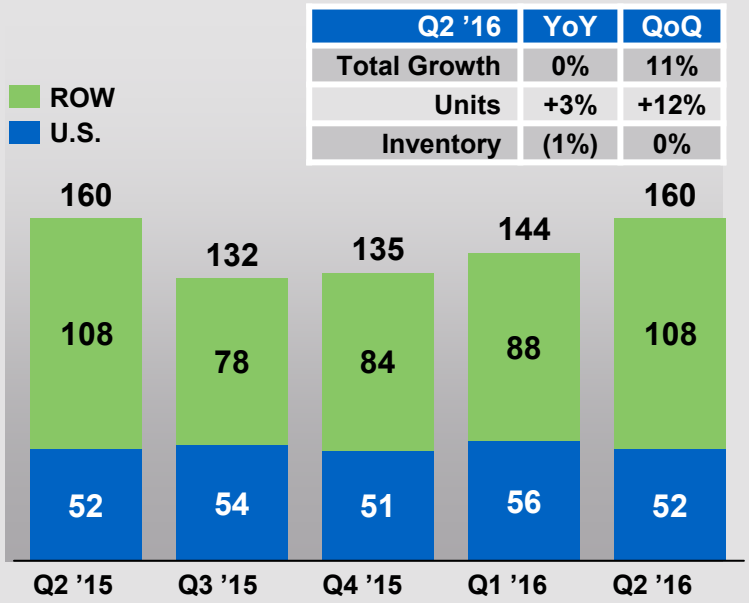
Q2 ’16 VECTIBIX® SALES WERE UNCHANGED YOY

Vectibix (panitumumab) injection for IV infusion

$ Millions, Net Sales

	Q2 ’16	YoY	QoQ
Total Growth		0%	11%
Units		+3%	+12%
Inventory		(1%)	0%



Highlights

- YoY unit growth was negatively impacted by an additional shipment to our Japanese partner in Q2 ’15

Note: Inventory represents wholesaler inventories

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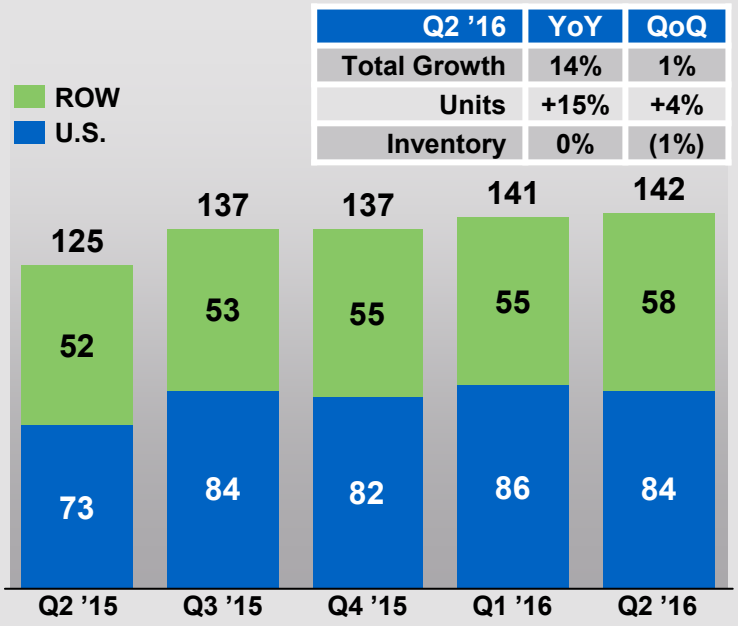
Q2 ’16 NPLATE® SALES GREW 14% YOY

$ Millions, Net Sales



	Q2 ’16	YoY	QoQ
Total Growth	14%	1%
Units	+15%	+4%
Inventory	0%	(1%)

Highlights

- **YoY sales growth driven by higher unit demand**

Note: Inventory represents wholesaler inventories

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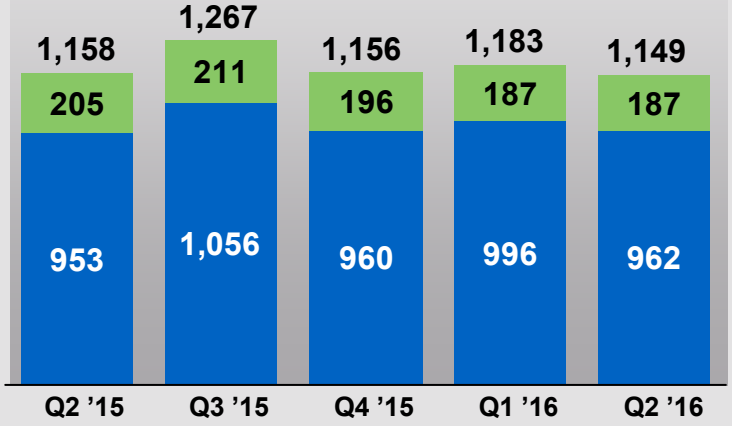
Q2 ’16 NEULASTA® SALES DECLINED 1% YOY

Neulasta® (pegfilgrastim)

$ Millions, Net Sales

	Q2 ’16	YoY	QoQ
Total Growth		(1%)	(3%)
Units		(4%)	(5%)
Inventory		(1%)	+2%



Highlights

- Continued uptake of Neulasta® Onpro™ kit
  - Exited Q2 at ~ 40% of our U.S. Neulasta® business and growing
  - Improving patient compliance to achieve maximum benefit of Neulasta®
- YoY sales decline driven by lower unit demand, offset partially by net selling price* in the U.S.
- Q2 ’16 impacted by purchases of some larger end customers in Q1 ’16

*Net selling price represents the impact of list price changes as well as contracting and access changes
Note: Inventory represents wholesaler inventories

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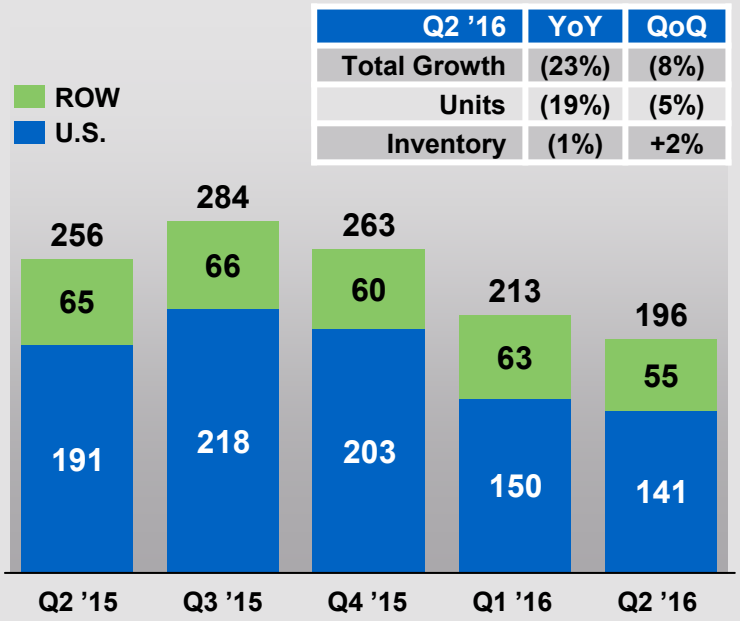
Q2 ’16 NEUPOGEN® SALES DECLINED 23% YOY

NEUPOGEN® (FILGRASTIM)

$ Millions, Net Sales



	Q2 ’16	YoY	QoQ
Total Growth		(23%)	(8%)
Units		(19%)	(5%)
Inventory		(1%)	+2%

Highlights

- Unit decline driven by U.S. biosimilar competition
- U.S. NEUPOGEN® retained ~ 60% share, with competition playing out generally as expected

Note: Inventory represents wholesaler inventories

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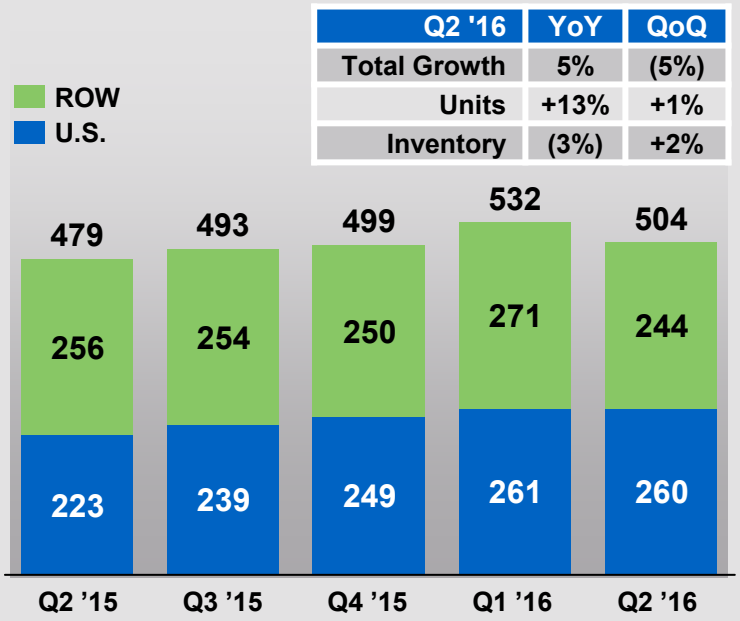
Q2 ’16 ARANESP® SALES GREW 5% YOY

Aranesp® (darbepoetin alfa)

$ Millions, Net Sales



	Q2 '16	YoY	QoQ
Total Growth		5%	(5%)
Units		+13%	+1%
Inventory		(3%)	+2%

Highlights

- Benefiting from strategy of transitioning dialysis patients from EPOGEN®
- YoY sales growth of 5% driven by increased utilization in U.S. dialysis centers, offset partially by unfavorable changes in inventory and net selling price*
- ~ 80,000 U.S. dialysis patients on Aranesp® in Q2 ’16

*Net selling price represents the impact of list price changes as well as contracting and access changes
Note: Inventory represents wholesaler inventories

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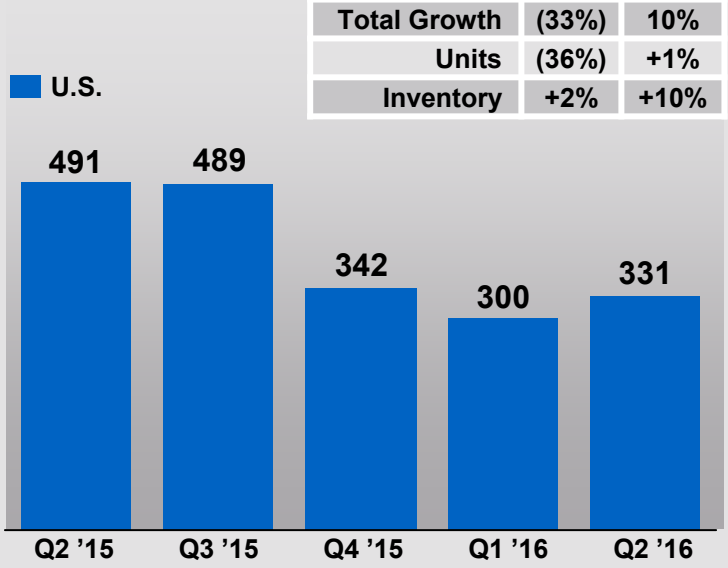
Q2 ’16 EPOGEN® SALES DECLINED 33% YOY

EPOGEN (EPOETIN ALFA) RECOMBINANT

$ Millions, Net Sales

	Q2 ’16	YoY	QoQ
Total Growth	(33%)	10%
Units	(36%)	+1%
Inventory	+2%	+10%



Highlights

- YoY sales decline driven by
  - Impact of competition at Fresenius
  - To a lesser extent, a shift by some U.S. dialysis customers to Aranesp®

Note: Inventory represents wholesaler inventories

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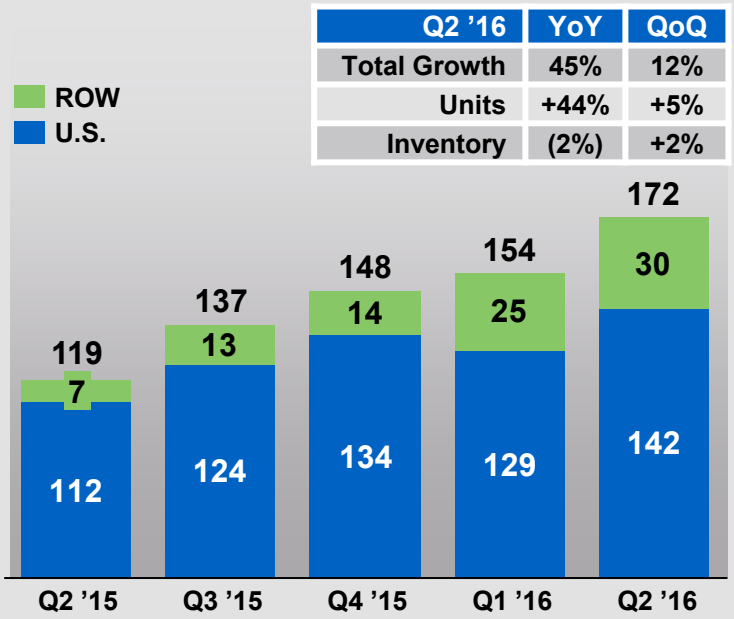
Q2 ’16 KYPROLIS® SALES GREW 45% YOY

$ Millions, Net Sales



Highlights

- Strong unit growth driven by increased share, duration of therapy and ex-U.S. launches
- European launches off to a strong start with QoQ growth of 24%
- Strong profile as a backbone of MM therapy
  - Approved in the U.S. and Europe for relapsed MM as part of a two- or three-drug regimen; also approved as monotherapy in the U.S.
- Expect continued sales growth as new relapsed patients start and stay on therapy for longer duration

MM = multiple myeloma

*Net selling price represents the impact of list price changes as well as contracting and access changes; Note: Inventory represents wholesaler inventories

SEAN E. HARPER, M.D.
EXECUTIVE VICE PRESIDENT,
RESEARCH AND DEVELOPMENT

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Q2 ’16 R&D UPDATE

Cardiovascular

- **Repatha®**
  - ***Pushtronex***™ **system (on-body infusor with prefilled cartridge) for monthly single-dose administration approved in U.S.**
  - **Data from Phase 3 cardiovascular outcomes study (FOURIER) expected Q1 ’17***

***Event driven**

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Q2 ’16 R&D UPDATE

Oncology

- **KYPROLIS®**
  - **Use in combination with dexamethasone alone for adult patients with relapsed MM approved in Europe, based on ENDEAVOR**
  - **Data from Phase 3 CLARION study vs. bortezomib in newly diagnosed, transplant-ineligible MM patients expected H2 ’16***
- **BLINCYTO®**
  - **sBLA for pediatric and adolescent Ph– R/R B-cell precursor ALL under FDA priority review with September 1 PDUFA action date**
- **ABP 980**
  - **Primary analysis completed for Phase 3 study evaluating efficacy and safety of ABP 980 compared with trastuzumab in patients with HER2-positive early breast cancer**

sBLA = supplemental biologics license application; Ph– = Philadelphia chromosome-negative; R/R = relapsed or refractory; ALL = acute lymphoblastic leukemia
PDUFA = Prescription Drug User Fee Act; HER2 = human epidermal growth factor receptor 2; *Event-driven study

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Q2 ’16 R&D UPDATE

Bone Health

- **Romosozumab***
  - **BLA submitted to FDA for the treatment of osteoporosis in postmenopausal women at increased risk for fracture**
  - **Results of Phase 3 placebo-controlled registrational fracture study (FRAME) will be presented at the American Society for Bone and Mineral Research Annual Meeting in September**

Neuroscience

- **Erenumab (AMG 334)†**
  - **Results of Phase 2b chronic migraine study will be presented at the European Headache and Migraine Trust International Congress in September**

BLA = biologics license application

***Developed in collaboration with UCB globally, as well as Astellas in Japan; †Developed in collaboration with Novartis**

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KEY PIPELINE MILESTONES

Clinical Program	Indication	Projected Milestone
Repatha®	Hyperlipidemia	Phase 3 coronary imaging data H2 ’16 Phase 3 CV outcomes data Q1 ’17**
KYPROLIS®	Relapsed multiple myeloma	ENDEAVOR Europe approval ✓
	Newly diagnosed multiple myeloma	Phase 3 CLARION data H2 ’16**
BLINCYTO®	Pediatric Ph– R/R B-cell precursor ALL	FDA priority review
Parsabiv™ (etelcalcetide)*	Secondary hyperparathyroidism	Global regulatory reviews
Romosozumab†	Postmenopausal osteoporosis	U.S. regulatory review Global regulatory submissions
Erenumab (AMG 334)‡	Migraine prophylaxis	Phase 2b chronic migraine data ✓ Phase 3 episodic migraine data H2 ’16
XGEVA®	Prevention of SREs in multiple myeloma	Phase 3 data H2 ’16**
ABP 215 biosimilar bevacizumab (Avastin®)	Oncology	Global regulatory submissions
ABP 501 biosimilar adalimumab (HUMIRA®)	Inflammatory diseases	Global regulatory reviews
ABP 980 biosimilar trastuzumab (Herceptin®)	Breast cancer	Phase 3 data ✓ Global regulatory submissions

CV = cardiovascular; SRE = skeletal-related event; *Trade name provisionally approved by FDA; †Developed in collaboration with UCB globally, as well as Astellas in Japan
‡Developed in collaboration with Novartis; **Event-driven study

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Q2 ’16 EARNINGS CALL

JULY 27, 2016

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RECONCILIATIONS

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

	Three months ended June 30,		Six months ended June 30,	
	2016	**2015**	**2016**	**2015**
Revenues:				
Product sales	$ 5,474	$ 5,225	$ 10,713	$ 10,099
Other revenues	214	145	502	304
Total revenues	5,688	5,370	11,215	10,403
Operating expenses:				
Cost of sales	1,050	1,089	2,068	2,122
Research and development	900	964	1,772	1,858
Selling, general and administrative	1,292	1,160	2,495	2,186
Other	66	81	98	139
Total operating expenses	3,308	3,294	6,433	6,305
Operating income	2,380	2,076	4,782	4,098
Interest expense, net	313	277	607	529
Interest and other income, net	137	198	287	304
Income before income taxes	2,204	1,997	4,462	3,873
Provision for income taxes	334	344	692	597
Net income	$ 1,870	$ 1,653	$ 3,770	$ 3,276
Earnings per share:				
Basic	$ 2.49	$ 2.18	$ 5.01	$ 4.30
Diluted	$ 2.47	$ 2.15	$ 4.97	$ 4.26
Weighted average shares used in calculation of earnings per share:				
Basic	751	759	753	761
Diluted	756	768	759	769

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

	June 30, 2016	December 31, 2015
Assets		
Current assets:		
Cash, cash equivalents and marketable securities	$ 35,034	$ 31,382
Trade receivables, net	3,078	2,995
Inventories	2,671	2,435
Other current assets	2,164	1,703
Total current assets	42,947	38,515
Property, plant and equipment, net	4,884	4,907
Intangible assets, net	11,068	11,641
Goodwill	14,799	14,787
Other assets	1,773	1,599
Total assets	$ 75,471	$ 71,449
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 5,536	$ 6,417
Current portion of long-term debt	5,294	2,247
Total current liabilities	10,830	8,664
Long-term debt	27,928	29,182
Long-term deferred tax liability	2,598	2,239
Other noncurrent liabilities	3,982	3,281
Stockholders' equity	30,133	28,083
Total liabilities and stockholders' equity	$ 75,471	$ 71,449
Shares outstanding	749	754

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

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
GAAP cost of sales	$ 1,050	$ 1,089	$ 2,068	$ 2,122
Adjustments to cost of sales:				
Acquisition-related expenses **(a)**	(312)	(285)	(623)	(569)
Certain net charges pursuant to our restructuring initiative	-	(15)	-	(29)
Total adjustments to cost of sales	(312)	(300)	(623)	(598)
Non-GAAP cost of sales	$ 738	$ 789	$ 1,445	$ 1,524
GAAP cost of sales as a percentage of product sales	19.2%	20.8%	19.3%	21.0%
Acquisition-related expenses	-5.7	-5.4	-5.8	-5.6
Certain net charges pursuant to our restructuring initiative	0.0	-0.3	0.0	-0.3
Non-GAAP cost of sales as a percentage of product sales	13.5%	15.1%	13.5%	15.1%
GAAP research and development expenses	$ 900	$ 964	$ 1,772	$ 1,858
Adjustments to research and development expenses:				
Acquisition-related expenses **(a)**	(19)	(28)	(38)	(49)
Certain net charges pursuant to our restructuring initiative	(3)	(18)	2	(35)
Total adjustments to research and development expenses	(22)	(46)	(36)	(84)
Non-GAAP research and development expenses	$ 878	$ 918	$ 1,736	$ 1,774
GAAP research and development expenses as a percentage of product sales	16.4%	18.4%	16.5%	18.4%
Acquisition-related expenses **(a)**	-0.3	-0.5	-0.3	-0.5
Certain net charges pursuant to our restructuring initiative	-0.1	-0.3	0.0	-0.3
Non-GAAP research and development expenses as a percentage of product sales	16.0%	17.6%	16.2%	17.6%
GAAP selling, general and administrative expenses	$ 1,292	$ 1,160	$ 2,495	$ 2,186
Adjustments to selling, general and administrative expenses:				
Acquisition-related expenses **(b)**	(27)	(28)	(128)	(57)
Certain net charges pursuant to our restructuring initiative	(5)	(20)	(4)	(24)
Total adjustments to selling, general and administrative expenses	(32)	(48)	(132)	(81)
Non-GAAP selling, general and administrative expenses	$ 1,260	$ 1,112	$ 2,363	$ 2,105
GAAP selling, general and administrative expenses as a percentage of product sales	23.6%	22.2%	23.3%	21.6%
Acquisition-related expenses **(a)**	-0.5	-0.5	-1.2	-0.6
Certain net charges pursuant to our restructuring initiative	-0.1	-0.4	0.0	-0.2
Non-GAAP selling, general and administrative expenses as a percentage of product sales	23.0%	21.3%	22.1%	20.8%
GAAP operating expenses	$ 3,308	$ 3,294	$ 6,433	$ 6,305
Adjustments to operating expenses:				
Adjustments to cost of sales	(312)	(300)	(623)	(598)
Adjustments to research and development expenses	(22)	(46)	(36)	(84)
Adjustments to selling, general and administrative expenses	(32)	(48)	(132)	(81)
Certain net charges pursuant to our restructuring initiative **(c)**	(8)	(10)	(10)	(67)
Expense related to various legal proceedings	(78)	(71)	(105)	(71)
Acquisition-related adjustments	20	-	17	(1)
Total adjustments to operating expenses	(432)	(475)	(889)	(902)
Non-GAAP operating expenses	$ 2,876	$ 2,819	$ 5,544	$ 5,403
GAAP operating income	$ 2,380	$ 2,076	$ 4,782	$ 4,098
Adjustments to operating expenses	432	475	889	902
Non-GAAP operating income	$ 2,812	$ 2,551	$ 5,671	$ 5,000
GAAP operating income as a percentage of product sales	43.5%	39.7%	44.6%	40.6%
Adjustments to cost of sales	5.7	5.7	5.8	5.9
Adjustments to research and development expenses	0.4	0.9	0.4	0.8
Adjustments to selling, general and administrative expenses	0.6	0.9	1.2	0.8
Certain net charges pursuant to our restructuring initiative **(c)**	0.2	0.2	0.1	0.7
Expense related to various legal proceedings	1.4	1.4	1.0	0.7
Acquisition-related adjustments	-0.4	0.0	-0.2	0.0
Non-GAAP operating income as a percentage of product sales	51.4%	48.8%	52.9%	49.5%
GAAP income before income taxes	$ 2,204	$ 1,997	$ 4,462	$ 3,873
Adjustments to operating expenses	432	475	889	902
Non-GAAP income before income taxes	$ 2,636	$ 2,472	$ 5,351	$ 4,775
GAAP provision for income taxes	$ 334	$ 344	$ 692	$ 597
Adjustments to provision for income taxes:				
Income tax effect of the above adjustments to operating expenses **(d)**	146	151	285	290
Other income tax adjustments **(e)**	10	-	25	-
Total adjustments to provision for income taxes	156	151	310	290
Non-GAAP provision for income taxes	$ 490	$ 495	$ 1,002	$ 887
GAAP tax rate as a percentage of income before taxes	15.2%	17.2%	15.5%	15.4%
Adjustments to provision for income taxes:				
Income tax effect of the above adjustments to operating expenses **(d)**	3.0	2.8	2.7	3.2
Other income tax adjustments **(e)**	0.4	0.0	0.5	0.0
Total adjustments to provision for income taxes	3.4	2.8	3.2	3.2
Non-GAAP tax rate as a percentage of income before taxes	18.6%	20.0%	18.7%	18.6%
GAAP net income	$ 1,870	$ 1,653	$ 3,770	$ 3,276
Adjustments to net income:				
Adjustments to income before income taxes, net of the income tax effect	286	324	604	612
Other income tax adjustments **(e)**	(10)	-	(25)	-
Total adjustments to net income	276	324	579	612
Non-GAAP net income	$ 2,146	$ 1,977	$ 4,349	$ 3,888

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 June 30, 2016		Three months ended June 30, 2015	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Net income	$ 1,870	$ 2,146	$ 1,653	$ 1,977
Weighted-average shares for diluted EPS	756	756	768	768
Diluted EPS	$ 2.47	$ 2.84	$ 2.15	$ 2.57

	Six months ended June 30, 2016		Six months ended June 30, 2015	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Net income	$ 3,770	$ 4,349	$ 3,276	$ 3,888
Weighted-average shares for diluted EPS	759	759	769	769
Diluted EPS	$ 4.97	$ 5.73	$ 4.26	$ 5.06

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

(b) For the three months ended June 20, 2016 as well as the three and six months ended June 30, 2015, the adjustments related primarily to non-cash amortization of intangible assets acquired in business combinations. For the six months ended June 30, 2016, the adjustments related primarily to a $73-million charge resulting from the reacquisition of Prolia®, XGEVA® and Vectibix® license agreements in certain markets from Glaxo Group Limited, as well as non-cash amortization of intangible assets acquired in business combinations.

(c) The adjustments related primarily to severance expenses.

(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. Due to these factors, the effective tax rates for the adjustments to our GAAP income before income taxes, for the three and six months ended June 30, 2016, were 33.8% and 32.1%, respectively, compared with 31.8% and 32.2% for the corresponding periods of the prior year.

(e) The adjustments related to certain prior period items excluded from non-GAAP earnings, primarily the impact from the adoption of ASU 2016-09 related to stock options that were previously excluded from non-GAAP measures.

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

	Three months ended June 30,			Six months ended June 30,		
	2016	2015		2016	2015	
Net cash provided by operating activities	$ 2,677	$ 3,284	(a)	$ 4,592	$ 4,766	(a)
Net cash used in investing activities	(657)	(2,359)		(5,047)	(3,311)	
Net cash (used in) provided by financing activities	(2,286)	6		(1,059)	(1,391)	
(Decrease) increase in cash and cash equivalents	(266)	931		(1,514)	64	
Cash and cash equivalents at beginning of period	2,896	2,864		4,144	3,731	
Cash and cash equivalents at end of period	$ 2,630	$ 3,795		$ 2,630	$ 3,795	

	Three months ended June 30,			Six months ended June 30,		
	2016	2015		2016	2015	
Net cash provided by operating activities	$ 2,677	$ 3,284	(a)	$ 4,592	$ 4,766	(a)
Capital expenditures	(188)	(133)		(344)	(251)	
Free cash flow	$ 2,489	$ 3,151		$ 4,248	$ 4,515	

(a) Restated to include $470 million and $623 million for the three and six months ended June 30, 2015, respectively, which was previously included in Net cash (used in) provided by financing activities, as a result of the adoption of ASU 2016-09.

Reconciliation of GAAP EPS Guidance to Non-GAAP
EPS Guidance for the Year Ending December 31, 2016
(Unaudited)

GAAP diluted EPS guidance		$ 9.55	-	$ 9.90	
Known adjustments to arrive at non-GAAP*:					
Acquisition-related expenses	(a)		1.35		
Restructuring charges		0.09	-	0.14	
Legal proceeding charge			0.09		
Tax adjustments	(b)		(0.03)		
Non-GAAP diluted EPS guidance		$ 11.10	-	$ 11.40	

* The known adjustments are presented net of their related tax impact which amount to approximately $0.71 to $0.73 per share, in the aggregate.

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

(b) The adjustments relate to certain prior period items excluded from non-GAAP earnings.

Reconciliation of GAAP Tax Rate Guidance to Non-GAAP
Tax Rate Guidance for the Year Ending December 31, 2016
(Unaudited)

	2016		
GAAP tax rate guidance	16.5%	-	17.5%
Tax rate effect of known adjustments discussed above		2.5%	
Non-GAAP tax rate guidance	19.0%	-	20.0%

Amgen Inc.
International Sales Performance Adjusted for Foreign Exchange

Amgen has presented international sales performance excluding the impact of foreign exchange. This measure adjusts for the translation effect of changes in average foreign exchange rates between the current period and the corresponding period in the prior year. Amgen's calculation to adjust for the impact of foreign exchange results in prior period weighted-average, foreign exchange rates being applied to current period product sales. Amgen believes that excluding the impact of foreign exchange enhances an investor's overall understanding of the financial performance and prospects for the future of Amgen's core business activities by facilitating comparisons of results of core business operations among current, past and future periods.

Q2 ’16 EARNINGS CALL

JULY 27, 2016

AMGEN®