UNITED STATES

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 March 31, 2000

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.)
One Amgen Center Drive, Thousand Oaks, California	91320-1799
(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 March 31, 2000, the registrant had 1,026,769,316 shares of Common Stock, $0.0001 par value, outstanding.

AMGEN INC.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The information in this report for the three months ended March 31, 2000 and 1999 is unaudited but includes all adjustments (consisting only of normal recurring accruals, unless otherwise indicated) which Amgen Inc. ("Amgen" or the "Company") considers necessary for a fair presentation of the results of operations for those periods.

The condensed consolidated 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 year ended December 31, 1999.

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

AMGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per share data)
(Unaudited)

	Three Months Ended March 31, 2000	1999
Revenues:		
Product sales	$ 697.6	$ 688.3
Corporate partner revenues	74.2	27.0
Royalty income	42.3	30.2
Total revenues	814.1	745.5
Operating expenses:		
Cost of sales	85.7	92.4
Research and development	189.8	188.0
Selling, general and administrative	169.7	132.9
Loss of affiliates, net	16.4	2.8
Total operating expenses	461.6	416.1
Operating income	352.5	329.4
Other income (expense):		
Interest and other income	36.4	18.5
Interest expense, net	(4.2)	(2.2)
Total other income	32.2	16.3
Income before income taxes	384.7	345.7
Provision for income taxes	118.5	98.5
Net income	$ 266.2	$ 247.2
Earnings per share:		
Basic	$ 0.26	$ 0.24
Diluted	$ 0.25	$ 0.23
Shares used in calculation of earnings per share:		
Basic	1,023.1	1,023.5
Diluted	1,085.7	1,080.9

See accompanying notes.

AMGEN INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(In millions, except per share data)
(Unaudited)

	March 31, 2000	December 31, 1999
ASSETS		
Current assets:		
Cash and cash equivalents	$ 125.8	$ 130.9
Marketable securities	1,353.8	1,202.1
Trade receivables, net	259.1	412.2
Inventories	237.6	184.3
Other current assets	177.3	135.8
Total current assets	2,153.6	2,065.3
Property, plant and equipment at cost, net	1,595.3	1,553.6
Investments in affiliated companies	122.6	132.8
Other equity investments	237.4	129.7
Other assets	155.8	196.2
	$4,264.7	$4,077.6
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 108.7	$ 83.4
Commercial paper	99.8	99.5
Accrued liabilities	522.2	648.2
Total current liabilities	730.7	831.1
Long-term debt	223.0	223.0
Contingencies		
Stockholders' equity:		
Preferred stock; $0.0001 par value; 5 shares authorized; none issued or outstanding	-	-
Common stock and additional paid-in capital; $0.0001 par value; 1,500 shares authorized; outstanding - 1,026.8 shares in 2000 and 1,017.9 shares in 1999	2,266.8	2,072.3
Retained earnings	1,007.1	966.0
Accumulated other comprehensive gain (loss)	37.1	(14.8)
Total stockholders' equity	3,311.0	3,023.5
	$4,264.7	$4,077.6

See accompanying notes.

AMGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)
(Unaudited)

	Three Months Ended March 31,	
	2000	1999
Cash flows from operating activities:		
Net income	$ 266.2	$ 247.2
Depreciation and amortization	50.8	44.4
Gain on equity investments	(12.1)	-
Loss of affiliates, net	16.4	2.8
Cash provided by (used in):		
Trade receivables, net	153.1	(49.7)
Inventories	(53.3)	(6.4)
Other current assets	(26.1)	(8.3)
Accounts payable	25.3	(26.5)
Accrued liabilities	(126.0)	(2.8)
Net cash provided by operating activities	294.3	200.7
Cash flows from investing activities:		
Purchases of property, plant and equipment	(92.5)	(76.3)
Proceeds from maturities of marketable securities	-	10.3
Proceeds from sales of marketable securities	172.8	206.0
Purchases of marketable securities	(326.1)	(352.6)
Other	(16.3)	(0.9)
Net cash used in investing activities	(262.1)	(213.5)
Cash flows from financing activities:		
Repayment of long-term debt	-	(6.0)
Net proceeds from issuance of common stock upon the exercise of employee stock options and in connection with an employee stock purchase plan	126.7	98.7
Tax benefits related to employee stock option exercises	67.8	50.3
Repurchases of common stock	(225.1)	(202.5)
Other	(6.7)	(14.7)
Net cash used in financing activities	(37.3)	(74.2)
Decrease in cash and cash equivalents	(5.1)	(87.0)
Cash and cash equivalents at beginning of period	130.9	201.1
Cash and cash equivalents at end of period	$ 125.8	$ 114.1

See accompanying notes.

1. Summary of significant accounting policies

Business

Amgen Inc. ("Amgen" or the "Company") is a global biotechnology company that discovers, develops, manufactures and markets human therapeutics based on advances in 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% or less owned and where the Company exercises significant influence over operations are accounted for using the equity method. All other equity investments are accounted for under the cost method. The caption "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 consist of currently marketed products and product candidates which the Company expects to commercialize. The inventory balance of such product candidates totaled $42.5 million and $20.3 million as of March 31, 2000 and December 31, 1999, respectively. Inventories are shown net of applicable reserves and allowances. Inventories consist of the following (in millions):

	March 31, 2000	December 31, 1999
Raw materials	$ 40.5	$ 37.5
Work in process	145.5	96.6
Finished goods	51.6	50.2
	$237.6	$184.3

Product sales

Product sales primarily consist of sales of EPOGEN(R) (Epoetin alfa) and NEUPOGEN(R) (Filgrastim).

The Company has the exclusive right to sell Epoetin alfa for dialysis, diagnostics and all non-human uses in the United States. The Company sells Epoetin alfa under the brand name EPOGEN(R). Amgen has granted to Ortho Pharmaceutical Corporation (which has assigned its rights under the product license agreement to Ortho Biotech, Inc.), a subsidiary of Johnson & Johnson ("Johnson & Johnson"), a license relating to Epoetin alfa for sales in the United States for all human uses except dialysis and diagnostics. Pursuant to this license, Amgen does not recognize product sales it makes into the exclusive market of Johnson & Johnson and does recognize the product sales made by Johnson & Johnson into Amgen's exclusive market. Sales in Amgen's exclusive market and adjustments thereto are derived from Company shipments and from third-party data on shipments to end users and their usage (see Note 6, "Contingencies - Johnson & Johnson arbitrations"). Sales of the Company's other products are recognized when shipped.

Foreign currency transactions

The Company has a program to manage foreign currency risk. As part of this program, it has purchased foreign currency option and forward contracts to hedge against possible reductions in values of certain anticipated foreign currency cash flows generally over the next 12 months, primarily resulting from its sales in Europe. At March 31, 2000, the Company had option and forward contracts to exchange foreign currencies for U.S. dollars of $24 million and $65 million, respectively, all having maturities of eight months or less. The option contracts, which have only nominal intrinsic value at the time of purchase, are designated as effective hedges of anticipated foreign currency transactions for financial reporting purposes and accordingly, the net gains on such contracts are deferred and recognized in the same period as the hedged transactions. The forward contracts do not qualify as hedges for financial reporting purposes and accordingly, are marked-to-market. Net gains on option contracts (including option contracts for hedged transactions whose occurrence are no longer probable) and changes in market values of forward contracts are reflected in "Interest and other income". The deferred premiums on option contracts and fair values of forward contracts are included in "Other current assets".

The Company has additional foreign currency forward contracts to hedge exposures to foreign currency fluctuations of certain assets and liabilities denominated in foreign currencies. At March 31, 2000, the Company had forward contracts to exchange foreign currencies for U.S. dollars of $35 million, all having maturities of less than one month. These contracts are designated as effective hedges and accordingly, gains and losses on these forward contracts are recognized in the same period the offsetting gains and losses of hedged assets and liabilities are realized and recognized. The fair values of the forward contracts are included in the corresponding captions of the hedged assets and liabilities. Gains and losses on

forward contracts, to the extent they differ in amount from the hedged assets and liabilities, are included in "Interest and other income".

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities". The date required for adoption of this statement has been delayed until fiscal years beginning after June 15, 2000. Because of the Company's minimal use of derivatives, management anticipates that the adoption of this new statement will not have a significant effect on earnings or the financial position of the Company.

Employee stock option and stock purchase plans

The Company's employee stock option and stock purchase plans are accounted for under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees".

Earnings per share

Basic earnings per share is based upon the weighted-average number of common shares outstanding. Diluted earnings per share is based upon the weighted-average number of common shares and dilutive potential common shares outstanding. Potential common shares are outstanding options under the Company's employee stock option plans and potential issuances of stock under the employee stock purchase plan which are included under the treasury stock method.

The following table sets forth the computation for basic and diluted earnings per share (in millions, except per share information):

	Three Months Ended March 31,	
	2000	1999
Numerator for basic and diluted earnings per share - net income	$ 266.2	$ 247.2
Denominator:		
Denominator for basic earnings per share - weighted-average shares	1,023.1	1,023.5
Effect of dilutive securities - employee stock options and stock issuances under the employee stock purchase plan	62.6	57.4
Denominator for diluted earnings per share - adjusted weighted-average shares	1,085.7	1,080.9
Basic earnings per share	$ 0.26	$ 0.24
Diluted earnings per share	$ 0.25	$ 0.23

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Basis of presentation

The financial information for the three months ended March 31, 2000 and 1999 is unaudited but includes all adjustments (consisting only of normal recurring accruals, unless otherwise indicated) 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 year amounts have been reclassified to conform to the current year presentation.

2. Debt

As of March 31, 2000, the Company had $223 million of unsecured long-term debt securities outstanding. These unsecured long-term debt securities consisted of: 1) $100 million of debt securities that bear interest at a fixed rate of 6.5% and mature in 2007 that were issued in December 1997 under a $500 million debt shelf registration (the "Shelf"), 2) $100 million of debt securities that bear interest at a fixed rate of 8.1% and mature in 2097, and 3) $23 million of debt securities that bear interest at a fixed rate of 6.2% and mature in 2003. Under the Shelf, all of the remaining $400 million of debt securities available for issuance may be offered under the Company's medium-term note program from time to time with terms to be determined by market conditions.

The Company has a commercial paper program which provides for unsecured short-term borrowings up to an aggregate of $200 million. As of March 31, 2000, commercial paper with a face amount of $100 million was outstanding. These borrowings had maturities of less than one month and had effective interest rates averaging 5.6%.

The Company also has an unsecured $150 million credit facility that expires on May 28, 2003. As of March 31, 2000, no amounts were outstanding under this line of credit.

3. Income taxes

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

	Three Months Ended March 31,	
	2000	1999
Federal (including U.S. possessions)	$108.9	$90.7
State	9.6	7.8
	$118.5	$98.5

The Company's effective tax rate for the three months ended March 31, 2000 was 30.8% compared with 28.5% for the same period last year. The increase in the effective tax rate in the current year is primarily due to an increase in the current year's expected pretax income without corresponding increases in the tax benefits associated with the Company's Puerto Rico operations and research and experimentation credits.

4. Stockholders' equity

During the three months ended March 31, 2000, the Company repurchased 3.5 million shares of its common stock at a total cost of

$225.1 million under its common stock repurchase program. In October 1999, the Board of Directors authorized the Company to repurchase up to $2 billion of common stock through December 31, 2000, replacing the remaining amount authorized in October 1998. The amount the Company spends on and the number of shares repurchased each quarter varies based on a variety of factors, including the stock price and blackout periods in which the Company is restricted from repurchasing shares. As of March 31, 2000, $1,423.1 million was available for stock repurchases. Stock repurchased under the program is retired.

5. Comprehensive income

During the three months ended March 31, 2000 and 1999, total comprehensive income was $318.1 million and $234.7 million, respectively. The Company's other comprehensive income/loss is comprised of unrealized gains and losses on the Company's available-for-sale securities and foreign currency translation adjustments.

6. Contingencies

Johnson & Johnson arbitrations

In September 1985, the Company granted Johnson & Johnson's affiliate, Ortho Pharmaceutical Corporation, a license relating to certain patented technology and know-how of the Company to sell a genetically engineered form of recombinant human erythropoietin, called Epoetin alfa, throughout the United States for all human uses except dialysis and diagnostics. A number of disputes have arisen between Amgen and Johnson & Johnson as to their respective rights and obligations under the various agreements between them, including the agreement granting the license (the "License Agreement").

A dispute between Amgen and Johnson & Johnson that has been the subject of an arbitration proceeding relates to the audit methodology currently employed by the Company to account for Epoetin alfa sales. The Company and Johnson & Johnson are required to compensate each other for Epoetin alfa sales that either party makes into the other party's exclusive market, sometimes described as "spillover" sales. The Company has established and is employing an audit methodology to measure each party's spillover sales and to allocate the net profits from those sales to the appropriate party. The arbitrator in this matter (the "Arbitrator") issued an opinion adopting the Company's audit methodology with certain adjustments and, subsequently, issued his final order confirming that the Company was the successful party in the arbitration. Pursuant to the final order in the arbitration, an independent panel was formed principally (i) to address ongoing challenges to the survey results for the years 1995 through 1999 and (ii) to refine the procedures for measuring the erythropoietin market as may be necessary. Johnson & Johnson has brought challenges under this procedure to certain survey results for certain periods. As a result of decisions made by this independent panel regarding certain of these challenges as well as other reduced uncertainties, the Company has

reduced amounts previously provided for potential spillover liabilities by $49 million in the third quarter of 1999 and $23 million in the fourth quarter of 1998.

Because the Arbitrator ruled that the Company was the successful party in the arbitration, Johnson & Johnson was ordered to pay to the Company all costs and expenses, including reasonable attorneys' fees, that the Company incurred in the arbitration as well as one-half of the audit costs. The Company submitted a bill for such costs and expenses incurred over an eight year period in the amount of approximately $110 million. Johnson & Johnson contested substantially all such costs and expenses. On January 26, 2000, the Arbitrator ruled that the Company is entitled to recover approximately $77.5 million of its costs and expenses from Johnson & Johnson. On October 26, 1998, Johnson & Johnson filed a petition in the Circuit Court of Cook County, Illinois seeking to vacate or modify the Arbitrator's award to the Company of all costs and expenses, including reasonable attorney's fees and costs, that the Company incurred in the arbitration. The Company has filed a motion to dismiss Johnson & Johnson's petition. That motion remains pending. Due to remaining uncertainties the Company has not recognized any benefit from the recovery of attorneys' fees and costs or audit costs.

The Company has filed a demand in the arbitration to terminate Johnson & Johnson's rights under the License Agreement and to recover damages for breach of the License Agreement based on the Company's claim that Johnson & Johnson has intentionally sold PROCRIT(R) (the brand name under which Johnson & Johnson sells Epoetin alfa) into the Company's exclusive dialysis market. Pursuant to the Arbitrator's ruling, discovery has commenced. Both the Company and Johnson & Johnson filed motions for summary judgment which were argued in January 2000. On March 10, 2000, the Arbitrator denied both motions for summary judgment. A trial date has been set for February 2001. The Company is unable to predict at this time the outcome of its demand for termination of the License Agreement or when it will be resolved.

While it is not possible to predict accurately or determine the eventual outcome of the above described legal matters or various other legal proceedings (including patent disputes) involving Amgen, the Company believes that the outcome of these proceedings will not have a material adverse effect on its annual financial statements.

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 $1,479.6 million at March 31, 2000, compared with $1,333 million at December 31, 1999. Cash provided by operating activities has been and is expected to continue to be the Company's primary source of funds. During the three months ended March 31, 2000, operations provided $294.3 million of cash compared with $200.7 million during the same period last year.

Capital expenditures totaled $92.5 million for the three months ended March 31, 2000, compared with $76.3 million for the same period a year ago. The Company anticipates spending approximately $450 million to $550 million in 2000 on capital projects and equipment to expand the Company's global operations.

The Company receives cash from the exercise of employee stock options and proceeds from the sale of stock by Amgen pursuant to the employee stock purchase plan. During the three months ended March 31, 2000, employee stock option exercises, their related tax benefits and proceeds from the sale of stock by Amgen pursuant to the employee stock purchase plan provided $194.5 million of cash compared with $149 million for the same period last year. Proceeds from the exercise of employee stock options and their related tax benefits will vary from period to period based upon, among other factors, fluctuations in the market value of the Company's stock relative to the exercise price of such options.

The Company has a stock repurchase program primarily to reduce the dilutive effect of its employee stock option and stock purchase plans. During the three months ended March 31, 2000, the Company purchased 3.5 million shares of its common stock at a cost of $225.1 million compared with 5.9 million shares purchased at a cost of $202.5 million during the same period last year. In October 1999, the Board of Directors authorized the Company to repurchase up to $2 billion of common stock through December 31, 2000, replacing the remaining amount authorized in October 1998. The amount the Company spends on and the number of shares repurchased each quarter varies based on a variety of factors, including the stock price and blackout periods in which the Company is restricted from repurchasing shares. As of March 31, 2000, $1,423.1 million was available for stock repurchases.

To provide for financial flexibility and increased liquidity, the Company has established several sources of debt financing. As of March 31, 2000, the Company had $223 million of unsecured long-term debt securities outstanding. These unsecured long-term debt securities consisted of: 1) $100 million of debt securities that bear interest at a fixed rate of 6.5% and mature in 2007 that were issued in December 1997 under a $500 million debt shelf registration (the "Shelf"), 2) $100 million of debt securities that bear interest at a fixed rate of 8.1% and mature in 2097 and 3) $23 million of debt securities that bear interest at a fixed rate of 6.2% and mature in

2003. Under the Shelf, all of the remaining $400 million of debt securities available for issuance may be offered under the Company's medium-term note program.

The Company's sources of debt financing also include a commercial paper program which provides for unsecured short-term borrowings up to an aggregate face amount of $200 million. As of March 31, 2000, commercial paper with a face amount of $100 million was outstanding. These borrowings had maturities of less than one month and had effective interest rates averaging 5.6%. In addition, the Company has an unsecured $150 million credit facility that expires on May 28, 2003. This credit facility supports the Company's commercial paper program. As of March 31, 2000, no amounts were outstanding under this line of credit.

The primary objectives for the Company's investment portfolio are liquidity and safety of principal. Investments are made to achieve the highest rate of return to the Company, consistent with these two objectives. The Company's investment policy limits investments to certain types of instruments issued by institutions with investment grade credit ratings and places restrictions on maturities and concentration by type and issuer. The Company invests its excess cash in securities with varying maturities to meet projected cash needs.

The Company believes that existing funds, cash generated from operations and existing sources of debt financing are adequate to satisfy its working capital and capital expenditure requirements for the foreseeable future, as well as to support its stock repurchase program. However, the Company may raise additional capital from time to time.

Results of Operations

Product sales

Product sales were $697.6 million during the three months ended March 31, 2000, an increase of $9.3 million or 1% over the same period last year. Quarterly product sales volume is influenced by a number of factors, including underlying demand and wholesaler inventory management practices.

EPOGEN(R) (Epoetin alfa)

EPOGEN(R) sales were $440.4 million for the three months ended March 31, 2000, an increase of $45.5 million or 12% over the same period last year. This increase was primarily due to higher demand. Sales in the first quarter of 2000 were adversely impacted by approximately $16 million of year 2000-related sales to wholesalers in the fourth quarter of 1999 for which the Company provided extended payment terms, as previously reported. The Company believes that sales in the first quarter of 2000 also were adversely impacted by dialysis provider inventory drawdowns of approximately $20 million due to additional year-end stockpiling. The Company

believes that some of this dialysis provider stockpiling may have been due to year 2000 concerns and year-end contract expirations.

NEUPOGEN(R) (Filgrastim)

Worldwide NEUPOGEN(R) sales were $250 million for the three months ended March 31, 2000, a decrease of $37 million or 13% from the same period last year. Sales in the first quarter of 2000 were adversely impacted by approximately $29 million of year 2000-related sales to wholesalers in the fourth quarter of 1999 for which the Company provided extended payment terms, as previously reported. The Company believes that sales in the first quarter of 2000 also were adversely impacted by additional wholesaler inventory drawdowns of approximately $30 million. In addition, sales in the current year period were reduced by approximately $8 million due to the negative impact of the stronger U.S. dollar on the Company's international NEUPOGEN(R) sales. These decreases were partially offset by higher demand, which grew at a low double-digit rate.

Other product sales

Other product sales primarily consist of INFERGEN(R) (Interferon alfacon-1). INFERGEN(R) sales were $6.9 million for the three months ended March 31, 2000, an increase of $0.6 million or 10% over the same period last year. INFERGEN(R) was launched in October 1997 for the treatment of chronic hepatitis C virus infection. There are existing treatments, including combination therapy, for this infection against which INFERGEN(R) competes. The Company cannot predict the extent to which it will maintain its share or further penetrate this market.

Corporate partner revenues

During the three months ended March 31, 2000, corporate partner revenues increased $47.2 million or 175% compared with the same period last year. This increase was primarily due to a payment from Kirin-Amgen, Inc. related to the completion of the NESP renal development program.

Cost of sales

Cost of sales as a percentage of product sales was 12.3% and 13.4% for the three months ended March 31, 2000 and 1999, respectively. This decrease as a percentage of product sales was due in part to increased manufacturing efficiencies.

Research and development

During the three months ended March 31, 2000, research and development expenses increased $1.8 million or 1% compared with the same period last year. This increase was primarily due to higher staff-related costs necessary to support ongoing product development activities and higher clinical trial costs. These increases were substantially offset by a reduction in clinical manufacturing and product licensing costs and the impact of a property tax refund in the current year.

Selling, general and administrative

Selling, general and administrative expenses increased $36.8 million or 28% during the three months ended March 31, 2000 compared with the same period last year. This increase was primarily due to higher staff-related costs and outside marketing expenses as the Company continues to support its existing products and prepares for anticipated new product launches.

Loss of affiliates, net

During the three months ended March 31, 2000, loss of affiliates, net increased $13.6 million or 486% compared with the same period last year. This increase was primarily due to higher expenses for Kirin-Amgen, Inc. (see "-Corporate partner revenues").

Interest and other income

During the three months ended March 31, 2000, interest and other income increased $17.9 million or 97% compared with the same period last year. This increase was primarily due to gains realized on the Company's portfolio of equity investments and increased interest income generated from the Company's investment portfolio as a result of higher average cash balances and higher interest rates.

Income taxes

The Company's effective tax rate for the three months ended March 31, 2000 was 30.8% compared with 28.5% for the same period last year. The increase in the effective tax rate in the current year is primarily due to an increase in the current year's expected pretax income without corresponding increases in the tax benefits associated with the Company's Puerto Rico operations and research and experimentation credits.

Foreign currency transactions

The Company has a program to manage certain portions of its exposure to fluctuations in foreign currency exchange rates arising from international operations. The Company generally hedges the receivables and payables with foreign currency forward contracts, which typically mature within one to three months. The Company uses foreign currency option and forward contracts which generally expire within 12 months to hedge certain anticipated future sales and expenses. At March 31, 2000, outstanding foreign currency option and forward contracts totaled $24 million and $100 million, respectively.

Financial Outlook

The Company expects the EPOGEN(R) sales growth rate in 2000 to be in the low teens due to higher demand partially offset by dialysis provider inventory drawdowns and wholesaler inventory effects in the first quarter of 2000 (see "Results of Operations - Product sales - EPOGEN(R) (Epoetin alfa)"). As average hematocrits have risen, the rate of demand growth has slowed and the Company expects this trend to continue in the future. Patients receiving treatment for end stage renal disease are covered primarily under medical programs provided by the federal government. Therefore, EPOGEN(R) sales may also be affected by future changes in reimbursement rates or a change in the basis for reimbursement by the federal government.

In their fiscal year 2001 budget, the Clinton administration has proposed a Medicare cost savings plan which includes a provision for cutting Medicare reimbursement of EPOGEN(R) by 10%. This proposal will be addressed during the federal government's fiscal year 2001 budget process. The Company believes the proposal, if enacted, would primarily affect dialysis providers that use EPOGEN(R) and it is difficult to predict its impact on Amgen.

The Company expects the NEUPOGEN(R) sales growth rate in 2000 to be in the mid-single digits due to higher demand partially offset by wholesaler inventory effects in the first quarter of 2000 (see "Results of Operations - Product sales - NEUPOGEN(R) (Filgrastim)"). Future NEUPOGEN(R) sales growth is dependent primarily upon further penetration of existing markets, the effects of competitive products and the timing and nature of additional indications for which the product may be approved. NEUPOGEN(R) usage is expected to continue to be affected by cost containment pressures from governments and private insurers on health care providers worldwide. In addition, reported NEUPOGEN(R) sales will continue to be affected by changes in foreign currency exchange rates. In both domestic and foreign markets, sales of NEUPOGEN(R) are dependent, in part, on the availability of reimbursement from third party payors such as governments (for example, Medicare and Medicaid programs in the U.S.) and private insurance plans. Therefore, NEUPOGEN(R) sales may also be affected by future changes in reimbursement rates or changes in the bases for reimbursement.

In their fiscal year 2001 budget, the Clinton administration has proposed a reduction in the basis upon which Medicare reimburses for outpatient prescription drugs from the current 95% of average wholesale price ("AWP") to 83% of AWP. This proposal would impact reimbursement of NEUPOGEN(R). The Company believes that this new recommendation, if enacted, would primarily affect customers that use NEUPOGEN(R) and it is difficult to predict its impact on Amgen.

INFERGEN(R) (Interferon alfacon-1) was launched in October 1997 for the treatment of chronic hepatitis C virus infection. There are other treatments, including combination therapy, for this infection against which INFERGEN(R) competes. The Company cannot predict the extent to which it will maintain its share or further penetrate this market.

In 2000, SG&A expenses are expected to significantly increase as the Company continues to support its existing products and prepares for anticipated new product launches.

The Company expects the growth rate for total product sales in 2000 to be in the high single digits. For 2000, Amgen expects earnings per share to be in the range of $1.06 to $1.08. Estimates of future product sales, operating expenses and earnings per share are necessarily speculative in nature and are difficult to predict with accuracy.

Except for the historical information contained herein, the matters discussed herein are by their nature forward-looking. Investors are cautioned that forward-looking statements or projections made by the Company, including those made in this document, are subject to risks and uncertainties that may cause actual results to differ materially from those projected. Reference is made in particular to forward-looking statements regarding product sales, earnings per share and expenses. Amgen operates in a rapidly changing environment that involves a number of risks, some of which are beyond the Company's control. Future operating results and the Company's stock price may be affected by a number of factors, including, without limitation: (i) the results of preclinical and clinical trials; (ii) regulatory approvals of product candidates, new indications and manufacturing facilities; (iii) reimbursement for Amgen's products by governments and private payors; (iv) health care guidelines and policies relating to Amgen's products; (v) intellectual property matters (patents) and the results of litigation; (vi) competition; (vii) fluctuations in operating results and (viii) rapid growth of the Company. These factors and others are discussed herein and in the sections appearing in "Item 1. Business - Factors That May Affect Amgen" in the Company's Annual Report on Form 10-K for the year ended December 31, 1999 which sections are incorporated herein by reference and filed as an exhibit hereto.

Legal Matters

The Company is engaged in arbitration proceedings with one of its licensees. For a discussion of these matters, see Note 6 to the Condensed Consolidated Financial Statements.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The Company is engaged in arbitration proceedings with one of its licensees. For a discussion of these matters, see Note 6 to the Condensed Consolidated Financial Statements, "Contingencies". These matters and other legal proceedings are also reported in the Company's Annual Report on Form 10-K for the year ended December 31, 1999, with material developments since December 31, 1999 described below. While it is not possible to predict accurately or to 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 annual financial statements of the Company.

Genentech litigation

Trial is scheduled for December 4, 2000 in the United States District Court for the Northern District of California.

Transkaryotic Therapies and Aventis S.A. litigation

Amgen's motion for summary judgment of literal infringement was granted by the United States District Court in Boston, Massachusetts (the "Massachusetts District Court") on April 26, 2000 with respect to claim 1 of U.S. Patent No. 5,955,422. Also on April 26, 2000, the Massachusetts District Court denied Amgen's motion for summary judgment with respect to claims 1 and 4 of U.S. Patent No. 5,756,349 and deferred decision on the infringement of that patent until trial. Amgen's motion for summary judgment of validity on three of the patents and defendants' motion for non-infringement of other claims are pending decision by the Massachusetts District Court. Also pending is Amgen's motion for summary judgment of no inequitable conduct. Trial is scheduled to begin May 15, 2000 in the Massachusetts District Court.

Securities litigation

On April 12, 2000, the United States District Court for the Central District of California (the "Central District Court") held a final settlement hearing. On April 20, 2000, the Central District Court entered a final judgment approving the settlement and an order dismissing the litigation with prejudice.

Johnson & Johnson arbitrations

The Company is engaged in arbitration proceedings with one of its licensees. See Note 6 to the Condensed Consolidated Financial Statements, "Contingencies - Johnson & Johnson arbitrations".

Item 6. Exhibits and Reports on Form 8-K

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

(b) Reports on Form 8-K - none

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: 4/27/00

By:/s/Kathryn E. Falberg
Kathryn E. Falberg
Senior Vice President, Finance
and Chief Financial Officer

Date: 4/27/00

By:/s/Marc M.P. de Garidel
Marc M.P. de Garidel
Vice President, Controller and
Chief Accounting Officer

AMGEN INC.

INDEX TO EXHIBITS

Exhibit No.	Description
3.1	Restated Certificate of Incorporation as amended. (17)
3.2	Amended and Restated Bylaws. (25)
3.3	Certificate of Amendment of Restated Certificate of Incorporation. (25)
3.4	Certificate of Amendment of Certificate of Designations of Series A Junior Participating Preferred Stock. (25)
4.1	Indenture dated January 1, 1992 between the Company and Citibank N.A., as trustee. (8)
4.2	First Supplement to Indenture, dated February 26, 1997 between the Company and Citibank N.A., as trustee. (14)
4.3	Officer's Certificate pursuant to Sections 2.1 and 2.3 of the Indenture, as supplemented, establishing a series of securities "8-1/8% Debentures due April 1, 2097." (16)
4.4	8-1/8% Debentures due April 1, 2097. (16)
4.5	Form of stock certificate for the common stock, par value $.0001 of the Company. (17)
4.6	Officer's Certificate pursuant to Sections 2.1 and 2.3 of the Indenture, dated as of January 1, 1992, as supplemented by the First supplemental Indenture, dated as of February 26, 1997, each between the Company and Citibank, N.A., as Trustee, establishing a series of securities entitled "6.50% Notes Due December 1, 2007". (19)
4.7	6.50% Notes Due December 1, 2007 described in Exhibit 4.6. (19)
4.8	Corporate Commercial Paper - Master Note between and among Amgen Inc., as Issuer, Cede & Co., as nominee of The Depository Trust Company and Citibank, N.A. as Paying Agent. (22)
10.1	Company's Amended and Restated 1991 Equity Incentive Plan. (25)
10.2	Sixth Amendment to the Company's Amended and Restated Retirement and Savings Plan as amended and restated April 1, 1996. (24)
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 Amended and Restated Employee Stock Purchase Plan. (12)

10.8 Research, Development Technology Disclosure and License Agreement PPO, dated January 20, 1986, by and between the Company and Kirin Brewery Co., Ltd. (4)

10.9 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)

10.10 Assignment and License Agreement, dated October 16, 1986, between the Company and Kirin-Amgen, Inc. (with certain confidential information deleted therefrom). (5)

10.11 G-CSF European License Agreement, dated December 30, 1986, between Kirin-Amgen, Inc. and the Company (with certain confidential information deleted therefrom). (5)

10.12 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)

10.13 Company's Amended and Restated 1988 Stock Option Plan. (12)

10.14 Company's Amended and Restated Retirement and Savings Plan. (12)

10.15 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. (6)

10.16 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). (7)

10.17 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. (9)

10.18 Amgen Inc. Supplemental Retirement Plan (As Amended and Restated Effective November 1, 1999). (26)

10.19 Promissory Note of Mr. Kevin W. Sharer, dated June 4, 1993. (10)

10.20 Amended and Restated Amgen Performance Based Management Incentive Plan. (25)

10.21 Credit Agreement, dated as of May 28, 1998, among Amgen Inc., the Borrowing Subsidiaries named therein, the Banks named therein, Citibank, N.A., as Issuing Bank, and Citicorp USA, Inc., as Administrative Agent. (23)

10.22 Promissory Note of Mr. George A. Vandeman, dated December 15, 1995. (11)

10.23	Promissory Note of Mr. George A. Vandeman, dated December 15, 1995. (11)
10.24	Agreement between Amgen Inc. and Dr. N. Kirby Alton, dated October 11, 1999. (26)
10.25	Amendment No. 1 to the Company's Amended and Restated Retirement and Savings Plan. (12)
10.26	Seventh Amendment to the Amgen Retirement and Savings Plan as Amended and Restated effective April 1, 1996. (25)
10.27	Amendment Number 2 to the Company's Amended and Restated Retirement and Savings Plan dated April 1, 1996. (15)
10.28	Amgen Inc. Change of Control Severance Plan effective as of October 20, 1998. (24)
10.29	Preferred Share Rights Agreement, dated February 18, 1997, between Amgen Inc. and American Stock Transfer and Trust Company, Rights Agent. (13)
10.30	First Amendment, effective January 1, 1998, to the Company's Amended and Restated Employee Stock Purchase Plan. (18)
10.31	Third Amendment, effective January 1, 1997, to the Company's Amended and Restated Retirement and Savings Plan dated April 1, 1996. (18)
10.32	Agreement between Amgen Inc. and Dr. Fabrizio Bonanni, dated March 3, 1999. (26)
10.33	Promissory Note of Ms. Kathryn E. Falberg, dated April 7, 1995. (20)
10.34	Promissory Note of Mr. Edward F. Garnett, dated July 18, 1997. (20)
10.35	Fourth Amendment to the Company's Amended and Restated Retirement and Savings Plan as amended and restated effective April 1, 1996. (20)
10.36	Fifth Amendment to the Company's Amended and Restated Retirement and Savings Plan as amended and restated effective April 1, 1996. (20)
10.37	Company's Amended and Restated 1987 Directors' Stock Option Plan. (15)
10.38	Amended and Restated Agreement on G-CSF in the EU between Amgen Inc. and F. Hoffmann-La Roche Ltd (with certain confidential information deleted therefrom). (22)
10.39	Collaboration and License Agreement, dated December 15, 1997, between the Company, GPI NIL Holdings, Inc. and Guilford Pharmaceuticals Inc. (with certain confidential information deleted therefrom). (21)
10.40	Promissory Note of Dr. Fabrizio Bonanni, dated August 7, 1999. (26)
10.41	Promissory Note of Dr. Fabrizio Bonanni, dated October 29, 1999. (26)
10.42*	Agreement between Amgen Inc. and Dr. Lawrence M. Souza, Ph.D., dated March 6, 2000.
27*	Financial Data Schedule.
99*	Sections appearing under the heading "Item 1. Business - Factors That May Affect Amgen" in the Company's Annual Report on Form 10-K for the year ended December 31, 1999.

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* Filed herewith.

(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 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.
(7) Filed as an exhibit to the Form 8 dated November 8, 1989, amending the Annual Report on Form 10-K for the year ended March 31, 1989 on June 28, 1989 and incorporated herein by reference.
(8) Filed as an exhibit to Form S-3 Registration Statement dated December 19, 1991 and incorporated herein by reference.
(9) Filed as an exhibit to the Form 8-A dated March 31, 1993 and incorporated herein by reference.
(10) 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.
(11) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1995 on March 29, 1996 and incorporated herein by reference.
(12) Filed as an exhibit to the Form 10-Q for the quarter ended September 30, 1996 on November 5, 1996 and incorporated herein by reference.
(13) Filed as an exhibit to the Form 8-K Current Report dated February 18, 1997 on February 28, 1997 and incorporated herein by reference.
(14) Filed as an exhibit to the Form 8-K Current Report dated March 14, 1997 on March 14, 1997 and incorporated herein by reference.
(15) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1996 on March 24, 1997 and incorporated herein by reference.
(16) Filed as an exhibit to the Form 8-K Current Report dated April 8, 1997 on April 8, 1997 and incorporated herein by reference.
(17) Filed as an exhibit to the Form 10-Q for the quarter ended March 31, 1997 on May 13, 1997 and incorporated herein by reference.
(18) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1997 on August 12, 1997 and incorporated herein by reference.
(19) Filed as an exhibit to the Form 8-K Current Report dated and filed on December 5, 1997 and incorporated herein by reference.

(20) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1997 on March 24, 1998 and incorporated herein by reference.
(21) Filed as Exhibit 10.40 to the Guilford Pharmaceuticals Inc. Form 10-K for the year ended December 31, 1997 on March 27, 1998 and incorporated herein by reference.
(22) Filed as an exhibit to the Form 10-Q for the quarter ended March 31, 1998 on May 13, 1998 and incorporated herein by reference.
(23) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1998 on August 14, 1998 and incorporated herein by reference.
(24) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1998 on March 16, 1999 and incorporated herein by reference.
(25) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1999 on August 3, 1999 and incorporated herein by reference.
(26) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1999 on March 7, 2000 and incorporated herein by reference.

EXHIBIT 10.42

March 6, 2000

Dr. Lawrence M. Souza, Ph.D.
417 Camino de Celeste
Thousand Oaks, CA 91360

Re: Agreement Regarding Part-Time Special Assignment Position

Dear Larry:

On behalf of Amgen Inc. ("Amgen"), I am pleased to confirm in this letter agreement (the "Agreement") the terms and conditions under which you will continue to be employed by Amgen from and after the date upon which you cease to serve as Amgen's Senior Vice President of Research which will occur on March 15, 2000 (the "Effective Date"). You will remain in your current position and receive all compensation and benefits of that position between now and the Effective Date. This Agreement also provides for the termination of your employment with Amgen on or before July 31, 2002, as set forth below.

1. POSITION AND DUTIES

On the Effective Date, you will cease to be a regular full-time employee of Amgen and will resign from all offices you hold in Amgen and its subsidiaries, but you will continue to be employed by Amgen as an employee in a part-time special assignment position, at grade level 37, with the title of Special Advisor, Research reporting to Dr. Dennis Fenton, Senior Vice President, or his designee or successor. In connection with resigning your offices, you agree to execute and return to Amgen with this Agreement a signed original resignation letter (the "Resignation Letter") on your Amgen letterhead in the form provided in Appendix A to this Agreement. Appendix A is hereby incorporated into and made part of the Agreement by reference.

As a Special Advisor, Research, you will assist Dennis, or his designee or successor, by providing technical and professional assessments of Amgen's current products and products which Amgen is in the process of developing as of the Effective Date and such other matters as you and Dennis, or his designee or successor, may mutually agree upon in the future. You will be a member of the Research Department and, as such, Dennis or his successor or designee will assign these matters to you from time to time and you will provide Dennis, or his successor or designee with written or oral reports of your assessments. Dennis or his successor or designee will evaluate your performance.

Also, you will assist Steve Odre, Associate General Counsel, or his designee or successor, on intellectual property or other related legal matters or litigation. This assistance may include, but shall not be limited to your meeting with Amgen attorneys, and testifying or otherwise appearing at depositions or court hearings scheduled as a result of any such litigation, including preparation for all the above. Steve, or his designee or successor, will assign these matters from time to time and will evaluate your performance.

Dennis and/or Steve, or their designees or successors (collectively, "Your Supervisor") will control and direct the manner in which you perform the services under this Agreement, including the details and means by which you provide your services.

You will be an employee of Amgen for all purposes during the term of this Agreement and will not be an independent contractor.

You will also be required to provide to Your Supervisor, upon their reasonable request, written or oral reports and/or copies of other written materials with regard to the foregoing.

As we have discussed, the position of Special Advisor, Research is a part-time special assignment position in which you will be expected to work a minimum of ten (10) hours per month; however, you also agree that, to the extent that Your Supervisor requests, you will work up to twenty (20) hours per month.

If requested by Your Supervisor, you agree to attend certain scientific meetings or programs related to your area of expertise so long as such meeting or program does not unreasonably interfere with your other activities.

You will maintain a log showing the time you have spent performing the foregoing services and this log shall be deemed conclusive evidence of the time spent. Amgen, at any time, may request a copy of your log and you agree to provide such a copy within a reasonable period of time after the request is made. Furthermore, from time to time, your duties may require you to travel and attend meetings at various locations, including Amgen's Thousand Oaks facility, and you agree that no reasonable request by Your Supervisor for travel or attendance at meetings will be refused. Your Supervisor will work with you in scheduling any such business trips or meetings so that they do not unreasonably interfere with your other activities and Amgen will reimburse you for your reasonable travel expenses.

We have agreed that your part-time special assignment will continue until July 31, 2002, subject to extension as you and Amgen may agree in writing or to earlier termination by you or Amgen as set forth in Paragraph 8 of this Agreement. As long as you are employed by Amgen, you will continue to be subject to Amgen's policies and procedures, including but not limited to those relating to the non-disclosure of proprietary and confidential information and you will continue to be subject to the Amgen Inc. Proprietary Information and Inventions Agreement, executed by you on or about July 27, 1981 (the "Proprietary Agreement") (which also contains obligations that survive the termination of your employment with Amgen).

During the term of your part-time special assignment, except as set forth herein, you may not be employed by any person or company other than Amgen, without Amgen's prior approval. You may, however, consult for companies outside the fields of biotechnology and/or pharmaceutics, or companies within these fields having less than 500 employees and no current contractual relationship with Amgen, provided that such consulting does not violate the Proprietary Agreement or interfere with your duties under this Agreement. In addition, you may be self-employed, an independent contractor, a partner or a consultant in a venture

fund, or a founding member of a biotechnology startup, provided these activities do not violate the Proprietary Agreement or interfere with your duties under this Agreement. Your engaging in the consulting and other activities described in the preceding two sentences shall not constitute a violation of paragraph D.2 of the Proprietary Agreement, provided that such consulting and other activities are not for any profit or non-profit institution which is competitive with or involves the businesses in which Amgen is engaged or its actual research and development, as of the Effective Date of this Agreement. You also agree that during the term of this Agreement you will not solicit for employment or affiliation, including as an independent contractor, any officer, director, or employee of Amgen or its subsidiaries.

2. COMPENSATION AND BENEFITS

Following is a brief description of the compensation and benefits you will receive under this Agreement during your part-time special assignment. The terms and conditions of all of your benefits are subject to the terms and conditions of each of the applicable plans, policies or arrangements, as they may be amended or terminated by Amgen from time to time.

2.1 Compensation: Your compensation will be $66,995 per month, subject to applicable income tax and employment tax withholding requirements. In addition, Amgen will reimburse you for any reasonable business expenses you incur in performing your duties, subject to Amgen's standard employee expense reimbursement policies.

2.2 Administrative Support: Amgen will provide you with an office and secretarial assistance for any work that you perform while at Amgen's Thousand Oaks headquarters. You will also be provided any office equipment and supplies you may need to perform your duties under this Agreement and you will have access to the services of Amgen's travel department.

2.3 Management Incentive Plan: You will not be eligible to participate in Amgen's Management Incentive Plan (the "MIP") for any year after the 1999 calendar year.

2.4 Special Bonus for 2000 Calendar Year: As part of the transition to your part-time special assignment position, you will be entitled to a special bonus in the amount of 25% of your actual 1999 MIP award. This payment will be paid to you shortly after you receive your 1999 MIP payment.

2.5 Employee Stock Purchase Plan: You will be eligible to continue to participate in Amgen's Employee Stock Purchase Plan (the "ESPP") until the end of the current purchase period (March 31, 2000). However, due to the fact that you will be working less than twenty (20) hours per week, you will not be eligible to participate in the ESPP after the current purchase period.

2.6 Supplemental Retirement Plan: As an employee in a part-time special assignment position, you will no longer be eligible to receive additional credits in your supplemental retirement plan account, although you will continue to maintain an account and receive earnings on the balance in your account until the termination of

your employment.

2.7 Retirement and Savings Plan: Pursuant to Section 3.3 of the 401(k) Plan, employees that are eligible to participate in the 401(k) Plan are those that are classified as "regular full-time" or "regular part-time" employees. By signing below, you expressly acknowledge and agree that Amgen is not classifying you as a regular full-time or regular part-time employee and therefore, as of the Effective Date, you will not be eligible to make contributions or to have contributions made on your behalf to the 401(k) Plan. This letter qualifies as an agreement pursuant to Section 3.3(c)(2) of the 401(k) Plan. You will, however, be able to maintain your 401(k) account in the Amgen plan to the extent allowed by law.

2.8 Change of Control Severance Plan: You will continue to be eligible to participate in the Amgen Inc. Change of Control Severance Plan (the "CIC Plan"). However, on the Effective Date you will cease to be a Group I Participant and will become a Group II Participant in the CIC Plan by virtue of your ceasing to be a member of Amgen's Operating Committee. Notwithstanding the foregoing, in the event that the aggregate benefits provided for in this Agreement are greater than those provided in the CIC Plan upon a termination of employment for which you would be eligible to receive benefits under the terms and conditions of the CIC Plan, this Agreement, rather than the CIC Plan shall govern and control your rights upon a termination of employment; provided, that, in such event, and if applicable, you shall also receive the 280G tax gross-up benefit provided in Section 4.1(G) of the CIC Plan.

2.9 Stock Options:

2.9.1 No New Grants: As an employee in a part-time special assignment position, you will not be eligible to receive additional stock option grants after the Effective Date.

2.9.2 Vesting During Special Assignment: To the extent that you continue in your part-time special assignment, you will be eligible to continue to vest in all unvested options that have previously been granted to you by Amgen on the dates and in the manner provided in your stock option grant agreements and applicable stock option plans. No stock options will vest following the Termination Date as defined in Paragraph 8 of this Agreement.

2.9.3 Cooperation To Restructure: As we have discussed, it is our intention that your ability to continue to vest in and exercise options while in your part-time special assignment position will not result in any additional compensation charges to Amgen in accordance with U.S. generally accepted accounting principles. Accordingly, if at any time Amgen determines that it is reasonably likely that Amgen will incur a compensation charge as a result of your vesting or exercising options in your part-time special assignment position then you agree that you will use your reasonable best efforts to cooperate with Amgen to restructure this Agreement and your position as Amgen reasonably

determines is necessary for you to continue to be able to vest and exercise your options without creating a compensation charge to Amgen in accordance with U.S. generally accepted accounting principles and without causing you to lose any of the benefits of this Agreement. It is expressly understood that Dr. Souza's "reasonable best efforts to cooperate with Amgen" shall not require that he take or forbear from taking any action that would result in any loss of value of the options.

2.9.4 No Amendment to Stock Option Grant Agreements or Stock Option Plans: Nothing in this Agreement shall be deemed to alter, amend, or otherwise modify the terms of your stock option grant agreements or the terms of the applicable stock option plans.

2.10 Medical, Dental, and Vision Insurance and COBRA: Your medical, dental, and vision insurance coverage will terminate on the Effective Date. If after the Effective Date, you or your eligible dependents should elect to continue coverage under Amgen's group health plan(s) under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") continuation rights, and you or your eligible dependents timely take the required steps to initiate such coverage, then Amgen will pay the cost of COBRA coverage for you and your eligible dependents until the earlier of September 14, 2001, or until you and/or your eligible dependents no longer qualify for COBRA continuation rights or, in the case of your dependents, the date on which such dependents cease to be eligible dependents under Amgen's group health plan(s), whichever occurs first. Generally, the period during which you and/or your eligible dependents will be eligible for COBRA benefits will be no more than eighteen (18) months from the Effective Date. However, if you and/or your eligible dependents qualify for COBRA benefits on or after September 14, 2001, then you and/or your eligible dependents will have the option of continuing coverage under Amgen's group health plan(s), under COBRA for the period for which you are entitled to receive COBRA benefits, provided that you and your eligible dependents continue to meet the qualification requirements under COBRA and under Amgen's group health plans and Amgen will pay the cost of such COBRA coverage for you and your eligible dependents until the earlier of July 31, 2002 or until you and/or your eligible dependents no longer qualify for COBRA continuation rights, or in the case of your dependents, the date on which such dependents cease to be eligible dependents under Amgen's group health plan(s) whichever shall occur first. If you obtain health insurance coverage for you and/or your COBRA eligible dependents for the period between March 14, 2001 and the Termination Date as defined in Paragraph 8 of this Agreement, then Amgen will reimburse you for the full cost of such insurance premiums. To receive reimbursement, submit copies of the health insurance premium invoices and other applicable information on a monthly basis to Amgen. For a complete description of the rights and responsibilities you and your eligible dependents have under COBRA, you must refer to the COBRA documents that will be sent to you by Amgen or its designee under separate cover.

2.11 Basic Life Insurance: Your Basic Life Insurance coverage will terminate on the

Effective Date. If you are interested in converting this insurance to an individual policy, please contact Jean Ellis at Aetna (860) 273-7252 within thirty (30) days after the Effective Date.

2.12 Long-Term Disability Insurance: Your Long-Term Disability Plan coverage will terminate on the Effective Date and there is no conversion policy or plan available for this coverage.

2.13 Amgen Foundation Matching Funds: During the term of your special assignment, contributions you make to qualified organizations will continue to be eligible for matching funds from the Amgen Foundation, subject to the same terms, conditions, and limitations that apply to contributions made by regular, full-time employees of Amgen.

2.14 Other Benefits: As an employee in a part-time special assignment position, you will not be eligible to participate in the following Amgen benefit plans and programs as well as any other benefits not specifically listed in this letter: Dependent Care Assistance Program; Medical Flexible Spending Account; Voluntary and Dependent Life Insurance coverage, Accidental Death and Dismemberment benefit; use of Amgen Fitness Center facilities; use of Amgen Child Care Center facilities; personal illness; vacation/optional holiday pay; family illness/personal time; bereavement leave or holidays. Your accrued and unused vacation hours and optional holiday pay will be paid to you on the next regularly scheduled payroll date following the Effective Date.

3. TRANSFER OF COMPANY PROPERTY

Except as provided in the remainder of this Subparagraph, you promise that on or before the Termination Date, as defined in Paragraph 8 of this Agreement, you will return to Amgen all files, memoranda, documents, records, copies of the foregoing, credit cards, keys, and any other Amgen property in your possession or under your control. As an employee in a part-time special assignment position, you will continue to have access to and use of the following items: Compaq Deskpro computer, Mitsubishi Diamond Pro 9TTXM monitor, Compaq keyboard and mouse, Kodak audioviewer projector, portable lightbox, Panasonic pencil sharpener, and 8 slide carousels (without slides), that Amgen previously provided to you. As of the termination of your employment with Amgen, you will be entitled to retain the equipment referenced in the preceding sentence provided that you take the steps necessary to ensure that all of Amgen's proprietary information is deleted from the computer by Amgen's computer services department as of the Termination Date as defined in Paragraph 8 of this Agreement.

4. OFFICERS AND DIRECTORS INSURANCE

During your part-time special assignment and for four (4) years following the Termination Date, you will be covered by such officers and directors insurance coverage that Amgen provides to its senior executive officers at your salary grade level during that time period. In

addition, Amgen shall indemnify and hold you harmless both during and after the entire term of your employment (including your service hereunder) to the fullest extent permitted by law with regards to actions or inactions in relation to your duties performed at Amgen, both before and after the date of this Agreement. Furthermore, you will be entitled to reimbursement of expenses incurred in accordance with your rights under California Labor Code Section 2802.

5. LEGAL FEE AND FINANCIAL/TAX CONSULTING REIMBURSEMENT

Amgen will reimburse you for the legal expenses reasonably incurred by you in connection with the review of this Agreement up to a maximum amount of $10,000. Amgen will also reimburse you for financial and/or tax counseling expenses that you reasonably incur, up to a maximum amount of $3,000 per year, for each year of this Agreement.

6. REFERENCE

Amgen will provide you with a positive written factual reference. Gordon M. Binder should be listed as your work reference. You agree to confer with me on the form and nature of the reference to be provided to third parties concerning the work that you have performed at Amgen. If, by sixty (60) days after the Effective Date, you are unable to reach agreement with me on the written reference to be provided, then Amgen's only obligation will be to respond to inquiries by confirming to third parties the dates of your employment at Amgen and the last position you held as an Amgen employee.

7. RELOCATION

If you decide to relocate outside of the fifty (50) mile radius of your Residence (as defined below) during the period of your part-time special assignment or immediately at the termination thereof for any reason other than for a Stated Reason, as defined below, and sell your current, local, primary residence located in Thousand Oaks, California (the "Residence") so that the sale escrow closes no later than July 31, 2002, then Amgen will provide you with the following:

7.1 If your new employer, if any, provides for part of the following expenses, then Amgen would pay normal and customary amounts beyond those which such new employer paid, up to the amounts that Amgen would normally pay, as of the date your employment with Amgen terminated, to newly hired Amgen employees in your job: normal and customary costs for the packing, shipping, delivery, storage (for up to ninety (90) days) and unpacking of your common household goods and furnishings.

7.2 If you shall sell your Residence so that the close of escrow on the sale occurs prior to July 31, 2002, then in such event, Amgen will reimburse you for those normal and non-recurring customary sales costs associated with the sale of such residence, subject to the following terms and conditions:

7.2.1 Amgen's obligation will be limited to that amount which, as of the day immediately prior to the date of this Agreement, Amgen would pay to reimburse other employees of your then salary grade level;

7.2.2 to the extent that your new employer, if any, reimburses you for, or pays any of, such non-recurring customary sales costs, then Amgen will only reimburse you for that portion of the non-recurring customary sales costs that exceed the amount paid for by such new employer; and

7.2.3 you provide all documentation requested by Amgen in connection with this Subparagraph 7.2, upon the request of Amgen.

7.3 If you meet the above conditions and so elect, Amgen will grant you the opportunity to place your Residence in the "Amgen Marketing Assistance and Homesale Program" (the "Program"). For a description of the Program, please contact Christine Swinburne of the Amgen Human Resources Department. In order to participate in the Program, you must notify Ms. Swinburne in writing, of your election to participate in the Program no later than January 19, 2002, in order to complete the home sale process by July 19, 2002. In order for Amgen to provide you with the assistance provided for in this Subparagraph 7.3 in connection with the sale of your Residence, you must give Amgen control over the disposition of the property, must provide such documentation as Amgen may request and must cooperate with Amgen in the sale of the Residence.

8. EARLY TERMINATION OF SPECIAL ASSIGNMENT

We have agreed that you will continue in your part-time special assignment position until July 31, 2002, at which time your employment with Amgen will terminate, provided however, that Amgen may terminate your employment prior to July 31, 2002 and you may terminate your employment prior to July 31, 2002 upon thirty (30) days prior written notice to Amgen.

For purposes of this Paragraph 8, a "Stated Reason" means (i) your conviction of a felony, (ii) the engaging by you in conduct that constitutes willful gross neglect or willful gross misconduct in carrying out your duties set forth in Paragraph 1 of this Agreement, resulting, in either case, in material economic harm to Amgen, unless you believed in good faith that such conduct was in, or not contrary to, the best interests of Amgen; or (iii) your material breach of any of the terms of this Agreement. For purposes hereof, no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith. For purposes of this Paragraph 8, a "Covered Breach" means a breach by Amgen of its obligations under this Agreement in the following manner only (i) any reduction in your salary or benefits provided for in this Agreement or (ii) the assignment of duties to you that are inconsistent with, or greater in scope than, those set forth in Paragraph 1 of this Agreement or (iii) a reduction in your title or position or (iv) a failure by Amgen to have any successor expressly assume this Agreement in accordance with Paragraph 17 of this Agreement. In order for an event described in the preceding sentence to qualify as a Covered

Breach, you must give written notice of the event to Amgen and Amgen must fail to cure the event within 30 days of receipt of that written notice.

In the event your employment is terminated by Amgen for a Stated Reason or if you terminate your employment for any reason other than a Covered Breach then your payments and benefits from Amgen under this Agreement, including but not limited to the vesting of your stock options, will cease as of the effective date of the termination of your employment.

In the event your employment is terminated by Amgen not for a Stated Reason or if you terminate your employment for a Covered Breach, then (i) you shall be paid in a cash lump-sum all of the remaining cash payments due to you under this Agreement from the date of your termination through July 31, 2002, (ii) you shall continue to be provided the benefits set forth in Paragraph 2.10 of this Agreement through July 31, 2002 and (iii) Amgen shall take the necessary corporate action to accelerate the vesting of all of your outstanding and then unvested stock options so that they shall vest and become immediately exercisable in full as of the Termination Date; such stock options, as so accelerated shall be exercisable as provided in your stock option grant agreements and applicable stock option plans.

The date of the termination of your employment for any of the foregoing reasons, or upon your death, is hereinafter referred to as the "Termination Date."

9. DEATH

In the event of the termination of your employment hereunder by reason of your death prior to July 31, 2002, all of the remaining payments pursuant to Paragraph 2.1 of this Agreement will be payable to the beneficiary or beneficiaries that you designate in writing to Amgen. Your other remaining benefits will be treated according to their specific terms concerning such death. For purposes of Paragraph 10(a) of the Amgen Inc. Amended and Restated 1991 Equity Incentive Plan, your employment with Amgen shall be deemed to have commenced in 1981, when you first became an employee at Amgen.

10. RELEASE

In exchange for consideration provided to you under this Agreement, you hereby agree to execute and be bound by the General Release attached hereto as Appendix B (the "General Release") and to return the executed Agreement, together with the executed General Release, to me on or before March 10, 2000. The General Release is hereby incorporated into and made part of the Agreement by this reference.

11. INTERPRETATION

This Agreement, the Resignation Letter attached hereto as Appendix A, and the General Release attached hereto as Appendix B shall be construed as a whole according to their fair meaning, and not strictly for or against any of the parties. Unless the context indicates otherwise, the term "or" shall be deemed to include the term "and" and the singular or plural number shall be deemed to include the other. Paragraph headings used in this Agreement

and the General Release are intended solely for convenience of reference and shall not be used in the interpretation of any of this Agreement or the General Release.

12. NOTICES

For the purposes of this Agreement, notices, demands and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered either personally or by United States certified or registered mail, return receipt requested, postage prepaid, addressed, if to you, to the last address on file with Amgen and if to Amgen, to its executive offices or to such other address as any party may have furnished to the others in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

13. LEGAL FEES; ARBITRATION

13.1 Agreement to Arbitrate: Any dispute (an "Arbitrable Dispute") arising between the parties, including but not limited to those concerning the formation, validity, interpretation, effect, or alleged violations of this Agreement or the General Release, must be submitted to binding arbitration for resolution in Los Angeles, California in accordance with the rules and procedures of the Employment Dispute Resolution Rules of the American Arbitration Association then in effect. The decision of the arbitrator shall be final and binding on both parties, and any court of competent jurisdiction may enter judgment upon the award. Except for an action taken outside of arbitration pursuant to Subparagraph 13.4 of this Agreement, should either party pursue any other legal or administrative action against the other, the responding party shall be entitled to the return of any payments that party made under the Agreement and shall be entitled to recover all costs, expenses and attorneys' fees the responding party incurs as a result of such action. The arbitrator may not modify or change this Agreement or the General Release in any way.

13.2 Costs of Arbitration: Each party shall pay the fees of their respective attorneys, the expenses of their witnesses and any other expenses connected with the arbitration, but all other costs of the arbitration, including the fees of the arbitrator, cost of any record or transcript of the arbitration, administrative fees and other fees and costs shall be paid in equal shares by you and Amgen. The party losing the arbitration shall reimburse the party who prevailed for all fees and expenses the prevailing party paid pursuant to the preceding sentence, and (where a prevailing-party attorney's fees provision exists) shall also reimburse the prevailing party for attorney's fees paid.

13.3 Exclusive Remedy: Arbitration in this manner shall be the exclusive remedy for any Arbitrable Dispute. The arbitrator's decision or award shall be fully enforceable and subject to an entry of judgment by a court of competent jurisdiction. Except for an action taken outside of arbitration pursuant to Subparagraph 13.4 of this Agreement, should you or Amgen, without the consent of the other party, attempt to resolve an Arbitrable Dispute by any method other than arbitration pursuant to this Paragraph

13, the responding party shall be entitled to recover from the initiating party all damages, expenses and attorneys' fees incurred as a result.

13.4 Sole Exception: Notwithstanding the foregoing, a dispute relating to the alleged use or disclosure of information which is prohibited by the Proprietary Agreement, and/or the criticism, denigration or disparagement of Amgen, any other Amgen Releasee, as defined in Subparagraph 1.1 of the General Release, or any of Amgen's products, processes, experiments, policies, practices, standards of business conduct, or areas or techniques of research may be resolved through a means other than arbitration, at Amgen's sole option.

14. GOVERNING LAW

This Agreement is governed by, and is to be construed and enforced in accordance with, the laws of the State of California, without regard to principles of conflicts of laws.

15. TAXES

You acknowledge and agree that all payments made pursuant to this Agreement shall be made less applicable tax withholdings and/or other withholdings as required by law. You acknowledge and agree that you, and not Amgen, shall be solely responsible for any taxes imposed upon you as a result of the payments and benefits you receive under the Agreement with the sole exception of the potential 280G tax gross-up as provided in Subparagraph 2.8 of this Agreement. This paragraph shall not be construed to require you to pay Amgen's portion of any employment tax withholding, such as Amgen's portion of FICA or FUTA.

16. NO ASSIGNMENT OR DELEGATION

Amgen has selected you for this part-time special assignment because it has judged that your unique experience and skills are those Amgen required for the job. Accordingly, you may not assign or delegate any of your duties or responsibilities under this Agreement.

17. SUCCESSORS; BINDING AGREEMENT

17.1 Amgen's Successors: No rights or obligations of Amgen under this Agreement may be assigned or transferred except that Amgen will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of Amgen to expressly assume and agree to perform this Agreement in the same manner and to the same extent that Amgen would be required to perform it if no such succession had taken place. As used in this Agreement, "Amgen" shall mean Amgen as herein before defined and any successor to its business and/or assets (by merger, purchase or otherwise) which executes and delivers the agreement provided for in this Paragraph 17 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

17.2 Your Successors: No rights or obligations of you under this Agreement may be assigned or transferred by you other than your rights to payments or benefits hereunder, which may be transferred only by will or the laws of descent and distribution. Upon your death, this Agreement and all rights of you hereunder shall inure to the benefit of and be enforceable by your beneficiary or beneficiaries, personal or legal representatives, or estate, to the extent any such person succeeds to your interests under this Agreement. You shall be entitled to select and change a beneficiary or beneficiaries to receive any benefit or compensation payable hereunder following your death by giving Amgen written notice thereof. In the event of your death or a judicial determination of your incompetence, reference in this Agreement to you shall be deemed, where appropriate, to refer to your beneficiary(ies), estate or other legal representative(s). If your should die following your Termination Date while any amounts would still be payable to you hereunder if you had continued to live, all such amounts unless otherwise provided herein shall be paid in accordance with the terms of this Agreement to such person or persons so appointed in writing by you, or otherwise to your legal representatives or estate.

18. ENTIRE AGREEMENT

The Proprietary Agreement, your stock option agreements, this Agreement, the Resignation Letter attached hereto as Appendix A, and the General Release attached hereto as Appendix B constitute the entire agreement, arrangement and understanding between you and Amgen; they may not be modified or canceled in any manner except by a writing signed by both you and Amgen. This Agreement and the General Release supersede any prior or contemporaneous agreement, arrangement or understanding on this subject matter. By executing this Agreement, the Resignation Letter, and the General Release below, you expressly acknowledge the termination of any such prior agreement, arrangement or understanding. Also, by executing this Agreement, the Resignation Letter, and the General Release, you affirm that no one has made any written or verbal statement that contradicts the provisions of this Agreement, the Resignation Letter, or the General Release.

Sincerely yours,

/s/ Gordon M. Binder

Amgen Inc.
By: Gordon M. Binder
Chief Executive Officer and Chairman

Acknowledged and Agreed:

/s/ Lawrence M. Souza

Dr. Lawrence M. Souza, Ph.D.

Dated: 3/8/00

APPENDIX A

RESIGNATION

The undersigned hereby resigns, effective March 15, 2000, as an officer and/or director of Amgen Inc. and any and all Amgen affiliates and subsidiary entities.

/s/ Lawrence M. Souza

Dr. Lawrence M. Souza, Ph.D.

APPENDIX B

MUTUAL GENERAL RELEASE

By signing below, Amgen Inc. ("Amgen" or the "Company") and you, Dr. Lawrence M. Souza, Ph.D., agree to all of the terms and conditions set forth in this Mutual General Release, which resolves all issues between you and the Company including, but not limited to, those related to your employment with the Company, and the termination thereof.

1. COMPLETE RELEASE

1.1 Release: In exchange for consideration provided to you and the Company under the Agreement, the receipt of which and adequacy thereof you and the Company hereby acknowledge, you irrevocably and unconditionally release all the claims described in Subparagraph 1.2 of this General Release that you may have against the following persons or entities (collectively the "Amgen Releasees"): Amgen, all related or affiliated companies and all of Amgen's or such related or affiliated companies' predecessors, successors, and assigns; and, with respect to each such entity, all of its past and present employees, officers, directors, stockholders, owners, representatives, assigns, attorneys, agents, insurers, employee benefit programs (and the trustees, administrators, fiduciaries and insurers of such programs) and any other persons acting by, through, under or in concert with any of the persons or entities listed in this Subparagraph and each of them; and the Company irrevocably and unconditionally releases all the claims described in Subparagraph 1.2 of this General Release that the Company may have against you, your employees, agents, attorneys, representatives, successors, and assigns, past and present and each of them.

1.2 Claims Released: Except as provided in Subparagraph 1.4 of this General Release, the claims released include all claims of whatever nature, whether known or unknown, suspected or unsuspected, by either you or Amgen which you or Amgen now owns or holds or has at any time previously held, or (with the sole exception of claims covered by Subparagraph 1.4 of this General Release) ever in the future may hold including statutory claims arising under the employment discrimination laws. In particular, you acknowledge and agree that by signing the Agreement and this General Release, in addition to the matters discussed above, you are waiving and releasing any and all claims, charges, or rights you may have under the Age Discrimination In Employment Act of 1967, as amended (the "ADEA"), that this waiver and release is knowing and voluntary, and that the consideration given for this waiver and release is in addition to anything of value to which you were already entitled as an employee of Amgen. You further acknowledge that you have been advised that: (a) you should consult with an attorney (at your own expense, subject to your right to reimbursement as set forth in Paragraph 5 of the Agreement) prior to executing the Agreement and this General Release; (b) you have at least twenty-one (21) days in which to consider the Agreement and this General Release (although you may choose to execute the Agreement and this General Release earlier and waive all of or part of the 21-day period); (c) the Agreement and this General Release do not

waive or release any rights or claims you may have under the ADEA which may arise after you execute the Agreement and this General Release; (d) you have seven (7) days following execution of the Agreement and this General Release to revoke your consent to the Agreement and this General Release (to be effective, any revocation must be actually received in writing by me by 5:30 p.m. on the seventh day); and (e) the Agreement and this General Release shall not be effective until the seven (7) day revocation period has expired. In the event that you exercise this right to revoke this General Release, you and Amgen agree that the Agreement (including without limitation the Resignation Letter attached to the Agreement as Appendix A) will be simultaneously revoked. You also acknowledge and agree that you were first given a copy of the Agreement and this General Release on January 26, 2000, that you have been given the opportunity to consult with whomever you wish regarding the Agreement and this General Release and that you have entered into the Agreement and this General Release voluntarily and with full knowledge of its final and binding effect.

1.3 Release Extends to Both Known and Unknown Claims: This General Release covers both claims that you and/or Amgen know about and those you and/or Amgen do not know about. You understand the significance of this release of unknown claims and this waiver of statutory protection against a release of unknown claims by both you and Amgen. You and Amgen each expressly waive all rights afforded by any statute which limits the effect of a release with respect to unknown claims. You and Amgen each expressly waive the protection of (S) 1542 of the Civil Code of the State of California.

1.4 Claims Not Released: This General Release does not release your right or the Company's right to enforce the Agreement.

2. YOUR PROMISES

In addition to the release of claims provided for in Paragraph 1 of this General Release, you also agree to the following:

2.1 No Future Employment: You understand that, as provided in Paragraph 8 of the Agreement, your employment with Amgen and all related or affiliated companies will terminate forever on the Termination Date and you promise never to seek employment with Amgen or its related or affiliated companies in the future, except that if you are employed by a company that Amgen acquires in the future, you will not be terminated solely by virtue of this paragraph. If your employment is not terminated by Amgen for a Stated Reason, Amgen shall treat this termination as a resignation on its records. You acknowledge and agree that the Agreement, together with this General Release, contemplates your termination from Amgen on the Termination Date, and that the release in Paragraph 1 of this General Release shall cover your entire employment with Amgen and the termination of that employment.

2.2 You are Not to Harm Amgen: You agree not to knowingly and willfully criticize, denigrate or otherwise disparage Amgen, any other Amgen Releasee, or any of Amgen's products, processes, experiments, policies, practices, standards of business conduct, or areas or techniques of research to the extent that such conduct causes demonstrable injury to Amgen; provided, however, that nothing in this General Release shall prohibit you from complying with any lawful subpoena or court order.

2.3 No Knowledge of Violations: You represent that you are not aware of any facts that would (a) establish, (b) tend to establish, or (c) in any way support an allegation of a violation by Amgen of the federal False Claims Act (or any similar state or federal qui tam statute).

3. CONSEQUENCES OF YOUR VIOLATION OF YOUR PROMISES

3.1 General Consequences: If you break any of the promises made in the Agreement or this General Release, for example, by filing or prosecuting a lawsuit based on claims that you have released, or if any representation made by you in this General Release was false when made, you (a) shall forfeit all right to future benefits under the Agreement; (b) must repay all benefits previously received, other than the monthly compensation paid to you under Paragraph 2.1 of the Agreement, upon Amgen's demand; and (c) must pay reasonable attorneys' fees and all other costs incurred as a result of your breach or false representation, such as the cost of defending any suit brought with respect to a released claim by you or other owner of a released claim. It is agreed that your breach of Subparagraph 2.2 of this General Release will not be covered by this Paragraph 3.1 unless you are given written notice by the Company specifying your breach of Subparagraph 2.2 and you fail to cure such a breach within 14 days of receipt of such notice.

In addition, in order to ensure that you have complied fully with your obligations under Paragraph 2.3 of this General Release, you hereby covenant and agree that to the full extent permitted by law, you hereby waive and release any and all rights or claims you may have to any personal claim for proceeds or awards that you may be entitled to under any qui tam proceeding brought against Amgen. You further agree that you shall deliver any such money, proceeds, or awards to the U.S. government.

3.2 Injunctive Relief: You further agree that Amgen would be irreparably harmed by any use or disclosure of information that is prohibited by the Amgen Inc. Proprietary Information and Inventions Agreement, executed by you on or about July 27, 1981 (the "Proprietary Agreement") (which contains obligations that survive the termination of your employment with Amgen), and that Amgen shall be entitled to an injunction prohibiting you from committing any such violation.

3.3 Challenges to Validity: Should you attempt to challenge the formation or enforceability of the Agreement and/or this General Release, you shall initially tender, by certified check delivered to Amgen, all amounts received pursuant to the Agreement, other than the monthly compensation paid to you under Paragraph 2.1 of

the Agreement, plus interest at the legal rate and invite Amgen to cancel the Agreement. In the event Amgen accepts this offer, the Agreement shall be canceled. In the event Amgen does not accept this offer, Amgen shall so notify you and the amount tendered by you shall be placed in an interest-bearing account pending a determination of the enforceability of the Agreement and/or this General Release. If the Agreement and this General Release are determined to be enforceable, the amount in the account shall be repaid to you; if the Agreement and/or this General Release are determined not to be enforceable, the amount in the account shall be retained by Amgen or its designee.

4. VOLUNTARILY ENTERING AGREEMENT

You acknowledge that you (a) have had a sufficient period to consider and review the Agreement and this General Release before signing them; (b) have carefully read the Agreement and this General Release; and (c) fully understand the Agreement and this General Release and are entering into them voluntarily.

5. SEVERABILITY

The provisions of this General Release are severable. If any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable in any respect and for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be affected or impaired in any way, it being intended that all of the parties' rights and privileges arising hereunder shall be enforceable to the fullest extent permitted by law.

PLEASE READ THIS GENERAL RELEASE CAREFULLY. IT CONTAINS A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

Executed at Thousand Oaks, California this 8th day of March, 2000.

/s/ Lawrence M. Souza
Dr. Lawrence M. Souza, Ph.D.

Executed at Thousand Oaks, California this 6th day of March, 2000.

/s/ Gordon M. Binder
Amgen Inc.
By: Gordon M. Binder
Chief Executive Officer and Chairman

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTAINED IN THE COMPANY'S QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTER ENDED MARCH 31, 2000 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000,000

3-MOS
DEC-31-2000
JAN-01-2000
MAR-31-2000
126
1,354
282
23
238
2,154
2,404
808
4,265
731
223
0
0
0
3,311
4,265
698
814
86
86
190
0
4
385
119
266
0
0
0
266
0.26
0.25

Item consists of research and development expenses.

EXHIBIT 99

AMGEN INC.

Factors That May Affect Amgen

Amgen operates in a rapidly changing environment that involves a number of risks, some of which are beyond our control. The following discussion highlights some of these risks and others are discussed elsewhere herein.

Product development

We intend to continue an aggressive product development program. Successful product development in the biotechnology industry is highly uncertain, and very few research and development projects produce a commercial product. Product candidates that appear promising in the early phases of development, such as in early human clinical trials, may fail to reach the market for a number of reasons, such as:

- - the product candidate did not demonstrate acceptable clinical trial results even though it demonstrated positive preclinical trial results
- - the product candidate was not effective in treating a specified condition or illness
- - the product candidate had harmful side effects on humans
- - the necessary regulatory bodies (such as the FDA) did not approve our product candidate for an indicated use
- - the product candidate was not economical for us to manufacture it
- - other companies or people have or may have proprietary rights to our product candidate (e.g. patent rights) and will not let us sell it on reasonable terms, or at all
- - the product candidate is not cost effective in light of existing therapeutics

Several product candidates have failed at various stages in the product development process, including BDNF, Megakaryocyte Growth and Development Factor (MGDF) and GDNF. For example, in 1997, we announced the failure of BDNF (for the treatment of ALS by subcutaneous injection administration route), because the product candidate, as administered, did not produce acceptable clinical results in a specific indication after a phase 3 trial, even though BDNF had progressed successfully through preclinical and earlier clinical trials. Of course, there may be other factors that prevent us from marketing a product. We cannot guarantee we will be able to produce commercially successful products. Further, clinical trial results are frequently susceptible to varying interpretations by scientists, medical personnel, regulatory personnel, statisticians and others which may delay, limit or prevent further clinical development or regulatory approvals of a product candidate. Also, the length of time that it takes for us to complete clinical trials and obtain regulatory approval for product marketing has in the past

varied by product and by the indicated use of a product. We expect that this will likely be the case with future product candidates and we cannot predict the length of time to complete necessary clinical trials and obtain regulatory approval. See "- Regulatory matters."

Regulatory matters

Our research, preclinical testing, clinical trials, facilities, manufacturing, pricing and sales and marketing are subject to extensive regulation by numerous state and federal governmental authorities in the U.S., such as the FDA and the Health Care Financing Administration ("HCFA"), as well as by foreign countries and the European Union (the "EU"). Currently, we are required in the U.S. and in foreign countries to obtain approval from those countries' regulatory authorities before we can market and sell our products in those countries. The success of our current and future products will depend in part upon obtaining and maintaining regulatory approval to market products in approved indications in the U.S. and foreign markets. In our experience, the regulatory approval process is a lengthy and complex process, both in the U.S. and in foreign countries, including countries in the EU. Even if we obtain regulatory approval, both our manufacturing processes and our marketed products are subject to continued review. Later discovery of previously unknown problems with our products or manufacturing processes may result in restrictions on such products or manufacturing processes, including withdrawal of the products from the market. Our failure to obtain necessary approvals, or the restriction, suspension or revocation of any approvals, or our failure to comply with regulatory requirements could prevent us from manufacturing or selling our products which could have a material adverse effect on us and our results of operations.

Reimbursement; Third party payors

In both domestic and foreign markets, sales of our products are dependent, in part, on the availability of reimbursement from third party payors such as state and federal governments (for example, under Medicare and Medicaid programs in the U.S.) and private insurance plans. In certain foreign markets, the pricing and profitability of our products generally are subject to government controls. In the U.S., there have been, and we expect there will continue to be, a number of state and federal proposals that limit the amount that state or federal governments will pay to reimburse the cost of drugs. In addition, we believe the increasing emphasis on managed care in the U.S. has and will continue to put pressure on the price and usage of our products, which may impact product sales. Further, when a new therapeutic is approved, the reimbursement status and rate of such a product is uncertain. In addition, current reimbursement policies for existing products may change at any time. Changes in reimbursement or our failure to obtain reimbursement for our products may reduce the demand for, or the price of, our products, which could result in lower product sales or revenues which could have a material adverse effect on us and our results of operations. For example, in the U.S. the use of

EPOGEN(R) in connection with treatment for end stage renal disease is funded primarily by the U.S. federal government. Therefore, as in the past, EPOGEN(R) sales could be affected by future changes in reimbursement rates or the basis for reimbursement by the federal government. For example, in early 1997, HCFA instituted a reimbursement change for EPOGEN(R) which adversely affected the Company's EPOGEN(R) sales, until the policies were revised. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations -Results of Operations - Product sales - EPOGEN(R) (Epoetin alfa)."

Guidelines

Government agencies promulgate regulations and guidelines directly applicable to us and to our products. However, professional societies, practice management groups, private health/science foundations and organizations involved in various diseases may also publish, from time to time, guidelines or recommendations to the health care and patient communities. These organizations may make recommendations that affect a patient's usage of certain therapies, drugs or procedures, including our products. Recommendations of government agencies or these other groups/organizations may relate to such matters as usage, dosage, route of administration and use of concomitant therapies. Recommendations or guidelines that are followed by patients and health care providers could result in, among other things, decreased use of our products which could have a material adverse effect on our results of operations. In addition, the perception by the investment community or stockholders that such recommendations or guidelines will be followed could adversely affect prevailing market prices for our common stock.

Intellectual property and legal matters

The patent positions of pharmaceutical and biotechnology companies can be highly uncertain and often involve complex legal, scientific and factual questions. To date, there has emerged no consistent policy regarding breadth of claims allowed in such companies' patents. Accordingly, the patents and patent applications relating to our products, product candidates and technologies may be challenged, invalidated or circumvented by third parties and might not protect us against competitors with similar products or technology. For certain of our product candidates, there are third parties who have patents or pending patents that they may claim prevent us from commercializing these product candidates in certain territories. Patent disputes are frequent and can preclude commercialization of products. We are currently, and in the future may be, involved in patent litigation. The results of such litigation could subject us to competition and/or significant liabilities, could require us to enter into third party licenses or could cause us to cease using the technology or product in dispute. In addition, we cannot guarantee that such licenses will be available on terms acceptable to us.

The Company is currently involved in arbitration proceedings with Ortho Pharmaceutical Corporation (which has assigned its rights under the Product License Agreement to Ortho Biotech, Inc.), a subsidiary of Johnson & Johnson ("Johnson & Johnson"), relating to a license granted by the Company to Johnson & Johnson for sales of Epoetin alfa in the U.S. for all human therapeutic uses except dialysis. See Note 4 to the Consolidated Financial Statements, "Contingencies - Johnson & Johnson arbitrations".

Competition

We operate in a highly competitive environment. Our principal competitors are pharmaceutical and biotechnology companies. Some of our competitors, mainly large pharmaceutical corporations, have greater clinical, research, regulatory and marketing resources than we do. In addition, some of our competitors may have technical or competitive advantages over us for the development of technologies and processes and may acquire technology from academic institutions, government agencies and other private and public research organizations. We cannot guarantee that we will be able to produce or acquire rights to products that have commercial potential. Even if we achieve successful product commercialization, we cannot guarantee that one or more of our competitors will not achieve product commercialization earlier than we do, obtain patent protection that dominates or adversely affects our activities, or have significantly greater marketing capabilities.

Fluctuations in operating results

Our operating results may fluctuate from period to period for a number of reasons. In budgeting our operating expenses, some of which are fixed in the short term, we assume that revenues will continue to grow. Accordingly, even a relatively small revenue shortfall may cause a period's results to be below our expectations. A revenue shortfall could arise from any number of factors, such as:

- - lower than expected demand for our products
- - changes in the government's or private payor's reimbursement policies for our products
- - changes in wholesaler buying patterns
- - increased competition from new or existing products
- - fluctuations in foreign currency exchange rates
- - changes in our product pricing strategies

Of course, there may be other factors that affect the Company's revenues in any given period.

Rapid growth

We have an aggressive growth plan that includes substantial and increasing investments in research and development and facilities. Our plan has a number of risks, such as:

- - the need to generate higher revenues to cover a higher level of operating expenses
- - the need to attract and assimilate a large number of new employees
- - the need to manage complexities associated with a larger and faster growing organization
- - the need to accurately anticipate demand for the products we manufacture and maintain adequate manufacturing capacity

Of course, there may be other risks and we cannot guarantee that we will be able to successfully manage these or other risks.

Stock price volatility

Our stock price, like that of other biotechnology companies, is highly volatile. Our stock price may be affected by, among other things, clinical trial results and other product-development announcements by us or our competitors, regulatory matters, announcements in the scientific and research community, intellectual property and legal matters, changes in reimbursement policies or medical practices or broader industry and market trends unrelated to our performance. In addition, if our revenues or earnings in any period fail to meet the investment community's expectations, there could be an immediate adverse impact on our stock price.