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 2017 Financial Highlights:

- Non-GAAP EPS increased 9 percent to $3.15 driven by higher operating margins.
- Non-GAAP operating income increased 5 percent to $3.0 billion and non-GAAP operating margin increased 3 percentage points to 57.6 percent.
- Total revenues decreased 1 percent versus the first quarter of 2016 to $5.5 billion.
- 2017 EPS guidance increased $12.00-$12.60 on a non-GAAP basis; total revenues guidance unchanged at $22.3-$23.1 billion.*
- The Company generated $2.2 billion of free cash flow in the first quarter versus $1.8 billion in the first quarter of 2016.

$Millions, except EPS and percentages	Q1'17	Q1'16	YOY Δ
Total Revenues	$ 5,464	$ 5,527	(1%)
GAAP Operating Income	$ 2,591	$ 2,402	8%
GAAP Net Income	$ 2,071	$ 1,900	9%
GAAP EPS	$ 2.79	$ 2.50	12%
Non-GAAP Operating Income	$ 2,995	$ 2,859	5%
Non-GAAP Net Income	$ 2,333	$ 2,203	6%
Non-GAAP EPS	$ 3.15	$ 2.90	9%

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 April 26, 2017, and is not being updated at this time.*

AMGEN®

Pioneering science delivers vital medicines™

MESSAGE FROM BOB BRADWAY, CEO

We had an active first quarter at Amgen. Core to our strategy is a commitment to differentiated innovation. We aim for products with a big effect size, in areas where the unmet need is high. That is what we feel will be required to succeed over the long term in this industry.

In our cardiovascular portfolio, we strongly believe Repatha® (evolocumab) represents one such product. Cardiovascular disease poses the largest health burden on society today, with costs of $650 billion per year in the U.S. Repatha's cardiovascular outcomes data demonstrated unequivocally that Repatha can play an important role in reducing that burden. We increasingly expect physicians, patients and other stakeholders to recognize that patient access to Repatha needs to improve.

In oncology, there is no better standard for differentiated innovation than achieving an overall survival advantage for patients. In the first quarter, we achieved that with both KYPROLIS® (carfilzomib) and BLINCYTO® (blinatumomab). The BLINCYTO results are encouraging for our immuno-oncology approach with our bi-specific antibody, or BiTE®, platform. We are excited about the potential of our BiTE programs and have several moving swiftly in our pipeline. The overall survival data for KYPROLIS – achieved at an interim analysis in relapsed multiple myeloma patients – is expected to drive increased share for KYPROLIS. Also in multiple myeloma this quarter, we achieved positive results for XGEVA® (denosumab) in reducing skeletal-related events.

Our newest therapeutic area is neuroscience, where we are on the threshold of a novel, first-in-class therapy for migraine sufferers. We recently presented our registration-enabling data for erenumab at the American Academy of Neurology and experts in the field were excited for innovation in an area where there are few options for those suffering from episodic and chronic migraine.

Looking forward, our orientation is long-term, volume-driven growth, and we think we can deliver that across our focused therapeutic franchises. But we are also set on managing the business tightly to deliver in the short and medium term. Our balance sheet and cash flows are strong, and we are looking for investment opportunities with the determination to create value for our shareholders. We will remain patient and discriminating when it comes to M&A.

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

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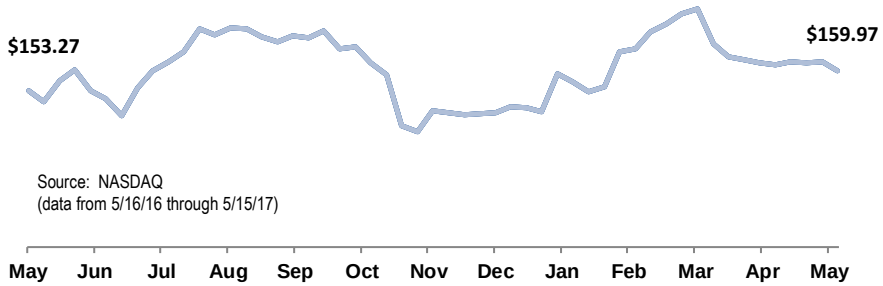
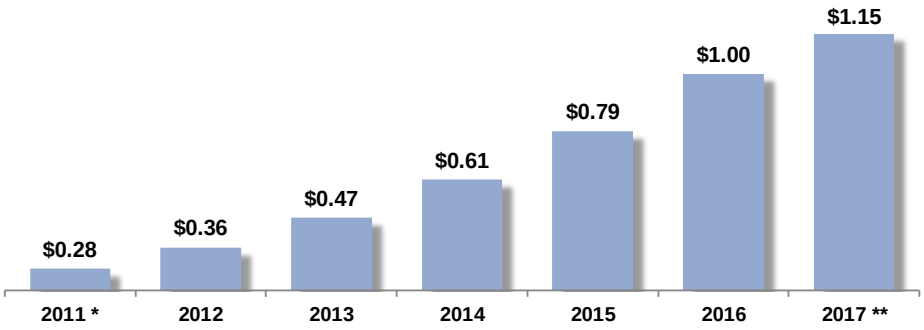
Stock Price Performance (Last 12 Months)



Source: NASDAQ
(data from 5/16/16 through 5/15/17)

Quarterly Per Share Dividend History



* Dividend initiated in September 2011

** Represents Q1 dividend paid and Q2 dividend payable on June 8, 2017

Key Quarterly News:

Positive Repatha® Cardiovascular Outcomes Data is a "Game Changer" for High-Risk Patients

- Cardiovascular disease is the largest health burden on society
  - Societal costs of $650B in the U.S. alone
- Repatha outcomes data unequivocally demonstrated Repatha's role in reducing cardiovascular events
  - 20% relative risk reduction in secondary composite endpoint of heart attack, stroke or cardiovascular death despite relatively short (2.2 year) duration of therapy and best current care background therapy
  - After one year of therapy, Repatha reduced the risk of heart attack by 35% and stroke by 24% in an exploratory analysis
  - It also confirmed the large unmet need—the cardiovascular event rate in the optimized statin placebo arm was ~ 10% per year
- We expect improvements to access over time as the importance of Repatha therapy is recognized by physicians, patients and other stakeholders
- We are offering innovative value-based contracts to address affordability concerns for patients and payers
  - First outcomes-based refund contract recently signed, with refined utilization management criteria

Non-GAAP Financial Measures

Management has presented its operating results for the first 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 first quarters of 2017 and 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. 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		$	10.64	-	$	11.32
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		$	12.00	-	$	12.60

* The known adjustments are presented net of their related tax impact which amount to approximately $0.58 to $0.61 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.

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

	Three months ended March 31,		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 **(b)**			(7)
Total adjustments to research and development expenses			(85)
Non-GAAP research and development expenses			$ 3,755
GAAP operating income	$ 2,591	$ 2,402	
Adjustments to operating income:			
Acquisition-related expenses **(a)**	365	434	
Certain charges pursuant to our restructuring initiative **(b)**	39	(4)	
Expense related to various legal proceedings	-	27	
Total adjustments to operating income	404	457	
Non-GAAP operating income	$ 2,995	$ 2,859	
Product sales	$ 5,199	$ 5,239	
GAAP operating margin	49.8%	45.8%	
Impact of total adjustments to operating income	7.8%	8.8%	
Non-GAAP operating margin	57.6%	54.6%	
GAAP net income	$ 2,071	$ 1,900	
Adjustments to net income:			
Adjustments to operating income	404	457	
Income tax effect of the above adjustments **(c)**	(119)	(139)	
Other income tax adjustments **(d)**	(23)	(15)	
Non-GAAP net income	$ 2,333	$ 2,203	
Weighted-average shares for diluted EPS	741	760	
GAAP diluted EPS	$ 2.79	$ 2.50	
Non-GAAP diluted EPS	$ 3.15	$ 2.90	

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

(b) The adjustments related primarily to asset impairments, accelerated depreciation and other charges related to the closure of our facilities, as well as severance.

(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.

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

Reconciliations of Cash Flows
(In millions)
(Unaudited)

	Three months ended March 31,	
	2017	**2016**
Net cash provided by operating activities	$ 2,385	$ 1,915
Net cash used in investing activities	(157)	(4,390)
Net cash (used in) provided by financing activities	(2,111)	1,227
Increase (decrease) in cash and cash equivalents	117	(1,248)
Cash and cash equivalents at beginning of period	3,241	4,144
Cash and cash equivalents at end of period	$ 3,358	$ 2,896

	Three months ended March 31,	
	2017	**2016**
Net cash provided by operating activities	$ 2,385	$ 1,915
Capital expenditures	(168)	(156)
Free cash flow	$ 2,217	$ 1,759