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.

Q2 2017 Financial Highlights:

- Total revenues increased 2 percent versus the second quarter of 2016 to $5.8 billion.
    - Product sales grew 2 percent driven by Prolia® (denosumab), Repatha® (evolocumab) and KYPROLIS® (carfilzomib).
- Non-GAAP EPS increased 15 percent to $3.27 driven by higher operating margins.
- Non-GAAP operating income increased 9 percent to $3.1 billion and non-GAAP operating margin increased 3.8 percentage points to 55.2 percent.
- 2017 total revenues guidance revised to $22.5-$23.0 billion.*
- 2017 EPS guidance increased to $10.79-$11.37 on a GAAP basis and $12.15-$12.65 on a non-GAAP basis.*
- The Company generated $2.1 billion of free cash flow.

$Millions, except EPS and percentages	Q2'17	Q2'16	YOY Δ
Total Revenues	$ 5,810	$ 5,688	2%
GAAP Operating Income	$ 2,698	$ 2,380	13%
GAAP Net Income	$ 2,151	$ 1,870	15%
GAAP EPS	$ 2.91	$ 2.47	18%
Non-GAAP Operating Income	$ 3,075	$ 2,812	9%
Non-GAAP Net Income	$ 2,410	$ 2,146	12%
Non-GAAP EPS	$ 3.27	$ 2.84	15%

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 July 25, 2017, and is not being updated at this time.*

MESSAGE FROM BOB BRADWAY, CEO

Halfway through the year, we remain on track to achieve our objectives for 2017 as well as our longer-term objectives. Our second quarter financial performance was enabled by strong volume-driven growth for our newer products. This is encouraging as we continue to believe that such volume-driven growth is a key ingredient for long-term success in our industry. Our transformation efforts are enabling us to make significant investments in our pipeline and new product launches, while still delivering near-term operating leverage, and you see that reflected in our 9% non-GAAP operating income growth and our 15% non-GAAP earnings per share growth this quarter. Our margin trends also reflect the success of our ongoing transformation.

We continue to generate strong cash flows, enabling us to return significant cash to shareholders, including almost $2 billion in the second quarter alone in share repurchases and dividends. Strong cash flows combined with a strong balance sheet gives us the strategic flexibility to invest in external innovation. We're continually looking at opportunities in our chosen therapeutic categories, yet we remain disciplined in our approach to looking for investments that will enhance value for our shareholders.

We expect our cardiovascular business to be a significant contributor to our long-term volume-driven growth. Our focus remains on improving Repatha® (evolocumab) patient access in the U.S. and around the world. And with our cardiovascular outcomes clinical data in hand, we are making progress.

Within oncology, we have recently completed three pivotal studies showing an improvement in overall survival, two with KYPROLIS® (carfilzomib) and one with BLINCYTO® (blinatumomab). Overall survival is the gold standard when it comes to oncology drug development, and we are encouraged to demonstrate that patients live longer when treated with KYPROLIS® and BLINCYTO®.

In neuroscience, we're getting closer to being able to make a meaningful impact in the lives of migraine patients by submitting Aimovig™ (erenumab) to U.S. regulators in the second quarter. We have the lead position in this exciting new class of medicines.

The outlook for the company remains strong with growth from newer products and effective life-cycle management of our legacy products. We are confident in our position and are looking forward to the second half of the year.

AMGEN MISSION

To serve patients

AMGEN QUICK FACTS

Headquarters

Thousand Oaks, California

Staff

Approximately 19,200 worldwide

Stock Listing

NASDAQ: AMGN

Chairman, CEO and President

Robert A. Bradway

2016 Financial Highlights

Total revenue: $23.0 billion

Product sales: $21.9 billion

Non-GAAP R&D expense: $3.8 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)
Parsabiv™ (etelcalcetide)
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

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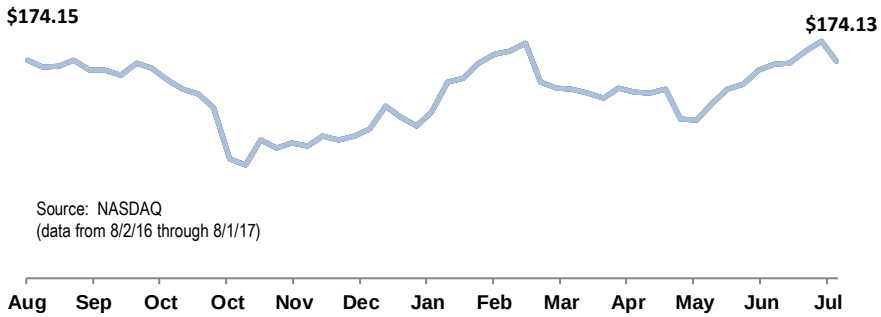
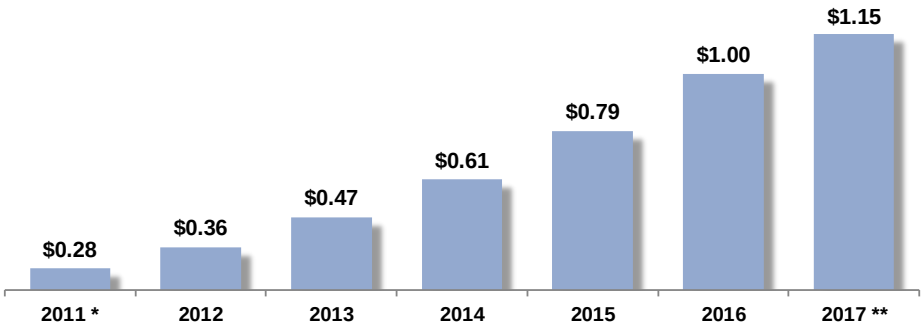
Stock Price Performance (Last 12 Months)



Quarterly Per Share Dividend History



* Dividend initiated in September 2011
** Represents Q1 & Q2 dividends paid and Q3 dividend payable on Sept. 8, 2017

Key Quarterly News:

AmgenScience.com Highlights Our Latest Research & Development Efforts

- Visit the Amgen Science website (www.amgenscience.com) for in-depth, interactive features that explore some of the innovative science happening at Amgen.
- Biologic medicines are complex and hard to make, which helps to explain why traditional biotech manufacturing plants are huge and expensive to build. Amgen has built a new biomanufacturing facility that is leaner, greener, more flexible and productive, and less costly to build and operate. Learn how Amgen is creating **The Next Generation of Biotech Manufacturing**.
- **The Hunt for Alzheimer's Genes** has an interactive featurette and is Amgen's latest chapter in the pursuit of new Alzheimer's treatments, which includes a global collaboration with Novartis. The collaboration is focused on the BACE gene, a target first cloned by Amgen and now supported by genetic validation.
- A rare mutation discovered at deCODE Genetics (an Amgen subsidiary) is associated with a 34 percent lower risk of coronary artery disease. Discover the gene, ASGR1, and what Amgen scientists are doing to turn this insight into a new type of heart drug in **A Gene Linked to Lower Risk of Heart Attacks**
- **Amgen's Growing Immunotherapy Arsenal** highlights how Amgen scientists are approaching oncology by using BiTE® molecules, CAR-T cells and more gene-based cancer targeting. The video features David M. Reese, Amgen's Senior Vice President, Translational Sciences.
- 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 second quarters of 2017 and 2016 in accordance with U.S. Generally Accepted Accounting Principles (GAAP) and on a non-GAAP basis. In addition, management has presented its full year 2017 EPS guidance in accordance with GAAP and on a non-GAAP basis, as well as full year 2016 research and development expense 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), which is a non-GAAP financial measure, for the second quarter of 2017. 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 this document 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, including our devices, 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. Certain of our distributors, customers and payers have substantial purchasing leverage in their dealings with us. 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.
Reconciliation of GAAP EPS Guidance to Non-GAAP
EPS Guidance for the Year Ending December 31, 2017
(Unaudited)

GAAP diluted EPS guidance		$	10.79	-	$	11.37
Known adjustments to arrive at non-GAAP*:						
Acquisition-related expenses	(a)		1.24			
Restructuring charges			0.07	-		0.15
Tax adjustments	(b)		(0.03)			
Non-GAAP diluted EPS guidance		$	12.15	-	$	12.65

* The known adjustments are presented net of their related tax impact which amount to approximately $0.60 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 GAAP earnings.

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

	Three months ended June 30,		Year ended December 31,
	2017	2016	2016
GAAP research and development expenses			$ 3,840
Adjustments to research and development expenses:			
Acquisition-related expenses (a)			(78)
Certain net charges pursuant to our restructuring initiative			(7)
Total adjustments to research and development expenses			(85)
Non-GAAP research and development expenses			$ 3,755
GAAP operating income	$ 2,698	$ 2,380	
Adjustments to operating income:			
Acquisition-related expenses (a)	362	338	
Certain charges pursuant to our restructuring initiative	12	16	
Expense related to various legal proceedings	-	78	
Other	3	-	
Total adjustments to operating income	377	432	
Non-GAAP operating income	$ 3,075	$ 2,812	
Product sales	$ 5,574	$ 5,474	
GAAP operating margin	48.4%	43.5%	
Impact of total adjustments to operating income	6.8%	7.9%	
Non-GAAP operating margin	55.2%	51.4%	
GAAP net income	$ 2,151	$ 1,870	
Adjustments to net income:			
Adjustments to income before income taxes, net of the income tax effect (b)	260	286	
Other income tax adjustments	(1)	(10)	
Non-GAAP net income	$ 2,410	$ 2,146	
Weighted-average shares for diluted EPS	738	756	
GAAP diluted EPS	$ 2.91	$ 2.47	
Non-GAAP diluted EPS	$ 3.27	$ 2.84	

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

(b) 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.

Reconciliations of Cash Flows
(In millions)
(Unaudited)

	Three months ended June 30,	
	2017	2016
Net cash provided by operating activities	$ 2,326	$ 2,677
Net cash used in investing activities	(1,813)	(657)
Net cash used in financing activities	(1,242)	(2,286)
Decrease in cash and cash equivalents	(729)	(266)
Cash and cash equivalents at beginning of period	3,358	2,896
Cash and cash equivalents at end of period	$ 2,629	$ 2,630

	Three months ended June 30,	
	2017	2016
Net cash provided by operating activities	$ 2,326	$ 2,677
Capital expenditures	(185)	(188)
Free cash flow	$ 2,141	$ 2,489