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.

Q3 2016 Financial Highlights:

- Total revenues increased 2 percent versus the third quarter of 2015 to $5,811 million, with strong unit volume growth from Sensipar® (cinacalcet), Prolia® (denosumab), Vectibix® (panitumumab), XGEVA® (denosumab) and Nplate® (romiplostim).
- Non-GAAP operating income increased 9 percent to $2,916 million and non-GAAP operating margin improved by 4.2 percentage points to 52.9 percent.
- Non-GAAP EPS increased 11 percent to $3.02 driven by higher revenues and higher operating margins.
- The Company generated $2.5 billion of free cash flow.
- 2016 total revenue guidance increased to $22.6-$22.8 billion; non-GAAP EPS guidance increased to $11.40-$11.55.*

$Millions, except EPS and percentages	Q3'16	Q3'15	YOY Δ
Total Revenues.....	$ 5,811	$ 5,723	2%
GAAP Operating Income.....	$ 2,527	$ 2,339	8%
GAAP Net Income.....	$ 2,017	$ 1,863	8%
GAAP EPS.....	$ 2.68	$ 2.44	10%
Non-GAAP Operating Income.....	$ 2,916	$ 2,686	9%
Non-GAAP Net Income.....	$ 2,276	$ 2,081	9%
Non-GAAP EPS.....	$ 3.02	$ 2.72	11%

MESSAGE FROM BOB BRADWAY, CEO

Our business has performed well through the first nine months of the year and we continue to make progress in delivering our strategy for long-term growth. In the third quarter, we enjoyed strong unit volume growth for a number of our newer innovative products.

Our transformation program, which we announced over two years ago, is foundational for our long-term objectives. This quarter's results included operating leverage across all of our business, enabling us to grow earnings well ahead of revenues and deliver a 53% non-GAAP operating margin.

The strength of our legacy franchises is reflected in our durable cash flows as we generated $2.5 billion of free cash flow this quarter. Stable cash flows enable us to invest for the long-term both internally and externally while at the same time returning significant cash to our shareholders.

We continue to invest globally in our newly launched products, including Repatha® (evolocumab) and KYPROLIS® (carfilzomib), which we expect will generate meaningful revenues over time. Our next wave of new innovative medicines is focused on addressing unmet medical needs that make a big difference for patients. In neuroscience, we've already reported successful pivotal studies with our migraine medicine, erenumab, in both chronic and episodic migraine. Our bone-building agent romosozumab is under regulatory review in the U.S. and experts in the field are excited about its potential.

In the ongoing U.S. healthcare debate, we should not lose sight of the fact that it is the economic and societal burden of disease that is the enemy, and innovative biopharmaceutical drugs offer the promise of addressing that burden. We're at the dawn of a very exciting era for innovation. We see that today in cancer, we see it in cardiovascular medicine and I think we will see it in Alzheimer's and other devastating illness as well. But if we're to advance promising new medicines, we have to do that with an eye to both the price and the value of these therapies. At Amgen, we price our products to offer a strong value proposition for patients, payers and providers.

References in this document to "non-GAAP" measures, measures presented "on a non-GAAP basis" and to "free cash flow" (computed by subtracting capital expenditures from operating cash flow) refer to non-GAAP financial measures. Adjustments to the most directly comparable GAAP financial measures and other items are presented on the attached reconciliations.
** Guidance as of October 27, 2016, and is not being updated at this time.*

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

Non-GAAP 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?

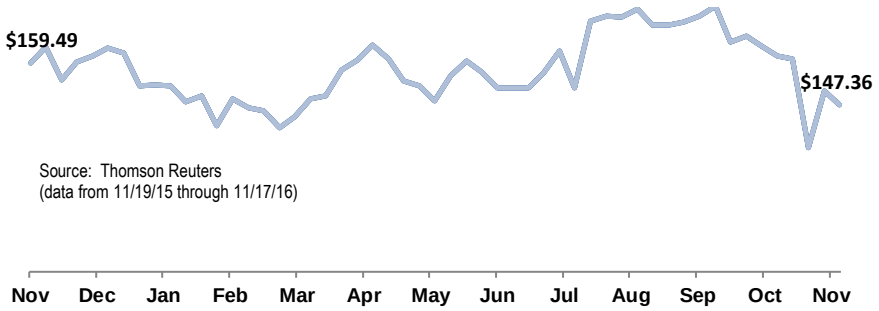
CONTACT US

Amgen
Investor Relations
Mailstop 38-4-B
Phone: 805-447-1060
E-mail: **investor.relations@amgen.com**
investors.amgen.com

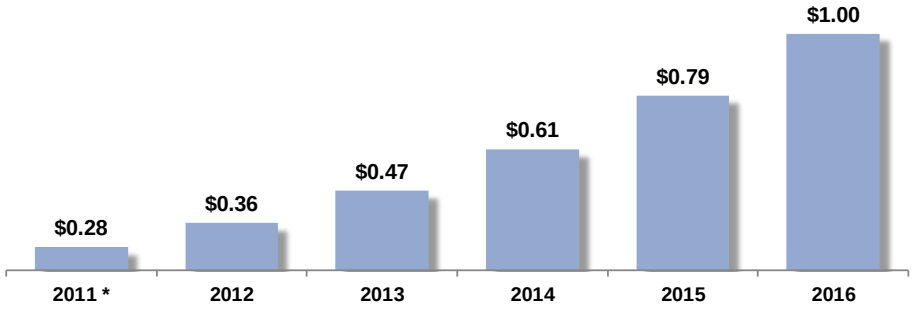
Transfer Agent

American Stock Transfer and Trust Co.
59 Maiden Lane
New York, NY 10038
Phone: (212) 936-5100 or
800-937-5449

Stock Price Performance (Last 12 Months)



Quarterly Per Share Dividend History



* Dividend initiated in September 2011

Key Quarterly News:

Focus on migraine prevention with erenumab

- Migraine affects more than 10 percent of the world's population, and it is a debilitating, costly disease.
- In the U.S., approximately 4 million people suffer from chronic migraine (15 or more headache days per month, of which eight or more days have migraine features) and over 30 million from episodic migraine (less than 15 headache days per month).
- Despite available treatments, unmet need remains as tolerability is an issue with many existing therapies. There are millions of migraine patients in the U.S. who may benefit from preventative therapy.
- Amgen's erenumab is being investigated specifically as a potential preventive migraine treatment. Erenumab selectively targets and blocks the CGRP receptor – believed to conduct signals that can cause incapacitating pain.
- In June, Amgen announced that erenumab significantly reduced patients' monthly migraine days in a phase 2 study for the prevention of chronic migraine.
- In September and November, Amgen announced that erenumab significantly reduced monthly migraine days in patients with episodic migraine in two phase 3 studies.
- We are working towards global regulatory submissions with our partner Novartis in 2017, and look forward to bringing this important new medicine to patients.

Non-GAAP Financial Measures

Management has presented its operating results for the third quarters of 2016 and 2015 in accordance with U.S. Generally Accepted Accounting Principles (GAAP) and on a non-GAAP basis. In addition, management has presented its full year 2016 EPS guidance in accordance with GAAP and on a non-GAAP basis. These non-GAAP financial measures are computed by excluding certain items related to acquisitions, restructuring and certain other items from the related GAAP financial measures. Reconciliations for these non-GAAP financial measures to the most directly comparable GAAP financial measures are attached. Management has also presented Free Cash Flow (FCF) for the third quarter of 2016. FCF is computed by subtracting capital expenditures from operating cash flow, each as determined in accordance with GAAP.

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

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

Forward-Looking Statements

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

No forward-looking statement can be guaranteed and actual results may differ materially from those we project. Our results may be affected by our ability to successfully market both new and existing products domestically and internationally, clinical and regulatory developments involving current and future products, sales growth of recently launched products, competition from other products including biosimilars, difficulties or delays in manufacturing our products and global economic conditions. In addition, sales of our products are affected by pricing pressure, political and public scrutiny and reimbursement policies imposed by third-party payers, including governments, private insurance plans and managed care providers and may be affected by regulatory, clinical and guideline developments and domestic and international trends toward managed care and healthcare cost containment. Furthermore, our research, testing, pricing, marketing and other operations are subject to extensive regulation by domestic and foreign government regulatory authorities. We or others could identify safety, side effects or manufacturing problems with our products 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.

Reconciliation of GAAP to Non-GAAP EPS Guidance
(Unaudited)

	Updated Guidance for the Year Ending December 31, 2016		
GAAP diluted EPS guidance	$ 9.94	-	$ 10.11
Known adjustments to arrive at non-GAAP earnings (a):			
Acquisition-related expenses **(b)**	1.34		
Restructuring charges	0.05	-	0.07
Legal proceeding charge	0.09		
Tax adjustments **(c)**	(0.04)		
Non-GAAP diluted EPS guidance	$ 11.40	-	$ 11.55

(a) The known adjustments are presented net of their related tax impact which amount to approximately $0.72 to $0.73 per share, in the aggregate.

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

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

Amgen Inc.
Reconciliations of GAAP to Non-GAAP Operating Margin, Net Income and EPS
(In millions)
(Unaudited)

	Three months ended September 30,	
	2016	**2015**
GAAP operating income	$ 2,527	$ 2,339
Acquisition-related expenses **(a)**	375	334
Certain net charges pursuant to our restructuring initiative **(b)**	14	11
Expense related to legal proceedings	-	2
Total adjustments to operating income	389	347
Non-GAAP operating income	$ 2,916	$ 2,686
Product sales	$ 5,516	$ 5,516
GAAP operating margin	45.8%	42.4%
Impact of total adjustments to operating income	7.1%	6.3%
Non-GAAP operating margin	52.9%	48.7%
GAAP net income	$ 2,017	$ 1,863
Adjustments to net income:		
Adjustments to operating income	389	347
Income tax effect of the above adjustments **(c)**	(127)	(114)
Other income tax adjustments **(d)**	(3)	(15)
Total adjustments to net income	259	218
Non-GAAP net income	$ 2,276	$ 2,081
Weighted-average shares for diluted EPS	753	764
GAAP diluted EPS	$ 2.68	$ 2.44
Non-GAAP diluted EPS	$ 3.02	$ 2.72

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

(b) For the three months ended September 30, 2016, the adjustments related primarily to asset impairments from our site closures. For the three months ended September 30, 2015, the adjustments related primarily to severance expenses offset by the recognition of a gain from the sale of assets related to our site closures.

(c) 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 months ended September 30, 2016, was 32.6%, compared with 32.9% for the corresponding period of the prior year.

(d) The adjustments related to certain prior period items excluded from non-GAAP earnings. The 2016 adjustments related primarily to the impact from the adoption of Accounting Standards Update 2016-09, Improvements to Employee Share-Based Payment Accounting, related to stock options that were previously excluded from non-GAAP measures. The 2015 adjustments related primarily to the impact from a change in interpretation of tax law.

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

	Three months ended September 30,		
	2016	**2015**	
Net cash provided by operating activities	$ 2,662	$ 2,892	**(a)**
Net cash used in investing activities	(2,389)	(2,003)	
Net cash provided by (used in) financing activities	582	(1,458)	
Increase (Decrease) in cash and cash equivalents	855	(569)	
Cash and cash equivalents at beginning of period	2,630	3,795	
Cash and cash equivalents at end of period	$ 3,485	$ 3,226	

	Three months ended September 30,		
	2016	**2015**	
Net cash provided by operating activities	$ 2,662	$ 2,892	**(a)**
Capital expenditures	(167)	(138)	
Free cash flow	$ 2,495	$ 2,754	

(a) Restated to include $18 million for the three months ended September 30, 2015, which was previously included in Net cash provided by (used in) financing activities, as a result of the adoption of ASU 2016-09.

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

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