SECURITIES AND EXCHANGE COMMISSION

WASHINGTON D.C. 20549

FORM 10-Q

(Mark One)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 1994

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 0-12477

AMGEN INC.
(Exact name of registrant as specified in its charter)

Delaware	95-3540776
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1840 Dehavilland Drive, Thousand Oaks, California	91320-1789
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (805) 447-1000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No

As of June 30, 1994, the registrant had 133,416,290 shares of Common Stock, $.0001 par value, outstanding.

AMGEN INC.

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PART II OTHER INFORMATION

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The information in this report for the six months ended June 30, 1994 and 1993, is unaudited but includes all adjustments (consisting only of normal recurring accruals) which Amgen Inc. ("Amgen" or the "Company") considers necessary for a fair presentation of the results of operations for those periods.

The condensed financial statements should be read in conjunction with the Company's financial statements and the notes thereto contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993.

Interim results are not necessarily indicative of results for the full fiscal year.

AMGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1994	1993	1994	1993
Revenues:				
Product sales	$388,575	$327,829	$734,306	$623,281
Corporate partner revenues	18,838	11,415	32,829	22,315
Royalty income	7,272	3,876	11,548	7,767
Total revenues	414,685	343,120	778,683	653,363
Operating expenses:				
Cost of sales	64,394	53,561	117,677	104,465
Research and development	80,230	64,365	153,955	120,490
Marketing and selling	59,591	53,050	112,764	99,783
General and administrative	30,186	28,528	58,494	56,271
Loss of affiliates, net	8,627	3,348	15,884	5,472
Legal award	-	(13,900)	-	(13,900)
Total operating expenses	243,028	188,952	458,774	372,581
Operating income	171,657	154,168	319,909	280,782
Other income (expense):				
Interest and other income	3,724	9,398	9,235	15,267
Interest expense, net	(2,747)	(1,516)	(5,387)	(1,525)
Total other income (expense)	977	7,882	3,848	13,742
Income before income taxes and cumulative effect of a change in accounting principle	172,634	162,050	323,757	294,524
Provision for income taxes	65,170	61,826	122,833	113,740
Income before cumulative effect of a change in accounting principle	107,464	100,224	200,924	180,784
Cumulative effect of a change in accounting principle	-	-	-	8,738
Net income	$107,464	$100,224	$200,924	$189,522

See accompanying notes.
(Continued on next page)

AMGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Continued)
(In thousands, except per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1994	1993	1994	1993
Earnings per share:				
Primary:				
Income before cumulative effect of a change in accounting principle..	$ .77	$ .70	$ 1.43	$ 1.25
Cumulative effect of a change in accounting principle.....	-	-	-	.06
Net income.....	$ .77	$ .70	$ 1.43	$ 1.31
Fully diluted:				
Income before cumulative effect of a change in accounting principle..	$ .77	$ .70	$ 1.43	$ 1.25
Cumulative effect of a change in accounting principle.....	-	-	-	.06
Net income.....	$ .77	$ .70	$ 1.43	$ 1.31
Shares used in calculation of:				
Primary earnings per share.....	139,609	143,677	140,486	144,694
Fully diluted earnings per share.....	139,631	143,677	140,486	144,694

See accompanying notes.

AMGEN INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

	June 30, 1994	December 31, 1993
ASSETS		
Current assets:		
Cash and cash equivalents	$ 251,563	$ 128,505
Marketable securities, at cost which approximates market	466,846	594,679
Trade receivables, net	180,299	164,337
Inventories	79,739	74,712
Deferred tax assets, net	55,401	58,937
Other current assets	27,411	33,340
Total current assets	1,061,259	1,054,510
Property, plant and equipment at cost, net	615,684	586,912
Investments	91,981	78,778
Other assets	55,628	45,323
	$1,824,552	$1,765,523
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 16,991	$ 23,056
Commercial paper	99,734	109,767
Other accrued liabilities	264,834	279,438
Total current liabilities	381,559	412,261
Long-term debt	185,888	181,242
Commitments and contingencies		
Stockholders' equity:		
Common stock, $.0001 par value; 750,000 shares authorized; outstanding - 133,416 shares in 1994 and 134,214 shares in 1993	13	13
Additional paid-in capital	670,859	636,217
Retained earnings	586,233	535,790
Total stockholders' equity	1,257,105	1,172,020
	$1,824,552	$1,765,523

See accompanying notes.

AMGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	1994	1993
Cash flows from operating activities:		
Net income	$200,924	$189,522
Depreciation and amortization	36,865	24,703
Cumulative effect of an accounting change	-	(8,738)
Other non-cash expenses	2,679	4,614
Deferred income taxes	3,536	26,000
Loss of affiliates, net	15,884	5,472
Cash provided by (used in):		
Trade receivables, net	(15,962)	(90,663)
Inventories	(5,027)	(15,247)
Other current assets	5,929	7,380
Accounts payable	(6,065)	(11,235)
Accrued liabilities	(21,396)	(31,586)
Net cash provided by operating activities	217,367	100,222
Cash flows from investing activities:		
Purchases of property, plant and equipment	(65,637)	(126,623)
Decrease in marketable securities	127,833	145,561
Increase in investments	(17,647)	(12,580)
Increase in other assets	(10,305)	(23,980)
Net cash provided by (used in) investing activities	34,244	(17,622)

See accompanying notes.
(Continued on next page)

AMGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	1994	1993
Cash flows from financing activities:		
(Decrease) increase in commercial paper	$(10,033)	$ 40,000
Proceeds from issuance of long-term debt	12,499	25,053
Repayment of long-term debt	(1,061)	(457)
Net proceeds from issuance of common stock	11,797	9,179
Tax benefit related to stock options	7,400	8,000
Net proceeds from issuance of warrants	15,330	1,395
Repurchases of common stock	(150,481)	(110,839)
Other	(14,004)	(10,726)
Net cash used in financing activities	(128,553)	(38,395)
Increase in cash and cash equivalents	123,058	44,205
Cash and cash equivalents at beginning of period	128,505	92,048
Cash and cash equivalents at end of period	$251,563	$136,253

See accompanying notes.

AMGEN INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
June 30, 1994

1. Summary of significant accounting policies

Business

Amgen Inc. ("Amgen" or the "Company") is a global biotechnology company that develops, manufactures and markets human therapeutics based on advanced cellular and molecular biology.

Principles of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries as well as affiliated companies for which the Company has a controlling financial interest and exercises control over their operations ("majority controlled affiliates"). All material intercompany transactions and balances have been eliminated in consolidation. Investments in affiliated companies which are 50% owned and/or where the Company exercises significant influence over operations are accounted for using the equity method. All other investments are accounted for under the cost method. Loss of affiliates, net includes Amgen's equity in the operating results of affiliated companies and the minority interest others hold in the operating results of Amgen's majority controlled affiliates.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined in a manner which approximates the first-in, first-out (FIFO) method. Inventories are shown net of applicable reserves and allowances. Inventories consist of the following (in thousands):

	June 30, 1994	December 31, 1993
Raw materials.....	$11,236	$ 8,001
Work in process.....	51,564	47,138
Finished goods.....	16,939	19,573
	$79,739	$74,712

Product sales

Product sales consist of two products, EPOGEN(R) (Epoetin alfa) and NEUPOGEN(R) (Filgrastim).

As a result of arbitration proceedings involving an agreement between Amgen and Ortho Pharmaceutical Corporation, a subsidiary of Johnson & Johnson ("Johnson & Johnson") covering the U.S. market for the Company's Epoetin alfa product, Amgen does not recognize product sales it makes into the contractual market of Johnson & Johnson and does recognize the product sales made by Johnson & Johnson into Amgen's contractual market. These sales amounts, and adjustments thereto, are derived from third-party data on shipments to end users and their usage (see Note 4, "Commitments and contingencies - Johnson & Johnson arbitration").

Income taxes

Income taxes are accounted for in accordance with Statement of Financial Accounting Standards ("SFAS") No. 109 (Note 3).

Earnings per share

Earnings per share are computed in accordance with the treasury stock method. Primary and fully diluted earnings per share are based upon the weighted average number of common shares and dilutive common stock equivalents during the period in which they were outstanding. Common stock equivalents include outstanding options under the Company's stock option plans and outstanding warrants to purchase shares of the Company's common stock.

Basis of presentation

The financial information for the six months ended June 30, 1994 and 1993, are unaudited but include all adjustments (consisting only of normal recurring accruals) which the Company considers necessary for a fair presentation of the results of operations for these periods. Interim results are not necessarily indicative of results for the full fiscal year.

Reclassification

Certain prior period amounts have been reclassified to conform to the current period presentation.

2. Debt

As of June 30, 1994, $99.7 million of commercial paper was outstanding. These borrowings had maturities of three months or less and had effective interest rates averaging 4.3%.

During the three months ended June 30, 1994, the Company's unsecured credit facility (the "credit facility") was extended through June 1995. As of June 30, 1994, $150 million was available under the Company's line of credit pursuant to the credit facility for borrowing and to support the Company's commercial paper program.

Long-term debt consists of the following (in thousands):

	June 30, 1994	December 31, 1993
Medium Term Notes.....	$113,000	$103,000
Promissory notes.....	68,200	68,200
Other long-term obligations....	13,209	11,771
	194,409	182,971
Less current portion.....	(8,521)	(1,729)
	$185,888	$181,242

The Company has registered $200 million of unsecured medium term debt securities ("Medium Term Notes") of which $113 million were outstanding at June 30, 1994. During the six months ended June 30, 1994, the Company issued an additional $10 million of Medium Term Notes with five year maturities at a fixed rate of 5.5%.

3. Income taxes

The provision for income taxes consists of the following (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	1994	1993	1994	1993
Federal.....	$56,026	$51,517	$105,887	$ 94,105
State.....	9,144	10,309	16,946	19,635
Total.....	$65,170	$61,826	$122,833	$113,740

4. Commitments and contingencies

Johnson & Johnson arbitration

In September 1985, the Company granted Johnson & Johnson an exclusive license under certain patented technology and know how of the Company to sell erythropoietin throughout the United States for all human uses except dialysis and diagnostics.

In January 1989, Johnson & Johnson initiated arbitration proceedings with respect to a number of disputes which had arisen between Amgen and Johnson & Johnson as to the respective rights and obligations of the parties under the various agreements between them. Amgen filed a cross petition for arbitration raising additional disputes for resolution by the arbitrator. The scope of the arbitration covers erythropoietin, hepatitis B vaccine, and interleukin-2.

In April 1990, the arbitrator ruled that Johnson & Johnson must purchase from Amgen all of Johnson & Johnson's actual United States sales requirements of recombinant human erythropoietin. In December 1990, the U.S. Food and Drug Administration approved Amgen's application to name Johnson & Johnson a distributor of Epoetin alfa under the trademark PROCRIT(R). In January 1991, Johnson & Johnson began distributing Epoetin alfa.

In June 1991, the arbitrator issued an opinion awarding Johnson & Johnson $164 million on its claims regarding erythropoietin. In September 1992, the arbitrator found that Johnson & Johnson had breached its obligations regarding hepatitis B vaccine and interleukin-2, and in January 1993 awarded the Company approximately $90 million in damages against Johnson & Johnson. In January 1993, the Company paid Johnson & Johnson the sum of $82.4 million, representing the difference between the damages awarded Johnson & Johnson as a result of its erythropoietin claims, less the amounts awarded Amgen against Johnson & Johnson as a result of its hepatitis B vaccine and interleukin-2 claims, plus interest. Johnson & Johnson returned to the Company the rights to develop and market hepatitis B vaccine and interleukin-2 in March 1991.

The Company and Johnson & Johnson are required to compensate

each other for Epoetin alfa sales which either party makes into the other party's contractual market. The Company has established and is employing an accounting methodology to allocate the proceeds of sales of EPOGEN(R) and PROCRIT(R) in Amgen's and Johnson & Johnson's respective contractual markets. The Company has made payments to Johnson & Johnson based upon the results of the Company's accounting methodology. Johnson & Johnson has disputed the methodology employed by the Company and is proposing an alternative methodology for adoption by the arbitrator. If, as a result of the arbitration proceeding, a methodology different than that currently employed by the Company is instituted to allocate the proceeds of sales between the parties, it may yield results that are different from the results of the accounting methodology currently employed by the Company. As a result of the arbitration, it is possible that the Company would recognize a different level of EPOGEN(R) sales than are currently being recognized. As a result of the arbitration, the Company may be required to pay additional compensation to Johnson & Johnson for sales during prior periods, or Johnson & Johnson may be required to pay compensation to the Company for such prior period sales. Due to the uncertainties of any arbitrated result, the Company has established net liabilities that exceed the amounts paid to Johnson & Johnson.

A trial date has been set for May 1, 1995 before the arbitrator regarding the accounting methodologies and compensation for sales by Johnson & Johnson into Amgen's contractual market and sales by Amgen into Johnson & Johnson's contractual market. Discovery as to these issues is in progress.

While it is not possible to predict accurately or determine the eventual outcome of this matter, the Company believes that the outcome of this legal proceeding will not have a material adverse effect on the operations or financial position of the Company.

Other litigation

The Company is engaged in various other legal proceedings including patent disputes. While it is not possible to predict accurately or determine the eventual outcome of these matters, the Company believes that the outcome of these proceedings will not have a material adverse effect on the operations or financial position of the Company.

5. Stockholders' equity

During the six months ended June 30, 1994, the Company acquired 3.5 million shares of its common stock at a total cost of $150.5 million under its common stock repurchase program. At June 30, 1994, $181.2 million of the amount approved by the Board of Directors remained available for repurchase through December 31, 1994. Stock repurchased under the program is retired and such repurchases offset the dilutive effects of the Company's employee benefit stock option and stock purchase plans.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Liquidity and Capital Resources

The Company had cash, cash equivalents and marketable securities of $718.4 million at June 30, 1994, compared with $723.2 million at December 31, 1993. Cash provided by operating activities has been and is expected to continue to be the Company's primary source of funds. During the six months ended June 30, 1994, operations provided $217.4 million of cash compared with $100.2 million of cash for the same period last year. The amount in the prior year period reflects a payment of $82.4 million to Johnson & Johnson in settlement of an obligation resulting from an arbitration proceeding (see "Legal Matters - Johnson & Johnson arbitration") and an increase in trade accounts receivable due to a temporary extension of payment terms to EPOGEN(R) customers.

Capital expenditures totaled $65.6 million for the six months ended June 30, 1994, compared with $126.6 million for the same period a year ago. The reduction in capital expenditures is due to the completion of several facilities in 1993, including the Puerto Rico finish and fill facility. Over the next few years, the Company expects to spend approximately $100 million to $200 million per year on capital projects. These expenditures will be used primarily to expand the Company's operations.

The Company has an ongoing common stock repurchase program to offset dilutive effects of its employee benefit stock option and stock purchase plans. Since its inception in 1992 through June 30, 1994, the Company has repurchased 9.9 million shares of its common stock at a total cost of $443.8 million, and is authorized to purchase up to an additional $181.2 million through December 31, 1994. During the six months ended June 30, 1994, the Company repurchased 3.5 million shares of common stock at a cost of $150.5 million.

To provide for financial flexibility and increased liquidity, the Company has established several sources of debt financing. The Company has filed a shelf registration statement with the Securities and Exchange Commission under which it could issue up to $200 million of Medium Term Notes. At June 30, 1994, $113 million of Medium Term Notes were outstanding which mature in three to nine years. The Company has a commercial paper program which provides for short-term borrowings up to an aggregate of $200 million. At June 30, 1994, $99.7 million of commercial paper was outstanding with maturities of three months or less. As individual issuances under this program mature, the Company may issue new debt either in the form of commercial paper or Medium Term Notes depending on interest rates and other market factors. The Company also has a $150 million revolving line of credit, principally to support the Company's commercial paper program. No borrowings on this line of credit were outstanding at June 30, 1994.

The Company hedges certain portions of its exposure to anticipated foreign currency cash flows through the use of forward and option foreign exchange contracts. At June 30, 1994, the Company had forward and option foreign exchange contracts of approximately $261 million and $14 million, respectively, all having maturities of less than one year. The Company's net economic exposure is substantially less than the absolute dollar value of these contracts.

Cash is invested in accordance with a policy objective that seeks to ensure both liquidity and safety of principal. Investments are made to achieve the highest rate of return to the Company, consistent with the policy objectives. The policy limits investments to certain types of instruments issued by institutions with strong investment grade credit ratings, and places restrictions on their terms and concentration by type and issuer. The Company's investments are subject to the risk of market interest rate fluctuations and risks associated with the ability of the issuers to perform their obligations under the instruments.

The Company believes that existing funds, cash generated from operations, and existing sources of external financing should be adequate to satisfy its working capital and capital expenditure requirements and to support its common stock repurchase program for the foreseeable future. However, the Company may take advantage of favorable conditions in the capital markets to raise additional capital from time to time.

Results of Operations

Product sales

Product sales increased 19% and 18% for the three and six months ended June 30, 1994, respectively, compared with the same periods last year.

NEUPOGEN(R) (Filgrastim)

The Company's worldwide NEUPOGEN(R) sales were $212 million and $393.7 million for the three and six months ended June 30, 1994, respectively.

Domestic sales of NEUPOGEN(R) were $158.4 million and $290.4 million for the three and six months ended June 30, 1994, respectively. These amounts represent increases of $20 million and $32.3 million, or 14% and 13% respectively, over the same periods last year. These increases were primarily due to increased penetration of the potential colony-stimulating factor market.

Sales of NEUPOGEN(R) outside the United States, primarily in Europe, were $53.6 million and $103.3 million for the three and six months ended June 30, 1994, respectively. These amounts represent increases of $4.2 million and $15.2 million over the same periods last year, respectively. Local sales volumes increased by approximately 13% and 24% during the three and six months ended June

30, 1994, respectively, compared with the same periods last year due to increased market penetration by NEUPOGEN(R). However, when measured in U.S. dollars, reported sales increases for the three and six months ended June 30, 1994 were 9% and 17%, respectively, due to fluctuations in foreign currency exchange rates.

During the first quarter of 1994, Rhone-Poulenc-Rorer and Chugai Pharmaceutical Co., Ltd. began jointly marketing a G-CSF product in the European Union ("EU" - formerly known as the European Community). Although there has been no significant effect on the Company's worldwide NEUPOGEN(R) sales, it is not possible to predict the ultimate impact this competitive product will have on future EU NEUPOGEN(R) sales.

Quarterly NEUPOGEN(R) sales volumes in both the United States and Europe are influenced by a number of factors including underlying demand, seasonality of cancer chemotherapy administration, and wholesaler inventory management practices. The Company's experience has shown that reduced chemotherapy usage occurs in the third calendar quarter in Europe and in the fourth calendar quarter in the United States. The corresponding effects on the Company's sales have occurred in the third calendar quarter in Europe, and have been delayed until the first calendar quarter in the United States.

The Company believes that NEUPOGEN(R) sales in 1994 will exceed the 1993 level, but that the growth rate of NEUPOGEN(R) sales in the future will be lower than the growth rate in 1993. NEUPOGEN(R) sales increases are dependent upon further penetration of existing markets, the timing and nature of additional indications for which the product may be approved, and the effects of competitive products. In addition, international NEUPOGEN(R) sales revenues are subject to fluctuations in foreign currency exchange rates and increased competition from other G-CSF products.

EPOGEN(R) (Epoetin alfa)

EPOGEN(R) sales were $176.5 million and $340.6 million for the three and six months ended June 30, 1994. These amounts represent increases of $36.5 million and $63.6 million, or 26% and 23%, respectively, over the same periods last year. These increases were primarily due to an increase in the U.S. dialysis patient population and the administration of higher doses of EPOGEN(R) per patient. The Company anticipates that increases in the U.S. dialysis patient population, currently estimated to grow at an annual rate of 8% - 10%, and increases in dose per patient will continue to drive the growth of EPOGEN(R) sales in the current year. However, the annual growth rate for the second half of 1994 is expected to be lower than the growth rate realized in the first half of the current year.

The federal government enacted legislation effective January 1, 1994 to lower reimbursement provided to facilities that administer EPOGEN(R) from $11 per thousand units administered to $10 per thousand units administered. During the six months ended June 30, 1994, the change in reimbursement did not have a material adverse effect on EPOGEN(R) sales.

Cost of sales

Cost of sales as a percentage of product sales were 16.6% and 16% for the three and six months ended June 30, 1994, respectively, compared with 16.3% and 16.8% for the same periods last year. Cost of sales as a percentage of product sales is not expected to vary significantly for the foreseeable future except for a slight decline anticipated to occur as the Puerto Rico manufacturing plant becomes fully operational.

Research and development

During the three and six months ended June 30, 1994, research and development expenses increased $15.9 million and $33.5 million, or 25% and 28%, respectively, compared with the same periods last year. These increases were primarily due to expansion of the Company's research and development staffs. Annual research and development expenses for 1994 and 1995 are expected to increase at a rate exceeding the anticipated annual product sales growth rate due to planned increases in internal efforts on new product discovery and development and increases in external research collaboration costs, including acquisitions of product and technology rights.

Marketing and selling

Marketing and selling expenses increased $6.5 million and $13 million, or 12% and 13%, respectively, during the three and six months ended June 30, 1994 compared with the same periods last year. These increases were primarily due to: 1) domestic and international marketing expenses to support continued NEUPOGEN(R) market penetration and, 2) to support EPOGEN(R) marketing efforts focused on educating users on the importance of maintaining patients within the target hematocrit range. The future growth rate of marketing and selling expenses is not expected to exceed the anticipated annual product sales growth rate.

General and administrative

General and administrative expenses increased $1.7 million and $2.2 million, or 6% and 4%, respectively, during the three and six months ended June 30, 1994 compared with the same periods last year. The future growth rate of general and administrative expenses is expected to be less than the anticipated annual product sales growth rate.

Income taxes

The Company's effective tax rate for the three and six months ended June 30, 1994 was 37.8% and 37.9% compared to 38.2% and 38.6%, respectively, for the same periods last year. These decreases in the tax rate were primarily due to a reduction in state taxes which resulted from changes in the apportionment of taxable income among states.

In the future, the Company expects to receive tax benefits from manufacturing products at its facility in Puerto Rico, which is currently awaiting licensure by regulatory bodies. Realization of these tax benefits is expected to result in an annualized effective tax rate of 32%-34% once a substantial portion of domestic product sales are supplied by product manufactured at this plant.

Legal Matters

Johnson & Johnson arbitration

In September 1985, the Company granted Johnson & Johnson an exclusive license under certain patented technology and know how of the Company to sell erythropoietin throughout the United States for all human uses except dialysis and diagnostics.

In January 1989, Johnson & Johnson initiated arbitration proceedings with respect to a number of disputes which had arisen between Amgen and Johnson & Johnson as to the respective rights and obligations of the parties under the various agreements between them. Amgen filed a cross petition for arbitration raising additional disputes for resolution by the arbitrator. The scope of the arbitration covers erythropoietin, hepatitis B vaccine, and interleukin-2.

In April 1990, the arbitrator ruled that Johnson & Johnson must purchase from Amgen all of Johnson & Johnson's actual United States sales requirements of recombinant human erythropoietin. In December 1990, the U.S. Food and Drug Administration approved Amgen's application to name Johnson & Johnson a distributor of Epoetin alfa under the trademark PROCRIT(R). In January 1991, Johnson & Johnson began distributing Epoetin alfa.

In June 1991, the arbitrator issued an opinion awarding Johnson & Johnson $164 million on its claims regarding erythropoietin. In September 1992, the arbitrator found that Johnson & Johnson had breached its obligations regarding hepatitis B vaccine and interleukin-2, and in January 1993 awarded the Company approximately $90 million in damages against Johnson & Johnson. In January 1993, the Company paid Johnson & Johnson the sum of $82.4 million, representing the difference between the damages awarded Johnson & Johnson as a result of its erythropoietin claims, less the amounts awarded Amgen against Johnson & Johnson as a result of its hepatitis B vaccine and interleukin-2 claims, plus interest. Johnson & Johnson returned to the Company the rights to develop and market hepatitis B vaccine and interleukin-2 in March 1991.

The Company and Johnson & Johnson are required to compensate each other for Epoetin alfa sales which either party makes into the other party's contractual market. The Company has established and is employing an accounting methodology to allocate the proceeds of sales of EPOGEN(R) and PROCRIT(R) in Amgen's and Johnson & Johnson's

respective contractual markets. The Company has made payments to Johnson & Johnson based upon the results of the Company's accounting methodology. Johnson & Johnson has disputed the methodology employed by the Company and is proposing an alternative methodology for adoption by the arbitrator. If, as a result of the arbitration proceeding, a methodology different than that currently employed by the Company is instituted to allocate the proceeds of sales between the parties, it may yield results that are different from the results of the accounting methodology currently employed by the Company. As a result of the arbitration, it is possible that the Company would recognize a different level of EPOGEN(R) sales than are currently being recognized. As a result of the arbitration, the Company may be required to pay additional compensation to Johnson & Johnson for sales during prior periods, or Johnson & Johnson may be required to pay compensation to the Company for such prior period sales. Due to the uncertainties of any arbitrated result, the Company has established net liabilities that exceed the amounts paid to Johnson & Johnson.

A trial date has been set for May 1, 1995 before the arbitrator regarding the accounting methodologies and compensation for sales by Johnson & Johnson into Amgen's contractual market and sales by Amgen into Johnson & Johnson's contractual market. Discovery as to these issues is in progress.

While it is not possible to predict accurately or determine the eventual outcome of this matter, the Company believes that the outcome of this legal proceeding will not have a material adverse effect on the operations or financial position of the Company.

Other litigation

The Company is engaged in various other legal proceedings including patent disputes. While it is not possible to predict accurately or determine the eventual outcome of these matters, the Company believes that the outcome of these proceedings will not have a material adverse effect on the operations or financial position of the Company.

Outlook

The Company obtained approval on July 7, 1994 from the U.S. Food and Drug Administration ("FDA") for a labeling change expanding the target hematocrit range for patients with chronic renal failure receiving Epoetin alfa from the current range of 30 to 33 percent to a range of 30 to 36 percent. The labeling change also includes clarified dose titration guidelines allowing for ease of hematocrit stabilization within the target range as well as self-administration guidelines, updated safety data, and quality of life information.

The Company also received approval from the FDA on June 21, 1994 for a product license amendment to expand the approved uses of NEUPOGEN(R) to include a reduction in the duration of neutropenia for patients undergoing myeloablative therapy followed by bone marrow transplantation.

In February 1994, the FDA completed the prelicensure inspection of the Puerto Rico manufacturing facility. It is anticipated that licensure may occur in 1994.

Operating in rapidly changing health care policy arenas and market environments presents many significant and unique challenges. While the federal government continues to formulate legislation for health care reform, it is impossible to predict the content of eventual legislation or even whether the Congress will pass and the President will sign any substantial health care legislation. It is probable that any such legislation will have an adverse impact on Amgen. In addition, the Company is adapting to market-driven forces in the United States and legislative mandates in foreign markets. Market forces are changing the economics of health care in the United States through voluntary limits on price increases by the pharmaceutical industry, increases in the purchasing power of large buying groups, and increased influence on medical care and treatment decisions by managed care organizations.

The Company is adapting to this changing health care environment through programs that work to optimize the use of its products in the treatment of patients and clinical trials designed to evaluate cost and quality-of-life parameters as well as clinical safety and efficacy.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The Company is engaged in arbitration proceedings with Ortho Pharmaceutical Corporation, a subsidiary of Johnson & Johnson. For a complete discussion of this matter see Part I, Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Legal Matters." Other legal proceedings are discussed below.

Elanex Pharmaceuticals litigation

In October of 1993, the Company filed a complaint for patent infringement against defendants Elanex Pharmaceuticals, Inc. ("Elanex"), Laboratorios Elanex De Costa Rica, S. A., Bio Sidus S.A., Merckle GmbH, Biosintetica S. A. and other unknown defendants. The complaint, filed in the United States District Court for the Western District of Washington at Seattle, seeks injunctive relief and damages for Elanex's infringement of the Company's patent for DNA sequences and host cells useful in producing recombinant erythropoietin. The complaint also alleges that the foreign defendants entered into agreements with Elanex relating to the production or sale of recombinant erythropoietin and thereby have induced Elanex's infringement.

In December 1993, Elanex responded to the complaint denying the material allegations thereof, and filed a counterclaim seeking a declaratory judgment that the Company's patent is invalid and that Elanex's recombinant erythropoietin technology does not infringe any valid claims of the Company's patent. The counterclaim also seeks an award of reasonable attorneys' fees and other costs of defense.

While it is not possible to predict accurately or to determine the eventual outcome of this matter, the Company believes that the outcome of this legal proceeding will not have a material adverse effect on the operations or financial position of the Company.

Erythropoietin patent litigation

Amgen has been engaged in litigation (the "Amgen suit") with Genetics Institute, Inc. ("Genetics Institute") and its commercial partner, Chugai Pharmaceutical Co., Ltd., regarding the infringement of Amgen's patent on the DNA sequence used in the production of erythropoietin (the "Amgen Patent") and the infringement by Amgen's erythropoietin product of a patent held by Genetics Institute.

Genetics Institute and the Company announced on May 11, 1993 that they agreed to settle all outstanding patent disputes between them regarding erythropoietin in the United States. As part of the settlement, Genetics Institute paid the Company $13.9 million during the quarter ended September 30, 1993. An additional $2 million may be paid to the Company contingent upon the outcome of certain future events. As a result of the settlement of the litigation, Amgen expects to receive patents on the process for producing recombinant erythropoietin and on the recombinant erythropoietin product.

In August 1991, Johnson & Johnson, together with eleven of Johnson & Johnson's Cilag European subsidiaries, filed a suit in the United States District Court for the District of Massachusetts in Boston, the site of the Amgen suit against Genetics Institute (the "Boston Court"), seeking damages from Genetics Institute for infringement of the Amgen Patent (the "Johnson & Johnson suit") and moved to consolidate the Johnson & Johnson suit with the original suit filed by Amgen. The two suits were consolidated by the Boston Court. Amgen was allowed to intervene in the Johnson & Johnson suit for the limited purpose of seeking a summary judgment dismissing the Johnson & Johnson suit. In December 1992, the Boston Court determined that Johnson & Johnson had no standing to sue Genetics Institute and entered judgment and dismissed the Johnson & Johnson suit. Also, in December 1992, the Boston Court denied motions by Johnson & Johnson to intervene in the Amgen suit for the limited purpose of seeking a summary judgment limiting Amgen's damages against Genetics Institute. Johnson & Johnson has appealed the Boston Court's December 1992 rulings. The appeal by Johnson & Johnson, together with eleven of its Cilag European subsidiaries, is pending.

While it is not possible to predict accurately or determine the eventual outcome of this matter, the Company believes that the outcome of the appeal by Johnson & Johnson will not have a material

adverse effect on the operations or financial position of the Company.

Genetics Institute litigation

On June 21, 1994, Genetics Institute filed suit in the United States District Court for the District of Delaware in Wilmington, against Johnson & Johnson, a licensee of the Company, seeking damages for the alleged infringement of the newly issued U.S. Patent 5,322,837 relating to Johnson & Johnson's manufacture, use, and sale of erythropoietin.

While it is not possible to predict accurately or to determine the eventual outcome of this matter, the Company believes that the outcome of this legal proceeding will not have a material adverse effect on the operations or financial position of the Company.

Consensus Interferon

On June 15, 1994, Biogen Inc. filed suit in the Tokyo District Court in Japan, against Amgen K.K., a subsidiary of the Company, seeking injunctive relief for the alleged infringement of two Japanese patent applications relating to alpha-interferon.

While it is not possible to predict accurately or to determine the eventual outcome of this matter, the Company believes that the outcome of this legal proceeding will not have a material adverse effect on the operations or financial position of the Company.

Item 4. Submission of Matters to a Vote of Security Holders

The Company held its Annual Meeting of Stockholders on April 26, 1994. The three matters voted upon at the meeting were to elect three directors to hold office until the 1997 Annual Meeting of Stockholders, to approve the material terms of the Company's performance based Management Incentive Plan, and to ratify the selection of Ernst & Young as the independent auditors of the Company for its fiscal year ending December 31, 1994.

The following votes were cast for or were withheld with respect to each of the nominees: Dr. Raymond F. Baddour: 115,149,445 votes for and 900,955 votes withheld; Mr. Gordon M. Binder: 115,172,591 votes for and 877,809 votes withheld; and Mr. Franklin P. Johnson, Jr.: 115,182,497 votes for and 867,903 votes withheld. All nominees were declared to have been elected as directors to hold office until the 1997 Annual Meeting of Stockholders. No abstentions or broker non votes were cast in the election of directors.

With respect to the proposal to approve the material terms of the Company's performance based Management Incentive Plan, 102,712,490 votes were cast for the proposal, 3,767,033 votes were cast against the proposal and 763,049 votes abstained. No broker non votes were cast in connection with the proposal. The material terms of the Company's performance based Management Incentive Plan were declared to have been approved.

With respect to the proposal to ratify the selection of Ernst & Young as the Company's independent auditors, 115,365,405 votes were cast for the proposal, 393,610 votes were cast against the proposal and 291,385 votes abstained. No broker non votes were cast in connection with the proposal. The selection of Ernst & Young as the Company's independent auditors for the fiscal year ending December 31, 1994 was declared to have been ratified.

Item 6. Exhibits and Reports on Form 8-K

(a) Reference is made to the Index to Exhibits included herein.

(b) No reports on Form 8-K were filed during the three months ended June 30, 1994.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Amgen Inc.
(Registrant)

Date: 8/08/94

By:/s/ Gordon M. Binder
Gordon M. Binder
Chairman of the Board and
Chief Executive Officer

Date: 8/08/94

By:/s/ Larry A. May
Larry A. May
Vice President, Corporate
Controller and Chief
Accounting Officer

AMGEN INC.

INDEX TO EXHIBITS

Exhibit No.	Description
4.1	Warrant Agreement, dated September 1, 1990, between the Company, Paine Webber R&D Partners, L.P. and American Stock Transfer and Trust Company as Warrant Agent. (13)
4.2	Warrant Agreement, dated November 26, 1991, between the Company and American Stock Transfer and Trust Company as Warrant Agent. (15)
4.3	Indenture dated January 1, 1992 between the Company and Citibank N.A., as trustee. (14)
4.4	Forms of Commercial Paper Master Note Certificates. (18)
10.1*	Company's 1991 Equity Incentive Plan, as amended. (15)
10.2*	Company's 1984 Stock Option Plan, as amended, and forms of Incentive Stock Option Grant and Nonqualified Stock Option Grant used in connection therewith. (15)
10.3	Shareholder's Agreement of Kirin-Amgen, Inc., dated May 11, 1984, between the Company and Kirin Brewery Company, Limited (with certain confidential information deleted therefrom). (1)
10.4	Amendment Nos. 1, 2, and 3, dated March 19, 1985, July 29, 1985 and December 19, 1985, respectively, to the Shareholder's Agreement of Kirin-Amgen, Inc., dated May 11, 1984 (with certain confidential information deleted therefrom). (3)
10.5	Product License Agreement, dated September 30, 1985, and Technology License Agreement, dated, September 30, 1985 between the Company and Ortho Pharmaceutical Corporation (with certain confidential information deleted therefrom). (2)
10.6	Product License Agreement, dated September 30, 1985, and Technology License Agreement, dated September 30, 1985 between Kirin-Amgen, Inc. and Ortho Pharmaceutical Corporation (with certain confidential information deleted therefrom). (3)
10.7*	Company's Employee Stock Purchase Plan, amended April 1, 1992. (16)
10.8	Agreement, dated February 12, 1986, between the Company and Sloan-Kettering Institute for Cancer Research (with certain confidential information deleted therefrom). (4)
10.9	Amendment No. 2, dated November 13, 1990, to Agreement, dated February 12, 1986, between the Company and Sloan-Kettering Institute for Cancer Research (with certain confidential information deleted therefrom). (13)
10.10	Research, Development Technology Disclosure and License Agreement PPO, dated January 20, 1986, by and between the Company and Kirin Brewery Co., Ltd. (4)
10.11	Research Collaboration Agreement, dated August 31, 1990, between Amgen Inc. and Regeneron Pharmaceuticals, Inc. (with certain confidential information deleted therefrom). (13)
10.12	Amendment Nos. 4 and 5, dated October 16, 1986 (effective July 1, 1986) and December 6, 1986 (effective July 1, 1986), respectively, to the Shareholders Agreement of Kirin-Amgen, Inc. dated May 11, 1984 (with certain confidential information deleted therefrom). (5)
10.13	Assignment and License Agreement, dated October 16, 1986, between the Company and Kirin-Amgen, Inc. (with certain confidential information deleted therefrom). (5)
10.14	G-CSF European License Agreement, dated December 30, 1986, between Kirin-Amgen, Inc. and the Company (with certain confidential information deleted therefrom). (5)
10.15	Research and Development Technology Disclosure and License Agreement: GM-CSF, dated March 31, 1987, between Kirin Brewery Company, Limited and the Company (with certain confidential information deleted therefrom). (5)
10.16*	Company's 1987 Directors' Stock Option Plan, as amended. (13)
10.17	Cross License Agreement, dated June 1, 1987, between Amgen Inc. and Amgen Clinical Partners, L.P. (6)
10.18	Development Agreement, dated June 1, 1987, between Amgen Inc. and Amgen Clinical Partners, L.P. (6)
10.19	Joint Venture Agreement, dated June 1, 1987, between Amgen Inc. and Amgen Clinical Partners, L.P. (6)
10.20	Partnership Purchase Option Agreement, dated June 1, 1987, between Amgen Inc. and Amgen Clinical Partners,

	L.P. (6)
10.21*	Company's 1988 Stock Option Plan, as amended. (15)
10.22*	Company's Retirement and Savings Plan, amended and restated as of January 1, 1993. (16)
10.23	Amendment, dated June 30, 1988, to Research, Development, Technology Disclosure and License Agreement: GM-CSF dated March 31, 1987, between Kirin Brewery Company, Limited and the Company. (7)
10.24	Amending Agreement, dated June 30, 1988, to Development Agreement, Partner Purchase Option Agreement, Cross License Agreement and Joint Venture Agreement, dated June 1, 1987, between the Company and Amgen Clinical Partners, L.P. (7)
10.25	Agreement on G-CSF in the EC, dated September 26, 1988, between Amgen Inc. and F. Hoffmann-La Roche & Co. Limited Company (with certain confidential information deleted therefrom). (9)
10.26	Supplementary Agreement to Agreement dated January 4, 1989 to Agreement on G-CSF in the EC, dated September 26, 1988, between the Company and F. Hoffmann-La Roche & Co. Limited Company, (with certain confidential information deleted therefrom). (9)
10.27	Agreement on G-CSF in Certain European Countries, dated January 1, 1989, between Amgen Inc. and F. Hoffmann-La Roche & Co. Limited Company (with certain confidential information deleted therefrom). (9)
10.28	Rights Agreement, dated January 24, 1989, between Amgen Inc. and American Stock Transfer and Trust Company, Rights Agent. (8)
10.29	First Amendment to Rights Agreement, dated January 22, 1991, between Amgen Inc. and American Stock Transfer and Trust Company, Rights Agent. (11)
10.30	Second Amendment to Rights Agreement, dated April 2, 1991, between Amgen Inc. and American Stock Transfer and Trust Company, Rights Agent. (12)
10.31	Credit Agreement, dated as of November 15, 1991, among Amgen Inc., The Borrowing Subsidiaries therein named, the Banks therein named, Swiss Bank Corporation, as issuing Bank and Swiss Bank Corporation and Citicorp USA, Inc., as Co-Agents. (16)
10.32	Deed of Trust and Security Agreement, dated June 1, 1989, between the Company and UNUM Life Insurance Company of America. (10)
10.33	Note, dated June 1, 1989, between the Company and UNUM Life Insurance Company of America. (10)
10.34	Agency Agreement, dated November 21, 1991, between Amgen Manufacturing, Inc. and Citicorp Financial Services Corporation. (16)
10.35	Agency Agreement, dated May 21, 1992, between Amgen Manufacturing, Inc. and Citicorp Financial Services Corporation. (16)
10.36	Guaranty, dated July 29, 1992, by the Company in favor of Merck Sharp & Dohme Quimica de Puerto Rico, Inc. (16)
10.37	936 Promissory Note No. 01, dated December 11, 1991, issued by Amgen Manufacturing, Inc. (16)
10.38	936 Promissory Note No. 02, dated December 11, 1991, issued by Amgen Manufacturing, Inc. (16)
10.39	936 Promissory Note No. 001, dated July 29, 1992, issued by Amgen Manufacturing, Inc. (16)
10.40	936 Promissory Note No. 002, dated July 29, 1992, issued by Amgen Manufacturing, Inc. (16)
10.41	Guaranty, dated November 21, 1991, by the Company in favor of Citicorp Financial Services Corporation. (16)
10.42	First Amendment, dated as of June 16, 1992, to the Credit Agreement, dated as of November 15, 1991, among Amgen Inc., The Borrowing Subsidiaries therein named, the Banks therein named, Swiss Bank Corporation, as issuing Bank and Swiss Bank Corporation and Citicorp USA, Inc., as Co-Agents. (16)
10.43	Second Amendment, dated as of November 6, 1992, to the Credit Agreement, dated as of November 15, 1991, among Amgen Inc., The Borrowing Subsidiaries therein named, the Banks therein named, Swiss Bank Corporation, as issuing Bank and Swiss Bank Corporation and Citicorp USA, Inc., as Co-Agents. (16)
10.44	Lease and Agreement relating to Lease, dated March 27, 1986 and April 1, 1986, respectively, for 2003 Oak Terrace Lane between 2001 Hillcrest Partnership and the Company. (19)
10.45	Partnership Purchase Agreement, dated March 12, 1993, between the Company, Amgen Clinical Partners, L.P.,

	Amgen Development Corporation, the Class A limited partners and the Class B limited partner. (17)
10.46*	Amgen Supplemental Retirement Plan dated June 1, 1993. (20)
10.47	Promissory Note of Mr. Kevin W. Sharer, dated June 4, 1993. (20)
10.48	Amendment No. 3 dated June 25, 1993 to the Credit Agreement, dated November 15, 1991, among the Company, The Borrowing Subsidiaries therein named, the Banks therein named, the Swiss Bank Corporation, as issuing Bank and Swiss Bank Corporation and Citicorp USA, Inc., as Co-Agents. (20)
10.49	Promissory Note of Mr. Larry A. May, dated February 24, 1993. (21)
10.50*	First Amendment dated October 26, 1993 to the Company's Retirement and Savings Plan. (21)
10.51*	Amgen Performance Based Management Incentive Plan. (21)
11	Computation of earnings per share.

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* Management contract or compensatory plan or arrangement.

(1) Filed as an exhibit to the Annual Report on Form 10-K for the year ended March 31, 1984 on June 26, 1984 and incorporated herein by reference.

(2) Filed as an exhibit to Quarterly Report on Form 10-Q for the quarter ended September 30, 1985 on November 14, 1985 and incorporated herein by reference.

(3) Filed as an exhibit to Quarterly Report on Form 10-Q for the quarter ended December 31, 1985 on February 3, 1986 and incorporated herein by reference.

(4) Filed as an exhibit to Amendment No. 1 to Form S-1 Registration Statement (Registration No. 33-3069) on March 11, 1986 and incorporated herein by reference.

(5) Filed as an exhibit to the Form 10-K Annual Report for the year ended March 31, 1987 on May 18, 1987 and incorporated herein by reference.

(6) Filed as an exhibit to the Quarterly Report on Form 10-Q for the quarter ended June 30, 1987 on August 12, 1987 and incorporated herein by reference.

(7) Filed as an exhibit to Form 8 amending the Quarterly Report on Form 10-Q for the quarter ended June 30, 1988 on August 25, 1988 and incorporated herein by reference.

(8) Filed as an exhibit to the Form 8-K Current Report dated January 24, 1989 and incorporated herein by reference.

(9) Filed as an exhibit to the Annual Report on Form 10-K for the year ended March 31, 1989 on June 28, 1989 and incorporated herein by reference.

(10) Filed as an exhibit to the Quarterly Report on Form 10-Q for the quarter ended June 30, 1989 on August 14, 1989 and incorporated herein by reference.

(11) Filed as an exhibit to the Form 8-K Current Report dated January 22, 1991 and incorporated herein by reference.

(12) Filed as an exhibit to the Form 8-K Current Report dated April 12, 1991 and incorporated herein by reference.

(13) Filed as an exhibit to the Annual Report on Form 10-K for the year ended March 31, 1991 on July 1, 1991 and incorporated herein by reference.

(14) Filed as an exhibit to Form S-3 Registration Statement dated December 19, 1991 and incorporated herein by reference.

(15) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1991 on March 30, 1992 and incorporated herein by reference.

(16) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1992 on March 30, 1993 and incorporated herein by reference.

(17) Filed as an exhibit to the Form 8-A dated March 31, 1993 and incorporated herein by reference.

(18) Filed as an exhibit to the Form 10-Q for the quarter ended March 31, 1993 on May 17, 1993 and incorporated herein by reference.

(19) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1993 on August 16, 1993 and incorporated herein by reference.

(20) Filed as an exhibit to the Form 10-Q for the quarter ended September 30, 1993 on November 12, 1993 and incorporated herein by reference.

(21) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1993 on March 25, 1994 and incorporated herein by reference.

EXHIBIT 11

AMGEN INC.
COMPUTATION OF PER SHARE EARNINGS
PRIMARY COMPUTATION
(In thousands except per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1994	1993	1994	1993
Income before cumulative effect of a change in accounting principle...	$107,464	$100,224	$200,924	$180,784
Cumulative effect of a change in accounting principle.....	-	-	-	8,738
Net income.....	$107,464	$100,224	$200,924	$189,522
Applicable common and common stock equivalent shares:				
Weighted average shares of common stock outstanding during the period.....	132,947	135,765	133,452	136,076
Incremental number of shares outstanding during the period resulting from the assumed exercises of stock options and warrants.....	6,662	7,912	7,034	8,618
Weighted average shares of common stock and common stock equivalents outstanding during the period.....	139,609	143,677	140,486	144,694
Earnings per common share primary:				
Income before cumulative effect of a change in accounting principle.....	$ .77	$ .70	$ 1.43	$ 1.25
Cumulative effect of a change in accounting principle.....	-	-	-	.06
Net income.....	$ .77	$ .70	$ 1.43	$ 1.31

EXHIBIT 11

AMGEN INC.
COMPUTATION OF PER SHARE EARNINGS
FULLY DILUTED COMPUTATION
(In thousands except per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1994	1993	1994	1993
Income before cumulative effect of a change in accounting principle...	$107,464	$100,224	$200,924	$180,784
Cumulative effect of a change in accounting principle.....	-	-	-	8,738
Net income.....	$107,464	$100,224	$200,924	$189,522
Applicable common and common stock equivalent shares:				
Weighted average shares				

of common stock outstanding during the period.....	132,947	135,765	133,452	136,076
Incremental number of shares outstanding during the period resulting from the assumed exercises of stock options and warrants.....	6,684	7,912	7,034	8,618
Weighted average shares of common stock and common stock equivalents outstanding during the period.....	139,631	143,677	140,486	144,694
Earnings per common share fully diluted:				
Income before cumulative effect of a change in accounting principle.....	$ .77	$ .70	$ 1.43	$ 1.25
Cumulative effect of a change in accounting principle.....	-	-	-	.06
Net income.....	$ .77	$ .70	$ 1.43	$ 1.31