

**Amgen Inc.**  
**Condensed Consolidated Statements of Income and**  
**Reconciliation of GAAP Earnings to "Adjusted" Earnings**  
(In millions, except per share data)  
(Unaudited)

	Three months ended June 30, 2011			Three months ended June 30, 2010		
	GAAP	Adjustments	"Adjusted"	GAAP	Adjustments	"Adjusted"
Revenues:						
Product sales.....	\$ 3,893	\$ -	\$ 3,893	\$ 3,613	\$ -	\$ 3,613
Other revenues.....	66	-	66	191	-	191
Total revenues.....	<u>3,959</u>	<u>-</u>	<u>3,959</u>	<u>3,804</u>	<u>-</u>	<u>3,804</u>
Operating expenses:						
Cost of sales (excludes amortization of certain acquired intangible assets presented below).....	602	(3) (a)	569	553	(4) (a)	549
		(11) (b)				
		(12) (c)				
		(7) (d)				
Research and development.....	819	(10) (a)	808	675	(16) (a)	642
		(1) (e)			(17) (e)	
Selling, general and administrative.....	1,130	(13) (a)	1,111	986	(18) (a)	968
		(6) (f)				
Amortization of certain acquired intangible assets.....	73	(73) (g)	-	73	(73) (g)	-
Other.....	3	(5) (h)	-			
		(3) (i)				
		5 (j)				
Total operating expenses.....	<u>2,627</u>	<u>(139)</u>	<u>2,488</u>	<u>2,287</u>	<u>(128)</u>	<u>2,159</u>
Operating income.....	1,332	139	1,471	1,517	128	1,645
Interest expense, net.....	122	(32) (k)	90	147	(66) (k)	81
Interest and other income, net.....	129	-	129	94	-	94
Income before income taxes.....	1,339	171	1,510	1,464	194	1,658
Provision for income taxes.....	169	60 (m)	229 (o)	262	70 (m)	332
Net income.....	<u>\$ 1,170</u>	<u>\$ 111</u>	<u>\$ 1,281</u>	<u>\$ 1,202</u>	<u>\$ 124</u>	<u>\$ 1,326</u>
Earnings per share:						
Basic.....	\$ 1.26		\$ 1.38	\$ 1.25		\$ 1.38
Diluted (p).....	\$ 1.25		\$ 1.37 (a)	\$ 1.25		\$ 1.38 (a)
Average shares used in calculation of earnings per share:						
Basic.....	927		927	959		959
Diluted (p).....	935		934 (a)	964		964 (a)

(a) - (p) See explanatory notes on the following pages.

Provided July 29, 2011 as part of an oral presentation and is qualified by such,  
contains forward-looking statements, actual results may vary materially;  
Amgen disclaims any duty to update.

**Amgen Inc.**  
**Condensed Consolidated Statements of Income and**  
**Reconciliation of GAAP Earnings to "Adjusted" Earnings**  
(In millions, except per share data)  
(Unaudited)

	Six months ended June 30, 2011			Six months ended June 30, 2010		
	GAAP	Adjustments	"Adjusted"	GAAP	Adjustments	"Adjusted"
Revenues:						
Product sales.....	\$ 7,511	\$ -	\$ 7,511	\$ 7,141	\$ -	\$ 7,141
Other revenues.....	154	-	154	255	-	255
Total revenues.....	<u>7,665</u>	<u>-</u>	<u>7,665</u>	<u>7,396</u>	<u>-</u>	<u>7,396</u>
Operating expenses:						
Cost of sales (excludes amortization of certain acquired intangible assets presented below).....	1,166	(6) (a) (21) (b) (23) (c) (7) (d)	1,109	1,061	(8) (a)	1,053
Research and development.....	1,555	(19) (a) (18) (e) (7) (l)	1,511	1,321	(28) (a) (34) (e)	1,259
Selling, general and administrative.....	2,153	(23) (a) (8) (f)	2,122	1,870	(29) (a)	1,841
Amortization of certain acquired intangible assets.....	147	(147) (g)	-	147	(147) (g)	-
Other.....	19	(5) (h) (3) (i) (11) (j)	-	(1)	1 (h)	-
Total operating expenses.....	<u>5,040</u>	<u>(298)</u>	<u>4,742</u>	<u>4,398</u>	<u>(245)</u>	<u>4,153</u>
Operating income.....	2,625	298	2,923	2,998	245	3,243
Interest expense, net.....	257	(76) (k)	181	292	(131) (k)	161
Interest and other income, net.....	<u>277</u>	<u>-</u>	<u>277</u>	<u>178</u>	<u>-</u>	<u>178</u>
Income before income taxes.....	2,645	374	3,019	2,884	376	3,260
Provision for income taxes.....	350	125 (m) 5 (n)	480	515	137 (m)	652
Net income.....	<u>\$ 2,295</u>	<u>\$ 244</u>	<u>\$ 2,539</u>	<u>\$ 2,369</u>	<u>\$ 239</u>	<u>\$ 2,608</u>
Earnings per share:						
Basic .....	\$ 2.47		\$ 2.73	\$ 2.44		\$ 2.69
Diluted (p) .....	\$ 2.45		\$ 2.71 (a)	\$ 2.43		\$ 2.67 (a)
Average shares used in calculation of earnings per share:						
Basic .....	930		930	970		970
Diluted (p) .....	938		937 (a)	976		976 (a)

(a) - (p) See explanatory notes on the following pages.

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Amgen Inc.  
Notes to Reconciliation of GAAP Earnings to "Adjusted" Earnings  
(In millions, except per share data)  
(Unaudited)

- (a) To exclude stock option expense. For the three and six months ended June 30, 2011 and 2010, the total pre-tax expense for employee stock options was \$26 million and \$48 million, respectively and \$38 million and \$65 million, respectively.

\*Adjusted\* diluted EPS including the impact of stock option expense for the three and six months ended June 30, 2011 and 2010 was as follows:

	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
*Adjusted* diluted EPS, excluding stock option expense.....	\$ 1.37	\$ 1.38	\$ 2.71	\$ 2.67
Impact of stock option expense (net of tax).....	(0.02)	(0.04)	(0.04)	(0.05)
*Adjusted* diluted EPS, including stock option expense.....	\$ 1.35	\$ 1.34	\$ 2.67	\$ 2.62

- (b) To exclude accelerated depreciation for manufacturing assets resulting from our transaction with Boehringer Ingelheim (BI) involving our manufacturing operations in Fremont, California (the BI Fremont transaction). The amount reflected above represents the incremental depreciation expense over the amount that would have otherwise been incurred absent the BI Fremont transaction. This transaction was entered into as part of our ongoing efforts to optimize our network of manufacturing facilities and improve costs efficiencies.
- (c) To exclude loss accruals for certain facility operating leases associated with the BI Fremont transaction that will not be used in our business.
- (d) To exclude incremental costs associated with the Laboratorio Quimico Farmaceutico Bergamo Ltda (Bergamo) acquisition, related to recording acquired inventory at fair value which is in excess of its historical manufacturing cost.
- (e) To exclude the ongoing, non-cash amortization of the research and development (R&D) technology intangible assets with alternative future uses acquired with the acquisitions of Abgenix, Inc. (Abgenix) and/or Avidia, Inc. (Avidia).
- (f) To exclude merger-related expenses, primarily transaction costs, associated with certain of our recent acquisitions.
- (g) To exclude the ongoing, non-cash amortization of acquired product technology rights, primarily ENBREL, related to the Immunex Corporation (Immunex) acquisition.
- (h) To exclude the expense/(benefit) arising from certain legal settlements.
- (i) To exclude the expense related to changes in the estimated fair values of the contingent consideration obligations related to the BioVex Group, Inc. (BioVex) acquisition.
- (j) To exclude certain charges (or the reversal of certain previously over-accrued charges) pursuant to our continuing efforts to improve cost efficiencies in our manufacturing operations.
- (k) To exclude the incremental non-cash interest expense resulting from a change in the accounting for our convertible notes effective January 1, 2009.
- (l) To exclude the expense resulting from the cash settlement of unvested BioVex employee stock options in connection with the BioVex acquisition.
- (m) To exclude the tax effect of the above adjustments. The tax provision (benefit) for 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 amortization of intangible assets and non-cash interest expense associated with our convertible notes, whereas the tax impact of other adjustments, including stock option expense, depends on whether the amounts are deductible in the tax jurisdictions where the asset is located or the expenses are incurred and the applicable tax rate(s) in those jurisdictions. Due to these factors, the effective tax rates for the above adjustments to our GAAP results for the three and six months ended June 30, 2011 and 2010 were 35.1% and 33.4% and 36.1% and 36.4%, respectively.
- (n) To exclude the income tax benefit related principally to certain prior period charges excluded from \*Adjusted\* earnings.

- (o) The \*Adjusted\* tax rates for the three months ended June 30, 2011 was 15.2%, which includes the impact of the Puerto Rico excise tax. The following table reconciles the \*Adjusted\* tax rate including and excluding the Puerto Rico excise tax:

	Three months ended June 30, 2011
*Adjusted* tax rate with Puerto Rico excise tax.....	15.2%
Puerto Rico excise tax.....	5.1%
*Adjusted* tax rate excluding Puerto Rico excise tax.....	20.3%

- (p) The following table presents the computations for GAAP and \*Adjusted\* diluted EPS, computed under the treasury stock method. \*Adjusted\* EPS presented below excludes stock option expense:

	Three months ended June 30, 2011		Three months ended June 30, 2010	
	GAAP	*Adjusted*	GAAP	*Adjusted*
Income (Numerator):				
Net income for basic and diluted EPS.....	\$ 1,170	\$ 1,281	\$ 1,202	\$ 1,326
Shares (Denominator):				
Weighted-average shares for basic EPS.....	927	927	959	959
Effect of dilutive securities.....	8	7 (*)	5	5 (*)
Weighted-average shares for diluted EPS.....	935	934	964	964
Diluted EPS.....	\$ 1.25	\$ 1.37	\$ 1.25	\$ 1.38

  

	Six months ended June 30, 2011		Six months ended June 30, 2010	
	GAAP	*Adjusted*	GAAP	*Adjusted*
Income (Numerator):				
Net income for basic and diluted EPS.....	\$ 2,295	\$ 2,539	\$ 2,369	\$ 2,608
Shares (Denominator):				
Weighted-average shares for basic EPS.....	930	930	970	970
Effect of dilutive securities.....	8	7 (*)	6	6 (*)
Weighted-average shares for diluted EPS.....	938	937	976	976
Diluted earnings per share.....	\$ 2.45	\$ 2.71	\$ 2.43	\$ 2.67

(\*) Dilutive securities used to compute \*Adjusted\* diluted EPS for the three and six months ended June 30, 2011 and 2010 were computed under the treasury stock method assuming that we do not expense stock options.

Amgen Inc.  
**Product Sales Detail by Product and Geographic Region**  
(In millions)  
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
Aranesp® - U.S.....	\$ 241	\$ 267	\$ 491	\$ 535
Aranesp® - International.....	344	336	674	695
EPOGEN® - U.S.....	543	657	1,078	1,280
Neulasta® - U.S.....	769	643	1,479	1,280
NEUPOGEN® - U.S.....	230	225	450	450
Neulasta® - International.....	246	218	472	444
NEUPOGEN® - International.....	81	88	157	179
Enbrel® - U.S.....	894	819	1,715	1,573
Enbrel® - Canada.....	62	58	116	108
Sensipar® - U.S.....	124	112	240	229
Mimpara® - International.....	75	60	146	122
Vectibix® - U.S.....	31	29	61	54
Vectibix® - International.....	50	43	95	85
Nplate® - U.S.....	40	32	77	60
Nplate® - International.....	35	23	63	44
Prolia® - U.S.....	30	3	47	3
Prolia® - International.....	14	-	24	-
XGEVA® - U.S.....	73	-	115	-
Other - International .....	11	-	11	-
Total product sales.....	<u>\$ 3,893</u>	<u>\$ 3,613</u>	<u>\$ 7,511</u>	<u>\$ 7,141</u>
U.S.....	\$ 2,975	\$ 2,787	\$ 5,753	\$ 5,464
International.....	918 (a)	826	1,758 (b)	1,677
Total product sales.....	<u>\$ 3,893 (a)</u>	<u>\$ 3,613</u>	<u>\$ 7,511 (b)</u>	<u>\$ 7,141</u>

(a) The change in international product sales for the three months ended June 30, 2011 was positively impacted by \$34 million due to foreign exchange (including \$14 million for Neulasta®/NEUPOGEN®, \$10 million for Aranesp®, \$3 million for Mimpara®, \$2 million for Nplate®, \$2 million for Vectibix®, \$2 million for Prolia® and \$1 million for ENBREL).

(b) The change in international product sales for the six months ended June 30, 2011 was positively impacted by \$26 million due to foreign exchange (including \$11 million for Neulasta®/NEUPOGEN®, \$6 million for Aranesp®, \$2 million for ENBREL, \$2 million for Mimpara®, \$2 million for Vectibix®, \$2 million for Prolia® and \$1 million for Nplate®).

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

	<u>June 30, 2011</u>	<u>December 31, 2010</u>
<b>Assets</b>		
Current assets:		
Cash, cash equivalents and marketable securities.....	\$ 19,172	\$ 17,422
Trade receivables, net.....	2,713	2,335
Inventories.....	2,230	2,022
Other current assets.....	1,366	1,350
Total current assets.....	<u>25,481</u>	<u>23,129</u>
Property, plant and equipment, net.....	5,516	5,522
Intangible assets, net.....	2,782	2,230
Goodwill.....	11,794	11,334
Other assets.....	1,363	1,271
Total assets.....	<u>\$ 46,936</u>	<u>\$ 43,486</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities.....	\$ 4,499	\$ 4,082
Current portion of convertible notes.....	83	2,488
Total current liabilities.....	<u>4,582</u>	<u>6,570</u>
Convertible notes.....	2,279	2,296
Other long-term debt.....	11,568	8,578
Other non-current liabilities.....	2,893	2,098
Stockholders' equity.....	25,614	23,944
Total liabilities and stockholders' equity.....	<u>\$ 46,936</u>	<u>\$ 43,486</u>
Shares outstanding.....	924	932

**Amgen Inc.**  
**Reconciliation of GAAP Debt Outstanding to "Adjusted" Debt Outstanding**  
(In millions)  
(Unaudited)

	<u>June 30, 2011</u>			<u>June 30, 2010</u>		
	<u>GAAP</u>	<u>Adjustments for accounting standard</u>	<u>"Adjusted"</u>	<u>GAAP</u>	<u>Adjustments for accounting standard</u>	<u>"Adjusted"</u>
Total debt outstanding.....	\$ 13,930	\$ 221 (a)	\$ 14,151	\$ 11,732	\$ 437 (a)	\$ 12,169

**Amgen Inc.**  
**Reconciliation of GAAP Stockholders' Equity to Stockholders' Equity as adjusted for impact of accounting standard**  
(In millions)  
(Unaudited)

	<u>June 30, 2011</u>			<u>June 30, 2010</u>		
	<u>GAAP</u>	<u>Adjustments for accounting standard</u>	<u>"Adjusted"</u>	<u>GAAP</u>	<u>Adjustments for accounting standard</u>	<u>"Adjusted"</u>
Stockholders' equity.....	\$ 25,614	\$ (129) (a)	\$ 25,485	\$ 23,170	\$ (262) (a)	\$ 22,908

(a) To exclude the impact of adopting an accounting standard on January 1, 2009 that changed the method of accounting for our convertible notes.

Amgen Inc.  
**Reconciliation of GAAP EPS Guidance to "Adjusted"**  
**EPS Guidance for the Year Ending December 31, 2011**  
**(Unaudited)**

On July 29, 2011, the Company updated its "Adjusted" EPS guidance to be at the upper end of the range of \$5.00 to \$5.20. The following table shows a reconciliation of GAAP EPS (diluted) guidance to "Adjusted" EPS (diluted) guidance.

	<u>2011</u>	
<b>GAAP EPS (diluted) guidance</b> .....	\$ 4.55	- \$ 4.78
<b>Known adjustments to arrive at "Adjusted" earnings*:</b>		
Amortization of acquired intangible assets, product technology rights..... (a)	0.20	
Incremental non-cash interest expense..... (b)	0.10	
Stock option expense..... (c)	0.05	- 0.08
Charges associated with the BI Fremont transaction..... (d)	0.04	
Amortization of acquired intangible assets, R&D technology rights..... (e)	0.01	
Charges associated with cost efficiency improvement efforts in our manufacturing operations.. (f)	0.01	
Merger-related expenses..... (g)	0.02	
Tax benefit for prior period charges..... (h)	(0.01)	
<b>"Adjusted" EPS (diluted) guidance</b> .....	<u>\$ 5.00</u>	<u>- \$ 5.20</u>

\* The known adjustments are presented net of their related aggregate tax impact of approximately \$0.26 per share.

- (a) To exclude the ongoing, non-cash amortization of acquired product technology rights, primarily ENBREL, related to the Immunex acquisition.
- (b) To exclude the incremental non-cash interest expense resulting from a change in accounting in January 2009 related to our convertible debt.
- (c) To exclude stock option expense.
- (d) To exclude charges associated with the BI Fremont transaction involving our manufacturing operation in Fremont, California.
- (e) To exclude the ongoing, non-cash amortization of the R&D technology intangible assets acquired with the Abgenix and Avidia acquisitions.
- (f) To exclude certain charges pursuant to our continuing efforts to improve cost efficiencies in our manufacturing operations.
- (g) To exclude merger-related expenses associated with our recent acquisitions.
- (h) To exclude the income tax benefit related principally to certain prior period charges excluded from "Adjusted" earnings.

**Amgen Inc.**  
**Reconciliation of GAAP R&D Expenses as a Percentage of Product Sales Guidance to "Adjusted"**  
**R&D Expenses as a Percentage of Product Sales Guidance for the Year Ending December 31, 2011**  
**(Unaudited)**

On July 29, 2011, the Company stated that the full year adjusted R&D expenses are expected to be at the upper end of the range of 18% to 20% of product sales.

	<u>2011</u>	
<b>GAAP R&amp;D expenses as a percentage of product sales guidance</b> .....	18.4%	- 20.4%
Known adjustments, related to stock option and merger-related expenses, to arrive at "Adjusted" R&D expenses as a percentage of product sales.....	(0.4%)	
<b>"Adjusted" R&amp;D expenses as a percentage of product sales guidance</b> .....	<u>18.0%</u>	<u>- 20.0%</u>

**Amgen Inc.**  
**Reconciliation of GAAP Tax Rate Guidance to "Adjusted"**  
**Tax Rate Guidance for the Year Ending December 31, 2011**  
**(Unaudited)**

On July 29, 2011, the Company stated that it continues to expect its "Adjusted" tax rate guidance to be in the range of 15% to 16% after taking into account the impact of the foreign tax credit associated with the Puerto Rico excise tax.

	<u>2011 with PR excise tax</u>	
<b>GAAP tax rate guidance</b> .....	12.4%	- 13.6%
Tax rate effect of known adjustments discussed above.....	2.4%	- 2.6%
<b>"Adjusted" tax rate guidance</b> .....	<u>15.0%</u>	<u>- 16.0%</u>