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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 1999

OR

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

Commission file number 0-12477

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

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

One Amgen Center Drive, Thousand Oaks, California 91320-1799
(Address of principal executive offices) (Zip Code)

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

Securities registered pursuant to Section 12(g) of the Act:

Common stock, $0.0001 par value, preferred share purchase rights,
Contractual contingent payment rights
(Title of class)

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

The approximate aggregate market value of voting and non-voting stock held by non-affiliates of the registrant was $59,737,121,000 as of February 11, 2000 (A)

1,023,544,175
(Number of shares of common stock outstanding as of February 11, 2000)

DOCUMENTS INCORPORATED BY REFERENCE:

Document	Form 10-K Parts
Definitive 2000 Proxy Statement, to be filed within 120 days of December 31, 1999 (specified portions).....	III

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(A) Excludes 69,658,019 shares of common stock held by directors and officers,

and any stockholders whose ownership exceeds five percent of the shares outstanding, at February 11, 2000. Exclusion of shares held by any person should not be construed to indicate that such person possesses the power, directly or indirectly, to direct or cause the direction of the management or policies of the registrant, or that such person is controlled by or under common control with the registrant.

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PART I

Item 1. BUSINESS

Overview

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

The Company manufactures and markets four human therapeutic products, EPOGEN(R) (Epoetin alfa), NEUPOGEN(R) (Filgrastim), INFERGEN(R) (Interferon alfacon-1) and STEMGEN(R) (Ancestim). EPOGEN(R) stimulates the production of red blood cells and is marketed by Amgen in the United States for the treatment of anemia associated with chronic renal failure in patients on dialysis. NEUPOGEN(R) selectively stimulates the production of neutrophils, one type of white blood cell. The Company markets NEUPOGEN(R) in the United States, countries of the European Union ("EU"), Canada and Australia for use in decreasing the incidence of infection in patients undergoing myelosuppressive chemotherapy. In addition, NEUPOGEN(R) is marketed in most of these countries for use in reducing the duration of neutropenia for patients undergoing myeloablative therapy followed by bone marrow transplantation, for reducing symptoms in patients with severe chronic neutropenia, for supporting peripheral blood progenitor cell ("PBPC") transplants and for reducing the recovery time of neutrophils and the duration of fever following chemotherapy treatment in patients being treated for acute myelogenous leukemia ("AML"). NEUPOGEN(R) is also marketed in the EU, Canada and Australia for use in treating neutropenia in patients infected with the human immunodeficiency virus ("HIV") receiving antiviral and/or other myelosuppressive medications. INFERGEN(R) is a non-naturally occurring type-1 interferon which stimulates the immune system to fight viral infections and is indicated for the treatment of chronic hepatitis C viral infection. The Company markets INFERGEN(R) in the United States and Canada. STEMGEN(R) stimulates the production, mobilization and maturation of progenitor cells and is indicated for use in support of stem cell transplantation. The Company markets STEMGEN(R) in Canada, Australia and New Zealand.

The Company focuses its research efforts on secreted protein and small molecule human therapeutics, with particular emphasis on cancer, inflammation and neurobiology. It concentrates its development efforts on human therapeutics in the areas of hematology and oncology, bone and inflammatory disorders, and neuroendocrine and neurodegenerative diseases. The Company has research facilities in the United States and Canada and has clinical development staff in the United States, the EU, Canada, Australia, Japan and the People's Republic of China. In addition to internal research and development efforts, the Company has acquired certain product and technology rights and has established research and development collaborations.

Amgen operates commercial manufacturing facilities located in the United States, Puerto Rico and The Netherlands. A sales and marketing force is maintained in the United States, Europe, Canada, Australia, New Zealand and the People's Republic of China. In addition, Amgen has entered into licensing and co-promotion agreements to market EPOGEN(R), NEUPOGEN(R) and INFERGEN(R) in certain geographic areas.

The Company was incorporated in California in 1980 and was merged into a Delaware corporation in 1987. Amgen's principal executive offices are located at One Amgen Center Drive, Thousand Oaks, California 91320-1799.

Products

Recombinant human erythropoietin

EPOGEN(R) (proper name--Epoetin alfa) is Amgen's registered trademark for its recombinant human erythropoietin product, a protein that stimulates red blood cell production. Red blood cells transport oxygen to all cells of the body. Without adequate amounts of erythropoietin, the red blood cell count is reduced, thereby diminishing the ability of the blood to deliver sufficient amounts of oxygen to the body, resulting in anemia.

People with chronic renal failure suffer from anemia because they do not produce sufficient amounts of erythropoietin, which is normally produced in healthy kidneys. EPOGEN(R) is effective in the treatment of anemia associated with chronic renal failure for patients who are on dialysis and is indicated to elevate or maintain the red blood cell level (as determined by hematocrit or hemoglobin measurements) and to eliminate the need for maintenance blood transfusions in these patients.

In the United States, Amgen was granted rights to market recombinant human erythropoietin under a licensing agreement with Kirin-Amgen, Inc. ("Kirin-Amgen"), a joint venture between Kirin Brewery Company, Limited ("Kirin") and Amgen (see "Joint Ventures and Business Relationships--Kirin Brewery Company, Limited"). The Company began selling EPOGEN(R) in 1989 when the U.S. Food and Drug Administration ("FDA") approved its use in the treatment of anemia associated with chronic renal failure. In November 1999, the FDA approved EPOGEN(R) for the treatment of anemia in children with chronic renal failure who are on dialysis.

The Company has retained exclusive rights to market EPOGEN(R) in the United States for dialysis patients. Amgen has granted Ortho Pharmaceutical Corporation (which has assigned its rights under the Product License Agreement to Ortho Biotech, Inc.), a subsidiary of Johnson & Johnson, hereafter referred to as "Johnson & Johnson", a license to pursue commercialization of recombinant human erythropoietin as a human therapeutic in the United States in all markets other than dialysis. Johnson & Johnson markets its recombinant human erythropoietin product under the trademark PROCRIT(R) in the United States. See Note 1 to the Consolidated Financial Statements, "Summary of significant accounting policies--Product sales" and Note 4 to the Consolidated Financial Statements, "Contingencies--Johnson & Johnson arbitrations". In countries other than the United States, the People's Republic of China and Japan, Johnson & Johnson was granted rights to pursue the commercialization of erythropoietin as a human therapeutic under a licensing agreement with Kirin-Amgen. Affiliates of Johnson & Johnson manufacture and market erythropoietin under the trademark EPREX(R) in several countries. See "Joint Ventures and Business Relationships--Johnson & Johnson".

In Japan and the People's Republic of China, Kirin was granted rights to market recombinant human erythropoietin under licensing agreements with Kirin-Amgen (see "Joint Ventures and Business Relationships--Kirin Brewery Company, Limited"). Kirin manufactures and markets its recombinant human erythropoietin product under the trademark ESPO(R).

For EPOGEN(R) sales information for the years ended December 31, 1999, 1998 and 1997, see Note 10 to the Consolidated Financial Statements.

Recombinant-methionyl human granulocyte colony-stimulating factor

NEUPOGEN(R) (proper name--Filgrastim) is Amgen's registered trademark for its recombinant-methionyl human granulocyte colony-stimulating factor ("G-CSF"), a protein that selectively stimulates production of certain white blood cells known as neutrophils. Neutrophils are the body's first defense against infection. Treatments for various diseases and diseases themselves can result in extremely low numbers of neutrophils, a condition called neutropenia. Myelosuppressive chemotherapy, one treatment option for individuals with cancer, targets cell types which grow rapidly, such as tumor cells, neutrophils and other types of blood cells. Providing NEUPOGEN(R) as an adjunct to myelosuppressive chemotherapy can reduce the duration of neutropenia and thereby reduce the potential for infection.

Severe chronic neutropenia is an example of disease-related neutropenia. In severe chronic neutropenia, the body fails to manufacture sufficient neutrophils. Chronic administration of NEUPOGEN(R) has been shown to reduce the incidence and duration of neutropenia-related consequences, such as fever and infections, in patients with severe chronic neutropenia.

Patients undergoing bone marrow transplantation are treated with NEUPOGEN(R) to accelerate recovery of neutrophils following chemotherapy and bone marrow infusion. NEUPOGEN(R) also has been shown to induce

immature blood cells (progenitor cells or sometimes referred to as stem cells) to migrate (mobilize) from the bone marrow into the blood circulatory system. When these peripheral blood progenitor cells (PBPC) are collected from the blood, stored and re-infused (transplanted) after high dose chemotherapy, recovery of platelets, red blood cells and neutrophils is accelerated. PBPC transplantation may be an alternative to autologous bone marrow transplantation for some patients.

In the United States, NEUPOGEN(R) was initially indicated to decrease the incidence of infection as manifested by febrile neutropenia for patients with non-myeloid malignancies undergoing myelosuppressive chemotherapy. Subsequently, the FDA approved NEUPOGEN(R) for additional indications: to reduce the duration of neutropenia for patients with non-myeloid malignancies undergoing myeloablative therapy followed by bone marrow transplantation; to reduce the incidence and duration of neutropenia-related consequences in symptomatic patients with congenital neutropenia, cyclic neutropenia or idiopathic neutropenia (collectively, severe chronic neutropenia); for use in mobilization of PBPC for stem cell transplantation; and to reduce the recovery time of neutrophils and the duration of fever following chemotherapy treatment in patients being treated for AML. In the EU, Canada and Australia, NEUPOGEN(R) is marketed for the same indications.

The Company also markets NEUPOGEN(R) in Canada and Australia for the treatment of neutropenia in HIV patients receiving antiviral and/or other myelosuppressive medications. In October 1999, NEUPOGEN(R) was approved for use in the EU as a supportive therapy to treat neutropenia in people with advanced HIV infection. A trial for the treatment of neutropenia in HIV infected patients was completed and a supplemental licensing application for approval of this indication was submitted to the FDA in 1996. The FDA has raised concerns about whether this submission is approvable; the Company remains in discussions with the FDA and cannot predict the outcome of these discussions.

The Company has discontinued clinical trials investigating the potential benefits of NEUPOGEN(R) for patients with severe pneumonia. In April 1999, the Company announced that a phase 3 clinical trial in patients with multi-lobar pneumonia did not demonstrate a statistically significant benefit. Clinical trials investigating NEUPOGEN(R) as an adjunct to dose-intensified chemotherapy in patients with various tumor types are ongoing.

The Company began selling NEUPOGEN(R) in the United States in February 1991 pursuant to a licensing agreement with Kirin-Amgen. Kirin markets GRAN(R), its G-CSF product, in Japan, the People's Republic of China, Taiwan and Korea under licensing agreements with Kirin-Amgen (see "Joint Ventures and Business Relationships--Kirin Brewery Company, Limited"). In the EU, NEUPOGEN(R) is commercialized by Amgen and F. Hoffmann-La Roche Ltd ("Roche") under a co-promotion agreement (see "Joint Ventures and Business Relationships--F. Hoffmann-La Roche Ltd"). In geographic areas of the world other than those above, Roche markets NEUPOGEN(R) under licenses from Amgen and Kirin-Amgen (see "Joint Ventures and Business Relationships--Kirin Brewery Company, Limited" and "Joint Ventures and Business Relationships-- F. Hoffmann-La Roche Ltd").

For NEUPOGEN(R) sales information for the years ended December 31, 1999, 1998 and 1997, see Note 10 to the Consolidated Financial Statements.

Other products

INFERGEN(R) (proper name--Interferon alfacon-1) is Amgen's registered trademark for its recombinant consensus interferon, a non-naturally occurring protein that combines structural features of many interferon sub-types. Interferons are natural proteins produced by the body which stimulate the immune system to fight viral infections. Hepatitis C viral infection is a potentially deadly disease that, if not treated, may lead to cirrhosis and hepatocellular carcinoma, or liver cancer.

The Company began selling INFERGEN(R) in the United States in October 1997. Amgen markets INFERGEN(R) for the treatment of adults with chronic hepatitis C viral infection. INFERGEN(R) was initially approved for the treatment of newly diagnosed or previously untreated patients and for a higher dose in patients

who relapsed or failed to respond to initial interferon treatment. The duration of treatment was 24 weeks for both groups of patients. In December 1999, the FDA approved the extension of the duration of subsequent treatment from 24 weeks to 48 weeks. Subsequent treatment is an important part of interferon therapy since many patients infected with the hepatitis C virus fail initial treatment. In March 1999, Amgen received marketing approval for INFERGEN(R) for the treatment of chronic hepatitis C viral infection from the Canadian regulatory authorities.

In 1996, Amgen licensed to Yamanouchi Pharmaceutical Co., Ltd. of Japan ("Yamanouchi") the rights to develop, manufacture and commercialize Interferon alfacon-1 for all indications around the world except in the United States and Canada. Yamanouchi granted rights to the Company to co-develop and market Interferon alfacon-1 in Japan, the People's Republic of China and Taiwan (see "Joint Ventures and Business Relationships--Yamanouchi Pharmaceutical Co., Ltd.").

STEMGEN(R) (proper name--Ancestim) is Amgen's registered trademark for its recombinant-methionyl human stem cell factor. STEMGEN(R), when used in combination with NEUPOGEN(R), has been shown to induce immature blood cells (progenitor cells or sometimes referred to as stem cells) to migrate (mobilize) from the bone marrow into the blood circulatory system. When these peripheral blood progenitor cells (PBPC) are collected from the blood, stored and re-infused (transplanted) after high dose chemotherapy, recovery of platelets, red blood cells and neutrophils is accelerated. PBPC transplantation may be an alternative to autologous bone marrow transplantation for some patients. In 1999, STEMGEN(R) was approved for use in support of stem cell transplantation by the regulatory authorities in Canada, Australia and New Zealand. Discussions with other regulatory agencies are continuing. The Company is also investigating the potential benefits of STEMGEN(R) for patients with aplastic anemia in a phase 1/2 clinical trial.

Product Candidates

The Company focuses its research efforts on secreted protein and small molecule human therapeutics, with particular emphasis on cancer, inflammation and neurobiology. It concentrates its development efforts on human therapeutics in the areas of hematology and oncology, bone and inflammatory disorders, and neuroendocrine and neurodegenerative diseases (see "Factors That May Affect Amgen--Product development").

Hematology and Oncology

Hematopoietic growth factors are proteins which influence growth, migration and maturation of certain types of blood cells. Novel Erythropoiesis Stimulating Protein ("NESP") stimulates the production of red blood cells. Data from phase 3 clinical trials suggest that NESP may permit less frequent dosing than Epoetin alfa in the treatment of anemia in patients with chronic renal insufficiency and chronic renal failure. In December 1999, the Company filed regulatory submissions for the use of NESP in patients with chronic renal insufficiency and chronic renal failure in the United States and the EU. In early 2000, the Company filed regulatory submissions for the use of NESP in the same indications in Canada, Australia and New Zealand. In April 1999, the Company announced that phase 2 clinical trials of NESP for the treatment of anemia resulting from chemotherapy had been initiated.

The Company has entered into an agreement with Kirin to jointly develop NESP through its joint venture, Kirin-Amgen (see "Joint Ventures and Business Relationships--Kirin Brewery Company, Limited"). Amgen has been granted an exclusive license by Kirin-Amgen to manufacture and market NESP in the United States, all European countries, Canada, Australia, New Zealand, Mexico and all Central and South American countries. Kirin has been granted similar rights by Kirin-Amgen for Japan, the People's Republic of China, Taiwan, Korea and certain other countries in Southeast Asia.

In March 1999, Amgen acquired the rights from PRAECIS PHARMACEUTICALS INCORPORATED ("Praecis") to develop and commercialize abarelix-depot (see "Joint Ventures and Business Relationships--

PRAECIS PHARMACEUTICALS INCORPORATED"). Data from phase 2 clinical trials suggest that abarelix-depot, a gonadotropin releasing hormone ("GnRH") antagonist, may inhibit the action of endogenous GnRH on the pituitary gland thereby reducing the production of testosterone in men and estrogen in women. The reduction of testosterone or estrogen through the use of pharmaceuticals, a practice known as hormonal therapy, may confer a therapeutic benefit to patients with a number of diseases and medical conditions including prostate cancer and endometriosis. Abarelix-depot is currently in phase 3 clinical trials in patients with hormonally-responsive prostate cancer. Abarelix-depot is also in a phase 2 clinical trial in patients with endometriosis, a painful gynecologic condition resulting from abnormal growth of uterine tissue, usually in the pelvic or abdominal area.

Another hematopoietic growth factor in development at Amgen is a sustained duration version of G-CSF called SD/01. While NEUPOGEN(R) is indicated to reduce the duration and severity of neutropenia, appropriate doses must be administered in a timely manner to be most effective. SD/01 is being developed to provide for less frequent dosing, possibly once-per-cycle of chemotherapy, and thereby potentially improve compliance and patient satisfaction. In October 1999, the Company announced that a phase 3 clinical trial of SD/01 in breast cancer patients receiving multiple cycles of chemotherapy had been initiated.

Soft tissue growth factors are believed to play a role in accelerating or improving tissue regeneration and wound healing. Mucositis is a side effect often experienced by patients undergoing radiation therapy and chemotherapy and is characterized as the irritation or ulceration of the lining of the gastrointestinal tract. Amgen currently is conducting research with Keratinocyte Growth Factor ("KGF") as a treatment for mucositis. Phase 2 clinical trials of KGF in cancer patients suffering from mucositis are ongoing.

Bone and Inflammatory disorders

The inflammatory response is essential for defense against harmful microorganisms and for the repair of damaged tissues. The failure of the body's control mechanisms regulating inflammatory response occurs in conditions such as rheumatoid arthritis, acute respiratory distress syndrome and asthma. Interleukin-1 receptor antagonist (formerly known as "IL-1ra" and currently referred to as "KINERET(TM)" (proper name--Anakinra)) and tumor necrosis factor binding protein were two product candidates added to the Company's inflammation research program through the acquisition of Synergen, Inc. ("Synergen") (see "Joint Ventures and Business Relationships--Other business relationships").

In July 1999, the Company announced that a large, controlled phase 2 clinical trial of KINERET(TM) in combination with methotrexate demonstrated benefit over methotrexate alone for patients with rheumatoid arthritis. In December 1999, the Company filed a licensing application with the FDA for KINERET(TM) for the treatment of rheumatoid arthritis.

In April 1999, the Company announced that a phase 2 clinical trial of a second generation inhibitor of tumor necrosis factor, soluble tumor necrosis factor-receptor type I ("sTNF-RI"), was initiated in patients with rheumatoid arthritis.

Osteoprotegerin ("OPG") is implicated in the regulation of bone mass. Bone mass is maintained in the body by the regulation of the competing activities of bone-forming cells (osteoblasts) and bone resorbing cells (osteoclasts). Cancer metastasis to bone causes bone destruction, leading to fractures and bone pain. In preclinical studies, OPG has been shown to inhibit the osteoclast-mediated bone destruction induced by invading cancer cells. Low bone mass is thought to be a result of bone breaking down more quickly than it is formed. Osteoporosis is characterized by low bone mass leading to fragile bones and increased susceptibility to fractures. The Company's OPG program is in a phase 1 clinical trial in healthy post-menopausal women.

Neuroendocrine and Neurodegenerative diseases

The Company is currently developing leptin, a protein produced by the obesity gene. Leptin is made in fat cells and is believed to help regulate the amount of fat stored by the body. In 1995, the Rockefeller University

granted to the Company an exclusive license which allows the Company to develop products based on the obesity gene. In October 1998, the Company announced the results of an interim analysis of preliminary three-month clinical data from two phase 2 clinical trials. This analysis revealed that there was no statistically significant difference in weight loss between native leptin and placebo for the study population as a whole. In April 1999, the Company announced that development of native leptin for both obesity and diabetes was being discontinued. The Company's leptin program now focuses on the development of second generation leptin analogues. The leptin program is in phase 2 clinical trials in obese subjects.

Amgen entered into a license agreement with Progenitor, Inc. ("Progenitor") which granted the Company certain exclusive rights for the development and commercialization of products using Progenitor's leptin receptor technology. Progenitor assigned its rights to the leptin receptor technology, including its rights and obligations under the license agreement with Amgen, to Interneuron Pharmaceuticals, Inc. ("Interneuron"). Amgen has entered into an amended and restated license agreement with Interneuron pursuant to which Amgen has been granted additional exclusive rights for the development and commercialization of products using the leptin receptor technology.

Another focus of the Company's effort in endocrinology is in the area of hyperparathyroidism ("HPT"). Primary HPT is a disorder that causes excessive secretion of parathyroid hormone from the parathyroid gland, leading to elevated serum calcium, called hypercalcemia. This disorder currently lacks effective treatment other than surgery. Secondary HPT is commonly seen as a result of kidney failure, affecting a majority of dialysis patients. Symptoms of HPT include bone loss, muscle weakness, depression and forgetfulness. The Company has entered into a license agreement with NPS Pharmaceuticals, Inc. ("NPS") for Amgen to develop and commercialize NPS's calcimimetic small molecules based on NPS's proprietary calcium receptor technology for the treatment of HPT. The Company is in separate phase 2 clinical trials for primary and secondary HPT with a second generation calcimimetic compound.

Neurotrophic factors are proteins which play a role in nerve cell protection and regeneration and which may therefore be useful in treating a variety of neurological disorders, including neurodegenerative diseases of the central and peripheral nervous systems, nerve injury and trauma. Human clinical trials of brain-derived neurotrophic factor ("BDNF"), are currently being conducted in collaboration with Regeneron Pharmaceuticals, Inc. ("Regeneron") (see "Joint Ventures and Business Relationships--Regeneron Pharmaceuticals, Inc."). In January 1997, Amgen announced that a phase 3 clinical trial investigating subcutaneous delivery of BDNF for the treatment of patients with amyotrophic lateral sclerosis ("ALS") did not demonstrate clinical efficacy in the endpoints measured in patients with this disease. Regeneron continues to investigate subcutaneous administration of BDNF in a subset of ALS patients on behalf of the collaboration with the Company. Amgen is currently conducting a phase 2 clinical trial investigating intrathecal delivery of BDNF in patients with ALS. On behalf of the collaboration with the Company, Regeneron is also conducting clinical trials with Neurotrophin-3 ("NT-3") for the treatment of chronic constipation.

Another neurotrophic factor the Company investigated was glial cell-line derived neurotrophic factor ("GDNF"). In April 1999, the Company announced that a phase 1/2 clinical trial of GDNF in Parkinson's disease failed to demonstrate a statistically significant benefit and as a result, GDNF was being discontinued from further development.

In 1997, Amgen acquired the rights from Guilford Pharmaceuticals Inc. ("Guilford") for a novel class of small molecule, orally-active, neurotrophic agents called neuroimmunophilin compounds (see "Joint Ventures and Business Relationships--Other business relationships"). The neuroimmunophilin compounds are initially being developed to promote nerve regeneration and repair in neurodegenerative disorders. In August 1999, Amgen announced that it had initiated clinical trials in Europe. In January 2000, the Company announced that a phase 1 clinical trial in the United States had been initiated. Parkinson's disease is expected to be the first indication to be pursued in the neuroimmunophilin program.

Joint Ventures and Business Relationships

The Company generally intends to self-market its products. From time to time, the Company may enter into joint ventures and other business relationships to provide additional marketing and product development capabilities in certain countries. In addition to internal research and development efforts, the Company has acquired certain product and technology rights and has established research and development collaborations. Amgen has established the relationships described below and may establish others in the future.

F. Hoffmann-La Roche Ltd

Amgen and Roche have entered into an agreement providing for the commercialization of NEUPOGEN(R) (Filgrastim) in the EU. Under this agreement, the companies collaborate in the EU on the commercialization and further clinical development of the product, and Amgen has a majority share in the related costs and profits from sales. Amgen has most of the responsibilities for marketing, promotion, distribution and other key functions relating to product sales, and the Company distributes the product in most EU countries from its European Logistics Center in Breda, The Netherlands. Amgen and Roche have also entered into another agreement to commercialize NEUPOGEN(R) in certain European countries not located within the EU. Under this agreement, Roche markets NEUPOGEN(R) in these countries and pays a royalty to Amgen on these sales. Amgen and Roche are also collaborating on the development of a second generation G-CSF product, SD/01, for the EU.

Johnson & Johnson

Amgen granted Johnson & Johnson a license to pursue commercialization of recombinant human erythropoietin as a human therapeutic in the United States in all markets other than dialysis. The Company is engaged in arbitration proceedings regarding this license. For a discussion of this matter, see Note 4 to the Consolidated Financial Statements, "Contingencies--Johnson & Johnson arbitrations". In countries other than the United States, the People's Republic of China and Japan, Johnson & Johnson was granted rights to pursue the commercialization of human erythropoietin as a human therapeutic for all uses under a licensing agreement with Kirin-Amgen.

Kirin Brewery Company, Limited

The Company has a 50-50 joint venture (Kirin-Amgen) with Kirin. Kirin-Amgen, which was formed in 1984, develops and commercializes certain of the Company's and Kirin's technologies which have been transferred to this joint venture. Kirin-Amgen has given exclusive licenses to Amgen and Kirin to manufacture and market erythropoietin in the United States and Japan, respectively. Kirin-Amgen has licensed to Johnson & Johnson rights to erythropoietin in certain geographic areas of the world (see "--Johnson & Johnson"). Kirin-Amgen has also granted Amgen an exclusive license to manufacture and market G-CSF in the United States, Europe, Canada, Australia and New Zealand. Kirin-Amgen has licensed to Kirin similar rights with respect to G-CSF in Japan, Taiwan and Korea. Kirin markets recombinant human erythropoietin and recombinant-methionyl human granulocyte colony-stimulating factor in the People's Republic of China under a separate agreement. Kirin-Amgen and Roche have entered into an agreement to commercialize NEUPOGEN(R) in certain territories not covered by the various Amgen/Roche agreements (see "--F. Hoffmann-La Roche Ltd"). Under this agreement, Roche markets NEUPOGEN(R) in these countries and pays a royalty to Kirin-Amgen on these sales.

In 1996, Kirin-Amgen licensed to Amgen and Kirin the rights to develop and market NESP. Amgen has been granted an exclusive license by Kirin-Amgen to manufacture and market NESP in the United States, all European countries, Canada, Australia, New Zealand, Mexico and all Central and South American countries. Kirin has been licensed by Kirin-Amgen with similar rights for NESP in Japan, the People's Republic of China, Taiwan, Korea and certain other countries in Southeast Asia.

Pursuant to the terms of agreements entered into with Kirin-Amgen, the Company conducts certain research and development activities on behalf of Kirin-Amgen and is paid for such services at negotiated rates. Included in revenues from corporate partners in the Company's Consolidated Financial Statements for the years ended December 31, 1999, 1998 and 1997, are $138.5 million, $121 million and $87.9 million, respectively, related to these agreements.

In connection with its various license agreements with Kirin-Amgen, the Company pays Kirin-Amgen royalties based on sales. During the years ended December 31, 1999, 1998 and 1997, Kirin-Amgen earned royalties from Amgen of $128.1 million, $105 million and $91.4 million, respectively, under such agreements.

Yamanouchi Pharmaceutical Co., Ltd.

In 1996, Amgen licensed to Yamanouchi the rights to develop, manufacture and commercialize Interferon alfacon-1 for the treatment of hepatitis C viral infection and any additional indications around the world except in the United States and Canada. Amgen markets Interferon alfacon-1 under the trademark INFERGEN(R) in the United States and Canada. Amgen has earned and will earn additional amounts if certain milestones are achieved by Yamanouchi and will receive royalties on sales. Yamanouchi has granted to Amgen K.K., the Company's Japanese subsidiary, certain co-development and co-promotion/co-marketing rights in Japan and has granted to Amgen Greater China, Ltd., Amgen's subsidiary in Hong Kong, certain co-development and co-promotion rights in the People's Republic of China and Taiwan.

PRAECIS PHARMACEUTICALS INCORPORATED

In March 1999, Amgen entered into a collaboration with Praecis relating to the commercialization of abarelix-depot. Amgen has been granted the exclusive right to commercialize abarelix-depot for all indications, including prostate cancer and endometriosis in the United States, Canada, Australia, Japan and several secondary markets. Amgen will conduct and pay for certain research, development and commercialization activities. In general, Praecis will receive a transfer price and royalty based on a sharing of the resulting profits on sales of abarelix products in the United States; Praecis will receive a royalty on net sales of abarelix products in Amgen's territories outside of the United States.

Regeneron Pharmaceuticals, Inc.

In 1990, the Company entered into a collaboration agreement with Regeneron to co-develop and commercialize BDNF and NT-3 in the United States. To facilitate this collaboration, the Company and Regeneron formed Amgen-Regeneron Partners, a 50-50 partnership. In addition, Regeneron licensed these potential products to Amgen for development in certain other countries.

Other business relationships

In December 1994, the Company acquired Synergen, a biotechnology company. With the acquisition of Synergen, Amgen principally added GDNF and Synergen's inflammation program to its product candidate pipeline.

Synergen Clinical Partners, L.P. ("SCP"), the general partner of which was a subsidiary of Synergen, was formed to fund development and commercialization of KINERET(TM) in certain geographic areas. As a result of the acquisition of Synergen, the general partner of SCP became a subsidiary of Amgen. In connection with the settlement of certain litigation relating to Synergen and SCP, Amgen acquired all of the limited partnership units of SCP and, pursuant to the terms of the settlement, terminated SCP. Amgen may be required to pay future amounts to the former limited partners that were members of the plaintiff class, other members of the plaintiff class and their counsel if the FDA should grant approval to market KINERET(TM) (as more specifically defined in the related settlement agreement) and additional amounts if certain product revenues are realized.

In 1997, Amgen and Guilford entered into an agreement granting Amgen worldwide rights for Guilford's neuroimmunophilin compounds, a novel class of small molecule neurotrophic agents that may represent a new approach in the treatment of neurodegenerative disorders. Under the terms of the agreement, Amgen will receive worldwide rights to neuroimmunophilin compounds for all human therapeutic and diagnostic applications. Amgen will conduct and pay for all clinical development and manufacturing of products, market products worldwide and pay royalties to Guilford on such sales. In connection with this agreement, Amgen made an equity investment in Guilford.

Also in 1997, Amgen and SangStat Medical Corporation ("SangStat") entered into a licensing agreement for the registration, marketing and distribution of SangStat's proprietary CYCLOSPORINE product (proper name--Cyclosporine oral solution), an immunosuppressive drug used in transplantation to prevent graft rejection. Under the terms of the agreement, Amgen has exclusive rights to market CYCLOSPORINE in Australia, New Zealand, the People's Republic of China and Taiwan.

In 1998, Amgen entered into an agreement with The Liposome Company, Inc. ("TLC") to market TLC's product, ABELCET(R) (proper name--Amphotericin B Lipid Complex Injection), in Australia and New Zealand. ABELCET(R) is a proprietary drug developed and manufactured by TLC to treat severe, systemic fungal infections which occur primarily in patients whose immune systems are compromised, such as cancer patients undergoing chemotherapy, bone marrow transplant ("BMT") recipients, solid organ transplant recipients and AIDS patients.

Marketing

Amgen uses wholesale distributors of pharmaceutical products as the principal means of distributing the Company's products to clinics, hospitals and pharmacies. The Company monitors the financial condition of its larger distributors and seeks to limit its credit exposure by setting appropriate credit limits and requiring collateral from certain customers. Sales to two large wholesalers accounted for more than 10% of total revenues for the years ended December 31, 1999, 1998 and 1997. Sales to one of these wholesalers, Bergen Brunswig Corporation, were $1,078 million, $856.2 million and $580.9 million for the years ended December 31, 1999, 1998 and 1997, respectively. Sales to the other wholesaler, Cardinal Distribution, were $438.2 million, $366.5 million and $333.8 million for the years ended December 31, 1999, 1998 and 1997, respectively.

Dialysis providers are primarily reimbursed for EPOGEN(R) 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 Medicaid, private insurance, and to a lesser extent, state kidney patient programs. The ESRD Program reimbursement rate is established by Congress and is monitored by the Health Care Financing Administration ("HCFA"). In 1997 and 1998, HCFA implemented reimbursement changes that affected sales of EPOGEN(R). See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations--Results of Operations--Product sales--EPOGEN(R) (Epoetin alfa)". The Clinton administration has proposed a Medicare cost savings plan which includes a provision for cutting Medicare reimbursement to dialysis providers for EPOGEN(R) by 10%. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations--Financial Outlook". Changes in coverage and reimbursement policies could have a material adverse effect on EPOGEN(R) sales (see "Factors That May Affect Amgen--Reimbursement; Third party payors").

NEUPOGEN(R) is reimbursed by both private and public payors, and changes in coverage and reimbursement policies of these payors could have a material adverse effect on sales of NEUPOGEN(R) (see "Factors That May Affect Amgen--Reimbursement; Third party payors"). The Clinton administration has proposed a reduction in the basis upon which Medicare reimburses for outpatient prescription drugs, including NEUPOGEN(R). See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations--Financial Outlook".

In the EU, Amgen and Roche share commercialization responsibilities for NEUPOGEN(R) under a co-promotion agreement (see "Joint Ventures and Business Relationships--F. Hoffmann-La Roche Ltd"). NEUPOGEN(R) is principally distributed to wholesalers and/or hospitals in all EU countries depending upon the distribution practice for products in each country. Most patients receiving NEUPOGEN(R) for approved indications are covered by government health care programs. Generally, the use of NEUPOGEN(R) is affected by EU government pressures on physician prescribing practices in response to ongoing government initiatives to reduce health care expenditures, and to a lesser extent, competition.

In Canada and Australia, NEUPOGEN(R) is marketed by the Company directly to hospitals, pharmacies and medical practitioners. Distribution is handled by third party contractors.

INFERGEN(R) is marketed by the Company in the United States and Canada. INFERGEN(R) is reimbursed through both private and public sources, with primary reimbursement through private payors.

STEMGEN(R) is marketed by the Company directly to hospitals, pharmacies and medical practitioners in Canada, Australia and New Zealand. Distribution is handled by third party contractors.

Competition

Competition among biotechnology, pharmaceutical and other companies that research, develop, manufacture or market pharmaceuticals is intense and is expected to increase. See "Factors That May Affect Amgen--Competition". Some competitors, principally large pharmaceutical companies, have greater clinical, research, regulatory and marketing resources and experience than the Company, particularly in the area of small molecule therapeutics. In addition, certain specialized biotechnology firms have entered into cooperative arrangements with major companies for development and commercialization of products, creating an additional source of competition. The Company faces competition with respect to products which it manufactures and markets from firms in the United States, countries of the EU, Canada, Australia and elsewhere. Additionally, some of the Company's competitors, including biotechnology and pharmaceutical companies, are actively engaged in the research and development of products in areas where the Company is also developing product candidates, as more fully discussed below.

The introduction of new products or the development of new processes by competitors or new information about existing products may result in product replacements or price reductions, even for products protected by patents. In addition, the timing of entry of a new product into the market can be an important factor in determining the product's eventual success and profitability. Early entry may have important advantages in gaining product acceptance and market share. Accordingly, in some cases, the relative speed with which the Company can develop products, complete the testing and approval process and supply commercial quantities of the product to the market is expected to be important to Amgen's competitive position. Competition among pharmaceutical products approved for sale also may be based on, among other things, patent position, product efficacy, safety, reliability, availability and price.

A significant amount of research and development in the biotechnology industry is conducted by small companies, academic institutions, governmental agencies and other public and private research organizations. These entities may seek patent protection and enter into licensing arrangements to collect royalties for use of technology or for the sale of products they have discovered or developed. Amgen also may face competition in its licensing or acquisition activities from pharmaceutical companies and large biotechnology companies that also seek to acquire technologies or product candidates from these entities. Accordingly, the Company may have difficulty acquiring technologies or product candidates on acceptable terms. Additionally, the Company competes with these entities and with pharmaceutical and biotechnology companies to attract and retain qualified scientific and technical personnel.

Any products or technologies that are directly or indirectly successful in addressing anemia could negatively impact the market for EPOGEN(R) or for NESP. Aventis S.A. ("Aventis") is currently conducting clinical trials on gene-activated erythropoietin for the treatment of anemia (see "Item 3. Legal Proceedings--Transkaryotic Therapies and Aventis S.A. litigation"). In addition, Alkermes, Inc. and Johnson & Johnson are currently conducting clinical trials with a sustained delivery formulation of Epoetin alfa for the treatment of anemia.

Similarly, any products or technologies that are directly or indirectly successful in addressing the causes or incidence of low levels of neutrophils could negatively impact the market for G-CSF. These include products that could receive approval for indications similar to those for which NEUPOGEN(R) has been approved, development of chemotherapy treatments that are less myelosuppressive than existing treatments and the development of anti-cancer modalities that reduce the need for myelosuppressive chemotherapy. NEUPOGEN(R) currently faces market competition from a competing CSF product, granulocyte macrophage colony stimulating factor ("GM-CSF") and from the chemoprotectant, amifostine. Potential future sources of competition include other G-CSF products, GM-CSF products, FLT-3 ligand, myelopoietin, PGG-glucan, promegapoietin, and progenipoietin, among others.

Chugai Pharmaceuticals Co., Ltd. ("Chugai") markets a G-CSF product in Japan as an adjunct to chemotherapy and as a treatment for BMT patients. Chugai and Aventis market a G-CSF product in certain EU countries as an adjunct to chemotherapy and as a treatment in BMT settings. The Company believes that Chugai has expanded its presence in Europe. Chugai, through its licensee, AMRAD, markets this G-CSF product in Australia as an adjunct to chemotherapy and as a treatment for BMT patients. Under an agreement with Amgen, Chugai is precluded from selling its G-CSF product in the United States, Canada and Mexico.

Immunex Corporation ("Immunex") markets two formulations of GM-CSF in the United States for BMT and PBPC transplant patients and as an adjunct to chemotherapy treatments for acute non-lymphocytic leukemia ("ANLL") and AML. Immunex is also pursuing other indications for its GM-CSF product including use in treating HIV-infected patients, other infectious diseases and as an adjunct to chemotherapy outside the limited settings of ANLL and AML. Novartis AG markets another GM-CSF product for use in BMT patients, as an adjunct to chemotherapy and as an adjunct to gancyclovir treatment of HIV-infected patients in the EU and certain other countries. This GM-CSF product is currently being developed for similar indications in the United States and Canada. Nartograstim, a modified G-CSF protein, is sold by Kyowa Hakko Kogyo Co., Ltd. in Japan.

Other products which address potential markets for G-CSF may be identified and developed by competitors in the future. Such products could also present competition in potential markets for STEMGEN(R) and SD/01.

INFERGEN(R) competes with other interferons and related products, several of which are in development or on the market. Schering-Plough Corporation and Roche are major suppliers of interferons. (See "Item 3. Legal Proceedings--INFERGEN(R) litigation"). The Company cannot predict the extent to which it will maintain its market share or further penetrate this market. Interferon Sciences, Inc. could be a potential competitor in this arena.

Abarelix-depot could face competition from products currently marketed by TAP Pharmaceuticals, Inc., AstraZeneca PLC and Pharmacia & Upjohn, Inc. which treat both prostate cancer and endometriosis. In addition, other products to treat prostate cancer are currently being developed by ALZA Corporation, ASTA Medica AG, Atrix Laboratories, Inc. and Takeda Chemical Industries, Ltd.

Many companies are developing products that promote wound healing, soft tissue regeneration and chemoprotection. Companies such as Human Genome Sciences, Inc., Genetics Institute, Inc., U.S. Bioscience, Inc./MedImmune, Inc. and ALZA Corporation are currently among many companies that are developing products which could be potential competitors for KGF.

KINERET(TM) and sTNF-RI could face competition from a number of companies in the inflammation arena, particularly for rheumatoid arthritis treatments. Current anti-arthritic treatments include generic methotrexate and other products marketed by Centocor, Inc./Johnson & Johnson, Immunex/American Home Products Corporation ("AHP"), Merck & Co., Inc. ("Merck"), Monsanto Company, Novartis AG, Sanofi-Synthelabo and G.D. Searle & Co./Pfizer Inc. In addition, a number of companies have cytokine inhibitors in development including Genentech, Inc./Roche, Genetics Institute, Inc., Inhale Therapeutic Systems Inc., Knoll AG (a subsidiary of BASF AG), SmithKline Beecham Corporation and Taisho Pharmaceutical Co., Ltd.

The OPG program could face competition from products currently marketed by Eli Lilly and Company ("Eli Lilly"), Merck, AHP, Novartis AG, The Procter & Gamble Company and Aventis for the treatment of osteoporosis. In addition, other products to treat osteoporosis are currently being developed by Eli Lilly, Roche, Novartis AG, Pfizer Inc. and SmithKline Beecham Corporation.

Many companies currently market or are believed to be developing obesity treatments that could compete with the leptin program. Potential future competitors include Millennium Pharmaceuticals, Inc. (in collaboration with Roche), Neurogen Corporation (in collaboration with Pfizer Inc.), Bristol Myers Squibb Company, Novartis AG, Eli Lilly and Merck. Knoll AG and Roche currently market obesity treatments in various countries.

The calcimimetic program could face competition from products currently marketed by Abbott Laboratories, Genzyme Corporation and Roche which treat secondary HPT. In addition, other products to treat HPT are currently being developed by Abbott Laboratories, Bone Care International, Inc. (a subsidiary of the Lunar Corporation) and Chugai.

Several companies are developing neurotrophic factors that could compete with BDNF, NT-3 or the neuroimmunophilin program. These companies include Abbott Laboratories, Astra AB, Cephalon Inc., Genentech, Inc., Regeneron, SIBIA Neurosciences, Inc./Merck and Vertex Pharmaceuticals Incorporated.

Research and Development

The Company's primary sources of new product candidates are internal research and acquisition and licensing from third parties. Amgen's internal research capabilities include an expertise in secreted protein therapeutics. Additionally, the Company has emerging small molecule capabilities that include combinatorial chemistry, biosystems and the use of high throughput screening to potentially develop novel, orally available therapeutic product candidates. Amgen's capabilities in these areas complement its human genome program; however, Amgen has only recently entered the small molecule field (see "--Competition"). The Company's human genome program may yield genes that both lead to the development of secreted protein therapeutics and provide targets for small molecules. The Company develops and invests in proteins, small molecules, monoclonal antibodies and gene therapy vectors as forms of therapeutic delivery. Research and development expenses for the years ended December 31, 1999, 1998 and 1997 were $822.8 million, $663.3 million and $630.8 million, respectively.

Government Regulation

Regulation by governmental authorities in the United States and other countries is a significant factor in the production and marketing of the Company's products and its ongoing research and development activities (see "Factors That May Affect Amgen--Regulatory matters").

In order to clinically test, manufacture and market products for therapeutic use, Amgen must satisfy mandatory procedures and safety standards established by various regulatory bodies. In the United States, the Federal Food, Drug and, Cosmetic Act, as amended, and the regulations promulgated thereunder, and other federal and state statutes and regulations govern, among other things, the testing, manufacture, labeling, storage, record keeping, approval, advertising and promotion of the Company's products on a product-by-product basis. Product development and approval within this regulatory framework take a number of years and

involve the expenditure of substantial resources. After preclinical testing, laboratory analysis and testing in animals, an investigational new drug application is filed with the FDA to begin human testing. Typically, a three-phase human clinical testing program is then undertaken. In phase 1, small clinical trials are conducted to determine the safety of the product. In phase 2, clinical trials are conducted to assess safety, acceptable dose and gain preliminary evidence of the efficacy of the product. In phase 3, clinical trials are conducted to provide sufficient data for the statistically valid proof of safety and efficacy. The time and expense required to perform this clinical testing can vary and is substantial. No action can be taken to market any therapeutic product in the United States until an appropriate marketing application has been approved by the FDA. Even after initial FDA approval has been obtained, further clinical trials may be required to provide additional data on safety and effectiveness and are required to gain clearance for the use of a product as a treatment for indications other than those initially approved. In addition, use of products during testing and after initial marketing could reveal side effects that could delay, impede or prevent marketing approval or approval for other indications, limit uses or expose the Company to product liability claims.

In addition to regulating and auditing human clinical trials, the FDA regulates and inspects equipment and facilities used in the manufacturing of such products prior to providing approval to market a product. If after receiving clearance from the FDA, a material change is made in manufacturing equipment, location or process, additional regulatory review may be required. The Company also must adhere to current Good Manufacturing Practice and product-specific regulations enforced by the FDA through its facilities inspection program. The FDA conducts regular, periodic visits to re-inspect equipment, facilities and processes following the initial approval. If, as a result of these inspections, the FDA determines that the Company's equipment, facilities or processes do not comply with applicable FDA regulations, the FDA may seek civil, criminal, or administrative sanctions and/or remedies against Amgen, including the suspension of the Company's manufacturing operations.

In the EU countries, Canada and Australia, regulatory requirements and approval processes are similar in principle to those in the United States. Additionally, depending on the type of drug for which approval is sought, there are currently two potential tracks for marketing approval in the EU countries: mutual recognition and the centralized procedure. These review mechanisms may ultimately lead to approval in all EU countries, but each method grants all participating countries some decision making authority in product approval.

The Company is also subject to various federal and state laws pertaining to health care "fraud and abuse", including anti-kickback laws and false claims laws. Anti-kickback laws make it illegal for a prescription drug manufacturer to solicit, offer, receive or pay any remuneration in exchange for, or to induce, the referral of business, including the purchase or prescription of a particular drug. The federal government has published regulations that identify "safe harbors" or exemptions for certain payment arrangements that do not violate the anti-kickback statutes. The Company seeks to comply with the safe harbors where possible. Due to the breadth of the statutory provisions and the absence of guidance in the form of regulations or court decisions addressing some of the Company's practices, it is possible that the Company's practices might be challenged under anti-kickback or similar laws. False claims laws prohibit anyone from knowingly and willingly presenting, or causing to be presented for payment to third party payors (including Medicare and Medicaid) claims for reimbursed drugs or services that are false or fraudulent, claims for items or services not provided as claimed, or claims for medically unnecessary items or services. Amgen's activities relating to the sale and marketing of its products may be subject to scrutiny under these laws. Violations of fraud and abuse laws may be punishable by criminal and/or civil sanctions, including fines and civil monetary penalties, as well as the possibility of exclusion from federal health care programs (including Medicare and Medicaid). The Company believes its sales, marketing and other activities comply with all such laws although there can be no assurance that the Company's activities will not be subject to challenge for the reasons discussed above and due to the broad scope of these laws and the increasing attention being given to them by law enforcement authorities.

Since 1991, the Company has participated in the Medicaid rebate program established by the Omnibus Budget Reconciliation Act of 1990, and under amendments of that law that became effective in 1993, participation has included extending comparable discounts under the Public Health Service ("PHS")

pharmaceutical pricing program. Under the Medicaid rebate program, the Company pays a rebate for each unit of its product reimbursed by Medicaid. The amount of the rebate for each product is set by law as a minimum 15.1% of the average manufacturer price ("AMP") of that product, or if it is greater, the difference between AMP and the best price available from the Company to any customer. The rebate amount also includes an inflation adjustment if AMP increases faster than inflation. The PHS pricing program extends discounts comparable to the Medicaid rebate to a variety of community health clinics and other entities that receive health services grants from the PHS, as well as hospitals that serve a disproportionate share of poor Medicare and Medicaid beneficiaries. The rebate amount is recomputed each quarter based on the Company's reports of its current average manufacturer price and best price for each of its products to HCFA. The terms of the Company's participation in the program impose an obligation to correct the prices reported in previous quarters, as may be necessary. Any such corrections could result in an overage or underage in the Company's rebate liability for past quarters, depending on the direction of the correction. In addition to retroactive rebates (and interest, if any), if the Company were found to have knowingly submitted false information to the government, in addition to other penalties available to the government, the statute provides for civil monetary penalties in the amount of $100,000 per item of false information.

The Company also makes its products available to authorized users of the Federal Supply Schedule ("FSS") of the General Services Administration. Since 1993, as a result of the Veterans Health Care Act of 1992 (the "VHC Act"), federal law has required that product prices for purchases by the Veterans Administration, the Department of Defense, Coast Guard and the PHS (including the Indian Health Service) be discounted by a minimum of 24 percent off the AMP to non-federal customers (the non-federal average manufacturer price, "non-FAMP"). The Company's computation and report of non-FAMP is used in establishing the price, and the accuracy of the reported non-FAMP may be audited by the government under applicable federal procurement laws. Among the remedies available to the government for infractions of these laws is recoupment of any overages paid by FSS users during the audited years. In addition, if the Company were found to have knowingly reported a false non-FAMP, the VHC Act provides for civil monetary penalties of $100,000 per item that is incorrect.

Amgen is also subject to regulation under the Occupational Safety and Health Act, the Toxic Substances Control Act, the Resource Conservation and Recovery Act and other current and potential future federal, state or local regulations. The Company's research and development activities involve the controlled use of hazardous materials, chemicals, biological materials and various radioactive compounds. The Company believes that its procedures comply with the standards prescribed by state and federal regulations; however, the risk of injury or accidental contamination cannot be completely eliminated. Amgen's research and manufacturing activities also are conducted in voluntary compliance with the National Institutes of Health Guidelines for Recombinant DNA Research.

Additionally, the U.S. Foreign Corrupt Practices Act, to which the Company is subject, prohibits corporations and individuals from engaging in certain activities to obtain or retain business or to influence a person working in an official capacity. It is illegal to pay, offer to pay, or authorize the payment of anything of value to any foreign government official, government staff member, political party or political candidate in an attempt to obtain or retain business or to otherwise influence a person working in an official capacity. The Company's present and future business has been and will continue to be subject to various other laws and regulations.

Patents and Trademarks

Patents are very important to the Company in establishing proprietary rights to the products it has developed or licensed. The patent positions of pharmaceutical and biotechnology companies, including the Company, can be uncertain and involve complex legal, scientific and factual questions. See "Factors That May Affect Amgen--Intellectual property and legal matters".

The Company has filed applications for a number of patents and has been granted patents relating to its erythropoietin, G-CSF, consensus interferon and various potential products. In the United States, the U.S. Patent and Trademark Office (the "USPTO") has issued to the Company patents relating to erythropoietin that generally cover DNA and host cells (issued in 1987); processes for making erythropoietin (issued in 1995 and 1997); certain product claims to erythropoietin (issued in 1996 and 1997); cells that make certain levels of erythropoietin (issued in 1998); and pharmaceutical compositions of erythropoietin (issued in 1999). These patents have varying expiration dates, with the latest erythropoietin related patents expiring in 2015; all other patents expire earlier. The USPTO has also issued to the Company patents relating to aspects of DNAs, vectors, cells and processes relating to recombinant G-CSF (issued in 1989); other aspects of DNAs, vectors, cells and processes relating to recombinant G-CSF (issued in 1991); G-CSF polypeptides (issued in 1996); methods of treatment using G-CSF polypeptides (issued in 1996); methods of enhancing bone marrow transplantation and treating burn wounds (issued in 1997); methods for recombinant production of G-CSF (issued in 1998); and analogs of G-CSF (issued in 1999). The last to issue G-CSF patents expire in 2014; all other patents expire earlier. Additionally, U.S. patents pertaining to pegylated G-CSF (SD/01) expire in 2015. The patent relating to erythropoietin for the EU expires in 2004. The patent relating to G-CSF for the EU expires in 2006.

There can be no assurance that Amgen's patents or licensed patents will afford legal protection against competitors or provide significant proprietary protection or competitive advantage. In addition, there can be no assurance that Amgen's patents or licensed patents will not be held invalid or unenforceable by a court, or that Amgen's patents or licensed patents will not be infringed or circumvented by others, or that others will not obtain patents that the Company would need to license or circumvent. Competitors or potential competitors may have filed patent applications or received patents, and may obtain additional patents and proprietary rights relating to proteins, small molecules, compounds or processes competitive with those of the Company. Additionally, for certain of the Company's product candidates, competitors or potential competitors may claim that their existing or pending patents prevent the Company from commercializing such product candidates in certain territories.

In general, the Company has obtained licenses from various parties which it deems to be necessary or desirable for the manufacture, use or sale of its products. These licenses generally require Amgen to pay royalties to the parties on product sales. In addition, other companies have filed patent applications or have been granted patents in areas of interest to the Company. There can be no assurance any licenses required under such patents will be available for license on acceptable terms or at all. The Company is engaged in various legal proceedings relating to certain of its patents. See "Item 3. Legal Proceedings".

Trade secret protection for its unpatented confidential and proprietary information is important to Amgen. To protect its trade secrets, the Company generally requires its employees, material consultants, scientific advisors and parties to collaboration and licensing agreements to execute confidentiality agreements upon the commencement of employment, the consulting relationship or the collaboration or licensing arrangement with the Company. There can be no assurance, however, that others will not either develop independently the same or similar information or obtain access to Amgen's proprietary information.

The Company has obtained U.S. registration of its EPOGEN(R), NEUPOGEN(R), INFERGEN(R) and STEMGEN(R) trademarks. In addition, these trademarks have been registered in other countries.

Manufacturing and Raw Materials

Amgen has manufacturing facilities which produce commercial quantities of Epoetin alfa, NEUPOGEN(R) (Filgrastim), INFERGEN(R) (Interferon alfacon-1) and STEMGEN(R) (Ancestim) (see "Item 2. Properties"). The Company additionally supplies Epoetin alfa to Johnson & Johnson under a supply agreement and utilizes an outside party to perform the filling process for such vials. There can be no assurance that the Company will be able to accurately anticipate future demand for Epoetin alfa, NEUPOGEN(R), INFERGEN(R) and STEMGEN(R) or maintain adequate manufacturing capacity (see "Factors That May Affect Amgen--Rapid growth").

Certain raw materials necessary for the Company's commercial manufacturing of its products are proprietary products of other companies, and in some cases, such proprietary products are specifically cited in the Company's drug application with the FDA such that they must be obtained from that specific, sole source. The Company currently attempts to manage the risk associated with such sole sourced raw materials by active inventory management. Amgen attempts to remain apprised of the financial condition of its suppliers, their ability to supply the Company's needs and the market conditions for these raw materials. Also, certain of the raw materials required in the commercial manufacturing of the Company's products are derived from biological sources. The Company is investigating screening procedures with respect to certain biological sources and alternatives to them. Raw materials may be subject to contamination and/or recall. A material shortage, contamination and/or recall could adversely impact or disrupt Amgen's commercial manufacturing of its products.

Human Resources

As of December 31, 1999, the Company had approximately 6,400 employees, of which approximately 3,400 were engaged in research and development, approximately 1,200 were engaged in sales and marketing and approximately 1,800 were engaged in other activities. There can be no assurance that the Company will be able to continue attracting and retaining qualified personnel in sufficient numbers to meet its needs. None of the Company's employees are covered by a collective bargaining agreement, and the Company has experienced no work stoppages. The Company considers its employee relations to be good.

Executive Officers of the Registrant

The executive officers of the Company, their ages as of March 1, 2000 and positions are as follows:

Mr. Gordon M. Binder, age 64, has served as a director of the Company since October 1988. He joined the Company in 1982 as Vice President-Finance and was named Senior Vice President-Finance in February 1986. Mr. Binder was elected Chief Executive Officer in October 1988 and Chairman of the Board in July 1990. Mr. Binder has announced that he intends to retire as Chief Executive Officer on the day of the annual meeting of stockholders, May 11, 2000, and will retire as Chairman of the Board and a director by December 31, 2000. Mr. Binder will continue to provide certain services to the Company thereafter as a non-executive officer employee of the Company.

Mr. Kevin W. Sharer, age 51, has served as a director of the Company since November 1992. He also has served as President and Chief Operating Officer since October 1992. Prior to joining the Company, Mr. Sharer served as President of the Business Markets Division of MCI Communications Corporation, a telecommunications company, from April 1989 to October 1992, and served in numerous executive capacities at General Electric Company from February 1984 to March 1989. Mr. Sharer also serves as a director of Unocal Corporation. Mr. Sharer will become the Company's Chief Executive Officer on the day of the annual meeting of stockholders, May 11, 2000.

Mr. Stan M. Benson, age 48, has served as Senior Vice President, Sales and Marketing, since joining the Company in June 1995. Prior to joining the Company, Mr. Benson held a number of executive management positions at Pfizer Inc., a pharmaceutical company, from 1987 to 1995.

Dr. Fabrizio Bonanni, age 53, has served as Senior Vice President, Quality and Compliance, since joining the Company in April 1999. Prior to joining the Company, Dr. Bonanni had been the Corporate Vice President for Regulatory/Clinical Affairs for Baxter International ("Baxter") from December 1997 to April 1999, Corporate Vice President, Quality System from November 1994 to December 1997, and has held a variety of quality, regulatory and manufacturing positions with Baxter in Europe and in the U.S. since 1974.

Mr. Marc M.P. de Garidel, age 41, became Vice President, Controller and Chief Accounting Officer in December 1998, having served as Senior Director, Financial Planning & Analysis, since July 1998. Previously,

Mr. de Garidel was the Vice President, Finance and Administration for Amgen Europe, from April 1995 to July 1998. Prior to joining the Company, he was Finance Director for Eli Lilly and Company, a pharmaceutical company, in Germany from 1992 to April 1995.

Ms. Kathryn E. Falberg, age 39, became Senior Vice President, Finance and Chief Financial Officer in December 1998, having served as Vice President, Finance, Chief Financial Officer and Chief Accounting Officer since May 1998 and as Vice President, Corporate Controller and Chief Accounting Officer from June 1997 to May 1998. Previously, Ms. Falberg had served as Vice President and Treasurer from December 1996 to June 1997, and as Treasurer since joining the Company in January 1995. Prior to joining the Company, Ms. Falberg had been Vice President, Chief Financial Officer and Treasurer for Applied Magnetics Corporation, a computer components manufacturer, since May 1993 and had been its Treasurer from 1991 to May 1993.

Dr. Dennis M. Fenton, age 48, became Executive Vice President, Operations, in March 2000, having served as Senior Vice President, Operations, since January 1995, as Senior Vice President, Sales and Marketing, from August 1992 to January 1995, and as Vice President, Process Development, Facilities and Manufacturing Services, from July 1991 to August 1992. Dr. Fenton previously had served as Vice President, Pilot Plant Operations and Clinical Manufacturing, from October 1988 to July 1991, and as Director, Pilot Plant Operations, from 1985 to October 1988.

Mr. Edward F. Garnett, age 52, became Vice President, Human Resources, in October 1994, having served as Director, Sales and Marketing Operations, since March 1994. Previously, Mr. Garnett had served as Director, Logistics, from April 1990 to March 1994.

Dr. George Morstyn, age 49, became Senior Vice President, Development and Chief Medical Officer in October 1999, having served as Vice President, Product Development and Chief Medical Officer since June 1998 and as Vice President, Clinical Development and Chief Medical Officer from September 1993 to June 1998. Dr. Morstyn previously served as Vice President, Clinical and Medical Affairs from July 1991 to September 1993.

Mr. Steven M. Odre, age 50, became Senior Vice President, General Counsel and Secretary in March 2000, having served as Vice President, Intellectual Property, and Associate General Counsel since October 1988, and as Associate General Counsel from March 1988 to October 1988. From May 1986 to March 1988, he served as Director of Intellectual Property.

Dr. Lawrence M. Souza, age 46, became Senior Vice President, Research, in May 1997, having served as Vice President, Exploratory Research, since October 1988. Previously, Dr. Souza had served as Director, Exploratory Research, from February 1986 to October 1988.

Geographic Area Financial Information

For financial information concerning the geographic areas in which the Company operates, see Note 10 to the Consolidated Financial Statements.

Factors That May Affect Amgen

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

Product development

We intend to continue an aggressive product development program. Successful product development in the biotechnology industry is highly uncertain, and very few research and development projects produce a

commercial product. Product candidates that appear promising in the early phases of development, such as in early human clinical trials, may fail to reach the market for a number of reasons, such as:

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

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

Regulatory matters

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

Reimbursement; Third party payors

In both domestic and foreign markets, sales of our products are dependent, in part, on the availability of reimbursement from third party payors such as state and federal governments (for example, under Medicare and

Medicaid programs in the U.S.) and private insurance plans. In certain foreign markets, the pricing and profitability of our products generally are subject to government controls. In the U.S., there have been, and we expect there will continue to be, a number of state and federal proposals that limit the amount that state or federal governments will pay to reimburse the cost of drugs. In addition, we believe the increasing emphasis on managed care in the U.S. has and will continue to put pressure on the price and usage of our products, which may impact product sales. Further, when a new therapeutic is approved, the reimbursement status and rate of such a product is uncertain. In addition, current reimbursement policies for existing products may change at any time. Changes in reimbursement or our failure to obtain reimbursement for our products may reduce the demand for, or the price of, our products, which could result in lower product sales or revenues which could have a material adverse effect on us and our results of operations. For example, in the U.S. the use of EPOGEN(R) in connection with treatment for end stage renal disease is funded primarily by the U.S. federal government. Therefore, as in the past, EPOGEN(R) sales could be affected by future changes in reimbursement rates or the basis for reimbursement by the federal government. For example, in early 1997, HCFA instituted a reimbursement change for EPOGEN(R) which adversely affected the Company's EPOGEN(R) sales, until the policies were revised. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations--Results of Operations--Product sales--EPOGEN(R) (Epoetin alfa)."

Guidelines

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

Intellectual property and legal matters

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

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

Competition

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

Fluctuations in operating results

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

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

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

Rapid growth

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

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

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

Stock price volatility

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

Item 2. PROPERTIES

Amgen's principal executive offices and a majority of its administrative, manufacturing and research and development facilities are located in thirty-seven buildings in Thousand Oaks, California. Thirty-three of the buildings are owned and four are leased. Adjacent to these buildings are facilities that are under construction and additional property for future expansion. The Thousand Oaks, California facilities include manufacturing plants licensed by various regulatory bodies that produce commercial quantities of Epoetin alfa, NEUPOGEN(R) (Filgrastim), INFERGEN(R) (Interferon alfacon-1) and STEMGEN(R) (Ancestim). NESP can also be produced in commercial quantities in one of these plants, and the Company plans to obtain licenses from various regulatory bodies for its manufacture in this facility.

Amgen owns two buildings and leases six buildings in Boulder, Colorado, housing research facilities and a manufacturing plant that can produce commercial quantities of KINERET(TM). In 1999, the Company completed construction of a manufacturing complex in Longmont, Colorado, that produces commercial quantities of Epoetin alfa. The plants in Boulder and Longmont are in the process of obtaining approval by various regulatory bodies. Amgen also plans on using the Longmont facility to produce commercial quantities of NESP. The Company has acquired approximately 159 acres of undeveloped land adjacent to the Longmont site to accommodate future expansion.

Elsewhere in North America, the Company owns a distribution center in Louisville, Kentucky, and leases a research facility and administrative offices in Canada, an administrative office in Washington, D.C. and five regional sales offices in the U.S. The Company also owns land in Cambridge, Massachusetts, where a research facility is currently being constructed.

Outside North America, the Company has a manufacturing facility in Juncos, Puerto Rico, and a European packaging and distribution center in Breda, The Netherlands, which have been licensed by various regulatory bodies. The Company leases facilities in thirteen European countries, Australia, Japan, Taiwan and the People's Republic of China for administration, marketing and research and development.

Amgen believes that its current facilities plus anticipated additions are sufficient to meet its needs for the next several years.

Item 3. LEGAL PROCEEDINGS

Certain of the Company's legal proceedings are discussed below and in the Note 4 to the Consolidated Financial Statements, "Contingencies". While it is impossible to predict accurately or to determine the eventual outcome of these matters, the Company believes that the outcome of these proceedings will not have a material adverse effect on the annual financial statements of the Company.

Biogen litigation

On March 10, 1995, Biogen, Inc. ("Biogen") filed suit in the United States District Court for the District of Massachusetts alleging infringement by the Company of certain claims of U.S. Patent No. 4,874,702 (the " '702 Patent"), relating to vectors for expressing cloned genes. Biogen alleges that Amgen has infringed its patent by manufacturing and selling NEUPOGEN(R). On March 28, 1995, Biogen filed an amended complaint further alleging that the Company is also infringing the claims of two additional patents allegedly assigned to Biogen, U.S. Patent No. 5,401,642 (the " '642 Patent") and U.S. Patent No. 5,401,658 (the " '658 Patent"), relating to vectors, methods for making vectors and expressing cloned genes. The amended complaint seeks injunctive relief, unspecified compensatory damages and treble damages. On April 24, 1995, the Company answered Biogen's amended complaint, denying its material allegations and pleading counterclaims for declaratory judgment of non-infringement, patent invalidity and unenforceability. The Court exerted jurisdiction over claims 9 and 17 of the '702 Patent, and dismissed all claims and counterclaims relating to any other claims of the '702 Patent. The Court has issued a final claim construction order that essentially limits the

Biogen patent claims to a single particular type of vector. The judge has ruled that, to be covered by claim 1 of the '702 Patent (the claim that forms the crux of the asserted claims), a plasmid vector must contain the entire DNA sequence as represented in Figure 6 of the '702 Patent, as well as at least one endonuclease recognition site inserted at the converted HaeIII site at 73.1% of bacteriophage lambda or at another site downstream of HaeIII, said endonuclease recognition site being within 300 base pairs of the HincII site at -33, and prior to any sequences of lambda DNA downstream of the HaeIII site. On November 17, 1999, a hearing was held on Amgen's motion for summary judgment on non-infringement under the doctrine of equivalents and the judge orally ruled that Amgen does not literally infringe although there has been no order issued. As of yet there has been no determination as to non-infringement under the doctrine of equivalents. In addition, the following Amgen motions have been filed and are still pending before the court: summary judgment of invalidity of the certain claims of the '702 and '658 Patents based on prior public uses of the claimed subject matter; motion for partial interpretation of the claims at issue; motion to dismiss the lawsuit in its entirety based on Biogen's lack of standing to bring the lawsuit in view of Biogen's lack of ownership of the patents-in-suit; motion to dismiss for lack of subject matter jurisdiction and standing in view of Biogen's lack of necessary ownership right in the patents-in-suit. Both parties have submitted claim briefs with the court. Discovery in the case is substantially completed. A trial date has not been set.

In a separate matter, on July 30, 1997, Biogen filed a complaint in the United States District Court for the District of Massachusetts in Boston alleging that Amgen infringes claims 9 and 17 of the '702 Patent, and the '642 Patent and the '658 Patent by making and using the claimed subject matter in the United States in the manufacture of INFERGEN(R), the Company's consensus interferon product. On September 17, 1997, Amgen responded to the complaint by filing a motion to dismiss the case in its entirety due to Biogen's lack of standing to bring the lawsuit in view of Biogen's lack of ownership of the patents-in-suit. Amgen also filed a motion for summary judgment of patent invalidity of particular claims of the patents-in-suit due to abandonment of the invention. The Court has ordered the Company to file an answer to Biogen's complaint but has stayed all discovery in this matter until certain discovery in the NEUPOGEN(R) matter described above is completed. The Company has filed a motion to dismiss the complaint on the grounds that the Court lacks jurisdiction over the matter as Biogen lacks the necessary ownership rights to afford it standing. A trial date has not been set.

INFERGEN(R) litigation

On December 3, 1996, Schering-Plough Corporation ("Schering") filed suit in the U.S. District Court for the District of Delaware (the "Delaware Court") against the Company alleging infringement of U.S. Patent No. 4,530,901 (the " '901 Patent") by the manufacture and use of INFERGEN(R). The complaint seeks unspecified damages and injunctive relief. Biogen has been added as a plaintiff in the Delaware action. On July 30, 1998, the Delaware Court entered an order construing the meaning of the claims of the 901 Patent. The Delaware Court limited the scope of the claims to include DNAs that encode only "an immature, fused, and/or incomplete form" of Interferon-alpha-1. On February 3, 1999, the Delaware Court entered judgment of noninfringement in favor of Amgen that INFERGEN(R) does not infringe the 901 Patent. Schering and Biogen have appealed and the appeal was argued in December 1999. A decision on the appeal is pending.

Genentech litigation

On October 16, 1996, Genentech, Inc. ("Genentech") filed suit in the United States District Court for the Northern District of California seeking an unspecified amount of compensatory damages, treble damages and injunctive relief on its U.S. Patent No.'s 4,704,362, 5,221,619 and 4,342,832 (the " '362, '619 and '832 Patents"), relating to vectors for expressing cloned genes and the methods for such expression. Genentech alleges that Amgen has infringed its patents by manufacturing and selling NEUPOGEN(R). On December 2, 1996, Amgen was served with this lawsuit. On January 21, 1997, the Company answered the complaint and asserted counterclaims relating to invalidity and non-infringement of the patents-in-suit. On February 10, 1997, Genentech served Amgen with a reply to the counterclaim and an additional counterclaim asserting U.S. Patent

No. 5,583,013 (the " '013 Patent"), issued December 10, 1996, seeking relief similar to that sought for the '362, '619 and '832 Patents. On March 31, 1997, Amgen answered this pleading and asserted counterclaims relating to invalidity and non-infringement of the '013 Patent. At a hearing held on May 29, 1998, the parties stipulated to: (i) the dismissal with prejudice of Genentech's first claim for patent infringement against Amgen with respect to the '832 Patent, as alleged in Genentech's complaint filed October 16, 1996 and (ii) dismissal with prejudice of Amgen's first, second, third and fourth claims for relief with respect to the '832 Patents as alleged in Amgen's answer to complaint and counterclaims filed on January 21, 1997. The judge issued a final claim construction ruling interpreting the '362, '619 and '013 Patent claims which, among other things, essentially limited the claim term "control region" to DNA taken from a single operon and not constructed from control elements derived from various operons. It may not be constructed portion-by-portion from multiple operons. In light of the judge's departure from the bench, the case has been re-assigned to a new judge, and is re-commencing after having been stayed. On February 18, 2000, Amgen filed a motion to amend its answer to allege inequitable conduct. Discovery is ongoing.

Transkaryotic Therapies and Aventis S.A. litigation

On April 15, 1997, Amgen filed suit in the United States District Court in Boston, Massachusetts against Transkaryotic Therapies, Inc. ("TKT") and Hoechst Marion Roussel, Inc. ("HMR"--now Aventis S.A.) alleging infringement of several U.S. patents owned by Amgen that claim an erythropoietin product and processes for making erythropoietin. The suit seeks an injunction preventing the defendants from making, importing, using or selling erythropoietin in the U.S. On July 9, 1997, the court denied TKT's motion to dismiss the lawsuit on the pleadings. On April 15, 1998, the court issued an order granting the defendants' motion for summary judgment of non-infringement on the grounds that defendants' activities to date were protected by the clinical trial exemption. The court also ruled that the action would be administratively closed to be re-opened upon motion of either party for good cause shown. In June 1999, TKT and HMR filed a motion to reopen the case with which Amgen concurred. On October 7, 1999, Amgen filed an amended complaint which added two additional patents to the litigation. Defendants' amended answer asserts that all five of the patents-in-suit are not infringed, are invalid or are unenforceable due to inequitable conduct. Discovery by both sides was completed in 1999. Summary judgment motions have been filed by both parties. TKT and HMR's motion for summary judgment of invalidity of three of the patents was denied on January 18, 2000. Amgen's motion for summary judgment of infringement and validity on three of the patents and defendants' motion for non-infringement are pending decision by the court. Also pending is Amgen's motion for summary judgment of no inequitable conduct. Trial is set for April 2000.

FoxMeyer Health Corporation

On January 10, 1997, FoxMeyer Health Corporation, now known as Avatex Corporation ("Avatex"), filed suit (the "FoxMeyer Lawsuit") in the District Court of Dallas County, Dallas, Texas, alleging that defendant McKesson Corporation ("McKesson") defrauded Avatex, misused confidential information received from Avatex about subsidiaries of Avatex (FoxMeyer Corporation and FoxMeyer Drug Corporation, collectively the "FoxMeyer Subsidiaries"), and attempted to monopolize the market for pharmaceutical and health care product distribution by attempting to injure or destroy FoxMeyer Subsidiaries. The Company is named as one of twelve "Manufacturer Defendants" alleged in Counts 1, 2 and 3 ("Counts 1-3") to have conspired with McKesson in doing, among other things, the above and (i) inducing Avatex to refrain from seeking other suitable purchasers for the FoxMeyer Subsidiaries and (ii) causing Avatex to believe that McKesson was serious about purchasing Avatex's assets at fair value, when in fact, McKesson was not. The Manufacturer Defendants and McKesson (hereinafter referred to, collectively, as the "Defendants") are also alleged to have intentionally and tortiously interfered with a number of business expectancies and opportunities and to have disparaged Avatex. The complaint seeks from the Defendants compensatory damages of at least $400 million and punitive damages in an unspecified amount, as well as Avatex's costs and attorney's fees. The Defendants had intervened in an action that was brought by the Chapter 7 Trustee of the FoxMeyer Subsidiaries (the "Trustee") in the Federal Bankruptcy Court in Delaware that sought to enjoin the Foxmeyer Lawsuit. On

September 17, 1999, Amgen entered into a settlement agreement with the Trustee settling and releasing all claims asserted by the Trustee against Amgen in the FoxMeyer Lawsuit. Similarly, on December 30, 1999, Amgen entered into a settlement agreement with Avatex settling and releasing all claims asserted by Avatex against Amgen in the FoxMeyer Lawsuit. Amounts paid by Amgen to settle the foregoing lawsuits were not material.

Securities litigation

On August 7, 1998, two substantially related class action complaints were filed against the Company and certain of its current and former officers in the United States District Court for the Central District of California and in the California Superior Court for the County of Ventura (the "Securities Litigation"). The actions were filed by the same law firm on behalf of different named plaintiffs. The plaintiffs in both actions seek to represent the same class of investors who purchased Amgen common stock between January 23, 1997 and August 11, 1997 (the alleged "Class Period"). Both complaints allege that the market price of the Company's common stock was artificially inflated during the Class Period as a result of alleged misrepresentations made to the investing public. The complaints allege that Amgen and several of its current and former senior executives issued false statements regarding: (i) the demand for and sales growth of two of Amgen's products, EPOGEN(R) and NEUPOGEN(R); (ii) an arbitration proceeding between Amgen and Johnson & Johnson regarding entitlement to millions of dollars in "spillover" sales of EPOGEN(R) and (iii) Amgen's 1996 fourth quarter and 1997 first and second quarter results.

In October 1998, the Company obtained a stay of the state court action and, in February 1999, filed a motion to dismiss the federal action. In June 1999, before the motion to dismiss was decided, the parties entered into a memorandum of understanding regarding settlement of the Securities Litigation. On February 17, 2000, the parties filed an amended stipulation of settlement in the federal court. On February 18, 2000, the federal court entered an order preliminarily approving the settlement and providing for notice. The order provides for certification of a settlement class and for notice of the contemplated settlement to the members of the settlement class. The settlement provides generally for a settlement of $1 million to be distributed among eligible members of the settlement class who purchased shares of the Company's common stock during the Class Period and later sold such stock at a net loss, and who file proofs of claim as prescribed in the notice. The settlement contemplates that the named plaintiffs and members of the settlement class will release Amgen and the named defendants from certain claims and that the Securities Litigation will be dismissed with prejudice. The settlement is subject to final court approval.

Johnson & Johnson arbitrations

The Company is engaged in arbitration proceedings with one of its licensees. See Note 4 to the Consolidated Financial Statements, "Contingencies--Johnson & Johnson arbitrations".

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of the Company's security holders during the last quarter of its fiscal year ended December 31, 1999.

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's common stock trades on The Nasdaq Stock Market under the symbol AMGN. As of March 1, 2000, there were approximately 14,000 holders of record of the Company's common stock. No cash dividends have been paid on the common stock to date, and the Company currently intends to utilize any earnings for development of the Company's business and for repurchases of its common stock. The Company's Board of Directors approved a two-for-one split of the common stock effected in the form of a 100 percent stock dividend on outstanding stock distributed on November 19, 1999, to stockholders of record on November 5, 1999.

The following table sets forth, for the fiscal periods indicated, the range of high and low closing sales prices (adjusted for the two-for-one split) of the common stock as quoted on The Nasdaq Stock Market for the years 1999 and 1998:

	High	Low
1999		
4th Quarter	$64 7/8	$37 27/32
3rd Quarter	43 25/32	29 1/2
2nd Quarter	40	26 5/32
1st Quarter	39 17/32	26 9/64
1998		
4th Quarter	$26 7/32	$17 17/64
3rd Quarter	19 29/32	15 7/32
2nd Quarter	16 11/16	13 61/64
1st Quarter	15 13/32	11 25/32

Item 6. SELECTED FINANCIAL DATA
(in millions, except per share data)

	Years ended December 31,				
	1999	1998	1997	1996	1995
Consolidated Statement of Operations Data:					
Revenues:					
Product sales(1)	$3,042.8	$2,514.4	$2,219.8	$2,088.2	$1,818.6
Other revenues	297.3	203.8	181.2	151.6	121.3
Total revenues(1)	3,340.1	2,718.2	2,401.0	2,239.8	1,939.9
Research and development expenses	822.8	663.3	630.8	528.3	451.7
Selling, general and administrative expenses	654.3	515.4	483.8	470.6	418.4
Legal (award) assessment(2)	(49.0)	(23.0)	157.0	--	--
Net income(1)	1,096.4	863.2	644.3	679.8	537.7
Diluted earnings per share(1)(2)	1.02	0.82	0.59	0.61	0.48
Cash dividends declared per share	--	--	--	--	--

	At December 31,				
	1999	1998	1997	1996	1995
Consolidated Balance Sheet Data:					
Total assets	$4,077.6	$3,672.2	$3,110.2	$2,765.6	$2,432.8
Long-term debt	223.0	223.0	229.0	59.0	177.2
Stockholders' equity	3,023.5	2,562.2	2,139.3	1,906.3	1,671.8

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(1) Due to Year 2000 contingency planning in the fourth quarter of 1999, the Company offered extended payment terms on limited shipments of EPOGEN(R) and NEUPOGEN(R) to certain wholesalers. These Year 2000 related sales totaled $45 million, or $0.02 per share. The Company expects sales to be reduced by approximately the same amount during the first quarter of 2000. If these Year 2000 related sales and the reduction in the potential spillover liabilities in 1999 (see Note 2 below) had not occurred, diluted earnings per share in 1999 would have been $0.05 less than the reported amount.

(2) Includes spillover liability reductions of $49 million, or $0.03 per share, and $23 million, or $0.01 per share, related to reduced uncertainty for potential spillover liabilities to Johnson & Johnson in 1999 and 1998, respectively, and a legal assessment of $157 million, or $0.09 per share, related to the arbitration proceedings with Johnson & Johnson in 1997 (see Note 4 to the Consolidated Financial Statements).

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Liquidity and Capital Resources

The Company had cash, cash equivalents and marketable securities of $1,333 million at December 31, 1999, compared with $1,276 million at December 31, 1998. Cash provided by operating activities has been and is expected to continue to be the Company's primary source of funds. In 1999, operations provided $1,075.3 million of cash compared with $1,041.5 million in 1998.

Capital expenditures totaled $304.2 million in 1999 compared with $407.8 million in 1998. The Company anticipates spending approximately $450 million to $550 million in 2000 on capital projects and equipment to expand the Company's global operations.

The Company receives cash from the exercise of employee stock options. In 1999, employee stock option exercises and their related tax benefits provided $400.4 million of cash compared with $453.7 million in 1998. Proceeds from the exercise of employee stock options and their related tax benefits have varied and are expected to continue to vary from period to period based upon, among other factors, fluctuations in the market value of the Company's stock relative to the exercise price of such options.

The Company has a stock repurchase program primarily to reduce the dilutive effect of its employee stock option and stock purchase plans. In 1999, the Company repurchased 27.1 million shares of its common stock at a total cost of $1,024.7 million, and in 1998, the Company repurchased 57.4 million shares of common stock at a cost of $912.1 million. In October 1999, the Board of Directors authorized the Company to repurchase up to an additional $2 billion of common stock through December 31, 2000, replacing the remaining amount authorized in October 1998. At December 31, 1999, $1,648.3 million was available for stock repurchases. The Company expects to repurchase fewer shares in 2000 than in 1999 if stock prices are similar to the closing price on December 31, 1999.

To provide for financial flexibility and increased liquidity, the Company has established several sources of debt financing. As of December 31, 1999, the Company had $223 million of unsecured debt securities outstanding. These unsecured debt securities consisted of: 1) $100 million of debt securities that bear interest at a fixed rate of 6.5% and mature in 2007 that were issued in December 1997 under a $500 million debt shelf registration (the "Shelf"), 2) $100 million of debt securities that bear interest at a fixed rate of 8.1% and mature in 2097 and 3) $23 million of debt securities that bear interest at a fixed rate of 6.2% and mature in 2003. Under the Shelf, all of the remaining $400 million of debt securities available for issuance may be offered under the Company's medium-term note program.

The Company's sources of debt financing also include a commercial paper program which provides for short-term borrowings up to an aggregate face amount of $200 million. As of December 31, 1999, commercial paper with a face amount of $100 million was outstanding. These borrowings had maturities of less than two months and had effective interest rates averaging 6%. In addition, the Company has an unsecured $150 million credit facility that expires on May 28, 2003. This credit facility supports the Company's commercial paper program. As of December 31, 1999, no amounts were outstanding under this line of credit.

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

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

Results of Operations

Product sales

Product sales were $3,042.8 million in 1999, an increase of $528.4 million or 21% over the prior year. In 1998, product sales were $2,514.4 million, an increase of $294.6 million or 13% over the prior year. Quarterly product sales volume is influenced by a number of factors including underlying demand and wholesaler inventory management practices. Due to Year 2000 contingency planning in the fourth quarter of 1999, the Company offered extended payment terms on limited shipments of EPOGEN(R) and NEUPOGEN(R) to certain wholesalers. This Year 2000 wholesaler stocking totaled approximately $16 million for EPOGEN(R) and $29 million for NEUPOGEN(R). The Company expects sales of EPOGEN(R) and NEUPOGEN(R) to be reduced by approximately the same amounts during the first quarter of 2000 (see "--Financial Outlook"). The Company believes that any additional wholesaler or end user stockpiling of the Company's products beyond the shipments with extended payment terms was not material.

EPOGEN(R) (Epoetin alfa)

EPOGEN(R) sales were $1,759.1 million in 1999, an increase of $377.1 million or 27% over the prior year. In 1998, EPOGEN(R) sales were $1,382 million, an increase of $221.3 million or 19% over the prior year. These increases were primarily due to the administration of higher doses and the continuing growth in the U.S. dialysis patient population. The administration of higher doses of EPOGEN(R) was principally due to dialysis providers managing more patients into the hematocrit range of 33 to 36 percent as recommended by the Dialysis Outcomes Quality Initiative ("DOQI") and by changes in reimbursement announced in March and June 1998 by the Health Care Financing Administration ("HCFA"), discussed below, as well as the use of hemoglobin instead of hematocrit to measure red blood cell volume.

In September 1997, HCFA implemented changes (the "HCFA Policy Changes") to its reimbursement policy for EPOGEN(R) that had been set out in a May 1997 program memorandum. Prior to the HCFA Policy Changes, fiscal intermediaries under contract with HCFA were authorized to pay reimbursement claims for patients whose hematocrits exceeded 36 percent, the top of the suggested target hematocrit range in the product's labeling, if deemed medically justified. Under the HCFA Policy Changes, medical justification was not accepted for payment of claims of hematocrits that exceeded 36 percent and, if the current month's hematocrit was greater than 36 percent and the patient's hematocrit exceeded 36.5 percent on an historical 90-day "rolling average" basis, reimbursement for the current month would be denied in full. Beginning in the second quarter of 1997, the Company experienced a decline in the growth rate of EPOGEN(R) sales as dialysis providers attempted to lower hematocrits by lowering or withholding EPOGEN(R) doses in order to avoid or minimize claim denials under the HCFA Policy Changes. In March 1998, HCFA announced the easing of restrictions on reimbursement that had been instituted under the HCFA Policy Changes. In June 1998, HCFA announced that it was replacing the previous policies (September and March) with new guidelines.

In March 1998, HCFA issued a program memorandum with two revisions to the HCFA Policy Changes. The first revision provided that, for a month in which the three month "rolling average" hematocrit exceeds 36.5 percent, HCFA would pay the lower of 100 percent of the actual dosage billed for that month, or 80 percent of the prior month's allowable EPOGEN(R) dosage. The second revision re-established authorization to make payment for EPOGEN(R) when a patient's hematocrit exceeded 36 percent when accompanied by documentation establishing medical necessity.

Following its announcement in June 1998, HCFA issued a program memorandum in July 1998 (the "July Program Memorandum"), with new reimbursement guidelines, which replaced the previous program memoranda cited above. (As noted in the July Program Memorandum, it may be discarded after one year.) The July Program Memorandum stated that pre-payment review of claims would be eliminated and fiscal intermediaries should conduct post-payment reviews of those dialysis providers with an atypical number of patients with hematocrit levels above a 90-day "rolling average" of 37.5 percent. Additionally, HCFA stated

that it would encourage dialysis providers to maintain a hematocrit level within the range of 33 to 36 percent as recommended by DOQI. HCFA also stated in its July Program Memorandum that it planned to develop a national policy for medical justification for patients whose hematocrits should be maintained over 36 percent. In the interim, physicians were to document and provide medical justification for patients whose hematocrits need to be maintained over 36 percent.

NEUPOGEN(R) (Filgrastim)

Worldwide NEUPOGEN(R) sales were $1,256.6 million in 1999, an increase of $140 million or 13% over the prior year. This increase was primarily due to the growth in demand worldwide within the cancer chemotherapy markets, the effect of higher prices in the U.S. and the impact of additional sales related to Year 2000 contingency planning noted previously. In 1998, worldwide NEUPOGEN(R) sales were $1,116.6 million, an increase of $60.9 million or 6% over the prior year. This increase was primarily due to growth in demand within the U.S. cancer chemotherapy market and the effect of higher prices in the U.S.

Other product sales

Other product sales primarily consist of INFERGEN(R) (Interferon alfacon-1). INFERGEN(R) sales were $26.2 million in 1999, an increase of $10.4 million or 66% over the prior year. In 1998, the first full year INFERGEN(R) was on the market, sales were $15.8 million, an increase of $12.4 million or 365% over the prior year. INFERGEN(R) was launched in October 1997 for the treatment of chronic hepatitis C virus infection. There are other treatments, including combination therapy, for this infection against which INFERGEN(R) competes. The Company cannot predict the extent to which it will maintain its share or further penetrate this market.

Cost of sales

Cost of sales as a percentage of product sales was 13.2%, 13.7% and 13.6% for 1999, 1998 and 1997, respectively.

Research and development

In 1999, research and development expenses increased $159.5 million or 24% over the prior year. This increase was primarily due to product licensing and development costs related to the collaboration with PRAECIS PHARMACEUTICALS INCORPORATED and higher staff-related costs necessary to support ongoing product development activities. In 1998, research and development expenses increased $32.5 million or 5% over the prior year. This increase was primarily due to higher clinical, preclinical and occupancy costs partially offset by lower staff-related and product licensing costs.

Selling, general and administrative

In 1999, selling, general and administrative ("SG&A") expenses increased $138.9 million or 27% over the prior year primarily due to higher staff-related costs, outside marketing expenses and consulting fees as the Company prepared for anticipated new product launches. In 1998, SG&A expenses increased $31.6 million or 7% over the prior year primarily due to higher staff-related costs, outside marketing expenses and occupancy costs. These increases were partially offset by lower European marketing costs and lower expenses related to the Johnson & Johnson spillover arbitration.

Legal award/assessment

Included in 1999 and 1998 were credits of $49 million and $23 million, respectively, which reflected reduced uncertainty for the Company's potential spillover liabilities to Johnson & Johnson. During 1997, the Company recorded a charge of $157 million relating to a spillover arbitration award to Johnson & Johnson. See Note 4 to the Consolidated Financial Statements, "Contingencies--Johnson & Johnson arbitrations".

Interest and other income

In 1999, interest and other income increased $42.6 million or 93% over the prior year. In 1998, interest and other income decreased $26.9 million or 37% over the prior year. This decrease was primarily due to the write-downs of certain non-current assets, primarily cost method equity investments, partially offset by a gain realized on the sale of stock in an unaffiliated company. The increase in 1999 was principally due to the absence of such write-downs.

Income taxes

The Company's effective tax rate was 30%, 29.5% and 25.2% for 1999, 1998 and 1997, respectively. The tax rate in all three years reflected the tax benefits from the sale of products manufactured in the Company's Puerto Rico manufacturing facility. The 1999 and 1998 tax rates were higher as a result of higher pretax income combined with a provision in the federal tax law which took effect in 1998 that caps tax benefits associated with the Company's Puerto Rico operations at the 1995 income level. In addition, the 1997 tax rate was lower due to reduced pretax income resulting from the legal assessment recorded in the third quarter of 1997 (see "--Legal award/assessment") without a corresponding reduction in tax benefits related to the Company's Puerto Rico operations.

Foreign currency transactions

The Company has a program to manage certain portions of its exposure to fluctuations in foreign currency exchange rates arising from international operations. The Company generally hedges certain of its assets and liabilities with foreign currency forward contracts, which typically mature within one to three months. The Company uses foreign currency option contracts and forward contracts which generally expire within 12 months to hedge certain anticipated future sales and expenses. At December 31, 1999, outstanding foreign currency option and forward contracts totaled $37.4 million and $119.7 million, respectively.

Year 2000

The Year 2000 problem (the "Year 2000 Problem" or "Year 2000") was to have resulted from computer programs and devices that did not differentiate between the year 1900 and the year 2000 because they were written using two digits rather than four to define the applicable year; accordingly, computer systems that have time-sensitive calculations potentially would not properly recognize the year 2000. This could have resulted in system failures or miscalculations causing disruptions of the Company's operations, including, without limitation, manufacturing, distribution, clinical development, research and other business activities. The Year 2000 Problem potentially affected the Company across its worldwide locations and within substantially all of its business activities.

The Company believes that as a result of its Year 2000 remediation and planning programs, the Year 2000 Problem has not, as of February 22, 2000, had a material adverse effect on the operations or financial results of the Company. As of December 31, 1999, the Company estimates that it had incurred approximately $43 million in its Year 2000 efforts, including without limitation, internal staff costs, outside consulting fees and computer systems upgrades; approximately one-third of this amount has been capital expenditures. The Company does not expect that any future expenditures to address the Year 2000 Problem will be material. The statements set forth herein concerning the Year 2000 Problem which are not historical facts are forward-looking statements and there can be no guarantee that any estimates or other forward-looking statements will be achieved and actual results could differ significantly from those contemplated.

Financial Outlook

If the sales to wholesalers related to Year 2000 contingency planning (see "Results of Operations--Product sales") had not occurred, the Company would expect the EPOGEN(R) sales growth rate in 2000 to be

in the mid-teens. The Company believes that increases in the U.S. dialysis patient population and average doses will continue to grow EPOGEN(R) sales in the near term. As the average hematocrit has risen, the rate of dose growth has slowed and the Company expects this trend to continue in the future. Patients receiving treatment for end stage renal disease are covered primarily under medical programs provided by the federal government. Therefore, EPOGEN(R) sales may also be affected by future changes in reimbursement rates or a change in the basis for reimbursement by the federal government.

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

If the sales to wholesalers related to Year 2000 contingency planning (see "Results of Operations--Product sales") had not occurred, the Company would expect the NEUPOGEN(R) sales growth rate in 2000 to be in the high single digits. Future NEUPOGEN(R) sales growth is dependent primarily upon further penetration of existing markets, the effects of competitive products and the timing and nature of additional indications for which the product may be approved. NEUPOGEN(R) usage is expected to continue to be affected by cost containment pressures from governments and private insurers on health care providers worldwide. In addition, reported NEUPOGEN(R) sales will continue to be affected by changes in foreign currency exchange rates. In both domestic and foreign markets, sales of NEUPOGEN(R) are dependent, in part, on the availability of reimbursement from third party payors such as governments (for example, Medicare and Medicaid programs in the U.S.) and private insurance plans. Therefore, NEUPOGEN(R) sales may also be affected by future changes in reimbursement rates or changes in the bases for reimbursement.

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

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

In 2000, SG&A expenses are expected to significantly increase as the Company continues to prepare for anticipated new product launches.

If the sales to wholesalers related to Year 2000 contingency planning (see "Results of Operations--Product sales") and the benefit from reduced uncertainty related to potential spillover liabilities to Johnson & Johnson (see "Results of Operations--Legal award/assessment") had not occurred, in 2000, the Company would expect the growth rates of total product sales and earnings per share to be in the low double digits.

Taking into account the Year 2000 wholesaler stocking that actually occurred in 1999 (see "Results of Operations--Product sales"), the Company expects that in 2000, EPOGEN(R) sales growth will be in the low-teens, that NEUPOGEN(R) sales growth will be a mid single-digit rate, that total product sales growth will be in the high single digits and that earnings per share will be in a range of $1.05 to $1.07. Estimates of future product sales, operating expenses and earnings per share are necessarily speculative in nature and are difficult to predict with accuracy.

Except for the historical information contained herein, the matters discussed herein are by their nature forward-looking. Investors are cautioned that forward-looking statements or projections made by the Company,

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

Legal Matters

The Company is engaged in arbitration proceedings with one of its licensees. For a discussion of these matters, see Note 4 to the Consolidated Financial Statements.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest income earned on the Company's investment portfolio is affected by changes in the general level of U.S. interest rates. The Company's short-term borrowings effectively bear interest at variable rates and therefore, changes in U.S. interest rates affect interest expense incurred thereon. The Company has reduced this exposure to interest rate changes by entering into an interest rate swap agreement that effectively changes interest expense incurred on a portion of its short-term borrowings to a fixed rate. Changes in interest rates do not affect interest expense incurred on the Company's long-term borrowings because they all bear interest at fixed rates. The following tables provide information about the Company's financial instruments that are sensitive to changes in interest rates. For the Company's investment portfolio and debt obligations, the tables present principal cash flows and related weighted-average interest rates by expected maturity dates. Additionally, the Company has assumed its available-for-sale debt securities, comprised primarily of corporate debt instruments and treasury securities, are similar enough to aggregate those securities for presentation purposes. For the interest rate swap, the tables present the notional amount and weighted-average interest rates by contractual maturity date. The notional amount is used to calculate the contractual cash flows to be exchanged under the contract.

Interest Rate Sensitivity
Principal Amount by Expected Maturity as of 12/31/98
Average Interest Rate
(Dollars in millions)

	1999	2000	2001	2002	2003	Thereafter	Total	Fair Value 12/31/98
Available-for-sale debt securities	$341.5	$524.3	$244.2	$65.1	$71.9	--	$1,247.0	$1,266.2
Interest rate	6.1%	5.7%	5.9%	6.6%	6.7%	--		
Commercial paper	$100.0	--	--	--	--	--	$ 100.0	$ 100.0
Interest rate	5.4%	--	--	--	--	--		
Long-term debt (including current portion)	$ 6.0	--	--	--	$23.0	$200.0	$ 229.0	$ 255.0
Interest rate	5.5%	--	--	--	6.2%	7.3%		
Interest rate swap related to commercial paper issuances:								
Pay fixed/receive variable	--	$ 50.0	--	--	--	--	$ 50.0	$ (0.2)
Avg. pay rate	--	5.3%	--	--	--	--		
Avg. receive rate	--	5.0%	--	--	--	--		

Interest Rate Sensitivity
Principal Amount by Expected Maturity as of 12/31/99
Average Interest Rate
(Dollars in millions)

	2000	2001	2002	2003	2004	Thereafter	Total	Fair Value 12/31/99
Available-for-sale debt securities	$376.8	$721.8	$177.7	$17.0	$5.0	--	$1,298.3	$1,293.6
Interest rate	5.6%	6.4%	6.5%	6.0%	5.6%	--		
Commercial paper	$100.0	--	--	--	--	--	$ 100.0	$ 100.0
Interest rate	6.4%	--	--	--	--	--		
Long-term debt	--	--	--	$23.0	--	$200.0	$ 223.0	$ 216.6
Interest rate	--	--	--	6.2%	--	7.3%		
Interest rate swap related to commercial paper issuances:								
Pay fixed/receive								

variable.....	$ 50.0	--	--	--	--	--	$ 50.0	$ 0.3
Avg. pay rate.....	5.3%	--	--	--	--	--		
Avg. receive rate.....	6.0%	--	--	--	--	--		

The Company is exposed to equity price risks on the marketable portion of equity securities included in its portfolio of investments entered into for the promotion of business and strategic objectives. These investments are generally in small capitalization stocks in the biotechnology industry sector. The Company typically does not attempt to reduce or eliminate its market exposure on these securities. A 35% adverse change in equity prices would result in a decrease of approximately $32 million and $21 million in the fair value of the Company's available-for-sale equity securities at December 31, 1999 and 1998, respectively.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this item is incorporated herein by reference to the financial statements listed in Item 14(a) of Part IV of this Form 10-K Annual Report.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES

None.

PART III

Item 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information concerning the directors of the Company is incorporated by reference to the section entitled "Election of Directors" in the Company's definitive Proxy Statement with respect to the Company's 2000 Annual Meeting to be filed with the Securities and Exchange Commission within 120 days of December 31, 1999 (the "Proxy Statement"). For information concerning the executive officers of the Company, see "Item 1. Business--Executive Officers of the Registrant".

Item 11. EXECUTIVE COMPENSATION

The section labeled "Executive Compensation" appearing in the Company's Proxy Statement is incorporated herein by reference, except for such information as need not be incorporated by reference under rules promulgated by the Securities and Exchange Commission.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The section labeled "Security Ownership of Directors and Executive Officers and Certain Beneficial Owners" appearing in the Company's Proxy Statement is incorporated herein by reference.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The section labeled "Certain Transactions" appearing in the Company's Proxy Statement is incorporated herein by reference.

PART IV

Item 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a)1. Index to Financial Statements

The following Financial Statements are included herein:

	Page Number
Report of Ernst & Young LLP, Independent Auditors	F-1
Consolidated Statements of Operations for each of the three years in the period ended December 31, 1999	F-2
Consolidated Balance Sheets at December 31, 1999 and 1998	F-3
Consolidated Statements of Stockholders' Equity for each of the three years in the period ended December 31, 1999	F-4
Consolidated Statements of Cash Flows for each of the three years in the period ended December 31, 1999	F-5
Notes to Consolidated Financial Statements	F-6 - F-20

(a)2. Index to Financial Statement Schedules

The following Schedule is filed as part of this Form 10-K Annual Report:

	Page Number
II Valuation Accounts	F-21

All other schedules are omitted because they are not applicable, or not required, or because the required information is included in the consolidated statements or notes thereto.

(a)3. Exhibits

Exhibit No.	Description
3.1	Restated Certificate of Incorporation as amended.(17)
3.2	Amended and Restated Bylaws.(25)
3.3	Certificate of Amendment of Restated Certificate of Incorporation.(25)
3.4	Certificate of Amendment of Certificate of Designations of Series A Junior Participating Preferred Stock.(25)
4.1	Indenture dated January 1, 1992 between the Company and Citibank N.A., as trustee.(8)
4.2	First Supplement to Indenture, dated February 26, 1997 between the Company and Citibank N.A., as trustee.(14)
4.3	Officer's Certificate pursuant to Sections 2.1 and 2.3 of the Indenture, as supplemented, establishing a series of securities "8-1/8% Debentures due April 1, 2097."(16)
4.4	8-1/8% Debentures due April 1, 2097.(16)
4.5	Form of stock certificate for the common stock, par value $.0001 of the Company.(17)
4.6	Officer's Certificate pursuant to Sections 2.1 and 2.3 of the Indenture, dated as of January 1, 1992, as supplemented by the First supplemental Indenture, dated as of February 26, 1997, each between the Company and Citibank, N.A., as Trustee, establishing a series of securities entitled "6.50% Notes Due December 1, 2007".(19)
4.7	6.50% Notes Due December 1, 2007 described in Exhibit 4.6.(19)

Exhibit No.	Description
4.8	Corporate Commercial Paper--Master Note between and among Amgen Inc., as Issuer, Cede & Co., as nominee of The Depository Trust Company and Citibank, N.A. as Paying Agent.(22)
10.1+	Company's Amended and Restated 1991 Equity Incentive Plan.(25)
10.2+	Sixth Amendment to the Company's Amended and Restated Retirement and Savings Plan as amended and restated April 1, 1996.(24)
10.3	Shareholder's Agreement of Kirin-Amgen, Inc., dated May 11, 1984, between the Company and Kirin Brewery Company, Limited (with certain confidential information deleted therefrom).(1)
10.4	Amendment Nos. 1, 2, and 3, dated March 19, 1985, July 29, 1985 and December 19, 1985, respectively, to the Shareholder's Agreement of Kirin-Amgen, Inc., dated May 11, 1984 (with certain confidential information deleted therefrom).(3)
10.5	Product License Agreement, dated September 30, 1985, and Technology License Agreement, dated, September 30, 1985 between the Company and Ortho Pharmaceutical Corporation (with certain confidential information deleted therefrom).(2)
10.6	Product License Agreement, dated September 30, 1985, and Technology License Agreement, dated September 30, 1985 between Kirin-Amgen, Inc. and Ortho Pharmaceutical Corporation (with certain confidential information deleted therefrom).(3)
10.7+	Company's Amended and Restated Employee Stock Purchase Plan.(12)
10.8	Research, Development Technology Disclosure and License Agreement PPO, dated January 20, 1986, by and between the Company and Kirin Brewery Co., Ltd.(4)
10.9	Amendment Nos. 4 and 5, dated October 16, 1986 (effective July 1, 1986) and December 6, 1986 (effective July 1, 1986), respectively, to the Shareholders Agreement of Kirin-Amgen, Inc. dated May 11, 1984 (with certain confidential information deleted therefrom).(5)
10.10	Assignment and License Agreement, dated October 16, 1986, between the Company and Kirin-Amgen, Inc. (with certain confidential information deleted therefrom).(5)
10.11	G-CSF European License Agreement, dated December 30, 1986, between Kirin-Amgen, Inc. and the Company (with certain confidential information deleted therefrom).(5)
10.12	Research and Development Technology Disclosure and License Agreement: GM-CSF, dated March 31, 1987, between Kirin Brewery Company, Limited and the Company (with certain confidential information deleted therefrom).(5)
10.13+	Company's Amended and Restated 1988 Stock Option Plan.(12)
10.14+	Company's Amended and Restated Retirement and Savings Plan.(12)
10.15	Amendment, dated June 30, 1988, to Research, Development, Technology Disclosure and License Agreement: GM-CSF dated March 31, 1987, between Kirin Brewery Company, Limited and the Company.(6)
10.16	Agreement on G-CSF in Certain European Countries, dated January 1, 1989, between Amgen Inc. and F. Hoffmann-La Roche & Co. Limited Company (with certain confidential information deleted therefrom).(7)
10.17	Partnership Purchase Agreement, dated March 12, 1993, between the Company, Amgen Clinical Partners, L.P., Amgen Development Corporation, the Class A limited partners and the Class B limited partner.(9)
10.18*+	Amgen Inc. Supplemental Retirement Plan (As Amended and Restated Effective November 1, 1999).
10.19	Promissory Note of Mr. Kevin W. Sharer, dated June 4, 1993.(10)
10.20+	Amended and Restated Amgen Performance Based Management Incentive Plan.(25)

Exhibit No.	Description
10.21	Credit Agreement, dated as of May 28, 1998, among Amgen Inc., the Borrowing Subsidiaries named therein, the Banks named therein, Citibank, N.A., as Issuing Bank, and Citicorp USA, Inc., as Administrative Agent.(23)
10.22	Promissory Note of Mr. George A. Vandeman, dated December 15, 1995.(11)
10.23	Promissory Note of Mr. George A. Vandeman, dated December 15, 1995.(11)
10.24*+	Agreement between Amgen Inc. and Dr. N. Kirby Alton, dated October 11, 1999.
10.25+	Amendment No. 1 to the Company's Amended and Restated Retirement and Savings Plan.(12)
10.26+	Seventh Amendment to the Amgen Retirement and Savings Plan as Amended and Restated effective April 1, 1996.(25)
10.27+	Amendment Number 2 to the Company's Amended and Restated Retirement and Savings Plan dated April 1, 1996.(15)
10.28+	Amgen Inc. Change of Control Severance Plan effective as of October 20, 1998.(24)
10.29	Preferred Share Rights Agreement, dated February 18, 1997, between Amgen Inc. and American Stock Transfer and Trust Company, Rights Agent.(13)
10.30+	First Amendment, effective January 1, 1998, to the Company's Amended and Restated Employee Stock Purchase Plan.(18)
10.31+	Third Amendment, effective January 1, 1997, to the Company's Amended and Restated Retirement and Savings Plan dated April 1, 1996.(18)
10.32*+	Agreement between Amgen Inc. and Dr. Fabrizio Bonanni, dated March 3, 1999.
10.33	Promissory Note of Ms. Kathryn E. Falberg, dated April 7, 1995.(20)
10.34	Promissory Note of Mr. Edward F. Garnett, dated July 18, 1997.(20)
10.35+	Fourth Amendment to the Company's Amended and Restated Retirement and Savings Plan as amended and restated effective April 1, 1996.(20)
10.36+	Fifth Amendment to the Company's Amended and Restated Retirement and Savings Plan as amended and restated effective April 1, 1996.(20)
10.37+	Company's Amended and Restated 1987 Directors' Stock Option Plan.(15)
10.38	Amended and Restated Agreement on G-CSF in the EU between Amgen Inc. and F. Hoffmann-La Roche Ltd (with certain confidential information deleted therefrom).(22)
10.39	Collaboration and License Agreement, dated December 15, 1997, between the Company, GPI NIL Holdings, Inc. and Guilford Pharmaceuticals Inc. (with certain confidential information deleted therefrom).(21)
10.40*+	Promissory Note of Dr. Fabrizio Bonanni, dated August 7, 1999.
10.41*	Promissory Note of Dr. Fabrizio Bonanni, dated October 29, 1999.
21*	Subsidiaries of the Company.
23	Consent of Ernst & Young LLP, Independent Auditors. The consent set forth as page 43 is incorporated herein by reference.
24	Power of Attorney. The Power of Attorney set forth on page 42 is incorporated herein by reference.
27*	Financial Data Schedule for the Year Ended December 31, 1999.

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* Filed herewith.

+ Management contract or compensatory plan or arrangement.

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

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

(3) Filed as an exhibit to Quarterly Report on Form 10-Q for the quarter ended December 31, 1985 on February 3, 1986 and incorporated herein by reference.
(4) Filed as an exhibit to Amendment No. 1 to Form S-1 Registration Statement (Registration No. 33-3069) on March 11, 1986 and incorporated herein by reference.
(5) Filed as an exhibit to the Form 10-K Annual Report for the year ended March 31, 1987 on May 18, 1987 and incorporated herein by reference.
(6) Filed as an exhibit to Form 8 amending the Quarterly Report on Form 10-Q for the quarter ended June 30, 1988 on August 25, 1988 and incorporated herein by reference.
(7) Filed as an exhibit to the Form 8 dated November 8, 1989, amending the Annual Report on Form 10-K for the year ended March 31, 1989 on June 28, 1989 and incorporated herein by reference.
(8) Filed as an exhibit to Form S-3 Registration Statement dated December 19, 1991 and incorporated herein by reference.
(9) Filed as an exhibit to the Form 8-A dated March 31, 1993 and incorporated herein by reference.
(10) Filed as an exhibit to the Form 10-Q for the quarter ended September 30, 1993 on November 12, 1993 and incorporated herein by reference.
(11) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1995 on March 29, 1996 and incorporated herein by reference.
(12) Filed as an exhibit to the Form 10-Q for the quarter ended September 30, 1996 on November 5, 1996 and incorporated herein by reference.
(13) Filed as an exhibit to the Form 8-K Current Report dated February 18, 1997 on February 28, 1997 and incorporated herein by reference.
(14) Filed as an exhibit to the Form 8-K Current Report dated March 14, 1997 on March 14, 1997 and incorporated herein by reference.
(15) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1996 on March 24, 1997 and incorporated herein by reference.
(16) Filed as an exhibit to the Form 8-K Current Report dated April 8, 1997 on April 8, 1997 and incorporated herein by reference.
(17) Filed as an exhibit to the Form 10-Q for the quarter ended March 31, 1997 on May 13, 1997 and incorporated herein by reference.
(18) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1997 on August 12, 1997 and incorporated herein by reference.
(19) Filed as an exhibit to the Form 8-K Current Report dated and filed on December 5, 1997 and incorporated herein by reference.
(20) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1997 on March 24, 1998 and incorporated herein by reference.
(21) Filed as Exhibit 10.40 to the Guilford Pharmaceuticals Inc. Form 10-K for the year ended December 31, 1997 on March 27, 1998 and incorporated herein by reference.
(22) Filed as an exhibit to the Form 10-Q for the quarter ended March 31, 1998 on May 13, 1998 and incorporated herein by reference.
(23) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1998 on August 14, 1998 and incorporated herein by reference.
(24) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1998 on March 16, 1999 and incorporated herein by reference.
(25) Filed as an exhibit to the Form 10-Q for the quarter ended June 30, 1999 on August 3, 1999 and incorporated herein by reference.

(b) Reports on Form 8-K

The Company filed a Current Report on Form 8-K during the three months ended December 31, 1999. The report filed on October 21, 1999 reported under Item 5 that the Company's Board of Directors had declared a two-for-one split of the Company's common stock effected in the form of a 100 percent stock dividend on outstanding stock to stockholders of record on November 5, 1999.

SIGNATURES

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

AMGEN INC.
(Registrant)

Date: 3/6/00

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

POWER OF ATTORNEY

KNOW ALL MEN AND WOMEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Kathryn E. Falberg and Marc M.P. de Garidel, or either of them, his or her attorney-in-fact, each with the power of substitution, for him or her in any and all capacities, to sign any amendments to this Report, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact, or his or her substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Gordon M. Binder Gordon M. Binder	Chairman of the Board, Chief Executive Officer and Director (Principal Executive Officer)	March 6, 2000
/s/ Kevin W. Sharer Kevin W. Sharer	President, Chief Operating Officer and Director	March 6, 2000
/s/ Kathryn E. Falberg Kathryn E. Falberg	Senior Vice President, Finance and Chief Financial Officer	March 6, 2000
/s/ Marc M.P. de Garidel Marc M.P. de Garidel	Vice President, Controller and Chief Accounting Officer	March 6, 2000
/s/ David Baltimore David Baltimore	Director	March 6, 2000
/s/ William K. Bowes, Jr. William K. Bowes, Jr.	Director	March 6, 2000
/s/ Jerry D. Choate Jerry D. Choate	Director	March 6, 2000
/s/ Frederick W. Gluck Frederick W. Gluck	Director	March 6, 2000
/s/ Franklin P. Johnson, Jr. Franklin P. Johnson, Jr.	Director	March 6, 2000
/s/ Steven Lazarus Steven Lazarus	Director	March 6, 2000
/s/ Gilbert S. Omenn Gilbert S. Omenn	Director	March 6, 2000
/s/ Judith C. Pelham Judith C. Pelham	Director	March 6, 2000

EXHIBIT 23

CONSENT OF ERNST & YOUNG LLP, INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 33-5111) pertaining to the 1984 Stock Option Plan, 1981 Incentive Stock Option Plan and Nonqualified Stock Option Plan of Amgen Inc., in the Registration Statement (Form S-8 No. 33-24013) pertaining to the Amended and Restated 1988 Stock Option Plan of Amgen Inc., in the Registration Statement (Form S-8 No. 33-39183) pertaining to the Amended and Restated Employee Stock Purchase Plan, in the Registration Statement(Form S-8 No. 33-39104) pertaining to the Amended and Restated Amgen Retirement and Savings Plan, in the Registration Statements (Form S-3/S-8 No. 33-29791 and Form S-8 No. 33-42501) pertaining to the Amended and Restated 1987 Directors' Stock Option Plan, in the Registration Statement (Form S-8 No. 33-42072) pertaining to the Amgen Inc. Amended and Restated 1991 Equity Incentive Plan, in the Registration Statement (Form S-8 No. 33-47605) pertaining to the Retirement and Savings Plan for Amgen Puerto Rico, Inc., in the Registration Statement (Form S-8 No. 333-44727) pertaining to the Amgen Inc. 1997 Special Non-Officer Equity Incentive Plan, in the Registration Statement (Form S-3 No. 333-19931) of Amgen Inc., in the Registration Statement (Form S-3 No. 333-40405) of Amgen Inc., in the Registration Statement (Form S-8 No. 333-62735) pertaining to the Amgen Inc. Amended and Restated 1997 Special Non-Officer Equity Incentive Plan, in the Registration Statement (Form S-3 No. 333-53929) pertaining to the Amgen Inc. 1997 Special Non-Officer Equity Incentive Plan, the Amgen Inc. Amended and Restated 1991 Equity Incentive Plan, the Amended and Restated 1988 Stock Option Plan of Amgen Inc. and the Amended and Restated 1987 Directors' Stock Option Plan and in the Registration Statement (Form S-8 No. 333-74585) pertaining to the Amgen Limited Sharesave Plan and in the related Prospectuses of our report dated January 24, 2000, with respect to the consolidated financial statements and financial statement schedule of Amgen Inc. included in this Annual Report (Form 10-K) for the year ended December 31, 1999.

/s/ Ernst & Young LLP

Los Angeles, California
March 6, 2000

REPORT OF ERNST & YOUNG LLP, INDEPENDENT AUDITORS

The Board of Directors and Stockholders of Amgen Inc.

We have audited the accompanying consolidated balance sheets of Amgen Inc. as of December 31, 1999 and 1998, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 1999. Our audits also included the financial statement schedule listed in the Index at Item 14(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Amgen Inc. as of December 31, 1999 and 1998, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 1999, in accordance with accounting principles generally accepted in the United States. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

/s/ Ernst & Young LLP

Los Angeles, California
January 24, 2000

AMGEN INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

Years ended December 31, 1999, 1998 and 1997
(In millions, except per share data)

	1999	1998	1997
Revenues:			
Product sales	$3,042.8	$2,514.4	$2,219.8
Corporate partner revenues	161.4	127.9	125.9
Royalty income	135.9	75.9	55.3
Total revenues	3,340.1	2,718.2	2,401.0
Operating expenses:			
Cost of sales	402.1	345.2	300.8
Research and development	822.8	663.3	630.8
Selling, general and administrative	654.3	515.4	483.8
Loss of affiliates, net	16.8	28.6	36.1
Legal (award) assessment	(49.0)	(23.0)	157.0
Total operating expenses	1,847.0	1,529.5	1,608.5
Operating income	1,493.1	1,188.7	792.5
Other income (expense):			
Interest and other income, net	88.3	45.7	72.6
Interest expense, net	(15.2)	(10.0)	(3.7)
Total other income	73.1	35.7	68.9
Income before income taxes	1,566.2	1,224.4	861.4
Provision for income taxes	469.8	361.2	217.1
Net income	$1,096.4	$ 863.2	$ 644.3
Earnings per share:			
Basic	$ 1.07	$ 0.85	$ 0.61
Diluted	$ 1.02	$ 0.82	$ 0.59
Shares used in calculation of earnings per share:			
Basic	1,021.7	1,020.2	1,056.5
Diluted	1,078.3	1,057.3	1,098.5

See accompanying notes.

AMGEN INC.

CONSOLIDATED BALANCE SHEETS

December 31, 1999 and 1998
(In millions, except per share data)

	1999	1998
ASSETS		
Current assets:		
Cash and cash equivalents	$ 130.9	$ 201.1
Marketable securities	1,202.1	1,074.9
Trade receivables, net of allowance for doubtful accounts of $26 in 1999 and $17.1 in 1998	412.2	319.9
Inventories	184.3	110.8
Other current assets	135.8	156.6
Total current assets	2,065.3	1,863.3
Property, plant and equipment at cost, net	1,553.6	1,450.2
Investments in affiliated companies	132.8	120.9
Other assets	325.9	237.8
	$4,077.6	$3,672.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 83.4	$ 121.6
Commercial paper	99.5	99.7
Accrued liabilities	648.2	659.7
Current portion of long-term debt	--	6.0
Total current liabilities	831.1	887.0
Long-term debt	223.0	223.0
Contingencies		
Stockholders' equity:		
Preferred stock; $0.0001 par value; 5 shares authorized; none issued or outstanding	--	--
Common stock and additional paid-in capital; $0.0001 par value; 1,500 shares authorized; outstanding--1,017.9 shares in 1999 and 1,018.5 shares in 1998	2,072.3	1,671.9
Retained earnings	966.0	894.3
Accumulated other comprehensive loss	(14.8)	(4.0)
Total stockholders' equity	3,023.5	2,562.2
	$4,077.6	$3,672.2

See accompanying notes.

AMGEN INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

Years ended December 31, 1999, 1998 and 1997
(In millions)

	Number of shares	Common stock and additional paid-in capital	Retained earnings	Accumulated other comprehensive income/(loss)	Total
Balance at December 31, 1996	1,058.7	$1,029.2	$ 879.4	$ (2.3)	$ 1,906.3
Comprehensive Income:					
Net income	--	--	644.3	--	644.3
Other comprehensive loss, net of tax:					
Unrealized losses on securities, net of reclassification adjustments	--	--	--	(1.1)	(1.1)
Foreign currency translation adjustments	--	--	--	(18.7)	(18.7)
Total other comprehensive loss	--	--	--	--	(19.8)
Comprehensive income	--	--	--	--	624.5
Issuance of common stock upon the exercise of employee stock options and in connection with an employee stock purchase plan	29.0	134.3	--	--	134.3
Tax benefits related to employee stock option exercises	--	54.7	--	--	54.7
Reclassification of put warrant obligation	--	--	157.4	--	157.4
Repurchases of common stock	(54.6)	--	(737.9)	--	(737.9)
Balance at December 31, 1997	1,033.1	1,218.2	943.2	(22.1)	2,139.3
Comprehensive Income:					
Net income	--	--	863.2	--	863.2
Other comprehensive income, net of tax:					
Unrealized gains on securities, net of reclassification adjustments	--	--	--	9.1	9.1
Foreign currency translation adjustments	--	--	--	9.0	9.0
Total other comprehensive income	--	--	--	--	18.1
Comprehensive income	--	--	--	--	881.3
Issuance of common stock upon the exercise of employee stock options and in connection with an employee stock purchase plan	42.8	345.5	--	--	345.5

Tax benefits related to employee stock option exercises	--	108.2	--	--	108.2
Repurchases of common stock	(57.4)	--	(912.1)	--	(912.1)
Balance at December 31, 1998	1,018.5	1,671.9	894.3	(4.0)	2,562.2
Comprehensive Income:					
Net income	--	--	1,096.4	--	1,096.4
Other comprehensive loss, net of tax:					
Unrealized gains on securities, net of reclassification adjustments	--	--	--	7.3	7.3
Foreign currency translation adjustments	--	--	--	(18.1)	(18.1)
Total other comprehensive loss	--	--	--	--	(10.8)
Comprehensive income	--	--	--	--	1,085.6
Issuance of common stock upon the exercise of employee stock options	26.5	248.8	--	--	248.8
Tax benefits related to employee stock option exercises	--	151.6	--	--	151.6
Repurchases of common stock	(27.1)	--	(1,024.7)	--	(1,024.7)
Balance at December 31, 1999	1,017.9	$2,072.3	$ 966.0	$(14.8)	$ 3,023.5

See accompanying notes.

AMGEN INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31, 1999, 1998 and 1997
(In millions)

	1999	1998	1997
Cash flows from operating activities:			
Net income	$ 1,096.4	$ 863.2	$ 644.3
Depreciation and amortization	176.8	143.8	117.1
Other non-cash expenses	--	33.1	--
Gain on sale of investments	--	(17.3)	--
Deferred income taxes	9.8	(5.6)	(31.4)
Loss of affiliates, net	16.8	28.6	36.1
Cash provided by (used in):			
Trade receivables, net	(92.3)	(50.9)	(43.6)
Inventories	(73.5)	(1.6)	(11.8)
Other current assets	(9.0)	(21.2)	5.0
Accounts payable	(38.2)	17.7	28.9
Accrued liabilities	(11.5)	51.7	158.3
Net cash provided by operating activities	1,075.3	1,041.5	902.9
Cash flows from investing activities:			
Purchases of property, plant and equipment	(304.2)	(407.8)	(387.8)
Proceeds from maturities of marketable securities	40.0	20.1	244.3
Proceeds from sales of marketable securities	843.5	466.2	647.1
Purchases of marketable securities	(1,032.7)	(766.3)	(767.5)
Other	(10.1)	14.1	(38.3)
Net cash used in investing activities	(463.5)	(673.7)	(302.2)
Cash flows from financing activities:			
(Decrease) increase in commercial paper	(0.2)	99.7	--
Repayment of long-term debt	(6.0)	(30.0)	(118.2)
Proceeds from issuance of long-term debt	--	--	200.0
Net proceeds from issuance of common stock upon the exercise of employee stock options and in connection with an employee stock purchase plan	248.8	345.5	134.3
Tax benefits related to employee stock option exercises	151.6	108.2	54.7
Repurchases of common stock	(1,024.7)	(912.1)	(737.9)
Other	(51.5)	(17.1)	(63.8)
Net cash used in financing activities	(682.0)	(405.8)	(530.9)
(Decrease) increase in cash and cash equivalents	(70.2)	(38.0)	69.8
Cash and cash equivalents at beginning of period	201.1	239.1	169.3
Cash and cash equivalents at end of period	$ 130.9	$ 201.1	$ 239.1

See accompanying notes.

1. Summary of significant accounting policies

Business

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

Principles of consolidation

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

Available-for-sale securities

The Company considers cash equivalents to be only those investments which are highly liquid, readily convertible to cash and which mature within three months from date of purchase.

The Company considers its investment portfolio and cost method equity investments available-for-sale as defined in Statement of Financial Accounting Standards ("SFAS") No. 115 and accordingly, these investments are recorded at fair value (see Note 9). Unrealized gains totaled $47 million and $21.7 million as of December 31, 1999 and 1998, respectively. Unrealized losses totaled $21.8 million and $9.5 million as of December 31, 1999 and 1998, respectively. There were no material realized gains and losses for the years ended December 31, 1999 and 1997. Realized gains and losses for the year ended December 31, 1998 were $17.3 million and $33.1 million, respectively. The cost of securities sold is based on the specific identification method. The fair value of available-for-sale investments by type of security, contractual maturity and classification in the balance sheets are as follows (in millions):

	December 31,	
	1999	1998
Type of security:		
Corporate debt securities	$ 953.4	$ 846.0
U.S. Treasury securities and obligations of U.S. government agencies	208.3	166.3
Other interest bearing securities	131.9	253.9
Total debt securities	1,293.6	1,266.2
Equity securities	104.6	65.4
	$1,398.2	$1,331.6
Contractual maturity:		
Maturing in one year or less	$ 376.4	$ 344.6
Maturing after one year through three years	896.0	739.9
Maturing after three years	21.2	181.7
Total debt securities	1,293.6	1,266.2
Equity securities	104.6	65.4
	$1,398.2	$1,331.6

	December 31,	
	1999	1998
Classification in balance sheets:		
Cash and cash equivalents	$ 130.9	$ 201.1
Marketable securities	1,202.1	1,074.9
Other assets--noncurrent	144.6	105.4
	1,477.6	1,381.4
Less cash	(79.4)	(49.8)
	$1,398.2	$1,331.6

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

Inventories

Inventories are stated at the lower of cost or market. Cost is determined in a manner which approximates the first-in, first-out (FIFO) method. Inventories consist of currently marketed products and product candidates which the Company expects to commercialize. The inventory balance of such product candidates totaled $20.3 million as of December 31, 1999. Inventories are shown net of applicable reserves and allowances. Inventories consisted of the following (in millions):

	December 31,	
	1999	1998
Raw materials	$ 37.5	$ 18.1
Work in process	96.6	49.1
Finished goods	50.2	43.6
	$184.3	$110.8

Depreciation and amortization

Depreciation of buildings and equipment is provided over their estimated useful lives on a straight-line basis. Leasehold improvements are amortized on a straight-line basis over the shorter of their estimated useful lives or lease terms, including periods covered by options which are expected to be exercised. Useful lives by asset category are as follows:

Asset category	Years
Buildings and building improvements	10-30
Manufacturing equipment	5-10
Laboratory equipment	5-10
Furniture and office equipment	3-10

Long-lived assets

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Product sales

Product sales primarily consist of sales of EPOGEN(R) (Epoetin alfa) and NEUPOGEN(R) (Filgrastim) (see Note 10).

The Company has the exclusive right to sell Epoetin alfa for dialysis, diagnostics and all non-human uses in the United States. The Company sells Epoetin alfa under the brand name EPOGEN(R). Amgen has granted to Ortho Pharmaceutical Corporation, a subsidiary of Johnson & Johnson ("Johnson & Johnson"), a license relating to Epoetin alfa for sales in the United States for all human uses except dialysis and diagnostics. Pursuant to this license, Amgen does not recognize product sales it makes into the exclusive market of Johnson & Johnson and does recognize the product sales made by Johnson & Johnson into Amgen's exclusive market. Sales in Amgen's exclusive market and adjustments thereto are derived from Company shipments and from third-party data on shipments to end users and their usage (see Note 4, "Contingencies--Johnson & Johnson arbitrations"). Sales of the Company's other products are recognized when shipped.

Research and development costs

Research and development costs are expensed as incurred. Payments related to the acquisition of technology rights, for which development work is in-process, are expensed and considered a component of research and development costs.

Foreign currency transactions

The Company has a program to manage foreign currency risk. As part of this program, it has purchased foreign currency option and forward contracts to hedge against possible reductions in values of certain anticipated foreign currency cash flows generally over the next 12 months. At December 31, 1999, the Company had option contracts and forward contracts to exchange foreign currencies for U.S. dollars of $37.4 million and $73.7 million, respectively, all having maturities of eleven months or less. The option contracts, which have only nominal intrinsic value at the time of purchase, are designated as effective hedges of anticipated foreign currency transactions for financial reporting purposes and accordingly, the net gains on such contracts are deferred and recognized in the same period as the hedged transactions. The forward contracts do not qualify as hedges for financial reporting purposes and accordingly, are marked-to-market. Net gains on option contracts (including option contracts for hedged transactions whose occurrence are no longer probable) and changes in market values of forward contracts are reflected in "Interest and other income, net". The deferred premiums on option contracts and fair values of forward contracts are included in "Other current assets".

The Company has additional foreign currency forward contracts to hedge exposures to foreign currency fluctuations of certain assets and liabilities denominated in foreign currencies. At December 31, 1999, the Company had forward contracts to exchange foreign currencies for U.S. dollars of $46 million, all having maturities of less than one month. These contracts are designated as effective hedges and accordingly, gains and losses on these forward contracts are recognized in the same period the offsetting gains and losses of hedged assets and liabilities are realized and recognized. The fair values of the forward contracts are included in the corresponding captions of the hedged assets and liabilities. Gains and losses on forward contracts, to the extent they differ in amount from the hedged assets and liabilities, are included in "Interest and other income, net".

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

Interest rate swap

The Company has an interest rate swap agreement with a notional amount of $50 million that changes the nature of the interest rate paid on a portion of its commercial paper. Under the agreement, the Company pays a fixed interest rate of approximately 5.3% in exchange for the receipt of variable interest rate payments. The agreement will terminate in 2000. The differential in the variable rate interest payments is recognized as an increase/decrease in interest expense related to debt. The related amounts payable to and receivable from the counterparty are recorded in accrued liabilities. The fair value of the swap agreement is not recognized in the financial statements.

Interest

Interest costs are expensed as incurred, except to the extent such interest is related to construction in progress, in which case interest is capitalized. Interest costs capitalized for the years ended December 31, 1999, 1998 and 1997, were $11.6 million, $19.2 million and $10.5 million, respectively.

Employee stock option and stock purchase plans

The Company's employee stock option and stock purchase plans are accounted for under Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees" (see Note 7).

Earnings per share

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

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

	Years ended December 31,		
	1999	1998	1997
Numerator for basic and diluted earnings per share--net income	$1,096.4	$ 863.2	$ 644.3
Denominator:			
Denominator for basic earnings per share--weighted-average shares	1,021.7	1,020.2	1,056.5
Effect of dilutive securities--employee stock options	56.6	37.1	42.0
Denominator for diluted earnings per share--adjusted weighted-average shares	1,078.3	1,057.3	1,098.5
Basic earnings per share	$ 1.07	$ 0.85	$ 0.61
Diluted earnings per share	$ 1.02	$ 0.82	$ 0.59

Options to purchase 1.6 million, 3 million and 42.8 million shares with exercise prices greater than the average market prices of common stock were outstanding at December 31, 1999, 1998 and 1997, respectively. These options were excluded from the respective computations of diluted earnings per share because their effect would be anti-dilutive.

Use of estimates

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

Reclassification

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

2. Related party transactions

The Company owns a 50% interest in Kirin-Amgen, Inc. ("Kirin-Amgen"), a corporation formed in 1984 for the development and commercialization of certain products based on advanced biotechnology. Pursuant to the terms of agreements entered into with Kirin-Amgen, the Company conducts certain research and development activities on behalf of Kirin-Amgen and is paid for such services at negotiated rates. Included in revenues from corporate partners for the years ended December 31, 1999, 1998 and 1997, are $138.5 million, $121 million and $87.9 million, respectively, related to these agreements.

In connection with its various agreements with Kirin-Amgen, the Company has been granted sole and exclusive licenses for the manufacture and sale of certain products in specified geographic areas of the world. In return for such licenses, the Company pays Kirin-Amgen royalties based on sales. During the years ended December 31, 1999, 1998 and 1997, Kirin-Amgen earned royalties from Amgen of $128.1 million, $105 million and $91.4 million, respectively, under such agreements, which are included in "Cost of sales" in the accompanying consolidated statements of operations.

At December 31, 1999, Amgen's share of Kirin-Amgen's undistributed retained earnings was approximately $87.1 million.

3. Debt

The Company has a commercial paper program which provides for unsecured short-term borrowings up to an aggregate of $200 million. As of December 31, 1999, commercial paper with a face amount of $100 million was outstanding. These borrowings had maturities of less than two months and had effective interest rates averaging 6%. Commercial paper with a face amount of $100 million and with effective interest rates averaging 5.5% was outstanding at December 31, 1998.

In November 1997, the Company established a $500 million debt shelf registration statement. In December 1997, pursuant to this registration statement, the Company issued $100 million of debt securities that bear interest at a fixed rate of 6.5% and mature in 2007 (the "Notes") and established a $400 million medium-term note program. The Company may offer and issue medium-term notes from time to time with terms to be determined by market conditions.

In April 1997, the Company issued $100 million of debt securities that bear interest at a fixed rate of 8.1% and mature in 2097 (the "Century Notes"). These securities may be redeemed in whole or in part at the

Company's option at any time for a redemption price equal to the greater of the principal amount to be redeemed or the sum of the present values of the principal and remaining interest payments discounted at a determined rate plus, in each case, accrued interest.

In addition to the Notes and the Century Notes, debt securities outstanding at December 31, 1999 include $23 million of debt securities that bear interest at a fixed rate of 6.2% and mature in 2003. The terms of the debt securities require the Company to meet certain debt to tangible net asset ratios and places limitations on liens and sale/leaseback transactions and, except with respect to the Notes and the Century Notes, places limitations on subsidiary indebtedness.

The Company has an unsecured credit facility (the "credit facility") that includes a commitment expiring on May 28, 2003 for up to $150 million of borrowings under a revolving line of credit (the "revolving line commitment"). As of December 31, 1999, $150 million was available under the revolving line commitment for borrowing. Borrowings under the revolving line commitment bear interest at various rates which are a function of, at the Company's option, either the prime rate of a major bank, the federal funds rate or a Eurodollar base rate. Under the terms of the credit facility, the Company is required to meet a minimum interest coverage ratio and maintain a minimum level of tangible net worth. In addition, the credit facility contains limitations on investments, liens and sale/leaseback transactions.

The aggregate stated maturities of all long-term obligations due subsequent to December 31, 1999, are as follows: none in 2000 through 2002; $23 million in 2003; none in 2004; and $200 million after 2004.

4. Contingencies

Johnson & Johnson arbitrations

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

A dispute between Amgen and Johnson & Johnson that has been the subject of an arbitration proceeding relates to the audit methodology currently employed by the Company to account for Epoetin alfa sales. The Company and Johnson & Johnson are required to compensate each other for Epoetin alfa sales that either party makes into the other party's exclusive market, sometimes described as "spillover" sales. The Company has established and is employing an audit methodology to measure each party's spillover sales and to allocate the net profits from those sales to the appropriate party. On September 12, 1997, the arbitrator in this matter (the "Arbitrator") issued an opinion adopting the Company's audit methodology with certain adjustments. The Company estimated that the effect of the opinion would be a net spillover payment to Johnson & Johnson which, after benefit of income tax effects, was $78 million for the 1991-1994 period and interest in the amount of $18 million after tax. As a result of the opinion, the Company took a charge of $0.09 per share in the third quarter of 1997 for the spillover payment and interest. Pursuant to the final order in the arbitration, an independent panel was formed principally (i) to address ongoing challenges to the survey results for the years 1995 through 1999 and (ii) to refine the procedures for measuring the erythropoietin market as may be necessary. Johnson & Johnson has brought challenges under this procedure to certain survey results for certain periods. As a result of decisions made by this independent panel regarding certain of these challenges as well as other reduced uncertainties, the Company has reduced amounts previously provided for potential spillover liabilities by $49 million in the third quarter of 1999 and $23 million in the fourth quarter of 1998.

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

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

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

5. Income taxes

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

	Years ended December 31,		
	1999	1998	1997
Current provision:			
Federal (including U.S. possessions)	$422.8	$339.6	$227.2
State	37.2	27.2	21.2
Total current provision	460.0	366.8	248.4
Deferred provision (benefit):			
Federal (including U.S. possessions)	5.3	(4.7)	(25.6)
State	4.5	(0.9)	(5.7)
Total deferred provision (benefit)	9.8	(5.6)	(31.3)
	$469.8	$361.2	$217.1

Deferred income taxes reflect the net tax effects of net operating loss and credit carryforwards and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities are as follows (in millions):

	December 31,	
	1999	1998
Deferred tax assets:		
Expense accruals	$ 84.0	$126.4
Acquired net operating loss and credit carryforwards	64.3	57.0
Expenses capitalized for tax purposes	27.9	32.6
Fixed assets	22.9	25.8
Other	27.4	7.9
Total deferred tax assets	226.5	249.7
Valuation allowance	(46.0)	(69.0)
Net deferred tax assets	180.5	180.7
Deferred tax liabilities:		
Purchase of technology rights	(78.1)	(65.8)
Other	(23.9)	(20.9)
Total deferred tax liabilities	(102.0)	(86.7)
	$ 78.5	$ 94.0

At December 31, 1999, the Company had operating loss carryforwards available to reduce future federal taxable income of which $45.4 million expire in 2008 and $84 million expire in 2009. These operating loss carryforwards relate to the acquisition of a company. Utilization of these operating loss carryforwards is limited to approximately $16 million per year.

The provision for income taxes varies from income taxes provided based on the federal statutory rate as follows:

	Years ended December 31,		
	1999	1998	1997
Statutory rate applied to income before income taxes	35.0%	35.0%	35.0%
Benefit of Puerto Rico operations, net of Puerto Rico income taxes	(2.3)%	(3.2)%	(7.3)%
Utilization of tax credits, primarily research and experimentation	(2.1)%	(2.4)%	(2.9)%
Other, net	(0.6)%	0.1%	0.4%
	30.0%	29.5%	25.2%

Income taxes paid during the years ended December 31, 1999, 1998 and 1997, totaled $318.7 million, $251.3 million and $176.1 million, respectively.

6. Stockholders' equity

Stockholder Rights agreement

On February 18, 1997, the Board of Directors of the Company redeemed the rights under the Company's former common stock rights plan and declared a dividend of one preferred share purchase right (a "Right") for

each then outstanding share of common stock of the Company and authorized the distribution of one Right with respect to each subsequently issued share of common stock. The Rights were distributed to stockholders of record on March 21, 1997.

Each share of common stock outstanding has attached to it one-quarter (1/4) of a Right. One-quarter of a Right represents the right to purchase one four-thousandth (1/4000) of a share of Series A Junior Participating Preferred Stock of the Company at $56.25. The Rights will expire on March 21, 2007.

Under certain circumstances, if an acquiring person or group acquires 10% or more of the Company's outstanding common stock, an exercisable Right will entitle its holder (other than the acquirer) to buy shares of common stock of the Company having a market value of two times the exercise price of one Right. However, in limited circumstances approved by the outside directors of the Board, a stockholder who enters into an acceptable standstill agreement may acquire up to 20% of the outstanding shares without triggering the Rights. If an acquirer acquires at least 10%, but less than 50%, of the Company's common stock, the Board may exchange each Right (other than those of the acquirer) for one share of common stock per Right. In addition, under certain circumstances, if the Company is involved in a merger or other business combination where it is not the surviving corporation, an exercisable Right will entitle its holder to buy shares of common stock of the acquiring company having a market value of two times the exercise price of one Right. The Company may redeem the Rights at $0.00025 per Right at any time prior to the public announcement that a 10% position has been acquired.

Stock repurchase program

The Company has a stock repurchase program primarily to reduce the dilutive effect of its employee stock option and stock purchase plans. Stock repurchased under the program is retired. In October 1999, the Board of Directors authorized the Company to repurchase up to $2 billion of common stock through December 31, 2000, replacing the remaining amount authorized in October 1998. As of December 31, 1999, $1,648.3 million was available for stock repurchases.

Other comprehensive income/(loss)

SFAS No. 130, "Reporting Comprehensive Income", requires unrealized gains and losses on the Company's available-for-sale securities and foreign currency translation adjustments to be included in other comprehensive income/(loss).

Information regarding the components of accumulated other comprehensive income/(loss) are as follows (in millions):

	Unrealized Gains on Securities	Foreign Currency Translation	Accumulated Other Comprehensive Income/(Loss)
Balance at December 31, 1998.....	$ 8.0	$(12.0)	$ (4.0)
Current year other comprehensive income/(loss).....	7.3	(18.1)	(10.8)
Balance at December 31, 1999.....	$15.3	$(30.1)	$(14.8)

Information regarding the income tax effects for items of other comprehensive income/(loss) are as follows (in millions):

	Before-Tax Amount	Tax Benefit/ (Expense)	After-Tax Amount
For the year ended December 31, 1997:			
Net unrealized losses on available-for-sale securities	$ (1.8)	$ 0.7	$ (1.1)
Foreign currency translation adjustments	(18.7)	--	(18.7)
Other comprehensive loss	$(20.5)	$ 0.7	$(19.8)
For the year ended December 31, 1998:			
Unrealized losses on available-for-sale securities	$ (1.8)	$ 0.7	$ (1.1)
Less: Reclassification adjustments for losses realized in net income	(15.8)	5.6	(10.2)
Net unrealized gains on available-for-sale securities	14.0	(4.9)	9.1
Foreign currency translation adjustments	9.0	--	9.0
Other comprehensive income	$ 23.0	$(4.9)	$ 18.1
For the year ended December 31, 1999:			
Unrealized gains on available-for-sale securities	$ 12.0	$(5.3)	$ 6.7
Less: Reclassification adjustments for losses realized in net income	(1.0)	0.4	(0.6)
Net unrealized gains on available-for-sale securities	13.0	(5.7)	7.3
Foreign currency translation adjustments	(18.1)	--	(18.1)
Other comprehensive loss	$ (5.1)	$(5.7)	$(10.8)

Other

In addition to common stock, the Company's authorized capital includes 5 million shares of preferred stock, $0.0001 par value, of which 1.5 million shares have been designated Series A Junior Participating Preferred Stock. At December 31, 1999 and 1998, no shares of preferred stock were issued or outstanding.

At December 31, 1999, the Company had reserved 212.1 million shares of its common stock which may be issued through its employee stock option and stock purchase plans and had reserved 1.5 million shares of preferred stock in connection with its preferred stock rights plan.

In October 1999, the Board of Directors approved a two-for-one split of the Company's common stock effected in the form of a 100 percent stock dividend. The dividend was distributed on November 19, 1999, to stockholders of record on November 5, 1999. Accordingly, all share information in the accompanying consolidated financial statements and notes thereto have been retroactively adjusted to give recognition to this stock split.

7. Employee stock option, stock purchase and defined contribution plans

Employee stock option plans

The Company's employee stock option plans provide for option grants designated as either nonqualified or incentive stock options. The options generally vest over a three to five year period and expire seven years from the date of grant. Most employees are eligible to receive a grant of stock options periodically with the number

of shares generally determined by the employee's salary grade, performance level and the stock price. In addition, certain management and professional level employees normally receive a stock option grant upon hire. In 1997, most employees received an additional stock option grant (the "Special Stock Options") in which all shares vest upon the earlier of: (i) five years from date of grant and (ii) the date on which the closing price of Amgen stock equals or exceeds $18.75 per share. The Special Stock Options vested in 1998. As of December 31, 1999, the Company had 78.9 million shares of common stock available for future grant under its employee stock option plans.

Stock option information with respect to all of the Company's employee stock option plans follows (shares in millions):

		Exercise Price		
	Shares	Low	High	Weighted-Average
Balance unexercised at December 31, 1996...	122.2	$ 0.44	$16.03	$ 7.25
Granted	52.0	$11.63	$16.97	$13.64
Exercised	(28.6)	$ 0.44	$14.56	$ 4.59
Forfeited	(3.7)	$ 1.08	$16.38	$11.43
Balance unexercised at December 31, 1997...	141.9	$ 0.58	$16.97	$10.02
Granted	33.5	$11.78	$26.22	$16.53
Exercised	(42.4)	$ 0.58	$20.77	$ 8.14
Forfeited	(6.8)	$ 4.48	$18.52	$13.57
Balance unexercised at December 31, 1998...	126.2	$ 0.66	$26.22	$12.18
Granted	19.0	$26.25	$57.69	$31.48
Exercised	(26.9)	$ 0.66	$39.44	$ 9.45
Forfeited	(2.5)	$ 5.48	$44.97	$17.76
Balance unexercised at December 31, 1999...	115.8	$ 0.92	$57.69	$15.88

At December 31, 1999, 1998 and 1997, employee stock options to purchase 61.7 million, 66.1 million and 60.1 million shares were exercisable at weighted-average prices of $11.80, $9.76 and $6.84, respectively.

Fair value disclosures of employee stock options

Employee stock option grants are set at the closing price of the Company's common stock on the date of grant and the related number of shares granted are fixed at that point in time. Therefore, under the principles of APB Opinion No. 25, the Company does not recognize compensation expense associated with the grant of employee stock options. SFAS No. 123, "Accounting for Stock-Based Compensation," requires the use of option valuation models to provide supplemental information regarding options granted after 1994. Pro forma information regarding net income and earnings per share shown below was determined as if the Company had accounted for its employee stock options and shares sold under its employee stock purchase plan under the fair value method of that statement.

The fair value of the options was estimated at the date of grant using a Black-Scholes option pricing model with the following weighted-average assumptions for 1999, 1998 and 1997, respectively: risk-free interest rates of 5.8%, 5.4% and 6.0%; dividend yields of 0%, 0% and 0%; volatility factors of the expected market price of the Company's common stock of 38%, 34% and 33%; and expected life of the options of 3.4 years, 3.4 years and 3.7 years. These assumptions resulted in weighted-average fair values of $10.55, $5.11 and $4.49 per share for employee stock options granted in 1999, 1998 and 1997, respectively.

The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options. The Company's employee stock options have characteristics significantly different from those of traded options such as vesting restrictions and extremely limited transferability. In addition, the assumptions used in option valuation models (see above) are highly subjective, particularly the expected stock price volatility of the underlying stock. Because changes in these subjective input assumptions can materially affect the fair value estimate, in management's opinion, existing valuation models do not provide a reliable single measure of the fair value of its employee stock options.

For purposes of pro forma disclosures, the estimated fair values of the options are amortized over the options' vesting periods. The pro forma effect on net income for 1998 and 1997 is not representative of the pro forma effect on net income in 1999 and future years because it does not take into consideration pro forma compensation related to option grants made prior to 1995. Pro forma information in 1999 reflects and in future years will reflect the amortization of a larger number of employee stock options granted in several succeeding years. In addition, the 1998 pro forma amounts were reduced due to the vesting in 1998 of the Special Stock Options which occurred substantially earlier than the expected life assumption used in the Black-Scholes option valuation model for such grants. The Company's pro forma information is as follows (in millions, except per share information):

	Years ended December 31,		
	1999	1998	1997
Pro forma net income	$1,030.0	$735.9	$575.8
Pro forma earnings per share:			
Basic	$ 1.01	$ 0.72	$ 0.55
Diluted	$ 0.95	$ 0.70	$ 0.53

Information regarding employee stock options outstanding as of December 31, 1999 is as follows (shares in millions):

	Options Outstanding			Options Exercisable	
Price Range	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life	Shares	Weighted-Average Exercise Price
$10.00 and under	24.9	$ 7.05	1.8 years	23.9	$ 6.95
Over $10.00 to $15.00	43.7	$13.74	4.4 years	29.3	$13.60
Over $15.00 to $30.00	29.1	$16.95	5.5 years	7.4	$16.94
Over $30.00	18.1	$31.56	6.5 years	1.1	$33.78

Employee stock purchase plan

The Company has an employee stock purchase plan whereby, in accordance with Section 423 of the Internal Revenue Code, eligible employees may authorize payroll deductions of up to 10% of their salary to purchase shares of the Company's common stock at the lower of 85% of the fair market value of common stock on the first or last day of the offering period. During each of the years ended December 31, 1998 and 1997, employees purchased 1 million shares at prices of approximately $11.46 and $11.50 per share, respectively. No shares were purchased under the employee stock purchase plan during 1999 because the Company commenced a 15 month offering period which extends from January 1, 1999 to March 31, 2000. At December 31, 1999, the Company had 17.5 million shares available for future issuance under this plan.

Defined contribution plans

The Company has defined contribution plans covering substantially all employees in the United States and its possessions. Under these plans, the Company makes certain amounts of matching contributions for those employees who elect to contribute to the plans and makes additional contributions based upon the compensation of eligible employees regardless of whether or not the employees contribute to the plans. In addition, the Company has other defined contribution plans covering certain officers of the Company and employees of its foreign affiliates. The Company's expense for its defined contribution plans totaled $34.3 million, $26.7 million and $26.9 million for the years ended December 31, 1999, 1998 and 1997, respectively.

8. Balance sheet accounts

Property, plant and equipment consisted of the following (in millions):

	December 31,	
	1999	1998
Land	$ 110.1	$ 100.2
Buildings and building improvements	841.4	685.0
Manufacturing equipment	251.8	142.6
Laboratory equipment	306.3	260.6
Furniture and office equipment	577.8	445.5
Leasehold improvements	50.8	48.3
Construction in progress	177.0	369.7
	2,315.2	2,051.9
Less accumulated depreciation and amortization	(761.6)	(601.7)
	$1,553.6	$1,450.2

Accrued liabilities consisted of the following (in millions):

	December 31,	
	1999	1998
Due to affiliated companies and corporate partners	$160.8	$194.0
Employee compensation and benefits	149.1	124.9
Sales incentives, royalties and allowances	135.7	118.8
Income taxes	87.5	96.4
Other	115.1	125.6
	$648.2	$659.7

9. Fair values of financial instruments

The carrying amounts of cash, cash equivalents, marketable securities and cost method equity investments approximated their fair values. Fair values of cash equivalents, marketable securities and cost method equity investments are based on quoted market prices.

The carrying amount of commercial paper approximated its fair value as of December 31, 1999 and 1998. The fair values of debt securities at December 31, 1999 and 1998 were approximately $216.6 million and $255 million, respectively. The fair values of commercial paper and debt securities were estimated based on quoted market rates for instruments with similar terms and remaining maturities.

The fair value of the interest rate swap agreement was not significant based on the estimated amount that the counterparty would receive or pay to terminate the swap agreement taking into account current interest rates.

The fair values of the foreign currency forward contracts and purchased foreign currency option contracts were not significant based on the estimated amounts at which the contracts could be settled taking into account current market exchange rates.

10. Segment information

Enterprise-wide disclosures about revenues by product, revenues and long-lived assets by geographic area and revenues from major customers are presented below.

Revenues

Revenues consisted of the following (in millions):

	Years ended December 31,		
	1999	1998	1997
EPOGEN(R)	$1,759.1	$1,382.0	$1,160.7
NEUPOGEN(R)	1,256.6	1,116.6	1,055.7
Other product sales	27.1	15.8	3.4
Total product sales	3,042.8	2,514.4	2,219.8
Other revenues	297.3	203.8	181.2
Total revenues	$3,340.1	$2,718.2	$2,401.0

Geographic information

The Company sells NEUPOGEN(R) through its foreign affiliates in countries of the European Union, Canada and Australia. Information regarding revenues and long-lived assets (consisting of property, plant and equipment) attributable to the United States and to all foreign countries collectively is stated below. The geographic classification of product sales was based upon the location of the customer. The geographic classification of all other revenues was based upon the domicile of the entity from which the revenues were earned. Information is as follows (in millions):

	Years ended December 31,		
	1999	1998	1997
Revenues:			
United States and possessions	$3,024.5	$2,441.6	$2,093.0
Foreign countries	315.6	276.6	308.0
Total revenues	$3,340.1	$2,718.2	$2,401.0

	December 31,		
	1999	1998	1997
Long-lived assets:			
United States and possessions	$1,475.7	$1,360.8	$1,103.1
Foreign countries	77.9	89.4	83.1
Total long-lived assets	$1,553.6	$1,450.2	$1,186.2

Major customers

Amgen uses wholesale distributors of pharmaceutical products as the principal means of distributing the Company's products to clinics, hospitals and pharmacies. The Company monitors the financial condition of its larger distributors and limits its credit exposure by setting appropriate credit limits and requiring collateral from certain customers. Sales to two large wholesalers accounted for more than 10% of the total revenues for the years ended December 31, 1999, 1998 and 1997. Sales to one wholesaler were $1,078 million, $856.2 million and $580.9 million for the years ended December 31, 1999, 1998 and 1997, respectively. Sales to another wholesaler were $438.2 million, $366.5 million and $333.8 million for the years ended December 31, 1999, 1998 and 1997, respectively. At December 31, 1999 and 1998, amounts due from three large wholesalers accounted for 52% and 54%, respectively, of gross trade receivables.

11. Quarterly financial data (unaudited) (in millions, except per share data):

1999 Quarter Ended	Dec. 31(1)	Sept. 30(2)	June 30	Mar. 31
Product sales	$847.4	$769.2	$737.9	$688.3
Gross margin from product sales	735.4	670.3	639.1	595.9
Net income	281.6	300.0	267.6	247.2
Earnings per share:				
Basic	0.28	0.29	0.26	0.24
Diluted	0.26	0.28	0.25	0.23

1998 Quarter Ended	Dec. 31(3)	Sept. 30	June 30	Mar. 31
Product sales	$694.6	$641.8	$611.2	$566.8
Gross margin from product sales	599.5	554.6	527.3	487.8
Net income	238.6	221.0	216.3	187.3
Earnings per share:				
Basic	0.23	0.22	0.21	0.18
Diluted	0.22	0.21	0.21	0.18

(1) Due to Year 2000 contingency planning in the fourth quarter of 1999, the Company offered extended payment terms on limited shipments of EPOGEN(R) and NEUPOGEN(R) to certain wholesalers. These Year 2000 related sales totaled $45 million, or $0.02 per share on a diluted basis. The Company expects sales to be reduced by approximately the same amount during the first quarter of 2000.

(2) During the third quarter of 1999, due to reduced uncertainties, the Company reduced its potential spillover liabilities to Johnson & Johnson by $49 million, or $0.03 per share on a diluted basis (see Note 4, "Contingencies--Johnson & Johnson arbitrations").

(3) During the fourth quarter of 1998, due to reduced uncertainties, the Company reduced its potential spillover liabilities to Johnson & Johnson by $23 million, or $0.01 per share on a diluted basis (see Note 4, "Contingencies--Johnson & Johnson arbitrations").

SCHEDULE II

AMGEN INC.

VALUATION ACCOUNTS

Years ended December 31, 1999, 1998 and 1997
(In millions)

	Balance at Beginning of Period	Additions Charged to Costs and Expenses	Deductions	Balance at End of Period
Year ended December 31, 1999:				
Allowance for doubtful accounts....	$17.1	$10.1	$1.2	$26.0
Year ended December 31, 1998:				
Allowance for doubtful accounts....	$14.2	$ 3.6	$0.7	$17.1
Year ended December 31, 1997:				
Allowance for doubtful accounts....	$11.8	$ 2.8	$0.4	$14.2

EXHIBIT 10.18

AMGEN INC. SUPPLEMENTAL

RETIREMENT PLAN

(As Amended and Restated Effective November 1, 1999)

AMGEN SUPPLEMENTAL RETIREMENT PLAN

(As Amended and Restated Effective November 1, 1999)

ARTICLE I
INTRODUCTION AND PLAN PURPOSE

The Amgen Supplemental Retirement Plan (the "Plan") was established by Amgen Inc. (the "Company") effective as of January 1, 1993, was amended and restated effective January 1, 1998, and was amended and restated again effective November 1, 1999. The purpose of this Plan is to provide benefits to employees of the Company and certain of its affiliates whose Matching Contributions and Nonelective Contributions are limited under the Amgen Inc. Retirement and Savings Plan (the "Retirement Plan"). The Company intends that the Plan will aid in retaining and attracting employees of exceptional ability by providing them with these benefits.

ARTICLE II
DEFINITIONS

For the purposes of this Plan, the following terms, when capitalized, have the following meanings. Any capitalized term in this Plan that is not defined in this Article II has the meaning given such term in the Retirement Plan.

2.1 Account means the Account maintained by the Company in accordance with Article IV with respect to Matching Credits, Core Credits and Earnings.

2.2 Beneficiary means the person, persons or entity entitled under Article VI to receive Plan benefits payable in the event of your death.

2.3 Board means the Board of Directors of the Company.

2.4 Code means the Internal Revenue Code of 1986, as amended.

2.5 Committee means the Compensation Committee of the Company's Board.

2.6 Company means Amgen Inc. or any subsidiary or affiliate of Amgen Inc. selected by the Board or the Committee to participate in the Plan.

2.7 Compensation has the same meaning as such term has under the Retirement Plan, except that, for purposes of this Plan, Compensation is not limited by the Salary Cap and Compensation for purposes of this Plan will not include any foreign assignment differential, that is, an amount paid to you to compensate for costs unique to an overseas assignment.

2.8 Core Credit means the amount credited to your Account under Section 4.2(a) of the Plan.

2.9 Deferral Commitment means the election to defer "Participant Elected Contributions," as described in the Retirement Plan.

2.10 Earnings means the amount credited to your Account under Section 4.3 of the Plan.

2.11 Hour of Service has the same meaning as such term in the Retirement Plan except that, for purposes of determining Hours of Service under this Plan, you will be credited only for the period during which you are a Regular Full-Time Employee, including any period during which you are on a leave of absence that has been approved by the Company.

2.12 Matching Credit refers to amounts credited to your Account under Section 4.2(b) of the Plan.

2.13 Normal Retirement Date means the first day of the month coinciding with or next following your attainment of age 65.

2.14 Participation Agreement means the agreement you file with the Committee acknowledging the terms of the Plan and enrolling in the Plan.

2.15 Plan means this Amgen Inc. Supplemental Retirement Plan.

2.16 Regular Full-Time Employee means an Employee of the Company who is classified as a Regular Full-Time Employee by the Company, in its sole discretion. The Company's classification of you as a Regular Full-Time Employee or something other than a Regular Full-Time Employee will be conclusive and binding. You will not be a Regular Full-Time Employee if the Company does not withhold federal income and employment taxes from your Compensation or if the Company classifies you as a part-time employee, leased employee, temporary employee, independent contractor, or consultant, regardless of the length of time you have held such position with the Company.

2.17 Retirement Plan means the Amgen Inc. Retirement and Savings Plan.

2.18 Salary Cap means the highest level of compensation that can be considered for the purpose of calculating benefits under Section 401(a)(17) of the Code.

2.19 Spouse means your wife or husband who is lawfully married to you at the time of your death.

2.20 Year of Service means each calendar year or portion thereof during which you are credited with 1,000 Hours of Service.

ARTICLE III
ELIGIBILITY AND PARTICIPATION

3.1 Eligibility. You are eligible to elect to receive credits in your Account as provided in Section 4.2 of the Plan during the time you are a Regular Full-Time Employee and your Compensation for the relevant calendar year is in excess of the Salary Cap.

3.2 Election. Once you are eligible under Section 3.1 of the Plan, you may elect to receive credits under the Plan by submitting a Participation Agreement to the Committee by the last day of the calendar year in which you are eligible and wish to receive credits. Your Participation Agreement will remain in effect unless and until you submit a new Participation Agreement changing or canceling your future election.

3.3 Participation. After you first become eligible and elect to receive credits under the Plan, you will continue to participate in the Plan (that is, you will receive Earnings on the balance in your Account) as long as you have not received a distribution of your Account, even if you are no longer eligible to receive credits under the Plan.

ARTICLE IV
CREDITS TO YOUR ACCOUNT

4.1 Account. For record keeping purposes only, an Account will be maintained for all persons participating in the Plan. Your Account will be used solely to determine the amounts to be paid to you under the Plan. Your Account will not constitute or be treated as a trust fund for your benefit.

4.2 Credits. The Company will credit your Account with your share of Matching Credits and Core Credits.

(a) Core Credits. The amount of Core Credits to be credited to your account will be determined by calculating first what you would have received as a Nonelective Contribution under the Retirement Plan as if the Salary Cap were not in effect, less the amount of Nonelective Contributions that were actually contributed on your behalf to the Retirement Plan.

(b) Matching Credits. The amount of Matching Credits to be credited to your account will be the amount of matching contributions that would have been made on your behalf under the Retirement Plan as if the Salary Cap were not in effect, based on your Deferral Commitment in effect at the time your Compensation reaches the Salary Cap for the year (provided that you can demonstrate to the Company that you have set aside for investment an amount equal to the amount you were prevented from deferring because of the Salary Cap), less the amount of matching contributions that were actually contributed on your behalf to the Retirement Plan.

4.3 Earnings. Your Account will be credited with Earnings with respect to the investments of the Core and Matching Credits credited to your Account. Earnings will be credited at the rate declared by the Committee, acting in its sole discretion, after taking into account the investment performance of the investment vehicles selected by the Committee, or, if the Committee permits, selected by you from among the investment vehicles available under the Retirement Plan.

4.4 Vesting of Your Account. Your Account will become fully vested upon termination of your employment with the Company on or after (1) your Normal Retirement Date, (2) the date of your Disability, or (3) your death. If your employment with the Company is terminated for any other reason, your Account will be vested in accordance with the following schedule:

Years of Service	Vested Percentage
Less than 5	0%
5 but less than 6	50%
6 but less than 7	60%
7 but less than 8	70%
8 but less than 9	80%
9 but less than 10	90%
10 or more	100%

All Accounts will be subject to the creditors of the Company in the event of the insolvency of the Company.

4.5 Determination of Accounts. Your Account will consist of all your credited Matching Credits, Core Credits, and Earnings.

4.6 Statement of Accounts. Prior to March 1 of each year or at such other time as determined by the Committee, the Committee will distribute statements to you showing the balance of your Account.

ARTICLE V
DISTRIBUTIONS

5.1 Distributions. Following the termination of your employment with the Company, the Company will pay you the vested balance in your Account. The payments will be made to you in cash and may be paid either in a lump sum or in periodic installments at such time and in such form as determined by the Committee. If you are paid in periodic installments, the amount of each installment will be equal to the vested balance in your Account divided by the number of remaining installments that you are to receive. Any unpaid balance will continue to receive Earnings. In the event of your death prior to receiving your full distribution, the unpaid balance will be paid to your Beneficiary at such times and in such form as the Committee determines in its sole discretion.

5.2 Withholding Payroll Taxes. The Company will withhold any taxes required to be withheld from payments made from the Plan to satisfy any federal, state, or local requirements regarding tax withholding.

5.3 Payment to Guardian. If a Plan benefit is payable to a minor, a person declared incompetent or a person incapable of handling the disposition of property, the Committee may direct payment of such Plan benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or person. The Committee may require proof of incompetency, minority, incapacity or guardianship as may be appropriate prior to distribution of the Plan benefit. Such distribution completely discharges the Committee and the Company from all liability with respect to such benefit.

ARTICLE VI
BENEFICIARY DESIGNATION

6.1 Beneficiary Designation. Your Beneficiary under the Plan will be the same Beneficiary you select under the Retirement Plan. If you change your Beneficiary designation under the Retirement Plan, your Beneficiary designation under the Plan will automatically change as well.

6.2 No Beneficiary Designation. If you fail to designate a Beneficiary under the Retirement Plan, or if the Beneficiary you designate dies before you or before complete distribution of your benefits, your designated Beneficiary will be the first of the following classes in which there is a survivor:

(a) your surviving Spouse;

(b) your children, except if any of the children predecease you but leave surviving issue, then such issue will take by right of representation the share the parent would have taken if living;

(c) your estate.

6.3 Effect of Payment. The distribution to the Beneficiary completely discharges Company's obligations under this Plan.

ARTICLE VII
ADMINISTRATION

7.1 Committee; Duties. This Plan is administered by the Committee. The Committee is responsible for making such rules, interpretations and computations as may be appropriate. Any decision of the Committee with respect to the Plan including, without limitation, any determination of eligibility to receive credits under the Plan and any calculation of Plan benefits, is conclusive and binding on all persons. The Committee may appoint a panel consisting of any number of individuals, who may or may not be employees of the Company, to carry out the Committee's duties and responsibilities under the Plan.

7.2 Agents. The Committee may employ other agents and delegate to them such administrative duties as it sees fit, and may from time to time consult with counsel who may be counsel to the Company.

7.3 Binding Effect of Decisions. The decisions or actions of the Committee with respect to any question arising out of or in connection with the administration, interpretation or application of the Plan and the rules or regulations promulgated hereunder will be final, conclusive and binding upon all persons having any interest in the Plan.

7.4 Indemnity of Committee. The Company will indemnify and hold harmless the members of the Committee against any and all claims, loss, damage, expense or liability arising from any action or failure to act with respect to this Plan, except in the case of the Committee's gross negligence or willful misconduct.

7.5 Claims Procedure. The Claims Procedure under the Plan is the same as that under the Retirement Plan, except that the Committee will be substituted for the Review Panel.

ARTICLE VIII
AMENDMENT AND TERMINATION OF PLAN

8.1 Amendment. The Committee may at any time amend the Plan in whole or in part. No amendment may decrease or restrict the amount accrued in any Account maintained under the Plan through the date of Amendment.

8.2 Company's Right to Terminate. The Board may at any time partially or completely terminate the Plan if, in its judgment, the tax, accounting, or other effects of the continuance of the Plan, or potential payments thereunder, would not be in the best interests of the Company.

ARTICLE IX
MISCELLANEOUS

9.1 Unfunded Plan. This Plan is intended to be an unfunded plan for tax law purposes and for purposes of Title I of the Employee Retirement Income Act of 1974, as amended ("ERISA"), maintained primarily to provide benefits for a select group of management or highly compensated employees. This Plan is not intended to create an investment contract, but to provide tax planning opportunities and retirement benefits to eligible individuals who have elected to participate in the Plan. Eligible individuals are members of management who, by virtue of their position with the Company, are uniquely informed as to the Company's operations and have the ability to materially affect the Company's profitability and operations.

9.2 Unsecured General Creditor. Neither you nor your Beneficiaries, heirs, successors and assigns will have any legal or equitable rights, interest or claims in any property or assets of the Company, nor will they be Beneficiaries of, or have any rights, claims or interests in any life insurance policies, annuity contracts or the proceeds therefrom owned or which may be acquired by the Company. Such policies or other assets of the Company will not be held under any trust for your benefit or that of your Beneficiaries, heirs, successors or assigns, or held in any way as collateral security for the fulfilling of the obligations of the Company under this Plan. Any and all of the Company's assets and policies will be, and remain, the general, unpledged, unrestricted assets of the Company. The Company's obligation under the Plan will be that of an unfunded and unsecured promise of the Company to pay money in the future.

9.3 Trust Fund. The Company will pay all Plan benefits. At its discretion, the Company may establish one or more trusts, with such trustees as the Board may approve, for the purpose of providing for the payment of such benefits. Such trust or trusts may be irrevocable, but the assets thereof will be subject to the claims of the Company's creditors. To the extent any benefits provided under the Plan are actually paid from any such trust, the Company will have no further obligation with respect thereto, but to the extent not so paid, such benefits will remain the obligation of, and paid by, the Company.

9.4 Nonassignability. Neither you nor any other person may commute, sell, assign, transfer, hypothecate or convey in advance of actual receipt the amounts, if any, payable hereunder, or any part thereof, which are expressly declared to be nonassignable and nontransferable. No part of the amounts payable will, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate

maintenance owed by you or any other person (other than amounts owed to the Company's creditors in the event of the Company's insolvency), nor be transferable by operation of law in the event of the bankruptcy or insolvency of you or any other person (other than the Company). Notwithstanding the above, vested benefits will be payable to an individual other than you under this Plan in accordance with a court order upon the determination by the Committee that such order (i) has been issued by a court with appropriate jurisdiction (ii) has been properly served on the Company, (iii) is reasonably clear to, and administrable by, the Committee, (iv) does not require any benefit not otherwise provided under the Plan, and (v) requires payment of a portion of your vested Account to someone other than you.

9.5 Not a Contract of Employment. The terms and conditions of this Plan may not be construed to constitute a contract of employment between you and the Company and you (or your Beneficiary) will have no rights against the Company except as otherwise specifically provided herein. Moreover, nothing in this Plan will be deemed to give you the right to be retained in the service of the Company as a Regular Full-Time Employee or otherwise, or to interfere with the right of the Company to discipline or discharge you at any time.

9.6 Cooperation. You are required to cooperate with the Company by furnishing any and all information requested by the Company in order to facilitate the payment of benefits hereunder.

9.7 Terms. Whenever words are used in this Plan in the masculine they will be construed as though they were used in the feminine in all cases where they would so apply; and whenever any words are used in this Plan in the singular or in the plural, they will be construed as though they were used in the plural or the singular, as the case may be, in all cases where they would so apply.

9.8 Captions. The captions of the articles, sections and paragraphs of this Plan are for convenience only and do not control or affect the meaning or construction of any of its provisions.

9.9 Governing Law. The provisions of this Plan are to be construed and interpreted according to the laws of the State of California to the extent that they have not been preempted by federal law.

9.10 Validity. In case any provision of this Plan is found to be held illegal or invalid for any reason, said illegality or invalidity will not affect the remaining parts hereof, but this

Plan will be construed and enforced as if such illegal and invalid provision had never been inserted herein.

Adopted this 1st day of November 1999.

/s/ Edward F. Garnett
Edward F. Garnett
Vice President, Human Resources

EXHIBIT 10.24

October 11 , 1999

Dr. N. Kirby Alton
815 Country Valley Road
Thousand Oaks, CA 91362

Re: Agreement Regarding Part-Time Special Assignment Position

Dear Kirby:

On behalf of Amgen Inc. ("Amgen"), I am pleased to confirm in this letter agreement (the "Agreement") the terms and conditions under which you will continue to be employed by Amgen from and after the date upon which you cease to serve as Amgen's Senior Vice President of Development, which we currently contemplate will occur on October 20, 1999 (the "Effective Date"). You will remain in your current position and receive all compensation and benefits of that position between now and the Effective Date. This Agreement also provides for the termination of your employment with Amgen on or before October 19, 2002, as set forth below.

1. POSITION AND DUTIES

On the Effective Date, you will cease to be a regular full-time employee of Amgen and will resign from all offices you hold in Amgen and its subsidiaries, but you will continue to be employed by Amgen as an employee in a part-time special assignment position, at grade level 37, with the title of Special Advisor, Development (in connection with resigning your offices, you agree to execute and return to Amgen with this Agreement a signed original resignation letter (the "Resignation Letter") on your Amgen letterhead in the form provided in Appendix A to this Agreement. Appendix A is hereby incorporated into and made part of the Agreement by reference). As Special Advisor, Development, it is anticipated that you will work with George Morstyn on Amgen's Product Development efforts. As we have discussed, George would like you to assist him in monitoring regulatory developments in the Pharmaceutical industry as they relate to Amgen's current products, products which Amgen is in the process of developing and potential future products, including those which Amgen may acquire by corporate or other acquisitions. You will provide to George from time to time, upon his reasonable request, written or oral reports and/or copies of other written materials with regard to the foregoing.

Also as we have discussed, the position of Special Advisor, Development is a part-time special assignment position in which you will be expected to work a minimum of ten (10) hours per month and no more than twenty (20) hours per month. The times and places where this work will be performed will be at your choosing. You will maintain a log showing the time you have spent performing the foregoing services and this log shall be deemed conclusive evidence of the time spent.

We have agreed that your part-time special assignment will continue until October 19, 2002, subject to extension as you and Amgen may agree in writing or to earlier termination by you or Amgen as set forth in Paragraph 8 of this Agreement. As long as you are employed by Amgen, you will continue to be subject to Amgen's policies and procedures, including but not limited to those relating to the non-disclosure of proprietary and confidential information and you will continue to be subject to the Amgen Inc. Proprietary Information and Inventions Agreement, executed by you on or about January 15, 1982 (the "Proprietary Agreement") (which also contains obligations that survive the termination of your employment with Amgen).

2. COMPENSATION AND BENEFITS

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

2.1 Compensation: Your compensation will be $72,250 per month, subject to applicable income tax and employment tax withholding requirements. In addition, Amgen will reimburse you for any reasonable business expenses you incur in performing your duties, subject to Amgen's standard employee expense reimbursement policies.

2.2 Administrative Support: Amgen will provide you with an office and secretarial assistance at our Thousand Oaks headquarters. You will also have access to the services of Amgen's travel department.

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

2.4 Special Bonus for 1999 Calendar Year: As part of the transition to the part-time special assignment position, you will be entitled to a special bonus in the amount that is the greater of: (1) the MIP payment that you would have received for the calendar year 1999 based on what would have been your MIP rating for the 1999 calendar year, if you had been eligible for that MIP payment and if you had been deemed to have been a regular full-time employee for the entire year for purposes of the MIP or (2) the MIP payment you received for the 1998 calendar year. This special bonus will be paid to you at the same time that MIP distributions are made to participants in the MIP in 2000.

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

2.6 Supplemental Retirement Plan: You will be eligible to participate in Amgen's Supplemental Retirement Plan (the "SRP") if you continue to meet the eligibility requirements of the SRP. Notwithstanding the foregoing, Amgen acknowledges and agrees that your inability to participate in the Amgen Retirement and Savings Plan (the "401(k) Plan") shall not make you ineligible to participate in the SRP.

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

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

2.9 Stock Options:

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

2.9.2 Accelerated Vesting: Amgen shall take the necessary action to accelerate the vesting of the following options from previous grants (and no others, unless an acceleration takes place pursuant to Paragraph 8 of this Agreement) so that the following options will be immediately and fully vested as of the Effective Date (provided that the Agreement shall be effective as provided in Subparagraph 1.2(e) of Appendix B to this Agreement by October 20, 1999) to the extent that they have not previously vested:

No. of Option Shares	Grant No.	Originally Scheduled Expiration Date
3,052	933511	7/1/03
1,642	945177	7/1/04
18,948	938853	7/1/03
8,013	945178	7/1/03
6,372	945178	7/1/04

Amgen shall provide you with a copy of the resolutions taking the action described in this Subparagraph 2.9.2.

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

2.9.4 Cooperation To Restructure: As we have discussed, it is our intention that your ability to continue to vest in and exercise options while in your part-time special assignment position will not result in any additional compensation charges to Amgen in accordance with U.S. generally accepted accounting principles. Accordingly, if at any time Amgen determines that it is reasonably likely that Amgen will incur a compensation charge as a result of your vesting or exercising options in your part-time special assignment position then you agree that you will use your reasonable best efforts to cooperate with Amgen to restructure this Agreement and your position as Amgen reasonably determines is necessary for you to continue to be able to vest and exercise your options without creating a compensation charge to Amgen in accordance with U.S. generally accepted accounting principles and without causing you to lose any of the benefits of this Agreement. However, if no such accommodation is possible without materially affecting your rights hereunder, your rights as set forth herein shall not be modified or altered in any fashion which would have any adverse effect on you.

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

2.10 Medical, Dental, and Vision Insurance and COBRA: Your medical, dental, and vision insurance coverage will terminate on the Effective Date. If after the Effective Date, you or your eligible dependents should elect to continue coverage under

Amgen's group health plan(s) under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") continuation rights, and you or your eligible dependents timely take the required steps to initiate such coverage, then Amgen will pay the cost of COBRA coverage for you and your eligible dependents until the earlier of April 19, 2001, or until you and/or your eligible dependents no longer qualify for COBRA continuation rights or, in the case of your dependents, the date on which such dependents cease to be eligible dependents under Amgen's group health plan(s), whichever occurs first. If you and/or your eligible dependents qualify for COBRA benefits on or after April 19, 2001, then you and/or your eligible dependents will have the option of continuing coverage under Amgen's group health plan(s), under COBRA and at Amgen's expense until October 19, 2002 and at your own expense thereafter. If you obtain health insurance coverage for you and/or your COBRA eligible dependents for the period between April 19, 2001 and the Termination Date as defined in Paragraph 8 of this Agreement, then Amgen will reimburse you for the full cost of such insurance premiums. To receive reimbursement, submit copies of the health insurance premium invoices and other applicable information on a monthly basis to Amgen. For a complete description of the rights and responsibilities you and your eligible dependents have under COBRA, you must refer to the COBRA documents that will be sent to you by Amgen or its designee under separate cover.

2.11 Basic Life Insurance: Your Basic Life Insurance coverage will terminate on the Effective Date. If you are interested in converting this insurance to an individual policy, please contact Jean Ellis at Aetna (860) 273-7252 within thirty (30) days after the Effective Date.

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

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

3. TRANSFER OF COMPANY PROPERTY

Except as provided in the remainder of this Subparagraph, you promise that on or before the Termination Date, as defined in Paragraph 8 of this Agreement, you will return to Amgen all files, memoranda, documents, records, copies of the foregoing, credit cards, keys, and

any other Amgen property in your possession or under your control. As an employee in a part-time special assignment position, you will continue to have access to and use of those two telecopier machines and two laptop computers that Amgen previously provided to you. As of the termination of your employment with Amgen, you will be entitled to retain the equipment referenced in the preceding sentence provided that you take the steps necessary to ensure that all of Amgen's proprietary information is deleted from the two laptop computers by Amgen's computer services department as of the Termination Date as defined in Paragraph 8 of this Agreement.

4. OFFICERS AND DIRECTORS INSURANCE

During your part-time special assignment and for four (4) years following the Termination Date, you will be covered by such officers and directors insurance coverage that Amgen provides to its senior executive officers at your salary grade level during that time period. In addition, Amgen shall indemnify and hold you harmless both during and after the entire term of your employment (including your service hereunder) to the fullest extent permitted by law with regards to actions or inactions in relation to your duties performed at Amgen, both before and after the date of this Agreement. Furthermore, you will be entitled to reimbursement of expenses incurred in accordance with your rights under California Labor Code Section 2802.

5. LEGAL FEE AND FINANCIAL/TAX CONSULTING REIMBURSEMENT

Amgen will reimburse you for the legal expenses reasonably incurred by you in connection with the review of this Agreement up to a maximum amount of $20,000. Amgen will also reimburse you for financial and/or tax counseling expenses that you reasonably incur, up to a maximum amount of $3,000 per year, for each year of this Agreement.

6. REFERENCE

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

7. RELOCATION

If you decide to relocate outside of the fifty (50) mile radius of your Residence (as defined below) during the period of your part-time special assignment or immediately at the termination thereof for any reason other than for a Stated Reason, as defined below, and sell your current, local, primary residence located in North Ranch, California (the "Residence")

so that the sale escrow closes no later than October 19, 2002, then Amgen will provide you with the following:

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

7.2 If you shall sell your Residence so that the close of escrow on the sale occurs prior to October 19, 2002, then in such event, Amgen will reimburse you for those normal and non-recurring customary sales costs associated with the sale of such residence, subject to the following terms and conditions:

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

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

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

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

8. EARLY TERMINATION OF SPECIAL ASSIGNMENT

We have agreed that you will continue in your part-time special assignment position until October 19, 2002, at which time your employment with Amgen will terminate, provided however, that Amgen may terminate your

employment prior to October 19, 2002 in the event that a Stated Reason (as defined below) occurs, and you may terminate your employment prior to October 19, 2002 upon thirty (30) days prior written notice to Amgen in the event of a Covered Breach (as defined below) or otherwise.

For purposes of this Paragraph 8, a "Stated Reason" means (i) your conviction of a felony, or (ii) the engaging by you in conduct that constitutes willful gross neglect or willful gross misconduct in carrying out your duties set forth in Paragraph 1 of this Agreement, resulting, in either case, in material economic harm to Amgen, unless you believed in good faith that such conduct was in, or not contrary to, the best interests of Amgen. For purposes hereof, no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith.

For purposes of this Paragraph 8, a "Covered Breach" means a breach by Amgen of its obligations under this Agreement in the following manner only (i) any reduction in your salary or benefits provided for in this Agreement or (ii) the assignment of duties to you that are inconsistent with, or greater in scope than, those set forth in Paragraph 1 of this Agreement or (iii) a reduction in your title or position or the requirement that you work with anyone other than George Morstyn or a mutually agreed successor to George Morstyn or (iv) a failure by Amgen to have any successor expressly assume this Agreement in accordance with Paragraph 17 of this Agreement. In order for an event described in the preceding sentence to qualify as a Covered Breach, you must give written notice of the event to Amgen and Amgen must fail to cure the event within 30 days of receipt of that written notice.

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

In the event your employment is terminated by Amgen not for a Stated Reason or if you terminate your employment for a Covered Breach, then (i) you shall be paid in a cash lump-sum all of the remaining payments due to you under this Agreement from the date of your termination through October 19, 2002, (ii) you shall continue to be provided the benefits set forth in Paragraph 2.10 of this Agreement through October 19, 2002 and (iii) Amgen shall take the necessary action to accelerate the vesting of all of your outstanding and then unvested stock options so that they shall vest and become immediately exercisable in full as of the Termination Date; such stock options, as so accelerated shall be exercisable as provided in your stock option grant agreements and applicable stock option plans. Amgen shall provide you with a copy of the resolutions taking the action described in clause (iii) of the preceding sentence.

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

9. DEATH

In the event of the termination of your employment hereunder by reason of your death prior to October 19, 2002, all of the remaining payments pursuant to Paragraph 2.1 of this Agreement will be payable to the beneficiary or beneficiaries that you designate in writing to Amgen. Your other remaining benefits will be treated according to their specific terms concerning such death. For purposes of Paragraph 10(a) of the Amgen Inc. Amended and Restated 1991 Equity Incentive Plan, your employment with Amgen shall be deemed to have commenced in 1982.

10. RELEASE

In exchange for consideration provided to you under this Agreement, you hereby agree to execute and be bound by the General Release attached hereto as Appendix B (the "General Release") and to return the executed Agreement, together with the executed General Release, to me on or before October 12, 1999. The General Release is hereby incorporated into and made part of the Agreement by this reference.

11. INTERPRETATION

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

12. NOTICES

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

13. LEGAL FEES; ARBITRATION

13.1 Agreement to Arbitrate: Any dispute (an "Arbitrable Dispute") arising between the parties, including but not limited to those concerning the formation, validity, interpretation, effect, or alleged violations of this Agreement or the General Release, must be submitted to binding arbitration for resolution in Los Angeles, California in accordance with the rules and procedures of the Employment Dispute Resolution

Rules of the American Arbitration Association then in effect. The decision of the arbitrator shall be final and binding on both parties, and any court of competent jurisdiction may enter judgment upon the award. Amgen shall pay all expenses relating to such arbitration, including, but not limited to, your legal fees. Except for an action taken outside of arbitration pursuant to Subparagraph 13.3 of this Agreement, should either party pursue any other legal or administrative action against the other, the responding party shall be entitled to the return of any payments that party made under the Agreement and shall be entitled to recover all costs, expenses and attorneys' fees the responding party incurs as a result of such action. The arbitrator may not modify or change this Agreement or the General Release in any way.

13.2 Exclusive Remedy: Arbitration in this manner shall be the exclusive remedy for any Arbitrable Dispute. The arbitrator's decision or award shall be fully enforceable and subject to an entry of judgment by a court of competent jurisdiction. Except for an action taken outside of arbitration pursuant to Subparagraph 13.3 of this Agreement, should you or Amgen, without the consent of the other party, attempt to resolve an Arbitrable Dispute by any method other than arbitration pursuant to this Paragraph 13, the responding party shall be entitled to recover from the initiating party all damages, expenses and attorneys' fees incurred as a result.

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

14. GOVERNING LAW

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

15. TAXES

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

16. MITIGATION

You shall not be required to mitigate amounts payable under this Agreement by seeking other employment or otherwise, and there shall be no offset against amounts due you under this Agreement on account of subsequent employment. Additionally, amounts owed to you under this Agreement shall not be offset by any claims Amgen may have against you and Amgen's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder, shall not be affected by any other circumstances, including, without limitation, any counterclaim, recoupment, defense or other right which Amgen may have against you or others.

17. SUCCESSORS; BINDING AGREEMENT

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

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

18. ENTIRE AGREEMENT

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

Sincerely yours,

/s/ Gordon M. Binder

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

Acknowledged and Agreed:

/s/ Dr. N. Kirby Alton

Dr. N. Kirby Alton

Dated: 10/11/99

APPENDIX A

[To be printed on Dr. N. Kirby Alton's Amgen Stationery]

RESIGNATION

The undersigned hereby resigns as an officer and/or director of the following corporations, effective October 20, 1999:

Amgen Inc.
Kirin Amgen, Inc.

/s/ Dr. N. Kirby Alton

Dr. N. Kirby Alton

APPENDIX B

MUTUAL GENERAL RELEASE

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

1. COMPLETE RELEASE

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

1.2 Claims Released: Except as provided in Subparagraph 1.4 of this General Release, the claims released include all claims of whatever nature, whether known or unknown, suspected or unsuspected, by either you or Amgen which you or Amgen now owns or holds or has at any time previously held, or (with the sole exception of claims covered by Subparagraph 1.4 of this General Release) ever in the future may hold including statutory claims arising under the employment discrimination laws. In particular, you acknowledge and agree that by signing the Agreement and this General Release, in addition to the matters discussed above, you are waiving and releasing any and all claims, charges, or rights you may have under the Age Discrimination In Employment Act of 1967, as amended (the "ADEA"), that this waiver and release is knowing and voluntary, and that the consideration given for this waiver and release is in addition to anything of value to which you were already entitled as an employee of Amgen. You further acknowledge that you have been advised that: (a) you should consult with an attorney (at your own expense, subject to your right to reimbursement as set forth in Paragraph 5 of the Agreement) prior to executing the Agreement and this General Release; (b) you have at least twenty-one (21) days in which to consider the Agreement and this General Release (although you may choose to execute the Agreement and this General Release earlier and waive all of or part of the 21-day period); (c) the Agreement and this General

Release do not waive or release any rights or claims you may have under the ADEA which may arise after you execute the Agreement and this General Release; (d) you have seven (7) days following execution of the Agreement and this General Release to revoke your consent to the Agreement and this General Release (to be effective, any revocation must be actually received in writing by me by 5:30 p.m. on the seventh day); and (e) the Agreement and this General Release shall not be effective until the seven (7) day revocation period has expired. In the event that you exercise this right to revoke this General Release, you and Amgen agree that the Agreement (including without limitation the Resignation Letter attached to the Agreement as Appendix A) will be simultaneously revoked. You also acknowledge and agree that you were given a copy of the Agreement and this General Release on September 21, 1999, that you have been given the opportunity to consult with whomever you wish regarding the Agreement and this General Release and that you have entered into the Agreement and this General Release voluntarily and with full knowledge of its final and binding effect.

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

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

2. YOUR PROMISES

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

2.1 No Future Employment: You understand that, as provided in Paragraph 8 of the Agreement, your employment with Amgen and all related or affiliated companies will terminate forever on the Termination Date and you promise never to seek employment with Amgen or its related or affiliated companies in the future. If your employment is not terminated by Amgen for a Stated Reason, Amgen shall treat this termination as a resignation on its records. You acknowledge and agree that the Agreement, together with this General Release, contemplates your termination from Amgen on the Termination Date, and that the release in Paragraph 1 of this General Release shall cover your entire employment with Amgen and the termination of that employment. On the day after the Termination Date, you and Amgen each promise to execute and be bound by a second General Release which contains all of the provisions set forth in this General Release and which reconfirms each party's release of such claims as of the Termination Date.

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

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

3. CONSEQUENCES OF YOUR VIOLATION OF YOUR PROMISES

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

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

3.2 Injunctive Relief: You further agree that Amgen would be irreparably harmed by any use or disclosure of information that is prohibited by the Amgen Inc. Proprietary Information and Inventions Agreement, executed by you on or about January 15, 1982 (the "Proprietary Agreement") (which contains obligations that survive the termination of your employment with Amgen), and that Amgen shall be entitled to an injunction prohibiting you from committing any such violation.

3.3 Challenges to Validity: Should you attempt to challenge the formation or enforceability of the Agreement and/or this General Release, you shall initially

tender, by certified check delivered to Amgen, all amounts received pursuant to the Agreement, other than the monthly compensation paid to you under Paragraph 2.1 of the Agreement, plus interest at the legal rate and invite Amgen to cancel the Agreement. In the event Amgen accepts this offer, the Agreement shall be canceled. In the event Amgen does not accept this offer, Amgen shall so notify you and the amount tendered by you shall be placed in an interest-bearing account pending a determination of the enforceability of the Agreement and/or this General Release. If the Agreement and this General Release are determined to be enforceable, the amount in the account shall be repaid to you; if the Agreement and/or this General Release are determined not to be enforceable, the amount in the account shall be retained by Amgen or its designee.

4. VOLUNTARILY ENTERING AGREEMENT

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

5. SEVERABILITY

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

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

Executed at Thousand Oaks, California this 11th day of October, 1999.

/s/ Dr. N. Kirby Alton
- ----------
Dr. N. Kirby Alton

Executed at Thousand Oaks, California this 11th day of October, 1999.

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

EXHIBIT 10.32

March 3, 1999

Fabrizio Bonanni, Ph.D.
872 Burr Ave.
Winnetka, IL 60093

Dear Fabrizio,

On behalf of Amgen, I am pleased to offer you the position of Sr. Vice President, Quality and Compliance, salary grade E37, reporting to me. Your base salary will be $29,167.00 per month.

Upon acceptance of this offer you will be entitled to a $300,000.00 sign on bonus. The net amount of this bonus (after federal and state tax deductions) will be paid within 30 days of your date of hire.

In addition, subject to the approval of the Compensation Committee of the Amgen Board of Directors, you will be granted the option to purchase 100,000 shares of Amgen common stock at a price equal to 100% of the fair market value at the close of the stock market on your date of hire. The shares will be granted as Incentive Stock Options (ISO's) to the extent permitted by law, with the balance being issued as Non-Qualified (NQ's) stock options. The options will have a seven year term and will vest over five (5) years in equal annual installments of 20,000 shares commencing with your first anniversary. Amgen will guarantee that, calculated as if you had not sold any of the underlying stock, the then vested portion of the 100,000 share options will appreciate in value by at least $2,500,000.00 on at least one day on or before the fifth anniversary of your start date. Of course, Amgen will not guarantee that you will actually realize this profit if you do not sell all of the vested option shares on that date.

You will be eligible to participate in the Amgen Management Incentive Plan (MIP) with a target award of 58% of base salary. We would guarantee MIP at 100% achievement through 2001.

You will also have the opportunity to participate in our comprehensive benefits program. Amgen's excellent health care plan currently includes medical, dental, and vision coverage for you and your eligible dependents. Amgen currently pays the major expense for these programs while staff members share through payroll deductions. Please be advised that in order for you and your dependents to be eligible for Amgen's medical coverage you must:

Fabrizio Bonanni
March 3, 1999

1. Report to work at Amgen or another location to which you are required to travel and perform the regular duties of your employment.
2. Complete the required enrollment paperwork within 31 days of your hire date.
3. Meet all other eligibility requirements under the plan.

In the event that your job is eliminated or you are terminated without cause or you terminate your employment with Amgen for good cause within three (3) years of your start date, you will be entitled to a severance package which will include two (2) years of Salary Continuation. The definition of "good cause" for purposes of this paragraph is (i) a diminution in your position (including status or title), authority, duties or responsibilities, and such diminution was not made by mutual agreement set forth in writing between you and Amgen at the time such diminution was made, or (ii) a reduction in your base salary or bonus opportunity. The definition of the components of "Salary Continuation" for purposes of this paragraph are (i) your base salary, (ii) the average of your MIP payments during your term of employment at Amgen (or, should your employment at Amgen terminate before your first year, your target MIP) and (iii) continued stock option vesting during the period of Salary Continuation.

You shall have no obligation to seek other employment or take any other action by way of mitigation of the amounts payable to you pursuant to this agreement and such amounts shall not be reduced or offset by any amounts, including compensation from other employment. As a member of the Operating Committee, you are also covered under the Amgen Change in Control Plan.

Amgen's Retirement & Savings 401(k) Plan provides an opportunity for you to save up to 15% of your pay on a tax deferred basis. Amgen will also contribute to your 401(k) account to help you save for your future financial goals. The benefits, services and programs are summarized in the enclosed brochure called "Welcome to Amgen - Total Compensation and Benefits at Amgen."

Amgen provides director and officer insurance to cover its officers should they be named in a suit against Amgen as a result of acting in the course and scope of their employment at Amgen. Such coverage extends beyond the period of an officer's employment at Amgen if such officer is being named in a suit against Amgen as a result of their past period of employment at Amgen and in connection with such officer's acting within the course and scope of such employment.

This offer is contingent upon the successful completion of the verification of the information listed on your application for employment at Amgen.

Fabrizio Bonanni
March 3, 1999

Enclosed and included as part of this offer (Attachment 1) is information regarding Amgen's Proprietary Information and Inventions Agreement, the Immigration Reform & Control Act, and a packet of materials entitled "Arbitration of Disputes - Amgen Inc." which includes a Mutual Agreement to Arbitrate Claims. This offer is contingent upon your completing the items described in Attachment 1.

Also enclosed and included as part of this offer (Attachment 2) is information about the main points of the relocation assistance which Amgen will provide to you to relocate to the "local area." The brochures included describe each component in more detail. Upon acceptance of this offer, please contact Kristen McCloskey, Relocation Coordinator, at (805) 447-2854 to initiate your relocation benefits.

By signing this letter, with the exception of Amgen's obligation under this letter to pay you Salary Continuation as described herein, you understand and agree that your employment with Amgen is at-will. Therefore, your employment can terminate, with or without cause, and with or without notice, at any time, at your option or Amgen's option, and Amgen can terminate or change all other terms and conditions of your employment, with or without cause, and with or without notice, at any time. This at-will relationship will remain in effect throughout your employment with Amgen Inc. or any of its subsidiaries, or affiliates. This letter constitutes the entire agreement, arrangement and understanding between you and Amgen on the nature and terms of your employment with Amgen. This letter supersedes any prior or contemporaneous agreement, arrangement or understanding on this subject matter. By executing this letter as provided below, you expressly acknowledge the termination of any such prior agreement, arrangement or understanding. Also, by your execution of this letter, you affirm that no one has made any written or verbal statement that contradicts the provisions of this letter. The at-will nature of your employment, as set forth in this paragraph, can be modified only by a written agreement signed by both Amgen's Vice President of Human Resources and you which expressly alters it. This at-will relationship may not be modified by any oral or implied agreement, or by any Company policies, practices or patterns of conduct.

Fabrizio, we are enthusiastic about the contribution you can make, and we believe that Amgen can provide you with attractive opportunities for personal achievement and growth. I look forward to your favorable reply before March 17, 1999. If you accept our offer, please sign and date the copy of the letter and return it in the enclosed

Fabrizio Bonanni
March 3, 1999

envelope to Ed Garnett along with the completed and signed Proprietary Information and Inventions Agreement and the Mutual Agreement to Arbitrate Claims. Please retain the original offer letter for your records. If you have any questions regarding this offer, please contact Ed Garnett at (805) 447-3003.

Sincerely,

/s/Ed Garnett for Kevin Sharer
Kevin Sharer
President and Chief Operating Officer

KS:EG:cg
Enclosures

/s/Fabrizio Bonanni, March 12, 1999
- ----------
Signature of Acceptance Date

April 12, 1999
- ----------
Anticipated Start Date
(Please select a Monday start date if possible in order to coincide with our New Hire Orientation Schedule)

Fabrizio Bonanni
March 3, 1999

ATTACHMENT 1

In order to accept our offer you will be required to:

A) Complete, date and sign the Amgen Proprietary Information and Inventions Agreement and return it with your signed offer letter.

B) Date and sign the enclosed Mutual Agreement to Arbitrate Claims and return it with your signed offer letter.

C) You will be required to provide Amgen with proof of your identity and eligibility for employment per requirements of the Immigration Reform and Control Act of 1986 within 3 (three) days of hire. Information pertaining to this Act and required proof are enclosed.

Fabrizio Bonanni
March 3, 1999

RELOCATION ASSISTANCE COVERAGE

All relocation expense coverage to be provided as a part of your Amgen employment offer is outlined in this attachment. This relocation expense coverage is designed to offset most of the cost of your relocation. However, as a new staff member, it is expected that you will make every effort to reduce or eliminate relocation expense wherever possible.

Please Note: Upon acceptance of your offer, please contact Kristen McCloskey, Relocation Coordinator, at (805) 447-2854 to initiate your relocation benefits.

Marketing Assistance, Home Sale, and Home Sale Incentive Program

A Marketing Assistance Program is available to assist in the sale of your current primary residence. Also, through the Home Sale Program, we will offer you the opportunity for a third party purchase of your current primary residence if you are unable to sell your home within 90 days. Under this program, an interest-free equity bridge loan is available to assist in the purchase of your new residence. The seller's normal, non-recurring closing costs associated with the sale of your home (i.e., real estate commission, title expense, etc.) will be paid by Amgen through this program. You are also eligible for the Home Sale Incentive Program which is designed to reward you for helping expedite the sale of your home. For additional information, and to initiate the program contact the Relocation Coordinator. You must contact the Relocation Coordinator before taking any action to sell your home.

Additionally, should you close escrow on the purchase of a home in the new "local area" prior to the sale of your current residence, Amgen will reimburse up to 3 months of your current mortgage payment and other reasonable related costs (i.e., utilities, prorated taxes, insurance, etc.).

House Hunting Trip

Amgen will provide to you a lump sum allowance to assist you with your house hunting efforts. The intent of this allowance is to cover round-trip airfare, ground transportation and hotel for up to 5 days, and a food per diem, for you and your household members. You should call Dollie Grajczak at 805-447-2318 in Amgen's Corporate Travel Dept. for assistance with your travel plans. You will receive the lump sum reimbursement upon your presenting evidence that you took such trip (in the form of the airline tickets or hotel bill associated with this trip) to the Relocation Coordinator.

Fabrizio Bonanni
March 3, 1999

Temporary Living Expenses

Temporary living lodging expense will be covered for a period of up to 90 days in Amgen leased lodging units. If you need to stay in the temporary lodging unit more than 90 days, you will be responsible for the cost of the unit at the daily rate negotiated by Amgen. Since Amgen has contracted for these temporary lodging accommodations, there is no need to make arrangements on your own. The Relocation Coordinator will assist in making these lodging arrangements for you. Amgen will also determine a per diem allowance, to be paid to you as a lump sum for food, telephone and miscellaneous expenses you may incur during your 90 day temporary living period.

One-Way Travel Expenses

Amgen will reimburse one-way travel expenses for you and your household members to take residence in the "local area." If Amgen has arranged for your car to be moved by a moving company, Amgen will also pay for rental of one automobile, for up to 14 days. You should contact Dollie Grajczak at 805-447-2318 in Amgen's Corporate Travel Dept. to make your travel reservations.

Moving Household Goods

Amgen will arrange for packing, moving, and unpacking of normal household possessions, including up to two automobiles. Amgen will also pay for up to 90 days storage of household goods, if necessary. Amgen will initiate contact with moving companies and will handle all details with the company assigned to your move.

Relocation Allowance

Amgen will provide you with a $2,500.00 relocation allowance to be used at your discretion, to cover incidental expenses associated with your move which are not covered in other sections of relocation coverage. Receipts or other accounting for the use of this allowance are not required.

Renter Assistance - Lease Termination Former Residence

Amgen will reimburse you for the penalty incurred by the premature termination of your current documented lease agreement, in an amount not to exceed the equivalent of two months' rent.

Rental Assistance - Security Deposit New Residence

Amgen will reimburse you for the deposit on a rental property in the new "local area" in an amount not to exceed the equivalent of one month's rent, plus application fees.

OR

Fabrizio Bonanni
March 3, 1999

Non-Recurring Home Purchase Closing Costs

Reimbursement of the buyer's normal, non-recurring closing costs associated with the purchase of a home in the "local area", including up to two points (2%) of the mortgage amount for loan origination or discount expense.

Adjustable Rate Secured Loan

To aid in the purchase of a home in the "local area", Amgen is prepared to offer you a five year, adjustable rate loan which will be secured as a second mortgage on your new home. However, you will be expected to provide a minimum down payment investment of at least 5% of the purchase price from your own funds or other sources which are not secured by this home.

The amount of the loan can be up to 20% of the documented purchase price of a home not to exceed $250,000. The loan will be funded prior to close of escrow at a date to be determined solely by Amgen. This loan will not be funded prior to you beginning your employment at Amgen.

The 1999 rate on the loan is 4.4 %. The rate is adjusted January 1st of each year based on the average "Introduction Rates" on adjustable loans as offered by California banks and savings & loans. The most the rate will change each year is 1% with a cap of 3% over the life of the initial loan.

You will be required to make semi-monthly interest-only payments by payroll deduction, with the principal amount due on or before the end of the five-year period.

In addition to the usual relocation package, Amgen will offer the following:

Amgen will forgive 20% of the loan principle on each anniversary date of employment until the loan principle is zero. Each year the principle amount is reduced by 20%, the interest of only payments will be reduced accordingly, and the loan amount that is forgiven will be reported as income to you and will be subject to federal, state, and other applicable taxes.

Tax Gross-up Assistance

Amgen will provide for tax assistance (gross-up) for the non-deductible portion of those reimbursed relocation expenses which are considered as ordinary income for state or federal income tax purposes.

Fabrizio Bonanni
March 3, 1999

Local Area

References to the "local area" generally means the new work site is a minimum of a 90 minute commute (during peak a.m. commute hours as determined by a commuting study performed for the Company) from the staff member's current residence, and the move to the new residence reduces commuting time by at least 50%.

Duration of Relocation

This relocation expense coverage is intended to assist in getting you established in your new residence in the "local area" as quickly as possible. Therefore, it is required that all relocation assistance provided for in this attachment and all expense reimbursements for this assistance be completed within one year from your date of hire in your new location.

EXHIBIT 10.40

PROMISSORY NOTE

$250,000.00

1. Promise to Pay.

For value received, I, Fabrizio Bonanni ("Staff Member"), a married man, and I, Lorraine Bonanni, wife of Staff Member, promise to pay to the order of Amgen Inc., a Delaware corporation ("Payee"), at its office at Amgen Center, Thousand Oaks, CA 91320-1789, the sum of Two Hundred Fifty Thousand Dollars and No Cents ($250,000.00) (the "Principal"). Amgen will forgive twenty percent (20%) of the loan principle on each anniversary date of Staff Member's employment until the loan principle is paid in full. Each year the principle amount is reduced by twenty percent (20%), the interest only payments will be reduced accordingly. The loan amount that is forgiven each year will be reported as income to Staff Member and will be subject to federal, state, and other applicable taxes. If Staff Member ceases to be an employee of Payee, this Note shall become payable in full thirty (30) days from the date on which Staff Member ceases to be an employee of Payee, together with interest on the Principal from the date of this Note until such date as the Note is paid in full. Interest on this Note shall be computed as set forth below. The interest rate for the period from the date of this Note through December 31, 1999 (the "initial rate") is 4.4% per annum on the unpaid Principal. After December 31, 1999 the interest rate on this Note shall change as set forth below.

2. Adjustable Interest Rate.

The interest rate shall be adjusted annually on January 1 of each year (the "Change Date") so as to equal the average interest rate designated as the "Introduction Rates" on adjustable rate loans as publicly offered by the banks and savings and loans in California as published by the Los Angeles Times in its Sunday edition. The rate shall be set using the rates published in the Los Angeles Times on the Sunday immediately preceding the Change Date. In the event that the "Introduction Rates" list is not published in the Los Angeles Times for any reason, then, in such event, the Payee shall establish the interest rate based on a survey by it of the introductory interest rates on adjustable loans offered by no fewer than five banking institutions located in Southern California that the Payee, in its sole discretion, deems representative of banking institutions in the Ventura and Los Angeles County areas. Payee shall give Staff Member notice if the interest rate shall be determined using this alternative method. Notwithstanding the foregoing, the interest rate shall never be increased or decreased on any single Change Date by more than one percentage point from the interest rate for the preceding 12 months. At no time during the term of this Note shall the annual interest rate exceed 7.4% per annum.

Payee shall deliver or mail to Staff Member a notice of any changes in the adjustable interest rate on this Note and the amount of the Staff Member's semi-monthly payroll deductions before the effective date of any change. The notice shall include information required by law to be given to Staff Member and also the title and telephone number of a person who shall answer any questions Staff Member may have regarding the notice.

3. Salary Deduction.

The interest on this Note shall be payable by semi-monthly deductions from Staff Member's salary. The amount of such deductions shall initially be Four Hundred Fifty-Eight Dollars and Thirty-Three Cents ($458.33) per installment; provided, however, that the manner of payment of this Note shall not be limited to deductions from Staff Member's salary. The amount of such deductions shall be adjusted annually concurrently with any adjustment in the interest rate on this Note to ensure that interest to be incurred during the ensuing

calendar year shall be paid in twenty-four (24) equal payments. The first such installment shall be on August 31, 1999; the second installment shall be on September, 15, 1999; and each successive installment shall be on the fifteenth and last days of each successive month until the Principal is repaid. Payee shall give Staff Member at least seven (7) days advance notice of any adjustment in the amount of said payroll deductions. Staff Member acknowledges and agrees that by executing this Note, Staff Member agrees to the payroll deductions described in this Note.

4. Prepayment.

Staff Member may prepay without penalty this Note in whole or in part at any time. Any and all payments or prepayments under this Note may be made by Staff Member to Payee at the following address (or such other address as it designates in writing to Staff Member):

AMGEN INC.
Amgen Center
Thousand Oaks, California 91320-1789

Attention: Accounting Manager

5. Attorneys' Fees.

Staff Member agrees to pay all costs and expenses, including, without limitation, collection agency fees and expenses, reasonable attorneys' fees, costs of suit and costs of appeal, which Payee may incur in the exercise, preservation or enforcement of its right, powers and remedies hereunder, or under any documents or instruments securing this Note, or under law.

6. Modification of Terms.

Payee may, with or without notice to Staff Member, cause additional parties to be added to this Note, or release any party to this Note, or revise, extend, or renew the Note, or extend the time for making any installment provided for by this Note, or accept any installment in advance, all without affecting the liability of Staff Member. Staff Member may not assign or transfer in any manner whatsoever this Note or any of Staff Member's obligations under this Note.

7. Security Interest.

The purpose of this loan is to purchase a personal residence. Staff Member shall secure this loan by executing and causing to be filed, immediately upon close of escrow, a trust deed on this residence, commonly known as 343 South Beverly Glen, Los Angeles, CA 90024 whose property description is as follows:

Lot 22 in Block 3 of Tract No. 7733, in the City of Los Angeles, County of Los Angeles, State of California, as per Map recorded in Book 130, Pages 28, 29 and 30 of Maps, in the Office of the County Recorder of said County.

8. Acceleration.

A) In the event Staff Member fails to pay when due any sums under this Note, then:

(1) the entire unpaid balance of this Note shall, at the option of the Payee hereof, immediately become due and payable in full and unpaid Principal thereafter shall bear

interest at the lesser of the maximum rate permitted by law or at the rate of 7.4% per annum; and

(2) Staff Member authorizes Payee to deduct any sums due to Payee under this Note from any monies, including any wages due, otherwise owing to Staff Member.

B) If Staff Member sells the residence which is purchased with the funds herein provided, this Note shall immediately become due and payable upon the sale of such residence.

9. Waiver of Rights by Staff Member.

Staff Member waives (1) presentment, demand, protest, notice of dishonor and/or protest and notice of non-payment; (2) the right, if any, to the benefit of, or to direct the application of, any security hypothecated to Payee until all indebtedness of Staff Member to Payee, however arising, has been paid; and (3) the right to require the Payee to proceed against any party to this Note, or to pursue any other remedy in Payee's power. Payee may proceed against Staff Member directly and independently of any other party to this Note, and the cessation of the liability of any other party for any reason other than full payment, or any revision, renewal, extension, forbearance, change of rate of interest, or acceptance, release or substitution of security, or any impairment or suspension of Payee's remedies or rights against any other party, shall not in any way affect the liability of Staff Member.

10. Obligations of Persons Under this Note.

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety, or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. Payee may enforce its rights under this Note against each person individually or against all of the signatories to this Note. This means that any one of the signatories to this Note may be required to pay all of the amounts owed under this Note.

11. Governing Law.

This Note and the obligations under this Note of Staff Member or any other signatory to this Note shall be governed by and interpreted and determined in accordance with the laws of the State of California as applied to contracts between California residents entered into and to be performed entirely within said State.

IN WITNESS WHEREOF, the undersigned has/have executed and delivered this Note as of the 7th day of August, 1999.

/s/ Fabrizio Bonanni

FABRIZIO BONANNI

/s/ Lorraine Bonanni

LORRAINE BONANNI

EXHIBIT 10.41

PROMISSORY NOTE

$250,000.00

1. Promise to Pay.

For value received, I, Fabrizio Bonanni ("Staff Member"), a married man, and I, Lorraine Bonanni, wife of Staff Member, promise to pay to the order of Amgen Inc., a Delaware corporation ("Payee"), at its office at One Amgen Center Drive, Thousand Oaks, CA 91320-1789, the sum of Two Hundred Fifty Thousand Dollars and No Cents ($250,000.00) (the "Principal"), payable in full on the earlier of five (5) years from date of execution of this Note or thirty (30) days from the date on which Staff Member ceases to be an employee of Payee, whichever first occurs, together with interest on the Principal from the date of this Note until such date as the Note is paid in full. Interest on this Note shall be computed as set forth below. The interest rate for the period from the date of this Note through December 31, 1999 (the "initial rate") is 4.4% per annum on the unpaid Principal. After December 31, 1999 the interest rate on this Note shall change as set forth below.

2. Adjustable Interest Rate.

The interest rate shall be adjusted annually on January 1 of each year (the "Change Date") so as to equal the average interest rate designated as the "Introduction Rates" on adjustable rate loans as publicly offered by the banks and savings and loans in California as published by the Los Angeles Times in its Sunday edition. The rate shall be set using the rates published in the Los Angeles Times on the Sunday immediately preceding the Change Date. In the event that the "Introduction Rates" list is not published in the Los Angeles Times for any reason, then, in such event, the Payee shall establish the interest rate based on a survey by it of the introductory interest rates on adjustable loans offered by no fewer than five banking institutions located in Southern California that the Payee, in its sole discretion, deems representative of banking institutions in the Ventura and Los Angeles County areas. Payee shall give Staff Member notice if the interest rate shall be determined using this alternative method. Notwithstanding the foregoing, the interest rate shall never be increased or decreased on any single Change Date by more than one percentage point from the interest rate for the preceding 12 months. At no time during the term of this Note shall the annual interest rate exceed 7.4% per annum.

Payee shall deliver or mail to Staff Member a notice of any changes in the adjustable interest rate on this Note and the amount of the Staff Member's semi-monthly payroll deductions before the effective date of any change. The notice shall include information required by law to be given to Staff Member and also the title and telephone number of a person who shall answer any questions Staff Member may have regarding the notice.

3. Salary Deduction.

The interest on this Note shall be payable by semi-monthly deductions from Staff Member's salary. The amount of such deductions shall initially be Four Hundred Fifty Eight Dollars and Thirty Three Cents ($458.33) per installment; provided, however, that the manner of payment of this Note shall not be limited to deductions from Staff Member's salary. The amount of such deductions shall be adjusted annually concurrently with any adjustment in the interest rate on this Note to ensure that interest to be incurred during the ensuing calendar year shall be paid in twenty-four (24) equal payments. The first such installment shall be on November 30, 1999; the second installment shall be on December 15, 1999; and each successive installment shall be on the fifteenth and last days of each successive month until the Principal is repaid. Payee shall give Staff Member at least seven (7) days advance notice of any adjustment in the amount of said payroll deductions. Staff Member

acknowledges and agrees that by executing this Note, Staff Member agrees to the payroll deductions described in this Note.

4. Option to Convert.

At the end of the term of this Note, Staff Member shall have the option to seek to convert this loan to a loan amortized over an additional five-year period by executing a new Promissory Note at terms to be mutually agreed upon by Staff Member and Payee. In the event that Staff Member and Payee are unable to reach agreement on such terms, this Note shall become immediately due and payable.

5. Prepayment.

Staff Member may prepay without penalty this Note in whole or in part at any time. Any and all payments or prepayments under this Note may be made by Staff Member to Payee at the following address (or such other address as it designates in writing to Staff Member):

AMGEN INC.
One Amgen Center Drive
Thousand Oaks, California 91320-1789

Attention: Accounting Manager

6. Attorneys' Fees.

Staff Member agrees to pay all costs and expenses, including, without limitation, collection agency fees and expenses, reasonable attorneys' fees, costs of suit and costs of appeal, which Payee may incur in the exercise, preservation or enforcement of its right, powers and remedies hereunder, or under any documents or instruments securing this Note, or under law.

7. Modification of Terms.

Payee may, with or without notice to Staff Member, cause additional parties to be added to this Note, or release any party to this Note, or revise, extend, or renew the Note, or extend the time for making any installment provided for by this Note, or accept any installment in advance, all without affecting the liability of Staff Member. Staff Member may not assign or transfer in any manner whatsoever this Note or any of Staff Member's obligations under this Note.

8. Security Interest.

The purpose of this loan is to purchase a personal residence. Staff Member shall secure this loan by executing and causing to be filed, immediately upon close of escrow, a trust deed on this residence, commonly known as 343 South Beverly Glen Blvd., Los Angeles, CA 90024 whose property description is as follows:

Lot 22 in Block 3 of Tract No. 7733, in the City of Los Angeles, County of Los Angeles, State of California, as per Map recorded in Book 130, Pages 28, 29 and 30 of Maps, in the Office of the County Recorder of said County.

9. Acceleration.

A) In the event Staff Member fails to pay when due any sums under this Note, then:

(1) the entire unpaid balance of this Note shall, at the option of the Payee hereof, immediately become due and payable in full and unpaid Principal thereafter shall bear interest at the lesser of the maximum rate permitted by law or at the rate of 7.4% per annum; and

(2) Staff Member authorizes Payee to deduct any sums due to Payee under this Note from any monies, including any wages due, otherwise owing to Staff Member.

B) If Staff Member sells the residence which is purchased with the funds herein provided, this Note shall immediately become due and payable upon the sale of such residence.

10. Waiver of Rights by Staff Member.

Staff Member waives (1) presentment, demand, protest, notice of dishonor and/or protest and notice of non-payment; (2) the right, if any, to the benefit of, or to direct the application of, any security hypothecated to Payee until all indebtedness of Staff Member to Payee, however arising, has been paid; and (3) the right to require the Payee to proceed against any party to this Note, or to pursue any other remedy in Payee's power. Payee may proceed against Staff Member directly and independently of any other party to this Note, and the cessation of the liability of any other party for any reason other than full payment, or any revision, renewal, extension, forbearance, change of rate of interest, or acceptance, release or substitution of security, or any impairment or suspension of Payee's remedies or rights against any other party, shall not in any way affect the liability of Staff Member.

11. Obligations of Persons Under this Note.

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety, or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. Payee may enforce its rights under this Note against each person individually or against all of the signatories to this Note. This means that any one of the signatories to this Note may be required to pay all of the amounts owed under this Note.

12. Governing Law.

This Note and the obligations under this Note of Staff Member or any other signatory to this Note shall be governed by and interpreted and determined in accordance with the laws of the State of California as applied to contracts between California residents entered into and to be performed entirely within said State.

IN WITNESS WHEREOF, the undersigned has/have executed and delivered this Note as of the 29th day of October, 1999.

/s/ Fabrizio Bonanni

FABRIZIO BONANNI

/s/ Lorraine Bonanni

LORRAINE BONANNI

AMGEN INC.

Exhibit 21

SUBSIDIARY (Name under which subsidiary does business)	STATE OF INCORPORATION OR ORGANIZATION
Amgen AB	Sweden
Amgen Australia Pty Limited	Australia
Amgen (Bermuda) Clinical Development, Limited	Bermuda
Amgen (Bermuda) Clinical Development 2, Limited	Bermuda
Amgen (Bermuda) Clinical Development 3, Limited	Bermuda
Amgen (Bermuda) Clinical Development 4, Limited	Bermuda
Amgen (Bermuda) Clinical Development 5, Limited	Bermuda
Amgen (Bermuda) Clinical Development 6, Limited	Bermuda
Amgen (Bermuda) Clinical Development 7, Limited	Bermuda
Amgen (Bermuda) Clinical Development 8, Limited	Bermuda
Amgen (Bermuda) Clinical, Limited	Bermuda
Amgen (Bermuda) Development, Limited	Bermuda
Amgen (Bermuda), Limited	Bermuda
Amgen (Bermuda) Manufacturing, Limited	Bermuda
Amgen - Bio-Farmaceutica, Lda.	Portugal
Amgen Boulder Development Corporation	Colorado
Amgen Boulder Production Corporation	Colorado
Amgen B.V.	The Netherlands

AMGEN INC.

Exhibit 21

SUBSIDIARY (Name under which subsidiary does business)	STATE OF INCORPORATION OR ORGANIZATION
Amgen Cambridge Real Estate Holdings Inc.	Delaware
Amgen Canada Inc.	Canada
Amgen Caribe Corporation	Puerto Rico
Amgen (Europe) AG	Switzerland
Amgen Europe B.V.	The Netherlands
Amgen GmbH	Austria
Amgen GmbH	Germany
Amgen Greater China, Ltd.	Hong Kong
Amgen Holding, Inc.	California
Amgen International Inc.	Delaware
Amgen Kabushiki Kaisha	Japan
Amgen Limited	United Kingdom
Amgen N.V.	Belgium
Amgen Puerto Rico, Inc.	Delaware
Amgen Sales Corporation	Barbados
Amgen S.A.	France
Amgen, S.A.	Spain
Amgen S.p.A.	Italy
Kirin-Amgen, Inc.	Delaware
Synergen B.V.	The Netherlands
Synergen Europe, Inc.	Colorado

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS CONTAINED IN THE COMPANY'S ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000,000

YEAR	
DEC-31-1999	
JAN-01-1999	
DEC-31-1999	
	131
1,202	
438	
26	
184	
2,065	
	2,315
762	
4,078	
831	
	223
0	
	0
	0
3,024	
4,078	
	3,043
3,340	
	402
402	
823	
0	
15	
1,566	
470	
1,096	
0	
0	
	0
1,096	
1.07	
1.02	

Item consists of research and development expenses.
Reflects a two-for-one split of the common stock effected in the form of a 100 percent stock dividend distributed on November 19, 1999 to stockholders of record on November 5, 1999. Financial data schedules from prior annual periods have not been restated to reflect this stock split.