Amgen to Acquire Privately Held KAI Pharmaceuticals

April 10, 2012

Acquisition Includes KAI-4169 Program, Which Delivered Compelling Phase 2a Clinical Results for the Treatment of Secondary Hyperparathyroidism in Patients with Chronic Kidney Disease who are on Dialysis

THOUSAND OAKS, Calif. and SOUTH SAN FRANCISCO, Calif., April 10, 2012 /PRNewswire/ -- Amgen (NASDAQ: AMGN) and KAI Pharmaceuticals today announced an agreement under which Amgen will acquire KAI, a privately held pharmaceutical company based in South San Francisco. KAI's lead product candidate, KAI-4169, is a novel agent being initially studied for the treatment of secondary hyperparathyroidism (SHPT) in patients with chronic kidney disease (CKD) who are on dialysis. SHPT, a component of CKD mineral and bone disorder (MBD), is a common and serious complication for patients with CKD who are on dialysis. Through this acquisition, Amgen will acquire worldwide rights, excluding Japan, to KAI-4169.

Under terms of the agreement, Amgen will pay $315 million in cash to acquire KAI. In connection with the parties' entering into the agreement, Amgen has provided a loan to enable Phase 3 clinical development planning for KAI-4169 prior to closing. The transaction has been approved by the stockholders of KAI and approved by the Board of Directors of each company. Completion of the transaction is subject to customary closing conditions, including regulatory approvals. Following the completion of the transaction, KAI will become a wholly owned subsidiary of Amgen. J.P. Morgan Securities LLC acted as exclusive financial advisor and Latham & Watkins acted as legal advisor to KAI on the transaction. Amgen was advised by Sullivan & Cromwell LLP.

KAI-4169 is an innovative experimental therapy that is administered intravenously at the same time the patient is undergoing dialysis. The vast majority of CKD patients on dialysis are affected by SHPT, a component of CKD-MBD, which can lead to serious consequences.

"KAI has demonstrated encouraging results in the clinic. We are excited about acquiring KAI, as well as the opportunity to potentially deliver a novel therapy for chronic kidney disease patients on dialysis suffering from secondary hyperparathyroidism," said Sean E. Harper, M.D., executive vice president of Research and Development at Amgen.

"KAI and the nephrology community are excited by the additional clinical data we've generated for KAI-4169, and we are thrilled that Amgen shares our perspective on the differentiated profile and potential of this product candidate," said Steve James, president and chief executive officer of KAI. "Amgen is ideally positioned to bring KAI-4169 to market and to patients, given the company's decades of experience in developing and delivering therapies for patients with chronic kidney disease."

About Amgen

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 millions of people around the world in the fight against cancer, kidney disease, rheumatoid arthritis, bone disease and other serious illnesses. With a deep and broad pipeline of potential new medicines, Amgen remains committed to advancing science to dramatically improve people's lives. To learn more about our pioneering science and vital medicines, visit http://www.amgen.com/. Follow us on http://twitter.com/amgen.

About KAI Pharmaceuticals

KAI is a clinical-stage, biopharmaceutical company with a lead peptide product candidate, KAI-4169, in development for the treatment of CKD-MBD, and initially being developed for the treatment of SHPT. Building on positive, earlier-stage clinical data, KAI has initiated its second Phase 2 study of KAI-4169 in CKD patients on dialysis. Further, in September 2011, KAI entered into a partnership with Ono Pharmaceutical Co., Ltd. wherein Ono will develop and commercialize KAI-4169 in Japan. In addition, KAI is conducting preclinical research on pre-hemodialysis applications of KAI-4169. KAI's leadership team has a strong background and track record in successful product development and commercialization. The Company has raised $63 million in Series A and B rounds and is backed by a leading syndicate of venture investors - InterWest Partners, Skyline Ventures, Intersouth Partners, Aberdare Ventures, Investor Growth Capital, Kearny Venture Partners, Lumira Capital and Delphi Ventures. KAI is headquartered in South San Francisco, California, and can be found online at http://www.kaipharma.com/.

About SHPT and CKD-MBD

In developed countries where data on CKD patients on dialysis is available, there are approximately 1,644,000 people in this patient population. SHPT and CKD-MBD often develop early in CKD and worsen as renal function declines and the diseases progress. Most CKD patients on dialysis are affected by CKD-MBD, which can lead to significant mortality and morbidity. Despite several currently approved therapies for the treatment of SHPT, significant unmet medical need remains.

About KAI-4169

KAI-4169 is a novel peptide agonist of the calcium sensing receptor (CaSR), which affects calcium homeostasis by modulating the release of parathyroid hormone (PTH). Phase 2a data demonstrated that administration of KAI-4169 resulted in sustained reductions in PTH, phosphorus, calcium and FGF-23, recognized markers of SHPT. The Phase 2a data also showed that KAI-4169 was well-tolerated; adverse events occurring in two or more subjects included nausea, headache, anxiety and vomiting. No subjects discontinued use due to adverse events, and the incidence of gastrointestinal adverse events was similar in the KAI-4169 and placebo treatment groups.

Amgen Forward-Looking Statements

This news release contains forward-looking statements that are based on Amgen'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 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 most recent 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 Amgen's business. Unless otherwise noted, Amgen is providing this information as of April 10, 2012 and expressly disclaims any duty to update information contained in this news release.

No forward-looking statement can be guaranteed and actual results may differ materially from those Amgen projects. Discovery or identification of new product candidates or development of new indications for existing products cannot be guaranteed and movement from concept to product is uncertain; consequently, there can be no guarantee that any particular product candidate or development of a new indication for an existing product will be successful and become a commercial product. Further, preclinical results do not guarantee safe and effective performance of product candidates in humans. The complexity of the human body cannot be perfectly, or sometimes, even adequately modeled by computer or cell culture systems or animal models. The length of time that it takes for Amgen to complete clinical trials and obtain regulatory approval for product marketing has in the past varied and Amgen expects similar variability in the future. Amgen develops product candidates internally and through licensing collaborations, partnerships and joint ventures. Product candidates that are derived from relationships may be subject to disputes between the parties or may prove to be not as effective or as safe as Amgen may have believed at the time of entering into such relationship. Also, Amgen or others could identify safety, side effects or manufacturing problems with Amgen's products after they are on the market. Amgen's business may be impacted by government investigations, litigation and products liability claims. Amgen depends on third parties for a significant portion of its manufacturing capacity for the supply of certain of its current and future products and limits on supply may constrain sales of certain of its current products and product candidate development.

In addition, sales of Amgen's products are affected by the reimbursement policies imposed by third-party payors, 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 as well as U.S. legislation affecting pharmaceutical pricing and reimbursement. Government and others' regulations and reimbursement policies may affect the development, usage and pricing of Amgen's products. In addition, Amgen competes with other companies with respect to some of its marketed products as well as for the discovery and development of new products. Amgen believes that some of its newer products, product candidates or new indications for existing products, may face competition when and as they are approved and marketed. Amgen's products may compete against products that have lower prices, established reimbursement, superior performance, are easier to administer, or that are otherwise competitive with its products. In addition, while Amgen routinely obtains patents for its products and technology, the protection offered by its patents and patent applications may be challenged, invalidated or circumvented by its competitors and there can be no guarantee of Amgen's ability to obtain or maintain patent protection for its products or product candidates. Amgen cannot guarantee that it will be able to produce commercially successful products or maintain the commercial success of its existing products. Amgen's stock price may be affected by actual or perceived market opportunity, competitive position, and success or failure of its products or product candidates. Further, the discovery of significant problems with a product similar to one of Amgen's products that implicate an entire class of products could have a material adverse effect on sales of the affected products and on Amgen's business and results of operations.

The scientific information discussed in this news release related to product candidates is preliminary and investigative. Such product candidates are not approved by the U.S. Food and Drug Administration (FDA), and no conclusions can or should be drawn regarding the safety or effectiveness of the product candidates. Only the FDA can determine whether the product candidates are safe and effective for the use(s) being investigated. Healthcare professionals should refer to and rely upon the FDA-approved labeling for the products, and not the information discussed in this news release.

Contacts

Amgen, Thousand Oaks
Mary Klem, 805-447-6979 (media)
Arvind Sood, 805-447-1060 (investors)

KAI Pharmaceuticals, South San Francisco
Monte Montgomery, 650-244-1112,
monte.montgomery@kaipharma.com (media and investors)
Justin Jackson, Burns McClellan, on behalf of KAI Pharmaceuticals
212-213-0006, Ext.327
jjackson@burnsmc.com (media)

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