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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON D.C. 20549

FORM 10-Q

(Mark One)

☑ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2005

OR

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

Commission file number 000-12477

AMGEN INC.

(Exact name of registrant as specified in its charter)

Delaware	**95-3540776**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Amgen Center Drive, Thousand Oaks, California	**91320-1799**
(Address of principal executive offices)	(Zip Code)
Registrant's telephone number, including area code	(805) 447-1000

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

Indicate by check mark whether the registrant is an accelerated filer. ☑

As of April 15, 2005, the registrant had 1,237,480,665 shares of common stock, $0.0001 par value, outstanding.

AMGEN INC.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The information in this report for the three months ended March 31, 2005 and 2004 is unaudited but includes all adjustments (consisting only of normal recurring accruals, unless otherwise indicated) which Amgen Inc., including its subsidiaries, ("Amgen") considers necessary for a fair presentation of the results of operations for those periods.

The Condensed Consolidated Financial Statements should be read in conjunction with our Consolidated Financial Statements and the notes thereto contained in our Annual Report on Form 10-K for the year ended December 31, 2004.

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

AMGEN INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share data)
(Unaudited)

	Three Months Ended March 31,	
	2005	2004
Revenues:		
Product sales	$ 2,735	$ 2,208
Other revenues	98	135
Total revenues	2,833	2,343
Operating expenses:		
Cost of sales (excludes amortization of acquired intangible assets presented below)	489	373
Research and development	524	441
Selling, general and administrative	577	517
Amortization of acquired intangible assets	87	84
Total operating expenses	1,677	1,415
Operating income	1,156	928
Interest and other income and (expense), net	(10)	21
Income before income taxes	1,146	949
Provision for income taxes	292	259
Net income	$ 854	$ 690
Earnings per share:		
Basic	$ 0.68	$ 0.54
Diluted	$ 0.67	$ 0.52
Shares used in calculation of earnings per share:		
Basic	1,249	1,279
Diluted	1,290	1,332

See accompanying notes.

AMGEN INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except per share data)
(Unaudited)

	March 31, 2005	December 31, 2004
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,183	$ 1,526
Marketable securities	2,852	4,282
Trade receivables, net	1,584	1,461
Inventories	932	888
Other current assets	873	1,013
Total current assets	7,424	9,170
Property, plant, and equipment, net	4,790	4,712
Intangible assets, net	3,965	4,033
Goodwill	10,519	10,525
Other assets	722	781
	$ 27,420	$ 29,221
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 549	$ 507
Accrued liabilities	2,485	2,477
Convertible notes	1,744	1,173
Total current liabilities	4,778	4,157
Deferred tax liabilities	1,280	1,294
Convertible notes	—	1,739
Other long-term debt	2,198	2,198
Other non-current liabilities	124	128
Contingencies		
Stockholders' equity:		
Preferred stock; $0.0001 par value; 5 shares authorized; none issued or outstanding	—	—
Common stock and additional paid-in capital; $0.0001 par value; 2,750 shares authorized; outstanding - 1,237 shares in 2005 and 1,260 shares in 2004	22,237	22,078
Accumulated deficit	(3,197)	(2,376)
Accumulated other comprehensive income	—	3
Total stockholders' equity	19,040	19,705
	$ 27,420	$ 29,221

AMGEN INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Three Months Ended March 31,	
	2005	2004
Cash flows from operating activities:		
Net income	$ 854	$ 690
Depreciation and amortization	202	176
Tax benefits related to employee stock options	45	47
Other items, net	12	20
Cash provided by (used in) changes in operating assets and liabilities:		
Trade receivables, net	(123)	(187)
Inventories	(44)	(24)
Other assets	91	62
Accounts payable	42	(16)
Accrued income taxes	259	(159)
Other accrued liabilities	(215)	(210)
Net cash provided by operating activities	1,123	399
Cash flows from investing activities:		
Purchases of property, plant, and equipment	(198)	(386)
Proceeds from maturities of marketable securities	4,556	33
Proceeds from sales of marketable securities	9,263	2,645
Purchases of marketable securities	(12,409)	(2,139)
Other	54	(84)
Net cash provided by investing activities	1,266	69
Cash flows from financing activities:		
Repurchases of common stock	(1,675)	(650)
Repayment of Convertible Notes	(1,175)	—
Net proceeds from issuance of common stock upon the exercise of employee stock options and in connection with an employee stock purchase plan	128	101
Other	(10)	5
Net cash used in financing activities	(2,732)	(544)
Decrease in cash and cash equivalents	(343)	(76)
Cash and cash equivalents at beginning of period	1,526	837
Cash and cash equivalents at end of period	$ 1,183	$ 761

See accompanying notes.

AMGEN INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2005

1. Summary of significant accounting policies

Business

Amgen Inc., including its subsidiaries, ("Amgen") is a global biotechnology company that discovers, develops, manufactures, and markets human therapeutics based on advances in cellular and molecular biology.

Basis of presentation

The financial information for the three months ended March 31, 2005 and 2004 is unaudited but includes all adjustments (consisting only of normal recurring accruals, unless otherwise indicated), which we consider necessary for a fair presentation of the results of operations for these periods. Interim results are not necessarily indicative of results for the full fiscal year.

Principles of consolidation

The Condensed Consolidated Financial Statements include the accounts of Amgen as well as its wholly owned subsidiaries. We do not have any significant interests in variable interest entities. All material intercompany transactions and balances have been eliminated in consolidation.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions that affect the amounts reported in the Condensed Consolidated Financial Statements and accompanying notes. Actual results may differ from those estimates.

Reclassifications

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

Inventories

Inventories are stated at the lower of cost or market. Cost is determined in a manner, which approximates the first-in, first-out (FIFO) method. Inventories consisted of the following (in millions):

AMGEN INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS- (Continued)

	March 31, 2005	December 31, 2004
Raw materials	$ 138	$ 117
Work in process	600	565
Finished goods	194	206
	$ 932	$ 888

Intangible assets and goodwill

Intangible assets are recorded at cost, less accumulated amortization. Amortization of intangible assets is provided over their estimated useful lives ranging from 5 to 15 years on a straight-line basis (weighted-average amortization period of 14.4 years at March 31, 2005). As of March 31, 2005 and December 31, 2004, accumulated amortization of intangible assets amounted to $928 million and $834 million, respectively. Intangible assets primarily consist of acquired product technology rights of $3,734 million, net of accumulated amortization of $882 million, which relate to the identifiable intangible assets acquired in connection with the Immunex Corporation ("Immunex") acquisition in July 2002. Amortization of acquired product technology rights is included in "Amortization of acquired intangible assets" in the accompanying Condensed Consolidated Statements of Operations. We review our intangible assets for impairment periodically and whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable.

Goodwill principally relates to the acquisition of Immunex. The decrease in goodwill from the prior year is due to tax benefits realized upon exercise of Immunex related stock options during the three months ended March 31, 2005. We perform an impairment test annually and whenever events or changes in circumstances indicate that the carrying amount of goodwill may not be recoverable.

Product sales

Product sales primarily consist of sales of EPOGEN® (Epoetin alfa), Aranesp® (darbepoetin alfa), Neulasta® (pegfilgrastim), NEUPOGEN® (Filgrastim), and ENBREL® (etanercept).

We have the exclusive right to sell Epoetin alfa for dialysis, certain diagnostics and all non-human, non-research uses in the United States. We sell Epoetin alfa under the brand name EPOGEN®. We have granted to Ortho Pharmaceutical Corporation (which has assigned its rights under the product license agreement to Ortho Biotech Products, L.P.), a subsidiary of Johnson & Johnson ("Johnson & Johnson"), a license relating to Epoetin alfa for sales in the United States for all human uses except dialysis and diagnostics. The license agreement, which is perpetual, can be terminated upon mutual agreement of the parties, or default. Pursuant to this license, Amgen and Johnson & Johnson are required to compensate each other for Epoetin alfa sales that either party makes into the other party's exclusive market, sometimes referred to as "spillover". Accordingly, we do not recognize product sales we make into the exclusive market of Johnson & Johnson and do recognize the product sales made by Johnson & Johnson into our exclusive market. Sales in our exclusive market are derived from our sales to our customers, as adjusted for spillover. We are

employing an arbitrated audit methodology to measure each party's spillover based on estimates of and subsequent adjustments thereto of third-party data on shipments to end users and their usage.

Sales of our other products are recognized when shipped and title and risk of loss have passed. Product sales are recorded net of accruals for estimated rebates (including Medicaid), wholesaler chargebacks, discounts, and other incentives (collectively "sales incentives") and returns.

Research and development costs

R&D costs, which are expensed as incurred, are primarily comprised of the following types of costs incurred in performing R&D activities: salaries and benefits, overhead and occupancy costs, clinical trial and related clinical manufacturing costs, contract services, and other outside costs. R&D expenses also include such costs related to activities performed on behalf of corporate partners.

Earnings per share

Basic earnings per share is based upon the weighted-average number of common shares outstanding. Diluted earnings per share is based upon the weighted-average number of common shares and dilutive potential common shares outstanding. Potential common shares outstanding include stock options under our employee stock option plans and potential issuances of stock under equity incentive plans utilizing the treasury stock method (collectively "Dilutive Securities"). Common shares to be issued under the assumed conversion of the outstanding 30-year, zero-coupon senior convertible notes (the "Convertible Notes") (see Note 4, "Convertible notes") are included under the if-converted method when dilutive.

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

AMGEN INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS- (Continued)

	Three Months Ended March 31,	
	2005	2004
Income (Numerator):		
Net income for basic EPS	$ 854	$ 690
Adjustment for interest expense on Convertible Notes, net of tax	5	5
Net income for diluted EPS, after assumed conversion of Convertible Notes	$ 859	$ 695
Shares (Denominator):		
Weighted-average shares for basic EPS	1,249	1,279
Effect of Dilutive Securities	11	18
Effect of Convertible Notes, after assumed conversion of Convertible Notes	30	35
Weighted-average shares for diluted EPS	1,290	1,332
Basic earnings per share	$ 0.68	$ 0.54
Diluted earnings per share	$ 0.67	$ 0.52

Employee stock options

We account for our employee stock options under the recognition and measurement principles of Accounting Principles Board Opinion ("APB") No. 25, "Accounting for Stock Issued to Employees," and related Interpretations, which generally results in no stock option expense. We grant our employee stock options at exercise prices equal to the market value of the underlying common stock on the date of grant and the related number of shares granted is fixed at that point in time resulting in no employee stock option expense reflected in net income.

The following table illustrates the effect on net income and earnings per share if we had applied the fair value recognition provisions of Statement of Financial Accounting Standards ("SFAS") No. 123, "Accounting for Stock-Based Compensation", as amended (in millions, except per share information):

AMGEN INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS- (Continued)

	Three Months Ended March 31,	
	2005	2004
Net income	$ 854	$ 690
Stock-based compensation, net of tax	(71)	(85)
Pro forma net income	$ 783	$ 605
Earnings per share:		
Basic	$ 0.68	$ 0.54
Impact of stock option expense	(0.05)	(0.07)
Basic — pro forma	$ 0.63	$ 0.47
Diluted	$ 0.67	$ 0.52
Impact of stock option expense	(0.06)	(0.06)
Diluted — pro forma	$ 0.61	$ 0.46

The weighted-average fair value of common stock and stock options on the date of grant, and the weighted-average assumptions used to estimate the fair value of the stock options using the Black-Scholes option valuation model, were as follows for the three months ended March 31:

	2005	2004
Weighted average fair value of common stock	$ 59.16	$ 59.84
Weighted average fair value of stock options granted	$ 17.71	$ 23.07
Risk-free interest rate	4.0%	2.4%
Expected life (in years)	5.1	4.2
Expected volatility	24.0%	45.0%
Expected dividend yield	0%	0%

During the three months ended, we revised our method of estimating expected volatility used in the Black-Scholes option valuation model to reflect the consideration of implied volatility in our publicly traded equity instruments.

In December 2004, the Financial Accounting Standards Board issued SFAS No. 123R, “Share-Based Payment”. SFAS No. 123R will require us to account for our stock options using a fair-value-based method as described in such statement and recognize the resulting compensation expense in our financial statements. The adoption of SFAS 123R will have a material impact on our results of operations. The Securities and Exchange Commission (“SEC’) has provided for a phase-in implementation process for SFAS No. 123R, which requires us to adopt the new accounting standard no later than January 1, 2006. We are currently evaluating when to adopt SFAS No. 123R given the recent phase-in implementation process provided by the SEC.

AMGEN INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS- (Continued)

2. Related party transactions

We own a 50% interest in Kirin-Amgen, Inc. ("KA"), a corporation formed in 1984 with Kirin Brewery Company, Limited ("Kirin") for the development and commercialization of certain products based on advanced biotechnology. We account for our interest in KA under the equity method and include our share of KA's profits or losses in "Selling, general and administrative" in the Condensed Consolidated Statements of Operations. KA's revenues consist of royalty income related to its licensed technology rights. All of our rights to manufacture and market certain products including erythropoietin, granulocyte colony-stimulating factor ("G-CSF"), darbepoetin alfa, and pegfilgrastim are pursuant to exclusive licenses from KA. We currently market erythropoietin, G-CSF, darbepoetin alfa, and pegfilgrastim under the brand names EPOGEN®, NEUPOGEN®, Aranesp®, and Neulasta®, respectively. KA receives royalty income from us, as well as Kirin, Johnson & Johnson, F. Hoffmann-La Roche Ltd, and others under separate product license agreements for certain geographic areas outside of the United States. During the three months ended March 31, 2005 and 2004, KA earned royalties from us of $68 million and $60 million, respectively, which are included in "Cost of sales (excludes amortization of acquired intangible assets)" in the Condensed Consolidated Statements of Operations.

KA's expenses primarily consist of costs related to research and development activities conducted on its behalf by Amgen and Kirin. KA pays Amgen and Kirin for such services at negotiated rates. During the three months ended March 31, 2005 and 2004, we earned revenues from KA of $22 million and $34 million, respectively, for certain research and development activities performed on KA's behalf, which are included in "Other revenues" in the accompanying Condensed Consolidated Statements of Operations.

3. Income taxes

The tax rate for the three months ended March 31, 2005 is different from the statutory rate primarily as a result of indefinitely invested earnings of our foreign operations. We do not provide for U.S. income taxes on undistributed earnings of our controlled foreign corporations that are intended to be invested indefinitely outside the United States.

On October 22, 2004, the President of the United States signed the American Jobs Creation Act of 2004 (the "Jobs Act"). The Jobs Act creates a temporary incentive for U.S. corporations to repatriate accumulated income earned abroad by providing an 85 percent dividends received deduction for certain dividends from controlled foreign corporations. The deduction is subject to a number of limitations. The Internal Revenue Service ("IRS") issued its first guidance on the domestic reinvestment plans on January 13, 2005. However, uncertainty still remains as to how to interpret numerous provisions in the Jobs Act. As such, we are still evaluating the repatriation provisions of the Jobs Act and our 2005 first quarter results of operations do not reflect any impact relating to such repatriation provisions. Based on our preliminary analysis to date, we are limited under the Jobs Act to repatriate up to $500 million in foreign profits, and we estimate the tax liability to be approximately $30 to 40 million if we repatriate the full $500 million. We expect to complete our evaluation within a reasonable period of time following the publication of additional guidance.

AMGEN INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS- (Continued)

Our income tax returns are routinely audited by the IRS and various state and foreign tax authorities. Significant disputes can arise with these tax authorities involving issues of the timing and amount of deductions and allocations of income among various tax jurisdictions because of differing interpretations of tax laws and regulations. We periodically evaluate our exposures associated with tax filing positions. While we believe our positions comply with applicable laws, we record liabilities based upon estimates of the ultimate outcomes of these matters. While it is not possible to accurately predict or determine the eventual outcome of these matters, we do not believe any such items will have a material adverse effect on our annual Consolidated Financial Statements, although an adverse resolution in any quarterly reporting period of one or more of these items could have a material impact on the results of operations for that period.

4. Financing arrangements

On March 2, 2005, as a result of certain holders of the Convertible Notes exercising their March 1, 2005 put option, we repurchased $1.59 billion aggregate principal amount of Convertible Notes for their then-accreted value of $1,175 million in cash, representing approximately 40%, of our outstanding Convertible Notes. Upon the repurchase of such Convertible Notes, a pro rata portion, $20 million, of the related debt issuance costs were immediately charged to interest expense in the three months ended March 31, 2005. Also on March 2, 2005, we made an aggregate cash payment of $22 million to the holders of the Convertible Notes who did not exercise the put option and continued to hold outstanding Convertible Notes subsequent to March 1, 2005. This payment is approximately equal to 1.25% of each Convertible Note’s then-accreted value and is being amortized to interest expense over the life of the remaining outstanding Convertible Notes using the effective interest method. 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.

As of March 31, 2005, we had Convertible Notes (30-year, zero-coupon senior convertible notes) with an accreted value of $1.7 billion outstanding and having an aggregate face amount of $2.36 billion and yield to maturity of 1.125%. The original issue discount is being accreted to the balance of the Convertible Notes and recognized as interest expense over the life of the Convertible Notes using the effective interest method. 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, 2006, at a price equal to the original issuance price plus the accrued original issue discount to the purchase dates. Accordingly, the Convertible Notes were classified as current in the accompanying Condensed Consolidated Balance Sheet as of March 31, 2005. In such event, under the terms of the Convertible Notes, we have the right to pay the purchase price in cash and/or shares of common stock, which would be issued at the then current market price.

Holders of the Convertible Notes may convert each of their notes into 8.8601 shares of our common stock (the “conversion rate”) or approximately 21 million shares in the aggregate at any time on or before the maturity date. The conversion price per share as of any day will equal the original issuance price plus the accrued original issue discount to that day, divided by the conversion rate, or $83.45 per share as of March 31, 2005.

AMGEN INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS- (Continued)

During April 2005, we made an offer to the holders of the Convertible Notes to exchange their notes for new zero-coupon convertible notes (see Note 7, “Subsequent Events”)

5. Stockholders’ equity

Stock repurchase program

During the three months ended March 31, 2005 and 2004, we repurchased 27 million and 10 million shares of our common stock at a total cost of $1,675 million and $650 million, respectively. As of March 31, 2005, we had $4,294 million available for stock repurchases under our stock repurchase program authorized by the Board of Directors. The amount we spend and the number of shares repurchased varies based on a variety of factors including the stock price and blackout periods in which we are restricted from repurchasing shares. Repurchases under our stock repurchase programs reflect, in part, our confidence in the long-term value of Amgen common stock.

Other comprehensive income

Our other comprehensive income includes unrealized gains and losses on our available-for-sale securities and foreign currency forward and option contracts, which qualify and are designated as cash flow hedges, and foreign currency translation adjustments. During the three months ended March 31, 2005 and 2004, total comprehensive income was $851 million and $705 million, respectively.

6. Contingencies

In the ordinary course of business, we are involved in various legal proceedings and other matters, including those that are tax-related. While it is not possible to accurately predict or determine the eventual outcome of these items, we do not believe any such items currently pending will have a material adverse effect on our annual Consolidated Financial Statements, although an adverse resolution in any quarterly reporting period of one or more of these items could have a material impact on the results of operations for that period.

7. Subsequent events

In April 2005, we made an offer to exchange the Convertible Notes (see Note 4, “Financing arrangements”) for new zero-coupon senior convertible notes (the “New Convertible Notes”) and a total cash payment of approximately $6 million. The New Convertible Notes have certain different terms from the Convertible Notes, the most significant of which relate to convertibility and how the New Convertible Notes are settled upon conversion. Additionally, in the event the holders of the New Convertible Notes require us to purchase all or a portion of their notes on various specified dates, the earliest of which is March 1, 2006, we are required to pay the purchase price solely in cash.

The New Convertible Notes can only be converted if: 1) the closing price of our common stock exceeds the conversion price per share, as defined, during a specified time period, 2) we call the New

AMGEN INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS- (Continued)

Convertible Notes for redemption, or 3) we make certain significant distributions to common stockholders or enter into specified types of corporate transactions. If converted, the New Convertible Notes would be settled in 1) cash equal to the lesser of the accreted value of the New Notes at the conversion date or the conversion value, as defined, and 2) shares of common stock to the extent, if any, the conversion value exceeds the cash payment.

The exchange offer expires at 5:00 p.m., New York City time, on May 4, 2005, unless extended by Amgen.

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

Forward looking statements

This report and other documents we file with the Securities and Exchange Commission ("SEC") contain forward looking statements that are based on current expectations, estimates, forecasts and projections about us, our future performance, our business, our beliefs and our management's assumptions. In addition, we, or others on our behalf, may make forward looking statements in press releases or written statements, or in our communications and discussions with investors and analysts in the normal course of business through meetings, webcasts, phone calls, and conference calls. Words such as "expect," "anticipate," "outlook," "could," "target," "project," "intend," "plan," "believe," "seek," "estimate," "should," "may," "assume," "continue," variations of such words and similar expressions are intended to identify such forward looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict. We describe our respective risks, uncertainties, and assumptions that could affect the outcome or results of operations in "Factors that may affect Amgen". We have based our forward looking statements on our management's beliefs and assumptions based on information available to our management at the time the statements are made. We caution you that actual outcomes and results may differ materially from what is expressed, implied, or forecast by our forward looking statements. Reference is made in particular to forward looking statements regarding product sales, reimbursement, expenses, earnings per share, liquidity and capital resources, and trends. Except as required under the federal securities laws and the rules and regulations of the SEC, we do not have any intention or obligation to update publicly any forward looking statements after the distribution of this report, whether as a result of new information, future events, changes in assumptions, or otherwise.

Overview

The following management's discussion and analysis ("MD&A") is intended to assist the reader in understanding Amgen's business. MD&A is provided as a supplement to, and should be read in conjunction with, our Condensed Consolidated Financial Statements and accompanying notes included in this Quarterly Report on Form 10-Q and our Consolidated Financial Statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2004.

We are a global biotechnology company that discovers, develops, manufactures, and markets human therapeutics based on advances in cellular and molecular biology. Our mission is to serve patients. As a science-based, patient-focused organization, we discover and develop innovative therapies to treat serious illness. We operate in one business segment – human therapeutics. Therefore, our results of operations are discussed on a consolidated basis.

We primarily earn revenues and income and generate cash from sales of human therapeutic products in the areas of nephrology, supportive cancer care, and inflammatory disease. For the three months ended March 31, 2005, total revenues were $2,833 million and net income was $854 million, or $0.67 per share. As of March 31, 2005, cash, cash equivalents and marketable securities were $4,035 million.

Our principal products include EPOGEN® (Epoetin alfa), Aranesp® (darbepoetin alfa), Neulasta® (pegfilgrastim), NEUPOGEN® (Filgrastim), and ENBREL® (etanercept), which is

marketed under a co-promotion agreement with Wyeth in the United States and Canada. For additional information about our principal products, their approved indication, and where they are marketed, see “Item 1. Business – Principal products” in our Annual Report on Form 10-K for the year ended December 31, 2004. For the three months ended March 31, 2005 and 2004, product sales represented 97% and 94% of total revenues, respectively. Over the last two years, our product sales growth has been primarily driven by sales of Aranesp®, ENBREL®, and Neulasta®, which benefited from market share gains and/or market growth. We expect these products to continue to drive sales growth in the near term. Although we achieved market share gains during 2004, we expect that continued gains will be a challenge as we operate in a highly competitive environment. Going forward, we expect to continue to focus on market share gains, but we also expect to increase our focus on growing the market. Most patients receiving our principal products for approved indications, excluding ENBREL®, are covered by both government and private payer health care programs. Primary reimbursement for ENBREL® is obtained from private payers. Therefore, our product sales are and will be affected by government and private payer reimbursement policies. Reduction in reimbursement could adversely affect our results of operations. See “Reimbursement” below for further information.

International product sales for the three months ended March 31, 2005 and 2004 represented approximately 18% of total product sales and consisted principally of European sales. Our international sales are impacted by foreign currency changes (see “Results of Operations” discussion below). International product sales growth for the three months ended March 31, 2005 benefited by approximately $28 million from foreign currency exchange rate changes. However, both positive and negative impacts from movements in foreign exchange rates have been mitigated by the natural, opposite impact to our international operating expenses and as a result of our foreign currency hedging activities. Our hedging activities seek to offset the impact, both positive and negative, that foreign exchange rate changes may have on our net income. As such, the impact to our net results of operations from changes in foreign currency exchange rates has been largely mitigated.

For the three months ended March 31, 2005, operating income increased $228 million as compared to operating income for the three months ended March 31, 2004 primarily as a result of our product sales growth. Operating income as a percentage of product sales was 42% for the three months ended March 31, 2005 and 2004. In 2005, our operating expenses are expected to further increase in support of our anticipated product sales growth, and as a result of our continued investment in R&D to advance our pipeline.

We focus our R&D efforts on human therapeutics delivered in the form of proteins, monoclonal antibodies, and small molecules in the areas of oncology, inflammation, metabolic disorders, neuroscience, and general medicine. We focus on the development of novel therapeutics for the treatment of serious illness. We take a modality-independent approach to R&D — that is, we identify targets, then choose the modality best suited to address a specific target. To enhance our internal R&D efforts, we have acquired and licensed certain product and technology rights and have established R&D collaborations. We expect to continue to invest significantly in R&D.

There are many economic and industry-wide factors that affect our business, including, among others, those relating to broad reimbursement changes, increased complexity and cost of R&D, increasingly intense competition for our currently marketed products and product candidates, complex and expanding regulatory requirements, and intellectual property protection. See “Item 1. Business” in our Annual Report on Form 10-K for the year ended December 31, 2004 and “Factors

That May Affect Amgen" for further information on these economic and industry-wide factors and their impact on our business.

Reimbursement

In the United States, dialysis providers are primarily reimbursed for EPOGEN® by the federal government through the End Stage Renal Disease Program ("ESRD Program") of Medicare. The ESRD Program reimburses approved providers for 80% of allowed dialysis costs; the remainder is paid by other sources, including patients, state Medicaid programs, private insurance, and to a lesser extent, state kidney patient programs. The ESRD Program reimbursement rate is established by federal law and is monitored and implemented by the Centers for Medicare & Medicaid Services ("CMS"). Most patients receiving Aranesp®, Neulasta®, and NEUPOGEN® for approved indications are covered by both government and private payer health care programs. Therefore, sales of Aranesp®, Neulasta®, and NEUPOGEN® are dependent, in part, on the availability and extent of reimbursement from third-party payers, including governments and private insurance plans. Primary reimbursement for ENBREL® is obtained from private payers. Generally, worldwide use of our products may be affected by cost containment pressures from governments and private insurers on health care providers in response to ongoing initiatives to reduce health care expenditures (see "MD&A – Factors That May Affect Amgen — Our sales depend on payment and reimbursement from third-party payers, and, to the extent that reimbursement for our products is reduced, this could negatively impact the utilization of our products.").

The Medicare Prescription Drug, Improvement and Modernization Act (or the "Medicare Modernization Act" ("MMA")) was enacted into law in December 2003. Although we believe our product sales for the three months ended March 31, 2005 were not significantly impacted by the recent reimbursement changes, we expect that, during the remainder of 2005, reimbursement changes resulting from the MMA could negatively affect product sales of some of our marketed products. The main components of the MMA that affect our currently marketed products are as follows:

-Through 2004 the Average Wholesale Price (AWP) mechanism was the basis of Medicare Part B payment for covered outpatient drugs and biologics. Effective January 1, 2005, in the physician clinic market segment, Aranesp®, Neulasta® and NEUPOGEN® are being reimbursed under a new Medicare Part B system that reimburses each product at 106% of its "average sales price" (ASP) (sometimes referred to as "ASP+6%"). ASP is calculated by the manufacturer based on a statutorily defined methodology and submitted to CMS. A product's ASP is calculated on a quarterly basis and therefore may change each quarter. The ASP in effect for a given quarter (the "Current Period") is based upon certain historical sales and sales incentive data covering a statutorily defined period of time preceding the Current Period. For example, the ASP for Aranesp® that we submit for the third quarter of 2005 will be based on certain historical sales and sales incentive data for Aranesp® from April 1, 2004 through March 31, 2005. CMS publishes the ASPs for products in advance of the quarter in which they go into effect. The first and second quarter 2005 reimbursement rates for Aranesp®, Neulasta®, and NEUPOGEN® (calculated at 106% of the ASPs), are lower than our 2004 reimbursement rates as the ASP methodology incorporates lagged sales incentives offered to healthcare providers. We expect that the ASPs for our products will trend downward throughout 2005, and we expect it will be towards the end of 2005 before our ASPs stabilize. Per the MMA, effective January 1, 2006, physicians in this market segment will have the choice between purchasing and billing for drugs under the ASP+6% system or obtaining drugs from vendors selected by CMS under the

"competitive acquisition program" (CAP). Physicians who select to obtain drugs from CAP will no longer purchase or obtain reimbursement directly for such drugs. CMS issued a draft proposed rule related to the CAP in February 2005. Comments on the draft were due at the end of April. However, the draft CAP rule issued by CMS does not provide sufficient detail to assess the impact on our business.

-The Medicare hospital outpatient prospective payment system (OPPS), which determines payment rates for specified covered outpatient drugs and biologics in the hospital outpatient setting, will continue to utilize AWP as the basis for reimbursement in 2005. CMS' 2005 reimbursement rate, as in 2003 and 2004, continued the application of an "equitable adjustment" such that the 2005 Aranesp® reimbursement rate is based on the AWP of PROCRIT®. For 2005 the reimbursement rate for Aranesp® is 83% of the AWP for PROCRIT®, down from 88% of the AWP for PROCRIT® in 2004, with a dose conversion ratio of 330 U PROCRIT® to 1 mcg Aranesp®, the same ratio as 2004. Effective January 1, 2006, the OPPS system will change from an AWP based reimbursement system to a system based on "average acquisition cost". This change will affect Aranesp®, Neulasta® and NEUPOGEN® when administered in the hospital outpatient setting. Although we do not know how CMS will define the OPPS average acquisition cost, it is possible that CMS could define acquisition cost as ASP. Regardless of whether CMS adopts an average acquisition cost or ASP system in OPPS in 2006, we expect that the reimbursement rates will be below those in 2005, as the new rates will incorporate discounts provided to hospitals.

-Pursuant to final rules issued by CMS on November 3, 2004, Medicare reimbursement for EPOGEN® used in the dialysis setting for calendar year 2005 has been changed from the previous rate of $10 per 1,000 Units to $9.76 per 1,000 Units, a rate based upon an average acquisition cost for 2003 determined by the Office of the Inspector General (OIG) and adjusted for price inflation based on the Producer Price Index for pharmaceutical products. Pursuant to the CMS final rules, the difference between the 2004 reimbursement rates for all drugs separately billed outside the dialysis composite rate (including EPOGEN®) and the 2005 reimbursement rates for such drugs will be added to the composite rate that dialysis providers receive for dialysis treatment. Again in 2006, the EPOGEN® rate may change, as the MMA provided for discretion in either continuing to pay for these separately reimbursed dialysis drugs at acquisition cost, or switching to an ASP based system. The payment rate for dialysis drugs not studied by the OIG, including Aranesp®, is ASP+6% in 2005, and could likely remain at this rate in 2006.

-We believe that beginning on January 1, 2006, ENBREL®, Sensipar®, and Kineret® will be covered by the MMA-mandated Medicare outpatient prescription drug benefit (also known as "Part D"). With the exception of a demonstration project that CMS is conducting in 2004-2005 that will, among other things, provide reimbursement for ENBREL® for certain Medicare beneficiary participants, Medicare currently does not cover prescriptions for ENBREL®, Sensipar®, and Kineret®.

With the exception of the Part D prescription drug benefit, we believe these changes driven by the MMA are lowering the 2005 reimbursement rate for all areas in which CMS provides reimbursement for EPOGEN®, Aranesp®, Neulasta® and NEUPOGEN®. However, because we cannot predict the impact of any such changes on how, or under what circumstances, healthcare providers will prescribe or administer our products, as of the date of this filing, we cannot predict the full impact of the MMA on our business; however, it could be negative.

In addition, on July 8, 2004, CMS released a proposed revision to the Hematocrit Measurement Audit Program Memorandum ("HMA-PM"), a Medicare payment review mechanism used by CMS to audit EPOGEN® utilization and appropriate hematocrit outcomes of dialysis patients. As of the date of this filing, the comment period for the proposed revision has expired and no final program memorandum has been issued. The proposed policy would not permit reimbursement for EPOGEN® in the following circumstances without medical justification: EPOGEN® doses greater than 40,000 Units per month in a patient with a hemoglobin greater than 13 grams per deciliter or doses greater than 20,000 Units per month in a patient with hemoglobin greater than 14 grams per deciliter. If the proposed revision, which has not yet been finalized, is adopted as the final form, it could result in a reduction in utilization of EPOGEN®. Although the proposed revision was scheduled to go into effect as early as January 1, 2005, it is unclear as to when it may be implemented. We and the dialysis community have provided public comment based on data analysis suggesting that the proposed revision to the HMA-PM is unwarranted. Given the importance of EPOGEN® utilization for maintaining the quality of care for dialysis patients, the precise impact of such a change on provider utilization remains unclear.

Sales of all our products are and will be affected by government and private payer reimbursement policies. Reduction in reimbursement for our products could have a material adverse effect on our results of operations.

Results of Operations

Product sales

For the three months ended March 31, 2005 and 2004, total product sales by geographic region were as follows (amounts in millions):

	Three months ended March 31,		
	2005	2004	Change
Total U.S.	$ 2,231	$ 1,818	23%
Total International	504	390	29%
Total product sales	$ 2,735	$ 2,208	24%

Product sales are influenced by a number of factors, including demand, third-party reimbursement availability and policies, pricing strategies, wholesaler and end-user inventory management practices, foreign exchange effects, new product launches and indications, competitive products, product supply, and acquisitions.

Sales growth was principally driven by demand for Aranesp®, ENBREL®, and Neulasta®. U.S. sales for Aranesp® and Neulasta® were impacted by higher sales incentives earned by customers under performance-based contracts. International product sales growth benefited by $28 million from foreign currency exchange rate changes.

In the near term, we expect sales growth to continue to be driven primarily by Aranesp®, ENBREL®, and Neulasta®. Although we believe our product sales for the three months ended March 31, 2005 were not significantly impacted by the recent reimbursement changes, we expect that, during the remainder of 2005, changes in reimbursement for our products could negatively affect product sales of some of our marketed products. Further, reimbursement changes could impact sequential sales growth and historical sales trends (see "Reimbursement "above).

during the remainder of 2005, changes in reimbursement for our products are likely, to a degree, to negatively affect product sales of some of our marketed products. Further, reimbursement changes are expected to impact sequential sales growth and historical sales trends (see “Reimbursement “above).

EPOGEN®

(Amounts in millions)

	Three months ended March 31,		
	2005	2004	Change
EPOGEN® — U.S	$ 583	$ 590	(1%)

The decrease in reported EPOGEN® sales for the three months ended March 31, 2005 was primarily due to an unfavorable revised estimate of dialysis demand for prior quarters and to a lesser extent, changes in wholesaler inventory levels. This revised estimate of demand is primarily spillover (See Note 1, “Summary of significant accounting policies — Product sales” to the Condensed Consolidated Financial Statements). This decrease was partially offset by a mid-single digit growth in demand. Demand growth was impacted by higher sales incentives provided to customers.

Patients receiving treatment for anemia associated with end stage renal disease with EPOGEN® are covered primarily under medical programs provided by the federal government. We believe EPOGEN® sales growth will primarily depend on dialysis patient population growth and changes in reimbursement rates or a change in the basis for reimbursement by the federal government (see “Factors That May Affect Amgen — Our sales depend on payment and reimbursement from third-party payers, and, to the extent that reimbursement for our products is reduced, this could negatively impact the utilization of our products.”). We believe EPOGEN® sales growth will also be dependent, in part, on future governmental or private organization regulations or guidelines relating to the use of our products, cost containment pressures from the federal government on health care providers and the effects of pricing strategies. Further, EPOGEN® competes to a slight degree with Aranesp® in the United States as some health care providers use Aranesp® to treat anemia associated with chronic renal failure instead of EPOGEN®. To the extent that future changes in reimbursement and/or our pricing strategies impact these products, we could experience further competition between EPOGEN® and Aranesp® for the treatment of anemia associated with chronic renal failure for patients who are on dialysis.

Aranesp®

(Amounts in millions)

	Three months ended March 31,		
	2005	2004	Change
Aranesp® — U.S.	447	330	35%
Aranesp® — International	276	213	30%
Total Aranesp®	$ 723	$ 543	33%

The increase in U.S. Aranesp® sales for the three months ended March 31, 2005 was driven by demand which benefited from market share gains in both oncology and nephrology and market

growth. Sales growth was impacted by higher incentives earned by customers attaining higher sales volumes and growth under performance-based contracts. The increase in international Aranesp® sales was principally driven by demand, and to a lesser extent, favorable changes in foreign currency exchange rates. International Aranesp® sales growth for the three months ended March 31, 2005, benefited by $14 million from foreign currency exchange rate changes.

We believe future worldwide Aranesp® sales growth will be dependent, in part, on such factors as: reimbursement by third-party payers (including governments and private insurance plans) (see "Factors That May Affect Amgen — Our sales depend on payment and reimbursement from third-party payers, and, to the extent that reimbursement for our products is reduced, this could negatively impact the utilization of our products."); cost containment pressures from governments and private insurers on health care providers; governmental or private organization regulations or guidelines relating to the use of our products; penetration of new and existing markets; patient population growth; the effects of pricing strategies; competitive products or therapies, including follow-on biologic products in Europe; the development of new treatments for cancer; and changes in foreign currency exchange rates. Also, we believe that U.S. sales for the remainder of 2005 could be negatively impacted as we expect that the ASPs for Aranesp® will trend downward throughout 2005. We expect it will be towards the end of 2005 before our ASPs for Aranesp® stabilize.

Neulasta®/NEUPOGEN®

(Amounts in millions)

	Three months ended March 31,		
	2005	2004	Change
Neulasta® — U.S.	$ 416	$ 336	24%
Neulasta® — International	85	59	44%
Neulasta® — Total	501	395	27%
NEUPOGEN® — U.S.	182	172	6%
NEUPOGEN® — International	112	97	15%
NEUPOGEN® — Total	294	269	9%
Total Neulasta®/NEUPOGEN®	$ 795	$ 664	20%

The increase in combined worldwide Neulasta®/NEUPOGEN® sales for the three months ended March 31, 2005 was driven primarily by demand for Neulasta®. Sales growth was impacted by higher incentives earned by customers attaining higher sales volumes and growth under performance-based contracts for U.S. Neulasta® sales. Combined international Neulasta®/NEUPOGEN® sales growth for the three months ended March 31, 2005, benefited by $11 million from foreign currency exchange rated changes.

We believe future worldwide Neulasta®/NEUPOGEN® sales growth will be dependent, in part, on such factors as: reimbursement by third-party payers (including governments and private insurance plans) (see "Factors That May Affect Amgen — Our sales depend on payment and reimbursement from third-party payers, and, to the extent that reimbursement for our products is reduced, this could negatively impact the utilization of our products."); cost containment pressures from governments and private insurers on health care providers; governmental or private organization regulations or guidelines relating to the use of our products; penetration of existing markets; patient population growth; the effects of pricing strategies; competitive products or

therapies, including follow-on biologic products in Europe; the development of new treatments for cancer; and changes in foreign currency exchange rates. Future chemotherapy treatments that are less myelosuppressive may require less Neulasta®/NEUPOGEN®, however, other future chemotherapy treatments that are more myelosuppressive, such as dose dense chemotherapy, could require more Neulasta®/NEUPOGEN®. NEUPOGEN® competes with Neulasta® in the United States and Europe. U.S. NEUPOGEN® sales have been adversely impacted by conversion to Neulasta®. However, we believe that most of the conversion in the United States has occurred. We believe that we are experiencing conversion of NEUPOGEN® patients to Neulasta® in Europe, but we believe that this conversion will occur to a lesser extent than that experienced in the United States. However, we cannot accurately predict the rate or timing of future conversion of NEUPOGEN® patients to Neulasta® in Europe. Also, we believe that U.S. Neulasta®/NEUPOGEN® sales for the remainder of 2005 could be negatively impacted as we expect that their ASPs will trend downward throughout 2005. We expect it will be towards the end of 2005 before our ASPs for Neulasta®/NEUPOGEN® stabilize.

ENBREL®

(Amounts in millions)

	Three months ended March 31,		
	2005	2004	Change
ENBREL® — U.S	$ 570	$ 382	49%
ENBREL® — International	22	15	47%
Total ENBREL®	$ 592	$ 397	49%

ENBREL® sales growth for the three months ended March 31, 2005 was driven by demand, benefiting from ENBREL®'s competitive profile and significant growth of biologics in the rheumatology and dermatology markets. In the dermatology market, ENBREL® sales have grown significantly since its approval for moderate to severe psoriasis in April of 2004.

We believe that future ENBREL® sales growth will be dependent, in part, on such factors as: the effects of competing products or therapies; penetration of existing and new markets, including potential new indications; the availability and extent of reimbursement by government and third-party payers; governmental or private organization regulations or guidelines relating to the use of our products (see "Factors That May Affect Amgen — Our sales depend on payment and reimbursement from third-party payers, and, to the extent that reimbursement for our products is reduced, this could negatively impact the utilization of our products"); and limits on the current supply of and sources of ENBREL® (see "Factors That May Affect Amgen — Limits on supply for ENBREL® may constrain ENBREL® sales").

Selected operating expenses

The following table summarizes selected operating expenses (amounts in millions):

	Three months ended March 31,	
	2005	2004
Product sales	$ 2,735	$ 2,208
Operating expenses:		
Cost of sales (excludes amortization of acquired intangible assets)	$ 489	$ 373
% of product sales	18%	17%
Research and development	$ 524	$ 441
% of product sales	19%	20%
Selling, general and administrative	$ 577	$ 517
% of product sales	21%	23%

Cost of sales

Cost of sales, which excludes the amortization of acquired intangible assets (see “Condensed Consolidated Statements of Operations”), increased 31% for the three months ended March 31, 2005, primarily due to higher sales volumes. Costs of sales as a percentage of product sales was impacted by costs associated with ongoing process improvement efforts at our manufacturing facilities as well as product mix changes. In 2005, we have seen and expect to continue to see cost of sales to be affected by further product mix changes, including the impact of higher ENBREL® sales as it has significantly higher manufacturing costs and royalty expenses as compared to our other principal products.

Research and development

R&D expenses are primarily comprised of salaries and benefits associated with R&D personnel, overhead and occupancy costs, clinical trial and related clinical manufacturing costs, contract services, and other outside costs. R&D expenses increased 19% for the three months ended March 31, 2005, primarily driven by higher staff-related costs including the addition of R&D personnel from Tularik, and to a lesser extent, higher costs relating to key clinical trials, including the ramp up of large-scale phase 3 trials for AMG 162, Amgen’s investigational therapy for bone loss. During the three months ended March 31, 2005, staff-related costs and clinical trial costs increased approximately $58 million and $20 million, respectively. In 2005, we expect our R&D expenses to increase primarily due to higher clinical manufacturing and clinical trial costs to support our development efforts for AMG 162 and Aranesp® (Trial to Reduce Cardiovascular Events with Aranesp Therapy, TREAT) as compared to 2004.

Selling, general and administrative

Selling, general and administrative (“SG&A”) expenses are primarily comprised of salaries and benefits associated with sales and marketing, finance, legal, and other administrative personnel; outside marketing expenses; overhead and occupancy costs; and other general and administrative costs. SG&A increased 12% for the three months ended March 31, 2005, primarily due to higher outside marketing expenses, which reflects higher spending to support our products in competitive

markets and sales growth. Outside marketing expenses include the Wyeth profit share related to ENBREL®, which has increased due to ENBREL® sales growth. During the three months ended March 31, 2005, outside marketing expenses increased approximately $54 million. In 2005, we expect higher Wyeth profit share expense due to expected ENBREL® sales growth; however, we have seen and expect to continue to see some leveraging of our 2004 SG&A spending during 2005.

Income taxes

Our effective tax rate for the three months ended March 31, 2005 was 25.5%, compared with 27.3% for the same period last year. Our effective tax rate for the three months ended March 31, 2005 has decreased primarily due to a slightly lower state effective tax rate and the passing of legislation during the fourth quarter of 2004 that extended the federal R&D credit, which was set to expire on June 30, 2004. The federal R&D credit has been extended through December 31, 2005.

We do not provide for U.S. income taxes on undistributed earnings of our controlled foreign corporations that are intended to be invested indefinitely outside the United States.

On October 22, 2004, the President of the United States signed the American Jobs Creation Act of 2004 (the “Jobs Act”), which provides a temporary incentive to repatriate undistributed foreign earnings. There are uncertainties that remain as to how to interpret numerous provisions in the Jobs Act. As such, we are still evaluating the repatriation provisions of the Jobs Act and our 2005 first quarter results of operations do not reflect any impact relating to such repatriation provisions. We expect to complete our evaluation within a reasonable period of time following the publication of additional guidance.

See Note 3, “Income Taxes”, to the Condensed Consolidated Financial Statements for further discussion.

Financial Condition, Liquidity and Capital Resources

The following table summarizes selected financial data (amounts in millions):

	March 31, 2005	December 31, 2004
Cash, cash equivalents, and marketable securities	$ 4,035	$ 5,808
Total assets	27,420	29,221
Current debt	1,744	1,173
Non-current debt	2,198	3,937
Stockholders’ equity	19,040	19,705

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 programs. However, in order to provide for greater financial flexibility and liquidity, we may raise additional capital from time to time.

Cash, cash equivalents, and marketable securities

Of the total cash, cash equivalents, and marketable securities at March 31, 2005, approximately $2.8 billion represents cash generated from operations in foreign tax jurisdictions and is intended for use outside the United States. If these funds are repatriated for use in our U.S. operations, additional taxes on certain of these amounts would be required to be paid. Based on our preliminary analysis to date, we are limited under the Jobs Act to repatriate up to $500 million in foreign profits. See “Results of Operations — Income taxes” for further discussion.

Financing arrangements

As of March 31, 2005, we had Convertible Notes (30-year, zero-coupon senior convertible notes) with an accreted value of $1.7 billion outstanding and having an aggregate face amount of $2.36 billion and yield to maturity of 1.125%. The original issue discount is being accreted to the balance of the Convertible Notes and recognized as interest expense over the life of the Convertible Notes using the effective interest method. 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, 2006, at a price equal to the original issuance price plus the accrued original issue discount to the purchase dates, and accordingly, the Convertible Notes were classified as current in the accompanying Condensed Consolidated Balance Sheet as of March 31, 2005. In such event, under the terms of the Convertible Notes, we have the right to pay the purchase price in cash and/or shares of common stock, which would be issued at the then current market price.

Holders of the Convertible Notes may convert each of their notes into 8.8601 shares of our common stock (the “conversion rate”), or approximately 21 million shares in the aggregate, at any time on or before the maturity date. The conversion price per share as of any day will equal the original issuance price plus the accrued original issue discount to that day, divided by the conversion rate, or $83.45 per share as of March 31, 2005. The Convertible Notes are rated A2 by Moody’s and A+ by Standard & Poor’s.

In April 2005, we made an offer to exchange the Convertible Notes (see Note 7, “Subsequent events”) for new zero-coupon senior convertible notes (the “New Convertible Notes”) and a total cash payment of approximately $6 million. The New Convertible Notes have certain different terms from the Convertible Notes, the most significant of which relate to convertibility and how the New Convertible Notes are settled upon conversion. Additionally, in the event the holders of the New Convertible Notes require us to purchase all or a portion of their notes on various specified dates, the earliest of which is March 1, 2006, we are required to pay the purchase price solely in cash.

The New Convertible Notes can only be converted if: 1) the closing price of our common stock exceeds the conversion price per share, as defined, during a specified time period, 2) we call the New Convertible Notes for redemption, or 3) we make certain significant distributions to common stockholders or enter into specified types of corporate transactions. If converted, the New Convertible Notes would be settled in 1) cash equal to the lesser of the accreted value of the New Notes at the conversion date or the conversion value, as defined, and 2) shares of common stock to the extent, if any, the conversion value exceeds the cash payment.

The exchange offer expires at 5:00 p.m., New York City time, on May 4, 2005, unless extended by Amgen.

As of March 31, 2005, we had $2 billion of long-term senior notes outstanding. These long-term senior notes consisted of: 1) $1 billion of senior notes that bear interest at a fixed rate of 4.0% and mature in 2009, and 2) $1 billion of senior notes that bear interest at a fixed rate of 4.85% and mature in 2014. Moody's and Standard & Poor's rate our outstanding long-term senior notes A2 and A+, respectively.

As of March 31, 2005, we had $200 million of additional long-term debt securities outstanding. These long-term debt securities consisted of: 1) $100 million of debt securities that bear interest at a fixed rate of 6.5% and mature in 2007 under a $500 million debt shelf registration (the "$500 Million Shelf"), and 2) $100 million of debt securities that bear interest at a fixed rate of 8.1% and mature in 2097. Our outstanding long-term debt is rated A2 by Moody's and A+ by Standard & Poor's. Under the $500 Million Shelf, all of the remaining $400 million of debt securities available for issuance may be offered from time to time under our medium-term note program with terms to be determined at the time of issuance.

We have a $1.0 billion five-year unsecured revolving credit facility to be used for general corporate purposes, including commercial paper support. Additionally, we have a commercial paper program, which provides for unsecured, short-term borrowings of up to an aggregate of $1.2 billion. No amounts were outstanding under the credit facility or commercial paper program as of March 31, 2005.

We have a $1.0 billion shelf registration (the "$1 Billion Shelf") which allows us to issue debt securities, common stock, and associated preferred share purchase rights, preferred stock, warrants to purchase debt securities, common stock or preferred stock, securities purchase contracts, securities purchase units and depositary shares. The $1 Billion Shelf was established to provide for further financial flexibility and the securities available for issuance may be offered from time to time with terms to be determined at the time of issuance. As of March 31, 2005, no securities had been issued under the $1 Billion Shelf.

Certain of our financing arrangements contain non-financial covenants and as of March 31, 2005, we are in compliance with all applicable covenants.

Cash flows

The following table summarizes our cash flow activity (amounts in millions):

	Three months ended March 31,	
	2005	2004
Net cash provided by operating activities	$ 1,123	$ 399
Net cash provided by investing activities	1,266	69
Net cash used in financing activities	(2,732)	(544)

Operating

Cash provided by operating activities has been and is expected to continue to be our primary recurring source of funds. The increase in cash provided by operating activities during the three months ended March 31, 2005 resulted primarily from higher cash receipts from customers driven by the growth in product sales and timing differences of cash payments relating to our tax liabilities. (See Condensed Consolidated Statements of Cash Flows).

Investing

Capital expenditures totaled $198 million during the three months ended March 31, 2005, compared with $386 million during the same period last year. The decrease in capital expenditures during the three months ended March 31, 2005 is primarily due to lower expenditures relating to the new ENBREL® manufacturing plant in Rhode Island, which is nearing completion. These capital expenditures were offset by net proceeds from maturities and sales of marketable securities of $1,410 million during the three months ended March 31, 2005.

We currently estimate 2005 spending on capital projects and equipment to be comparable to or slightly less than our 2004 expenditures of $1.3 billion. The most significant of these expenditures are expected to relate to the Puerto Rico manufacturing and the Thousand Oaks site expansions.

Financing

During the three months ended March 31, 2005 and 2004, we repurchased 27 million and 10 million shares of our common stock at a total cost of $1,675 million and $650 million, respectively. As of March 31, 2005, we had $4,294 million available for stock repurchases under our stock repurchase program authorized by the Board of Directors. The amount we spend and the number of shares repurchased varies based on a variety of factors including the stock price and blackout periods in which we are restricted from repurchasing shares. Repurchases under our stock repurchase programs reflect, in part, our confidence in the long-term value of Amgen common stock.

See Part II — Other Information, Item 2. Changes in Securities, Use of Proceeds and Issuer Purchases of Equity Securities for additional information regarding our stock repurchase program.

On March 2, 2005, as a result of certain holders of the Convertible Notes exercising their March 1, 2005 put option, we repurchased $1.59 billion aggregate principal amount of Convertible Notes at their then-accreted value for $1,175 million in cash, or approximately 40%, of the outstanding Convertible Notes.

We receive cash from the exercise of employee stock options and proceeds from the sale of stock pursuant to the employee stock purchase plan. Employee stock option exercises and proceeds from the sale of stock by us pursuant to the employee stock purchase plans provided $128 million and $101 million of cash during the three months ended March 31, 2005 and 2004, respectively. Proceeds from the exercise of employee stock options will vary from period to period based upon, among other factors, fluctuations in the market value of our stock relative to the exercise price of such options.

Factors that may affect Amgen

The following items are representative of the risks, uncertainties, and assumptions that could affect the outcome of the forward looking statements.

Our sales depend on payment and reimbursement from third-party payers, and, to the extent that reimbursement for our products is reduced, this could negatively impact the utilization of our products.

In both domestic and foreign markets, sales of our products are dependent, in part, on the availability of reimbursement from third-party payers such as state and federal governments, under programs such as Medicare and Medicaid in the United States, and private insurance plans. In certain foreign markets, the pricing and profitability of our products generally are subject to government controls. In the United States, there have been, there are, and we expect there will continue to be, a number of state and federal laws and/or regulations, or in some cases draft legislation or regulations that could limit the amount that state or federal governments will pay to reimburse the cost of pharmaceutical and biologic products. For example, the Medicare Prescription Drug, Improvement and Modernization Act (or the Medicare Modernization Act (MMA)) was enacted into law in December 2003. In addition, we believe that private insurers, such as managed care organizations, may adopt their own reimbursement reductions in response to legislation or regulations, including, without limitation, the MMA. Although we believe our product sales for the three months ended March 31, 2005 were not significantly impacted by the recent reimbursement changes, we expect that, during the remainder of 2005, reimbursement changes resulting from the MMA could negatively affect product sales of some of our marketed products. The main components of the MMA that affect our currently marketed products are as follows:

- Through 2004 the Average Wholesale Price (AWP) mechanism was the basis of Medicare Part B payment for covered outpatient drugs and biologics. Effective January 1, 2005, in the physician clinic market segment, Aranesp®, Neulasta® and NEUPOGEN® are being reimbursed under a new Medicare Part B system that reimburses each product at 106% of its “average sales price” (ASP) (sometimes referred to as “ASP+6%”). ASP is calculated by the manufacturer based on a statutorily defined methodology and submitted to CMS. A product’s ASP is calculated on a quarterly basis and therefore may change each quarter. The ASP in effect for a given quarter (the “Current Period”) is based upon certain historical sales and sales incentive data covering a statutorily defined period of time preceding the Current Period. For example, the ASP for Aranesp® that we submit for the third quarter of 2005 will be based on certain historical sales and sales incentive data for Aranesp® from April 1, 2004 through March 31, 2005. CMS publishes the ASPs for products in advance of the quarter in which they go into effect. The first and second quarter 2005 reimbursement rates for Aranesp®, Neulasta®, and NEUPOGEN® (calculated at 106% of the ASPs), are lower than our 2004 reimbursement rates as the ASP methodology incorporates lagged sales incentives offered to healthcare providers. We expect that the ASPs for our products will trend downward throughout 2005, and we expect it will be towards the end of 2005 before our ASPs stabilize. Per the MMA, effective January 1, 2006, physicians in this market segment will have the choice between purchasing and billing for drugs under the ASP+6% system or obtaining drugs from vendors selected by CMS under the “competitive acquisition program” (CAP). Physicians who select to obtain drugs from CAP will no longer purchase or obtain reimbursement directly for such drugs. CMS issued a draft proposed rule related to the CAP in February 2005. Comments on the draft were due at the

end of April. However, the draft CAP rule issued by CMS does not provide sufficient detail to assess the impact on our business.

- The Medicare hospital outpatient prospective payment system (OPPS), which determines payment rates for specified covered outpatient drugs and biologics in the hospital outpatient setting, will continue to utilize AWP as the basis for reimbursement in 2005. CMS' 2005 reimbursement rate, as in 2003 and 2004, continued the application of an "equitable adjustment" such that the 2005 Aranesp® reimbursement rate is based on the AWP of PROCRIT®. For 2005 the reimbursement rate for Aranesp® is 83% of the AWP for PROCRIT®, down from 88% of the AWP for PROCRIT® in 2004, with a dose conversion ratio of 330 U PROCRIT® to 1 mcg Aranesp®, the same ratio as 2004. Effective January 1, 2006, the OPPS system will change from an AWP based reimbursement system to a system based on "average acquisition cost". This change will affect Aranesp®, Neulasta® and NEUPOGEN® when administered in the hospital outpatient setting. Although we do not know how CMS will define the OPPS average acquisition cost, it is possible that CMS could define acquisition cost as ASP. Regardless of whether CMS adopts an average acquisition cost or ASP system in OPPS in 2006, we expect that the reimbursement rates will be below those in 2005, as the new rates will incorporate discounts provided to hospitals.

- Pursuant to final rules issued by CMS on November 3, 2004, Medicare reimbursement for EPOGEN® used in the dialysis setting for calendar year 2005 has been changed from the previous rate of $10 per 1,000 Units to $9.76 per 1,000 Units, a rate based upon an average acquisition cost for 2003 determined by the Office of the Inspector General (OIG) and adjusted for price inflation based on the Producer Price Index for pharmaceutical products. Pursuant to the CMS final rules, the difference between the 2004 reimbursement rates for all drugs separately billed outside the dialysis composite rate (including EPOGEN®) and the 2005 reimbursement rates for such drugs will be added to the composite rate that dialysis providers receive for dialysis treatment. Again in 2006, the EPOGEN® rate may change, as the MMA provided for discretion in either continuing to pay for these separately reimbursed dialysis drugs at acquisition cost, or switching to an ASP based system. The payment rate for dialysis drugs not studied by the OIG, including Aranesp®, is ASP+6% in 2005, and could likely remain at this rate in 2006.

We believe these changes driven by the MMA are lowering the 2005 reimbursement rate for all areas in which CMS provides reimbursement for EPOGEN®, Aranesp®, Neulasta® and NEUPOGEN®. However, because we cannot predict the impact of any such changes on how, or under what circumstances, healthcare providers will prescribe or administer our products, as of the date of this filing, we cannot predict the full impact of the MMA on our business; however, it could be negative.

In addition, on July 8, 2004, CMS released a proposed revision to the Hematocrit Measurement Audit Program Memorandum (HMA-PM), a Medicare payment review mechanism used by CMS to audit EPOGEN® utilization and appropriate hematocrit outcomes of dialysis patients. As of the date of this filing, the comment period for the proposed revision has expired and no final program memorandum has been issued. The proposed policy would not permit reimbursement for EPOGEN® in the following circumstances without medical justification: EPOGEN® doses greater than 40,000 Units per month in a patient with a hemoglobin greater than 13 grams per deciliter or doses greater than 20,000 Units per month in a patient with hemoglobin greater than 14 grams per deciliter. If the proposed revision, which has not yet been finalized, is

adopted as the final form, it could result in a reduction in utilization of EPOGEN®. Although the proposed revision was scheduled to go into effect as early as January 1, 2005, it is unclear as to when it may be implemented. We and the dialysis community have provided public comment based on data analysis suggesting that the proposed revision to the HMA-PM is unwarranted. Given the importance of EPOGEN® utilization for maintaining the quality of care for dialysis patients, the precise impact of such a change on provider utilization remains unclear.

If, and when, reimbursement rates or availability for our marketed products changes adversely or if we fail to obtain adequate reimbursement for our current or future products, health care providers may limit how much or under what circumstances they will prescribe or administer them, which could reduce the use of our products or cause us to reduce the price of our products. This could result in lower product sales or revenues, which could have a material adverse effect on us and our results of operations. For example, in the United States the use of EPOGEN® in connection with treatment for end stage renal disease is funded primarily by the U.S. federal government. In early 1997, CMS, formerly known as Healthcare Financing Administration (HCFA), instituted a reimbursement change for EPOGEN®, which materially and adversely affected our EPOGEN® sales until the policies were revised. Also, we believe the increasing emphasis on cost-containment initiatives in the United States has and will continue to put pressure on the price and usage of our products, which may adversely impact product sales. Further, when a new therapeutic product is approved, the governmental and/or private coverage and reimbursement for that product is uncertain. We cannot predict the availability or amount of reimbursement for our approved products or product candidates, including those at a late stage of development, and current reimbursement policies for marketed products may change at any time. Sales of all our products are and will be affected by government and private payer reimbursement policies. Reduction in reimbursement for our products could have a material adverse effect on our results of operations.

Our current products and products in development cannot be sold if we do not maintain regulatory approval.

We and certain of our licensors and partners conduct research, preclinical testing, and clinical trials for our product candidates. In addition, we manufacture and contract manufacture and certain of our licensors and partners manufacture our product candidates. We also manufacture and contract manufacture, price, sell, distribute, and market or co-market our products for their approved indications. These activities are subject to extensive regulation by numerous state and federal governmental authorities in the United States, such as the FDA and CMS, as well as in foreign countries, including Europe. Currently, we are required in the United States and in foreign countries to obtain approval from those countries' regulatory authorities before we can manufacture (or have our third-party manufacturers produce product), market and sell our products in those countries. In our experience, obtaining regulatory approval is costly and takes many years, and after it is obtained, it remains costly to maintain. The FDA and other U.S. and foreign regulatory agencies have substantial authority to terminate clinical trials, require additional testing, delay or withhold registration and marketing approval, require changes in labeling of our products, and mandate product withdrawals. Substantially all of our marketed products are currently approved in the United States and most are approved in Europe and in other foreign countries for specific uses. However, later discovery of unknown problems with our products could result in restrictions on the sale or use of such products, including potential withdrawal of the product from the market. If new medical data suggests an unacceptable safety risk or previously unidentified side-affects, we may voluntarily withdraw, or regulatory authorities may mandate the withdrawal of such product from the market for some period or permanently. We currently manufacture and market all our approved

principal products, and we plan to manufacture and market many of our potential products. See "—We may be required to perform additional clinical trials or change the labeling of our products if we or others identify side effects after our products are on the market." Even though we have obtained regulatory approval for our marketed products, these products and our manufacturing processes are subject to continued review by the FDA and other regulatory authorities. In addition, ENBREL® is manufactured both by us at our Rhode Island manufacturing facility and by third-party contract manufacturers, including Boehringer Ingelheim Pharma KG ("BI Pharma"). Fill and finish of bulk product produced at our Rhode Island manufacturing facility is done by us and third-party service providers. The third-party contract manufacturers and third-party service providers are also subject to FDA regulatory authority. (See "—Limits on supply for ENBREL® may constrain ENBREL® sales.") In addition, later discovery of unknown problems with our products or manufacturing processes or those of our contract manufacturers or third-party service providers could result in restrictions on the sale, manufacture, or use of such products, including potential withdrawal of the products from the market. If regulatory authorities determine that we or our contract manufacturers or third-party service providers have violated regulations or if they restrict, suspend, or revoke our prior approvals, they could prohibit us from manufacturing or selling our marketed products until we or our contract manufacturers or third-party service providers comply, or indefinitely. In addition, if regulatory authorities determine that we or our licenser or partner conducting research and development activities on our behalf have not complied with regulations in the research and development of a product candidate, then they may not approve the product candidate and we will not be able to market and sell it. If we were unable to market and sell our products or product candidates, our business and results of operations would be materially and adversely affected.

If our intellectual property positions are challenged, invalidated, circumvented or expire, or if we fail to prevail in present and future intellectual property litigation, our business could be adversely affected.

The patent positions of pharmaceutical and biotechnology companies can be highly uncertain and often involve complex legal, scientific, and factual questions. To date, there has emerged no consistent policy regarding breadth of claims allowed in such companies' patents. Third parties may challenge, invalidate, or circumvent our patents and patent applications relating to our products, product candidates, and technologies. In addition, our patent positions might not protect us against competitors with similar products or technologies because competing products or technologies may not infringe our patents. For certain of our product candidates, there are third parties who have patents or pending patents that they may claim prevent us from commercializing these product candidates in certain territories. Patent disputes are frequent, costly, and can preclude or delay commercialization of products. We are currently, and in the future may be, involved in patent litigation. For example, we are involved in an ongoing patent infringement lawsuit against Transkaryotic Therapies, Inc. ("TKT") and Aventis with respect to our erythropoietin patents. If we lose or settle this or other litigations at certain stages or entirely, we could be: subject to competition and/or significant liabilities; required to enter into third-party licenses for the infringed product or technology; or required to cease using the technology or product in dispute. In addition, we cannot guarantee that such licenses will be available on terms acceptable to us, or at all.

Our success depends in part on our ability to obtain and defend patent rights and other intellectual property rights that are important to the commercialization of our products and product candidates. We have filed applications for a number of patents and have been granted patents or obtained rights relating to erythropoietin, natural and recombinant G-CSF, darbepoetin alfa, pegfilgrastim, etanercept, and our other products and potential products. We market our

erythropoietin, recombinant G-CSF, darbepoetin alfa, pegfilgrastim, and etanercept products as EPOGEN®, NEUPOGEN®, Aranesp®, Neulasta®, and ENBREL®, respectively.

Product		General Subject Matter	Expiration
Epoetin alfa	U.S.		
		— Process of making erythropoietin (issued in 1995 and 1997)	8/15/2012
		— Product claims to erythropoietin (issued in 1996 and 1997)	8/20/2013
		— Pharmaceutical compositions of erythropoietin (issued in 1999)	8/20/2013
		— Cells that make certain levels of erythropoietin (issued in 1998)	5/26/2015
darbepoetin alfa	Europe(1)	— Glycosylation analogs of erythropoietin proteins (issued in 1999)	10/12/2010
		— Glycosylation analogs of erythropoietin proteins (issued in 1997)	8/16/2014
Filgrastim	U.S.	— Methods for recombinant production of G-CSF (issued in 1998)	8/23/2005
		— Analogs of G-CSF (issued in 1999)	8/23/2005
		— Pharmaceutical Compositions Comprising G-CSF (issued in 2002)	8/23/2005
		— DNA, vectors, cells and processes relating to recombinant G-CSF (issued in 1989 and 1991)	3/7/2006
		— G-CSF polypeptides (issued in 1996)	12/3/2013
		— Methods of treatment using G-CSF polypeptides (issued in 1996)	12/10/2013
	Europe(1)	— G-CSF DNA Vectors, cells, polypeptides, methods of use and production (issued in 1991)	8/22/2006
pegfilgrastim	U.S.	— Pegylated G-CSF (issued in 1998)	10/20/2015
	Europe(1)	— Pegylated G-CSF (issued in 1999)	2/8/2015
Etanercept	U.S.	— Methods of treating TNF — dependent disease (issued in 2003)	9/5/2009
		— TNFR proteins and pharmaceutical compositions (issued in 1999 and 2001)	9/5/2009
		— TNFR DNA vectors, cells and processes for making proteins (issued in 1995 and 2000)	10/23/2012

(1) In some cases these European patents may also be entitled to Supplemental Protection in one or more countries in Europe and the length of any such extension will vary country by country.

We also have been granted or obtained rights to patents in Europe relating to: erythropoietin; G-CSF; pegfilgrastim (pegylated G-CSF); etanercept; two relating to darbepoetin alfa; and hyperglycosylated erythropoietic proteins. Our European patent relating to erythropoietin expired on December 12, 2004 and our European patent relating to G-CSF expires on August 22, 2006. We believe that after the expiration of each of these patents, other companies could receive approval for and market follow-on or biosimilar products to each of these products in Europe; presenting additional competition to our products. (See “Our marketed products face substantial competition and other companies may discover, develop, acquire or commercialize products before or more successfully than we do.”) While we do not market erythropoietin in Europe as this right belongs to Johnson & Johnson (through KA), we do market Aranesp® in the EU, which competes with Johnson

& Johnson's and others' erythropoietin products. We believe that the EU is currently in the process of developing regulatory guidelines related to the development and approval of biosimilar products. Until such guidelines are finalized, we cannot predict when follow-on or biosimilar products could appear on the market in the EU or to what extent such additional competition would impact future Aranesp® and NEUPOGEN®/Neulasta® sales in the EU. However, based on the process and timing outlined by the European Agency for the Evaluation of Medical Products (EMEA), we believe product specific guidelines are not likely to be finalized before 2006.

Limits on supply for ENBREL® may constrain ENBREL® sales.

U.S. and Canadian supply of ENBREL® is impacted by many manufacturing variables, such as the timing and actual number of production runs, production success rate, bulk drug yield, and the timing and outcome of product quality testing. For example, in the second quarter of 2002, the prior co-marketer with respect to ENBREL®, experienced a brief period where no ENBREL® was available to fill patient prescriptions, primarily due to variation in the expected production yield from BI Pharma. If we are at any time unable to provide an uninterrupted supply of ENBREL® to patients, we may lose patients, physicians may elect to prescribe competing therapeutics instead of ENBREL®, and ENBREL® sales will be adversely affected, which could materially and adversely affect our results of operations. See "—We are dependent on third parties for a significant portion of our supply and the fill and finish of ENBREL®; and our sources of supply are limited."

We are dependent on third parties for a significant portion of our supply and the fill and finish of ENBREL®; and our sources of supply are limited.

We currently produce a substantial portion of annual ENBREL® supply at our Rhode Island manufacturing facility. However, we also depend on third parties for a significant portion of our ENBREL® supply as well as for the fill and finish of ENBREL® that we manufacture. BI Pharma is our primary third-party manufacturer of ENBREL® bulk drug; accordingly, our U.S. and Canadian supply of ENBREL® is currently significantly dependent on BI Pharma's production schedule for ENBREL®. We would be unable to produce ENBREL® in sufficient quantities to substantially offset shortages in BI Pharma's scheduled production if BI Pharma or other third-party manufacturers used for the fill and finish of ENBREL® bulk drug were to cease or interrupt production or services or otherwise fail to supply materials, products, or services to us for any reason, including due to labor shortages or disputes, due to regulatory requirements or action, or due to contamination of product lots or product recalls. This in turn could materially reduce our ability to satisfy demand for ENBREL®, which could materially and adversely affect our operating results. Factors that will affect our actual supply of ENBREL® at any time include, without limitation, the following:

- BI Pharma does not produce ENBREL® continuously; rather, it produces the bulk drug substance through a series of periodic campaigns throughout the year. Our Rhode Island manufacturing facility is currently dedicated to ENBREL® production. The amount of commercial inventory available to us at any time depends on a variety of factors, including the timing and actual number of BI Pharma's production runs, the actual number of runs at our Rhode Island manufacturing facility, and, for either the Rhode Island or BI Pharma facilities, the level of production yields and success rates, the timing and outcome of product quality testing, and the amount of filling and packaging capacity.

- BI Pharma schedules the vialing production runs for ENBREL® in advance, based on the expected timing and yield of bulk drug production runs. Therefore, if BI Pharma realizes

production yields beyond expected levels, or provides additional manufacturing capacity for ENBREL®, it may not have sufficient vialing capacity for all of the ENBREL® bulk drug that it produces. As a result, even if we are able to increase our supply of ENBREL® bulk drug, BI Pharma may not be able to fill and finish the extra bulk drug in time to prevent any supply interruptions.

We are dependent on third parties for some fill and finish and packaging of ENBREL® bulk drug substance manufactured at our Rhode Island facility. If third-party fill and finish and packaging manufacturers are unable to provide sufficient capacity or are otherwise unable to provide services to us, then supply of ENBREL® could be adversely affected.

Our current plan to increase U.S. and Canadian supply of ENBREL® includes requiring regulatory approval of an additional large-scale cell culture commercial manufacturing facility adjacent to the current Rhode Island manufacturing facility. We submitted this facility for FDA approval in April 2005. In addition, Wyeth has constructed a new manufacturing facility in Ireland and has filed for licensure by the EMEA. These facilities are expected to increase the U.S. and Canadian supply of ENBREL®. If the additional ENBREL® manufacturing capacity at the Rhode Island site, or in Ireland do not receive FDA or the EMEA approval before we encounter supply constraints, our ENBREL® sales would be restricted, which could have a material adverse effect on our results of operations. (See "—Limits on supply for ENBREL® may constrain ENBREL® sales.") If these manufacturing facilities are completed and approved by the various regulatory authorities, our costs of acquiring bulk drug may fluctuate.

We formulate, fill and finish substantially all our products at our Puerto Rico manufacturing facility; if significant natural disasters or production failures occur at this facility, we may not be able to supply these products.

We currently perform all of the formulation, fill and finish for EPOGEN®, Aranesp®, NEUPOGEN® and Neulasta® and some formulation, fill and finish operations for ENBREL® at our manufacturing facility in Juncos, Puerto Rico. Our global supply of these products is dependent on the uninterrupted and efficient operation of this facility. Power failures, the breakdown, failure or substandard performance of equipment, the improper installation or operation of equipment, natural or other disasters, including hurricanes, or failures to comply with regulatory requirements, including those of the FDA, among others, could adversely affect our formulation, fill and finish operations. As a result, we may be unable to supply these products, which could adversely and materially affect our product sales. Although we have obtained limited insurance to protect against business interruption loss, there can be no assurance that such coverage will be adequate or that such coverage will continue to remain available on acceptable terms, if at all. The extent of the coverage of our insurance could limit our ability to mitigate for lost sales and could result in such losses materially and adversely affecting our operating results.

Our marketed products face substantial competition and other companies may discover, develop, acquire or commercialize products before or more successfully than we do.

We operate in a highly competitive environment. Our products compete with other products or treatments for diseases for which our products may be indicated. For example, ENBREL® competes in certain circumstances with products marketed by Biogen IDEC Inc., Centocor, Inc., Johnson & Johnson, Abbott, Genentech, Pfizer, Novartis, and Sanofi-Aventis, as well as the generic drug methotrexate, and may face competition from other potential therapies being developed.

Additionally, Aranesp® competes with products marketed by Johnson & Johnson in the United States and the EU. Further, if our currently marketed products are approved for new uses, or if we sell new products, we may face new, additional competition that we do not face today. Additionally, some of our competitors, including biotechnology and pharmaceutical companies, market products or are actively engaged in research and development in areas where we have products or where we are developing product candidates or new indications for existing products. In the future, we expect that our products will compete with new drugs currently in development, drugs approved for other indications that may be approved for the same indications as those of our products, and off-label use of drugs approved for other indications. Our European patent relating to erythropoietin expired on December 12, 2004 and our European patent relating to G-CSF expires on August 22, 2006. We believe that after the expiration of each of these patents, other companies could receive approval for and market follow-on or biosimilar products to each of these products in Europe; presenting additional competition to our products. While we do not market erythropoietin in Europe as this right belongs to Johnson & Johnson (through KA), we do market Aranesp® in the EU, which competes with Johnson & Johnson's and others' erythropoietin products. We believe that the EU is currently in the process of developing regulatory guidelines related to the development and approval of follow-on or biosimilar products. Until such guidelines are finalized, we cannot predict when follow-on or biosimilar products could appear on the market in the EU or to what extent such additional competition would impact future Aranesp® and NEUPOGEN®/Neulasta® sales in the EU. However, based on the process and timing outlined by the EMEA, we believe product specific guidelines are not likely to be finalized before 2006. Our products may compete against products that have lower prices, superior performance, are easier to administer, or that are otherwise competitive with our products. Our inability to compete effectively could adversely affect product sales.

Large pharmaceutical corporations may have greater clinical, research, regulatory, manufacturing, marketing, financial experience and human resources than we do. In addition, some of our competitors may have technical or competitive advantages over us for the development of technologies and processes. These resources may make it difficult for us to compete with them to successfully discover, develop, and market new products and for our current products to compete with new products or new product indications that these competitors may bring to market. Business combinations among our competitors may also increase competition and the resources available to our competitors.

Certain of our raw materials, medical devices and components are single-sourced from third parties; third-party supply failures could adversely affect our ability to supply our products.

Certain raw materials necessary for commercial manufacturing and formulation of our products are provided by single-source unaffiliated third-party suppliers. Also, certain medical devices and components necessary for fill, finish, and packaging of our products are provided by single-source unaffiliated third-party suppliers. Certain of these raw materials, medical devices, and components are the proprietary products of these unaffiliated third-party suppliers and, in some cases, such proprietary products are specifically cited in our drug application with the FDA so that they must be obtained from that specific sole source and could not be obtained from another supplier unless and until the FDA approved that other supplier. We would be unable to obtain these raw materials, medical devices, or components for an indeterminate period of time if these third-party single-source suppliers were to cease or interrupt production or otherwise fail to supply these materials or products to us for any reason, including due to regulatory requirements or action, due to adverse financial developments at or affecting the supplier, or due to labor shortages or disputes.

This, in turn, could materially and adversely affect our ability to satisfy demand for our products, which could materially and adversely affect our operating results.

Also, certain of the raw materials required in the commercial manufacturing and the formulation of our products are derived from biological sources, including mammalian tissues, bovine serum and human serum albumin, or HSA. We are investigating alternatives to certain biological sources. Raw materials may be subject to contamination and/or recall. Also, some countries in which we market our products may restrict the use of certain biologically derived substances in the manufacture of drugs. A material shortage, contamination, recall, and/or restriction of the use of certain biologically derived substances in the manufacture of our products could adversely impact or disrupt our commercial manufacturing of our products or could result in a mandated withdrawal of our products from the market. This too, in turn, could adversely affect our ability to satisfy demand for our products, which could materially and adversely affect our operating results.

Our product development efforts may not result in commercial products.

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

- the product candidate did not demonstrate acceptable clinical trial results even though it demonstrated positive preclinical trial results
- the product candidate was not effective in treating a specified condition or illness
- the product candidate had harmful side effects in humans or animals
- the necessary regulatory bodies, such as the FDA, did not approve our product candidate for an intended use
- the product candidate was not economical for us to manufacture and commercialize
- other companies or people have or may have proprietary rights to our product candidate, such as patent rights, and will not let us sell it on reasonable terms, or at all
- the product candidate is not cost effective in light of existing therapeutics
- certain of our licensors or partners may fail to effectively conduct clinical development or clinical manufacturing activities

Several of our product candidates have failed or been discontinued at various stages in the product development process, including, but not limited to, Brain Derived Neurotrophic Factor (“BDNF”), Megakaryocyte Growth and Development Factor (“MGDF”), and Glial Cell Lined-Derived Neurotrophic Factor (“GDNF”). For example, in 1997, we announced the failure of BDNF for the treatment of amyotrophic lateral sclerosis, or Lou Gehrig’s Disease, because the product candidate, when administered by injection, did not produce acceptable clinical results for a specific use after a

phase 3 trial, even though BDNF had progressed successfully through preclinical and earlier clinical trials. In addition, in 1998, we discontinued development of MGDF, a novel platelet growth factor, at the phase 3 trial stage after several people in platelet donation trials developed low platelet counts and neutralizing antibodies. Also, in June 2004, we announced that the phase 2 study of GDNF for the treatment of advanced Parkinson's disease did not meet the primary study endpoint upon completion of six months of the double-blind treatment phase of the study even though a small phase 1 pilot investigator initiated open label study over a three year period appeared to result in improvements for advanced Parkinson's disease patients. Subsequently, in the fall of 2004 we discontinued clinical development of GDNF in patients with advanced Parkinson's disease after several patients in the phase 2 study developed neutralizing antibodies and new preclinical data showed that GDNF caused irreversible damage to the area of the brain critical to movement control and coordination. On February 11, 2005, we confirmed our previous decision to halt clinical trials and, as a part of that decision and based on thorough scientific review, we also concluded that we will not provide GDNF to the 48 patients who participated in clinical trials that were terminated in the fall of 2004. Of course, there may be other factors that prevent us from marketing a product. We cannot guarantee we will be able to produce commercially successful products. Further, clinical trial results are frequently susceptible to varying interpretations by scientists, medical personnel, regulatory personnel, statisticians, and others, which may delay, limit, or prevent further clinical development or regulatory approvals of a product candidate. Also, the length of time that it takes for us to complete clinical trials and obtain regulatory approval for product marketing has in the past varied by product and by the intended use of a product. We expect that this will likely be the case with future product candidates and we cannot predict the length of time to complete necessary clinical trials and obtain regulatory approval. (See "—Our current products and products in development cannot be sold if we do not maintain regulatory approval.")

We may be required to perform additional clinical trials or change the labeling of our products if we or others identify side effects after our products are on the market.

If we or others identify side effects after any of our products are on the market, or if manufacturing problems occur, regulatory approval may be withdrawn and reformulation of our products, additional clinical trials, changes in labeling of our products, and changes to or re-approvals of our manufacturing facilities may be required, any of which could have a material adverse effect on sales of the affected products and on our business and results of operations.

After any of our products are approved for commercial use, we or regulatory bodies could decide that changes to our product labeling are required. Label changes may be necessary for a number of reasons, including: the identification of actual or theoretical safety or efficacy concerns by regulatory agencies, the discovery of significant problems with a similar product that implicates an entire class of products or subsequent concerns about the sufficiency of the data or studies underlying the label. Any significant concerns raised about the safety or efficacy of our products could also result in the need to reformulate those products, to conduct additional clinical trials, to make changes to our manufacturing processes, or to seek re-approval of our manufacturing facilities. Significant concerns about the safety and effectiveness of a product could ultimately lead to the revocation of its marketing approval. The revision of product labeling or the regulatory actions described above could be required even if there is no clearly established connection between the product and the safety or efficacy concerns that have been raised. The revision of product labeling or the regulatory actions described above could have a material adverse effect on sales of the affected products and on our business and results of operations. (See "—Our current products and products in development cannot be sold if we do not maintain regulatory approval.")

Our business may be impacted by government investigations or litigation.

We and certain of our subsidiaries are involved in legal proceedings relating to various patent matters, government investigations, and other legal proceedings that arise from time to time in the ordinary course of our business. Matters required to be disclosed by us are set forth in "Item 3. Legal Proceedings" in our Form 10-K for the year ended December 31, 2004 and are updated as required in subsequently filed Form 10-Qs. Litigation is inherently unpredictable, and excessive verdicts can occur. Consequently, it is possible that we could, in the future, incur judgments or enter into settlements of claims for monetary damages that could have a material adverse effect on our results of operations in the period in which such amounts are incurred.

The Federal government, state governments and private payers are investigating, and many have filed actions against, numerous pharmaceutical and biotechnology companies, including Amgen and Immunex, alleging that the reporting of prices for pharmaceutical products has resulted in false and overstated Average Wholesale Price ("AWP"), which in turn is alleged to have improperly inflated the reimbursement paid by Medicare beneficiaries, insurers, state Medicaid programs, medical plans and other payers to health care providers who prescribed and administered those products. As of the date of this filing, a number of these actions have been brought against us and/or Immunex, now a wholly owned subsidiary of ours. Additionally, a number of states have pending investigations regarding our Medicaid drug pricing practices and the U.S. Departments of Justice and Health and Human Services have requested that Immunex produce documents relating to pricing issues. Further, certain state government entity plaintiffs in some of these AWP cases are also alleging that companies, including ours, are not reporting their "best price" to the states under the Medicaid program. These cases and investigations are described in "Item 3. Legal Proceedings — Average Wholesale Price Litigation" in our Form 10-K for the year ended December 31, 2004, and are updated as required in subsequent Form 10-Qs. Other states and agencies could initiate investigations of our pricing practices. A decision adverse to our interests on these actions and/or investigations could result in substantial economic damages and could have a material adverse effect on our results of operations in the period in which such amounts are incurred.

We may be required to defend lawsuits or pay damages for product liability claims.

Product liability is a major risk in testing and marketing biotechnology and pharmaceutical products. We may face substantial product liability exposure in human clinical trials and for products that we sell after regulatory approval. Product liability claims, regardless of their merits, could be costly and divert management's attention, and adversely affect our reputation and the demand for our products. Amgen and Immunex have been named as defendants in product liability actions for certain company products.

Our operating results may fluctuate, and this fluctuation could cause financial results to be below expectations.

Our operating results may fluctuate from period to period for a number of reasons. In budgeting our operating expenses for the foreseeable future, we assume that revenues will continue to grow; however, some of our operating expenses are fixed in the short term. Because of this, even a relatively small revenue shortfall may cause a period's results to be below our expectations or projections. A revenue shortfall could arise from any number of factors, some of which we cannot control. For example, we may face:

- changes in the government's or private payers' reimbursement policies for our products
- inability to maintain regulatory approval of marketed products
- changes in our product pricing strategies
- lower than expected demand for our products
- inability to provide adequate supply of our products
- changes in wholesaler buying patterns
- increased competition from new or existing products
- fluctuations in foreign currency exchange rates

Of course, there may be other factors that affect our revenues in any given period. Similarly if investors or the investment community are uncertain about our financial performance for a given period, our stock price could also be adversely impacted.

We have grown rapidly, and if we fail to adequately manage that growth our business could be adversely impacted.

We have had an aggressive growth plan that has included substantial and increasing investments in research and development, sales and marketing, and facilities. We plan to continue to grow and our plan has a number of risks, some of which we cannot control. For example:

- we need to generate higher revenues to cover a higher level of operating expenses, and our ability to do so may depend on factors that we do not control
- we will need to assimilate new staff members
- we will need to manage complexities associated with a larger and faster growing organization
- we will need to accurately anticipate demand for the products we manufacture and maintain adequate manufacturing capacity, and our ability to do so may depend on factors that we do not control

- we will need to start up and operate a number of new manufacturing facilities, which may result in temporary inefficiencies and higher cost of goods

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

Our stock price is volatile, which could adversely affect your investment.

Our stock price, like that of other biotechnology companies, is highly volatile. For example, in the fifty-two weeks prior to March 31, 2005, the trading price of our common stock has ranged from a high of $65.24 per share to a low of $57.63 per share. Our stock price may be affected by a number of factors, such as:

- changes in reimbursement policies or medical practices
- adverse developments regarding the safety or efficacy of our products
- clinical trial results
- actual or anticipated product supply constraints
- product development announcements by us or our competitors
- regulatory matters
- announcements in the scientific and research community
- intellectual property and legal matters
- broader economic, industry and market trends unrelated to our performance

In addition, if our revenues, earnings or other financial results in any period fail to meet the investment community's expectations, there could be an immediate adverse impact on our stock price.

Our corporate compliance program cannot guarantee that we are in compliance with all potentially applicable federal and state regulations.

The development, manufacturing, distribution, pricing, sales, marketing, and reimbursement of our products, together with our general operations, is subject to extensive federal and state regulation. (See "—Our current products and products in development cannot be sold if we do not maintain regulatory approval." and "—We may be required to perform additional clinical trials or change the labeling of our products if we or others identify side effects after our products are on the market.") While we have developed and instituted a corporate compliance program based on current best practices, we cannot assure you that we or our employees are or will be in compliance with all potentially applicable federal and state regulations and/or laws. If we fail to comply with any of these regulations and/or laws a range of actions could result, including, but not limited to, the termination of clinical trials, the failure to approve a product candidate, restrictions on our products

or manufacturing processes, including withdrawal of our products from the market, significant fines, exclusion from government healthcare programs, or other sanctions or litigation.

Our marketing of ENBREL® will be dependent in part upon Wyeth.

Under a co-promotion agreement, we and Wyeth market and sell ENBREL® in the United States and Canada. A management committee comprised of an equal number of representatives from us and Wyeth is responsible for overseeing the marketing and sales of ENBREL®: including strategic planning, the approval of an annual marketing plan, product pricing, and the establishment of a brand team. The brand team, with equal representation from us and Wyeth, will prepare and implement the annual marketing plan, which includes a minimum level of financial and sales personnel commitment from each party, and is responsible for all sales activities. If Wyeth fails to market ENBREL® effectively or if we and Wyeth fail to coordinate our efforts effectively, our sales of ENBREL® may be adversely affected.

Guidelines and recommendations published by various organizations can reduce the use of our products.

Government agencies promulgate regulations and guidelines directly applicable to us and to our products. However, professional societies, practice management groups, private health/science foundations, and organizations involved in various diseases from time to time may also publish guidelines or recommendations to the health care and patient communities. Recommendations of government agencies or these other groups/organizations may relate to such matters as usage, dosage, route of administration, and use of related therapies. Organizations like these have in the past made recommendations about our products. Recommendations or guidelines that are followed by patients and health care providers could result in decreased use of our products. In addition, the perception by the investment community or stockholders that recommendations or guidelines will result in decreased use of our products could adversely affect prevailing market prices for our common stock.

Continual manufacturing process improvement efforts may result in the carrying value of certain existing manufacturing facilities or other assets becoming impaired.

In connection with our ongoing process improvement activities associated with products we manufacture, we continually invest in our various manufacturing practices and related processes with the objective of increasing production yields and success rates to gain increased cost efficiencies and capacity utilization. Depending on the timing and outcomes of these efforts and our other estimates and assumptions regarding future product sales, the carrying value of certain manufacturing facilities or other assets may not be fully recoverable and could result in the recognition of an impairment in the carrying value at the time that such effects are identified. The potential recognition of impairment in the carrying value, if any, could have a material and adverse affect on our results of operations.

We may not realize all of the anticipated benefits of our merger with Tularik.

On August 13, 2004, we merged with Tularik Inc. The success of our merger with Tularik will depend, in part, on our ability to retain Tularik staff and to realize the anticipated synergies, cost savings, and growth opportunities from integrating the businesses of Tularik with the businesses of Amgen. Our success in realizing these benefits and the timing of this realization depend upon the successful integration of the operations and personnel of Tularik. The integration of two independent

companies is a complex, costly, and time-consuming process. The difficulties of combining the operations of the companies include, among others:

- retaining key staff members
- consolidating research and development operations
- consolidating corporate and administrative infrastructures
- preserving ours and Tularik's research and development, and other important relationships
- minimizing the diversion of management's attention from ongoing business concerns
- coordinating geographically separate organizations

In addition, even if we are able to integrate Tularik's operations successfully, this integration may not result in the realization of the full benefits of the synergies, cost savings, or sales and growth opportunities that we expect or that these benefits will be achieved within the anticipated time frame. For example, as of the date of this filing, we have discontinued a number of Tularik clinical development programs and may discontinue other or all such programs. Further, the elimination of significant duplicative costs may not be possible or may take longer than anticipated and the benefits from the merger may be offset by costs incurred in integrating the companies. We cannot assure you that the integration of Tularik with us will result in the realization of the full benefits anticipated by us to result from the merger. Our failure to achieve these benefits could have a material adverse effect on our results of operations.

Item 4. Controls and Procedures

We maintain "disclosure controls and procedures", as such term is defined under Exchange Act Rule 13a-15(e), that are designed to ensure that information required to be disclosed in Amgen's Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to Amgen's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. In designing and evaluating the disclosure controls and procedures, Amgen's management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and in reaching a reasonable level of assurance Amgen's management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. We have carried out an evaluation under the supervision and with the participation of our management, including Amgen's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of Amgen's disclosure controls and procedures. Based upon their evaluation and subject to the foregoing, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2005.

Further, management determined that, as of March 31, 2005, there were no changes in our internal control over financial reporting that occurred during the first fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

Certain of the Company's legal proceedings are reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2004, with material developments since that report described below. While it is impossible to predict accurately or to determine the eventual outcome of these matters, we do not believe any such proceedings currently pending will have a material adverse effect on our annual Consolidated Financial Statements, although an adverse resolution in any reporting period of one or more of the proceedings could have a material impact on the results of operations for that period.

Israel Bio-Engineering Project Litigation

Israel Bio-Engineering Project ("IBEP") filed a Notice of Appeal for the Federal Circuit. On March 15, 2005, the Court of Appeals affirmed in part, reversed in part and remanded to the U.S. District Court for the Central District of California. The Court of Appeals affirmed the District Court's findings that IBEP did not gain title to the U.S. Patent No. 5,981,701 under its contract interpretation theory. However, the Court of Appeals reversed and remanded the issue whether IBEP gained title under its employment theory.

Average Wholesale Price Litigation

Amgen and Immunex have been named in approximately twenty eight lawsuits filed by separate counties in New York State in the United States District Courts for the Northern, Southern, Western and Eastern Districts of New York. These lawsuits broadly allege that Amgen and Immunex, together with many other pharmaceutical manufacturers reported prices for certain products in a manner that allegedly inflated reimbursement under the Medicaid program. The complaints generally assert varying claims or fraud, and other causes of action, under federal and state laws. The complaints seek an undetermined amount of damages, as well as other relief, including declaratory and injunctive relief. All of these cases are in the process of being consolidated with the federal Multi-District proceeding captioned In Re: Pharmaceutical Industry Average Wholesale Price Litigation MDL. No. 1456 pending in the U.S. District Court for the District Court of Massachusetts.

Item 2. Changes in Securities, Use of Proceeds and Issuer Purchases of Equity Securities

During the three months ended March 31, 2005, we had two stock repurchase programs. The remaining availability under one of the two stock repurchase programs was fully utilized during the three months ended March 31, 2005. At March 31, 2005, we had one outstanding stock repurchase program. The amount we spend and the number of shares repurchased varies based on a variety of factors including the stock price and blackout periods in which we are restricted from repurchasing shares. Repurchases under our stock repurchase programs reflect, in part, our confidence in the long-term value of Amgen common stock. A summary of our repurchase activity for the three months ended March 31, 2005 is as follows:

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Maximum $ Value that May Yet Be Purchased Under the Programs
January 1 - January 31	816,900	$ 61.38	806,700	$ 5,918,880,970
February 1 - February 28	21,531,639	62.52	21,529,400	4,572,762,976
March 1 - March 31	4,498,536	61.98	4,489,800	4,293,991,590
Total	26,847,075(1)	$ 62.40	26,825,900	

(1) The difference between total number of shares purchased and the total number of shares purchased as part of publicly announced programs is due to repurchases of common stock from certain employees in connection with their exercise of stock options issued prior to June 23, 1998 as well as shares of common stock withheld by us for the payment of taxes upon vesting of certain employees' restricted stock.

Item 6. Exhibits and Reports on Form 8-K

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

(b) *Reports on Form 8-K.*

We also furnished or filed, as appropriate, four Current Reports on Form 8-K during the three months ended March 31, 2005. A report dated January 27, 2005 was furnished to the SEC and contained our press release announcing our earnings for the three and twelve months ended December 31, 2004 and reconciliations for certain historical non-GAAP financial measures with respect to the twelve months ended December 31, 2004, 2003, 2002 and 2001. A report dated January 31, 2005 was filed with the SEC and contained our press release announcing our filing of a Tender Offer Statement on Schedule TO-I with the SEC relating to the obligations of Amgen to purchase its Liquid Yield Option TM Notes due 2032 (the "LYONs"). A report dated March 2, 2005 was filed with the SEC reporting the Company's entry into a Supplemental Indenture with LaSalle Bank National Association (the "Trustee") to the Indenture between the Company and the Trustee dated as of March 1, 2002 with respect to the Company's LYONs. A report dated March 7, 2005 was filed with the SEC reporting the Company's amendment and restatement of certain of its equity incentive plans and programs, amendment and restatement to or new forms of equity incentive award agreements, performance program awards to certain executive officers, awards and performance goals and target awards for certain executive officers and amendments to the Company's Amended and Restated Bylaws.

SIGNATURES

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

Amgen Inc.
(Registrant)

Date: 5/4/05

By: /s/ RICHARD D. NANULA
Richard D. Nanula
Executive Vice President and Chief Financial Officer

AMGEN INC.

INDEX TO EXHIBITS

Exhibit No.	Description
3.1	Restated Certificate of Incorporation as amended. (9)
3.2	Amended and Restated Bylaws of Amgen Inc. (as amended and restated March 7, 2005). (51)
3.3	Certificate of Amendment of Restated Certificate of Incorporation. (17)
3.4	Certificate of Designations of Series A Junior Participating Preferred Stock. (20)
4.1	Indenture dated January 1, 1992 between the Company and Citibank N.A., as trustee. (3)
4.2	First Supplement to Indenture, dated February 26, 1997 between the Company and Citibank N.A., as trustee. (6)
4.3	Officer's Certificate pursuant to Sections 2.1 and 2.3 of the Indenture, as supplemented, establishing a series of securities "8-1/8% Debentures due April 1, 2097." (8)
4.4	8-1/8% Debentures due April 1, 2097. (8)
4.5	Form of stock certificate for the common stock, par value $.0001 of the Company. (9)
4.6	Officer's Certificate pursuant to Sections 2.1 and 2.3 of the Indenture, dated as of January 1, 1992, as supplemented by the First supplemental Indenture, dated as of February 26, 1997, each between Amgen Inc. and Citibank, N.A., as Trustee, establishing a series of securities entitled "6.50% Notes Due December 1, 2007" (11)
4.7	6.50% Notes Due December 1, 2007 described in Exhibit 4.6. (11)
4.8	Corporate Commercial Paper — Master Note between and among Amgen Inc., as Issuer, Cede & Co., as nominee of The Depository Trust Company and Citibank, N.A. as Paying Agent. (12)
4.9	Indenture, dated as of August 4, 2003, between the Company and JP Morgan Chase Bank, N.A., as trustee. (44)
4.10	Indenture, dated as of March 1, 2002, between Amgen Inc. and LaSalle Bank National Association. (27)
4.11	Form of Liquid Yield Option™ Note due 2032. (27)
4.12	Registration Rights Agreement, dated as of March 1, 2002, between Amgen Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated. (27)
4.13	Officers Certificate of Amgen Inc. dated November 18, 2004, including forms of the Company's 4.00% Senior Notes due 2009 and 4.85% Senior Notes due 2014. (46)
4.14	Form of 4.00% Senior Note due 2009. (46)
4.15	Form of 4.85% Senior Notes due 2014. (46)
4.16	Registration Rights Agreement, dated as of November 18, 2004, among Amgen Inc. and Morgan Stanley & Co. and Merrill Lynch, Pierce, Fenner & Smith Incorporated as representatives of the several initial purchasers. (46)
4.17	Supplemental Indenture, dated as of March 2, 2005, between Amgen Inc. and LaSalle Bank National Association. (50)
10.1+	Amended and Restated 1991 Equity Incentive Plan (as of March 2005). (51)
10.2+	Amgen Inc. Amended and Restated 1997 Equity Incentive Plan (as of March 7, 2005). (51)

Exhibit No.	Description
10.3	Shareholder's Agreement of Kirin-Amgen, Inc., dated May 11, 1984, between the Company and Kirin Brewery Company, Limited. (20)
10.4	Amendment Nos. 1, 2, and 3, dated March 19, 1985, July 29, 1985 and December 19, 1985, respectively, to the Shareholder's Agreement of Kirin-Amgen, Inc., dated May 11, 1984. (17)
10.5	Product License Agreement, dated September 30, 1985, and Technology License Agreement, dated, September 30, 1985 between Amgen Inc. and Ortho Pharmaceutical Corporation. (17)
10.6	Product License Agreement, dated September 30, 1985, and Technology License Agreement, dated September 30, 1985 between Kirin-Amgen, Inc. and Ortho Pharmaceutical Corporation. (17)
10.7+	Amended and Restated Employee Stock Purchase Plan of Amgen Inc. (17)
10.8	Research, Development Technology Disclosure and License Agreement PPO, dated January 20, 1986, by and between Amgen Inc. and Kirin Brewery Co., Ltd. (1)
10.9	Amendment Nos. 4 and 5, dated October 16, 1986 (effective July 1, 1986) and December 6, 1986 (effective July 1, 1986), respectively, to the Shareholders Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (20)
10.10	Assignment and License Agreement, dated October 16, 1986, between Amgen Inc. and Kirin-Amgen, Inc. (20)
10.11	G-CSF European License Agreement, dated December 30, 1986, between Kirin-Amgen, Inc. and Amgen Inc. (20)
10.12+	Retirement and Savings Plan of Amgen Inc. (as amended and restated effective January 1, 2003). (39)
10.13	Purchase Agreement, dated as of November 15, 2004, among Amgen Inc. and Morgan Stanley & Co. and Merrill Lynch, Pierce, Fenner & Smith Incorporated as representatives of the several initial purchasers. (46)
10.14+	First Amendment to the Amgen Retirement and Savings Plan (As Amended and Restated Effective As of January 1, 2003). (54)
10.15	Amendment, dated June 30, 1988, to Research, Development, Technology Disclosure and License Agreement: GM-CSF dated March 31, 1987, between Kirin Brewery Company, Limited and Amgen Inc. (2)
10.16*	Amendment No. 3 To Amended and Restated Promotion Agreement By and Among Wyeth, Amgen Inc. and Immunex Corporation entered into as of April 19, 2005 (with certain confidential information deleted therefrom).
10.17	Partnership Purchase Agreement, dated March 12, 1993, between Amgen Inc., Amgen Clinical Partners, L.P., Amgen Development Corporation, the Class A limited partners and the Class B limited partner. (4)
10.18+	Second Amendment to the Amgen Retirement and Savings Plan (As Amended And Restated Effective As Of January 1, 2003). (54)
10.19+	First Amendment to Amgen Inc. Change of Control Severance Plan. (17)
10.20+	First Amendment to the Amgen Inc. Executive Incentive Plan. (47)
10.21	G-CSF United States License Agreement dated June 1, 1987 (effective July 1, 1986) between Kirin-Amgen, Inc. and Amgen Inc. (20)
10.22	Amendment No. 1 dated October 20, 1988 to Kirin-Amgen, Inc./Amgen G-CSF United States License Agreement dated June 1, 1987 (effective July 1, 1986). (20)
10.23	Amendment No. 2 dated October 17, 1991 (effective November 13, 1990) to Kirin-Amgen, Inc./Amgen G-CSF United States License Agreement dated June 1, 1987 (effective July 1, 1986). (20)

Exhibit No.	Description
10.24	Amendment No. 10 dated March 1, 1996 to the Shareholders' Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (20)
10.25+	Amgen Inc. Change of Control Severance Plan effective as of October 20, 1998. (14)
10.26	Preferred Share Rights Agreement, dated as of December 12, 2000, between Amgen Inc. and American Stock Transfer and Trust Company, as Rights Agent. (19)
10.27+	First Amendment, effective January 1, 1998, to the Amended and Restated Employee Stock Purchase Plan of Amgen Inc. (10)
10.28	Amendment No. 11 dated March 20, 2000 to the Shareholders' Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (20)
10.29+	Amended and Restated Equity Incentive Plan, effective as of March 7, 2005. (51)
10.30	Amendment No. 1 dated June 1, 1987 to Kirin-Amgen, Inc./Amgen G-CSF European License Agreement dated December 30, 1986. (20)
10.31	Amendment No. 2 dated March 15, 1988 to Kirin-Amgen, Inc./Amgen G-CSF European License Agreement dated December 30, 1986. (20)
10.32	Amendment No. 3 dated October 20, 1988 to Kirin-Amgen, Inc./Amgen G-CSF European License Agreement dated December 30, 1986. (20)
10.33	Amendment No. 4 dated December 29, 1989 to Kirin-Amgen, Inc./Amgen G-CSF European License Agreement dated December 30, 1986. (20)
10.34+	Amended and Restated 1987 Directors' Stock Option Plan of Amgen Inc. (7)
10.35+	Amgen Inc. Executive Incentive Plan. (28)
10.36+	Forms of Stock Option Grant Agreements and Restricted Stock Unit Agreements for the 1997 Equity Incentive Plan (Amended and Restated Effective March 7, 2005). (51)
10.37+	2002 Special Severance Pay Plan for Amgen Employees. (34)
10.38	Amendment No. 6 dated May 11, 1984 to the Shareholders' Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (20)
10.39	Amendment No. 7 dated July 17, 1987 (effective April 1, 1987) to the Shareholders' Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (20)
10.40	Amendment No. 8 dated May 28, 1993 (effective November 13, 1990) to the Shareholders' Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (20)
10.41	Amendment No. 9 dated December 9, 1994 (effective June 14, 1994) to the Shareholders' Agreement of Kirin-Amgen, Inc. dated May 11, 1984. (20)
10.42+	Agreement between Amgen Inc. and Mr. George J. Morrow, dated March 3, 2001. (21)
10.43+	Promissory Note of Mr. George J. Morrow, dated March 11, 2001. (21)
10.44+	Agreement between Amgen Inc. and Dr. Roger M. Perlmutter, M.D., Ph.D., dated March 5, 2001. (21)
10.45+	Agreement between Amgen Inc. and Mr. Brian McNamee, dated May 5, 2001. (22)
10.46+	Agreement between Amgen Inc. and Mr. Richard Nanula, dated May 15, 2001. (22)
10.47+	Promissory Note of Mr. Richard Nanula, dated June 27, 2001. (22)
10.48+	Promissory Note of Dr. Roger M. Perlmutter, dated June 29, 2001. (22)
10.49+	Second Amendment to the Amgen Inc. Change of Control Severance Plan. (23)
10.50+	Third Amendment to the Amgen Inc. Change of Control Severance Plan. (54)
10.51+	Promissory Note of Mr. Brian McNamee, dated May 30, 2001. (23)
10.52+	Restricted Stock Purchase Agreement between Amgen Inc. and Mr. Richard Nanula, dated May 16, 2001. (23)
10.53+	Fourth Amendment to the Amgen Inc. Change of Control Severance Plan. (54)
10.54+	Form of Performance Unit Agreement (Amended and Restated Effective December 6, 2004). (47)

Exhibit No.	Description
10.55	Amendment No. 2 to ENBREL® Supply Agreement, effective as of July 16, 2002. (39)
10.56+	Amgen Inc. Executive Nonqualified Retirement Plan, effective January 1, 2001. (26)
10.57+	Amgen Inc. Performance Award Program (Amended and Restated Effective December 6, 2004). (47)
10.58+	Fourth Amendment to the Amgen Retirement and Savings Plan (As Amended and Restated Effective as of January 1, 2003). (47)
10.59+	Forms of Stock Option Grant Agreements for 1999 Equity Incentive Plan (Amended and Restated March 7, 2005). (51)
10.60+	Fifth Amendment to the Amgen Inc. Change of Control Severance Plan. (47)
10.61	Agreement Regarding Governance and Commercial Matters by and among Wyeth (formerly American Home Products Corporation), American Cyanamid Company and Amgen Inc. dated December 16, 2001 (with certain confidential information deleted therefrom). (28)
10.62+	Amgen Inc. Supplemental Retirement Plan (As Amended and Restated Effective January 1, 2005). (43)
10.63	ENBREL® Supply Agreement among Immunex Corporation, American Home Products Corporation and Boehringer Ingelheim Pharma KG, dated as of November 5, 1998 (with certain confidential information deleted therefrom). (32)
10.64	Amendment No. 1 to the ENBREL® Supply Agreement among Immunex Corporation, American Home Products Corporation and Boehringer Ingelheim Pharma KG, dated June 27, 2000 (with certain confidential information deleted therefrom). (33)
10.65	Amendment No. 2 to the ENBREL® Supply Agreement among Immunex Corporation, American Home Products Corporation and Boehringer Ingelheim Pharma KG, dated June 3, 2002 (with certain confidential information deleted therefrom). (34)
10.66	Asset Purchase Agreement, dated May 2, 2002, by and between Immunex Corporation and Schering Aktiengesellschaft (with certain confidential information deleted therefrom). (34)
10.67	Amendment No. 1 to the Asset Purchase Agreement dated as of September 25, 2002, by and between Immunex Corporation and Schering Aktiengesellschaft. (34)
10.68	Amendment No. 2 to the Asset Purchase Agreement dated as of July 17, 2002, by and between Immunex Corporation and Schering Aktiengesellschaft. (34)
10.69+	Agreement between Amgen Inc. and Edward Fritzky, dated July 15, 2002. (34)
10.70+	Amgen Nonqualified Deferred Compensation Plan (As Amended and Restated Effective January 1, 2005). (43)
10.71+	Stock Option Agreement between Amgen Inc. and Edward Fritzky, dated July 15, 2002. (34)
10.72+	Promissory Note of Dr. Hassan Dayem, dated July 10, 2002. (34)
10.73	Amendment No. 3 to the ENBREL® Supply Agreement among Immunex Corporation, American Home Products Corporation and Boehringer Ingelheim Pharma KG, dated December 18, 2002 (with certain confidential information deleted therefrom). (37)
10.74+	Forms of Stock Option Grant Agreements and Restricted Stock Unit Agreements for the Amended and Restated 1991 Equity Incentive Plan (Amended and Restated Effective March 7, 2005). (51)
10.75+	Amgen Inc. Credit Agreement, dated as of July 16, 2004, among Amgen Inc. the Banks therein named, Citibank N.A., as Issuing Bank, Citicorp USA, Inc., as Administrative Agent and Barclays Bank PLC, as Syndication Agent. (42)

Exhibit No.	Description
10.76+	Restricted Stock Purchase Agreement between Amgen Inc. and Brian M. McNamee, dated March 3, 2003. (38)
10.77	Description of Amendment No. 1 to Amended and Restated Promotion Agreement, effective as of July 8, 2003 (with certain confidential information deleted therefrom). (39)
10.78+	Amended and Restated Agreement between Amgen Inc. and David J. Scott, dated February 16, 2004. (39)
10.79+	Amgen Inc. Director Equity Incentive Program (Amended and Restated Effective December 6, 2004). (47)
10.80+	Form of Restricted Stock Unit Agreement. (39)
10.81+	Amended and Restated Amgen Inc. Performance Award Program (Amended and Restated Effective March 7, 2005). (51)
10.82+	Form of Performance Unit Agreement (Amended and Restated Effective March 7, 2005). (51)
10.83	Description of Amendment No. 2 to Amended and Restated Promotion Agreement, effective as of April 20, 2004. (41)
10.84+	Third Amendment to the Amgen Retirement and Savings Plan (As Amended and Restated Effective as of January 1, 2003). (43)
31*	Rule 13a-14(a) Certifications.
32**	Section 1350 Certifications.

(* = filed herewith)

(** = furnished herewith and not “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended)

(+ = management contract or compensatory plan or arrangement.)

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

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

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

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

(5) Filed as an exhibit to the Form 10-Q for the quarter ended September 30, 1996 on November 5, 1996 and incorporated herein by reference.

(6) Filed as an exhibit to the Form 8-K Current Report dated March 14, 1997 on March 14, 1997 and incorporated herein by reference.

(7) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1996 on March 24, 1997 and incorporated herein by reference.

(8) Filed as an exhibit to the Form 8-K Current Report dated April 8, 1997 on April 8, 1997 and incorporated herein by reference.

(9) Filed as an exhibit to the Form 10-Q for the quarter ended March 31, 1997 on May 13, 1997 and incorporated herein by reference.

(10) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1997 on August 12, 1997 and incorporated herein by reference.

(11) Filed as an exhibit to the Form 8-K Current Report dated and filed on December 5, 1997 and incorporated herein by reference.

(12) Filed as an exhibit to the Form 10-Q for the quarter ended March 31, 1998 on May 13, 1998 and incorporated herein by reference.

(13) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1998 on August 14, 1998 and incorporated herein by reference.

(14) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1998 on March 16, 1999 and incorporated herein by reference.

(15) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1999 on August 3, 1999 and incorporated herein by reference.

(16) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1999 on March 7, 2000 and incorporated herein by reference.

(17) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 2000 on August 1, 2000 and incorporated herein by reference.

(18) Filed as an exhibit to the Form 10-Q for the quarter ended September 30, 2000 on November 14, 2000 and incorporated herein by reference.

(19) Filed as an exhibit to the Form 8-K Current Report dated December 13, 2000 on December 18, 2000 and incorporated herein by reference.

(20) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 2000 on March 7, 2001 and incorporated herein by reference.

(21) Filed as an exhibit to the Form 10-Q for the quarter ended March 31, 2001 on May 14, 2001 and incorporated herein by reference.

(22) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 2001 on July 27, 2001 and incorporated herein by reference.

(23) Filed as an exhibit to the Form 10-Q for the quarter ended September 30, 2001 on October 26, 2001 and incorporated herein by reference.

(24) Filed as an exhibit to the Form 8-K Current Report dated December 16, 2001 on December 17, 2001 and incorporated herein by reference.

(25) Filed as an exhibit to the Form S-4 Registration Statement dated January 31, 2002 and incorporated herein by reference.

(26) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 2001 on February 26, 2002 and incorporated herein by reference.

(27) Filed as an exhibit to the Form 8-K Current Report dated February 21, 2002 on March 1, 2002 and incorporated herein by reference.

(28) Filed as an exhibit to Amendment No. 1 to the Form S-4 Registration Statement dated March 22, 2002 and incorporated herein by reference.

(29) Filed as an exhibit to the Form 10-Q for the quarter ended March 31, 2002 on April 29, 2002 and incorporated herein by reference.

(30) Filed as an exhibit to the Post-Effective Amendment No. 1 to the Form S-4 Registration Statement dated July 15, 2002 and incorporated herein by reference.

(31) Filed as an exhibit to Form 8-K Current Report of Immunex Corporation dated April 12, 2002 on May 7, 2002 and incorporated herein by reference.

(32) Filed as an exhibit to the Annual Report on Form 10-K of Immunex Corporation for the year ended December 31, 1998.

(33) Filed as an exhibit to the Form 10-Q of Immunex Corporation for the quarter ended June 30, 2000.

(34) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 2002 on August 13, 2002 and incorporated herein by reference.

(35) Filed as an exhibit to the Form 10-Q for the quarter ended September 30, 2002 on November 5, 2002 and incorporated herein by reference.

(36) Filed as an exhibit to the Form S-8 dated March 17, 1999 and incorporated herein by reference.

(37) Filed as an exhibit to the Form 10-K for the year ended December 31, 2002 on March 10, 2003 and incorporated herein by reference.

(38) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 2003 on July 30, 2003 and incorporated herein by reference.

(39) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 2003 on March 11, 2004 and incorporated herein by reference.

(40) Filed as an exhibit to the Form S-4 dated April 26, 2004 and incorporated herein by reference.

(41) Filed as an exhibit to the Form S-4/A dated June 29, 2004 and incorporated herein by reference.

(42) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 2004 on August 6, 2004 and incorporated herein by reference.

(43) Filed as an exhibit to the Form 8-K Current Report dated October 5, 2004 on October 12, 2004 and incorporated herein by reference.

(44) Filed as an exhibit to Form S-3 Registration Statement dated August 4, 2003 and incorporated herein by reference.

(45) Filed as an exhibit to Form 8-K dated October 5, 2004 and incorporated by reference.

(46) Filed as an exhibit to Form 8-K dated November 15, 2004 and incorporated herein by reference.

(47) Filed as an exhibit to Form 8-K dated December 6, 2004 and incorporated herein by reference.

(48) Filed as an exhibit to Form S-8 dated August 16, 2004 and incorporated herein by reference.

(49) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 2004 on August 6, 2004 and incorporated herein by reference.

(50) Filed as an exhibit to Form 8-K dated March 2, 2005 and incorporated herein by reference.

(51) Filed as an exhibit to Form 8-K dated March 7, 2005 and incorporated herein by reference.

(52) Filed as an exhibit to Form S-4 dated April 5, 2005 and incorporated by reference.

(53) Filed as an exhibit to Form S-4 dated March 14, 2005 and incorporated by reference.

(54) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 2004 on March 9, 2005 and incorporated herein by reference.

Exhibit 10.16

"[*]" = confidential portions of this document that have been omitted and have been separately filed with the Securities and Exchange Commission pursuant to an application for confidential treatment under Rule 24b-2 under the Securities Exchange Act of 1934, as amended.

AMENDMENT NO. 3 TO AMENDED AND RESTATED PROMOTION AGREEMENT

This Amendment No. 3 (this "Amendment"), entered into as of this 19th day of April, 2005 and effective as of the 1st day of January, 2005 (the "Effective Date"), is made by and among Wyeth, a Delaware corporation (formerly American Home Products Corporation, "Wyeth"), Amgen Inc., a Delaware corporation ("Amgen"), and Immunex Corporation, a Washington corporation and wholly-owned subsidiary of Amgen ("Immunex") and amends the Amended and Restated Promotion Agreement dated as of December 16, 2001 which became effective on July 15, 2002, as amended by Amendment No. 1 to Collaboration and Global Supply Agreement, Amended and Restated Promotion Agreement, and TNFR License and Development Agreement effective as of July 8, 2003 among Wyeth, Amgen and Immunex and by Amendment No. 2 to Collaboration and Global Supply Agreement and Amended and Restated Promotion Agreement effective as of April 20, 2004 among Wyeth, Amgen and Immunex (as amended, the "Promotion Agreement").

Recitals

WHEREAS, Wyeth, Amgen and Immunex entered into the Promotion Agreement pursuant to which the parties set forth certain terms and conditions relating to the promotion of Enbrel in the United States and Canada; and

WHEREAS, the parties wish to amend certain portions of the Promotion Agreement to agree to share costs for certain full time equivalents employed by Wyeth and Amgen performing medical affairs functions pursuant to the terms and conditions of the Promotion Agreement, all on the terms and conditions set forth in this Amendment.

Agreement

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements contained herein, and intending to be legally bound hereby, as of the Effective Date, Immunex, Wyeth and Amgen agree as follows:

Article 1
Promotion Agreement

1.1 Capitalized Terms and Amendment. All capitalized terms used in this Article 1 but not otherwise defined in this Amendment shall have the meanings assigned to them in the Promotion Agreement. Wyeth, Amgen and Immunex hereby amend the Promotion Agreement as follows in this Article 1.

1.2 Medical Affairs FTEs. A new Section 1.35a shall be inserted into the Promotion Agreement as follows:

> 1.35a. "Medical Affairs FTE" shall mean a total of [*] employee hours per year of work relating to (a) medical strategic consultation, scientific strategic consultation, medical review of promotional materials, medical review of publication planning, and medical work on clinical trial design; (b) responses to medical inquiries; and (c) implementation and execution of clinical programs, including, without limitation, managing contract research organizations, collecting and analyzing clinical trial data, collecting safety information, managing investigator relationships, and collating information into manuscripts, abstracts, posters, review articles, or other publications. All such work shall be carried out by employees of a Party having the appropriate expertise to conduct such activities.

1.3 Responsibilities of the EMC. The following new sentences shall be added to the end of Section 3.2 of the Promotion Agreement: "Beginning in 2005, the EMC shall also agree annually in advance of each Calendar Year on the number of Medical Affairs FTEs whose cost shall be shared as set forth in Section 6.2; provided, however, that the number of Medical Affairs FTEs in any given Calendar Year shall not exceed [*]. The EMC shall also determine which of Wyeth and Amgen shall employ the Medical Affairs FTEs and the scope of responsibility for each of the Medical Affairs FTEs. [*] Each Party shall have the right to monitor and evaluate on a quarterly basis the performance of each Medical Affairs FTE employed by another Party. No other full time equivalent costs for work performed by any Party in furtherance of marketing and promotional activities in the Territory shall be shared by the Parties. Wyeth and/or Amgen may propose to the EMC that the Agreement be amended to provide for sharing of additional full time equivalent costs, but no such cost sharing shall take effect unless set forth in a written amendment to this Agreement."

1.4 Expenses for Medical Affairs FTEs. The heading for Article 6 of the Promotion Agreement shall be stricken and replaced with the following heading: "**COMMERCIAL**

EXPENSES AND COSTS FOR MEDICAL AFFAIRS FTES." A new Section 6.2 shall be inserted into the Promotion Agreement as follows:

6.2 Medical Affairs FTEs. Wyeth and Immunex shall share equally all reasonable costs of Medical Affairs FTEs which are approved by the EMC as set forth in Section 3.2 in an amount not to exceed the sum of [*] per Medical Affairs FTE. Reconciling payments for Medical Affairs FTEs shall be made within thirty (30) days following the end of each Calendar Quarter at the same time as reconciling payments are made for Commercial Expenses as set forth in Section 6.1(c).

1.5 Post-Market Launch Commercial Expenses. Due to the addition of a new sentence at the end of Section 3.2 of the Promotion Agreement, the phrase, "the last sentence of Section 3.2" within Section 6.1(c)(2) of the Promotion Agreement shall be replaced with the phrase " the third sentence of Section 3.2".

Article 2
Miscellaneous

2.1 Further Assurances. Each party hereto shall execute and deliver such additional documents and take all such further action as may be necessary or desirable to comply with and ensure that Amgen, Immunex and Wyeth each receive the full benefit of this Amendment.

2.2 Headings. The headings contained in this Amendment are for reference purposes only and shall not affect in any way the meaning or interpretation of this Amendment.

2.3 Severability. If any term or other provision of this Amendment is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Amendment shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Amendment so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

2.4 Effect of Amendment. In the event of any conflict between the terms of this Amendment and the Promotion Agreement, the terms of this Amendment shall control. Except as modified by the terms of this Amendment, the terms and provisions of the Promotion Agreement shall remain in full force and effect.

2.5 Counterparts. This Amendment may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed by persons duly authorized as of the date first above written.

WYETH

/s/ William M. Haskel
By: William M. Haskel
Title: Vice President and Associate General Counsel

IMMUNEX CORPORATION

/s/ Laura Hamill
By: Laura Hamill
Title: Vice President, General Manager Inflammation

AMGEN INC.

/s/ Laura Hamill
By: Laura Hamill
Title: Vice President, General Manager Inflammation

EXHIBIT 3

FIRST ORDER

(Attached)

EXHIBIT 4

SECOND ORDER

(Attached)

Exhibit 31

CERTIFICATIONS

I, Kevin W. Sharer, Chairman of the Board, Chief Executive Officer and President of Amgen Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amgen Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

   (d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2005

/s/ KEVIN W. SHARER

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

CERTIFICATIONS

I, Richard D. Nanula, Executive Vice President and Chief Financial Officer of Amgen Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amgen Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

   (d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2005

/s/ Richard D. Nanula
Richard D. Nanula
Executive Vice President and Chief Financial Officer

Exhibit 32

Certification of Chief Executive Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Amgen Inc. (the "Company") hereby certifies that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2005 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 4, 2005

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

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 ("Section 906"), or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Amgen Inc. and will be retained by Amgen Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Certification of Chief Financial Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Amgen Inc. (the "Company") hereby certifies that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2005 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 4, 2005

/s/ Richard D. Nanula
Richard D. Nanula
Executive Vice President
and Chief Financial Officer

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 ("Section 906"), or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Amgen Inc. and will be retained by Amgen Inc. and furnished to the Securities and Exchange Commission or its staff upon request.