## Amgen Inc.

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

	Three months ended September 30,				nths ended mber 30,		
		2013	1	2012	 2013		2012
Revenues:							
Product sales	\$	4,647	\$	4,201	\$ 13,393	\$	12,302
Other revenues		101		118	 272		542
Total revenues		4,748		4,319	 13,665		12,844
Operating expenses:							
Cost of sales		788		775	2,317		2,277
Research and development		989		880	2,834		2,442
Selling, general and administrative		1,249		1,131	3,663		3,441
Other		34		110	 171		195
Total operating expenses		3,060		2,896	 8,985		8,355
Operating income		1,688		1,423	4,680		4,489
Interest expense, net		257		271	761		762
Interest and other income, net		72		111	 332		359
Income before income taxes		1,503		1,263	4,251		4,086
Provision for income taxes		135		156	 191		529
Net income	\$	1,368	\$	1,107	\$ 4,060	\$	3,557
Earnings per share:							
Basic	\$	1.81	\$	1.44	\$ 5.40	\$	4.57
Diluted	\$	1.79	\$	1.41	\$ 5.31	\$	4.51
Average shares used in calculation of earnings per share:							
Basic		754		771	752		779
Diluted		766		783	764		789

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

	Sept	ember 30, 2013	Dec	ember 31, 2012
Assets				
Current assets:				
Cash, cash equivalents and marketable securities	\$	22,558	\$	24,061
Receivable from sale of investments		560		-
Trade receivables, net		2,670		2,518
Inventories		2,838		2,744
Other current assets		2,049		1,886
Total current assets		30,675		31,209
Property, plant and equipment, net		5,283		5,326
Intangible assets, net		3,682		3,968
Goodwill		12,572		12,662
Restricted investments		3,411		-
Other assets		1,450		1,133
Total assets	\$	57,073	\$	54,298
Liabilities and Stockholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities	\$	4.832	\$	5,696
Current portion of long-term debt		11		2,495
Total current liabilities	-	4.843		8,191
Long-term debt		27,178		24.034
Other non-current liabilities		3,324		3,013
Stockholders' equity		21.728		19.060
Total liabilities and stockholders' equity	\$	57,073	\$	54,298
Shares outstanding		754		756

Amgen Inc. GAAP to "Adjusted" Reconciliations (In millions) (Unaudited)

Adjustments to cold of aliesStock option reprises (a)(3) </th <th></th> <th colspan="4">Three months ended September 30,</th> <th colspan="7">September 30,</th>		Three months ended September 30,				September 30,						
Adjustments to cold of alies       (3)       (3)       (3)       (6)       (7)         Stock splin reprint (a)       (3)		2013	3	2	2012		2013		2012			
Sinck option exponse (a) Acquisition-site sequences (b) Certain charge pursuant to improve cost efficiencies in our operations related to acquisition-site to cert of allse         (b)         (c)         (c) <th>GAAP cost of sales</th> <th>\$</th> <th>788</th> <th>\$</th> <th>775</th> <th>\$</th> <th>2,317</th> <th>\$</th> <th>2,277</th>	GAAP cost of sales	\$	788	\$	775	\$	2,317	\$	2,277			
Corrison brances       211       217       202         Total adjustments to our efforts to improve cost efficiencies in our operations related to adjustments to carbon to the second se	Stock option expense (a)								(9) (218)			
Total adjustments to col of alses         (73)         (10)         (27)         (28)	Certain charges pursuant to our efforts to improve cost efficiencies in our operations related to		-				(211)					
Adjusted cos of tailes $3  715$ $3  674$ $3  2,100$ $3  2,000$ GAAP research and development expensesS980S980S2,834S2,402Adjusted cos of costs to inpose cost efficiencies in our operators related to a less elanoment(2)(6)(10)(2)Cartin charges pursues to our efforts to inpose cost efficiencies in our operators related to a less elanoment(2)(3)(10)(2)CAP selling, general and administrative expensesS1,200S1,131S3,663S3,441Adjustements to selling, general and administrative expensesS1,200S1,131S3,663S3,441Adjustements costing, general and administrative expensesS1,200S1,131S3,663S3,441Adjustements costing, general and administrative expensesS1,200S1,131S3,663S3,441Adjustements costing, general and administrative expensesS1,200S1,131S3,665S3,560Adjustements costing, general and administrative expensesS1,200S2,200S3,500S2,865S3,565Adjustements costing from charges in the estimated for alread scattering in consideration-(2)(111)(7)(20)(7)(20)Adjustements costing from charges in the estimated for alread scattering in consideration-(2)(111)(11)(2)(11)(2)(11) </td <td></td> <td></td> <td>(73)</td> <td></td> <td></td> <td></td> <td>(217)</td> <td></td> <td>(269)</td>			(73)				(217)		(269)			
Adjustments to research and development expenses       (2)       (5)       (10)       (17)         Acquisition-related expenses (a)       (21)       (14)       (83)       (34)         Contrain charge pursuant to our efforts in inprove cost afficiencies in our operations related to a first submichment       (21)       (14)       (83)       (34)         Adjustments to research and development expenses       (22)       (21)       (72)       (11)       (21)       (11)       (21)       (11)       (21)       (12)       (11)       (12)       (11)       (12)       (11)       (12)       (12)       (12)       (12)       (12)       (12)       (12)       (12)       (12)       (12)       (12)	Adjusted cost of sales			\$	674	\$	2,100	\$	2,008			
Sicc option expense (a) Acquitation-endited segments (b) Cartial datages pursuant to our effects to improve cet efficiencies in our operations related to a lasse alaxonset.       (10)       (17)         Total adjustments to restarch and development expenses       (12)       (14)       (13)         GAAP selling, general and administrative expenses       (12)       (13)       (13)       (13)         GAAP selling, general and administrative expenses       (13)       (11)       (13)       (16)       (10)         Adjustments to selling, general and administrative expenses       (13)       (11)       (12)       (11)       (11)	GAAP research and development expenses	\$	989	\$	880	\$	2,834	\$	2,442			
Cortain charge pursuant to our efforts to improve cost efficiencies in our operations related to a lasse abachomet.              -			(2)		(5)		(10)		(17)			
Total adjustments to research and development expenses       2(3)       3(3)       7(3)       8(3)         Adjustments to celling, general and administrative expenses       3(3)       6(1)       2(2)       3(3)       7(3)       8(3)         GAAP selling, general and administrative expenses       3(3)       6(1)       2(3)       6(1)       2(3)       6(1)       2(3)       3(1)       7(3)       8(3)       8(4)         Adjustments to celling, general and administrative expenses       3(3)       6(1)       2(3)       6(4)       6(1)       6(4)       6(1)       6(4)       6(1)       6(1)       6(1)       2(3)       6(2)       6(0)       6(1)       2(3)       6(2)			(21)		(14)		(63)		(34)			
Adjusted research and development expenses         \$ 966         \$ 849         \$ 2,701         \$ 2,270			-				-		(12)			
Adjustments to selling, general and administrative expenses       (3)       (6)       (10)       (20)         Adjusted selling, general and administrative expenses       (3)       (21)       (4)       (5)       (5)       (5)         Adjusted selling, general and administrative expenses       (3)       (21)       (4)       (5)       (6)       (10)       (27)       (28)       (23)       (11)       (7)       (28)       (23)       (11)       (21)       (24)       (23)       (24)       (11)       (5)       (10)       (27)       (28)       (23)       (11	Total adjustments to research and development expenses Adjusted research and development expenses			\$		\$		\$	(63) 2,379			
Adjustments to selling, general and administrative expenses       (3)       (6)       (10)       (20)         Adjusted selling, general and administrative expenses       (3)       (21)       (4)       (5)       (5)       (5)         Adjusted selling, general and administrative expenses       (3)       (21)       (4)       (5)       (6)       (10)       (27)       (28)       (23)       (11)       (7)       (28)       (23)       (11)       (21)       (24)       (23)       (24)       (11)       (5)       (10)       (27)       (28)       (23)       (11												
Acquisition-traited express       (88)       (15)       (54)       (55)         Adjusted selling, general and administrative express       (31)       (21)       (40)       (55)       (55)       (57)         Adjusted selling, general and administrative express       (31)       (21)       (40)       (57)       (40)         Adjustments to operating express:       (31)       (21)       (40)       (73)       (26)         Adjustments to research and development express       (33)       (10)       (217)       (26)         Adjustments to research and development express       (33)       (21)       (64)       (75)         Adjustments to selling, general and administrative express       (33)       (21)       (64)       (75)         Adjustments to selling, general and administrative express       (33)       (21)       (64)       (75)         Adjustments to selling express       (33)       (21)       (64)       (75)         Cata adjustments to operating express       (33)       (21)       (64)       (75)         Adjusted operating express       (161)       (263)       (262)       (60)       (62)         Adjusted operating express       (161)       (263)       (262)       (60)       (75)       (75)       (75)	Adjustments to selling, general and administrative expenses:	\$ 1,2		\$		\$	·	\$				
Total adjustments to selling, general and administrative expenses         3         1         2         1         1         0         5         3.569         \$         3.366           GAAP operating expenses         Adjustments to cost of sales         7         3         1         1         1         5         3.060         \$         2.896         \$         8.355           Adjustments to cost of sales         7         3         1010         2         2         3         3         6         3         3         6         3         3.660         \$         2.896         \$         8.355         Adjustments to cost of sales         7         3         1010         2         7         6         4         7         6         4         6         7         6         3         7         6         4         6         6         7         6         3         7         6         4         6         6         7         7         6         4         6         6         7         7         6         7         7         6         7         7         6         7         7         7         6         7         7         7         6         7												
Adjusted selling, general and administrative expenses       \$       1.218       \$       1.110       \$       3.369       \$       3.369         GAAP operating expenses:       Adjustments to coperating expenses:       \$       3.000       \$       2.886       \$       8.365       \$       8.355         Adjustments to coperating expenses:       (101)       (217)       (268)       \$       8.365       \$       8.355         Adjustments to coperating expenses:       (23)       (31)       (21)       (64)       (77)       (268)         Adjustments to coperating expenses       (23)       (31)       (21)       (64)       (77)       (269)         Certain charge pursunt to correlisto improve oct efficiencies in our operations (e)       (35)       (141)       (65)       (161)       (253)       (144)       (652)       (622)       (610)       (73)       (44)       (65)       (161)       (263)       (522)       (602)       (522)       (602)       (522)       (602)       (522)       (602)       (522)       (602)       (522)       (602)       (522)       (602)       (522)       (602)       (522)       (602)       (522)       (602)       (53)       (141)       (65)       (141)       (65)       (51)									(75)			
Adjustments to operating expenses:       (73)       (101)       (217)       (268)         Adjustments to cost of sales       (73)       (101)       (73)       (64)       (75)         Adjustments to research and development expenses       (23)       (31)       (73)       (64)       (75)         Expense resulting from changes in the estimated fair values of the contingent consideration obligations parts busines combination       -       (2)       (111)       (5)         Octan charges pursuant to uniforts to improve cost efficiencies in our operations (e)       (35)       (36)       (46)       (106)         Benefut(Expense) related to a various legal proceedings       1       (53)       (14)       (16)       (55)         Totia adjustments to operating expenses       1       (53)       (161)       (525)       (602)         Adjustments to operating expenses       1       (161)       (263)       5       5.255       5       0.001         Adjustments to operating expenses       1       (161)       (22)       3       1.468       5       1.423       5       4.480       5       1.423       5       2.25       5       0.001         GAAP other income(expense)       2       1.61       2.23       5       2.21       104       104	Adjusted selling, general and administrative expenses			\$		\$		\$	3,366			
Adjustments to cost of sales       (73)       (101)       (217)       (268)         Adjustments to research and devicoment expenses       (23)       (31)       (21)       (64)         Adjustments to selling, general and administrative expenses       (23)       (31)       (21)       (64)         Expense resident to a prior year business combination       -       (2)       (111)       (5)         Certain charges pursuant to our efforts to improve cost efficiencies in our operations (e)       (35)       (36)       (40)       (15)         Cost on checy contract seast equire in a prior year business combination       -       (2)       (111)       (5)       (66)       (16)	GAAP operating expenses	\$ 3,	060	\$	2,896	\$	8,985	\$	8,355			
Adjustments to research and development expenses       (23)       (31)       (73)       (63)         Adjustments to selling, general and administrative expenses       (31)       (21)       (64)       (75)         Expense resulting from changes in the estimated fair values of the contingent consideration obligations related to a prior year business combination       -       (2)       (111)       (6)         Write-off of a non-key contract asset acquired in a prior year business combination       -       (2)       (111)       (6)         Certain charges pursuant to unifents (inpurse cost efficiencies in our operations (e)       (35)       (16)       (16)       (16)         Benefit/Expense) rating expenses       (16)       (28)       (16)       (28)       (16)       (26)       (16)       <			(70)		(404)		(047)		(000)			
Adjustments to selling, general and administrative expenses       (31)       (21)       (64)       (75)         Expense resulting from changes in the estimated fair values of the contingent consideration obligations related to a prior year business combination       -       (2)       (111)       (5)         Write off of a on-key contrait asset acquired in a prior year business combination       -       (2)       (111)       (5)         Total adjustments to operating expenses       \$       1(53)       (36)       (46)       (106)         Adjustments to operating expenses       \$       1,688       \$       1,423       \$       4,680       \$       7,733         GAAP operating income       \$       1,688       \$       1,423       \$       4,680       \$       4,489         Adjustments to operating expenses       \$       1,688       \$       1,423       \$       4,680       \$       4,489         Adjustments to operating expenses       \$       1,688       \$       1,423       \$       4,680       \$       4,489         Adjustments to operating expenses       \$       1,688       \$       1,686       \$       1,625       602       \$       5,091         Adjustments to operating expenses       \$       1,680       \$       1,680												
obligations related to a prior year business combination-(2)(111)(5)Write-off an on-key contrast asset acquired in a prior year business combination-(35)(36)(46)(106)Benefit/(Expense) related to various legal proceedings1(53)(161)(263)(625)(602)Adjustents to operating expenses\$1.688\$1.423\$4.680\$7.753GAAP operating income\$\$1.888\$1.423\$4.680\$4.489Adjusted operating expenses\$1.686\$\$5.205\$5.091GAAP other income/(expense)\$\$(165)\$(160)\$(429)\$(403)Bridge financing costs associated with the Onyx business combination22<									(75)			
With e-off of a non-key contract asset acquired in a prove cost efficiencies in our operations (e)       -       (19)       -       (19)         Certain charge pursuant to or efforts to improve cost efficiencies in our operations (e)       (35)       (36)       (46)       (106)         Benefit/Expense) related to various legal proceedings       1       (25)       (36)       (46)       (160)         Adjusted operating expenses       1       (25)       (36)       (46)       (160)       (57,53)         GAAP operating income       1       (263)       \$       1,423       \$       4,680       \$       4,489         Adjusted operating income       1       1,849       \$       1,886       \$       5,205       \$       5,091         GAAP operating income       \$       (185)       \$       (160)       \$       (429)       \$       (430)         Adjustend to the income/(expense)       22       -3       34       104												
Cartain charges pursuant to our efforts to improve cost efficiencies in our operations (e)       (36)       (46)       (16)         Benefit(Figures) elitated to various legal proceedings       1       (53)       (14)       (65)         Adjusted operating expenses       \$ <ol> <li>1.683</li> <li>\$             <li>2.899</li> <li>\$             <li>2.633</li> <li>\$             <li>8.460</li> <li>\$             <li>7.753</li> </li></li></li></li></ol> GAAP operating expenses       \$ <li>1.688</li> <li>\$             <li>1.423</li> <li>\$             <li>4.680</li> <li>\$             <li>4.489</li> <li>5             <li>1.686</li> <li>\$             <li>1.423</li> <li>\$             <li>4.680</li> <li>\$             <li>4.489</li> <li>5             <li>1.686</li> <li>\$             <li>1.423</li> <li>\$             <li>4.680</li> <li>\$             <li>4.489</li> <li>5             <li>1.686</li> <li>\$             <li>4.680</li> <li>\$             <li>4.429</li> <li>\$             <li>4.680</li> <li>\$             <li>4.429</li> <li>\$             <li>4.680</li> <li>\$             <li>4.429</li> <li>\$             <li>4.680</li> <li>\$             <li>4.283</li> <li>4.429</li> <li>\$             <li>4.429</li> <li>\$             <li>4.429</li> <li>\$             <li>4.429</li> <li>\$             <li>4.421</li> <li>4.429</li> <li>\$             <li>4.431</li> <li>4.429</li> <li>\$             <li>4.431</li> <li>4.429</li></li></li></li></li></li></li></li></li></li></li></li></li></li></li></li></li></li></li></li></li></li></li></li></li></li></li>			-				(111)					
Benefit/(Expense) related to various legal proceedings         1         (53)         (14)         (65)           Adjusted operating expenses         2289         \$ 2.633         \$ 8.460         \$ 7.753           GAAP operating income         1         1         (53)         \$ 1.423         \$ 4.680         \$ 4.480           Adjustend operating expenses         1         1         (223)         \$ 2.633         \$ 8.460         \$ 7.753           Adjustend operating expenses         1         1         (223)         \$ 2.633         \$ 8.460         \$ 7.753           Adjustend operating expenses         1         1         (23)         \$ 2.633         \$ 8.460         \$ 7.753           Adjustend to operating expenses         1         1         (23)         \$ 2.633         \$ 4.680           Adjustend to operating expenses         1         1         223         \$ 5.205         \$ 5.091           Mor-cash interest expense associated with the Onyx business combination         22         -         22         -         22         -         22         -         22         -         22         -         22         -         22         -         22         -         24         -         10         -         34 <t< td=""><td></td><td></td><td>(35)</td><td></td><td></td><td></td><td>(46)</td><td></td><td>(106)</td></t<>			(35)				(46)		(106)			
Adjusted operating expenses       \$ 2,899       \$ 2,633       \$ 8,460       \$ 7,753         GAAP operating income       \$ 1,688       \$ 1,423       \$ 4,680       \$ 4,489         Adjustments to operating expenses       \$ 1,688       \$ 1,423       \$ 4,680       \$ 4,489         Adjusted operating income       \$ 1,688       \$ 1,423       \$ 4,680       \$ 4,489         Adjusted operating income       \$ 1,686       \$ 1,423       \$ 4,680       \$ 4,489         Adjusted operating income       \$ 1,688       \$ 1,423       \$ 4,680       \$ 4,489         Adjusted operating income       \$ 1,686       \$ 1,423       \$ 4,680       \$ 4,489         Solve operating expenses       \$ 1,688       \$ 1,423       \$ 4,680       \$ 4,489         Non-cash interest expense associated with our convertible notes       \$ 1,849       \$ 1,686       \$ 1,423       \$ 4,680         Adjusted other income/(expense)       22       -       -22       -       -22       -       -22       -       -22       -       -22       -       -22       -       -22       -       -22       -       -22       -       -22       -       -22       -       -22       -5       600       -       -48       -235       -161	Benefit/(Expense) related to various legal proceedings		1		(53)				(65)			
Adjustments to operating expenses       161       263       525       602         Adjusted operating income       \$ 1,849       \$ 1,686       \$ 5,205       \$ 5,091         GAAP other income/(expense)       \$ (185)       \$ (160)       \$ (429)       \$ (403)         Non-cash interest expense associated with the Onyx business combination       -       35       12       104         Bridge financing costs associated with the Onyx business combination       -       35       12       104         Adjusted other income/(expense)       22       -       -       22       35       34       104         Adjustments to other income taxes       \$ (163)       \$ (125)       \$ (1395)       \$ (299)       \$ 4,251       \$ 4,086         Adjustments to operating expenses       161       263       525       602         Adjustments to operating expenses       161       263       525 <td>Total adjustments to operating expenses Adjusted operating expenses</td> <td></td> <td></td> <td>\$</td> <td></td> <td>\$</td> <td></td> <td>\$</td> <td>(602) 7,753</td>	Total adjustments to operating expenses Adjusted operating expenses			\$		\$		\$	(602) 7,753			
Adjustments to operating expenses       161       263       525       602         Adjusted operating income       \$ 1,849       \$ 1,686       \$ 5,205       \$ 5,091         GAAP other income/(expense)       \$ (185)       \$ (160)       \$ (429)       \$ (403)         Non-cash interest expense associated with the Onyx business combination       -       35       12       104         Bridge financing costs associated with the Onyx business combination       -       35       12       104         Adjusted other income/(expense)       22       -       -       22       35       34       104         Adjustments to other income taxes       \$ (163)       \$ (125)       \$ (1395)       \$ (299)       \$ 4,251       \$ 4,086         Adjustments to operating expenses       161       263       525       602         Adjustments to operating expenses       161       263       525 <td>GAAP operating income</td> <td><b>\$</b>1</td> <td>688</td> <td>\$</td> <td>1 423</td> <td>\$</td> <td>4 680</td> <td>\$</td> <td>4 489</td>	GAAP operating income	<b>\$</b> 1	688	\$	1 423	\$	4 680	\$	4 489			
GAAP other income/(expense)       \$ (185)       \$ (160)       \$ (429)       \$ (403)         Bridge financing costs associated with our convertible notes       -       35       12       104         Bridge financing costs associated with e Onyx business combination       -       22       -       35       104       35       104       35       104       35       104       10       -       10       -       10       -       10       -       10       -       48       298       5       100       -       10       -       10       -       10       -       48       298       10       -       10       -       48       29				Ψ		Ψ		Ψ	602			
Non-cash interest expense associated with our convertible notes       36       12       104         Bridge financing costs associated with the Onyx business combination       22       35       34       104         Adjusted other income/(expense)       \$ (163)       \$ (125)       \$ (395)       \$ (299)         GAAP income before income taxes       \$ 1,503       \$ 1,263       \$ 4,251       \$ 4,066         Adjustments to oper income taxes:       Adjustments to other income (expense)       22       35       34       104         Total adjustments to oper income taxes:       Adjustments to other income taxes:       161       263       525       602         Adjusted income before income taxes:       22       35       34       104         Total adjustments to income taxes:       161       263       525       602         Adjustments to provision for income taxes:       \$ 1,561       \$ 1,480       \$ 4,792         Adjustments to provision for income taxes:       \$ 135       \$ 156       \$ 191       \$ 529         Adjustments to provision for income taxes:       60       94       148       232         Adjustments to provision for income taxes:       70       94       196       232         Adjustments to provision for income taxes:       \$ 205 <td< td=""><td>Adjusted operating income</td><td>\$ 1,8</td><td>849</td><td>\$</td><td>1,686</td><td>\$</td><td>5,205</td><td>\$</td><td>5,091</td></td<>	Adjusted operating income	\$ 1,8	849	\$	1,686	\$	5,205	\$	5,091			
Bridge financing costs associated with the Onyx business combination       22       -       22       -       -       22       -       34       104         Adjusted other income/(expense)       \$ (163)       \$ (125)       \$ (395)       \$ (299)         GAAP income before income taxes       \$ 1,503       \$ 1,263       \$ 4,251       \$ 4,066         Adjustments to income before income taxes:       Adjustments to other income/(expense)       161       263       525       602         Adjustments to other income/(expense)       22       35       34       104         Total adjustments to income before income taxes:       161       263       525       602         Adjusted income before income taxes       22       35       34       104         Total adjustments to income before income taxes       22       35       34       104         Adjusted income before income taxes       183       298       559       706         Adjustments to provision for income taxes:       \$ 1,561       \$ 191       \$ 529         Adjustments to provision for income taxes:       10       -       48       -         Other income tax adjustments (g)       10       -       48       -       -         Total adjustments to provision for incom	GAAP other income/(expense)	\$ (	185)	\$	(160)	\$	(429)	\$	(403)			
Total adjustments to other income/(expense)Adjusted other income/(expense) $22$ $35$ $34$ $104$ Adjusted other income/(expense) $$(125)$ $$(395)$ $$(299)$ GAAP income before income taxes: Adjustments to operating expenses $161$ $263$ $525$ $602$ Adjustments to operating expenses $161$ $263$ $525$ $602$ Adjustments to operating expenses $161$ $263$ $525$ $602$ Adjustments to other income laxes: Adjustments to income before income taxes $183$ $298$ $559$ $706$ Adjusted income before income taxes $$1,686$ $$1,561$ $$4,810$ $$4,792$ GAAP provision for income taxes $$135$ $$156$ $$191$ $$529$ Income tax effect of the above adjustments (f) $60$ $94$ $148$ $232$ Other income taxes $$70$ $944$ $196$ $232$ Adjusted provision for income taxes $$70$ $$347$ $$761$ GAAP net income $$1,368$ $$1,107$ $$4,060$ $$3,557$ Adjustments to net income: Adjustments to net income: $$1,368$ $$1,107$ $$4,060$ $$3,557$ Adjustments to net income: Adjustments to net income: $$(10)$ $ (48)$ $-$ Adjustments to net income: $$1,32$ $$204$ $$411$ $$474$ Other income barse income tax adjustments (g) $ (48)$ $-$ Total adjustments to net income: $$113$ $$204$ $$411$ $$474$			-		35				104			
Adjusted other income/(expense)\$ (163)\$ (125)\$ (395)\$ (299)GAAP income before income taxes\$ 1,503\$ 1,263\$ 4,251\$ 4,086Adjustments to income before income taxes:Adjustments to operating expenses161263525602Adjustments to operating expenses161263525602102104Total adjustments to income before income taxes183298559706Adjusted income before income taxes\$ 1,566\$ 1,561\$ 4,810\$ 4,792GAAP provision for income taxes\$ 135\$ 156\$ 191\$ 529Adjustements to provision for income taxes:10-48-Income tax adjustments (g)10-48-Total adjustments to provision for income taxes\$ 1,368\$ 1,107\$ 4,060\$ 3,557Adjusted provision for income taxes, net of the tax effect of the above adjustments\$ 1,368\$ 1,107\$ 4,060\$ 3,557Adjustments to net income:\$ 1,368\$ 1,107\$ 4,060\$ 3,557761Adjustments to net income:113204411474Other income tax adjustments (g)-448-Total adjustments (g)-448-Adjustments to net income:\$ 1,368\$ 1,107\$ 4,060\$ 3,557Adjustments to net income:113204411474Other income bars (g)48)-Adjustments to net income:48					35				104			
Adjustments to income before income taxes:       161       263       525       602         Adjustments to operating expenses       161       263       525       602         Adjustments to other income/(expense)       22       35       34       104         Total adjustments to income before income taxes       183       298       559       706         Adjusted income before income taxes       \$ 1,561       \$ 4,810       \$ 4,792         GAAP provision for income taxes       \$ 135       \$ 156       \$ 191       \$ 529         Adjustments to provision for income taxes:       60       94       148       232         Income tax adjustments (g)       10       -       48       -         Other income taxes       \$ 205       \$ 250       \$ 387       \$ 761         GAAP net income       \$ 1,368       \$ 1,107       \$ 4,060       \$ 3,557         Adjustments to net income:       \$ 1,368       \$ 1,107       \$ 4,060       \$ 3,557         Adjustments to net income:       \$ 1,368       \$ 1,107       \$ 4,060       \$ 3,557         Adjustments to income taxes, net of the tax effect of the above adjustments       123       204       411       474         Other income tax adjustments (g)       113       204 <td>Adjusted other income/(expense)</td> <td>\$ (</td> <td></td> <td>\$</td> <td></td> <td>\$</td> <td></td> <td>\$</td> <td>(299)</td>	Adjusted other income/(expense)	\$ (		\$		\$		\$	(299)			
Adjustments to income before income taxes:       161       263       525       602         Adjustments to operating expenses       161       263       525       602         Adjustments to other income/(expense)       22       35       34       104         Total adjustments to income before income taxes       183       298       559       706         Adjusted income before income taxes       \$ 1,561       \$ 4,810       \$ 4,792         GAAP provision for income taxes       \$ 135       \$ 156       \$ 191       \$ 529         Adjustments to provision for income taxes:       60       94       148       232         Income tax adjustments (g)       10       -       48       -         Total adjustments to provision for income taxes       \$ 205       \$ 250       \$ 387       \$ 761         GAAP net income       \$ 1,368       \$ 1,107       \$ 4,060       \$ 3,557         Adjustments to income taxes, net of the tax effect of the above adjustments       123       204       411       474         Other income tax adjustments (g)       -       (48)       -       -       474         Other income tax adjustments (g)       113       204       363       474	GAAP income before income taxes	\$ 1,	503	\$	1,263	\$	4,251	\$	4,086			
Adjustments to other income/(expense) $22$ $35$ $34$ $104$ Total adjustments to income before income taxes $183$ $298$ $559$ $706$ Adjusted income before income taxes\$ 1,686\$ 1,561\$ 4,810\$ 4,792GAAP provision for income taxes\$ 135\$ 156\$ 191\$ 529Adjustments to provision for income taxes: Income tax adjustments (g) $60$ $94$ $148$ $232$ Total adjustments to provision for income taxes $70$ $94$ $196$ $232$ Adjusted provision for income taxes $70$ $94$ $196$ $232$ Adjustments to provision for income taxes $$ 205$ \$ 250\$ 387\$ 761Adjustments to net income\$ 1,368\$ 1,107\$ 4,060\$ 3,557Adjustments to net income: Adjustments to net income: Adjustments to net income tax adjustments (g) $113$ $204$ $411$ $474$ Other income tax adjustments (g) $113$ $204$ $411$ $474$ Other income tax adjustments (g) $113$ $204$ $411$ $474$ Other income tax adjustments (g) $113$ $204$ $468$ $-113$	Adjustments to income before income taxes:						·		-			
Adjusted income before income taxes       \$ 1,686       \$ 1,561       \$ 4,810       \$ 4,792         GAAP provision for income taxes       \$ 135       \$ 156       \$ 191       \$ 529         Adjustments to provision for income taxes:       60       94       148       232         Other income tax adjustments (g)       10       48       -         Total adjustments to provision for income taxes       70       94       196       232         Adjustments to provision for income taxes       \$ 1,368       1,107       \$ 4,060       \$ 3,557         Adjustments to income taxes, net of the tax effect of the above adjustments       123       204       411       474         Other income tax adjustments (g)       -       (10)       -       (48)       -         GAAP net income       \$ 1,368       1,107       \$ 4,060       \$ 3,557         Adjustments to income taxes, net of the tax effect of the above adjustments       123       204       4111       474         Other income tax adjustments (g)       -       (10)       -       (48)       -         Total adjustments to net income       113       204       363       474			22				34		104			
Adjustments to provision for income taxes:       60       94       148       232         Income tax effect of the above adjustments (f)       10       -       48       -         Other income tax adjustments (g)       10       -       48       -         Total adjustments to provision for income taxes       70       94       196       232         Adjusted provision for income taxes       \$       205       \$       250       \$       761         GAAP net income       \$       1,368       \$       1,107       \$       4,060       \$       3,557         Adjustments to net income:       Adjustments to income taxes, net of the tax effect of the above adjustments       123       204       411       474         Other income tax adjustments (g)       (10)       -       (48)       -       -         Total adjustments to income       113       204       363       474	Total adjustments to income before income taxes Adjusted income before income taxes			\$		\$		\$	706 4,792			
Adjustments to provision for income taxes:       60       94       148       232         Income tax effect of the above adjustments (f)       10       -       48       -         Other income tax adjustments (g)       10       -       48       -         Total adjustments to provision for income taxes       70       94       196       232         Adjusted provision for income taxes       \$       205       \$       250       \$       761         GAAP net income       \$       1,368       \$       1,107       \$       4,060       \$       3,557         Adjustments to net income:       Adjustments to income taxes, net of the tax effect of the above adjustments       123       204       411       474         Other income tax adjustments (g)       (10)       -       (48)       -       -         Total adjustments to income       113       204       363       474		<u> </u>	105	¢		-		<i>c</i>				
Other income tax adjustments (g)       10       -       48         Total adjustments to provision for income taxes       70       94       196       232         Adjusted provision for income taxes       \$ 205       \$ 250       \$ 387       \$ 761         GAAP net income       \$ 1,368       \$ 1,107       \$ 4,060       \$ 3,557         Adjustments to net income:       Adjustments to income before income taxes, net of the tax effect of the above adjustments       123       204       411       474         Other income tax adjustments (g)       (10)       -       (48)       -       -       -         Total adjustments to net income       113       204       363       474	Adjustments to provision for income taxes:	\$		\$		\$		\$				
Total adjustments to provision for income taxes       70       94       196       232         Adjusted provision for income taxes       \$ 205       \$ 250       \$ 387       \$ 761         GAAP net income       \$ 1,368       \$ 1,107       \$ 4,060       \$ 3,557         Adjustments to net income:       Adjustments to income before income taxes, net of the tax effect of the above adjustments       123       204       411       474         Other income tax adjustments (g)       (10)       -       (48)       -         Total adjustments to net income       113       204       363       474					94				232			
Adjusted provision for income taxes       \$ 205       \$ 250       \$ 387       \$ 761         GAAP net income       \$ 1,368       \$ 1,107       \$ 4,060       \$ 3,557         Adjustments to net income:       Adjustments to income before income taxes, net of the tax effect of the above adjustments       123       204       411       474         Other income tax adjustments (g)       (10)       -       (48)       -       -         Total adjustments to net income       113       204       363       474					94				232			
Adjustments to net income:       Adjustments to income before income taxes, net of the tax effect of the above adjustments       123       204       411       474         Other income tax adjustments (g)       (10)       -       (48)       -         Total adjustments to net income       113       204       363       474	Adjusted provision for income taxes	\$	205	\$	250	\$	387	\$	761			
Adjustments to income before income taxes, net of the tax effect of the above adjustments       123       204       411       474         Other income tax adjustments (g)       (10)       -       (48)       -         Total adjustments to net income       113       204       363       474	GAAP net income	\$1,	368	\$	1,107	\$	4,060	\$	3,557			
Other income tax adjustments (g)         (10)         (48)           Total adjustments to net income         113         204         363         474	-		122		204		111		474			
Total adjustments to net income         113         204         363         474					204				4/4			
Adjusted net income	Total adjustments to net income		113			_	363		474			
	Adjusted net income	\$    1,	481	\$	1,311	\$	4,423	\$	4,031			

## Amgen Inc. GAAP to "Adjusted" Reconciliations (In millions, except per share data) (Unaudited)

The following table presents the computations for GAAP and "Adjusted" diluted EPS, computed under the treasury stock method. "Adjusted" EPS presented below excludes stock option expense:

	Three me Septem				Three more September			
	GAAP "Adjusted"				GAAP	"Adj	justed"	
Income (Numerator):								
Net income for basic and diluted EPS	. \$ 1,368	\$	1,481	\$	1,107	\$	1,311	
Shares (Denominator):								
Weighted-average shares for basic EPS	754		754		771		771	
Effect of dilutive securities	12		11 (	(*)	12		12 (*)	
Weighted-average shares for diluted EPS	. 766		765	_	783		783	
Diluted EPS	\$ 1.79	\$	1.94	\$	1.41	\$	1.67	
	Nine months ended September 30, 2013				Nine months ended September 30, 2012			
	GAAP	"Adj	usted"		GAAP	"Adj	justed"	
Income (Numerator):								
Net income for basic and diluted EPS	. \$ 4,060	\$	4,423	\$	3,557	\$	4,031	
Shares (Denominator):								
Weighted-average shares for basic EPS	. 752		752		779		779	
Effect of dilutive securities	. 12		12 (	(*)	10		10 (*)	
Weighted-average shares for diluted EPS	. 764		764	_	789		789	
Diluted EPS	\$ 5.31	\$	5.79	\$	4.51	\$	5.11	

(\*) Dilutive securities used to compute "Adjusted" diluted EPS for the three and nine months ended September 30, 2013 and 2012, were computed under the treasury stock method assuming that we do not expense stock options.

(a) For the three and nine months ended September 30, 2013, the total pre-tax expense for employee stock options was \$8 million and \$26 million, respectively, compared with \$14 million and \$46 million for the corresponding periods of the prior year.

"Adjusted" diluted EPS including the impact of stock option expense were as follows:

	Three months ended September 30,			N	nded 0,			
-	2013		2013 20		2012 2013		1	2012
"Adjusted" diluted EPS, excluding stock option expense	\$	1.94	\$	1.67	\$	5.79	\$	5.11
Impact of stock option expense (net of tax)		(0.01)		(0.01)		(0.02)		(0.04)
"Adjusted" diluted EPS, including stock option expense	\$	1.93	\$	1.66	\$	5.77	\$	5.07

(b) The adjustments related to non-cash amortization of product technology rights acquired in a prior year business combination. The adjustments in 2012 also included \$7 million of other costs.

(c) The adjustments in 2013 related primarily to non-cash amortization of intangible assets acquired in prior year business combinations. The adjustments in 2012 related primarily to non-cash amortization of intangible assets as well as retention and severance expenses.

- (d) The adjustments in 2013 related primarily to non-cash amortization of intangible assets acquired in prior year business combinations as well as \$15 million of transaction costs associated with the Onyx business combination which closed in the fourth quarter of 2013. For the three months ended September 30, 2012, the adjustments related primarily to non-cash amortization of intangible assets. For the nine months ended September 30, 2012, the adjustments related primarily to non-cash amortization of intangible assets.
- (e) The adjustments in 2013 related primarily to severance expenses. The adjustments in 2012 related primarily to lease abandonment costs.
- (f) The tax effect of the adjustments between our GAAP and "Adjusted" 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 and non-cash interest expense associated with our convertible notes, whereas the tax impact of other adjustments, including stock option expense, depends on whether the amounts are deductible in the tax jurisdictions where the expenses are incurred or the asset is located and the applicable tax rate(s) in those jurisdictions. Due to these factors, the effective tax rates for the adjustments to our GAAP income before income taxes, for the three and nine months ended September 30, 2013, were 32.8% and 26.5%, respectively, compared with 31.5% and 32.9% for the corresponding periods of the prior year.
- (g) The income tax impact from resolving certain non-routine transfer-pricing and acquisition-related issues with tax authorities as well as the impact related to certain prior period items excluded from adjusted earnings.

Note: The 2012 expenses related to amortization of certain acquired intangible assets within operating expenses have been reclassified to conform to the current year presentation.

Amgen Inc. Reconciliation of Free Cash Flow (In millions) (Unaudited)

		Three months ended September 30,					
	2013		2012				
Cash Flows from Operations \$	1,807	\$	1,723				
Capital Expenditures	(175)		(173)				
Free Cash Flow\$	1,632	\$	1,550				

## Reconciliation of GAAP EPS Guidance to "Adjusted" EPS Guidance for the Year Ending December 31, 2013 (Unaudited)

			2013						
GAAP diluted EPS guidance	\$	6.79	-	\$	6.89				
Known adjustments to arrive at "Adjusted" earnings*:									
Acquisition-related expenses			0.53						
Charges associated with cost savings initiatives			0.04						
Stock option expense			0.02						
Expense related to various legal proceedings			0.02						
Non-cash interest expense associated with our convertible notes			0.01						
Other tax adjustments(b)			(0.06)	)					
"Adjusted" diluted EPS guidance	\$	7.35		\$	7.45				

\* The known adjustments are presented net of their related tax impact which amount to approximately \$0.25 per share in the aggregate.

(a) To exclude acquisition-related expenses related primarily to non-cash amortization of intangible assets and expense resulting from changes in the estimated fair values of the contingent consideration obligations related to prior year business combinations.

(b) To exclude the income tax impact from resolving certain non-routine transfer-pricing and acquisition-related issues with tax authorities as well as the impact related to certain prior period items excluded from adjusted earnings.

On October 1, 2013, we acquired Onyx Pharmaceuticals. Many of the adjustments from this transaction have not been determined. As a result, we expect significantly more adjustments in the fourth quarter that are not included in the table above.

## Reconciliation of GAAP Tax Rate Guidance to "Adjusted" Tax Rate Guidance for the Year Ending December 31, 2013 (Unaudited)

	2013 with F	2013 without PR excise tax of						
GAAP tax rate guidance	6%	-	7%	119	þ	-	12%	
Tax rate effect of known adjustments discussed above	3%			2%				
"Adjusted" tax rate guidance	9%	-	10%	13%	þ	-	14%	