Kirin-Amgen Joint Venture To Become Wholly-Owned Subsidiary Of Amgen

October 31, 2017

$780 Million Payment to be Funded From Joint Venture's Existing Cash Holdings
Kyowa Hakko Kirin to Continue as Licensee in Asia

THOUSAND OAKS, Calif., Oct. 30, 2017 /PRNewswire/ -- Amgen (NASDAQ:AMGN) today announced that Amgen and Kirin Holdings (Kirin) have agreed that Kirin-Amgen, a joint venture between the two companies, will redeem Kirin's shares in the joint venture and, as a result, Kirin-Amgen will become a wholly-owned subsidiary of Amgen.

Kirin-Amgen was established in 1984 as a 50-50 joint venture between Amgen and Kirin to fund the global development of EPOGEN® (epoetin alfa). Over time, the scope of the collaboration was expanded to include NEUPOGEN® (filgrastim), Neulasta® (pegfilgrastim), Aranesp® (darbepoetin alfa), Nplate® (romiplostim) and brodalumab. Kirin-Amgen holds the intellectual property for each of these products and, in exchange for royalty rights, licensed the associated marketing rights in certain Asian countries to Kyowa Hakko Kirin (KHK), Kirin's pharmaceutical subsidiary, and in other territories to Amgen.

"Our historic partnership with Kirin played a pivotal role in the growth of Amgen from a small, venture-backed start-up to one of the world's largest biotechnology companies," said Robert A. Bradway, chairman and chief executive officer at Amgen. "I would like to thank Kirin for more than three decades of partnership, which has enabled us to reach patients suffering from serious illness around the world with meaningful therapies. We look forward to continuing what has been Amgen's longest-running collaboration through our ongoing relationship with KHK."

Under the terms of the agreement, the Kirin-Amgen joint venture will pay $780 million to Kirin. Amgen will make additional payments to Kirin upon the occurrence of certain sales (valued by Amgen at approximately $30 million). As sole shareholder of Kirin-Amgen, Amgen will own the product rights and remaining cash held by Kirin-Amgen. License agreements between Kirin-Amgen and KHK in certain Asian territories will remain in place. The transaction will be effective upon the fulfillment or waiver of certain conditions contained in the agreement, including the receipt of all necessary approvals from governmental authorities. The transaction is expected to close during either the fourth quarter of 2017 or the first quarter of 2018.

Goldman Sachs & Co. LLC is acting as exclusive financial advisor to Amgen in connection with this transaction.

About Amgen
Amgen is committed to unlocking the potential of biology for patients suffering from serious illnesses by discovering, developing, manufacturing and delivering innovative human therapeutics. This approach begins by using tools like advanced human genetics to unravel the complexities of disease and understand the fundamentals of human biology.

Amgen focuses on areas of high unmet medical need and leverages its expertise to strive for solutions that improve health outcomes and dramatically improve people's lives. A biotechnology pioneer since 1980, Amgen has grown to be one of the world's leading independent biotechnology companies, has reached millions of patients around the world and is developing a pipeline of medicines with breakaway potential.

For more information, visit www.amgen.com and follow us on www.twitter.com/amgen.

Forward-Looking Statements
This news release 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 news release 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. 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.

CONTACT: Amgen, Thousand Oaks
Kristen Davis: 805-447-3008 (media)
Kristen Neese: 805-313-8267 (media)
Arvind Sood: 805-447-1060 (investors)

View original content with multimedia:http://www.prnewswire.com/news-releases/kirin-amgen-joint-venture-to-become-wholly-owned-subsidiary-of-amgen-300545966.html

SOURCE Amgen