Q1 ’16 EARNINGS CALL

APRIL 28, 2016

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Pioneering science delivers vital medicines™

SAFE HARBOR STATEMENT

This presentation contains forward-looking statements that are based on management'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 statements about 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 any subsequent 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 our business. Unless otherwise noted, Amgen is providing this information as of April 28, 2016 and expressly disclaims any duty to update information contained in this presentation.

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. 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.

This presentation includes GAAP and non-GAAP financial measures. In accordance with the requirements of SEC Regulation G, reconciliations between these two measures, if these slides are in hard copy, accompany the hard copy presentation or, if these slides are delivered electronically, are available on the Company's website at www.amgen.com within the Investors section.

AGENDA

Introduction	Arvind Sood
Opening Remarks	Bob Bradway
Q1 ’16 Business Results	David Meline
Global Commercial Review	Tony Hooper
R&D Review	Sean Harper
Q&A	All

AMGEN

FOCUSED ON LONG-TERM GROWTH AND VALUE CREATION THROUGH INNOVATIVE THERAPEUTICS

- **Amgen is off to a strong start in 2016 with 10% revenue growth and 17% adjusted EPS growth**
- **We continue to execute on our long-term growth drivers**
  - **Launch products: Laying a strong global foundation for future growth**
  - **Pipeline products: Innovative, late-stage products in large potential markets**
  - **Transformation: Delivering efficiencies and speed of execution**
  - **Capital allocation: Investing for long-term growth via internal and external innovation and returning capital to shareholders**

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Q1 ’16 BUSINESS RESULTS

DAVID MELINE
EXECUTIVE VICE PRESIDENT
AND CHIEF FINANCIAL OFFICER

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17% ADJUSTED EPS GROWTH IN Q1 ’16 DRIVEN BY STRONG REVENUE GROWTH AND OPERATING MARGIN EXPANSION

$ Millions, Except Adjusted EPS

Item	Q1 ’16	Q1 ’15	B/(W) %
Revenue	$5,527	$5,033	10%
Product Sales	5,239	4,874	7%
Other Revenues	288	159	
Operating Expenses	2,668	2,584	(3%)
Cost of Sales *% of product sales*	707 *13.5%*	735 *15.1%*	
R&D *% of product sales*	858 *16.4%*	856 *17.6%*	
SG&A *% of product sales*	1,103 *21.1%*	993 *20.4%*	
Operating Income *% of product sales*	2,859 *54.6%*	2,449 *50.2%*	17%
Other Income/(Expense)	(144)	(146)	
Net Income	$2,203	$1,911	15%
Adjusted EPS	$2.90	$2.48	17%
Average Shares	760	770	1%
Tax Rate	18.9%	17.0%	(1.9) pts

All income statement items for Q1 ’16 and/or Q1 ’15, except revenue, other income/(expense) and average shares, are adjusted, non-GAAP financial measures—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section

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FREE CASH FLOW GREW TO $1.8B IN Q1 ’16

$ Billions

Cash Flow Data	Q1 ’16	Q1 ’15
Capital Expenditures	$0.2	$0.1
Free Cash Flow*	1.8	1.4
Share Repurchase	0.7	0.5
Dividends Paid	0.8	0.6
Balance Sheet Data	**Q1 ’16**	**Q1 ’15**
Cash and Investments	$34.7	$27.1
Debt Outstanding	34.3	30.2

***Non-GAAP financial measure—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section**

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WE ARE INCREASING OUR 2016 REVENUE AND EPS GUIDANCE

	Updated Guidance	Previous Guidance
Revenue	$22.2B–$22.6B	$22.0B–$22.5B
Adjusted EPS*	$10.85–$11.20	$10.60–$11.00
Adjusted Tax Rate*	19.0%–20.0%	19.5%–20.5%
Capital Expenditures	~ $700M	~ $700M

***Adjusted, non-GAAP financial measure—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, or amounts pertain to previously issued financial guidance, see reconciliations available at: www.amgen.com within the Investors section**

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GLOBAL COMMERCIAL REVIEW

TONY HOOPER
EXECUTIVE VICE PRESIDENT,
GLOBAL COMMERCIAL OPERATIONS

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Q1 ’16 GLOBAL COMMERCIAL REVIEW

$ Millions, Net Sales

	Q1 ’16			Q1 ’15	YoY △
	U.S.	ROW	Total	Total	Total
Prolia®	221	131	352	272	29%
XGEVA®	271	107	378	340	11%
Vectibix®	56	88	144	122	18%
Nplate®	86	55	141	126	12%
Sensipar®/Mimpara®	278	89	367	334	10%
Enbrel®	1,326	59	1,385	1,116	24%
Aranesp®	261	271	532	480	11%
EPOGEN®	300	0	300	534	(44%)
NEUPOGEN®	150	63	213	246	(13%)
Neulasta®	996	187	1,183	1,134	4%
Kyprolis®	129	25	154	108	43%
BLINCYTO®	21	6	27	15	80%
Repatha®	14	2	16	0	NM
Other*	10	37	47	47	0%
Total Product Sales	$4,119	$1,120	$5,239	$4,874	7%

NM = not meaningful

***Other includes MN Pharma, Bergamo, IMLYGIC™ and Corlanor®**

Provided April 28, 2016, 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.

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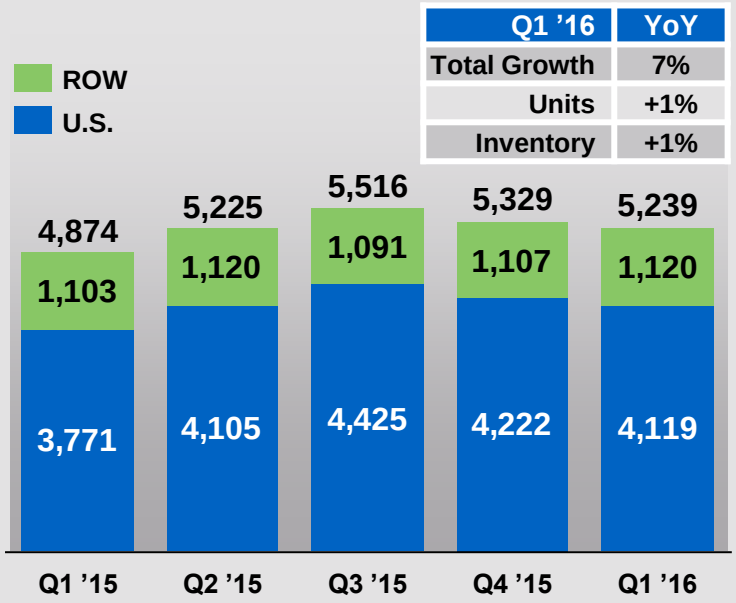
Q1 ’16 PRODUCT SALES GREW 7% YOY

$ Millions, Net Sales



Highlights

- U.S. grew 9%; international grew 7%, excluding the negative impact of foreign exchange*
- Significant contribution from growth products led by Enbrel® and Prolia®
- EPOGEN® and NEUPOGEN® realized unit declines due to competition

*Non-GAAP financial measure—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section; Note: Inventory represents wholesaler and, based on prescription data for ENBREL and Sensipar®, end-user inventories

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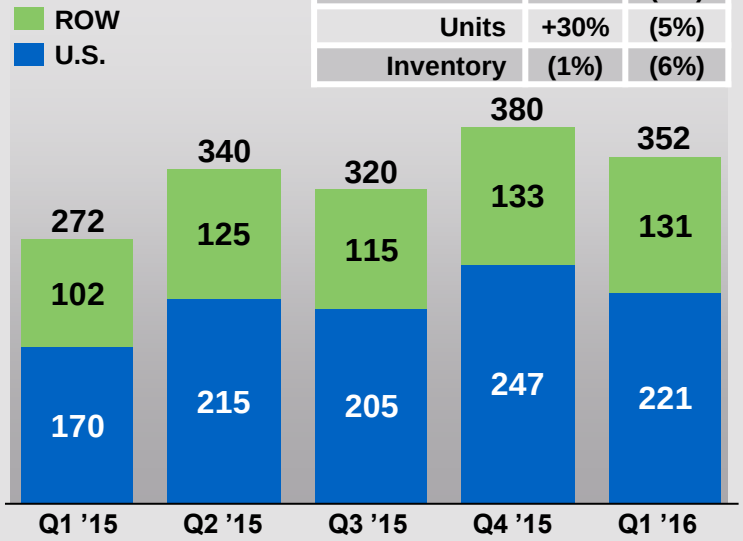
Q1 ’16 PROLIA® SALES GREW 29% YOY

$ Millions, Net Sales

	Q1 ’16	YoY	QoQ
Total Growth		29%	(7%)
Units		+30%	(5%)
Inventory		(1%)	(6%)



Highlights

- YoY sales growth driven by continued growth in new patient starts and strong repeat injection rates
  - YoY unit share up ~ 4 points in U.S. and ~ 3 points in Europe
- Q2 and Q4 are typically the strongest quarters
- Sustained share gains expected to continue throughout 2016

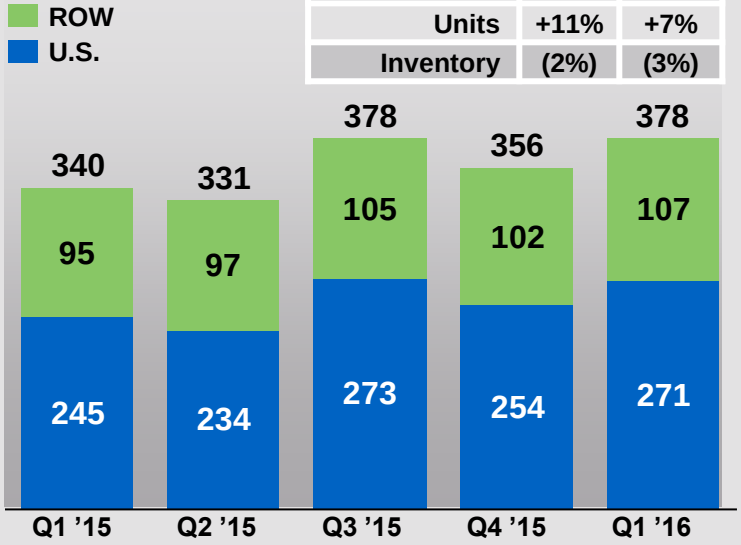
Note: Inventory represents wholesaler inventories

XGEVA® (denosumab)

Q1 ’16 XGEVA® SALES GREW 11% YOY

$ Millions, Net Sales

	Q1 ’16	YoY	QoQ
Total Growth		11%	6%
Units		+11%	+7%
Inventory		(2%)	(3%)



Highlights

- YoY sales growth driven by continued share gains; share up ~ 3 points in U.S. and Europe
- Share gains driven by focus on superior clinical profile* versus the competition
- Q1 ’16 unit growth benefited from purchases by some larger end customers

*For the prevention of skeletal-related events in solid tumors

Note: Inventory represents wholesaler inventories

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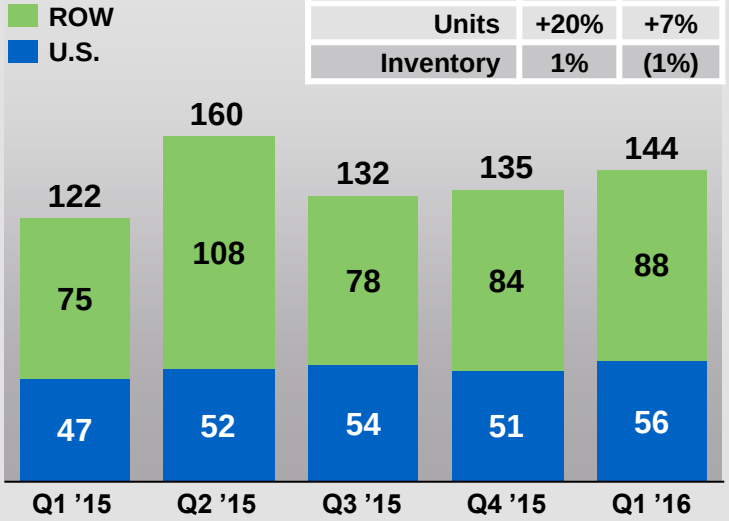
Q1 ’16 VECTIBIX® SALES GREW 18% YOY

Vectibix® (panitumumab) Injection for IV Infusion

$ Millions, Net Sales

	Q1 ’16	YoY	QoQ
Total Growth		18%	7%
Units		+20%	+7%
Inventory		1%	(1%)



Highlights

- **Expansion into earlier lines of mCRC therapy continues to drive growth in U.S. and Europe**

mCRC = metastatic colorectal cancer
Note: Inventory represents wholesaler inventories

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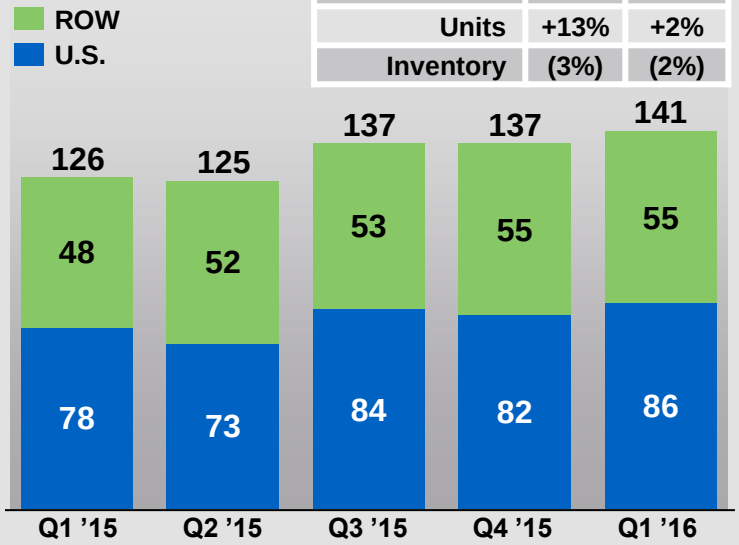
Q1 ’16 NPLATE® SALES GREW 12% YOY

$ Millions, Net Sales

	Q1 ’16	YoY	QoQ
Total Growth		12%	3%
Units		+13%	+2%
Inventory		(3%)	(2%)



Highlights

- **YoY sales growth driven by higher unit demand**

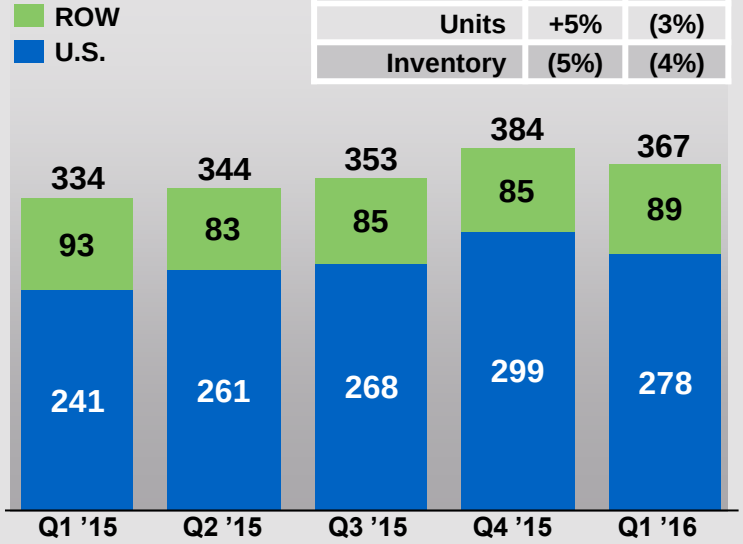
Note: Inventory represents wholesaler inventories

Q1 ’16 SENSIPAR® SALES GREW 10% YOY

Sensipar® (cinacalcet HCl) Tablets 30mg·60mg·90mg

$ Millions, Net Sales

	Q1 ’16	YoY	QoQ
Total Growth		10%	(4%)
Units		+5%	(3%)
Inventory		(5%)	(4%)



Highlights

- YoY sales growth driven by net selling price* and higher unit demand, offset partially by unfavorable changes in inventory levels
- Strong YoY unit growth in the U.S. and Europe
- Parsabiv™† expected to add another treatment option for secondary hyperparathyroidism

*Net selling price represents the impact of list price changes as well as contracting and access changes; †Trade name provisionally approved by FDA
Note: Inventory represents wholesaler and, based on prescription data, end-user inventories

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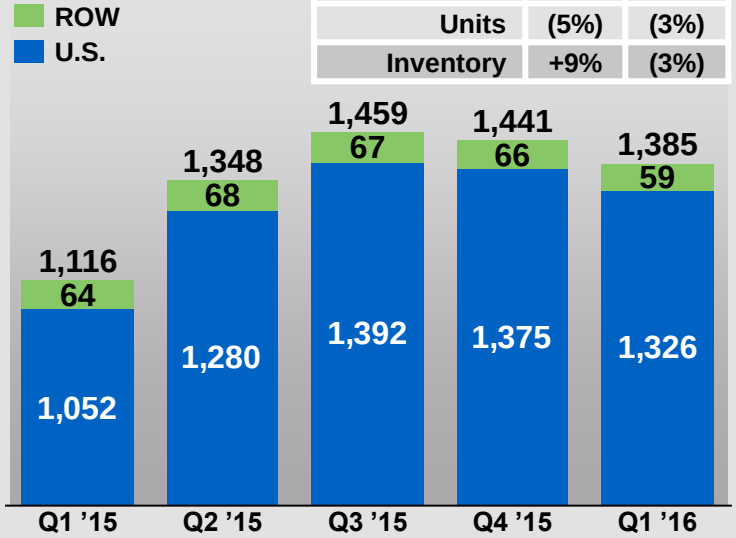
Q1 ’16 ENBREL® SALES GREW 24% YOY

$ Millions, Net Sales

	Q1 ’16	YoY	QoQ
Total Growth		24%	(4%)
Units		(5%)	(3%)
Inventory		+9%	(3%)



Highlights

- YoY sales growth driven by net selling price* and inventory, offset partially by impact of competition
- Inventory decline in Q1 ’15 created a favorable YoY comparison
- Rheumatology and dermatology segments grew YoY 14% and 29%, respectively, on a value basis
- ~ 80% of ENBREL sales are in rheumatology
- QoQ value share in rheumatology was stable at 28%; value share in dermatology declined 1 point to 21%

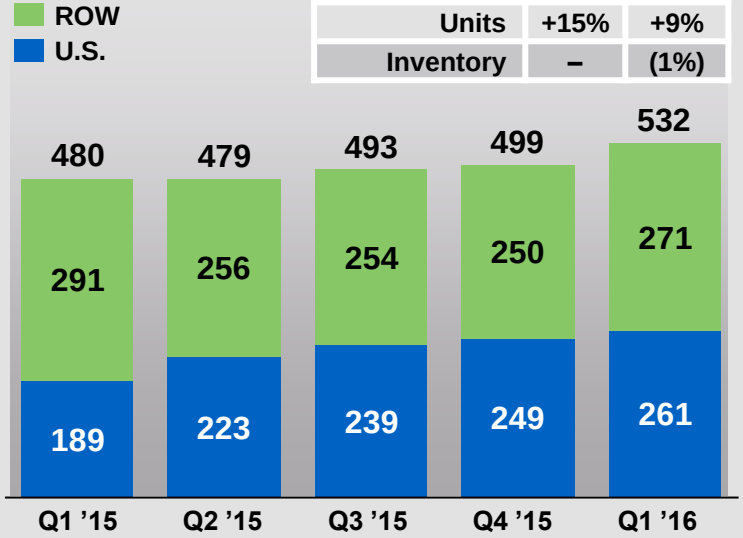
***Net selling price represents the impact of list price changes as well as contracting and access changes**
Note: Inventory represents wholesaler and, based on prescription data, end-user inventories

Q1 ’16 ARANESP® SALES GREW 11% YOY

Aranesp® (darbepoetin alfa)

$ Millions, Net Sales

	Q1 ’16	YoY	QoQ
Total Growth	11%	7%
Units	+15%	+9%
Inventory	–	(1%)



Highlights

- Benefiting from strategy of transitioning dialysis patients from EPOGEN®
- YoY sales growth of 11% driven by increased utilization in U.S. dialysis centers, offset partially by net selling price*
- ~ 75,000 U.S. dialysis patients on Aranesp® in Q1 ’16
- Patent exclusivity extends to 2024 in the U.S.

*Net selling price represents the impact of list price changes as well as contracting and access changes
Note: Inventory represents wholesaler inventories

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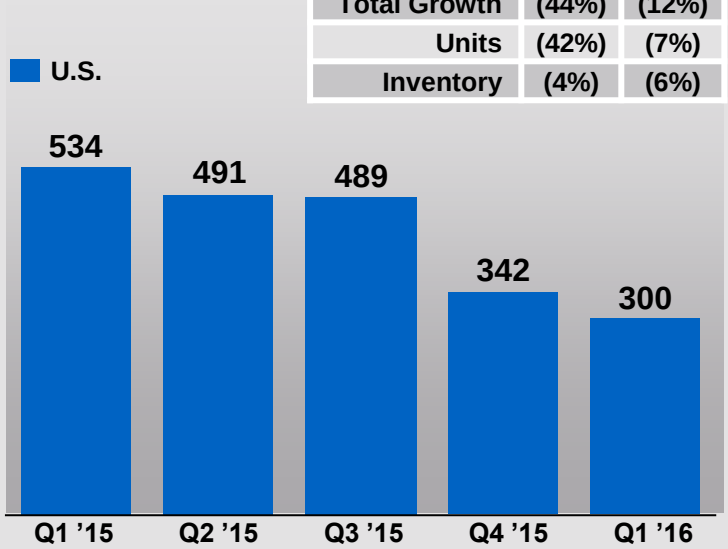
Q1 ’16 EPOGEN® SALES DECLINED 44% YOY

EPOGEN (EPOETIN ALFA) RECOMBINANT

$ Millions, Net Sales

	Q1 ’16	YoY	QoQ
Total Growth		(44%)	(12%)
Units		(42%)	(7%)
Inventory		(4%)	(6%)



Highlights

- YoY sales decline driven by
  - Impact of competition at Fresenius
  - To a lesser extent, increased transition of dialysis business to Aranesp®
- Expect competitive dynamic at Fresenius to continue
- Biosimilar competition not expected in 2016

Note: Inventory represents wholesaler inventories

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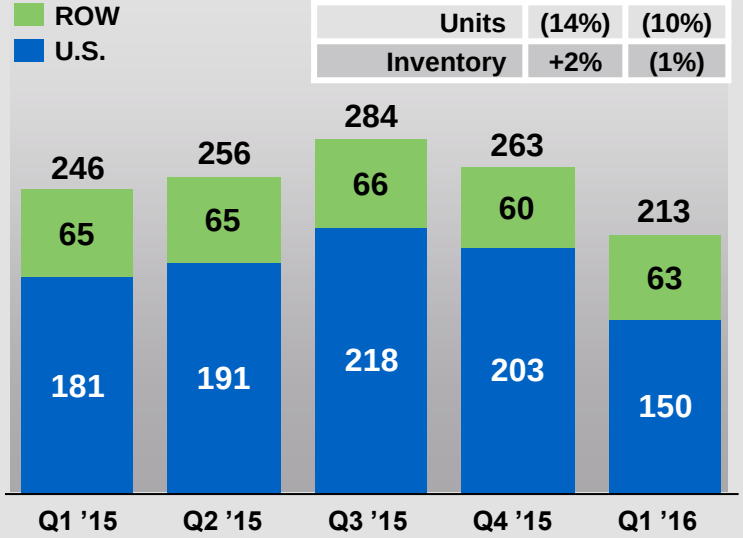
Q1 ’16 NEUPOGEN® SALES DECLINED 13% YOY

NEUPOGEN® (FILGRASTIM)

$ Millions, Net Sales

	Q1 ’16	YoY	QoQ
Total Growth		(13%)	(19%)
Units		(14%)	(10%)
Inventory		+2%	(1%)



Highlights

- Unit decline driven by U.S. biosimilar competition
- Competition playing out generally as expected and likely to intensify

Note: Inventory represents wholesaler inventories

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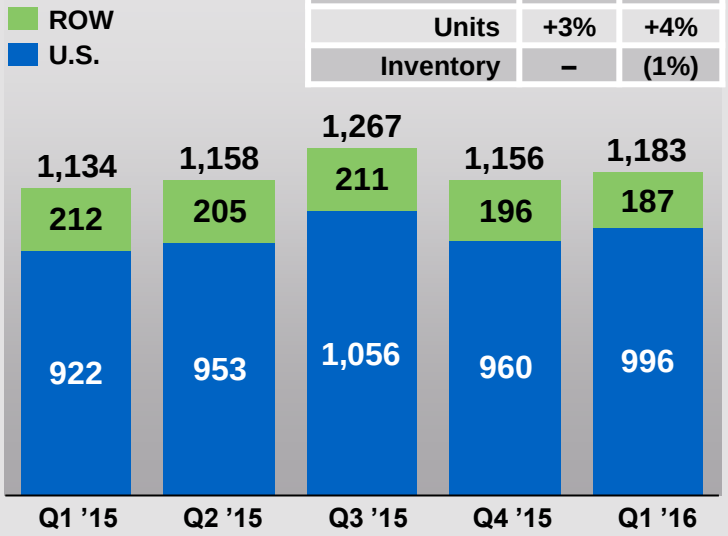
Q1 ’16 NEULASTA® SALES GREW 4% YOY

Neulasta® (pegfilgrastim)

$ Millions, Net Sales

	Q1 ’16	YoY	QoQ
Total Growth		4%	2%
Units		+3%	+4%
Inventory		–	(1%)



Highlights

- The Neulasta® Onpro™ kit now represents approximately one third of our U.S. Neulasta® business
  - Improving patient compliance to achieve maximum benefit of Neulasta®
- YoY sales growth driven by higher unit demand and net selling price*
- Q1 ’16 unit growth benefited from purchases by some larger end customers
- U.S. biosimilar competition not expected until the end of 2016 at the earliest, assuming 180-day notice after approval
- Expect Neulasta® growth in 2016

*Net selling price represents the impact of list price changes as well as contracting and access changes

Note: Inventory represents wholesaler inventories

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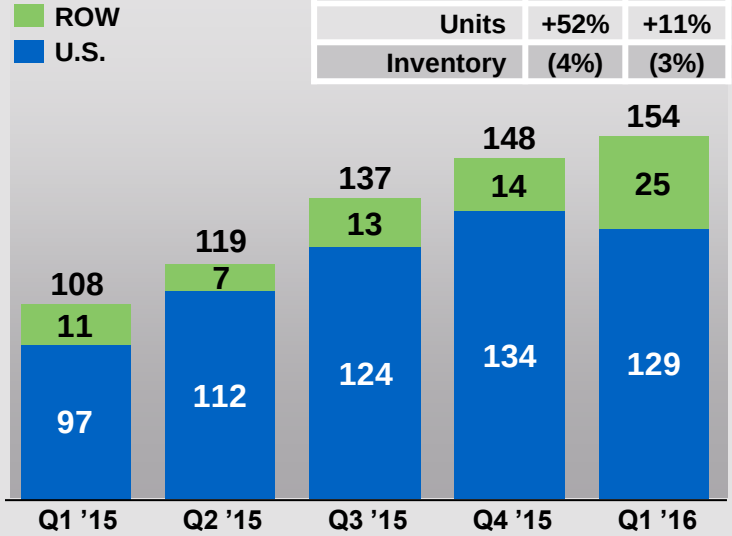
Q1 ’16 KYPROLIS® SALES GREW 43% YOY

$ Millions, Net Sales

	Q1 ’16	YoY	QoQ
Total Growth	43%	4%
Units	+52%	+11%
Inventory	(4%)	(3%)



Highlights

- Strong unit growth driven by increased share, duration of therapy and ex-U.S. launches
- U.S. QoQ unit growth of 4% offset by unfavorable changes in inventory and net selling price*
- Strong profile as a backbone of MM therapy
  - Only approved therapy in U.S. for relapsed MM, with proven efficacy as a single agent, doublet or triplet combination
- Expect continued sales growth as new relapsed patients start and stay on therapy for longer duration

MM = multiple myeloma

*Net selling price represents the impact of list price changes as well as contracting and access changes; Note: Inventory represents wholesaler inventories

LAUNCH PRODUCT UPDATE

BLINCYTO®

- Growing U.S. patient penetration and launching in Europe

IMLYGIC™

- Studying in combination with other immunotherapies

Corlanor®

- Continuing to grow breadth of prescribing

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REPATHA® UPDATE

- **Strong clinical program recognized by prescribers**
  - **Data from GAUSS-3 study in statin-intolerant patients was well received at recent American College of Cardiology meeting**
- **Working with payers to improve access for appropriate patients**
- **Europe reimbursement negotiations on track**
- **2016 milestones:**
  - **Single-injection monthly dosing option undergoing regulatory reviews (U.S. and Europe)**
  - **Phase 3 coronary imaging study data**
  - **Phase 3 cardiovascular outcomes study data**

R&D REVIEW

SEAN E. HARPER, M.D.
EXECUTIVE VICE PRESIDENT,
RESEARCH AND DEVELOPMENT

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Q1 ’16 R&D UPDATE

Cardiovascular

- **Repatha®**
  - **Phase 3 study in statin intolerant patients with high cholesterol met co-primary endpoints**
    - **Data presented at the American College of Cardiology Scientific Session and published in *The Journal of the American Medical Association***
  - **Coronary imaging and cardiovascular outcomes* study data expected in H2 2016**

***Event driven**

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Q1 ’16 R&D UPDATE

Oncology

- **BLINCYTO®**
  - **Phase 3 study in adult patients with Ph– R/R B-precursor ALL met primary endpoint of improved overall survival**
  - **Submitted sBLA for pediatric and adolescent Ph– R/R B-precursor ALL**
- **IMLYGIC™**
  - **Enrollment initiated for Phase 3 melanoma study in combination with Keytruda®**
- **XGEVA®**
  - **Enrollment completed for Phase 3 SRE study versus zoledronic acid in MM patients—data expected in H2 2016***

Ph– = Philadelphia chromosome-negative; R/R = relapsed or refractory; ALL = acute lymphoblastic leukemia; sBLA = supplemental biologics license application SRE = skeletal-related event; *Event-driven study

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Q1 ’16 R&D UPDATE

Bone Health

- **Romosozumab***
  - **Phase 3 placebo-controlled registrational fracture study met co-primary endpoints**
  - **Phase 3 BMD study in men with osteoporosis met primary endpoint**

Neuroscience

- **AMG 334†**
  - **Data from Phase 2b chronic migraine study expected mid-year 2016**
  - **Data from 2 Phase 3 episodic migraine studies expected H2 2016**

Inflammation

- **Enbrel®**
  - **sBLA accepted by FDA for pediatric patients with chronic severe plaque psoriasis**

BMD = bone mineral density

***Developed in collaboration with UCB globally, as well as Astellas in Japan; †Developed in collaboration with Novartis**

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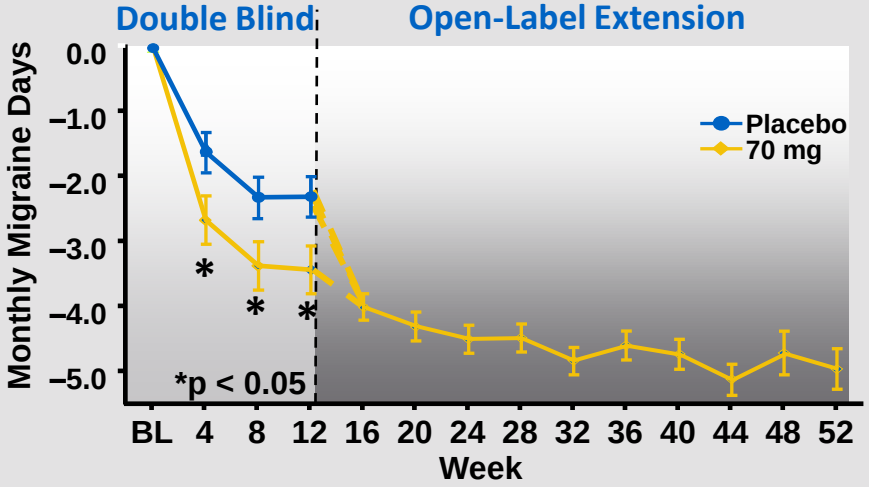
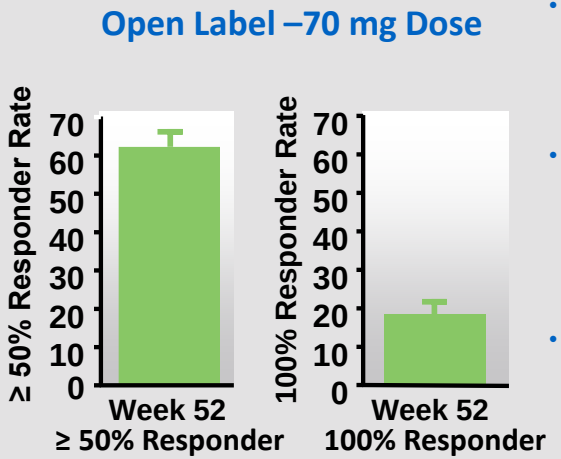
AMG 334 DEMONSTRATED DURABLE RESPONSE IN PHASE 2 EPISODIC MIGRAINE STUDY





- In the double-blind phase, the tolerability profile of AMG 334 was similar to placebo
- The tolerability profile during the open-label phase was similar to that observed in the double-blind phase
- The most commonly reported AEs included fatigue, influenza, nasopharyngitis, arthralgia and back pain

Phase 3 episodic data expected H2 2016

AE = adverse event

Lenz, et al. American Headache Society; 57th Annual Meeting, Vancouver, BC, Canada; April 15-21, 2016.

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2016 PROJECTED PIPELINE MILESTONES

Clinical Program	Indication	2016 Projected Milestones
Repatha®	Hyperlipidemia	Phase 3 coronary imaging data H2
		Phase 3 CV outcomes data H2**
Kyprolis®	Relapsed multiple myeloma	ENDEAVOR Europe regulatory review
Parsabiv™ (etelcalcetide)*	Secondary hyperparathyroidism	Global regulatory reviews
Romosozumab†	Postmenopausal osteoporosis	Pivotal Phase 3 data ☑
AMG 334‡	Migraine prophylaxis	Phase 2b chronic migraine data mid-year
		Phase 3 episodic migraine data H2
XGEVA®	Prevention of SREs in multiple myeloma	Phase 3 data H2**
ABP 215 biosimilar bevacizumab (Avastin®)	Oncology	Global regulatory submissions
ABP 501 biosimilar adalimumab (HUMIRA®)	Inflammatory diseases	Global regulatory reviews
ABP 980 biosimilar trastuzumab (Herceptin®)	Breast cancer	Phase 3 data H2

CV = cardiovascular; *Trade name provisionally approved by FDA; †Developed in collaboration with UCB globally, as well as Astellas in Japan
‡Developed in collaboration with Novartis; **Event-driven study

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Q1 ’16 EARNINGS CALL

APRIL 28, 2016

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RECONCILIATIONS

AMGEN®

Pioneering science delivers vital medicines™

Amgen Inc.
Consolidated Statements of Income - GAAP
(In millions, except per share data)
(Unaudited)

	Three months ended March 31,	
	2016	**2015**
Revenues:		
Product sales	$ 5,239	$ 4,874
Other revenues	288	159
Total revenues	5,527	5,033
Operating expenses:		
Cost of sales	1,018	1,033
Research and development	872	894
Selling, general and administrative	1,203	1,026
Other	32	58
Total operating expenses	3,125	3,011
Operating income	2,402	2,022
Interest expense, net	294	252
Interest and other income, net	150	106
Income before income taxes	2,258	1,876
Provision for income taxes	358	253
Net income	$ 1,900	$ 1,623
Earnings per share:		
Basic	$ 2.52	$ 2.13
Diluted	$ 2.50	$ 2.11
Weighted average shares used in calculation of earnings per share:		
Basic	753	761
Diluted	760	770

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

	March 31, 2016	December 31, 2015
Assets		
Current assets:		
Cash, cash equivalents and marketable securities	$ 34,740	$ 31,382
Trade receivables, net	3,078	2,995
Inventories	2,572	2,435
Other current assets	1,816	1,703
Total current assets	42,206	38,515
Property, plant and equipment, net	4,885	4,907
Intangible assets, net	11,448	11,641
Goodwill	14,804	14,787
Other assets	1,773	1,599
Total assets	$ 75,116	$ 71,449
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 6,276	$ 6,417
Current portion of long-term debt	2,247	2,247
Total current liabilities	8,523	8,664
Long-term debt	32,060	29,182
Long-term deferred tax liability	2,202	2,239
Other noncurrent liabilities	3,649	3,281
Stockholders' equity	28,682	28,083
Total liabilities and stockholders' equity	$ 75,116	$ 71,449
Shares outstanding	751	754

Amgen Inc.
GAAP to Adjusted Reconciliations
(In millions)
(Unaudited)

	Three months ended March 31,	
	2016	2015
GAAP cost of sales	$ 1,018	$ 1,033
Adjustments to cost of sales:		
Acquisition-related expenses **(a)**	(311)	(284)
Certain net charges pursuant to our restructuring initiative	-	(14)
Total adjustments to cost of sales	(311)	(298)
Adjusted cost of sales	$ 707	$ 735
GAAP research and development expenses	$ 872	$ 894
Adjustments to research and development expenses:		
Acquisition-related expenses **(a)**	(19)	(21)
Certain net charges pursuant to our restructuring initiative	5	(17)
Total adjustments to research and development expenses	(14)	(38)
Adjusted research and development expenses	$ 858	$ 856
GAAP selling, general and administrative expenses	$ 1,203	$ 1,026
Adjustments to selling, general and administrative expenses:		
Acquisition-related expenses **(b)**	(101)	(29)
Certain net charges pursuant to our restructuring initiative	1	(4)
Total adjustments to selling, general and administrative expenses	(100)	(33)
Adjusted selling, general and administrative expenses	$ 1,103	$ 993
GAAP operating expenses	$ 3,125	$ 3,011
Adjustments to operating expenses:		
Adjustments to cost of sales	(311)	(298)
Adjustments to research and development expenses	(14)	(38)
Adjustments to selling, general and administrative expenses	(100)	(33)
Certain net charges pursuant to our restructuring initiative **(c)**	(2)	(57)
Expense related to a legal proceeding	(27)	-
Other	(3)	(1)
Total adjustments to operating expenses	(457)	(427)
Adjusted operating expenses	$ 2,668	$ 2,584
GAAP operating income	$ 2,402	$ 2,022
Adjustments to operating expenses	457	427
Adjusted operating income	$ 2,859	$ 2,449
GAAP income before income taxes	$ 2,258	$ 1,876
Adjustments to operating expenses	457	427
Adjusted income before income taxes	$ 2,715	$ 2,303
GAAP provision for income taxes	$ 358	$ 253
Adjustments to provision for income taxes:		
Income tax effect of the above adjustments **(d)**	139	139
Other income tax adjustments **(e)**	15	-
Total adjustments to provision for income taxes	154	139
Adjusted provision for income taxes	$ 512	$ 392
GAAP net income	$ 1,900	$ 1,623
Adjustments to net income:		
Adjustments to income before income taxes, net of the income tax effect of the above adjustments	318	288
Other income tax adjustments **(e)**	(15)	-
Total adjustments to net income	303	288
Adjusted net income	$ 2,203	$ 1,911

Amgen Inc.
GAAP to Adjusted Reconciliations
(In millions, except per share data)
(Unaudited)

The following table presents the computations for GAAP and Adjusted diluted EPS.

	Three months ended March 31, 2016		Three months ended March 31, 2015	
	GAAP	Adjusted	GAAP	Adjusted
Net income	$ 1,900	$ 2,203	$ 1,623	$ 1,911
Weighted-average shares for diluted EPS	760	760	770	770
Diluted EPS	$ 2.50	$ 2.90	$ 2.11	$ 2.48

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

(b) The 2016 adjustments related primarily to a $73-million charge resulting from the reacquisition of Prolia®, XGEVA® and Vectibix® license agreements in certain markets from Glaxo Group Limited, as well as non-cash amortization of intangible assets acquired in business combinations. The 2015 adjustments related primarily to non-cash amortization of intangible assets acquired in business combinations.

(c) The 2015 adjustments related primarily to severance expenses.

(d) The tax effect of 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 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. Due to these factors, the effective tax rates for the adjustments to our GAAP income before income taxes, for the three months ended March 31, 2016 and 2015, were 30.4% and 32.6%, respectively.

(e) The adjustments related to certain prior period items excluded from adjusted earnings.

Amgen Inc.
Reconciliations of Free Cash Flow
(In millions)
(Unaudited)

	Three months ended March 31,		
	2016	2015	
Operating Cash Flow	$ 1,915	$ 1,482	**(a)**
Capital Expenditures	(156)	(118)	
Free Cash Flow	$ 1,759	$ 1,364	

(a) Restated to include $153 million, which was previously included in cash flows from financing activities, as a result of the adoption of Accounting Standard Update 2016-09.

Reconciliation of GAAP EPS Guidance to Adjusted EPS Guidance for the Year Ending December 31, 2016
(Unaudited)

		2016		
GAAP diluted EPS guidance		$ 9.34	-	$ 9.74
Known adjustments to arrive at Adjusted earnings*:				
Acquisition-related expenses	(a)	1.37		
Restructuring charges		0.09	-	0.14
Legal proceeding charge		0.02		
Tax adjustments	(b)	(0.02)		
Adjusted diluted EPS guidance		$ 10.85	-	$ 11.20

* The known adjustments are presented net of their related tax impact which amount to approximately $0.68 to $0.70 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 adjusted earnings.

Reconciliation of GAAP Tax Rate Guidance to Adjusted Tax Rate Guidance for the Year Ending December 31, 2016
(Unaudited)

	2016		
GAAP tax rate guidance	16.5%	-	17.5%
Tax rate effect of known adjustments discussed above	2.5%		
Adjusted tax rate guidance	19.0%	-	20.0%

International Sales Performance Adjusted for Foreign Exchange

Amgen has presented international sales performance excluding the impact of foreign exchange. This measure adjusts for the translation effect of changes in average foreign exchange rates between the current period and the corresponding period in the prior year. Amgen's calculation to adjust for the impact of foreign exchange results in prior period weighted-average, foreign exchange rates being applied to current period product sales. Amgen believes that excluding the impact of foreign exchange enhances an investor's overall understanding of the financial performance and prospects for the future of Amgen's core business activities by facilitating comparisons of results of core business operations among current, past and future periods.

Q1 ’16 EARNINGS CALL

APRIL 28, 2016

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Pioneering science delivers vital medicines™