Q4 ’18 EARNINGS CALL

JANUARY 29, 2019

AMGEN®

SAFE HARBOR STATEMENT

This presentation contains forward-looking statements that are based on management's current expectations and beliefs and are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those described. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements, including statements about estimates of revenues, operating margins, capital expenditures, cash, other financial metrics, expected legal, arbitration, political, regulatory or clinical results or practices, customer and prescriber patterns or practices, reimbursement activities and outcomes and other such estimates and results. Forward-looking statements involve significant risks and uncertainties, including those discussed below and more fully described in the Securities and Exchange Commission (SEC) reports filed by Amgen, including Amgen's most recent annual report on Form 10-K and any subsequent periodic reports on Form 10-Q and current reports on Form 8-K. Please refer to Amgen's most recent Forms 10-K, 10-Q and 8-K for additional information on the uncertainties and risk factors related to our business. Unless otherwise noted, Amgen is providing this information as of January 29, 2019 and expressly disclaims any duty to update information contained in this presentation.

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

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

AGENDA

Introduction	Arvind Sood
Opening Remarks	Bob Bradway
Q4 ’18 and FY ’18 Business Results	David Meline
Global Commercial Review	Murdo Gordon
R&D Review	David Reese
Q&A	All

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INVESTING FOR LONG-TERM GROWTH

- We met and exceeded each of our 2018 financial commitments
- Our transformation over the past five years positions us well to deliver important medicines for patients and long-term growth for shareholders
- Our newer products are demonstrating momentum
- Our R&D organization is delivering differentiated, first-in-class programs
- With a strong balance sheet and sustained cash flows, we are in a strong position to provide attractive returns to our shareholders

Q4 ’18 AND FY ’18 BUSINESS RESULTS

DAVID MELINE
EXECUTIVE VICE PRESIDENT
AND CHIEF FINANCIAL OFFICER

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WE MET AND EXCEEDED OUR LONG-TERM FINANCIAL COMMITMENTS FOR 2018 AIDED BY OUR SUCCESSFUL TRANSFORMATION PROGRAM

2018 Commitments	Result	Outcome
Double-digit EPS* growth**	14%	
$1.5B gross cost savings since 2013	$1.9B	
Operating margin* of 52%–54% vs. 38% in 2013	53%	
Reduce our facility footprint by 23%	24%	
Return of ~ 60% of net income* to shareholders†	89%	

*Non-GAAP financial measure—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section; **On average, between 2013–2018; †On average, between 2014–2018

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NON-GAAP EPS INCREASED 18% IN Q4 2018

$ Millions, Except Non-GAAP EPS

Item	Q4 '18	Q4 '17	B/(W) %
Revenue	$6,230	$5,802	7%
Product Sales	6,001	5,569	8%
Other Revenues	229	233	
Non-GAAP Operating Expenses	3,513	3,247	(8)%
Cost of Sales *% of product sales*	819 *13.6%*	816 *14.7%*	
R&D *% of product sales*	1,162 *19.4%*	1,025 *18.4%*	
SG&A *% of product sales*	1,532 *25.5%*	1,406 *25.2%*	
Non-GAAP Operating Income *% of product sales*	2,717 *45.3%*	2,555 *45.9%*	6%
Other Income/(Expense)	(197)	(31)	
Non-GAAP Net Income	$2,186	$2,104	4%
Non-GAAP EPS	$3.42	$2.89	18%
Average Shares (millions)	640	729	12%
Non-GAAP Tax Rate	13.3%	16.6%	3.3 pts

All income statement items for Q4 '18 and/or Q4 '17, except revenue, other income/(expense) and average shares, are non-GAAP financial measures—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section

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NON-GAAP EPS INCREASED 14% IN 2018

$ Millions, Except Non-GAAP EPS

Item	FY '18	FY '17	B/(W) %
Revenue	$23,747	$22,849	4%
Product Sales	22,533	21,795	3%
Other Revenues	1,214	1,054	
Non-GAAP Operating Expenses	11,890	11,191	(6)%
Cost of Sales *% of product sales*	3,001 *13.3%*	2,943 *13.5%*	
R&D *% of product sales*	3,657 *16.2%*	3,482 *16.0%*	
SG&A *% of product sales*	5,232 *23.2%*	4,766 *21.9%*	
Non-GAAP Operating Income *% of product sales*	11,857 *52.6%*	11,658 *53.5%*	2%
Other Income/(Expense)	(786)	(376)	
Non-GAAP Net Income	$9,573	$9,246	4%
Non-GAAP EPS	$14.40	$12.58	14%
Average Shares (millions)	665	735	10%
Non-GAAP Tax Rate	13.5%	18.0%	4.5 pts

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

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FREE CASH FLOW WAS $10.6B IN 2018

$ Billions

Cash Flow Data	FY ’18	FY ’17
Capital Expenditures	$0.7	$0.7
Free Cash Flow*	10.6	10.5
Share Repurchase	17.9	3.1
Dividends Paid	3.5	3.4
Balance Sheet Data	**FY ’18**	**FY ’17**
Cash and Investments	29.3	41.7
Debt Outstanding	33.9	35.3

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

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2019 GUIDANCE

	Guidance
Revenue	$21.8B–$22.9B
Non-GAAP EPS*	$13.10–$14.30
Non-GAAP Tax Rate*	14.0%–15.0%
Capital Expenditures	~ $700M

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

Provided January 29, 2019, as part of an oral presentation and is qualified by such, contains forward-looking statements, actual results may vary materially; Amgen disclaims any duty to update.

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GLOBAL COMMERCIAL REVIEW

MURDO GORDON
EXECUTIVE VICE PRESIDENT,
GLOBAL COMMERCIAL OPERATIONS

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Q4 ’18 GLOBAL COMMERCIAL REVIEW

$ Millions, Net Sales	Q4 ’18			Q4 ’17	YoY △
	U.S.	ROW	Total	Total	Total
Repatha®	$104	$55	$159	$98	62%
BLINCYTO®	37	26	63	46	37%
XGEVA®	344	112	456	391	17%
Prolia®	430	225	655	574	14%
KYPROLIS®	153	98	251	227	11%
Nplate®	112	70	182	165	10%
Sensipar®/Mimpara®	367	81	448	413	8%
Vectibix®	74	94	168	159	6%
Neulasta®	1,012	157	1,169	1,114	5%
Parsabiv®	108	12	120	3	NM
Aimovig®	95	0	95	0	NM
Biosimilars*	0	34	34	0	NM
EPOGEN®	264	0	264	270	(2%)
Aranesp®	228	246	474	491	(3%)
Enbrel®	1,263	52	1,315	1,423	(8%)
NEUPOGEN®	43	32	75	126	(40%)
Other**	21	52	73	69	6%
Total Product Sales	$4,655	$1,346	$6,001	$5,569	8%
Total Revenues			$6,230	$5,802	7%

NM = not meaningful

*Biosimilars includes KANJINTI™ and AMGEVITA™; KANJINTI™ trade name provisionally approved by the U.S. Food and Drug Administration

**Other includes Bergamo, MN Pharma, IMLYGIC® and Corlanor®

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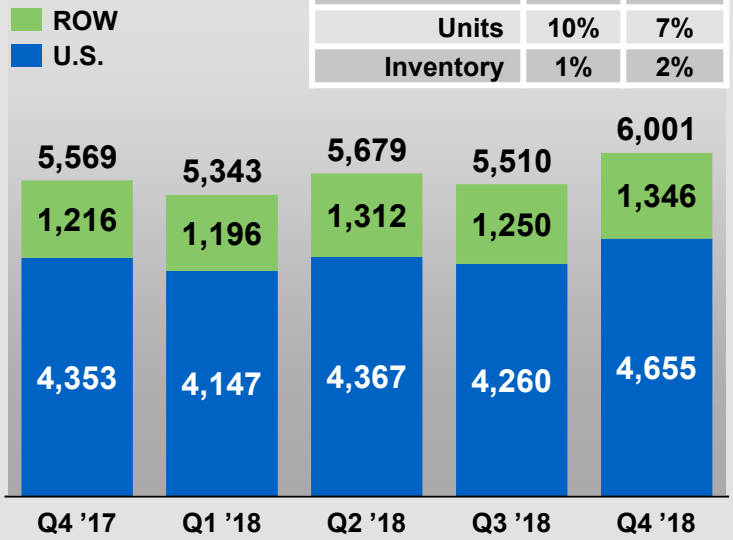
Q4 ’18 PRODUCT SALES

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth		8%	9%
Units		10%	7%
Inventory		1%	2%



FY 2018 Highlights

- Strong unit volume growth
- Launched two products in the U.S., Aimovig® for the prevention of migraine and Parsabiv® for secondary hyperparathyroidism
- Hematology/Oncology† portfolio grew 14%
- Launched our first biosimilars—KANJINTI™ and AMGEVITA™ outside the U.S.
- For the full year, international sales grew 10%, excluding the impact of foreign exchange*, driven by 14% volume growth

*Non-GAAP financial measure—if this slide is in hard copy, see reconciliations accompanying the presentation, or if this slide is delivered electronically, see reconciliations available at: www.amgen.com within the Investors section
Note: Inventory represents wholesaler and, based on prescription data for Enbrel®, end-user inventories; †Includes Vectibix®, Nplate®, XGEVA®, KYPROLIS®, BLINCYTO® and IMLYGIC®

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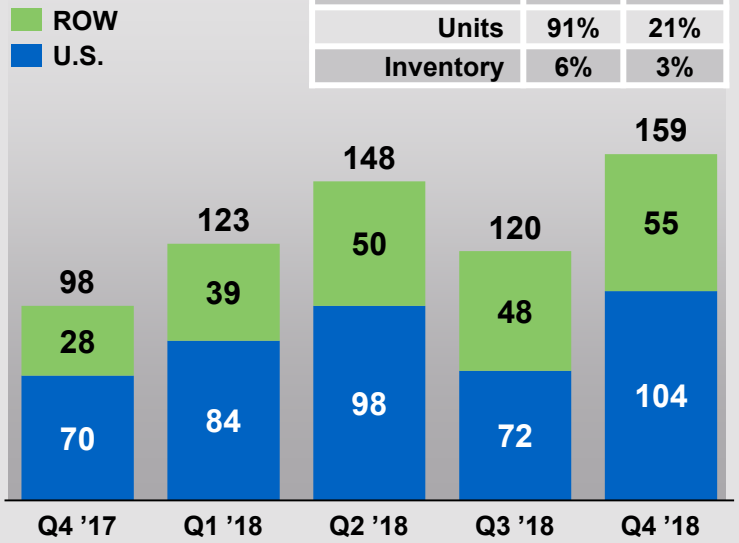
Q4 ’18 REPATHA® SALES GREW 62% YOY

Repatha (evolocumab) injection 140 mg/mL

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth		62%	33%
Units		91%	21%
Inventory		6%	3%



Highlights

- YoY double-digit growth driven primarily by unit volume, offset partially by lower net selling price*
- New lower list price option represents over 25% of all units exiting Q4, but only 43% of Medicare lives covered to date
- Blended net price in the U.S. will decline, but expect higher unit volume and net sales growth in longer term

*Net selling price represents the impact of list price changes as well as contracting and access changes

Note: Inventory represents wholesaler inventories

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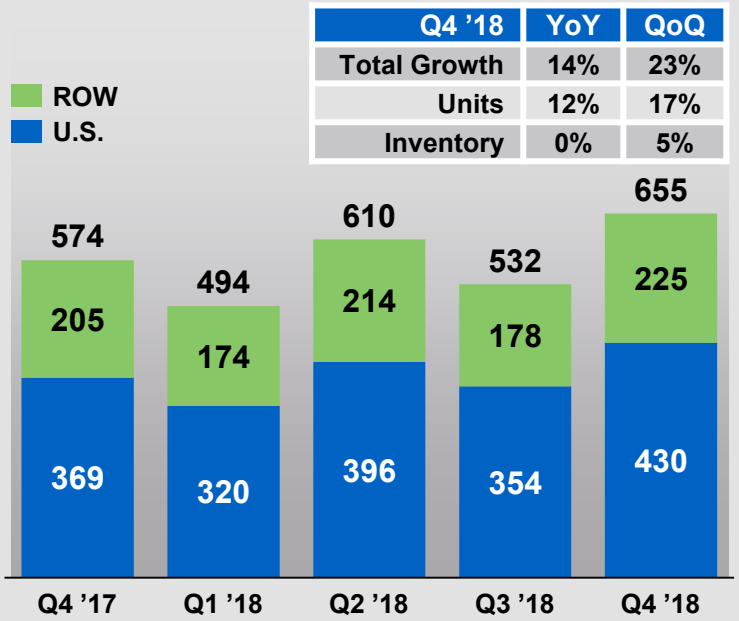
Q4 ’18 PROLIA® SALES GREW 14% YOY

$ Millions, Net Sales



Highlights

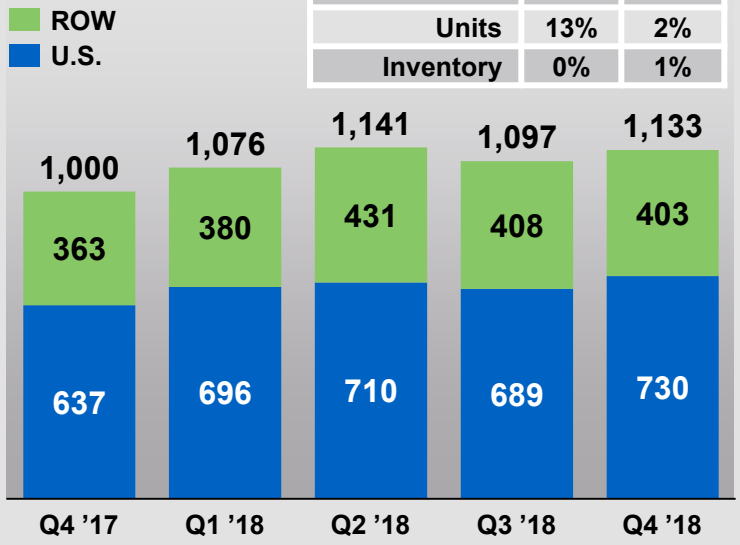
- **Double-digit unit volume growth across geographies**
- **QoQ growth in Q4 follows typical Prolia® pattern**

Note: Inventory represents wholesaler inventories

Q4 ’18 HEMATOLOGY/ONCOLOGY* SALES GREW 13% YOY

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth		13%	3%
Units		13%	2%
Inventory		0%	1%



Highlights

- Double-digit growth driven by unit volume growth
- Hematology/Oncology portfolio expected to be a growth engine for the future
- Portfolio will benefit from addition of other innovative products and biosimilars over time

*Includes Vectibix®, Nplate®, XGEVA®, KYPROLIS®, BLINCYTO® and IMLYGIC®
Note: Inventory represents wholesaler inventories

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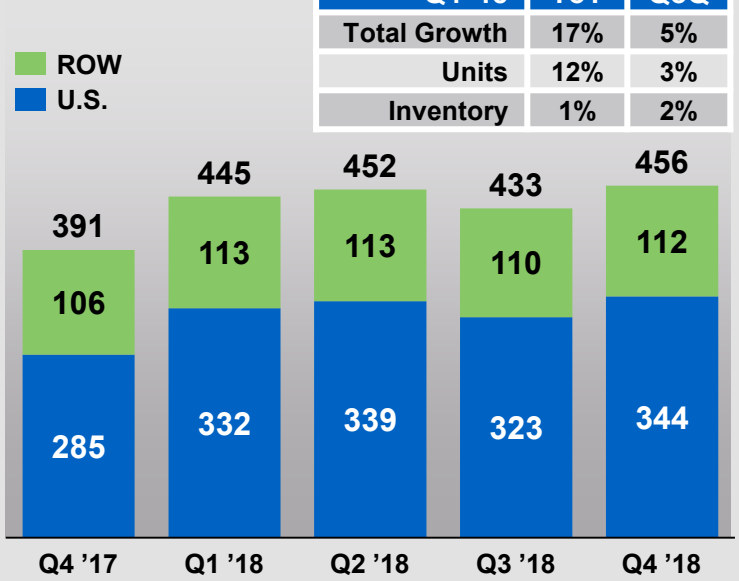
XGEVA® (denosumab)

Q4 ’18 XGEVA® SALES GREW 17% YOY

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth		17%	5%
Units		12%	3%
Inventory		1%	2%



Highlights

- YoY growth driven primarily by unit volume growth
  - ~ 60% unit share in the U.S.
- Continued steady share growth in multiple myeloma segment, which was added to our label in 2018

Note: Inventory represents wholesaler inventories

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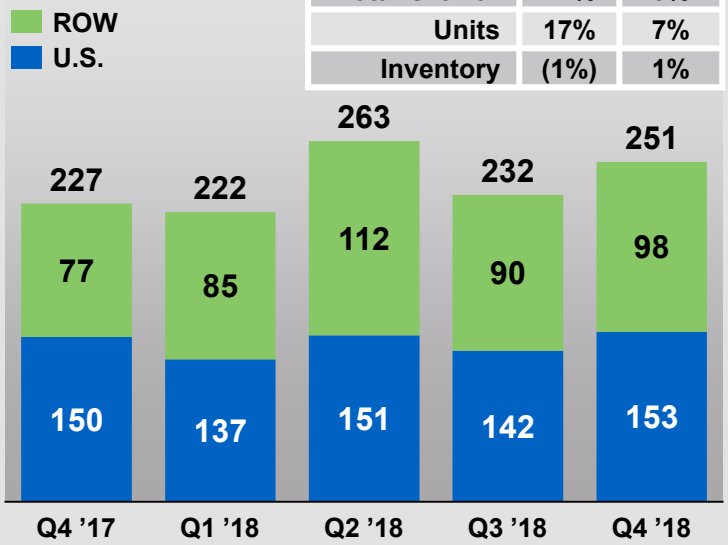
Q4 ’18 KYPROLIS® SALES GREW 11% YOY

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth		11%	8%
Units		17%	7%
Inventory		(1%)	1%



Highlights

- Strong unit volume growth YoY driven primarily by ex-U.S. business, offset partially by net selling price*
- Continue to see new patient share gradually increasing
- Once-weekly dosing option based on ARROW study helps with patient convenience

*Net selling price represents the impact of list price changes as well as contracting and access changes

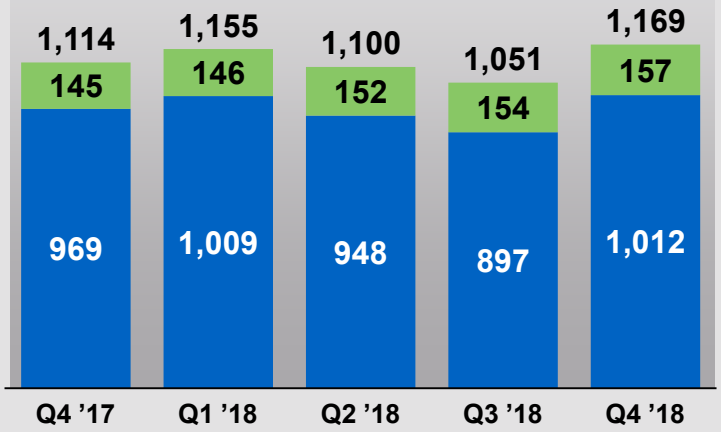
Note: Inventory represents wholesaler inventories

Q4 ’18 NEULASTA® SALES GREW 5% YOY

Neulasta® (pegfilgrastim)

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth		5%	11%
Units		9%	8%
Inventory		1%	1%



Highlights

- In Q4, YoY sales increased due to $55M purchase from the U.S. Biomedical Advanced Research and Development Authority
- Neulasta® Onpro® exited Q4 ’18 with over 60% of U.S. Neulasta® units sold
- Competitive landscape changing with two biosimilars approved in 2018 in the U.S. and recent competitive launches in Europe
- Additional competitors could emerge in 2019 globally

Note: Inventory represents wholesaler inventories

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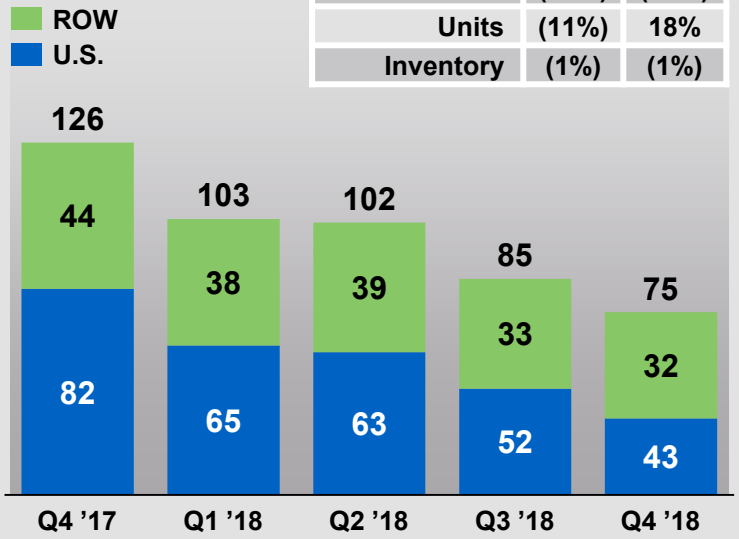
Q4 ’18 NEUPOGEN® SALES DECLINED 40% YOY

NEUPOGEN® (FILGRASTIM)

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth		(40%)	(12%)
Units		(11%)	18%
Inventory		(1%)	(1%)



Highlights

- **Exited Q4 with roughly one-third unit share of short-acting segment in the U.S.**

Note: Inventory represents wholesaler inventories

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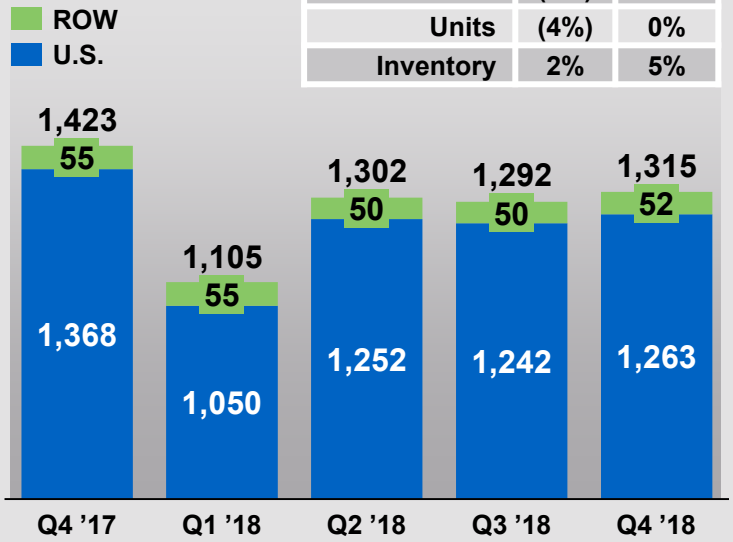
Q4 ’18 ENBREL® SALES DECLINED 8% YOY

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth		(8%)	2%
Units		(4%)	0%
Inventory		2%	5%



Highlights

- YoY decline driven primarily by unit volume and net selling price* declines
- Q1 ’19 as a percentage of full-year sales should be similar to Q1 ’18

*Net selling price represents the impact of list price changes as well as contracting and access changes

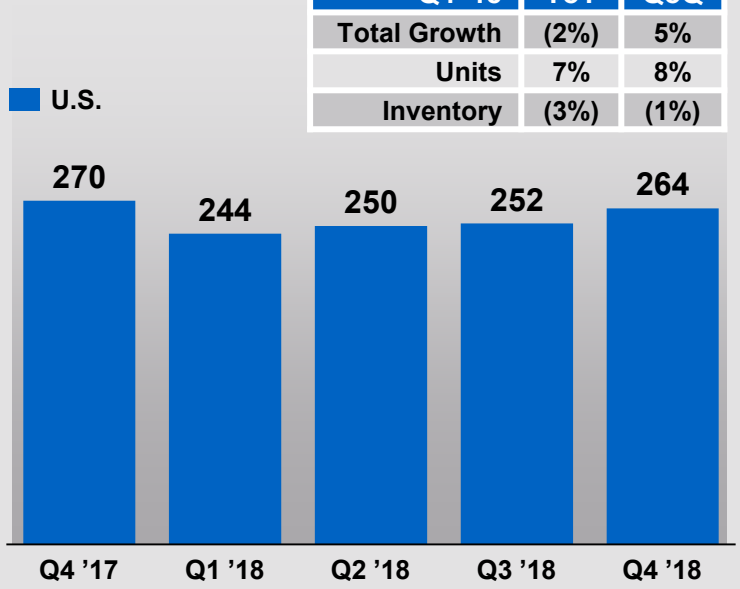
Note: Inventory represents wholesaler and, based on prescription data, end-user inventories

Q4 ’18 EPOGEN® SALES DECLINED 2% YOY

EPOGEN® (EPOETIN ALFA) RECOMBINANT

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth		(2%)	5%
Units		7%	8%
Inventory		(3%)	(1%)



Highlights

- YoY sales decline driven by lower net selling price*, offset partially by higher unit demand
- Emerging competition from recently approved short-acting biosimilar in 2018
- Net selling price* declines to increase in 2019 due to extended supply agreement with DaVita and biosimilar competition

*Net selling price represents the impact of list price changes as well as contracting and access changes

Note: Inventory represents wholesaler inventories

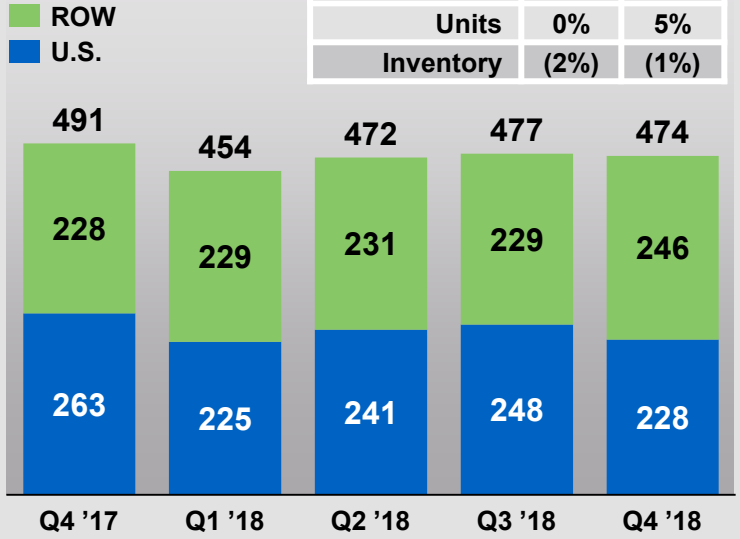
AMGEN®

Q4 ’18 ARANESP® SALES DECLINED 3% YOY

Aranesp® (darbepoetin alfa)

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth		(3%)	(1%)
Units		0%	5%
Inventory		(2%)	(1%)



Highlights

- YoY decline driven primarily by unfavorable changes in inventory and lower net selling price*
- Emerging competition from recently approved short-acting biosimilar
- We expect sales to decline at a faster rate in 2019 due to both long-acting and short-acting competition

*Net selling price represents the impact of list price changes as well as contracting and access changes

Note: Inventory represents wholesaler inventories

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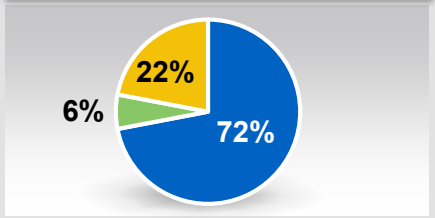
FULL YEAR 2018 ESA BREAKDOWN

FY 2018 Worldwide Business
$2.9B, (8%) YoY

EPOGEN®
$1.0B, (8%) YoY

Dialysis
$1.0B



Aranesp®
$1.9B, (9%) YoY

U.S.
$0.9B, (15%) YoY

- Oncology $0.3B, (3%) YoY
- Nephrology Dialysis $0.3B, (32%) YoY
- Nephrology Hospital $0.4B, (9%) YoY

Ex-U.S.
$0.9B, 0% YoY

- Oncology $0.3B, 1% YoY
- Nephrology $0.6B, (1%) YoY

ESA = erythropoiesis-stimulating agent
Totals may not add due to rounding

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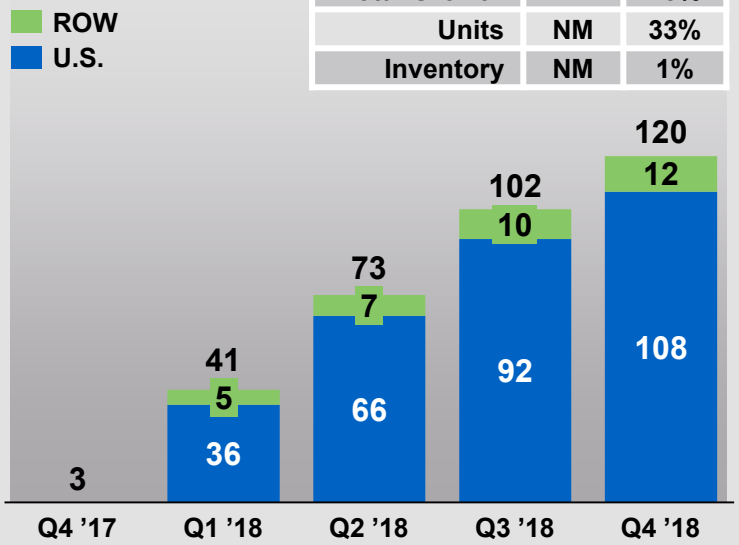
Q4 ’18 PARSABIV® SALES CONTINUED ON A SOLID TRAJECTORY

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

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth		NM	18%
Units		NM	33%
Inventory		NM	1%



Highlights

- Strong utilization at independent and midsize dialysis providers
- Large dialysis organizations continue to increase adoption gradually and are expected to be majority of future growth

Note: Inventory represents wholesaler inventories

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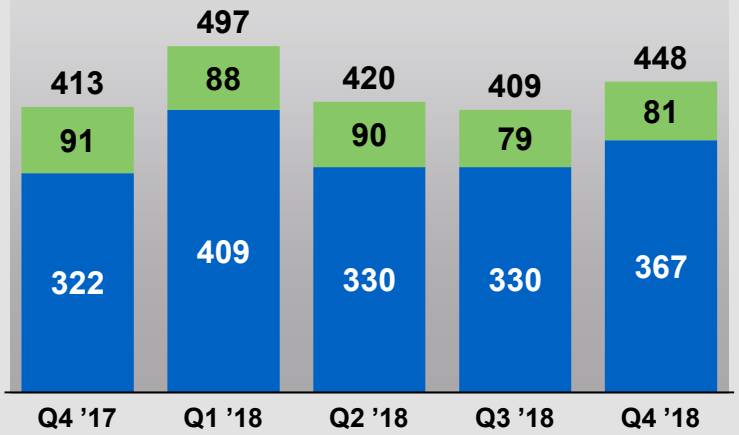
Q4 ’18 SENSIPAR® SALES GREW 8% YOY

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

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth		8%	10%
Units		(7%)	(4%)
Inventory		3%	(1%)



Highlights

- YoY increase driven by favorable prior period accounting estimates and higher net selling price*, offset partially by volume declines due to adoption of Parsabiv®
- Outlook remains uncertain given ongoing litigation
- 2019 guidance reflects a wide range of possible outcomes

*Net selling price represents the impact of list price changes as well as contracting and access changes

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

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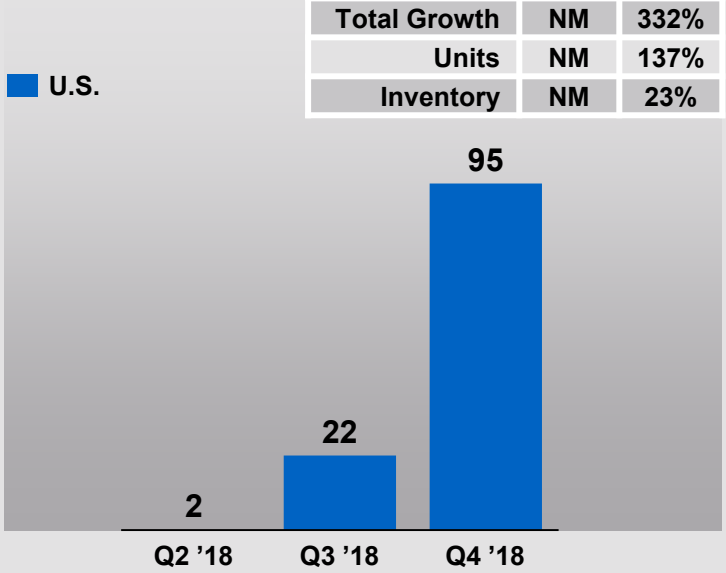
Q4 ’18 AIMOVIG® SALES POINT TO A STRONG LAUNCH

aimovig (erenumab-aooe) injection 70 mg/mL

$ Millions, Net Sales

	Q4 ’18	YoY	QoQ
Total Growth	NM	332%	
Units	NM	137%	
Inventory	NM	23%	



Highlights

- Over 150,000 patient starts since launch
- Confident in our product profile and first-mover advantage with majority TRx share exiting 2018
  - Two competitors approved in the U.S.
- Paid prescriptions increased to ~ 50% in Q4 vs. ~ 35% in Q3
- Q4 sales benefited from $20M prior period accounting estimates

Note: Inventory represents wholesaler inventories
Aimovig® is developed in collaboration with Novartis

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R&D REVIEW

DAVID M. REESE, M.D.
EXECUTIVE VICE PRESIDENT,
RESEARCH AND DEVELOPMENT

AMGEN®

Q4 ’18 R&D UPDATE

Oncology

- **AMG 420 (BCMA BiTE®) and AMG 330 (CD33 BiTE®)**
  - **First-in-human data presented at 2018 ASH Annual Meeting**
- **KYPROLIS®**
  - **Data from Phase 3 study (CANDOR) of KYPROLIS® and dexamethasone (Kd) + Darzalex® vs. Kd in relapsed or refractory multiple myeloma expected in 2019**
- **BLINCYTO®**
  - **Approved in Europe for the treatment of adults with Ph– CD19-positive B-precursor ALL in first or second complete remission with minimal residual disease**
- **Nplate®**
  - **Approved in U.S. for the treatment of pediatric patients with immune thrombocytopenia (ITP)**
  - **Submitted sBLA for treatment of adults with ITP for 12 months or less and an insufficient response to corticosteroids, immunoglobulins or splenectomy**

BCMA = B-cell maturation antigen; BiTE® = bispecific T-cell engager; ASH = American Society of Hematology; Ph– = Philadelphia chromosome-negative; ALL = acute lymphoblastic leukemia; sBLA = supplemental Biologics License Application

AMGEN®

DATA EXPECTED FROM MANY NOVEL, HIGH-POTENTIAL ONCOLOGY PROGRAMS

Multiple Myeloma	Leukemia/Lymphoma		Solid Tumors	
KYPROLIS® proteasome inhibitor	BLINCYTO® CD19 BiTE®	ALL NHL	IMLYGIC® oncolytic virus	Melanoma
AMG 420 BCMA BiTE®	AMG 562 CD19 HLE-BiTE®	ALL NHL	AMG 509* prostate bispecific Ab (XmAb®)	Prostate
AMG 701 BCMA HLE-BiTE®	AMG 330 CD33 BiTE®	AML	AMG 160* PSMA HLE-BiTE®	Prostate
AMG 424 CD38 bispecific Ab (XmAb®)	AMG 673 CD33 HLE-BiTE®	AML	AMG 757 DLL3 HLE-BiTE®	Small Cell Lung Cancer
AMG 176 MCL-1 inhibitor (iv)	AMG 427 FLT3 HLE-BiTE®	AML	AMG 119 DLL3 CAR-T	Small Cell Lung Cancer
AMG 397 MCL-1 inhibitor (oral)	AMG 553* FLT3 CAR-T	AML	AMG 510 KRAS G12C inhibitor	Solid Tumors
	AMG 176 MCL-1 inhibitor (iv)	AML	AMG 199* HLE-BiTE®	Gastric
	AMG 397 MCL-1 inhibitor (oral)	AML	AMG 910* HLE-BiTE®	Gastric
			AMG 596 EGFRviii BiTE®	Glioblastoma

Data expected 2019

Data possible 2019

*Not yet enrolling patients; HLE = half-life extended; Ab = antibody; Mcl-1 = myeloid cell leukemia-1; iv = intravenous; FLT3 = fms-like tyrosine kinase 3; CAR-T = chimeric antigen receptor enhanced T cells; NHL = non-Hodgkin's lymphoma; AML = acute myeloid leukemia; PSMA = prostate-specific membrane antigen; DLL3 = delta-like 3; EGFR viii = epithelial growth factor receptor variant iii

Bispecific

Small Molecule/Other

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Q4 ’18 R&D UPDATE

Cardiovascular/Metabolic

- **Repatha®**
  - **Indication in China expanded to reduce the risk of myocardial infarction, stroke and coronary revascularization for adults with established atherosclerotic cardiovascular disease**
- **AMG 890—lipoprotein(a) siRNA**
  - **Phase 1 data expected late 2019/early 2020**

Bone

- **EVENITY™**
  - **Approved in Japan for the treatment of osteoporosis in men and postmenopausal women at high risk of fracture**
  - **FDA Advisory Committee voted in favor of approval for the treatment of postmenopausal women with osteoporosis at high risk for fracture**

siRNA = short interfering ribonucleic acid; EVENITY™ is developed in collaboration with UCB globally, as well as our joint venture partner Astellas in Japan

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Q4 ’18 R&D UPDATE

Biosimilars

- **ABP 710 (biosimilar infliximab)**
  - **Regulatory submissions completed in U.S. and EU in December 2018 and January 2019, respectively**
- **KANJINTI™ (biosimilar trastuzumab)**
  - **Biologics License Application was resubmitted to the FDA in December 2018**
- **ABP 798 (biosimilar rituximab)**
  - **Phase 3 study in rheumatoid arthritis met primary and secondary endpoints**
  - **Phase 3 data in non-Hodgkin’s lymphoma expected 2019**
- **ABP 959 (biosimilar eculizumab)**
  - **Phase 3 study in paroxysmal nocturnal hemoglobinuria screening patients**

INVESTING FOR LONG-TERM GROWTH

- We met and exceeded each of our 2018 financial commitments
- Our transformation over the past five years positions us well to deliver important medicines for patients and long-term growth for shareholders
- Our newer products are demonstrating momentum
- Our R&D organization is delivering differentiated, first-in-class programs
- With a strong balance sheet and sustained cash flows, we are in a strong position to provide attractive returns to our shareholders

Q4 ’18 EARNINGS CALL

JANUARY 29, 2019

AMGEN®

RECONCILIATIONS

AMGEN®

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

	Three months ended December 31,		Years ended December 31,	
	2018	2017	2018	2017
Revenues:				
Product sales	$ 6,001	$ 5,569	$ 22,533	$ 21,795
Other revenues	229	233	1,214	1,054
Total revenues	6,230	5,802	23,747	22,849
Operating expenses:				
Cost of sales	1,096	1,059	4,101	4,069
Research and development	1,182	1,043	3,737	3,562
Selling, general and administrative	1,559	1,427	5,332	4,870
Other	11	28	314	375
Total operating expenses	3,848	3,557	13,484	12,876
Operating income	2,382	2,245	10,263	9,973
Interest expense, net	352	332	1,392	1,304
Interest and other income, net	155	301	674	928
Income before income taxes	2,185	2,214	9,545	9,597
Provision for income taxes	257	6,478	1,151	7,618
Net income (loss)	$ 1,928	$ (4,264)	$ 8,394	$ 1,979
Earnings (loss) per share:				
Basic	$ 3.04	$ (5.89)	$ 12.70	$ 2.71
Diluted	$ 3.01	$ (5.89)	$ 12.62	$ 2.69
Weighted-average shares used in calculation of earnings (loss) per share:				
Basic	635	724	661	731
Diluted	640	724	665	735

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

	December 31,	
	2018	2017
	(Unaudited)	
Assets		
Current assets:		
Cash, cash equivalents and marketable securities	$ 29,304	$ 41,678
Trade receivables, net	3,580	3,237
Inventories	2,940	2,834
Other current assets	1,794	1,727
Total current assets	37,618	49,476
Property, plant and equipment, net	4,958	4,989
Intangible assets, net	7,443	8,609
Goodwill	14,699	14,761
Other assets	1,698	2,119
Total assets	$ 66,416	$ 79,954
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 9,069	$ 7,868
Current portion of long-term debt	4,419	1,152
Total current liabilities	13,488	9,020
Long-term debt	29,510	34,190
Long-term deferred tax liabilities	864	1,166
Long-term tax liabilities	8,770	9,099
Other noncurrent liabilities	1,284	1,238
Stockholders' equity	12,500	25,241
Total liabilities and stockholders' equity	$ 66,416	$ 79,954
Shares outstanding	630	722

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

	Three months ended December 31,		Years ended December 31,	
	2018	2017	2018	2017
GAAP cost of sales	$ 1,096	$ 1,059	$ 4,101	$ 4,069
Adjustments to cost of sales:				
Acquisition-related expenses **(a)**	(276)	(243)	(1,099)	(1,126)
Certain net charges pursuant to our restructuring initiative	(1)	-	(1)	-
Total adjustments to cost of sales	(277)	(243)	(1,100)	(1,126)
Non-GAAP cost of sales	$ 819	$ 816	$ 3,001	$ 2,943
GAAP cost of sales as a percentage of product sales	18.3%	19.0%	18.2%	18.7%
Acquisition-related expenses **(a)**	-4.7	-4.3	-4.9	-5.2
Certain net charges pursuant to our restructuring initiative	0.0	0.0	0.0	0.0
Non-GAAP cost of sales as a percentage of product sales	13.6%	14.7%	13.3%	13.5%
GAAP research and development expenses	$ 1,182	$ 1,043	$ 3,737	$ 3,562
Adjustments to research and development expenses:				
Acquisition-related expenses **(a)**	(19)	(20)	(78)	(77)
Certain net charges pursuant to our restructuring initiative	(1)	2	(2)	(3)
Total adjustments to research and development expenses	(20)	(18)	(80)	(80)
Non-GAAP research and development expenses	$ 1,162	$ 1,025	$ 3,657	$ 3,482
GAAP research and development expenses as a percentage of product sales	19.7%	18.7%	16.6%	16.3%
Acquisition-related expenses **(a)**	-0.3	-0.3	-0.4	-0.3
Certain net charges pursuant to our restructuring initiative	0.0	0.0	0.0	0.0
Non-GAAP research and development expenses as a percentage of product sales	19.4%	18.4%	16.2%	16.0%
GAAP selling, general and administrative expenses	$ 1,559	$ 1,427	$ 5,332	$ 4,870
Adjustments to selling, general and administrative expenses:				
Acquisition-related expenses **(a)**	(19)	(20)	(84)	(99)
Certain net charges pursuant to our restructuring initiative	(8)	(1)	(16)	(2)
Other	-	-	-	(3)
Total adjustments to selling, general and administrative expenses	(27)	(21)	(100)	(104)
Non-GAAP selling, general and administrative expenses	$ 1,532	$ 1,406	$ 5,232	$ 4,766
GAAP selling, general and administrative expenses as a percentage of product sales	26.0%	25.6%	23.7%	22.3%
Acquisition-related expenses **(a)**	-0.3	-0.4	-0.4	-0.4
Certain net charges pursuant to our restructuring initiative	-0.2	0.0	-0.1	0.0
Other	0.0	0.0	0.0	0.0
Non-GAAP selling, general and administrative expenses as a percentage of product sales	25.5%	25.2%	23.2%	21.9%
GAAP operating expenses	$ 3,848	$ 3,557	$ 13,484	$ 12,876
Adjustments to operating expenses:				
Adjustments to cost of sales	(277)	(243)	(1,100)	(1,126)
Adjustments to research and development expenses	(20)	(18)	(80)	(80)
Adjustments to selling, general and administrative expenses	(27)	(21)	(100)	(104)
Certain net charges pursuant to our restructuring initiative **(b)**	(1)	(27)	7	(83)
Certain other expenses	-	-	(25)	-
Acquisition-related adjustments **(c)**	(10)	(1)	(296)	(292)
Total adjustments to operating expenses	(335)	(310)	(1,594)	(1,685)
Non-GAAP operating expenses	$ 3,513	$ 3,247	$ 11,890	$ 11,191
GAAP operating income	$ 2,382	$ 2,245	$ 10,263	$ 9,973
Adjustments to operating expenses	335	310	1,594	1,685
Non-GAAP operating income	$ 2,717	$ 2,555	$ 11,857	$ 11,658
GAAP operating income as a percentage of product sales	39.7%	40.3%	45.5%	45.8%
Adjustments to cost of sales	4.7	4.3	4.9	5.2
Adjustments to research and development expenses	0.3	0.3	0.4	0.3
Adjustments to selling, general and administrative expenses	0.5	0.4	0.5	0.4
Certain net charges pursuant to our restructuring initiative **(b)**	0.0	0.6	0.0	0.4
Certain other expenses	0.0	0.0	0.0	0.0
Acquisition-related adjustments **(c)**	0.1	0.0	1.3	1.4
Non-GAAP operating income as a percentage of product sales	45.3%	45.9%	52.6%	53.5%
GAAP interest and other income, net	$ 155	$ 301	$ 674	$ 928
Adjustments to other income **(d)**	-	-	(68)	-
Non-GAAP interest and other income, net	$ 155	$ 301	$ 606	$ 928
GAAP income before income taxes	$ 2,185	$ 2,214	$ 9,545	$ 9,597
Adjustments to operating expenses	335	310	1,594	1,685
Adjustments to other income **(d)**	-	-	(68)	-
Non-GAAP income before income taxes	$ 2,520	$ 2,524	$ 11,071	$ 11,282
GAAP provision for income taxes	$ 257	$ 6,478	$ 1,151	$ 7,618
Adjustments to provision for income taxes:				
Income tax effect of the above adjustments **(e)**	77	98	362	538
Other income tax adjustments **(f)**	-	(6,156)	(15)	(6,120)
Total adjustments to provision for income taxes	77	(6,058)	347	(5,582)
Non-GAAP provision for income taxes	$ 334	$ 420	$ 1,498	$ 2,036
GAAP tax as a percentage of income before taxes	11.8%	292.6%	12.1%	79.4%
Adjustments to provision for income taxes:				
Income tax effect of the above adjustments **(e)**	1.5	-32.1	1.6	-7.1
Other income tax adjustments **(f)**	0.0	-243.9	-0.2	-54.3
Total adjustments to provision for income taxes	1.5	-276.0	1.4	-61.4
Non-GAAP tax as a percentage of income before taxes	13.3%	16.6%	13.5%	18.0%
GAAP net income (loss)	$ 1,928	$ (4,264)	$ 8,394	$ 1,979
Adjustments to net income (loss):				
Adjustments to income before income taxes, net of the income tax effect	258	212	1,164	1,147
Other income tax adjustments **(f)**	-	6,156	15	6,120
Total adjustments to net income (loss)	258	6,368	1,179	7,267
Non-GAAP net income	$ 2,186	$ 2,104	$ 9,573	$ 9,246

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

The following table presents the computations for GAAP and non-GAAP diluted earnings (loss) per share.

	Three months ended December 31, 2018		Three months ended December 31, 2017	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Net income (loss)	$ 1,928	$ 2,186	$ (4,264)	$ 2,104
Shares				
Weight-average shares for basic EPS	635	635	724	724
Effect of dilutive securities	5	5	-	5
Weighted-average shares for diluted EPS	640	640	724	729
Diluted earnings (loss) per share **(g)**	$ 3.01	$ 3.42	$ (5.89)	$ 2.89

	Year ended December 31, 2018		Year ended December 31, 2017	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Net income	$ 8,394	$ 9,573	$ 1,979	$ 9,246
Shares				
Weight-average shares for basic EPS	661	661	731	731
Effect of dilutive securities	4	4	4	4
Weighted-average shares for diluted EPS	665	665	735	735
Diluted earnings per share	$ 12.62	$ 14.40	$ 2.69	$ 12.58

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

(b) For the three months and year ended December 31, 2017, the adjustments related primarily to severance expenses associated with our restructuring initiative.

(c) For the years ended December 31, 2018 and 2017, the adjustments related primarily to impairments of intangible assets acquired in business combinations.

(d) For the year ended December 31, 2018, the adjustment related to the net gain associated with the Kirin-Amgen share acquisition.

(e) The tax effect of the adjustments between our GAAP and non-GAAP results takes into account the tax treatment and related tax rate(s) that apply to each adjustment in the applicable tax jurisdiction(s). Generally, this results in a tax impact at the U.S. marginal tax rate for certain adjustments, including the majority of amortization of intangible assets, whereas the tax impact of other adjustments, including restructuring expense, depends on whether the amounts are deductible in the respective tax jurisdictions and the applicable tax rate(s) in those jurisdictions. Due to these factors, the effective tax rates for the adjustments to our GAAP income before income taxes, for the three months and year ended December 31, 2018, were 23.0% and 23.7%, compared with 31.6% and 31.9% for the corresponding periods of the prior year.

(f) For the three months and year ended December 31, 2017, the adjustments related primarily to the impact of U.S. Corporate tax reform, including the repatriation tax on accumulated foreign earnings and the remeasurement of certain net deferred and other tax liabilities.

(g) During periods of net loss, diluted loss per share is equal to basic loss per share because the antidilutive effect of potential common shares is disregarded.

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

	Years Ended December 31,			
	2016	**2015**	**2014**	**2013**
GAAP operating income	$ 9,794	$ 8,470	$ 6,191	$ 5,867
Adjustments to operating expenses:				
Acquisition-related expenses **(a)**	1,510	1,377	1,546	986
Certain net charges pursuant to our restructuring and other cost savings initiatives **(b)**	37	114	596	71
Expense (benefit) related to various legal proceedings	105	91	(3)	14
Expense resulting from clarified guidance on branded prescription drug fee **(c)**	-	-	129	-
Stock option expense	-	-	16	34
Total adjustments to operating income	1,652	1,582	2,284	1,105
Non-GAAP operating income	$ 11,446	$ 10,052	$ 8,475	$ 6,972
Product sales				$ 18,192
GAAP operating margin				32.3%
Impact of total adjustments to operating income				6.0%
Non-GAAP operating margin				38.3%
GAAP net income	$ 7,722	$ 6,939	$ 5,158	$ 5,081
Adjustments to net income:				
Adjustments to operating expenses	1,652	1,582	2,284	1,105
Adjustments to other income **(d)**	-	-	-	34
Income tax effect of the above adjustments **(e)**	(525)	(496)	(717)	(376)
Other income tax adjustments **(f)**	(64)	(71)	(25)	(30)
Non-GAAP net income	$ 8,785	$ 7,954	$ 6,700	$ 5,814
Weighted-average shares for GAAP diluted EPS	754	766	770	765
Weighted-average shares for Non-GAAP diluted EPS*	754	766	770	765
GAAP diluted EPS	$ 10.24	$ 9.06	$ 6.70	$ 6.64
Non-GAAP diluted EPS	$ 11.65	$ 10.38	$ 8.70	$ 7.60

* Dilutive securities used to compute Non-GAAP diluted EPS for the year ended December 31, 2013 were computed under the treasury stock method assuming that we do not expense stock opti

(a) The adjustments related primarily to noncash amortization of intangible assets acquired in business combinations. For the years ended December 31, 2014 and 2013, the adjustments included changes in the estimated fair values of contingent consideration obligations related to prior-year business combinations.

(b) The adjustments related to headcount charges, such as severance, and to asset charges, such as asset impairments, accelerated depreciation and other charges related to the closure of our facilities.

(c) The adjustment related to the recognition of an additional year of the nontax deductible branded prescription drug fee, as required by final regulations issued by the Internal Revenue Service.

(d) The adjustment related to bridge financing costs associated with the Onyx business combination and noncash interest expense associated with our convertible notes.

(e) The tax effect of the adjustments between our GAAP and non-GAAP results takes into account the tax treatment and related tax rate(s) that apply to each adjustment in the applicable tax jurisdiction(s). Generally, this results in a tax impact at the U.S. marginal tax rate for certain adjustments, including the majority of amortization of intangible assets, whereas the tax impact of other adjustments, including restructuring expense, depends on whether the amounts are deductible in the respective tax jurisdictions and the applicable tax rate(s) in those jurisdictions.

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

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

	Three months ended December 31,		Years ended December 31,	
	2018	2017	2018	2017
Net cash provided by operating activities	$ 3,194	$ 3,012	$ 11,296	$ 11,177
Net cash (used in) provided by investing activities	(4,637)	$ (78)	14,339	$ (4,024)
Net cash used in financing activities	(3,568)	$ (2,134)	(22,490)	$ (6,594)
(Decrease) increase in cash and cash equivalents	(5,011)	800	3,145	559
Cash and cash equivalents at beginning of period	11,956	$ 3,000	3,800	$ 3,241
Cash and cash equivalents at end of period	$ 6,945	$ 3,800	$ 6,945	$ 3,800

	Three months ended December 31,		Years ended December 31,	
	2018	2017	2018	2017
Net cash provided by operating activities	$ 3,194	$ 3,012	$ 11,296	$ 11,177
Capital expenditures	(225)	$ (153)	(738)	$ (664)
Free cash flow	$ 2,969	$ 2,859	$ 10,558	$ 10,513

Reconciliation of GAAP EPS Guidance to Non-GAAP EPS Guidance for the Year Ending December 31, 2019
(Unaudited)

GAAP diluted EPS guidance	$	11.55	-	$	12.75
Known adjustment to arrive at non-GAAP*:					
Acquisition-related expenses (a)			1.55		
Non-GAAP diluted EPS guidance	$	13.10	-	$	14.30

* The known adjustments are presented net of their related tax impact, which amount to approximately $0.43 per share.

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

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

Reconciliation of GAAP Tax Rate Guidance to Non-GAAP Tax Rate Guidance for the Year Ending December 31, 2019
(Unaudited)

GAAP tax rate guidance	12.5%	-	13.5%
Tax rate effect of known adjustments discussed above		1.5%	
Non-GAAP tax rate guidance	14.0%	-	15.0%

Amgen Inc.
International Sales Performance Adjusted for Foreign Exchange

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

Q4 ’18 EARNINGS CALL

JANUARY 29, 2019

AMGEN®