



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.

Q4 and Full Year 2019 Financial Highlights:

- Total revenues in Q4 2019 decreased 1% to \$6.2 billion in comparison to the fourth quarter of 2018, reflecting the impact of biosimilar and generic competition against select products.
- For the full year, total revenues decreased 2% to \$23.4 billion, with a 1% decrease in product sales.
- Non-GAAP EPS increased 6% in the fourth quarter to \$3.64 and 3% for the full year to \$14.82 benefiting from lower weighted-average shares outstanding.
- The Company generated \$8.5 billion of free cash flow in 2019.
- 2020 total revenues guidance of \$25.0 - \$25.6 billion and 2020 non-GAAP EPS guidance of \$14.85 - \$15.60*



MESSAGE FROM BOB BRADWAY, CEO

2019 was the transition year we had long been preparing for, and I believe we managed this well, as evidenced by the fact that we delivered earnings growth in 2019 and expect to return to top line growth in 2020. In 2019, drug prices in the U.S. actually fell overall for the first time since 1974. In anticipation of this challenge, over the last several years we repositioned the company's expense base and embedded productivity initiatives that are serving us well. In addition, we reshaped our portfolio, committing to medicines that can deliver growth, primarily through volume increases.

In 2019, we delivered 3% volume growth globally and 19% volume growth outside the United States. We're seeing especially strong performance in our Asia Pacific region. Over the next decade, we expect this region to account for as much as 25% of Amgen's growth, driven by our strategic collaboration in China with BeiGene and our wholly owned subsidiary in Japan.

We expect several important data readouts from our pipeline in 2020. We expect data for AMG510, our KRAS G12C inhibitor for cancer; for tezepelumab in allergic and nonallergic asthma; for omecamtiv mecarbil in heart failure; and for Otezla in mild to moderate psoriasis. In addition, we expect to generate some important data across our BiTE portfolio in 2020.

Amgen also recognizes and accepts the need to be part of the solution in addressing other environmental, social and governance matters. To that end, several years ago, we set targets for reducing our carbon emissions and water consumption by the year 2020. Having hit those targets in 2019, we are now developing a next set of goals that we will share later this year. These goals will include a further commitment to our next-generation manufacturing technologies, which have a much smaller environmental footprint than traditional biologics manufacturing.

\$Millions, except EPS, dividends paid per share and percentages	Q4'19	Q4'18	YOY Δ	FY'19	FY'18	YOY Δ
Total Revenues	\$ 6,197	\$ 6,230	(1%)	\$ 23,362	\$ 23,747	(2%)
GAAP Operating Income	\$ 2,048	\$ 2,382	(14%)	\$ 9,674	\$ 10,263	(6%)
GAAP Net Income	\$ 1,703	\$ 1,928	(12%)	\$ 7,842	\$ 8,394	(7%)
GAAP EPS	\$ 2.85	\$ 3.01	(5%)	\$ 12.88	\$ 12.62	2%
Non-GAAP Operating Income	\$ 2,621	\$ 2,717	(4%)	\$ 11,157	\$ 11,857	(6%)
Non-GAAP Net Income	\$ 2,174	\$ 2,186	(1%)	\$ 9,028	\$ 9,573	(6%)
Non-GAAP EPS	\$ 3.64	\$ 3.42	6%	\$ 14.82	\$ 14.40	3%
Dividends Paid Per Share	\$ 1.45	\$ 1.32	10%	\$ 5.80	\$ 5.28	10%

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 and message from Bob Bradway as of January 30, 2020, and are not being updated at this time.

AMGEN MISSION

To serve patients

AMGEN QUICK FACTS

Headquarters

Thousand Oaks, California

Staff

Approximately 23,400 worldwide

Stock Listing

NASDAQ: AMGN

Chairman, CEO and President

Robert A. Bradway

2019 Financial Highlights

Total revenue: \$23.4 billion

Product sales: \$22.2 billion

Non-GAAP R&D expense: \$4.0 billion

AMGEN PRODUCTS

Aimovig® (erenumab-aooe)

AMGEVITA™ (adalimumab-atto)

Aranesp® (darbepoetin alfa)

BLINCYTO® (blinatumomab)

Corlanor® (ivabradine)

Enbrel® (etanercept)

EPOGEN® (epoetin alfa)

EVENTY® (romosozumab-aqqg)

IMLYGIC® (talimogene laherparepvec)

KANJINTI™ (trastuzumab-anns)

KYPROLIS® (carfilzomib)

MVASI™ (bevacizumab-awwb)

Neulasta® (pegfilgrastim)

Otezla® (apremilast)

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?

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Amgen

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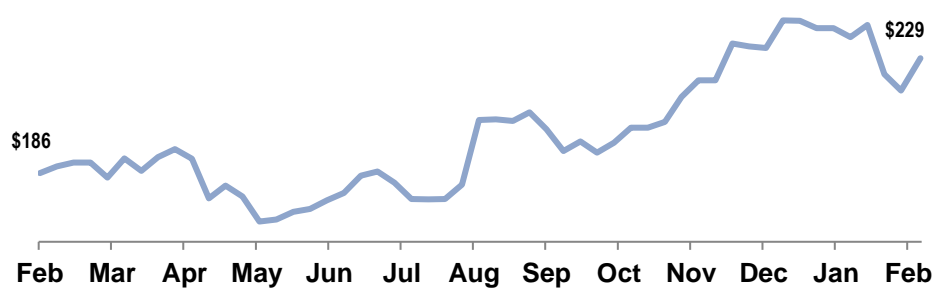
Phone: (212) 936-5100 or

800-937-5449

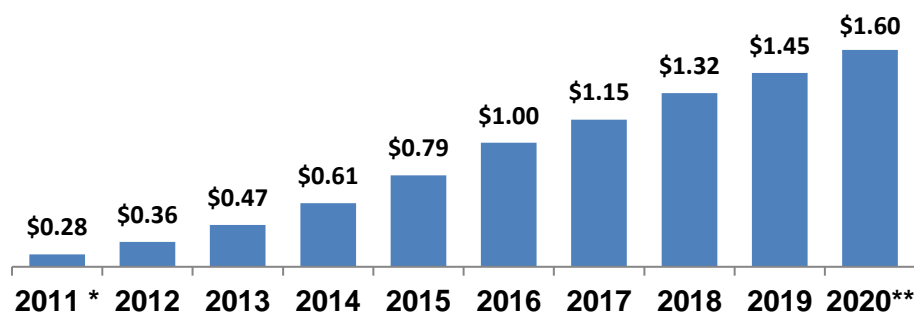
Stock Price Performance (Last 12 Months)

Source: NASDAQ

(data from 2/11/19 through 2/11/20)



Quarterly Per Share Dividend History



* Dividend initiated in September 2011

** Represents Q1 dividend payable on March 6, 2020 to all stockholders of record as of the close of business on February 14, 2020

Key News:

We Expect 25% of Our Sales Growth from the Asia Pacific Region over the Next 10 Years

- **Strategic collaboration with BeiGene in oncology will meaningfully expand our presence in China**
 - XGEVA®, BLINCYTO® and KYPROLIS®
 - Advancing Amgen's innovative oncology pipeline in China and globally
- **Amgen China affiliate to continue to execute on Repatha® launch, as well as additional non-oncology products (Prolia®, EVENTY®, Otezla®)**
- **Successfully executing creative approach with our Astellas JV, which will result in a wholly owned affiliate in Japan in 2020**
 - Repatha®, BLINCYTO® and EVENTY® already on the Japanese market

EVENTY® is developed in collaboration with UCB globally, as well as our joint venture partner Astellas in Japan

Non-GAAP Financial Measures

In this news release, management has presented its operating results for the fourth quarters and full years of 2019 and 2018, in accordance with U.S. Generally Accepted Accounting Principles (GAAP) and on a non-GAAP basis. In addition, management has presented its full year 2020 EPS and tax rate guidance in accordance with GAAP and 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 included in the news release. Management has also presented Free Cash Flow (FCF), which is a non-GAAP financial measure, for the fourth quarters and full years of 2019 and 2018. 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 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 any statements on the outcome, benefits and synergies of collaborations with any other company, including BeiGene, Ltd., or the Otezla acquisition, including anticipated Otezla sales growth and the timing of non-GAAP EPS accretion, as well as 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 current reports on 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, including in Puerto Rico, 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. We rely on collaborations with third parties for the development of some of our product candidates and for the commercialization and sales of some of our commercial products. 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 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, 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 collaborate with or acquire other companies, products or technology, and to integrate the operations of companies or to support the products or technology we have acquired, may not be successful. A breakdown, cyberattack or information security breach could compromise the confidentiality, integrity and availability of our systems and our data. 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. We may not be able to access the capital and credit markets on terms that are favorable to us, or at all.

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

	Three months ended December 31,		Years ended December 31,	
	2019	2018	2019	2018
Revenues:				
Product sales	\$ 5,881	\$ 6,001	\$ 22,204	\$ 22,533
Other revenues	316	229	1,158	1,214
Total revenues	6,197	6,230	23,362	23,747
Operating expenses:				
Cost of sales	1,253	1,096	4,356	4,101
Research and development	1,312	1,182	4,116	3,737
Selling, general and administrative	1,513	1,559	5,150	5,332
Other	71	11	66	314
Total operating expenses	4,149	3,848	13,688	13,484
Operating income	2,048	2,382	9,674	10,263
Interest expense, net	301	352	1,289	1,392
Interest and other income, net	236	155	753	674
Income before income taxes	1,983	2,185	9,138	9,545
Provision for income taxes	280	257	1,296	1,151
Net income	<u>\$ 1,703</u>	<u>\$ 1,928</u>	<u>\$ 7,842</u>	<u>\$ 8,394</u>
Earnings per share:				
Basic	\$ 2.87	\$ 3.04	\$ 12.96	\$ 12.70
Diluted	\$ 2.85	\$ 3.01	\$ 12.88	\$ 12.62
Weighted-average shares used in calculation of earnings per share:				
Basic	593	635	605	661
Diluted	598	640	609	665

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

	December 31,	
	2019	2018
	(Unaudited)	
Assets		
Current assets:		
Cash, cash equivalents and marketable securities	\$ 8,911	\$ 29,304
Trade receivables, net	4,057	3,580
Inventories	3,584	2,940
Other current assets	1,888	1,794
Total current assets	18,440	37,618
Property, plant and equipment, net	4,928	4,958
Intangible assets, net	19,413	7,443
Goodwill	14,703	14,699
Other assets	2,223	1,698
Total assets	<u>\$ 59,707</u>	<u>\$ 66,416</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 9,882	\$ 9,069
Current portion of long-term debt	2,953	4,419
Total current liabilities	12,835	13,488
Long-term debt	26,950	29,510
Long-term deferred tax liabilities	606	864
Long-term tax liabilities	8,037	8,770
Other noncurrent liabilities	1,606	1,284
Total stockholders' equity	9,673	12,500
Total liabilities and stockholders' equity	<u>\$ 59,707</u>	<u>\$ 66,416</u>
Shares outstanding	591	630

Amgen Inc.
GAAP to Non-GAAP Reconciliations
(Dollars in millions)
(Unaudited)

	Three months ended December 31,		Years ended December 31,	
	2019	2018	2019	2018
GAAP cost of sales	\$ 1,253	\$ 1,096	\$ 4,356	\$ 4,101
Adjustments to cost of sales:				
Acquisition-related expenses (a)	(463)	(276)	(1,291)	(1,099)
Certain net charges pursuant to our restructuring initiatives	—	(1)	—	(1)
Total adjustments to cost of sales	(463)	(277)	(1,291)	(1,100)
Non-GAAP cost of sales	\$ 790	\$ 819	\$ 3,065	\$ 3,001
GAAP cost of sales as a percentage of product sales	21.3%	18.3%	19.6%	18.2%
Acquisition-related expenses (a)	-7.9	-4.7	-5.8	-4.9
Certain net charges pursuant to our restructuring initiatives	0.0	0.0	0.0	0.0
Non-GAAP cost of sales as a percentage of product sales	13.4%	13.6%	13.8%	13.3%
GAAP research and development expenses	\$ 1,312	\$ 1,182	\$ 4,116	\$ 3,737
Adjustments to research and development expenses:				
Acquisition-related expenses (a)	(25)	(19)	(87)	(78)
Certain net charges pursuant to our restructuring initiatives	(2)	(1)	(2)	(2)
Total adjustments to research and development expenses	(27)	(20)	(89)	(80)
Non-GAAP research and development expenses	\$ 1,285	\$ 1,162	\$ 4,027	\$ 3,657
GAAP research and development expenses as a percentage of product sales	22.3%	19.7%	18.5%	16.6%
Acquisition-related expenses (a)	-0.4	-0.3	-0.4	-0.4
Certain net charges pursuant to our restructuring initiatives	0.0	0.0	0.0	0.0
Non-GAAP research and development expenses as a percentage of product sales	21.9%	19.4%	18.1%	16.2%
GAAP selling, general and administrative expenses	\$ 1,513	\$ 1,559	\$ 5,150	\$ 5,332
Adjustments to selling, general and administrative expenses:				
Acquisition-related expenses (a)	(12)	(19)	(38)	(84)
Certain net charges pursuant to our restructuring initiatives	—	(8)	1	(16)
Total adjustments to selling, general and administrative expenses	(12)	(27)	(37)	(100)
Non-GAAP selling, general and administrative expenses	\$ 1,501	\$ 1,532	\$ 5,113	\$ 5,232
GAAP selling, general and administrative expenses as a percentage of product sales	25.7%	26.0%	23.2%	23.7%
Acquisition-related expenses (a)	-0.2	-0.3	-0.2	-0.4
Certain net charges pursuant to our restructuring initiatives	0.0	-0.2	0.0	-0.1
Non-GAAP selling, general and administrative expenses as a percentage of product sales	25.5%	25.5%	23.0%	23.2%
GAAP operating expenses	\$ 4,149	\$ 3,848	\$ 13,688	\$ 13,484
Adjustments to operating expenses:				
Adjustments to cost of sales	(463)	(277)	(1,291)	(1,100)
Adjustments to research and development expenses	(27)	(20)	(89)	(80)
Adjustments to selling, general and administrative expenses	(12)	(27)	(37)	(100)
Certain net charges pursuant to our restructuring initiatives	(46)	(1)	(44)	7
Certain other expenses	—	—	—	(25)
Acquisition-related adjustments (b)	(25)	(10)	(22)	(296)
Total adjustments to operating expenses	(573)	(335)	(1,483)	(1,594)
Non-GAAP operating expenses	\$ 3,576	\$ 3,513	\$ 12,205	\$ 11,890
GAAP operating income	\$ 2,048	\$ 2,382	\$ 9,674	\$ 10,263
Adjustments to operating expenses	573	335	1,483	1,594
Non-GAAP operating income	\$ 2,621	\$ 2,717	\$ 11,157	\$ 11,857

	Three months ended December 31,		Years ended December 31,	
	2019	2018	2019	2018
GAAP operating income as a percentage of product sales	34.8%	39.7%	43.6%	45.5%
Adjustments to cost of sales	7.9	4.7	5.8	4.9
Adjustments to research and development expenses	0.4	0.3	0.4	0.4
Adjustments to selling, general and administrative expenses	0.2	0.5	0.2	0.5
Certain net charges pursuant to our restructuring initiatives	0.8	0.0	0.2	0.0
Certain other expenses	0.0	0.0	0.0	0.0
Acquisition-related adjustments (b)	0.5	0.1	0.0	1.3
Non-GAAP operating income as a percentage of product sales	<u>44.6%</u>	<u>45.3%</u>	<u>50.2%</u>	<u>52.6%</u>
GAAP interest and other income, net	\$ 236	\$ 155	\$ 753	\$ 674
Adjustments to other income (c)	—	—	—	(68)
Non-GAAP interest and other income, net	<u>\$ 236</u>	<u>\$ 155</u>	<u>\$ 753</u>	<u>\$ 606</u>
GAAP income before income taxes	\$ 1,983	\$ 2,185	\$ 9,138	\$ 9,545
Adjustments to operating expenses	573	335	1,483	1,594
Adjustments to other income (c)	—	—	—	(68)
Non-GAAP income before income taxes	<u>\$ 2,556</u>	<u>\$ 2,520</u>	<u>\$ 10,621</u>	<u>\$ 11,071</u>
GAAP provision for income taxes	\$ 280	\$ 257	\$ 1,296	\$ 1,151
Adjustments to provision for income taxes:				
Income tax effect of the above adjustments (d)	99	77	329	362
Other income tax adjustments (e)	3	—	(32)	(15)
Total adjustments to provision for income taxes	102	77	297	347
Non-GAAP provision for income taxes	<u>\$ 382</u>	<u>\$ 334</u>	<u>\$ 1,593</u>	<u>\$ 1,498</u>
GAAP tax as a percentage of income before taxes	14.1%	11.8%	14.2%	12.1%
Adjustments to provision for income taxes:				
Income tax effect of the above adjustments (d)	0.7	1.5	1.1	1.6
Other income tax adjustments (e)	0.1	0.0	-0.3	-0.2
Total adjustments to provision for income taxes	0.8	1.5	0.8	1.4
Non-GAAP tax as a percentage of income before taxes	<u>14.9%</u>	<u>13.3%</u>	<u>15.0%</u>	<u>13.5%</u>
GAAP net income	\$ 1,703	\$ 1,928	\$ 7,842	\$ 8,394
Adjustments to net income:				
Adjustments to income before income taxes, net of the income tax effect	474	258	1,154	1,164
Other income tax adjustments (e)	(3)	—	32	15
Total adjustments to net income	471	258	1,186	1,179
Non-GAAP net income	<u>\$ 2,174</u>	<u>\$ 2,186</u>	<u>\$ 9,028</u>	<u>\$ 9,573</u>

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

The following table presents the computations for GAAP and non-GAAP diluted earnings per share:

	Three months ended December 31, 2019		Three months ended December 31, 2018	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Net income	\$ 1,703	\$ 2,174	\$ 1,928	\$ 2,186
Weighted-average shares for diluted EPS	598	598	640	640
Diluted EPS	<u>\$ 2.85</u>	<u>\$ 3.64</u>	<u>\$ 3.01</u>	<u>\$ 3.42</u>
	Year ended December 31, 2019		Year ended December 31, 2018	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Net income	\$ 7,842	\$ 9,028	\$ 8,394	\$ 9,573
Weighted-average shares for diluted EPS	609	609	665	665
Diluted EPS	<u>\$ 12.88</u>	<u>\$ 14.82</u>	<u>\$ 12.62</u>	<u>\$ 14.40</u>

- (a) The adjustments related primarily to noncash amortization of intangible assets acquired in business combinations.
- (b) For the year ended December 31, 2018, the adjustment related primarily to an impairment charge associated with a nonkey in-process research and development asset.
- (c) For the year ended December 31, 2018, the adjustment related to the net gain associated with the Kirin-Amgen, Inc., share acquisition.
- (d) 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 initiatives, 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 and year ended December 31, 2019, were 17.3% and 22.2%, compared with 23.0% and 23.7% for the corresponding periods of the prior year.
- (e) The adjustments related primarily to certain acquisition items and prior-period items excluded from GAAP earnings.

Amgen Inc.
Reconciliations of Cash Flows
(In millions)
(Unaudited)

	Three months ended December 31,		Years ended December 31,	
	2019	2018	2019	2018
Net cash provided by operating activities	\$ 2,514	\$ 3,194	\$ 9,150	\$ 11,296
Net cash (used in) provided by investing activities	(5,963)	(4,637)	5,709	14,339
Net cash used in financing activities	(1,929)	(3,568)	(15,767)	(22,490)
(Decrease) increase in cash and cash equivalents	(5,378)	(5,011)	(908)	3,145
Cash and cash equivalents at beginning of period	11,415	11,956	6,945	3,800
Cash and cash equivalents at end of period	<u>\$ 6,037</u>	<u>\$ 6,945</u>	<u>\$ 6,037</u>	<u>\$ 6,945</u>

	Three months ended December 31,		Years ended December 31,	
	2019	2018	2019	2018
Net cash provided by operating activities	\$ 2,514	\$ 3,194	\$ 9,150	\$ 11,296
Capital expenditures	(188)	(225)	(618)	(738)
Free cash flow	<u>\$ 2,326</u>	<u>\$ 2,969</u>	<u>\$ 8,532</u>	<u>\$ 10,558</u>

Amgen Inc.
Reconciliation of GAAP EPS Guidance to Non-GAAP
EPS Guidance for the Year Ending December 31, 2020
(Unaudited)

GAAP diluted EPS guidance	\$ 10.85	—	\$ 11.65
Known adjustments to arrive at non-GAAP*:			
Acquisition-related expenses (a)	3.95	—	4.00
Non-GAAP diluted EPS guidance	<u>\$ 14.85</u>	<u>—</u>	<u>\$ 15.60</u>

* The known adjustments are presented net of their related tax impact, which amount to approximately \$1.10 to \$1.11 per share.

(a) The adjustments relate primarily to noncash amortization of intangible assets acquired in business combinations.

Our GAAP diluted EPS guidance does not include the effect of GAAP adjustments triggered by events that may occur subsequent to this press release such as acquisitions, asset impairments, litigation and changes in the fair value or our contingent consideration.

Reconciliation of GAAP Tax Rate Guidance to Non-GAAP
Tax Rate Guidance for the Year Ending December 31, 2020
(Unaudited)

GAAP tax rate guidance	10.5%	—	11.5%
Tax rate of known adjustments discussed above		3%	
Non-GAAP diluted EPS guidance	<u>13.5%</u>	<u>—</u>	<u>14.5%</u>