Q2 ’18 EARNINGS CALL

JULY 26, 2018

AMGEN®

SAFE HARBOR STATEMENT

This presentation contains forward-looking statements that are based on management's current expectations and beliefs and are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those described. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements, including statements about estimates of revenues, operating margins, capital expenditures, cash, other financial metrics, expected legal, arbitration, political, regulatory or clinical results or practices, customer and prescriber patterns or practices, reimbursement activities and outcomes and other such estimates and results. Forward-looking statements involve significant risks and uncertainties, including those discussed below and more fully described in the Securities and Exchange Commission (SEC) reports filed by Amgen, including Amgen's most recent annual report on Form 10-K and any subsequent periodic reports on Form 10-Q and Form 8-K. Please refer to Amgen's most recent Forms 10-K, 10-Q and 8-K for additional information on the uncertainties and risk factors related to our business. Unless otherwise noted, Amgen is providing this information as of July 26, 2018 and expressly disclaims any duty to update information contained in this presentation.

No forward-looking statement can be guaranteed and actual results may differ materially from those we project. Our results may be affected by our ability to successfully market both new and existing products domestically and internationally, clinical and regulatory developments involving current and future products, sales growth of recently launched products, competition from other products including biosimilars, difficulties or delays in manufacturing our products and global economic conditions. In addition, sales of our products are affected by pricing pressure, political and public scrutiny and reimbursement policies imposed by third-party payers, including governments, private insurance plans and managed care providers and may be affected by regulatory, clinical and guideline developments and domestic and international trends toward managed care and healthcare cost containment. Furthermore, our research, testing, pricing, marketing and other operations are subject to extensive regulation by domestic and foreign government regulatory authorities. We or others could identify safety, side effects or manufacturing problems with our products, including our devices, after they are on the market. Our business may be impacted by government investigations, litigation and product liability claims. In addition, our business may be impacted by the adoption of new tax legislation or exposure to additional tax liabilities. If we fail to meet the compliance obligations in the corporate integrity agreement between us and the U.S. government, we could become subject to significant sanctions. Further, while we routinely obtain patents for our products and technology, the protection offered by our patents and patent applications may be challenged, invalidated or circumvented by our competitors, or we may fail to prevail in present and future intellectual property litigation. We perform a substantial amount of our commercial manufacturing activities at a few key facilities, including in Puerto Rico, and also depend on third parties for a portion of our manufacturing activities, and limits on supply may constrain sales of certain of our current products and product candidate development. In addition, we compete with other companies with respect to many of our marketed products as well as for the discovery and development of new products. Discovery or identification of new product candidates cannot be guaranteed and movement from concept to product is uncertain; consequently, there can be no guarantee that any particular product candidate will be successful and become a commercial product. Further, some raw materials, medical devices and component parts for our products are supplied by sole third-party suppliers. Certain of our distributors, customers and payers have substantial purchasing leverage in their dealings with us. The discovery of significant problems with a product similar to one of our products that implicate an entire class of products could have a material adverse effect on sales of the affected products and on our business and results of operations. Our efforts to acquire other companies or products and to integrate the operations of companies we have acquired may not be successful. A breakdown, cyberattack or information security breach could compromise the confidentiality, integrity and availability of our systems and our data. Our stock price is volatile and may be affected by a number of events. Our business performance could affect or limit the ability of our Board of Directors to declare a dividend or our ability to pay a dividend or repurchase our common stock. We may not be able to access the capital and credit markets on terms that are favorable to us, or at all.

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

AGENDA

Introduction	Arvind Sood
Opening Remarks	Bob Bradway
Q2 ’18 Business Results	David Meline
Global Commercial Review	Tony Hooper
R&D Review	Sean Harper
Q&A	All

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INVESTING FOR LONG-TERM GROWTH

- **Strong double-digit, volume-driven growth from our new and recently launched products**
- **We are focused on innovative and differentiated medicines to address large unmet medical needs**
- **New product launches across neuroscience, nephrology and our biosimilar portfolio are helping to deliver on our long-term growth potential**
- **Strong free cash flows allow us to invest in innovation, including our investment in a new, next-generation manufacturing plant in the U.S.**
- **Our outlook remains strong**

Q2 ’18 BUSINESS RESULTS

DAVID MELINE
EXECUTIVE VICE PRESIDENT
AND CHIEF FINANCIAL OFFICER

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NON-GAAP EPS IS UP 17% IN Q2 ’18

$ Millions, Except Non-GAAP EPS

Item	Q2 ’18	Q2 ’17	B/(W) %
Revenue	$6,059	$5,810	4%
Product Sales	5,679	5,574	2%
Other Revenues	380	236	
Non-GAAP Operating Expenses	2,928	2,735	(7)%
Cost of Sales *% of product sales*	745 *13.1%*	710 *12.7%*	
R&D *% of product sales*	850 *15.0%*	851 *15.3%*	
SG&A *% of product sales*	1,333 *23.5%*	1,174 *21.1%*	
Non-GAAP Operating Income *% of product sales*	3,131 *55.1%*	3,075 *55.2%*	2%
Other Income/(Expense)	(185)	(156)	
Non-GAAP Net Income	$2,529	$2,410	5%
Non-GAAP EPS	$3.83	$3.27	17%
Average Shares	660	738	11%
Non-GAAP Tax Rate	14.2%	17.4%	3.2 pts

All income statement items for Q2 ’18 and/or Q2 ’17, except revenue, other income/(expense) and average shares, are non-GAAP financial measures—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section

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FREE CASH FLOW WAS $1.9B IN Q2 ’18

$ Billions

Cash Flow Data	Q2 ’18	Q2 ’17
Capital Expenditures	$0.2	$0.2
Free Cash Flow*	1.9	2.1
Share Repurchase	3.2	1.0
Dividends Paid	0.9	0.8
Balance Sheet Data	**Q2 ’18**	**Q2 ’17**
Cash and Investments	29.4	39.2
Debt Outstanding	34.5	35.1

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

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2018 GUIDANCE

	Updated Guidance	Previous Guidance
Revenue	$22.5B–$23.2B	$21.9B–$22.8B
Non-GAAP EPS*	$13.30–$14.00	$12.80–$13.70
Non-GAAP Tax Rate*	13.5%–14.5%	13.5%–14.5%
Capital Expenditures	~ $750M	~ $750M

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

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GLOBAL COMMERCIAL REVIEW

TONY HOOPER
EXECUTIVE VICE PRESIDENT,
GLOBAL COMMERCIAL OPERATIONS

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Q2 ’18 GLOBAL COMMERCIAL REVIEW

$ Millions, Net Sales	Q2 ’18			Q2 ’17	YoY △
	U.S.	ROW	Total	Total	Total
Repatha®	$98	$50	$148	$83	78%
BLINCYTO®	34	26	60	43	40%
KYPROLIS®	151	112	263	211	25%
Prolia®	396	214	610	505	21%
XGEVA®	339	113	452	395	14%
Nplate®	107	72	179	164	9%
Vectibix®	68	105	173	168	3%
Neulasta®	948	152	1,100	1,087	1%
Sensipar®/Mimpara®	330	90	420	427	(2%)
Parsabiv™	66	7	73	0	NM
Enbrel®	1,252	50	1,302	1,466	(11%)
Aranesp®	241	231	472	535	(12%)
EPOGEN®	250	0	250	292	(14%)
NEUPOGEN®	63	39	102	137	(26%)
Other*	24	51	75	61	23%
Total Product Sales	$4,367	$1,312	$5,679	$5,574	2%
Total Revenues			$6,059	$5,810	4%

NM = not meaningful

*Other includes Bergamo, MN Pharma, IMLYGIC®, Corlanor®, Aimovig™ and KANJINTI™; KANJINTI™ trade name provisionally approved by the U.S. Food and Drug Administration

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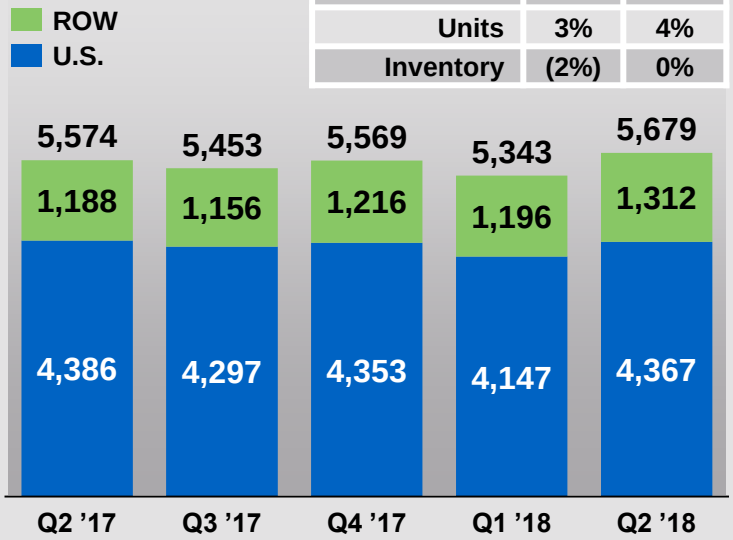
Q2 ’18 PRODUCT SALES

$ Millions, Net Sales

	Q2 ’18	YoY	QoQ
Total Growth		2%	6%
Units		3%	4%
Inventory		(2%)	0%



Highlights

- **Product sales grew 2%**
- **Numerous products delivering double-digit growth**
- **International sales grew 9%, excluding the impact of foreign exchange,* driven by 14% unit growth**
- **Launched Aimovig™ for the treatment of migraine in the U.S. and our first biosimilar, KANJINTI™, a biosimilar version of Herceptin®, in Europe**

*Non-GAAP financial measure—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section; Aimovig™ developed in collaboration with Novartis; KANJINTI™ trade name provisionally approved by FDA; Herceptin® is a registered trademark of Genentech; Note: Inventory represents wholesaler and, based on prescription data for Enbrel®, end-user inventories

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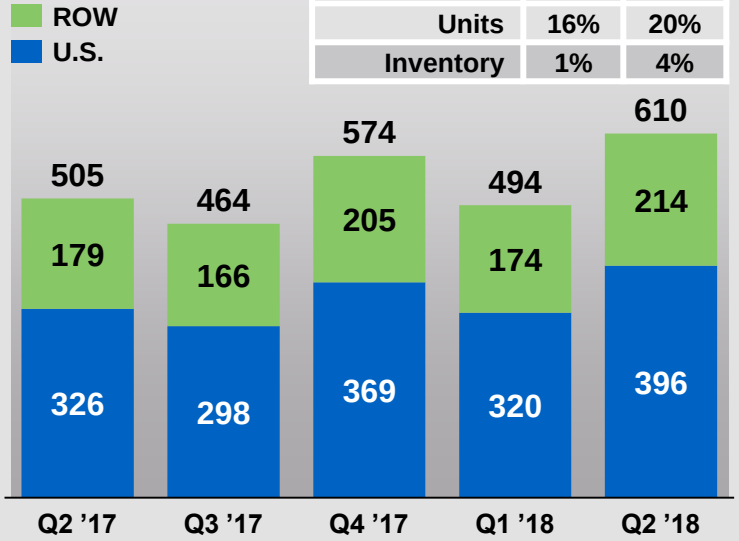
Q2 ’18 PROLIA® SALES GREW 21% YOY

$ Millions, Net Sales

	Q2 ’18	YoY	QoQ
Total Growth		21%	23%
Units		16%	20%
Inventory		1%	4%



Highlights

- **Double-digit unit growth from share gains worldwide**
  - **Repeat injection rates remain strong**
- **Continuing to increase investment to support Prolia®**
- **Expect Prolia® will remain a significant growth driver**

Note: Inventory represents wholesaler inventories

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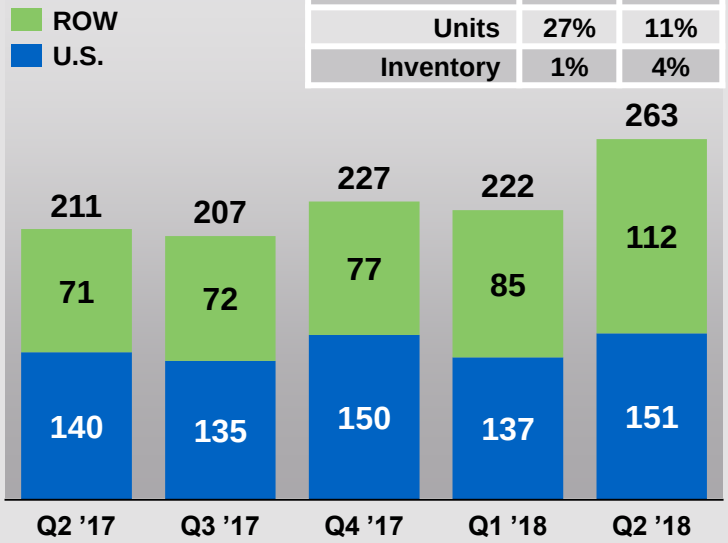
Q2 ’18 KYPROLIS® SALES GREW 25% YOY

$ Millions, Net Sales

	Q2 ’18	YoY	QoQ
Total Growth		25%	18%
Units		27%	11%
Inventory		1%	4%



Highlights

- **Strong unit growth YoY driven primarily by ex-U.S. business**
  - **European business benefited from a $27M clinical trial purchase in Q2**
- **Received approval in the U.S. and EU to include overall survival data from the ASPIRE study**
- **Reimbursement received in France**

Note: Inventory represents wholesaler inventories

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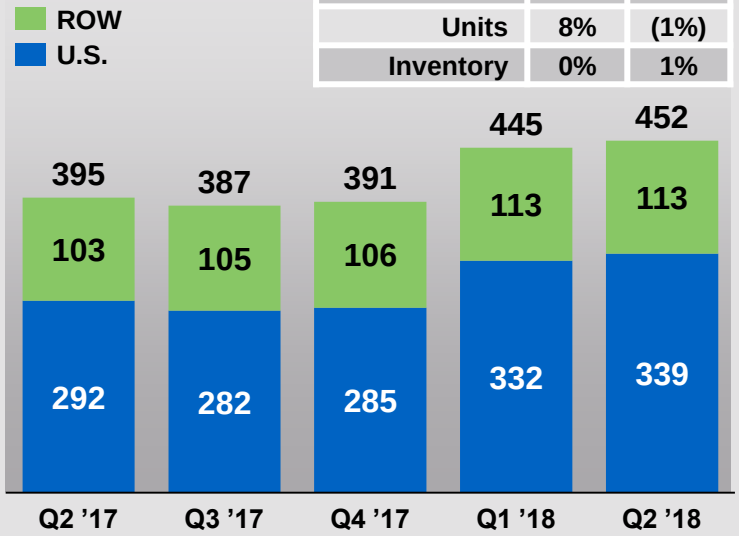
Q2 ’18 XGEVA® SALES GREW 14% YOY

XGEVA® (denosumab)

$ Millions, Net Sales

	Q2 ’18	YoY	QoQ
Total Growth		14%	2%
Units		8%	(1%)
Inventory		0%	1%



Highlights

- YoY growth driven primarily from unit volume growth
- Positive feedback from physicians on multiple myeloma label update

Note: Inventory represents wholesaler inventories

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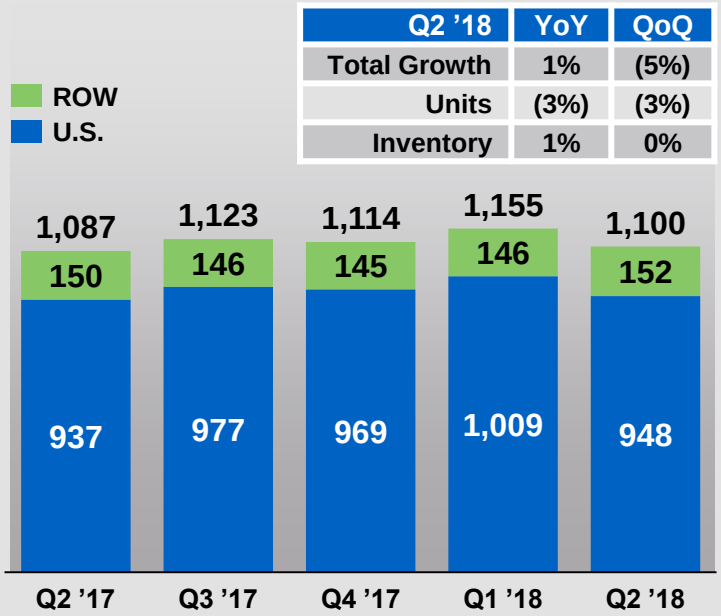
Q2 ’18 NEULASTA® SALES GREW 1% YOY

$ Millions, Net Sales



	Q2 ’18	YoY	QoQ
Total Growth		1%	(5%)
Units		(3%)	(3%)
Inventory		1%	0%

Highlights

- Slight reduction in the overall segment in Q2 driving YoY unit volume decline
- Neulasta® Onpro® exited Q2 ’18 with 63% of U.S. Neulasta® units sold
- Recently launched Onpro® in Germany, UK, Netherlands, Poland, Ireland and Austria
- Ready to compete if and when biosimilars enter

Note: Inventory represents wholesaler inventories

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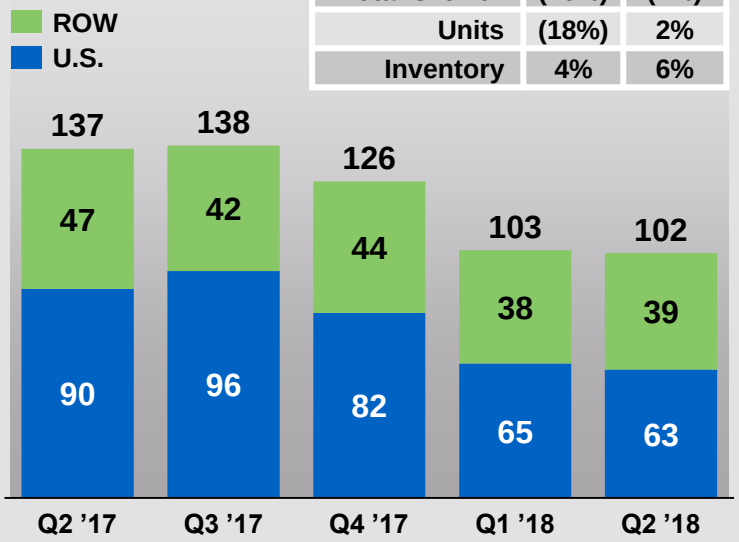
Q2 ’18 NEUPOGEN® SALES DECLINED 26% YOY

NEUPOGEN® (FILGRASTIM)

$ Millions, Net Sales

	Q2 ’18	YoY	QoQ
Total Growth		(26%)	(1%)
Units		(18%)	2%
Inventory		4%	6%



Highlights

- Modest share loss trends continue
- In the U.S., NEUPOGEN® exited Q2 with nearly 37% unit share of short-acting segment
- Instills confidence in our own biosimilars portfolio

Note: Inventory represents wholesaler inventories

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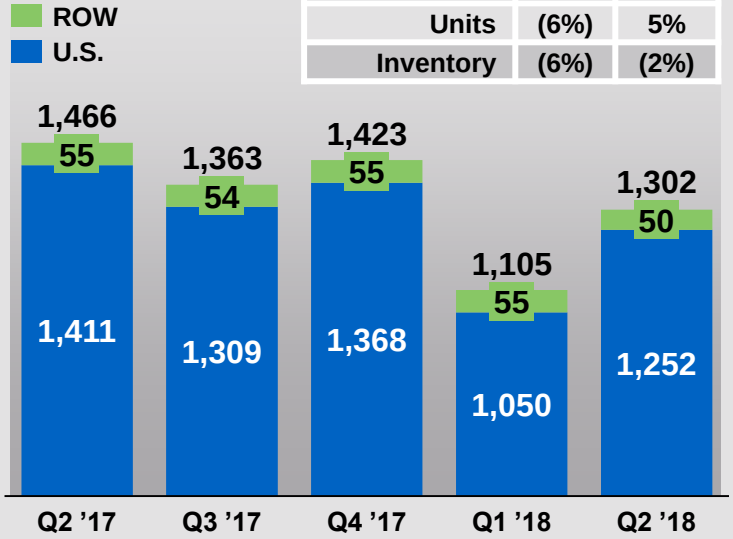
Q2 ’18 ENBREL® SALES DECLINED 11% YOY

$ Millions, Net Sales

	Q2 ’18	YoY	QoQ
Total Growth		(11%)	18%
Units		(6%)	5%
Inventory		(6%)	(2%)



Highlights

- YoY comparison reflects benefit in Q2 ’17 from significant inventory build
- Segment growth and unit share trends consistent with recent quarters
- Net selling price* expected to decline slightly versus 2017
- ENBREL Mini® with AutoTouch™† has been met with positive patient and customer feedback

***Net selling price represents the impact of list price changes as well as contracting and access changes; †ENBREL Mini® single-dose prefilled cartridge with AutoTouch™ reusable autoinjector; Note: Inventory represents wholesaler and, based on prescription data, end-user inventories**

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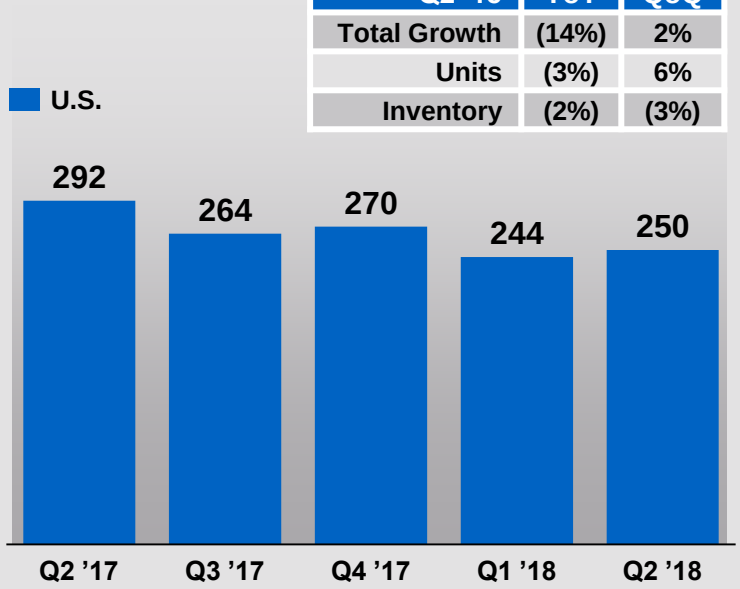
Q2 ’18 EPOGEN® SALES DECLINED 14% YOY

EPOGEN (EPOETIN ALFA) RECOMBINANT

$ Millions, Net Sales

	Q2 ’18	YoY	QoQ
Total Growth		(14%)	2%
Units		(3%)	6%
Inventory		(2%)	(3%)



Highlights

- **YoY sales decline primarily due to lower net selling price* driven by the extended supply agreement with DaVita**

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

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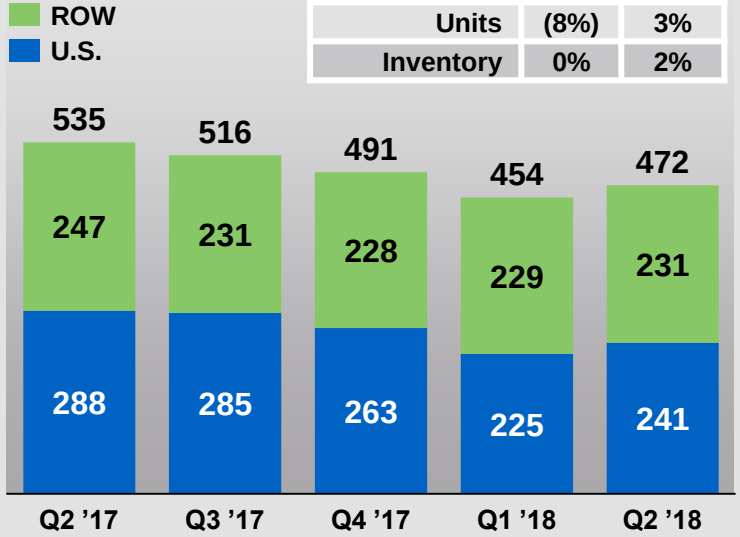
Q2 ’18 ARANESP® SALES DECLINED 12% YOY

Aranesp® (darbepoetin alfa)

$ Millions, Net Sales

	Q2 ’18	YoY	QoQ
Total Growth		(12%)	4%
Units		(8%)	3%
Inventory		0%	2%



Highlights

- YoY decline primarily driven by lower unit volume demand from increased competition
- Prepared to compete with the recently approved short-acting ESA biosimilar in the U.S.

Note: Inventory represents wholesaler inventories; ESA = erythropoiesis-stimulating agent

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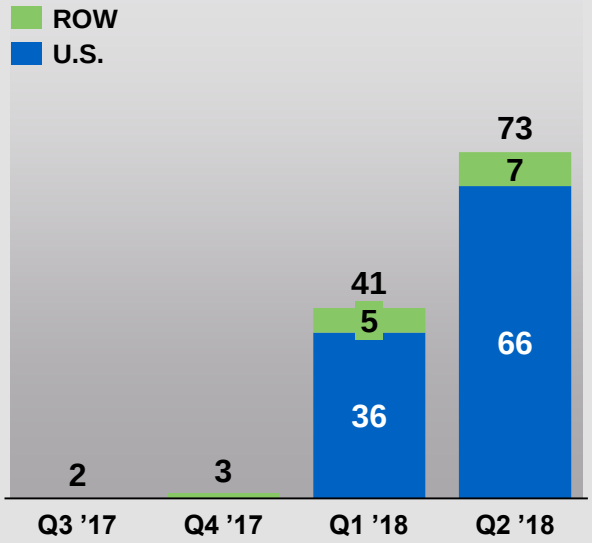
Q2 ’18 PARSABIV™ SALES GREW DUE TO U.S. LAUNCH

Parsabiv (etelcalcetide) Injection for intravenous use
2.5mg/0.5mL | 5mg/1mL | 10mg/2mL

$ Millions, Net Sales



Highlights

- Launched in several markets, including U.S., and off to a strong start
- Solid uptake at independent and mid-size dialysis providers
- Large dialysis organizations running pilots to determine treatment protocols

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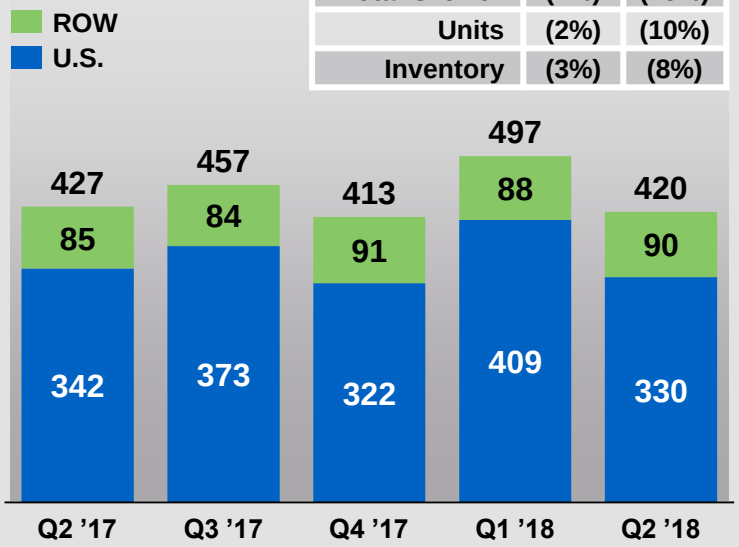
Q2 ’18 SENSIPAR® SALES DECLINED 2% YOY

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

$ Millions, Net Sales

	Q2 ’18	YoY	QoQ
Total Growth		(2%)	(15%)
Units		(2%)	(10%)
Inventory		(3%)	(8%)



Highlights

- YoY decline with launch of Parsabiv™
- Monitoring possible entry of generic competition, which may occur later this year

Note: Inventory represents wholesaler and, based on prescription data, end-user inventories through Q4 ’17; Represents wholesaler inventory only beginning in Q1 ’18

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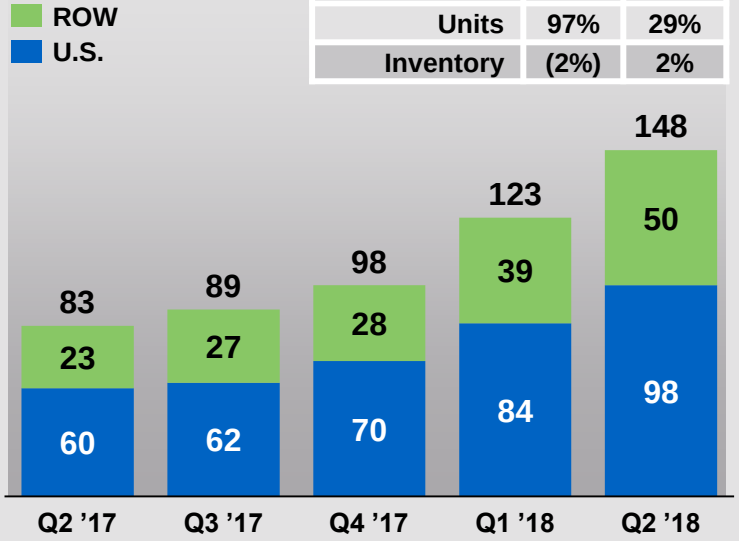
Q2 ’18 REPATHA® SALES GREW 78% YOY

Repatha (evolocumab) injection 140 mg/mL

$ Millions, Net Sales

	Q2 ’18	YoY	QoQ
Total Growth		78%	20%
Units		97%	29%
Inventory		(2%)	2%



Highlights

- YoY growth driven by higher unit volume demand, offset partially by lower net selling price
- Actively promoting revised Repatha® labels
- Utilization management criteria being eased in some commercial plans with a move to simple physician attestation
- Increased rebates will contribute to lower net price

Note: Inventory represents wholesaler inventories

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R&D REVIEW

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

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Q2 ’18 R&D UPDATE

Neuroscience

- **Aimovig™ (erenumab-aooe)**
  - **Approved in U.S. for the prevention of migraine in adults**
  - **CHMP positive opinion in EU for the prevention of migraine in adults with ≥ 4 migraine days per month**
  - **Supplemental Biologics License Application submitted for 140 mg autoinjector and prefilled syringe in U.S.**
- **AMG 301**
  - **PAC1 antibody in Phase 2 for migraine prevention**
  - **Data expected by year-end**

CHMP = Committee for Medicinal Products for Human Use; PAC1 = pituitary adenylate cyclase-activating polypeptide type I receptor; Aimovig™ and AMG 301 are developed in collaboration with Novartis

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Q2 ’18 R&D UPDATE

Neuroscience (cont’d)

- **AMG 520 (CNP520)**
  - **BACE1 inhibitor in Phase 3 for Alzheimer’s disease**
  - **Differentiated clinical approach of treating earlier in disease continuum**
  - **Enrolling cognitively unimpaired 60–75-year-old subjects at increased risk for Alzheimer’s disease**
    - **GENERATION S1 study: 1,340 subjects with two APOE4 alleles (homozygotes)**
    - **GENERATION S2 study: 2,000 subjects with at least one APOE4 allele (heterozygotes with elevated brain amyloid and homozygotes)**
  - **Primary outcomes**
    - **Time to diagnosis of mild cognitive impairment or dementia due to Alzheimer’s disease**
    - **Change in the Alzheimer’s Prevention Initiative Composite Cognitive Test Score**
  - **Data expected in 2024**

BACE1 = beta-site amyloid precursor protein-cleaving enzyme-1; APOE = apolipoprotein E; Developed in collaboration with Novartis

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Q2 ’18 R&D UPDATE

Oncology

- **KYPROLIS®**
  - **Label updates with ASPIRE OS data approved in U.S. and EU**
  - **Completed enrollment in Phase 3 study of KYPROLIS® + dexamethasone (Kd) + Darzalex® vs. Kd in R/R multiple myeloma**
- **IMLYGIC®**
  - **Completed enrollment in Phase 3 melanoma study in combination with Keytruda®**
- **BLINCYTO®**
  - **Full approval in EU for adult patients with Ph- R/R B-cell precursor ALL based on TOWER OS data**
- **Phase 1 programs**
  - **Advancing to clinic: AMG 562 (CD19 HLE-BiTE®), AMG 427 (FLT3 HLE-BiTE®), AMG 424 (CD38 XmAb™), AMG 119 (DLL3 CART)**
  - **Data expected by year-end: AMG 420 (BCMA BiTE®), AMG 330 (CD33 BiTE®)**

OS = overall survival; R/R = relapsed/refractory; Ph- = Philadelphia chromosome-negative; ALL = acute lymphoblastic leukemia; HLE = half-life extended; BiTE® = bispecific T-cell engager; FLT3 = fms-like tyrosine kinase 3; DLL3 = delta-like protein 3; CAR-T = chimeric antigen receptor enhanced T cells; BCMA = B-cell maturation antigen

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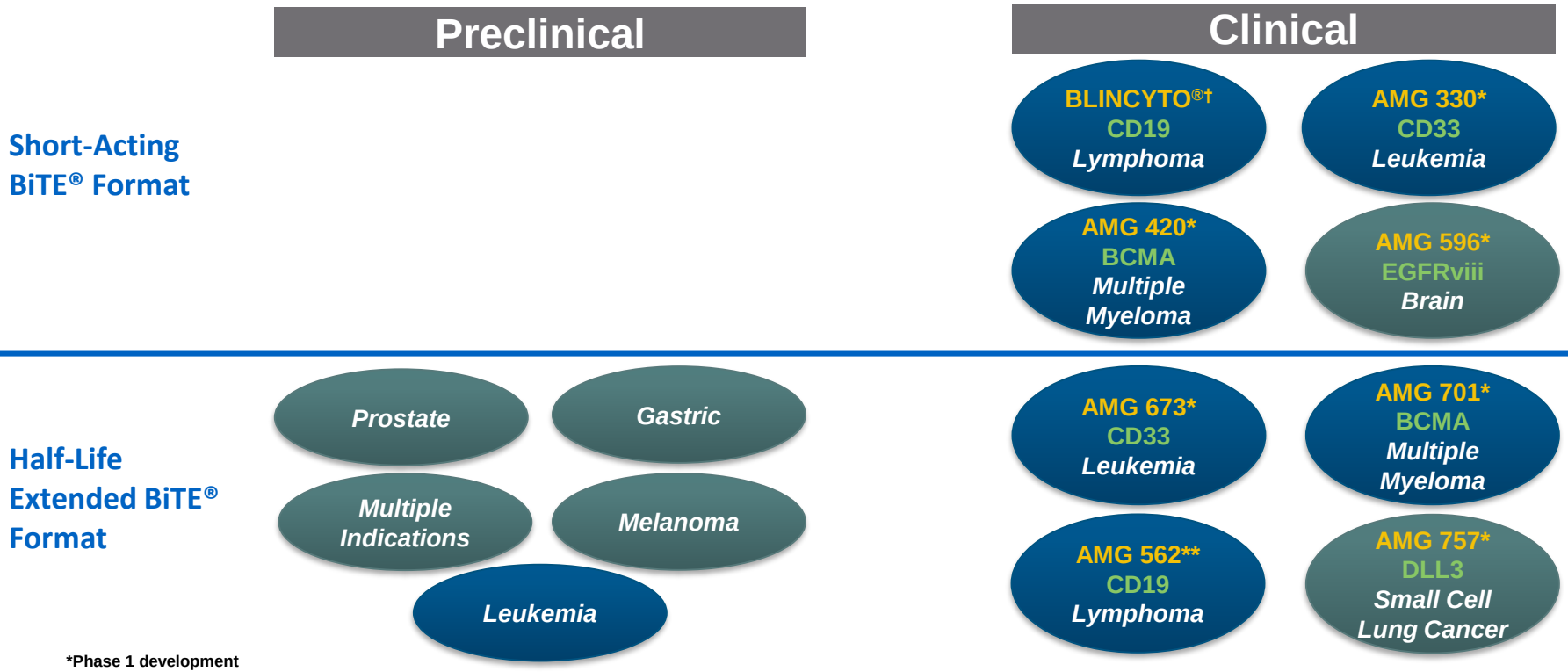
ADVANCING 13 BITE® PROGRAMS, INCLUDING EXTENDED HALF-LIFE MOLECULES COMPATIBLE WITH WEEKLY DOSING



*Phase 1 development
†Phase 2 development
**Not yet enrolling patients; EGFRviii = epidermal growth factor receptor variant iii

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Q2 ’18 R&D UPDATE

Cardiovascular

- **Repatha®**
  - **New indication in EU for adults with established ASCVD to reduce cardiovascular risk by lowering LDL-C levels based on Repatha® cardiovascular outcomes study**

Bone

- **Prolia®**
  - **Approved in U.S. and EU for the treatment of glucocorticoid-induced osteoporosis**
- **EVENITY™**
  - **Resubmitted Biologics License Application to the FDA for the treatment of osteoporosis in postmenopausal women at high risk for fracture**

ASCVD = atherosclerotic cardiovascular disease (myocardial infarction, stroke or peripheral arterial disease); LDL-C = low-density lipoprotein cholesterol; EVENITY™ is developed with UCB globally, as well as Astellas in Japan, trade name provisionally approved by FDA

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Q2 ’18 R&D UPDATE

Biosimilars

- **KANJINTI™ (ABP 980, biosimilar trastuzumab)**
  - **Approved in EU for treatment of HER2-positive metastatic breast cancer, HER2-positive early breast cancer and HER2-positive metastatic adenocarcinoma of the stomach or gastroesophageal junction**
  - **Received Complete Response Letter in U.S.**
- **ABP 710 (biosimilar infliximab)**
  - **Completed primary analysis of a Phase 3 study in rheumatoid arthritis**

HER2 = human epidermal growth factor receptor 2; KANJINTI™ trade name provisionally approved by FDA

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Q2 ’18 EARNINGS CALL

JULY 26, 2018

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RECONCILIATIONS

AMGEN®

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

	Three months ended June 30,		Six months ended June 30,	
	2018	2017	2018	2017
Revenues:				
Product sales	$ 5,679	$ 5,574	$ 11,022	$ 10,773
Other revenues	380	236	591	501
Total revenues	6,059	5,810	11,613	11,274
Operating expenses:				
Cost of sales	1,024	1,024	1,968	2,020
Research and development	869	873	1,629	1,642
Selling, general and administrative	1,353	1,209	2,480	2,273
Other	(19)	6	(22)	50
Total operating expenses	3,227	3,112	6,055	5,985
Operating income	2,832	2,698	5,558	5,289
Interest expense, net	347	321	685	647
Interest and other income, net	162	165	393	360
Income before income taxes	2,647	2,542	5,266	5,002
Provision for income taxes	351	391	659	780
Net income	$ 2,296	$ 2,151	$ 4,607	$ 4,222
Earnings per share:				
Basic	$ 3.50	$ 2.93	$ 6.76	$ 5.74
Diluted	$ 3.48	$ 2.91	$ 6.73	$ 5.71
Weighted-average shares used in calculation of earnings per share:				
Basic	656	734	682	736
Diluted	660	738	685	740

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

	June 30, 2018	December 31, 2017
Assets		
Current assets:		
Cash, cash equivalents and marketable securities	$ 29,395	$ 41,678
Trade receivables, net	3,504	3,237
Inventories	3,063	2,834
Other current assets	2,008	1,727
Total current assets	37,970	49,476
Property, plant and equipment, net	4,922	4,989
Intangible assets, net	8,443	8,609
Goodwill	14,724	14,761
Other assets	1,625	2,119
Total assets	$ 67,684	$ 79,954
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 6,917	$ 7,868
Current portion of long-term debt	4,288	1,152
Total current liabilities	11,205	9,020
Long-term debt	30,209	34,190
Long-term deferred tax liabilities	1,155	1,166
Long-term tax liabilities	8,763	9,099
Other noncurrent liabilities	1,443	1,238
Stockholders' equity	14,909	25,241
Total liabilities and stockholders' equity	$ 67,684	$ 79,954
Shares outstanding	649	722

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

	Three months ended June 30,		Six months ended June 30,	
	2018	2017	2018	2017
GAAP cost of sales	$ 1,024	$ 1,024	$ 1,968	$ 2,020
Adjustments to cost of sales:				
Acquisition-related expenses **(a)**	(279)	(314)	(545)	(628)
Total adjustments to cost of sales	(279)	(314)	(545)	(628)
Non-GAAP cost of sales	$ 745	$ 710	$ 1,423	$ 1,392
GAAP cost of sales as a percentage of product sales	18.0%	18.4%	17.9%	18.8%
Acquisition-related expenses **(a)**	-4.9	-5.7	-5.0	-5.9
Non-GAAP cost of sales as a percentage of product sales	13.1%	12.7%	12.9%	12.9%
GAAP research and development expenses	$ 869	$ 873	$ 1,629	$ 1,642
Adjustments to research and development expenses:				
Acquisition-related expenses **(a)**	(19)	(19)	(40)	(38)
Certain net charges pursuant to our restructuring initiative		(3)		(5)
Total adjustments to research and development expenses	(19)	(22)	(40)	(43)
Non-GAAP research and development expenses	$ 850	$ 851	$ 1,589	$ 1,599
GAAP research and development expenses as a percentage of product sales	15.3%	15.7%	14.8%	15.2%
Acquisition-related expenses **(a)**	-0.3	-0.3	-0.4	-0.3
Certain net charges pursuant to our restructuring initiative	0.0	-0.1	0.0	-0.1
Non-GAAP research and development expenses as a percentage of product sales	15.0%	15.3%	14.4%	14.8%
GAAP selling, general and administrative expenses	$ 1,353	$ 1,209	$ 2,480	$ 2,273
Adjustments to selling, general and administrative expenses:				
Acquisition-related expenses **(a)**	(20)	(32)	(45)	(57)
Certain net charges pursuant to our restructuring initiative	-	-	(3)	-
Other	-	(3)	-	(3)
Total adjustments to selling, general and administrative expenses	(20)	(35)	(48)	(60)
Non-GAAP selling, general and administrative expenses	$ 1,333	$ 1,174	$ 2,432	$ 2,213
GAAP selling, general and administrative expenses as a percentage of product sales	23.8%	21.7%	22.5%	21.1%
Acquisition-related expenses **(a)**	-0.3	-0.5	-0.4	-0.6
Certain net charges pursuant to our restructuring initiative	0.0	0.0	0.0	0.0
Other	0.0	-0.1	0.0	0.0
Non-GAAP selling, general and administrative expenses as a percentage of product sales	23.5%	21.1%	22.1%	20.5%
GAAP operating expenses	$ 3,227	$ 3,112	$ 6,055	$ 5,985
Adjustments to operating expenses:				
Adjustments to cost of sales	(279)	(314)	(545)	(628)
Adjustments to research and development expenses	(19)	(22)	(40)	(43)
Adjustments to selling, general and administrative expenses	(20)	(35)	(48)	(60)
Certain net charges pursuant to our restructuring initiative **(b)**	7	(9)	6	(46)
Certain other expenses	(25)	-	(25)	-
Acquisition-related adjustments **(c)**	37	3	41	(4)
Total adjustments to operating expenses	(299)	(377)	(611)	(781)
Non-GAAP operating expenses	$ 2,928	$ 2,735	$ 5,444	$ 5,204
GAAP operating income	$ 2,832	$ 2,698	$ 5,558	$ 5,289
Adjustments to operating expenses	299	377	611	781
Non-GAAP operating income	$ 3,131	$ 3,075	$ 6,169	$ 6,070
GAAP operating income as a percentage of product sales	49.9%	48.4%	50.4%	49.1%
Adjustments to cost of sales	4.9	5.7	5.0	5.9
Adjustments to research and development expenses	0.3	0.4	0.4	0.4
Adjustments to selling, general and administrative expenses	0.3	0.6	0.4	0.6
Certain net charges pursuant to our restructuring initiative **(b)**	0.0	0.2	0.0	0.3
Certain other expenses	0.4	0.0	0.2	0.0
Acquisition-related adjustments **(c)**	-0.7	-0.1	-0.4	0.0
Non-GAAP operating income as a percentage of product sales	55.1%	55.2%	56.0%	56.3%
GAAP interest and other income, net	$ 162	$ 165	$ 393	$ 360
Adjustments to other income **(d)**	-	-	(75)	-
Non-GAAP interest and other income, net	$ 162	$ 165	$ 318	$ 360
GAAP income before income taxes	$ 2,647	$ 2,542	$ 5,266	$ 5,002
Adjustments to operating expenses	299	377	611	781
Adjustments to other income **(d)**	-	-	(75)	-
Non-GAAP income before income taxes	$ 2,946	$ 2,919	$ 5,802	$ 5,783
GAAP provision for income taxes	$ 351	$ 391	$ 659	$ 780
Adjustments to provision for income taxes:				
Income tax effect of the above adjustments **(e)**	74	117	138	236
Other income tax adjustments **(f)**	(8)	1	10	24
Total adjustments to provision for income taxes	66	118	148	260
Non-GAAP provision for income taxes	$ 417	$ 509	$ 807	$ 1,040
GAAP tax as a percentage of income before taxes	13.3%	15.4%	12.5%	15.6%
Adjustments to provision for income taxes:				
Income tax effect of the above adjustments **(e)**	1.2	2.0	1.2	2.0
Other income tax adjustments **(f)**	-0.3	0.0	0.2	0.4
Total adjustments to provision for income taxes	0.9	2.0	1.4	2.4
Non-GAAP tax as a percentage of income before taxes	14.2%	17.4%	13.9%	18.0%
GAAP net income	$ 2,296	$ 2,151	$ 4,607	$ 4,222
Adjustments to net income:				
Adjustments to income before income taxes, net of the income tax effect	225	260	398	545
Other income tax adjustments **(f)**	8	(1)	(10)	(24)
Total adjustments to net income	233	259	388	521
Non-GAAP net income	$ 2,529	$ 2,410	$ 4,995	$ 4,743

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

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

	Three months ended June 30, 2018		Three months ended June 30, 2017	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Net income	$ 2,296	$ 2,529	$ 2,151	$ 2,410
Weighted-average shares for diluted EPS	660	660	738	738
Diluted EPS	$ 3.48	$ 3.83	$ 2.91	$ 3.27

	Six months ended June 30, 2018		Six months ended June 30, 2017	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Net income	$ 4,607	$ 4,995	$ 4,222	$ 4,743
Weighted-average shares for diluted EPS	685	685	740	740
Diluted EPS	$ 6.73	$ 7.29	$ 5.71	$ 6.41

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

(b) For the six months ended June 30, 2017, the adjustment related primarily to severance expenses associated with our restructuring initiative.

(c) For the three and six months ended June 30, 2018, the adjustment related primarily to the change in fair values of contingent consideration liabilities.

(d) For the six months ended June 30, 2018, the adjustment related to the net gain associated with the Kirin-Amgen share acquisition.

(e) The tax effect of the adjustments between our GAAP and non-GAAP results takes into account the tax treatment and related tax rate(s) that apply to each adjustment in the applicable tax jurisdiction(s). Generally, this results in a tax impact at the U.S. marginal tax rate for certain adjustments, including the majority of amortization of intangible assets, whereas the tax impact of other adjustments, including restructuring expense, depends on whether the amounts are deductible in the respective tax jurisdictions and the applicable tax rate(s) in those jurisdictions. Due to these factors, the effective tax rates for the adjustments to our GAAP income before income taxes, for the three and six months ended June 30, 2018 were 24.7% and 25.7%, compared with 31.0% and 30.2% for the corresponding periods of the prior year.

(f) The adjustments related primarily to certain acquisition items and prior period items excluded from GAAP earnings.

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

	Three months ended June 30,		Six months ended June 30,	
	2018	2017	2018	2017
Net cash provided by operating activities	$ 2,102	$ 2,326	$ 4,829	$ 4,711
Net cash provided by (used in) investing activities	2,938	(1,813)	17,844	(1,970)
Net cash used in financing activities	(4,650)	(1,242)	(16,342)	(3,353)
Increase (decrease) in cash and cash equivalents	390	(729)	6,331	(612)
Cash and cash equivalents at beginning of period	9,741	3,358	3,800	3,241
Cash and cash equivalents at end of period	$ 10,131	$ 2,629	$ 10,131	$ 2,629

	Three months ended June 30,		Six months ended June 30,	
	2018	2017	2018	2017
Net cash provided by operating activities	$ 2,102	$ 2,326	$ 4,829	$ 4,711
Capital expenditures	(187)	(185)	(342)	(353)
Free cash flow	$ 1,915	$ 2,141	$ 4,487	$ 4,358

Reconciliation of GAAP EPS Guidance to Non-GAAP EPS Guidance for the Year Ending December 31, 2018 (Unaudited)

GAAP diluted EPS guidance	$	11.83	-	$	12.62
Known adjustments to arrive at non-GAAP*:					
Acquisition-related expenses (a)			1.35		
Restructuring charges		0.02	-		0.11
Certain other expenses			0.03		
Tax adjustments (b)			(0.02)		
Non-GAAP diluted EPS guidance	$	13.30	-	$	14.00

* The known adjustments are presented net of their related tax impact, which amount to approximately $0.40 per share, in the aggregate.

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

(b) The adjustments relate primarily to certain acquisition items and prior period items excluded from GAAP earnings.

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

Reconciliation of GAAP Tax Rate Guidance to Non-GAAP Tax Rate Guidance for the Year Ending December 31, 2018 (Unaudited)

	2018		
GAAP tax rate guidance	12.5%	-	13.5%
Tax rate effect of known adjustments discussed above		1.0%	
Non-GAAP tax rate guidance	13.5%	-	14.5%

Amgen Inc.
International Sales Performance Adjusted for Foreign Exchange

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

Q2 ’18 EARNINGS CALL

JULY 26, 2018

AMGEN®