

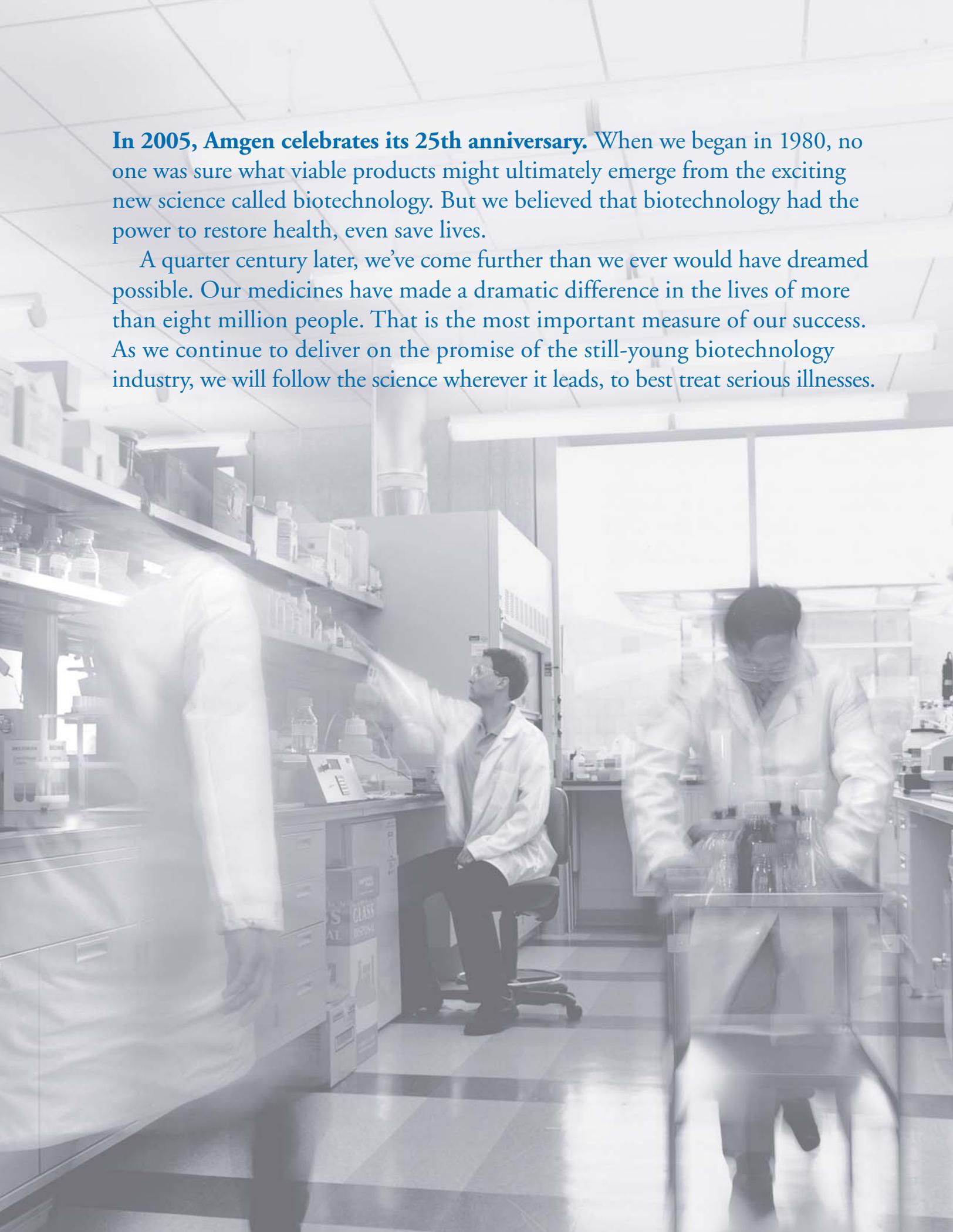
Inspired science. Defining moments.



About Amgen Amgen is a leading human therapeutics company in the biotechnology industry. Our mission is to serve patients. We foster a culture of innovation, using our expertise in advanced science and technology to find new medicines to fight serious illness. For more information about Amgen, our visionary science, and our powerful medicines, visit www.amgen.com.

On the cover Fu-Kuen Lin, shown here in a photograph from the early 1980s, examines X-ray film to identify the gene coding for human erythropoietin, the discovery that would lead to the production of EPOGEN® (Epoetin alfa), Amgen's first medicine.

Facing page One of Amgen's research labs at the company's headquarters in Thousand Oaks, California.

A grayscale photograph of a laboratory. In the foreground, a scientist in a white lab coat is seen from the back, looking towards the left. In the middle ground, another scientist in a white lab coat is sitting on a stool, pointing towards a shelf filled with bottles. In the background, a third scientist in a white lab coat is standing at a workstation, looking down at something on the counter. The laboratory is well-lit, with shelves filled with various bottles and equipment. The floor is a checkered tile pattern.

In 2005, Amgen celebrates its 25th anniversary. When we began in 1980, no one was sure what viable products might ultimately emerge from the exciting new science called biotechnology. But we believed that biotechnology had the power to restore health, even save lives.

A quarter century later, we've come further than we ever would have dreamed possible. Our medicines have made a dramatic difference in the lives of more than eight million people. That is the most important measure of our success. As we continue to deliver on the promise of the still-young biotechnology industry, we will follow the science wherever it leads, to best treat serious illnesses.



Inspired science.

Strands of life Pictured above is a strand of DNA (deoxyribonucleic acid), the building block of life—and of Amgen's medicines.

EPOGEN[®] (Epoetin alfa)

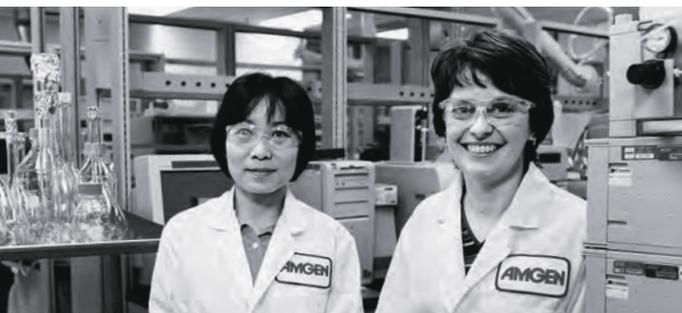
Going strong Sixteen years ago, anemia was not always recognized as a serious illness. But it certainly felt like one to people afflicted with the condition, characterized by low numbers of vital red blood cells that deliver oxygen throughout the body. The fatigue of severe anemia can make it impossible to get out of bed, much less carry out daily activities. Worse, anemia is associated with other health problems, including cardiovascular disease, and even an increased risk of death.

Anemia is a significant problem for people with chronic kidney disease who receive dialysis. Left untreated, it can be debilitating. In fact, many of the worst complications of chronic kidney disease are associated with anemia. Before EPOGEN[®], treatments for anemia were inadequate; they included potentially dangerous blood transfusions and testosterone-based therapies that often caused unwanted side effects.

When EPOGEN[®] debuted in 1989, it quickly became the standard of care for anemia management in dialysis patients. “So many people have experienced dramatic positive changes in their energy and well-being, thanks to EPOGEN[®],” says Helen Torley, vice president and general manager of Amgen’s Nephrology business. Today, EPOGEN[®] is still going strong—and dialysis patients and caregivers take treating anemia very seriously indeed.



Chanitra Age 16 Los Angeles, California *Four years ago, when Chanitra was 12, she woke up with a swollen face and a rash covering most of her body. Her grandmother rushed her to a local hospital, where Chanitra was diagnosed with lupus, a chronic inflammatory disease that had damaged her kidneys. Chanitra began dialysis twice a week and almost immediately began to experience symptoms of anemia, including weight loss and fatigue. She received EPOGEN[®]. According to her grandmother, Chanitra now has the energy to participate in some of her favorite activities, including “singing her heart out” in her church choir.*



The science EPOGEN[®] is made by introducing the DNA sequence for human erythropoietin into a mammalian cell line. That cell line is grown and multiplied under carefully controlled conditions to produce a therapeutically effective form of human erythropoietin. Injected EPOGEN[®] stimulates red blood cell production in the same way as naturally occurring erythropoietin produced by the kidneys. (For more on the science behind EPOGEN[®], please see page 14.)

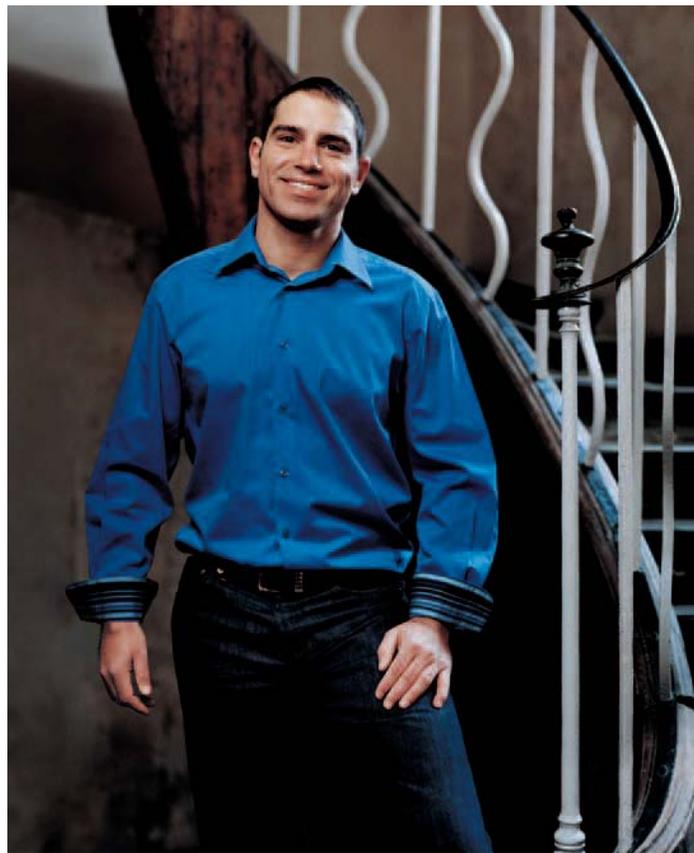
Aranesp[®] (darbepoetin alfa)

The science doesn't stop On the journey of scientific inquiry, sometimes a single path, if followed far enough, may lead to many milestones. Take, for example, Aranesp[®], used to help combat anemia related to chemotherapy or chronic kidney disease.

Following the launch of EPOGEN[®], Amgen scientists continued to study anemia. These studies led to the discovery, development, and 2001 launch of Aranesp[®], an anemia treatment with a longer half-life, allowing it to circulate in the body longer.

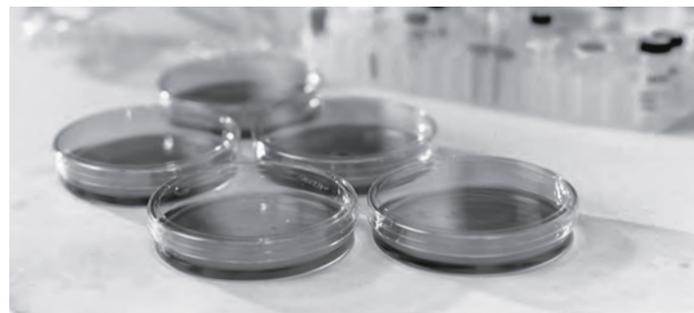
In 2004, European health authorities approved an extended dosing schedule for Aranesp[®]. In Europe, the approved dosage schedule for anemic cancer patients receiving chemotherapy is only once every three weeks, and for patients with chronic kidney disease, only once per month. Previously, the approved dosing schedule was once weekly for cancer patients and once weekly or once every two weeks for chronic kidney disease patients.

All this is great news for patients. For people with chronic kidney disease, though, another significant foe is cardiovascular events—the most common cause of death in that patient population. That's why Amgen has initiated TREAT (Trial to Reduce cardiovascular Events with Aranesp[®] Therapy), an international, multi-year trial to evaluate whether treating anemia in patients with chronic kidney disease and type 2 diabetes may lower their risk of death or cardiovascular events such as stroke, heart attack, or heart failure. Anemia appears to be an independent and powerful risk factor for cardiovascular events in such patients, but it will be several years before the TREAT data may reveal where the path will lead next.



Emmanuel Age 29 Paris, France
Emmanuel has chronic kidney disease, and the anemia that results from the illness can cause extreme fatigue that interferes with his daily activities. Recently, he began treatment with Aranesp[®] to combat the anemia. Now Emmanuel reports that he has more energy to devote to activities with his two young children.

The science Amgen scientists asked what would happen if more carbohydrates were added to the EPOGEN[®] molecule. The result was Aranesp[®], a new molecule for anemia treatment with a half-life in the body that is approximately three times longer than that of EPOGEN[®].



NEUPOGEN®/Neulasta® (Filgrastim/pegfilgrastim)

Allies in the fight against cancer People with cancer who don't receive their recommended doses and schedules of chemotherapy run the risk of their disease worsening. That's why studies published in 2004 were so startling: They found that many people with early-stage breast cancer or non-Hodgkin's lymphoma didn't get all the chemotherapy they should, due to concerns over side effects.

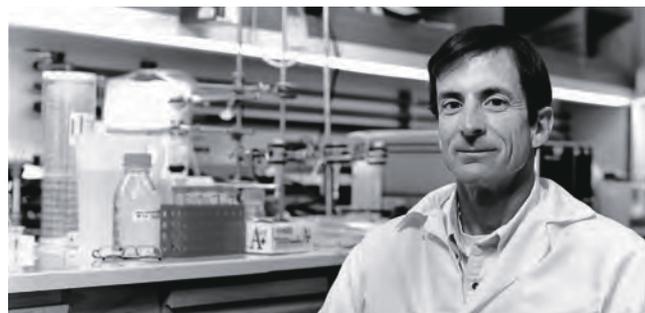
One of the most serious side effects of chemotherapy is neutropenia, a drop in the white blood cell count to below-normal levels that can place patients at risk of life-threatening infections. Two Amgen discoveries, NEUPOGEN® and Neulasta®, help to protect patients with certain types of cancer from infection associated with chemotherapy-induced neutropenia. They work by stimulating the bone marrow to make more neutrophils, white blood cells that fight infection. NEUPOGEN® requires 10 or 11 injections per chemotherapy cycle; Neulasta® calls for only one injection per cycle.

Neulasta® and NEUPOGEN® can both help restore patients' white blood cell counts and reduce the risk of getting an infection. When patients have sufficient white blood cell counts, their doctors may have a better chance of giving chemotherapy on schedule.

Together with Aranesp®, Neulasta® and NEUPOGEN® have made Amgen the world's leading provider of oncology supportive care (therapies to help cancer patients combat the side effects of their treatment). But the company wants to do much more to help people fight cancer by providing new therapies to attack the disease itself. "We're committed to helping cancer patients by advancing our oncology therapeutics pipeline," says Jim Daly, vice president and general manager of Amgen's U.S. Oncology business.

The science Amgen scientists were the first to describe the chemical characteristics of human granulocyte colony-stimulating factor (G-CSF), the protein that spurs the production of neutrophils, and to begin clinical studies of G-CSF. The results reached patients in 1991 as NEUPOGEN®. Further studies led to Neulasta®, a unique form of Filgrastim with a structure that allows it to remain in the body much longer and be administered only once per chemotherapy cycle—a meaningful benefit for patients and their caregivers.

Lea Age 40 Sydney, Australia *Lea is passionate about being a nurse. For 15 years she has worked in emergency rooms. In November 2002, when she learned she had non-Hodgkin's lymphoma, all Lea could think about was getting through her treatments and back to her life. Her doctors prescribed NEUPOGEN® to help her complete her chemotherapy without delays due to infections. Lea is back at work now, with a greater commitment and deeper empathy for her patients.*



ENBREL[®] (etanercept)

Jarrold Age 29 Granada Hills, California

Keeping in shape is important to Jarrold, and it should be easy for him to do in sunny Southern California. But until recently, his psoriasis too often got in the way. His skin lesions became inflamed and itchy whenever he exercised, and he felt uncomfortable in shorts and other revealing exercise clothes. In 2003, Jarrold entered a clinical trial for ENBREL[®]. He has remained on the medication for almost two years. Now, Jarrold says he can exercise freely and enjoy the outdoors as much as he wants.



Marie Age 52 Whistler, British Columbia, Canada

Marie loves the mountains. She and her husband moved their family from Niagara Falls to Whistler to enjoy the hiking and skiing that Whistler Mountain offers. But in 1997, at age 45, Marie started to experience stiffness and pain in her joints and was diagnosed with rheumatoid arthritis. Within three years, she was forced to give up most of her favorite outdoor activities; she even had difficulty performing daily tasks. In 2001, Marie began treatment with ENBREL[®]. Today, she enjoys many of the activities she had previously given up—including skiing on the mountain she loves so much.





The science ENBREL® was originally discovered and developed by scientists at Immunex Corporation, acquired by Amgen in 2002. It is a soluble receptor that inhibits tumor necrosis factor (TNF), a protein that plays an important role in both normal immune function and in the reactions that cause joint and skin inflammation. ENBREL® mimics the body's natural regulatory mechanism for TNF, working like a sponge by binding to TNF and rendering the bound TNF biologically inactive, thereby reducing inflammation.

Help for psoriasis Imagine facing the world each day with severely cracked, bleeding, and itchy skin, and you may get a sense of the pain endured by people with psoriasis—a pain that goes beyond the physical discomfort that accompanies this devastating chronic condition.

Moderate to severe psoriasis affects approximately 1.5 million people in the United States alone. For some time, they have had many treatment options, from phototherapy to topical creams and other medications. Unfortunately, these options can have shortcomings. Phototherapy and topical treatments are not always practical (creams, for example, may need to be applied several times a day) and may not be very effective. Some treatments, such as cyclosporine or methotrexate, can be extremely effective, but potentially toxic and immunosuppressive over time. “There has been a big unmet need for a treatment that was both generally well-tolerated and effective,” says Scott Burton, senior director of Sales and Marketing for ENBREL®.

With ENBREL®, approved by the U.S. Food and Drug Administration (FDA) in 2004 for use in chronic moderate to severe plaque psoriasis, Amgen is attempting to fill that need. In one study, three out of four psoriasis patients taking ENBREL® had dramatic clearing after only three months on therapy. And because ENBREL® has been used since 1998 to treat rheumatoid arthritis, and subsequently other inflammatory conditions, it has a long track record of real-world patient experience.

“It’s hard to overstate the impact of this disease; people feel incredibly ostracized,” Burton says. “It’s wonderful how happy they are when their skin finally starts to clear.”

Ahead of the class In 2004, ENBREL® had more approved uses than any other TNF inhibitor: It is indicated for the treatment of rheumatoid arthritis, juvenile rheumatoid arthritis, ankylosing spondylitis (arthritis of the spine), psoriatic arthritis and psoriasis. The psoriasis indication means that ENBREL® will now benefit many more patients in the United States. Amgen has also filed for a psoriasis indication for ENBREL® in Canada.

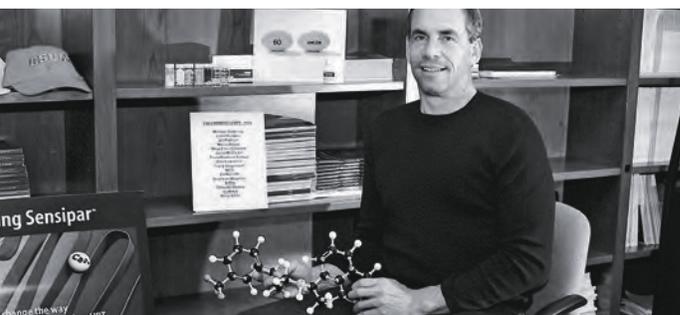
Also in 2004, the FDA approved a new 50 mg/mL pre-filled syringe that can be administered once weekly for most patients. Before, patients had to mix and inject ENBREL® twice a week. “What was a 14-step process is now much simpler, which is especially appreciated by patients suffering from rheumatoid arthritis,” explains Helen Jordan, director of Rheumatology Marketing for ENBREL®.



Sensipar[®] (cinacalcet HCl)

Anthony Age 44 Thornton, Colorado

When Anthony tried out for his high school football team, a routine physical exam showed he was in the early stages of kidney disease. By age 30, his kidneys began to fail. After several years of dialysis, Anthony started to experience symptoms of secondary hyperparathyroidism. Last year, his doctor prescribed Sensipar[®]. Now, with his hormone levels close to normal, Anthony is finally eligible for a kidney transplant—great news not only for Anthony, but also for his biggest supporters: his wife, Eileen, and their four children (two of whom, Nicole and Danielle, are pictured with Anthony and Eileen at left).



Answering an unmet need Secondary hyperparathyroidism—it’s a long name for a disorder most people have never heard of. But for many living with kidney disease, it’s unfortunately an all-too-familiar term. “Secondary” means it’s caused by chronic kidney disease—indeed, it eventually occurs in nearly all people with that condition. And “hyperparathyroidism” means that four small glands behind the thyroid secrete too much parathyroid hormone, with eventual detrimental effects on the heart, bones and blood vessels. If left untreated, it can increase a patient’s risk of hospitalization and death.

Sensipar[®], approved in 2004 in the United States and Canada—and in Europe under the brand name Mimpara[®]—has the potential to help the hundreds of thousands of dialysis patients who require treatment for secondary hyperparathyroidism each year. It’s the only therapy with the ability to lower levels of parathyroid hormone, calcium and phosphorus all at the same time, which gives patients a greater likelihood of achieving the targets listed in the latest clinical practice guidelines.¹

“Sensipar[®] is completely different from anything we had before,” says Geoffrey Block, M.D., director of Clinical Research at Denver Nephrologists, PC and the lead author of a 2004 *New England Journal of Medicine* article that published pivotal Sensipar[®] data. “There is a very large unmet need to treat secondary hyperparathyroidism in kidney disease patients—if it is not treated, it can have devastating consequences. Sensipar[®] offers us a very unique chance to fight this disease.”

It may not become a household word, but to people struggling to cope with one of the most pernicious complications of kidney disease, Sensipar[®] means “breakthrough.”

¹NKF-K/DOQI Guidelines

The science Sensipar[®] is the only medicine that targets the calcium-sensing receptors, located on parathyroid cells, that are the primary regulators of parathyroid hormone. Originally licensed from NPS Pharmaceuticals, Inc., it is Amgen’s first small-molecule product—the company’s first medicine given as a pill, not an injection. With Sensipar[®], Amgen has proven its capability to work in different modalities (various therapeutic delivery options including pills and injections)—a breadth of expertise that few companies can claim.

Selected Amgen products and product candidates

Moving molecules from laboratory to patients involves years of detailed investigation and rigorous testing. Clinical development requires enormous investments in time and resources. It begins with preclinical testing and proceeds through a series of human clinical trials that establish dosage levels, test for efficacy and side effects, and, depending on the molecule, may ultimately seek to measure long-term patient outcomes.

Oncology

| Molecule | Disease/condition | Preclinical | Phase 1 | Phase 2 | Phase 3 | Approved |
|-----------------------------|--|-------------|---------|---------|---------|----------|
| AMG 102 | Cancer | | ○ | | | |
| AMG 114 | Chemotherapy-induced anemia | | ○ | | | |
| AMG 162 | Bone metastases (cancer spread to bone) | | | ○ | | |
| AMG 162 | Bone loss induced by hormone ablation therapy for breast cancer or prostate cancer | | | | ○ | |
| AMG 386 | Cancer | | ○ | | | |
| AMG 531 | Immune thrombocytopenic purpura (an autoimmune bleeding disorder) | | | ○ | | |
| AMG 706 | Cancer | | | ○ | | |
| AMG 951 | Cancer | | ○ | | | |
| Aranesp® (darbepoetin alfa) | Chemotherapy-induced anemia | | | | | ○ |
| NEUPOGEN® (Filgrastim) | Neutropenia (multiple indications) | | | | | ○ |
| Neulasta® (pegfilgrastim) | Chemotherapy-induced neutropenia | | | | | ○ |
| Panitumumab | Colorectal cancer | | | | ○ | |
| Kepivance™ (palifermin) | Severe oral mucositis associated with hematologic transplant | | | | | ○ |
| Kepivance™ | Oral mucositis associated with radiation therapy and chemotherapy for solid tumors | | | | ○ | |

Inflammation

| Molecule | Disease/condition | Preclinical | Phase 1 | Phase 2 | Phase 3 | Approved |
|----------------------|---|-------------|---------|---------|---------|----------|
| AMG 009 | Asthma | ○ | | | | |
| AMG 108 | Osteoarthritis | | | ○ | | |
| AMG 162 | Rheumatoid arthritis | | | ○ | | |
| AMG 317 | Asthma | | ○ | | | |
| AMG 623 | Systemic lupus erythematosus | | ○ | | | |
| AMG 714 | Rheumatoid arthritis | | | ○ | | |
| ENBREL® (etanercept) | Rheumatoid arthritis | | | | | ○ |
| ENBREL® | Juvenile rheumatoid arthritis | | | | | ○ |
| ENBREL® | Ankylosing spondylitis (arthritis of the spine) | | | | | ○ |
| ENBREL® | Psoriatic arthritis | | | | | ○ |
| ENBREL® | Psoriasis | | | | | ○ |
| Kineret® (anakinra) | Rheumatoid arthritis | | | | | ○ |
| Kineret® | Osteoarthritis | | | ○ | | |

Metabolic disorders

| Molecule | Disease/condition | Preclinical | Phase 1 | Phase 2 | Phase 3 | Approved |
|--|--|-------------|---------|---------|---------|----------|
| 11 β -HSD1 | Metabolic syndrome | ○ | | | | |
| AMG 076 | Obesity | | ○ | | | |
| AMG 131 | Type 2 diabetes | | | ○ | | |
| AMG 162 | Postmenopausal osteoporosis | | | | ○ | |
| Leptin | Lipodystrophy (abnormal fat changes) | | | ○ | | |
| Leptin | Hypothalamic amenorrhea (absence of menstruation) | | | ○ | | |
| Sensipar [®] (cinacalcet HCl) | Secondary hyperparathyroidism in end-stage renal disease | | | | | ○ |
| Sensipar [®] | Hypercalcemia of parathyroid carcinoma | | | | | ○ |
| Sensipar [®] | Primary hyperparathyroidism | | | ○ | | |
| Sensipar [®] | Secondary hyperparathyroidism in chronic renal insufficiency | | | | ○ | |

Preclinical studies collect data to show that a molecule is reasonably safe for use in initial small-scale clinical trials.

Phase 1 clinical trials investigate safety and proper dose ranges of a product candidate in a small number of human subjects.

Phase 2 clinical trials investigate side effect profiles and efficacy of a product candidate in a large number of patients who have the disease or condition under study.

Phase 3 clinical trials investigate the safety and efficacy of a product candidate in a large number of patients who have the disease or condition under study.

General medicine

| Molecule | Disease/condition | Preclinical | Phase 1 | Phase 2 | Phase 3 | Approved |
|------------------------------------|------------------------------------|-------------|---------|---------|---------|----------|
| Aranesp [®] | Anemia of chronic renal disease | | | | | ○ |
| Aranesp [®] | Anemia in congestive heart failure | | | ○ | | |
| EPOGEN [®] (Epoetin alfa) | Anemia of end-stage renal disease | | | | | ○ |

Neuroscience

| Molecule | Disease/condition | Preclinical | Phase 1 | Phase 2 | Phase 3 | Approved |
|----------|-------------------|-------------|---------|---------|---------|----------|
| AMG 403 | Pain | ○ | | | | |
| AMG 517 | Pain | | ○ | | | |

These tables are current as of February 3, 2005, and show the status of selected clinical and preclinical molecules in Amgen's product pipeline. Amgen's product pipeline will change over time as molecules move through the drug development process, including progressing to market or failing in clinical trials, due to the nature of the development process. These tables contain forward-looking statements that involve significant risks and uncertainties, including those discussed in Amgen's most recent Form 10-K and in Amgen's periodic reports on Form 10-Q and Form 8-K, and actual results may vary materially. Amgen is providing this information as of the date above and does not undertake any obligation to update any forward-looking statements contained in this table as a result of new information, future events or otherwise.

For more information on Amgen's product pipeline, please visit www.amgen.com.

For important safety information about Amgen's marketed products, please visit www.amgen.com for links to the product Web sites.



Defining moments.

Documenting milestones Pictured above are patents for EPOGEN® (Epoetin alfa) and NEUPOGEN® (Filgrastim), Amgen's first two medicines.

A leader's vision

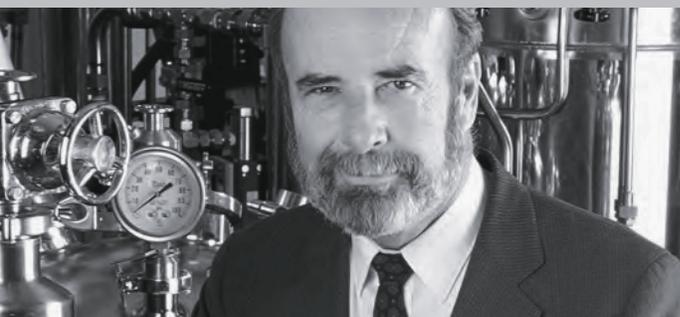
In 1980, when a charismatic chemist named George Rathmann was recruited by Amgen's founders to be the fledgling company's chief executive officer, biotechnology was an exciting new frontier—but an unproven business. Fortunately, Rathmann had the right combination of scientific expertise and business experience. He remembers being “enthralled” by the possibilities of recombinant DNA, believing that this new technology could lead to wonderful things for patients.

From the beginning, Rathmann had a vision of a company with a mission to restore health and save lives. What he could not have foreseen was that an Amgen therapy would one day help him. In 2003, Rathmann began dialysis treatments. Like many people with kidney disease, he receives EPOGEN® for anemia.

He is visibly moved when he speaks about the impact of EPOGEN®. He says, “For me, it's clearly priceless. My whole health has been improved by it, and I know thousands of people who have been favorably affected... When we first started going to dialysis centers, trying to see if there was a place for erythropoietin, the people [there] were so sick and tired they could barely move. Without red blood cells, you don't feel warm, you don't feel energized, and it's a dreadful, dreadful thing. So we saw that we had the ability to help hundreds of thousands of people who had almost given up hope.”

He adds, “Today, I go into the dialysis center and people ask, ‘You had something to do with EPOGEN®?’ I say, ‘Oh, the company I was with has everything to do with EPOGEN®.’ They all know about it. They all know the difference EPOGEN® makes.”

Amgen founders Franklin “Pitch” Johnson, Jr. (left) and Bill Bowes (right), together with George Rathmann (center), relive a milestone in Amgen's history: the 1980 meeting in Johnson's backyard in Palo Alto, California, at which Rathmann agreed to be Amgen's CEO.



The moment George Rathmann excelled at both science and business and is now regarded as one of the founding fathers of the biotechnology industry.

The discovery of EPOGEN®

An old proverb says that good luck has a way of visiting those who work hardest. Certainly that's true of Fu-Kuen Lin and his discovery of the protein that became a medicine to help millions.

In 1983 Lin, a research scientist, was the first to isolate the gene for erythropoietin and, subsequently, to produce human erythropoietin in a form and quantity that made its therapeutic use possible. Those discoveries led to the development of Epoetin alfa, which in 1989 would reach patients as EPOGEN®. EPOGEN® was Amgen's first marketed product—and the biotechnology industry's first blockbuster medicine.

Amgen staffers recall that Lin and his assistant Chi-Hwei Lin (no relation) spent nearly every waking hour at the lab. Their task was staggering: finding a gene on a single fragment of DNA among about 1.5 million fragments of the human genome. It took two years of dogged effort—and many unsuccessful approaches—before an ingenious method, using multiple short strands of DNA as “probes” to fish for the erythropoietin gene, finally worked.

At the time, “some felt that it took too long for a small company to spend so much time on a project,” Lin remembers. “But I enjoyed it. I never felt it was a pressure to me.” He adds, “It's better to work on a tough project than an easy one. The easy one may be fun to do, but you can learn a hundred times more on the tough one.”



Fu-Kuen Lin with Chi-Hwei Lin today.



The moment Fu-Kuen Lin's discovery and isolation of the gene for erythropoietin and the subsequent development of EPOGEN® were the pivotal events in Amgen's transition from an unproven start-up to a successful business. Beyond these defining moments, the discoveries continue to unlock new potential to treat diseases more effectively.

The rise of manufacturing

“It’s not rocket science—it’s actually more complex.” So wrote *Fortune* magazine in 2004 about the manufacturing process for ENBREL® (etanercept) at Amgen’s Rhode Island facility. The observation applies equally to the company’s manufacturing operations in California, Colorado, Washington and Puerto Rico. Only a handful of companies worldwide have the expertise to manufacture biologically based medicines. Amgen is a leader among that elite group, producing more than a third of the world’s output of non-vaccine and non-insulin protein therapeutics.

From the beginning, the company’s contributions to the invention of a whole new field have been driven by a strong desire to meet the needs of patients. “Making proteins has always been a core competency for Amgen,” says Dave Bengston, vice president and general manager, Rhode Island Operations, who joined Amgen back in 1983. “When the company began, producing recombinant proteins for use in people was new technology, so it’s not like there were many places to farm it out. So we had to learn as we went along, taking the intent of FDA regulations and applying them to the new technology.” Amgen also made a decision early on to build a strong Process Development group—a decision that is still paying off today as the company continues to innovate newer and more efficient ways to produce state-of-the-art therapies.



Amgen’s new cell culture production manufacturing facility near Boulder, Colorado, is scheduled to be operational in 2005. Pictured there, left to right, are Lisa Baker, senior manager, Manufacturing; Jim Skrine, senior director, Quality; Ellen Johnson, engineer; and Dennis Fenton, executive vice president, Operations and corporate compliance officer.

The moment Since 1987, Amgen has been operating some of the world’s largest roller bottle manufacturing facilities.

The acquisition of Immunex

It was the industry's biggest deal ever when, in 2002, the world's number one biotechnology company, Amgen, acquired number three, Seattle-based Immunex Corporation. With a final price tag of about \$17.8 billion, the stakes were huge, but so was the potential payoff. For Amgen, it meant bolstering our presence in a major new therapeutic area, inflammation; a big boost in research capabilities; access to Seattle's thriving scientific community; new pipeline candidates; and most importantly, ENBREL® (etanercept), a novel and vitally important anti-inflammation therapy that has been described as "a pipeline in a product." For Immunex, Amgen's protein manufacturing expertise meant a solution to ENBREL® manufacturing shortages.

The scale of the integration was unprecedented in the biotechnology industry. But leadership at both companies saw the business and scientific synergies: Amgen's sales and marketing and clinical development capabilities would grow ENBREL® and Immunex's pipeline candidates, Amgen's world-class manufacturing know-how could address the ENBREL® supply problem, and Immunex's significant inflammation research capabilities could place Amgen in a position of industry leadership.

For the patients who needed a reliable supply of ENBREL®, the Immunex deal has been of immeasurable value. For Amgen, the integration was a positive learning experience — one that proved valuable in 2004 with the acquisition of the South San Francisco-based research firm Tularik Inc.

Amgen continues Immunex's heritage of scientific excellence in the Seattle area. In early 2004, Amgen opened its Seattle Helix campus, which contains lab and office space designed to optimize scientific exploration and collaboration and employs state-of-the-art technologies to accelerate the drug discovery process.



The moment When Amgen acquired Immunex in 2002, the Seattle-based company was recognized as a global leader in biotechnology research and a linchpin of the region's scientific community.

... and many more moments to come

The history of scientific progress is often told as a series of breakthrough moments. But as any scientist can tell you, those rare moments of success are woven together with countless moments of disappointment—of leads that led nowhere, of great ideas that never became more than ideas.

Disappointment and success, effort and end result—a complex braid of moments makes up the beautiful pattern of scientific inquiry. Every moment has a lesson to teach. Ultimately, it's the moments of real insight that come from perseverance, determination, and

execution that move medicine forward. Those are the moments that matter the most—to patients, to healthcare providers, and to Amgen.

In our first 25 years, Amgen has been fortunate to play a part in many such moments. While we can't predict what extraordinary advances in medical care will be made possible by new technologies and discoveries in the next 25 years, we intend to contribute to as many of them as we can.

We expect many more changes as we head into the future—but some things will not change. Amgen will continue to combine visionary science and innovation with rational decision-making and rigorous execution—because our pipeline is our future. And we will never lose sight of our mission to serve patients—because that's what makes it all worthwhile.



Amgen's Research and Development leaders, a few of whom are pictured above, work to transform the science of today into the powerful medicines of tomorrow. From left to right: Ruth Lightfoot-Dunn, vice president, Preclinical Safety Assessment; Paul Pearson, vice president, Pharmacokinetics and Drug Metabolism; Chris Fibiger, vice president and global head, Neuroscience; Susan Hershenson, vice president, Pharmaceuticals; and Glenn Begley, vice president, Hematology and Oncology Research.

25 years of visionary science and powerful medicine



1980

A small group of venture capitalists, led by Bill Bowes, establishes AMGen (Applied Molecular Genetics Inc.), headquartered in Thousand Oaks, California, on April 8

George B. Rathmann named president and chief executive officer

1981

Amgen raises \$19.4 million in venture capital—enough to hire a team of scientists

1982

Gordon M. Binder joins Amgen as chief financial officer

1983

Fu-Kuen Lin clones the human erythropoietin gene and subsequently produces the first human erythropoietin product, later patented and named EPOGEN® (Epoetin alfa)

Initial public offering of 2,350,000 shares results in nearly \$40 million raised; NASDAQ ticker symbol: AMGN

1984

Kirin Brewery Company and Amgen form a joint venture, Kirin-Amgen Inc., for the worldwide commercialization of erythropoietin

1985

A team led by Larry Souza clones granulocyte colony-stimulating factor (G-CSF), later patented and named NEUPOGEN® (Filgrastim)

1980 – 1991



1986

George B. Rathmann named chairman of Amgen's Board of Directors

1987

Amgen receives first patent relating to DNA used in producing EPOGEN®

1988

Gordon M. Binder named chief executive officer

1989

Amgen receives first patent for recombinant G-CSF (NEUPOGEN®)

FDA approves EPOGEN® for the treatment of anemia in adult patients with chronic renal failure who are on dialysis

Immunex discovers and files a patent application on a new TNF receptor that will be developed to become ENBREL® (etanercept)

Amgen enters Europe, establishing European headquarters in Lucerne, Switzerland, and a development organization in Cambridge, U.K.

EPOGEN® named "Product of the Year" by *Fortune* magazine

1990

George B. Rathmann retires

Gordon M. Binder named chairman of Amgen's Board of Directors

1991

Regulators in the U.S., Canada, Europe and Australia approve NEUPOGEN® to decrease the incidence of infection associated with chemotherapy-induced neutropenia in patients with non-myeloid cancers receiving myelo-suppressive therapy

Amgen establishes the Amgen Foundation for charitable giving

Amgen opens subsidiaries in Australia and Canada

NEUPOGEN® named "Product of the Year" by *Fortune* magazine



1992

Kevin W. Sharer named president and chief operating officer

1993

Regulators in Australia, Canada and Europe approve NEUPOGEN® for the treatment of severe chronic neutropenia

Amgen receives Australian, Canadian, European Community and U.S. regulatory approval for its multi-product manufacturing facility in Thousand Oaks

1994

FDA approves NEUPOGEN® for patients undergoing bone marrow transplantation and for patients with severe chronic neutropenia

Amgen opens subsidiary in Japan, Amgen K.K.

Amgen receives U.S. Department of Commerce National Medal of Technology, the nation's highest honor for innovation

Amgen acquires Synergen, Inc., a biotechnology company based in Boulder, Colorado

1995

FDA approves NEUPOGEN® for use in peripheral blood progenitor cell (PBPC) transplants

1996

Regulators in Australia and Canada approve NEUPOGEN® for use in PBPC transplants

1997

FDA approves INFERGEN® for treating patients with Hepatitis C (Today, INFERGEN® is marketed by Yamanouchi Pharmaceutical Co., Ltd. in Japan and by InterMune, Inc. in the U.S.)

1998

FDA approves NEUPOGEN® for use in support of treatment of acute myeloid leukemia

FDA approves Immunex's ENBREL® to treat patients with moderately to severely active rheumatoid arthritis



1999

Gordon M. Binder announces his retirement as chief executive officer

FDA approves Immunex's ENBREL® to treat patients with moderately to severely active poly-articular-course juvenile rheumatoid arthritis

FDA approves EPOGEN® to treat anemia in children with chronic renal failure who are on dialysis

2000

Kevin W. Sharer named chief executive officer

Amgen acquires Kinetix Pharmaceuticals, a Medford, Massachusetts-based company with expertise in small-molecule discovery

2001

FDA approves Kineret® (anakinra) to treat the signs and symptoms in patients with rheumatoid arthritis whose disease has failed to respond to prior treatment

Kevin W. Sharer becomes chairman of the Board of Directors

Regulators in the U.S. and Europe approve Aranesp® (darbepoetin alfa) to treat anemia associated with chronic kidney failure

2002

Regulators in the U.S. and Europe approve Neulasta® (pegfilgrastim) to decrease the incidence of infection in patients with non-myeloid cancers receiving myelosuppressive chemotherapy

Regulators in the U.S. and Europe approve Aranesp® for the treatment of chemotherapy-induced anemia in patients with non-myeloid malignancies

Amgen acquires Seattle-based Immunex Corporation

FDA approves Amgen's Rhode Island manufacturing facility for ENBREL®

FDA approves ENBREL® to treat the signs and symptoms of active arthritis in patients with psoriatic arthritis

2003

FDA approves ENBREL® for the treatment of ankylosing spondylitis and other expanded indications

2004

Regulators in the U.S., Canada and Europe approve Sensipar® (cinacalcet HCl) for the treatment of secondary hyperparathyroidism in chronic kidney disease patients on dialysis

FDA approves ENBREL® for the treatment of chronic moderate to severe plaque psoriasis in adults

Amgen expands operations in Europe to include 10 new Central and Eastern European countries

Amgen acquires South San Francisco-based Tularik Inc.

FDA approves Kevivance™ (palifermin) to decrease the incidence and duration of severe oral mucositis (mouth sores) in patients with hematologic (blood) cancers undergoing high-dose chemotherapy, with or without radiation, followed by bone marrow transplant



Innovators Pictured with CEO Kevin Sharer are just a few of the people at Amgen who are driving innovation throughout the organization to better meet the needs of patients.



Dear stockholders,
2004 was a good year for Amgen. We were true to our mission to serve patients; we delivered financially; we made available innovative new medicines to treat serious illness; we did well in an increasingly competitive marketplace; and we supplied every patient every time.

From left to right: Fabrizio Bonanni, senior vice president, Manufacturing; David Parkinson, vice president, Global Clinical Development; Leslie Mirani, senior director of U.S. Nephrology Sales; Kevin Sharer, chairman and chief executive officer; Diana McKenzie, senior director, Information Systems; Joseph Miletich, senior vice president, Research and Preclinical; Laura Hamill, vice president and general manager, Inflammation; and Joseph Phillips, senior director, Analytical Sciences.

It is hard to measure performance in one-year increments. Everything we accomplished in 2004 builds on what we have done in the past. In the preceding pages, you learned about our company's history of scientific innovation. You also met a few of the patients whose lives have been improved as a result of our efforts. These stories were years in the making.

Although we can feel proud of how far we have come in our work to help patients, it is humbling to consider how many needs are still unmet. The biggest challenges we face in 2005, or any year, are discovering, developing and successfully bringing to market innovative therapies that treat serious illness effectively and safely. Increasingly, Amgen must also answer ever more rigorous questions regarding our medicines and whether they are sufficiently value-creating in terms of clear disease-modifying effects and quality of life improvements to justify the investments that governments, private payers and patients make in buying them.

Much has been written about innovation in our industry, and the debate about who has the best system, which technologies are right, and what we can expect shows no sign of easing. We struggle with those questions, too. While we claim no superior insights, we know that innovation in a science- and medicine-based environment is especially challenging. Our knowledge of biology, while growing, is still very incomplete, and the human body is complex and elegant beyond description; and, unlike engineering-based environments, there are few steps we can take to rework the product if the initial experimental results do not demonstrate success. In the biotechnology world, creating and sustaining an environment where innovation can consistently and successfully happen is a difficult task. While this challenge is daunting, Amgen must meet it in order to continue to fulfill our mission of serving patients suffering from serious illness.

We at Amgen believe there are 10 key ingredients vital to innovation success. These 10 are fairly easy to describe and will not likely strike you as surprising. The challenge lies in doing them all very well,

simultaneously and over a sustained period of time. We work on all of these every day, and our work will never be done. We must be excellent in each area and, occasionally, a bit lucky to succeed. Here are Amgen's top 10 innovation requirements:

- 1. The best possible R&D leadership.** Should we miss the mark here, all else is compromised. The tone, standards and role model behavior are set at the top. I am very confident we have it right here.
- 2. An environment that is open, risk-hungry and collaborative, and that tolerates healthy dissent and rewards the right results and behaviors.** No enterprise ever gets this just right. But we try hard, and our every-two-year all staff survey just taken in the fall of 2004 says we are healthy and improving in these areas. Our values, mission, aspiration, leadership attributes and annual goals define the social architecture we follow in the uncompromising pursuit of innovation.
- 3. The best people.** While innovation starts with an insight by one or a few, successfully bringing that insight to patients is a vast, multi-functional activity that requires excellence across the board.
- 4. Large, sustained and smart investment.** We try to invest on the order of 20 percent of our product sales in research and development. A clinical trial can cost in excess of \$100 million. An individual research facility or factory can cost over \$500 million. Acquiring a capable and promising yet small company, such as Tularik, can cost over \$1 billion. Money alone does not assure success, but meaningful, sustained, smart investment is a prerequisite to success.
- 5. Willingness to look outside our company for new ideas and products and to place big bets.** Fighting the not-invented-here mindset is a challenge for all good, proud and successful firms. However, we know that only a tiny fraction of the scientists in the world work at Amgen. Good things are happening all around us. We must be a reliable, responsive and capable partner.

6. Close collaborative partnership across all the functions in the company. This could be the biggest challenge. Interaction among science, medicine, regulatory, manufacturing, marketing, intellectual property, finance and more must be seamless. Functional goals, personal differences and inconsistent priorities all must be overcome. Innovation cannot be systemized, but takes human, personal collaboration.

7. Nimbleness. We live in a competitive world and face hundreds of capable potential competitors. We must be nimble to win. Nimbleness means recognizing an opportunity before others, moving fast and effectively to pursue it, and being willing to take a chance. Competing intensely and winning is one of our core values. Remaining hungry and feeling small help fuel and sustain this defining spark.

8. Access to and skill in employing a broad range of technologies while being alert to how best to use new approaches. Over a decade ago, as the sequencing of the human genome was proceeding, Gordon Binder, Amgen's second CEO, and I decided to fund the development of a small-molecule capability to complement our large-molecule expertise. This work is now largely done and we are one of the few companies, if not the only one, with access to and deep skill in employing multiple therapeutic modalities. Fitting the modality—large molecule, antibody, small molecule—to the target is a core advantage for Amgen.

9. A focus on patients, physicians, providers and payers and sensitivity to their needs. Bringing a product to market is difficult. Making sure the broadest and most appropriate patient population has ready access to breakthrough medicines is increasingly challenging. Physicians need to see, understand and have well-founded confidence in the data. Payers and governments must be shown the medicine is effective, safe and a good value. These challenges will only grow in the future as health budgets are squeezed and society becomes even more demanding of us.

10. A decision-making process that is rigorous, decisive, participative, transparent, timely and effective. The amount of data, range of decisions, complexity and number of players in drug development is staggering. We make fact-based decisions, but judgment and good instincts are in the mix too. How can we be thorough and thoughtful while avoiding bureaucracy and gridlock? Making the hard decisions to stop after a decade of effort are sometimes the hardest calls. No one has the definitive answer to the appropriate innovation process, and we struggle too. The fact that we struggle and try to get better is a healthy sign.

The process of innovation is the central focus of the entire company, and we all work together in this challenging and vital effort, as we have since we began. We are 25 years old this year. We have much to celebrate and be thankful for, starting with the millions of patients we have helped. This annual report is dedicated to a giant of our company and our industry, Dr. George B. Rathmann. George was our founding CEO, and he built the framework for Amgen—a commitment to scientific discovery and a passion for serving patients suffering from serious illness. I am happy to report to George and our stockholders that we are still the company he founded.



Kevin W. Sharer
Chairman and Chief Executive Officer

March 14, 2005



Amgen 2004 highlights

The U.S. Food and Drug Administration (FDA) approves Amgen's first small-molecule therapy, Sensipar® (cinacalcet HCl), for the treatment of secondary hyperparathyroidism caused by chronic kidney disease. It is approved for the same indication in Canada, and, under the name Mimpara®, in Europe.

FDA approves Kepivance™ (palifermin) to decrease the incidence and duration of severe oral mucositis (mouth sores) in patients with hematologic (blood) cancers undergoing high-dose chemotherapy, with or without radiation, followed by bone marrow transplant. The safety and efficacy of Kepivance™ have not been established in patients with non-hematologic malignancies.

The European Commission approves extended Aranesp® (darbepoetin alfa) dosing intervals.

FDA approves the use of ENBREL® (etanercept) for the treatment of adult (18 years or older) patients with chronic moderate to severe plaque psoriasis who are candidates for systemic therapy or phototherapy.

FDA approves a 50 mg/mL pre-filled syringe as the recommended dosing form for ENBREL® for use in all approved adult indications. The new pre-filled syringe eliminates the need to mix the drug prior to injecting and allows many adult patients receiving ENBREL® to take only one injection per week, instead of two 25 mg injections per week.

Amgen initiates a landmark trial to evaluate the impact on cardiovascular outcomes of treating anemia in patients with chronic kidney disease and type 2 diabetes. TREAT (Trial to Reduce cardiovascular Events with Aranesp® Therapy) is one of the largest clinical trials in the company's history.

Ten new molecules are cleared to enter development.

Amgen commences five new first-in-human clinical trials in the United States and four in Japan.

Pivotal studies of Sensipar® and Kepivance™ are published in the *New England Journal of Medicine*.

Phase 3 trials begin for AMG 162, a fully human monoclonal antibody being investigated for potential use in postmenopausal osteoporosis and treatment-induced bone loss. The trials, in which Amgen intends to enroll thousands of patients, will be the largest ever conducted by the company.

FDA grants fast-track designation to AMG 706, an investigational anti-cancer therapy, and AMG 531, a potential treatment for immune thrombocytopenic purpura (a bleeding disorder).

Amgen acquires South San Francisco-based Tularik Inc., a pioneer in drug discovery related to cell signaling and the control of gene expression.

Helix, a state-of-the-art biotechnology research campus, opens at Amgen's Seattle site.

Amgen launches Amgen Ventures, a \$100 million venture capital fund that invests in early-stage human therapeutics and biotechnology companies.

The company continues to advance major expansions of its manufacturing facilities in Puerto Rico and Rhode Island, on schedule.

The Amgen Foundation gives more than \$16 million to advance science education, improve quality of care and access for patients, and support vital community resources. The company gives \$125 million in product donations and tens of millions in corporate cash giving. The Amgen Foundation expands by launching a giving program in Puerto Rico.

In the wake of the devastating tsunami that struck southern Asia on December 26, Amgen makes a \$1.25 million cash donation to the International Federation of Red Cross and Red Crescent Societies, and the Amgen Foundation provides a dollar-for-dollar match for contributions made by staff.

Amgen is named "Company of the Year" by *Forbes*, which reports that "Amgen is on the verge of a research renaissance."

Amgen is again included in *Fortune's* "Best Companies to Work For" list and in *Science* magazine's annual survey of top employers in the biotechnology and pharmaceutical industries. In addition, Amgen is chosen by *The Scientist* as one of the "Best Places to Work in Industry."

Facing page (clockwise, from top left)

At Amgen San Francisco, from left to right, Tassie Collins, senior principal scientist; Frank Kayser, senior principal scientist; and Dan Lin, senior scientist

At Amgen Australia, from left to right, Max Colao, director of Sales and Marketing; Kaylene O'Shea, director of Scientific Affairs; and Russell Edwards, regional director, Southeast Asia, Amgen Australia Pty Ltd.

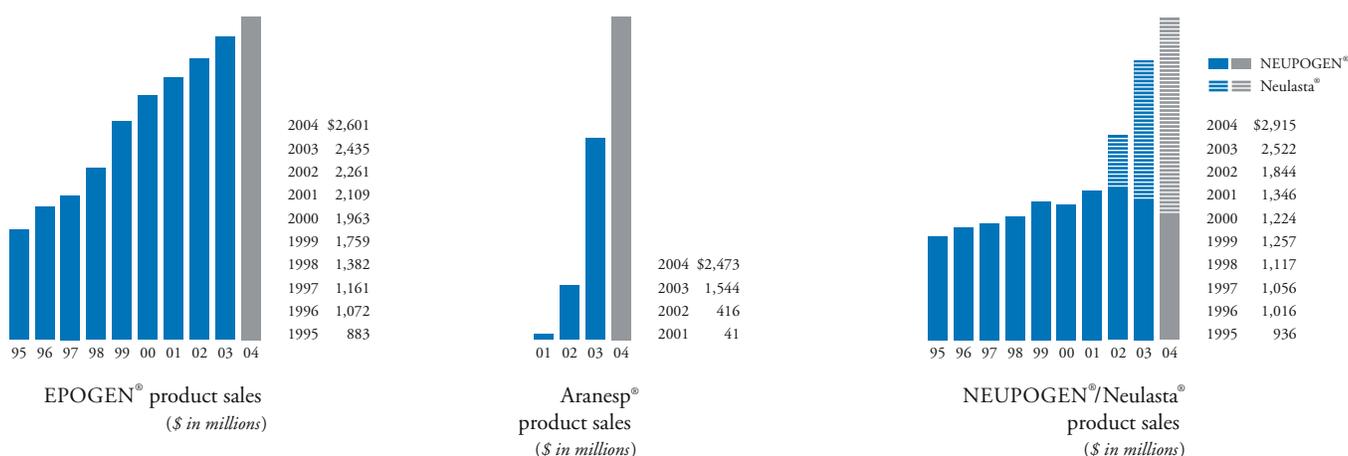
Jewell Sparks, Inflammation sales representative, California

Kepivance™ packaging and vial

At Amgen France, from left to right, Philippe Kiefer, medical leader; Valerie Bouchara, development operations manager; and Sylvie Lanniaux, customer service associate

Volunteering at a food bank in Boulder, Colorado, from left to right, Terry Quirk, site security manager for Amgen Colorado, and Hunyen Lee, engineering project manager

Selected financial information



Consolidated statement of operations data

(In millions, except per share data)

| Years ended December 31, | 2004 | 2003 | 2002 |
|---|----------|----------|----------|
| Revenues: | | | |
| Product sales ⁽¹⁾ | \$ 9,977 | \$ 7,868 | \$ 4,991 |
| Other revenues | 573 | 488 | 532 |
| Total revenues | 10,550 | 8,356 | 5,523 |
| Operating expenses: | | | |
| Cost of sales (excludes amortization of acquired intangible assets presented below) | 1,731 | 1,341 | 736 |
| Research and development | 2,028 | 1,655 | 1,117 |
| Write-off of acquired in-process research & development ⁽²⁾ | 554 | — | 2,992 |
| Selling, general and administrative | 2,556 | 1,957 | 1,449 |
| Amortization of acquired intangible assets | 333 | 336 | 155 |
| Other items, net | — | (24) | (141) |
| Net income (loss) | 2,363 | 2,259 | (1,392) |
| Diluted earnings (loss) per share | 1.81 | 1.69 | (1.21) |

Consolidated balance sheet data

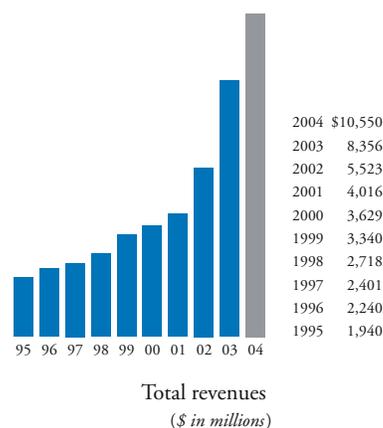
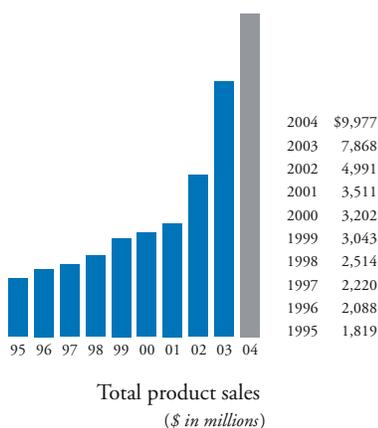
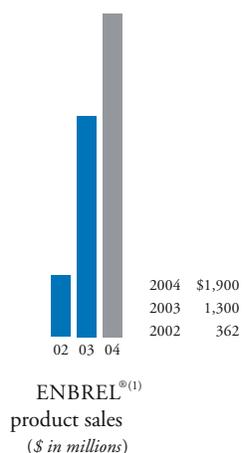
(In millions)

| At December 31, | 2004 | 2003 | 2002 |
|-------------------------------------|----------|----------|----------|
| Total assets ⁽³⁾ | \$29,221 | \$26,113 | \$24,456 |
| Long-term debt ⁽⁴⁾ | 3,937 | 3,080 | 3,048 |
| Stockholders' equity ⁽³⁾ | 19,705 | 19,389 | 18,286 |

⁽¹⁾ We began recording ENBREL[®] sales subsequent to our acquisition of Immunex Corporation ("Immunex") on July 15, 2002.

⁽²⁾ In 2004, as part of the accounting for the Tularik Inc. ("Tularik") acquisition, we recorded a charge to write off acquired in-process research and development ("IPR&D") of \$554 million. In 2002, as part of the accounting for the Immunex acquisition, we recorded a charge to write off acquired IPR&D of \$2,992 million. The IPR&D charge represents an estimate of the fair value of purchased in-process technology for projects that, as of the acquisition date, had not reached technological feasibility and had no alternative future use. See Note 7 to the Consolidated Financial Statements included in our 2004 Annual Report on Form 10-K for further discussion of the acquisitions of Tularik and Immunex and the IPR&D write-offs.

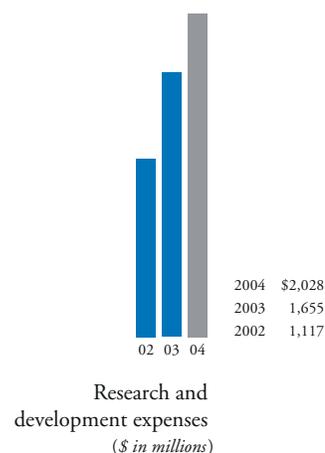
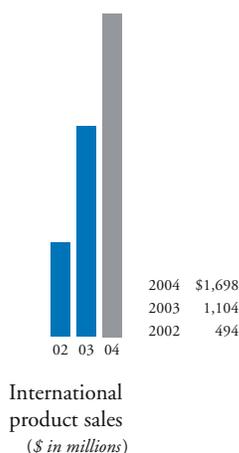
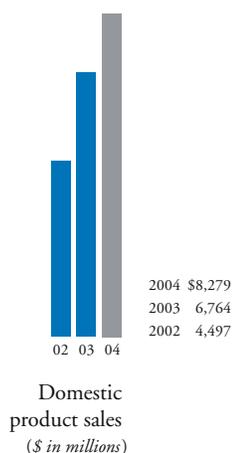
⁽³⁾ On August 13, 2004, we acquired all of the outstanding common stock of Tularik for approximately \$1.5 billion. On July 15, 2002, we acquired all of the outstanding common stock of Immunex for approximately \$17.8 billion. See Note 7 to the Consolidated Financial Statements included in our 2004 Annual Report on Form 10-K for further discussion of the acquisitions and the related accounting.



| 2001 | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 |
|---------|---------|---------|---------|---------|---------|---------|
| \$3,511 | \$3,202 | \$3,043 | \$2,514 | \$2,220 | \$2,088 | \$1,819 |
| 505 | 427 | 297 | 204 | 181 | 152 | 121 |
| 4,016 | 3,629 | 3,340 | 2,718 | 2,401 | 2,240 | 1,940 |
| 443 | 408 | 402 | 345 | 301 | 283 | 273 |
| 865 | 845 | 823 | 663 | 631 | 528 | 452 |
| — | 30 | — | — | — | — | — |
| 974 | 851 | 671 | 544 | 520 | 523 | 472 |
| — | — | — | — | — | — | — |
| 203 | (49) | (49) | (23) | 157 | — | — |
| 1,120 | 1,139 | 1,096 | 863 | 644 | 680 | 538 |
| 1.03 | 1.05 | 1.02 | 0.82 | 0.59 | 0.61 | 0.48 |
| 2001 | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 |
| \$6,443 | \$5,400 | \$4,078 | \$3,672 | \$3,110 | \$2,766 | \$2,433 |
| 223 | 223 | 223 | 223 | 229 | 59 | 177 |
| 5,217 | 4,315 | 3,024 | 2,562 | 2,139 | 1,906 | 1,672 |

⁽⁴⁾ In November 2004, we issued \$1.0 billion aggregate principal amount of 4.00% senior notes due 2009 and \$1.0 billion aggregate principal amount of 4.85% senior notes due 2014. In March 2002, we issued zero-coupon, senior convertible notes (the "Convertible Notes") with a face amount at maturity of \$3.95 billion. The holders of the Convertible Notes may require us to purchase all or a portion of their notes on various dates, the earliest of which is March 1, 2005. On March 2, 2005, as a result of certain holders of the Convertible Notes exercising their March 1, 2005 put option, we repurchased \$1,175 million, or approximately 40%, of the outstanding Convertible Notes at their then-accreted value for cash. Concurrently, we amended the terms of the Convertible Notes to add an additional put date in order to permit the remaining holders, at their option, to cause us to repurchase the Convertible Notes on March 1, 2006 at the then-accreted value. Accordingly, the portion of the Convertible Notes outstanding at December 31, 2004 not repurchased on March 2, 2005 was classified as long-term debt. See Note 4 to the Consolidated Financial Statements included in our 2004 Annual Report on Form 10-K for further discussion of the terms of the Convertible Notes.

Financial review



Revenue growth Amgen delivered strong business performance in 2004, achieving significant sales and earnings growth while continuing to maintain robust investment in research and development, new manufacturing facilities and product marketing. In 2004, total revenues reached a record \$10.6 billion, a 26 percent increase over 2003.

Total 2004 product sales grew 27 percent over the prior year to \$10.0 billion, as we continued to build strong franchises in nephrology, supportive cancer care, and inflammatory disease. Worldwide sales growth in 2004 was principally driven by demand for Aranesp® (darbepoetin alfa), Amgen's latest product for the treatment of anemia associated with chronic kidney disease and chemotherapy-induced anemia; ENBREL® (etanercept), Amgen's leading inflammation biologic used in the treatment of diseases such as rheumatoid arthritis, psoriatic arthritis and psoriasis; and Neulasta® (pegfilgrastim), Amgen's once-per-cycle product for decreasing the incidence of neutropenic infections associated with many types of cancer chemotherapy treatments. U.S. sales for Aranesp® and Neulasta® were impacted by higher incentives earned by customers under performance-based contracts.

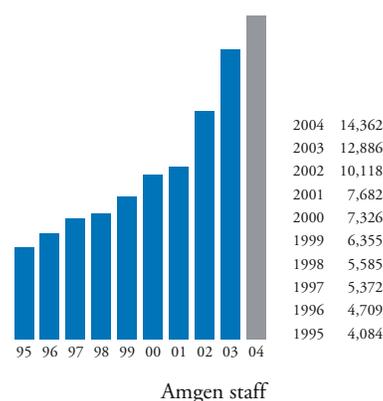
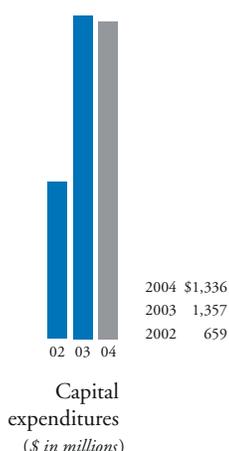
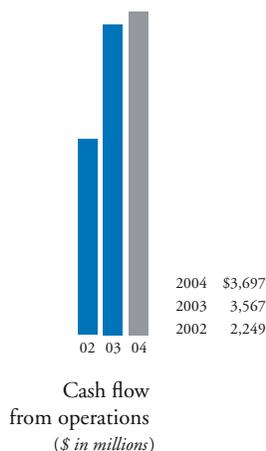
U.S. product sales increased 22 percent to \$8.3 billion, representing 83 percent of Amgen's total product sales in 2004. Amgen's international product sales increased 54 percent to \$1.7 billion in 2004.

International product sales growth during 2004 benefited by \$164 million from foreign currency rate changes. Our international growth was driven primarily by additional market penetration of our products in Europe.

Total sales of EPOGEN® (Epoetin alfa), Amgen's anemia therapy for patients with chronic renal failure on dialysis, increased 7 percent to \$2.6 billion. EPOGEN® continued to have solid sales growth after 15 years on the market. This sales growth was primarily driven by demand, which reflects dialysis patient population growth and a continued focus in the renal community on patient outcomes and, to a lesser extent, by increases in wholesaler inventory levels.

Worldwide sales of Aranesp® increased 60 percent in 2004 to \$2.5 billion, driven by demand, which benefited from market share gains in both oncology and nephrology and market growth. U.S. sales growth was impacted by higher incentives earned by customers attaining higher sales volumes and growth under performance-based contracts.

Total combined worldwide sales of Neulasta® and NEUPOGEN® (Filgrastim), Amgen's products used to decrease the incidence of many types of chemotherapy-related infections, increased 16 percent in 2004 to \$2.9 billion. Combined sales growth for Neulasta® and NEUPOGEN® was driven by worldwide



demand for Neulasta[®]. Worldwide sales of Neulasta[®] increased 39 percent in 2004 primarily driven by demand, which benefited from new clinical data demonstrating the value of first-cycle use. U.S. sales growth was impacted by higher incentives earned by customers attaining higher sales volumes and growth under performance-based contracts. The decrease in worldwide NEUPOGEN[®] sales was primarily due to a decline in demand, which reflects the conversion of NEUPOGEN[®] patients to Neulasta[®].

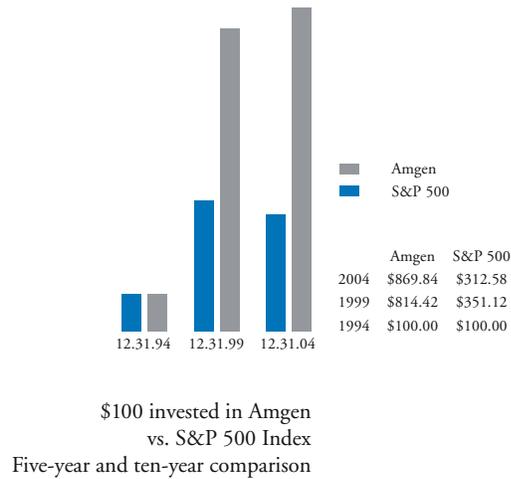
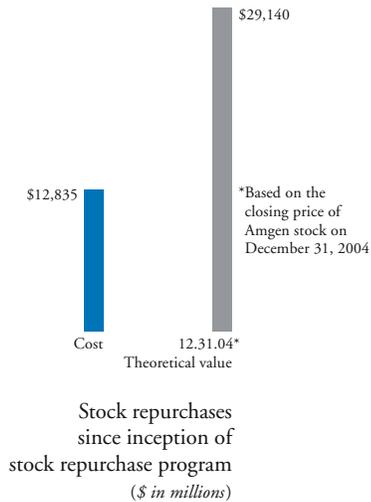
ENBREL[®] sales in 2004 increased 46 percent to \$1.9 billion. Sales growth for ENBREL[®] was driven by demand benefiting from ENBREL[®]'s competitive profile and the significant growth of biologics in the rheumatology and dermatology markets. In the dermatology market, ENBREL[®] has grown significantly since its approval for moderate to severe psoriasis in April 2004 and has become the number one prescribed systemic therapy in this market.

Financial performance Amgen's adjusted earnings per share rose 26 percent in 2004 to \$2.40 from \$1.90 in 2003. Under generally accepted accounting principles in the United States (GAAP), Amgen's reported earnings per share increased 7 percent in 2004 to \$1.81 versus \$1.69 in 2003. Adjusted earnings per share for 2003 and 2004 exclude certain expenses related to the acquisitions of Immunex

Corporation and Tularik Inc. These expenses and other items are itemized on the reconciliation table that follows this section.

Amgen's cash flow from operations totaled \$3.7 billion in 2004. As of December 31, 2004, our cash and short-term marketable securities totaled \$5.8 billion. We believe that existing funds, cash generated from operations, and existing sources of and access to financing are adequate to satisfy our working capital, capital expenditure and debt service requirements for the foreseeable future, as well as to support our stock repurchase program. However, in order to provide for greater financial flexibility and liquidity, we may raise additional capital from time to time. In 2004, Amgen raised approximately \$2.0 billion by offering senior notes, \$1.0 billion with a five-year maturity and \$1.0 billion with a ten-year maturity. We intend to use the net proceeds for open market purchases of shares under our stock repurchase programs as well as for general corporate purposes.

Investing in our business Our 2004 research and development (R&D) expenses increased 23 percent to \$2.0 billion and were 20 percent of the year's total product sales—an industry-leading level of investment. The increase in R&D expenses was primarily driven by higher staff-related costs including the addition of R&D personnel from



Tularik, and, to a lesser extent, higher clinical manufacturing and key clinical trials costs including the commencement of large-scale phase 3 trials for AMG 162, Amgen's investigational therapy for bone loss. Amgen had approximately 35,000 patients enrolled in clinical trials at year-end 2004.

In 2004, we acquired Tularik, a pioneer in drug discovery related to cell signaling and the control of gene expression. The acquisition added several clinical development candidates to our pipeline, more than doubled our number of metabolic research and pre-clinical programs, and further strengthened our research capabilities. Also in 2004, we announced the formation of Amgen Ventures, a \$100 million corporate venture capital fund designed to provide Amgen access to early-stage biotechnology companies with insight into research innovations that may pave the way for future collaborations.

In 2004, Amgen invested \$1.3 billion in capital projects. The investment related primarily to the Thousand Oaks site expansion, the new ENBREL® manufacturing plant in Rhode Island, and the Puerto Rico manufacturing expansion.

Stockholder value Amgen seeks to build long-term value for its stockholders by preserving an appropriate balance between near-term earnings growth and ongoing reinvestment in basic research, pipeline

development, and support of marketed products.

Repurchases under our stock repurchase program reflect, in part, our confidence in the long-term value of Amgen common stock. Our level of investment depends on a variety of factors, including the stock price and blackout periods during which we are restricted from repurchasing shares. In 2004, we repurchased \$4.1 billion of Amgen common stock, representing approximately 69 million shares. In December 2004, Amgen's board of directors authorized the repurchase of up to an additional \$5.0 billion of common stock. As of December 31, 2004, we have approximately \$6.0 billion remaining under our stock repurchase programs. Since inception of the stock repurchase program in 1992, Amgen has purchased 454 million shares at a cost of \$12.8 billion. These shares theoretically were worth \$29.1 billion as of December 31, 2004.

At year-end 2004, the closing price for Amgen common stock was \$64.15 per share, an increase of 4 percent for the year, while the S&P 500 Index showed an increase of 11 percent for the year. Over five-year and ten-year periods beginning December 31, 1994, an investment in Amgen common stock would have increased by 714 percent and 770 percent, respectively. A similar investment in the S&P 500 Index would have increased by 251 percent and 213 percent, respectively, over the same timeframes.

Reconciliation of GAAP earnings per share to “Adjusted” earnings per share (unaudited)

| Year ended December 31, | 2004 | 2003 |
|---|------------------------|-----------------------|
| GAAP earnings per share | \$1.81 | \$1.69 |
| Adjustments to GAAP earnings per share: | | |
| Write-off of acquired in-process research and development | 0.42 ⁽¹⁾ | — |
| Amortization of acquired intangible assets | 0.25 ⁽²⁾ | 0.25 ⁽²⁾ |
| Other merger-related expenses | 0.04 ⁽³⁾⁽⁴⁾ | 0.05 ⁽⁴⁾ |
| Legal awards and cost recoveries | (0.01) ⁽⁵⁾ | (0.05) ⁽⁶⁾ |
| Amgen Foundation contribution | — | 0.04 ⁽⁷⁾ |
| Legal settlement | — | 0.03 ⁽⁸⁾ |
| Tax effects of the above adjustments | (0.11) ⁽⁹⁾ | (0.11) ⁽⁹⁾ |
| “Adjusted” earnings per share | \$2.40 | \$1.90 |

⁽¹⁾ To exclude the non-cash expense associated with writing off the acquired in-process research and development (“IPR&D”) related to the Tularik acquisition.

⁽²⁾ To exclude the ongoing, non-cash amortization of acquired intangible assets, primarily ENBREL[®], related to the Immunex acquisition.

⁽³⁾ To exclude the incremental compensation provided to certain Tularik employees principally related to non-cash compensation expense associated with stock options assumed in connection with the acquisition and amounts payable under the Tularik short-term retention plan.

⁽⁴⁾ To exclude the incremental compensation payable to certain Immunex employees principally under the Immunex short-term retention plan.

⁽⁵⁾ To exclude the impact of our share of the third-party reimbursement received by Kirin-Amgen, Inc. (“KA”) related to the Genentech, Inc. (“Genentech”) legal settlement (see (8) below).

⁽⁶⁾ To exclude a benefit for the recovery of costs and expenses associated with a legal award related to an arbitration proceeding with Johnson & Johnson.

⁽⁷⁾ To exclude a cash contribution to the Amgen Foundation.

⁽⁸⁾ To exclude the impact of a legal settlement paid to Genentech in connection with settling a patent litigation matter relating to our processes for producing NEUPOGEN[®] and Neulasta[®]. Pursuant to the terms of a license agreement between us and KA, an entity 50% owned by us, KA was obligated to indemnify us for the payment made to Genentech. We account for our ownership interest in KA under the equity method and, accordingly, recorded our share of such loss incurred by KA.

⁽⁹⁾ To reflect the tax effect of the above adjustments, except for the write-off of acquired IPR&D.

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California Institute of Technology

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Chief Executive Officer,
The Allstate Corporation

Edward V. Fritzkly
Retired Chairman and
Chief Executive Officer,
Immunex Corporation

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Former Managing Director,
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Transamerica Corporation

Franklin P. Johnson, Jr.
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Leonard D. Schaeffer
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Chief Executive Officer
and President,
Amgen Inc.

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Global Government Affairs

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Willard Dere
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Executive Vice President,
Research and Development

David J. Scott
Senior Vice President,
General Counsel and Secretary

Kevin W. Sharer
Chairman of the Board,
Chief Executive Officer
and President

Stockholder Information

Corporate Office

One Amgen Center Drive
Thousand Oaks, California 91320-1799
(805) 447-1000

Amgen 2004 Annual Report Summary and Availability of SEC Form 10-K

This information is a summary and does not provide complete information; it should be considered along with the Company's Annual Report on Form 10-K for the year ended December 31, 2004. A copy of the Company's Form 10-K for the year ended December 31, 2004, filed with the Securities and Exchange Commission, is available without charge, upon written request to Investor Relations, Amgen, One Amgen Center Drive, Thousand Oaks, California 91320-1799, by calling (800) 84-AMGEN, or by accessing the Company's Web site at www.amgen.com.

Transfer Agent and Registrar

American Stock Transfer & Trust Company
59 Maiden Lane
New York, New York 10038

Stockholder Inquiries

Inquiries related to stock transfers or lost certificates should be directed to American Stock Transfer & Trust Company, (800) 937-5449 or (212) 936-5100. General information regarding the Company and recent news releases can be obtained by contacting Amgen's automated stockholder information line at (800) 84-AMGEN or by accessing the Company's Web site at www.amgen.com.

Independent Registered Public Accounting Firm

Ernst & Young LLP, Los Angeles, California

Annual Meeting

The Annual Meeting will be held on Wednesday, May 11, 2005, at 2 p.m. at the Fairmont Olympic Hotel, 411 University Street, Seattle, Washington 98101.

Price Range of Common Stock

The Company's common stock trades on The NASDAQ Stock Market under the symbol AMGN. No cash dividends have been paid on the common stock to date, and the Company currently intends to utilize any earnings for development of the Company's business and for repurchases of its common stock.

The following table sets forth, for the fiscal periods indicated, the range of high and low closing sales prices of the common stock as quoted on The NASDAQ Stock Market for the years 2004 and 2003:

| | 2004 | | 2003 | |
|-------------|---------|---------|---------|---------|
| | High | Low | High | Low |
| 4th Quarter | \$64.76 | \$52.70 | \$67.14 | \$57.62 |
| 3rd Quarter | 59.98 | 53.23 | 71.54 | 64.52 |
| 2nd Quarter | 60.43 | 52.82 | 67.50 | 57.60 |
| 1st Quarter | 66.23 | 57.83 | 58.87 | 48.88 |

Trademarks Listed in this Report

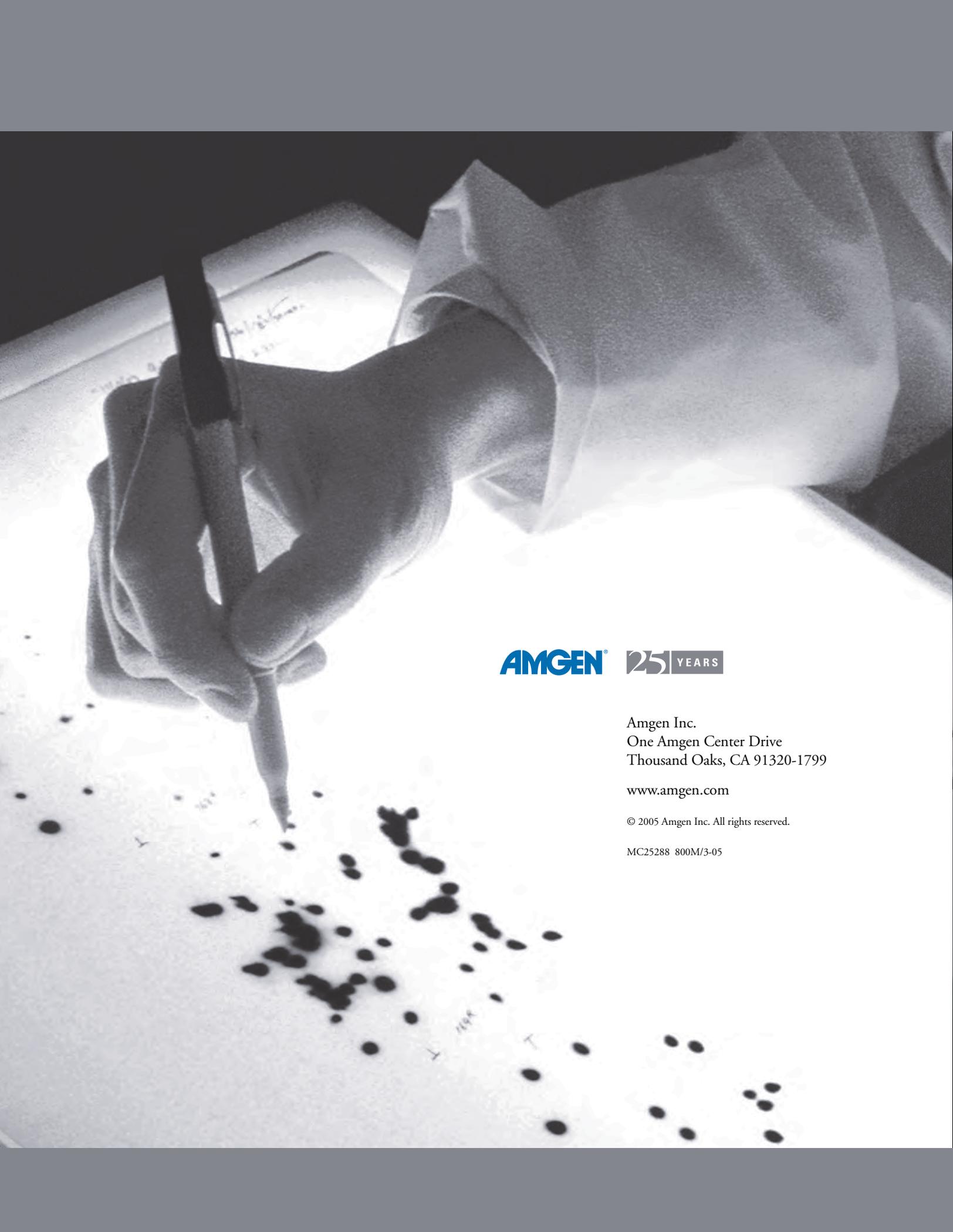
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Hotlines

Customer Service Hotline (800) 28-AMGEN
Investor Materials Hotline (800) 84-AMGEN
Jobline (800) 446-4007
Medical Information Connection (800) 77-AMGEN
Reimbursement Hotline (800) 272-9376
Clinical Safety Hotline (800) 835-2879



Amgen leaders past and present, from left to right, current CEO Kevin Sharer, founder Franklin "Pitch" Johnson, former CEO Gordon Binder, former CEO George Rathmann (seated) and founder Bill Bowes.



AMGEN® **25** YEARS

Amgen Inc.
One Amgen Center Drive
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www.amgen.com

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