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

Form 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2007

OR

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

Commission file number 000-12477

Amgen Inc.
(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**95-3540776** **(I.R.S. Employer Identification No.)**
One Amgen Center Drive, Thousand Oaks, California **(Address of principal executive offices)**	**91320-1799** **(Zip Code)**

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes ☐ No ☒

As of August 6, 2007, the registrant had 1,086,741,500 shares of common stock, $0.0001 par value, outstanding.

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AMGEN INC.

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PART I—FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

The information in this report for the three and six months ended June 30, 2007 and 2006 is unaudited but includes all adjustments (consisting only of normal recurring accruals, unless otherwise indicated) which Amgen Inc., including its subsidiaries (referred to as "Amgen," "the Company," "we," "our" and "us"), considers necessary for a fair presentation of the results of operations for those periods.

The condensed consolidated financial statements should be read in conjunction with our consolidated financial statements and the notes thereto contained in our Annual Report on Form 10-K for the year ended December 31, 2006.

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Revenues:				
Product sales	$ 3,604	$ 3,491	$7,169	$6,618
Other revenues	124	113	246	203
Total revenues	3,728	3,604	7,415	6,821
Operating expenses:				
Cost of sales (excludes amortization of acquired intangible assets presented below)	558	493	1,150	1,045
Research and development	817	788	1,668	1,443
Selling, general and administrative	860	840	1,630	1,529
Amortization of acquired intangible assets	74	87	148	174
Write-off of acquired in-process research and development	—	1,101	—	1,101
Other items	289	—	289	—
Total operating expenses	2,598	3,309	4,885	5,292
Operating income	1,130	295	2,530	1,529
Interest and other income, net	7	21	1	101
Income before income taxes	1,137	316	2,531	1,630
Provision for income taxes	118	302	401	615
Net income	$ 1,019	$ 14	$2,130	$1,015
Earnings per share:				
Basic	$ 0.90	$ 0.01	$ 1.86	$ 0.85
Diluted	$ 0.90	$ 0.01	$ 1.84	$ 0.84
Shares used in calculation of earnings per share:				
Basic	1,129	1,173	1,147	1,188
Diluted	1,134	1,185	1,155	1,202

See accompanying notes.

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

	June 30, 2007	December 31, 2006
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,727	$ 1,283
Marketable securities	3,579	4,994
Trade receivables, net	2,163	2,124
Inventories	2,206	1,903
Other current assets	1,521	1,408
Total current assets	11,196	11,712
Property, plant and equipment, net	5,970	5,921
Intangible assets, net	3,539	3,747
Goodwill	11,265	11,302
Other assets	1,001	1,106
	$32,971	$ 33,788
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 542	$ 555
Accrued liabilities	3,587	4,589
Convertible notes	—	1,698
Other debt	100	100
Total current liabilities	4,229	6,942
Deferred tax liabilities	413	367
Convertible notes	5,080	5,080
Other long-term debt	6,132	2,134
Other non-current liabilities	648	301
Contingencies		
Stockholders' equity:		
Preferred stock; $0.0001 par value; 5 shares authorized; none issued or outstanding	—	—
Common stock and additional paid-in capital; $0.0001 par value; 2,750 shares authorized; outstanding—1,089 shares in 2007 and 1,166 shares in 2006	24,576	24,155
Accumulated deficit	(8,093)	(5,203)
Accumulated other comprehensive (loss) income	(14)	12
Total stockholders' equity	16,469	18,964
	$32,971	$ 33,788

See accompanying notes.

AMGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Six Months Ended June 30,	
	2007	2006
Cash flows from operating activities:		
Net income	$ 2,130	$ 1,015
Write-off of acquired in-process research and development	—	1,101
Depreciation and amortization	526	476
Asset impairment	286	—
Other items, net	334	91
Changes in operating assets and liabilities:		
Trade receivables, net	(39)	(249)
Inventories	(252)	(193)
Other assets	(65)	41
Accounts payable	(12)	88
Accrued income taxes	(737)	154
Other accrued liabilities	112	50
Net cash provided by operating activities	2,283	2,574
Cash flows from investing activities:		
Purchases of property, plant and equipment	(727)	(458)
Cash paid for acquisition of Abgenix, Inc., net of cash acquired	—	(1,888)
Purchases of marketable securities	(2,154)	(1,546)
Proceeds from sales of marketable securities	3,382	1,414
Proceeds from maturities of marketable securities	184	527
Other	(25)	(91)
Net cash provided by (used in) investing activities	660	(2,042)
Cash flows from financing activities:		
Repurchases of common stock	(5,000)	(1,250)
Repayment of convertible notes	(1,702)	(1)
Repayment of debt assumed in Abgenix, Inc. acquisition	—	(653)
Proceeds from issuance of notes, net	3,981	—
Proceeds from issuance of convertible notes and related transactions, net	—	440
Proceeds from issuance of warrants	—	774
Proceeds from issuance of common stock upon the exercise of employee stock options and in connection with an employee stock purchase plan, net	205	225
Other	17	40
Net cash used in financing activities	(2,499)	(425)
Increase in cash and cash equivalents	444	107
Cash and cash equivalents at beginning of period	1,283	1,840
Cash and cash equivalents at end of period	$ 1,727	$ 1,947

See accompanying notes.

AMGEN INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2007
(Unaudited)

1. Summary of significant accounting policies

Business

Amgen is a global biotechnology company that discovers, develops, manufactures and markets human therapeutics based on advances in cellular and molecular biology.

Basis of presentation

The financial information for the three and six months ended June 30, 2007 and 2006 is unaudited but includes all adjustments (consisting only of normal recurring accruals, unless otherwise indicated), which we consider necessary for a fair presentation of the results of operations for those periods. Interim results are not necessarily indicative of results for the full fiscal year.

Principles of consolidation

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

Use of estimates

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

Inventories

Inventories are stated at the lower of cost or market. Cost, which includes amounts related to materials, labor and overhead, is determined in a manner which approximates the first-in, first-out ("FIFO") method. Inventories consisted of the following (in millions):

	June 30, 2007	December 31, 2006
Raw materials	$ 231	$ 205
Work in process	1,359	1,090
Finished goods	616	608
	$2,206	$ 1,903

AMGEN INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

Intangible assets and goodwill

Intangible assets are recorded at cost, less accumulated amortization. Amortization of intangible assets is provided over their estimated useful lives ranging from 5 to 15 years on a straight-line basis (weighted-average remaining amortization period of 9 years at June 30, 2007). Intangible assets primarily consist of acquired product technology rights of $2,956 million, net of accumulated amortization of $1,459 million, which relate to the identifiable intangible assets acquired in connection with the Immunex Corporation ("Immunex") acquisition in July 2002. Amortization of acquired product technology rights is included in "Amortization of acquired intangible assets" in the Condensed Consolidated Statements of Operations. Intangible assets also include technology used in research and development ("R&D") with alternative future uses ("acquired R&D technology rights"), primarily the XenoMouse® technology acquired in the Abgenix, Inc. ("Abgenix") acquisition. Amortization of the acquired R&D technology rights is included in "Research and development" in the Condensed Consolidated Statements of Operations. Amortization of other intangible assets is principally included in "Cost of sales (excludes amortization of acquired intangible assets)" and "Selling, general and administrative" expense in the Condensed Consolidated Statements of Operations. We review our intangible assets for impairment periodically and whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable.

Goodwill principally relates to the acquisition of Immunex. We perform an impairment test annually and whenever events or changes in circumstances indicate that the carrying amount of goodwill may not be recoverable.

Product sales

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

Sales of our products are recognized when shipped and title and risk of loss have passed. Product sales are recorded net of accruals for estimated rebates, wholesaler chargebacks, discounts and other incentives (collectively "sales incentives") and returns. Taxes assessed by government authorities on the sales of the Company's products, primarily in Europe, are excluded from revenues.

We have the exclusive right to sell Epoetin alfa for dialysis, certain diagnostics and all non-human, non-research uses in the United States. We sell Epoetin alfa under the brand name EPOGEN®. We granted to Ortho Pharmaceutical Corporation (which has assigned its rights under the product license agreement to Ortho Biotech Products, L.P.), a subsidiary of Johnson & Johnson ("Johnson & Johnson"), a license relating to Epoetin alfa for sales in the United States for all human uses except dialysis and diagnostics. This license agreement, which is perpetual, may be terminated for various reasons, including upon mutual agreement of the parties, or default. The parties are required to compensate each other for Epoetin alfa sales that either party makes into the other party's exclusive market, sometimes referred to as "spillover." Accordingly, we do not recognize product sales we make into the exclusive market of Johnson & Johnson and do recognize the product sales made by Johnson & Johnson into our exclusive market. Sales in our exclusive market are derived from our sales to our customers, as adjusted for spillover. We are employing an arbitrated audit methodology to measure each party's spillover based on estimates of and subsequent adjustments thereto of third-party data on shipments to end users and their usage.

AMGEN INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

Research and development costs

R&D costs, which are expensed as incurred, are primarily comprised of costs and expenses for salaries and benefits associated with R&D personnel; overhead and occupancy; clinical trial and related clinical manufacturing, including contract services and other outside costs, process development and quality assurance; information systems and amortization of technology used in R&D with alternative future uses. R&D expenses also include such costs related to activities performed on behalf of corporate partners.

Acquired in-process research and development

The fair value of acquired in-process research and development ("IPR&D") projects and technologies which have no alternative future use and which have not reached technological feasibility at the date of acquisition are expensed as incurred. In the three months ended June 30, 2006, we wrote off $1,101 million of acquired IPR&D related to the Abgenix acquisition. Acquired IPR&D is considered part of total R&D expense.

Earnings per share

Basic earnings per share ("EPS") is based upon the weighted-average number of common shares outstanding. Diluted EPS is based upon the weighted-average number of common shares and dilutive potential common shares outstanding. Potential common shares outstanding principally include stock options, restricted stock (including restricted stock units) and other equity awards under our employee compensation plans and potential issuance of stock upon the assumed conversion of our 2032 Modified Convertible Notes, 2011 Convertible Notes, 2013 Convertible Notes and upon the assumed exercise of our warrants using the treasury stock method (collectively "Dilutive Securities"). The convertible note hedges purchased in connection with the issuance of our 2011 Convertible Notes and 2013 Convertible Notes are excluded from the calculation of diluted EPS as their impact is always anti-dilutive.

AMGEN INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Income (Numerator):				
Net income for basic and diluted EPS	$ 1,019	$ 14	$2,130	$1,015
Shares (Denominator):				
Weighted-average shares for basic EPS	1,129	1,173	1,147	1,188
Effect of Dilutive Securities	5	12	8	14
Weighted-average shares for diluted EPS	1,134	1,185	1,155	1,202
Basic earnings per share	$ 0.90	$ 0.01	$ 1.86	$ 0.85
Diluted earnings per share	$ 0.90	$ 0.01	$ 1.84	$ 0.84

Recent accounting pronouncements

In June 2007, the Financial Accounting Standards Board ("FASB") ratified Emerging Issues Task Force Issue ("EITF") No. 07-3, "Accounting for Nonrefundable Advance Payments for Goods or Services Received for Use in Future Research and Development Activities" ("EITF No. 07-3"). EITF No. 07-3 requires that nonrefundable advance payments for goods and services that will be used or rendered in future R&D activities pursuant to executory contractual arrangements be deferred and recognized as an expense in the period that the related goods are delivered or services are performed. We will adopt EITF No. 07-3 as of January 1, 2008, and it is not expected to have a material impact on our results of operations or financial position.

In July 2006, the FASB issued FASB Interpretation No. ("FIN") 48, "Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109" ("FIN 48"), which became effective for us as of January 1, 2007. FIN 48 clarifies the accounting for uncertainty in income taxes by prescribing rules for recognition, measurement and classification in our financial statements of tax positions taken or expected to be taken in a tax return.

For tax benefits to be recognized under FIN 48, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The amount recognized is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. As of January 1, 2007, the gross amount of our liabilities for unrecognized tax benefits ("UTBs") was approximately $945 million and accrued interest related to these UTBs totaled approximately $106 million. Included in the balance is approximately $776 million of UTBs (net of the federal benefit on state taxes) that, if recognized, would affect our effective tax rate. The cumulative effect of applying the recognition and measurement provisions upon adoption of FIN 48 was not material.

FIN 48 also provides guidance on the balance sheet classification of liabilities for UTBs as either current or non-current depending on the expected timing of payments. Upon adoption of FIN 48, we reclassified approximately $240 million of UTBs and related accrued interest from current income taxes payable to non-current liabilities.

AMGEN INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

As of the adoption of FIN 48, we believed that it was reasonably possible that our liabilities for UTBs may decrease by $350 million to $600 million within the succeeding twelve months due to potential settlement of transfer pricing tax positions on our U.S. income tax returns.

Interest and penalties related to UTBs are classified as a component of our provision for income taxes.

See Note 3, "Income taxes" for further discussion.

2. Related party transactions

We own a 50% interest in Kirin-Amgen, Inc. ("KA"), a corporation formed in 1984 with Kirin Brewery Company, Limited ("Kirin") for the development and commercialization of certain products based on advanced biotechnology. We account for our interest in KA under the equity method and include our share of KA's profits or losses in "Selling, general and administrative" in the Condensed Consolidated Statements of Operations. During the three and six months ended June 30, 2007, our share of KA's profits was $15 million and $22 million, respectively. During the three and six months ended June 30, 2006, our share of KA's profits was $16 million and $28 million, respectively. At June 30, 2007 and December 31, 2006, the carrying value of our equity method investment in KA was $263 million and $241 million, respectively, and is included in non-current "Other assets" in the Condensed Consolidated Balance Sheets. KA's revenues consist of royalty income related to its licensed technology rights. All of our rights to manufacture and market certain products including darbepoetin alfa, pegfilgrastim, granulocyte colony-stimulating factor ("G-CSF") and recombinant human erythropoietin are pursuant to exclusive licenses from KA, which we currently market certain of these products under the brand names Aranesp®, Neulasta®, NEUPOGEN® and EPOGEN®, respectively. KA receives royalty income from us, as well as Kirin, Johnson & Johnson and F. Hoffmann-La Roche Ltd. ("Roche") under separate product license agreements for certain geographic areas outside of the United States. During the three and six months ended June 30, 2007, KA earned royalties from us of $85 million and $170 million, respectively. During the three and six months ended June 30, 2006, KA earned royalties from us of $82 million and $156 million, respectively. These amounts are included in "Cost of sales (excludes amortization of acquired intangible assets)" in the Condensed Consolidated Statements of Operations.

KA's expenses primarily consist of costs related to R&D activities conducted on its behalf by Amgen and Kirin. KA pays Amgen and Kirin for such services at negotiated rates. During the three and six months ended June 30, 2007, we earned revenues from KA of $49 million and $105 million, respectively, for certain R&D activities performed on KA's behalf. During the three and six months ended June 30, 2006, we earned revenues from KA of $35 million and $63 million, respectively. These amounts are included in "Other revenues" in the Condensed Consolidated Statements of Operations.

AMGEN INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

3. Income taxes

The effective tax rates for the three and six months ended June 30, 2007 are different from the statutory rate primarily as a result of the favorable resolution of our federal tax examination for prior years and indefinitely invested earnings of our foreign operations. We do not provide for U.S. income taxes on undistributed earnings of our controlled foreign corporations that are intended to be invested indefinitely outside the United States.

One or more of our legal entities file income tax returns in the U.S. federal jurisdiction, various U.S. state jurisdictions and certain foreign jurisdictions. Our income tax returns are routinely examined by the tax authorities in those jurisdictions. Significant disputes can arise with these tax authorities involving issues of the timing and amount of deductions and allocations of income among various tax jurisdictions because of differing interpretations of tax laws and regulations. As of January 1, 2007, we were no longer subject to U.S. federal income tax examinations for years ending on or before December 31, 2001 or to California state income tax examinations for years ending on or before December 31, 2003.

During the three months ended June 30, 2007, we effectively settled our examination with the Internal Revenue Service ("IRS") for the years ended December 31, 2002, 2003 and 2004. We agreed to certain adjustments proposed by the IRS arising out of this examination primarily related to transfer pricing tax positions. Our closing agreement with the IRS also covers certain transfer pricing issues for the years ended December 31, 2005 and 2006; however these years have not been effectively settled.

During the six months ended June 30, 2007, the gross amount of our UTBs increased approximately $250 million as a result of tax positions taken during the current year, and decreased approximately $450 million related to tax positions taken in prior years, primarily as a result of our tax settlement discussed above. The majority of these changes impacted the January 1, 2007 balance of our UTBs that, if recognized, would affect our effective tax rate.

As of June 30, 2007, we believe that it was reasonably possible that our liabilities for UTBs may decrease by $100 million to $275 million within the succeeding twelve months due to potential tax settlements as well as the resolution of other issues identified during the examination process.

AMGEN INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

4. Financing arrangements

The following table reflects the carrying value of our long-term borrowings under our various financing arrangements as of June 30, 2007 and December 31, 2006 (in millions):

	June 30, 2007	December 31, 2006
0.125% convertible notes due 2011 (2011 Convertible Notes)	$ 2,500	$ 2,500
0.375% convertible notes due 2013 (2013 Convertible Notes)	2,500	2,500
Floating rate notes due 2008 (2008 Floating Rate Notes)	2,000	—
5.85% notes due 2017 (2017 Notes)	1,098	—
4.85% notes due 2014 (2014 Notes)	1,000	1,000
4.00% notes due 2009 (2009 Notes)	999	999
6.375% notes due 2037 (2037 Notes)	899	—
Zero coupon 30 year modified convertible notes due in 2032 (2032 Modified Convertible Notes)	80	1,778
Other	236	235
Total borrowings	11,312	9,012
Less current portion	100	1,798
Total non-current debt	$11,212	$ 7,214

2008 Floating Rate Notes, 2017 Notes and 2037 Notes

In May 2007, we issued $2.0 billion aggregate principal amount of floating rate notes due in 2008 (the "2008 Floating Rate Notes"), $1.1 billion aggregate principal amount of notes due in 2017 (the "2017 Notes") and $0.9 billion aggregate principal amount of notes due in 2037 (the "2037 Notes") in a private placement. The 2008 Floating Rate Notes bear interest at a rate per annum, equal to LIBOR plus 0.08%, which will be reset quarterly. We may redeem the 2008 Floating Rate Notes, in whole or in part, at any time on or after November 28, 2007 at a redemption price equal to 100% of the principal amount being redeemed plus accrued interest. The 2017 Notes and 2037 Notes pay interest at a fixed rate of 5.85% and 6.375%, respectively. The 2017 Notes and 2037 Notes may be redeemed, in whole at any time or from time to time in part, at 100% of the principal amount of the notes being redeemed plus accrued interest, if any, and a "make-whole" amount, as defined. In the event of a change in control triggering event, as defined, we may be required to purchase for cash all or a portion of the 2008 Floating Rate Notes, the 2017 Notes and the 2037 Notes at a price equal to 101% of the principal amount of the notes plus accrued interest. Debt issuance costs totaled approximately $16 million and are being amortized over the life of the notes.

A total of $3.2 billion of the net proceeds raised from the issuance of these notes were used to repurchase shares of our common stock under a block trade entered into in May 2007.

2032 Modified Convertible Notes

On March 2, 2007, as a result of certain holders of the 2032 Modified Convertible Notes exercising their March 1, 2007 put option, we repurchased $2,253 million aggregate principal amount of these convertible notes for their then-accreted value of $1,702 million in cash, representing approximately 96% of the outstanding balance of these notes. Upon the repurchase of these notes, a pro rata portion, $51 million, of deferred financing and related costs were immediately charged to interest expense during the three months ended March 31, 2007.

AMGEN INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

5. Stockholders' equity

Stock repurchase programs

The following table reflects a summary of activity under our stock repurchase programs for the six months ended June 30, 2007 and 2006 (in millions):

	2007		2006	
	Shares	Dollars	Shares	Dollars
First quarter	8.8	$ 537	46.6	$3,374
Second quarter	73.9**(1)**	4,463	13.0	876
Total	82.7**(1)**	$5,000	59.6	$4,250

(1) The total number of shares repurchased during the three and six months ended June 30, 2007 excludes 2,527,937 of shares received in July 2007 in connection with the final settlement of a block trade entered into in May 2007, which is discussed in Note 3, "Financing Arrangements" above (also see "Item 2. Unregistered Sales of Equity Securities, Use of Proceeds and Issuer Purchases of Equity Securities" in Part II herein).

As of June 30, 2007, $1,539 million was available for stock repurchases under our stock repurchase program authorized by the Board of Directors in December 2006. In July 2007, the Board authorized us to repurchase up to an additional $5.0 billion of common stock. The manner of purchases, the amount we spend, and the number of shares repurchased will vary based on a variety of factors, including the stock price and blackout periods in which we are restricted from repurchasing shares, and may include private block purchases as well as market transactions.

Comprehensive income

Our comprehensive income includes net income, unrealized gains and losses on our available-for-sale securities and foreign currency forward and option contracts, which qualify and are designated as cash flow hedges, and foreign currency translation adjustments. During the three and six months ended June 30, 2007, total comprehensive income was $987 million and $2,104 million, respectively. During the three and six months ended June 30, 2006, total comprehensive income was $5 million and $977 million, respectively.

6. Contingencies

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

AMGEN INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

7. Other items

Due to the various challenges faced by certain of our key products, in particular Aranesp® and EPOGEN®, which are discussed in more detail in the "Overview" section of Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), we commenced a global review of the Company's business plans to identify opportunities to improve our cost structure in response to any resulting declines in revenues.

As part of these efforts and in connection with the preparation of our financial statements for the three months ended June 30, 2007, we have decided to make changes to various ongoing capital projects. These decisions were primarily focused on rationalizing our worldwide network of manufacturing facilities in order to gain cost efficiencies while continuing to meet future commercial and clinical demand for our products and product candidates. In particular, these decisions included a re-scoping of our Ireland manufacturing operations, the construction of which was previously reported to have been delayed, certain revisions to our planned manufacturing expansion in Puerto Rico and, to a lesser degree, moderated expansion of our research facilities. As a result of these decisions, the Company recorded charges for asset impairment of $286 million and related costs of $3 million during the three months ended June 30, 2007. These charges are included in other operating expenses in the Condensed Consolidated Statement of Operations.

8. Subsequent events

Alantos Pharmaceutical Holding, Inc.

On July 16, 2007, we completed the acquisition of Alantos Pharmaceutical Holding, Inc. ("Alantos"), which will be accounted for as a business combination. Alantos was a privately held company that specialized in the development of drugs for the treatment of diabetes and inflammatory diseases. Pursuant to the merger agreement, we agreed to pay cash of approximately $300 million to acquire via merger all of the outstanding shares of Alantos. Alantos' operations will be included in our condensed consolidated financial statements commencing July 16, 2007. In connection with the acquisition, we will write-off the estimated fair value of Alantos' IPR&D during the three months ended September 30, 2007.

Ilypsa, Inc.

On July 18, 2007, we completed the acquisition of Ilypsa, Inc. ("Ilypsa"), which will be accounted for as a business combination. Ilypsa was a privately held company that specialized in the development of non-absorbed drugs for renal disorders. Pursuant to the merger agreement, we agreed to pay cash of approximately $420 million to acquire via merger all of the outstanding shares of Ilypsa. Ilypsa's operations will be included in our condensed consolidated financial statements commencing July 18, 2007. In connection with the acquisition, we will write-off the estimated fair value of Ilypsa's IPR&D during the three months ended September 30, 2007.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward looking statements

This report and other documents we file with the Securities and Exchange Commission ("SEC") contain forward looking statements that are based on current expectations, estimates, forecasts and projections about us, our future performance, our business or others on our behalf, our beliefs and our management's assumptions. In addition, we, or others on our behalf, may make forward looking statements in press releases or written statements, or in our communications and discussions with investors and analysts in the normal course of business through meetings, webcasts, phone calls and conference calls. Words such as "expect," "anticipate," "outlook," "could," "target," "project," "intend," "plan," "believe," "seek," "estimate," "should," "may," "assume," "continue," variations of such words and similar expressions are intended to identify such forward looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. We describe our respective risks, uncertainties and assumptions that could affect the outcome or results of operations in "Item 1A. Risk Factors." We have based our forward looking statements on our management's beliefs and assumptions based on information available to our management at the time the statements are made. We caution you that actual outcomes and results may differ materially from what is expressed, implied or forecast by our forward looking statements. Reference is made in particular to forward looking statements regarding product sales, regulatory activities, clinical trial results, reimbursement, expenses, EPS, liquidity and capital resources and trends. Except as required under the federal securities laws and the rules and regulations of the SEC, we do not have any intention or obligation to update publicly any forward looking statements after the distribution of this report, whether as a result of new information, future events, changes in assumptions or otherwise.

Overview

The following MD&A is intended to assist the reader in understanding Amgen's business. MD&A is provided as a supplement to, and should be read in conjunction with, our condensed consolidated financial statements and accompanying notes included in this Quarterly Report on Form 10-Q and our consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2006.

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

We primarily earn revenues and income and generate cash from sales of human therapeutic products in the areas of supportive cancer care, nephrology, inflammation and, beginning in the third quarter 2006, oncology when we received U.S. Food and Drug Administration ("FDA") approval and launched Vectibix™ (panitumumab), our first cancer therapeutic. For the three and six months ended June 30, 2007, total revenues were $3.7 billion and $7.4 billion, respectively. For the three and six months ended June 30, 2007, net income and diluted earnings per share were $1.0 billion and $2.1 billion and $0.90 per share and $1.84 per share, respectively. As discussed in more detail below, the results of our operations for the three and six months ended June 30, 2007 reflect charges for asset impairment and related costs of $289 million primarily associated with reduced capital investments as part of the

rationalization of our worldwide network of manufacturing facilities and, to a lesser degree, moderation of the expansion of our research facilities. As of June 30, 2007, cash, cash equivalents and marketable securities were $5.3 billion, of which approximately $4.2 billion was generated from operations in foreign tax jurisdictions and is intended for use outside the United States. The total debt outstanding was $11.3 billion as of June 30, 2007.

Our principal products include Aranesp®, EPOGEN®, Neulasta®/NEUPOGEN® and ENBREL, all of which are sold in the United States. ENBREL is marketed under a co-promotion agreement with Wyeth in the United States and Canada. Our international product sales consist principally of European sales of Aranesp® and Neulasta®/NEUPOGEN®. International product sales represented approximately 20% of total product sales for each of the three and six months ended June 30, 2007. Most patients receiving our principal products for approved indications are covered by either government or private payer health care programs. Therefore, sales of our principal products and sales growth are and will continue to be affected by the availability and extent of reimbursement from third-party payers, including government and private insurance plans and administration of those programs. For additional information about our principal products, their approved indications and where they are marketed, see "Item 1. Business – Principal products" in Part I of our Annual Report on Form 10-K for the year ended December 31, 2006.

For the three and six months ended June 30, 2007, product sales, which are mainly comprised of our principal products, represented 97% of total revenues. Total product sales for the three and six months ended June 30, 2007 grew 3% and 8%, respectively, principally driven by demand for ENBREL and Neulasta®. Total product sales growth for the three and six months ended June 30, 2007 was adversely impacted by Aranesp® sales. In particular, for the three months ended June 30, 2007, U.S. Aranesp® sales declined 19% primarily reflecting a decrease in demand as discussed in more detail below. We believe that future product sales growth will be more difficult than in previous years since, as discussed below, certain of our principal products, principally Aranesp® and EPOGEN®, face various challenges primarily arising from clinical trial results that led to regulatory activities, including revisions to labeling and loss of reimbursement coverage for certain of our products, and the potential for further label and reimbursement changes, and legislative reviews. In addition, increased competition, including additional approved indications for existing competitive products, is also presenting challenges to certain of our principal products, as discussed below.

In particular, our products used to treat anemia, Aranesp® and EPOGEN®, have and are continuing to experience significant regulatory and legislative challenges. Aranesp® and EPOGEN® belong to a class of drugs used to treat anemia referred to as erythropoiesis-stimulating agents, or ESAs. Aranesp® is used primarily in the United States and in Europe for the treatment of anemia both in supportive cancer care and in nephrology. EPOGEN® is used in the United States to treat anemia associated with chronic kidney disease. Due to negative safety results of various clinical studies involving ESAs in off-label uses performed by us, including our Anemia of Cancer phase 3 study (the "AoC 103 Study") and by third-parties, our anemia products, and Aranesp® in particular in the oncology setting, have experienced significant regulatory challenges. For example:

- In February 2007, the United States Pharmacopoeia Dispensing Information ("USP DI") Drug Reference Guides removed Aranesp® for use in the treatment of Anemia of Cancer ("AoC"). Thereafter, nearly all Medicare contractors stopped reimbursing for Aranesp® use in AoC patients.

- On March 9, 2007, the FDA approved updated safety information, including a boxed warning, in the prescribing information for the class of ESAs, including Aranesp® and EPOGEN®.

Sales growth slowed for Aranesp® in the United States in the latter part of the three months ended March 31, 2007 and declined significantly in the three months ended June 30, 2007 principally driven by a decrease in demand. This decrease in demand primarily reflects customer reaction in the oncology setting to these label and reimbursement changes. In addition, in Europe, there has been slight dosing conservatism in oncology, in the three months ended June 30, 2007, in part, as a result of recent developments in the United States.

Further, on July 30, 2007, the Centers for Medicare and Medicaid Services ("CMS") issued its National Coverage Decision Memorandum for Use of Erythropoiesis Stimulating Agents in Cancer and Related Neoplastic Conditions (the "Decision Memorandum"). The Decision Memorandum sets the coverage policy for Medicare and other government beneficiaries who account for approximately 50% of cancer patients receiving Aranesp®. We are in continuing discussions with CMS regarding the Decision Memorandum and are in the process of evaluating the impact the Decision Memorandum will have on the use, reimbursement and sales of Aranesp® and currently believe that the majority of cancer patients who receive treatment with Aranesp® are initiated at hemoglobin ("Hb") levels above 10g/dL and maintain Hb levels above 10g/dL with continued therapy. Given that the Decision Memorandum contains a coverage restriction for Hb levels greater than 10g/dL, we believe that such restriction will change the way ESAs are used in clinical practice, for example, by decreasing the number of treated patients, dose and duration of therapy. We expect this restriction on reimbursement of ESAs in the Decision Memorandum would have a material adverse effect on our sales of Aranesp®, and our business and results of operations. Additionally, we believe that the Decision Memorandum may be followed and implemented by some private payers. See the "Reimbursement" section, which follows for further discussion of the Decision Memorandum.

In addition, the outcome of recent and pending developments could have a material adverse impact on future product sales in the United States or internationally, as applicable, for Aranesp® and/or EPOGEN® as they may negatively impact healthcare provider prescribing behavior, use of our products, regulatory or private healthcare organization medical guidelines and reimbursement practices.

For example, the following could further impact future Aranesp® sales:

- On May 10, 2007, the Oncologic Drugs Advisory Committee ("ODAC") met to discuss the safety/efficacy profile of ESAs, including Aranesp® and EPOGEN®. The ODAC is an advisory committee of external experts who advise the FDA about the safety and efficacy of drug products for use in treating cancer patients. This committee is advisory only and FDA officials are not bound or limited by its recommendations. However, the FDA commonly follows the recommendations of its advisory panels. The ODAC recommended that more restrictions be added to ESA labels and that additional clinical trials be conducted by companies with currently approved ESAs, including us, although no specific restrictions or studies were recommended at the ODAC meeting. Although not required, the FDA will likely take into consideration the recommendations by the ODAC and will decide what updates to the ESA labels are necessary and whether additional clinical trials for ESAs should be conducted and how those trials should be designed. As a result of these recent developments, we are in discussions with the FDA and are working to arrive at new class labeling for ESAs in the oncology setting in the United States.

- The FDA has stated that it intends to hold a joint meeting of the Cardiovascular and Renal Drugs Advisory Committee ("CRDAC") and the Drug Safety and Risk Management Advisory Committee on September 11, 2007, to evaluate the safety data on ESA use in renal disease, which may lead to label changes.
- The European Scientific Advisory Group and the Committee for Medicinal Products for Human Use ("CHMP") recently held meetings to review the safety and labeling of ESAs made by us, Johnson & Johnson, Shire Pharmaceuticals Group ("Shire") and Roche in both the nephrology and oncology settings. We expect labeling changes to apply to all members of the ESA class consistently and expect that the new labels will be announced sometime towards the end of 2007.

For example, the following could further impact future EPOGEN® sales:

- The above-described joint meeting of the CRDAC and the Drug Safety and Risk Management Advisory Committee on September 11, 2007, which may lead to label changes in the renal setting.
- On July 20, 2007, CMS published revisions to its Claims Monitoring Policy: Erythropoietin/darbepoetin alfa usage for beneficiaries with end stage renal disease ("EMP"), effective January 1, 2008, which require a 50% reduction in Medicare reimbursement if a patient's Hb is above 13 g/dL for three or more consecutive months and a reduction of the monthly dosing limits to 400,000 IUs of EPOGEN® from 500,000 IUs.
- On April 12, 2007 after a review of existing guidelines, the National Kidney Foundation ("NKF") distributed to the nephrology community a draft of the Kidney Disease Outcomes Quality Initiative ("KDOQI") Clinical Practice Guideline and Clinical Practice Recommendations for Anemia Management in Chronic Kidney Disease ("proposed KDOQI guidelines"). In the proposed KDOQI guidelines, the NKF recommends what factors should be considered in selecting a Hb target and states that the selected Hb target should generally be in the range of 11.0 to 12.0 g/dL.
- Legislative actions, such as The Children's Health and Medicare Protection Act of 2007 proposed legislation (the "Proposed CHAMP Legislation") released by the U.S. House of Representatives Committees on Ways & Means and Energy & Commerce on July 24, 2007, which would reduce ESA payments to large dialysis organizations to average sales price ("ASP") +2% in 2008 and 2009.

Our anemia products and certain other principal products are also facing a number of competitive challenges as well. For example:

- Roche is developing a pegylated erythropoietin molecule ("peg-EPO") product for the United States for which they have filed a biologic license application ("BLA") with the FDA. On May 18, 2007, Roche announced that the FDA had issued an approvable letter for their peg-EPO product for the treatment of anemia associated with chronic renal failure, including

patients on dialysis and patients not on dialysis. Roche stated that it has received a draft label from the FDA and expects the label to be finalized after the CRDAC has issued its recommendations on the entire class of ESAs. The FDA stated that it intends to hold a joint meeting of the CRDAC and the Drug Safety and Risk Management Advisory Committee on September 11, 2007. According to Roche's public statements, they expect to launch the molecule in the U.S. nephrology segment in 2007, upon regulatory approval, despite our ongoing lawsuit and their acknowledgment of our U.S. erythropoietin patents (see "Item 1. Legal Proceedings – *Roche Matters*" in Part II herein). In addition, Roche's peg-EPO product, MIRCERA®, received approval by the European Commission on July 26, 2007 to treat anemia associated with chronic kidney disease and is expected to be launched in certain European Union ("EU") countries in the third quarter of 2007.

- Shire launched Dynepo™ (Epoetin delta), a competing erythropoietin product, in Germany in March 2007. Dynepo™ is expected to be launched in certain other EU countries throughout the remainder of 2007.
- The first biosimilar erythropoietin products which would compete with Aranesp® may be approved in the EU in the third quarter of 2007 and could be available shortly thereafter. The first biosimilar G-CSF products, which would compete with Neulasta® and NEUPOGEN®, may be approved in the EU sometime in 2008, and could be available soon thereafter.
- ENBREL operates in an extremely competitive environment as evidenced by the number of competitive products, including HUMIRA®, Remicade®, Orencia®, Rituxan®, Raptiva® and Amevive®. Although these competing products have helped to grow both the rheumatology and dermatology segments, they have also resulted in ENBREL experiencing share loss in both of these segments.

Further, as a result of safety concerns related to patient survival, we previously announced that we had discontinued Vectibix™ treatment in our Panitumumab Advanced Colorectal Cancer Evaluation ("PACCE") trial, a non-registration-enabling trial evaluating the addition of Vectibix™ to standard chemotherapy and Avastin® (bevacizumab) for the treatment of first-line metastatic colorectal cancer. We are in continuing discussions with the FDA with respect to the Vectibix™ label, and expect to provide additional prominence to data from the PACCE trial. The language is still in development, discussions with the FDA are on-going and any label change is subject to FDA approval. Our registrational studies to explore the utility of Vectibix™ in combination with chemotherapy in first and second line metastatic colorectal cancer continue and are not being modified at this time as a result of the PACCE trial. Further, on May 25, 2007, the CHMP adopted a negative opinion with respect to the approval of Vectibix™ in the EU to treat patients with metastatic colorectal cancer whose disease has progressed on or following all standard chemotherapy regimens. In accordance with European regulations, we have requested a re-examination of the CHMP opinion as part of the EU regulatory process.

For further discussion on the above matters, refer to "Reimbursement" below and to "Item 1A. Risk Factors" in Part II herein.

As a result of these challenges, we have commenced a global review of the Company's business plans to identify opportunities to improve our cost structure in response to any resulting declines in revenues. In connection with these efforts, we have begun taking certain actions to moderate our operating expense growth. In addition, we will refocus spending on critical R&D and operational priorities and seek greater efficiencies in how we conduct our business while continuing to make significant innovative R&D investments and build the framework for the Company's future growth.

As part of these efforts, we have decided to make changes to various ongoing capital projects. These decisions were primarily focused on rationalizing our worldwide network of manufacturing facilities in order to gain cost efficiencies while continuing to meet future commercial and clinical demand for our products and product candidates. In particular, these decisions included a re-scoping of our Ireland manufacturing operations, the construction of which was previously reported to have been delayed, certain revisions to our planned manufacturing expansion in Puerto Rico and, to a lesser degree, moderated expansion of our research facilities. As a result of these decisions, the Company recorded charges for asset impairment and related costs of $289 million during the three months ended June 30, 2007. These charges are included in other operating expenses in the Condensed Consolidated Statement of Operations.

We are continuing our review of the Company's operations and depending, in part, on the outcome of certain future developments, including the impact of CMS' Decision Memorandum related to the use of ESAs in oncology and the results of the upcoming joint meeting of the CRDAC and Drug Safety and Risk Management Advisory Committee, we may be required to take further actions to reduce costs. As a result, we may incur additional related charges in the near term, certain of which may be material.

For the three and six months ended June 30, 2007 and 2006, operating income was as follows (in millions):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2007	2006	Change	2007	2006	Change
Operating Income	$ 1,130	$ 295	283%	$2,530	$1,529	65%

Operating income as a percentage of product sales was 31% and 8% for the three months ended June 30, 2007 and 2006, respectively. For the six months ended June 30, 2007 and 2006, operating income as a percentage of product sales was 35% and 23%, respectively. Operating income for the three and six months ended June 30, 2006 was impacted by the $1.1 billion write-off of acquired IPR&D incurred in connection with the Abgenix acquisition.

We focus our R&D on novel human therapeutics for the treatment of grievous illness. We have substantially expanded our R&D capabilities to manage and execute increasingly larger and more complex clinical trials and to build the capacity to advance more compounds into and through the clinic. Based on current business trends, we expect to see further growth in R&D expense in 2007, but not to the same extent experienced in 2006, in order to support the increased number and expense of studies to advance our late-stage pipeline, including previously initiated mega-trials, as well as the continued advancement of earlier stage compounds. However, as a result of recent regulatory and legislative challenges discussed above, we have and will continue to assess the optimal level of our R&D investment. To the extent future sales are negatively impacted as a result of these challenges, we may be required to adjust our R&D investment plans.

On July 16, 2007, we completed our acquisition of Alantos, which will be accounted for as a business combination. Alantos was a privately held company that specialized in the development of drugs for the treatment of diabetes and inflammatory diseases. Pursuant to the merger agreement, we agreed to pay cash of approximately $300 million to acquire via merger all of the outstanding shares of Alantos. The transaction provides Amgen with Alantos' lead drug candidate, a DPP-IV inhibitor in clinical development (Phase 2a) for the treatment of type II diabetes.

On July 18, 2007, we completed our acquisition of Ilypsa, which will be accounted for as a business combination. Ilypsa was a privately held company that specialized in the development of non-absorbed drugs for renal disorders. Pursuant to the merger agreement, we agreed to pay cash of approximately $420 million to acquire via merger all of the outstanding shares of Ilypsa. The transaction provides Amgen with Ilypsa's lead drug candidate, a phosphate binder in clinical development (Phase 2) for the treatment of hyperphosphatemia in chronic kidney disease patients on hemodialysis.

There are also many economic and industry-wide factors that affect our business generally and uniquely, including, among others, those relating to increased complexity and cost of R&D due, in part, to greater scrutiny of clinical trials with respect to safety which may lead to fewer treatments being approved by the FDA or other regulatory bodies and/or safety-related label changes for approved products; increasingly intense competition for marketed products and product candidates; reimbursement changes; healthcare provider prescribing behavior, regulatory or private healthcare organization medical guidelines and reimbursement practices; complex and expanding regulatory requirements; and intellectual property protection. See "Item 1. Business" in Part I of our Annual Report on Form 10-K for the year ended December 31, 2006 and "Item 1A. Risk Factors" in Part II herein for further information on these economic and industry-wide factors and their impact and potential impact on our business.

Reimbursement

Sales of all of our principal products are dependent, in part, on the availability and extent of reimbursement from third-party payers, including governments and private insurance plans. Generally, in Europe and other countries outside the United States, the government sponsored healthcare system is the primary payer of healthcare costs of patients. Governments may regulate access to, prices or reimbursement levels of our products to control costs or to affect levels of use of our products. Worldwide use of our products may be affected by these cost containment pressures and cost shifting from governments and private insurers to healthcare providers in response to ongoing initiatives to reduce or reallocate healthcare expenditures. Further, adverse events or results from clinical trials or studies performed by us or by others or from the marketed use of our drugs may expand safety labeling for our approved products and may negatively impact worldwide reimbursement for our products. On May 14, 2007, CMS issued its Proposed National Coverage Decision Memorandum for Use of Erythropoiesis Stimulating Agents in Cancer and Related Neoplastic Conditions (the "Proposed NCD") and on July 30, 2007, issued its Decision Memorandum. We are in the process of evaluating what impact the Decision Memorandum will have on the use, reimbursement and sales of Aranesp®, and our business and results of operations. A complete discussion of the Decision Memorandum follows below. (See also "Item 1A. Risk Factors" – "*Our current products and products in development cannot be sold if we do not gain or maintain regulatory approval of our products and we may be required to perform additional clinical trials or change the labeling of our products or take other potentially limiting or costly actions if we or others identify side effects after our products are on the market.*" and "*Guidelines and recommendations published by various organizations can reduce the use of our products*." in Part II herein.) In addition, Senator Charles Grassley from the United States Senate Finance Committee sent letters to the FDA, CMS and to us expressing interest in the use of ESAs in cancer and End Stage Renal Disease ("ESRD")

patients and has requested meetings with each of the three. To the extent that there is resulting legislation or changes in CMS or FDA policy as a result of Senator Grassley's concerns, such changes could have a material or adverse effect on the use of our ESA products.

Most patients receiving Aranesp®, Neulasta® and NEUPOGEN® for approved indications are covered by both government and private payer healthcare programs. Government healthcare programs are governed by the Medicare Prescription Drug Improvement and Modernization Act (the "MMA") which was enacted into law in December 2003 and became effective January 1, 2005. Since January 1, 2005, in the physician clinic setting and since January 1, 2006, in the hospital outpatient setting, Aranesp®, Neulasta® and NEUPOGEN® have been reimbursed under a Medicare Part B payment methodology that reimburses each product at 106% of its ASP (sometimes referred to as "ASP+6%"). ASP is calculated by the manufacturer based on a statutorily defined formula and submitted to CMS. A product's ASP is calculated on a quarterly basis and therefore may change each quarter. The ASP in effect for a given quarter (the "Current Period") is based upon certain historical sales and sales incentive data covering a statutorily defined period of time preceding the Current Period. For example, the ASP for Aranesp® that will be in effect for the third quarter of 2007 will be based in part on certain historical sales and sales incentive data for Aranesp® from June 1, 2006 through May 30, 2007. CMS publishes the ASPs for products in advance of the quarter in which they go into effect. Any changes to the ASP calculations directly affect the Medicare reimbursement for our products administered in the physician office and the hospital outpatient setting. These calculations are regularly reviewed for completeness and based on such review, we have had to revise our interpretation and methodology of such interpretation to reflect such calculation changes both prospectively and retroactively. Partially as a result of our methodology changes, our ASP reimbursement rate for EPOGEN® was reduced for the third quarter of 2007. Prior to January 1, 2006, Medicare's hospital outpatient prospective payment system ("OPPS"), which determines payment rates for specified covered outpatient drugs and biologics in the hospital outpatient setting, utilized the average wholesale price ("AWP") as the basis of Medicare Part B payment for covered outpatient drugs and biologics administered in the hospital outpatient setting. From 2003 to 2005, CMS applied an "equitable adjustment" such that the Aranesp® reimbursement rate was based on the AWP of PROCRIT®, Johnson & Johnson's recombinant human erythropoietin product marketed in the United States, using a dose conversion ratio. In 2006 and 2007, CMS did not apply an "equitable adjustment" to tie the reimbursement rate for Aranesp® to PROCRIT®. On July 16, 2007, CMS released its 2008 OPPS proposed rule that did not propose to apply an "equitable adjustment" to the reimbursement rate for Aranesp® to PROCRIT®, however, CMS has maintained that it reserves the right to apply an "equitable adjustment" to the payment rate for Aranesp® in future years.

In the United States, dialysis providers are primarily reimbursed for EPOGEN® by the federal government through the ESRD Program of Medicare. The ESRD Program reimburses approved providers for 80% of allowed dialysis costs; the remainder is paid by other sources, including patients, state Medicaid programs, private insurance, and to a lesser extent, state kidney patient programs. The ESRD Program reimbursement rate is established by federal law and is monitored and implemented by CMS. Effective January 1, 2006, the payment mechanism for separately reimbursed dialysis drugs in both free-standing and hospital-based dialysis centers, including EPOGEN® and Aranesp®, is reimbursed by Medicare at ASP+6% using the same payment amounts used in the physician clinic setting. On May 18, 2007, CMS released a notice, based on its ongoing assessment for payment of Part B drugs, that there would be a single payment limit for Epoetin alfa (EPOGEN® and PROCRIT®) beginning in the third quarter of 2007. Further, on July, 24, 2007, the U.S. House of Representatives Committees on Ways & Means and Energy & Commerce released the Proposed CHAMP Legislation which would reduce ESA payment to large dialysis organizations to ASP+2% in 2008 and 2009. Although we cannot predict the payment levels of EPOGEN® in future quarters, a decrease in the reimbursement rate for EPOGEN® may have a material adverse effect on our business and results of operations.

Since April 1, 2006, the ESRD Program reimbursement has been subject to a revised Hematocrit Measurement Audit Program Memorandum ("HMA-PM"), a Medicare payment review mechanism used by CMS to audit EPOGEN® and Aranesp® (when used in dialysis) utilization and appropriate hematocrit outcomes of dialysis patients. This policy, EMP, was revised, effective October 1, 2006, to provide that if a patient's Hb is greater than 13 g/dL, providers are instructed to reduce the patient's EPOGEN® and Aranesp® dose and report this reduction on claims using a coding modifier. If the provider does not reduce the patient's EPOGEN® and Aranesp® dose and the provider does not submit medical documentation to support maintaining a patient's Hb above 13 g/dL, reimbursement will be reduced to the level it would have been had the provider reduced dosage by 25%. On July 20, 2007, CMS published revisions to the EMP, effective January 1, 2008, requiring a 50% reduction in Medicare reimbursement if a patient's Hb is above 13 g/dL for three or more consecutive months and a reduction of the monthly dosing limits to 400,000 IUs of EPOGEN® from 500,000 IUs, and to 1,200 mcgs of Aranesp® from 1,500 mcgs.

Changes resulting from the MMA, which beginning in 2005 lowered reimbursement for our products, could negatively affect product sales of some of our marketed products. However, we believe that our product sales for 2005 and 2006 were not significantly impacted by the reimbursement changes resulting from the MMA. While we cannot accurately predict the impact of any such changes on how, or under what circumstances, healthcare providers will prescribe or administer our products and we cannot estimate the full impact of the MMA on our business, we believe that it is likely to be significant to our business in 2007. However, additional provisions of the MMA and other regulations affecting reimbursement that have gone or may go into effect could affect our product sales and related sales growth in the future. For example, the MMA required a demonstration project of a bundled payment system for dialysis, including separately billable drugs and EPOGEN®. The demonstration project was scheduled to start in January 2006, but has been delayed with no announced start date. However, the Proposed CHAMP Legislation would bundle payment to large dialysis organizations ("LDOs") for dialysis services, including but not limited to composite rate services, ESAs, other drugs and labs common in dialysis, and home dialysis training beginning in 2010. The Proposed CHAMP Legislation also requires that aggregate payment be reduced by 4% in 2010, and allows CMS four years to phase in bundling to non-LDO providers. Bundling initiatives that have been implemented in other healthcare settings have resulted in lower utilization of services that had not previously been a part of the bundled payment. Because CMS is continuing to study bundled payments in the ESRD setting, we cannot predict what impact a bundled payments system would have on sales of EPOGEN® or Aranesp® used in the treatment of persons receiving outpatient dialysis services.

In addition, on December 29, 2006, the Medicare Payment Advisory Commission ("MedPAC") released its second Congressionally-mandated report on the impact of changes in Medicare payments for Part B Drugs specifically recommending that the Secretary of the Department of Health and Human Services clarify ASP reporting requirements "to ensure that ASP calculations allocate discounts to reflect the transaction price for each drug." Under the ASP system, the Company allocates its discounts based on the prices paid for individual drugs, according to the terms of its contracts with physicians and other purchasers, and we believe that the resulting ASPs reflect the transaction prices for individual drugs. Referencing MedPAC's December 2006 report, CMS proposed in the Medicare Physician Fee Schedule Proposed Rule for 2008 revising the methodology for calculating ASP to require the reallocation of price concessions of drugs sold under "bundled arrangements," described by CMS in part as an arrangement regardless of physical packaging under which the rebate, discount or other price concession is conditioned upon the purchase of the same drug or

biological or other drugs or biologicals or some other performance requirement. As it is premature to speculate on how CMS will finalize the proposed methodology, we cannot predict the potential impact this revised methodology may have on our business.

Other initiatives reviewing the coverage or reimbursement of our products, including those related to safety, could result in less extensive coverage or lower reimbursement and could negatively affect sales of some of our marketed products. For example, on March 14, 2007, shortly after the label changes for all ESAs, CMS announced that the agency had begun reviewing all Medicare policies related to the administration of ESAs in non-renal disease applications as part of a national coverage analysis ("NCA") which is generally CMS' first step toward developing a NCD. Generally, a NCD is a national policy statement granting, limiting or excluding Medicare coverage or reimbursement for a specific medical item or service. During the initial comment period which ended on April 13, 2007, we submitted comments to CMS which included a detailed and thorough review of the available clinical data, noted a series of important considerations and made a number of specific recommendations for the agency to consider in developing a NCD. On May 14, 2007, CMS issued the Proposed NCD following a review of data and public comments submitted as part of the NCA, which under the MMA, was subject to a 30-day public comment period that ended June 13, 2007.

On July 30, 2007, CMS issued its Decision Memorandum which was substantially altered from the Proposed NCD. In the Decision Memorandum, CMS determined that ESA treatment was not reasonable and necessary for certain clinical conditions. These conditions include:

- Any anemia in cancer or cancer treatment patients due to folate deficiency, B-12 deficiency, iron deficiency, hemolysis, bleeding, or bone marrow fibrosis;
- Anemia associated with the treatment of acute and chronic myelogenous leukemias (CML, AML), or erythroid cancers;
- Anemia of cancer not related to cancer treatment;
- Any anemia associated only with radiotherapy;
- Prophylactic use to prevent chemotherapy-induced anemia;
- Prophylactic use to reduce tumor hypoxia;
- Patients with erythropoietin-type resistance due to neutralizing antibodies; and
- Anemia due to cancer treatment if patients have uncontrolled hypertension.

Additionally, in the Decision Memorandum, CMS provides coverage for ESA treatment for the anemia secondary to myelosuppressive anticancer chemotherapy in solid tumors, multiple myeloma, lymphoma, and lymphocytic leukemia under the following criteria:

- The Hb level immediately prior to initiation or maintenance of ESA treatment is < 10 g/dL (or the hematocrit is < 30%);
- The starting dose for ESA treatment is the recommended FDA label starting dose, no more than 150 U/kg/three times weekly for Epoetin and 2.25 mcg/kg/weekly for darbepoetin alfa;

- Maintenance of ESA therapy is the starting dose if the Hb level remains below 10 g/dL (or hematocrit is < 30%) 4 weeks after initiation of therapy and the rise in Hb is > 1g/dL (hematocrit > 3%). However, if after the first 4 weeks the Hb is > 10g/dL, ESA treatment is not covered;
- For patients whose Hb rises <1 g/dl (hematocrit rise <3%) compared to pretreatment baseline over 4 weeks of treatment and whose Hb level remains <10 g/dL after the 4 weeks of treatment (or the hematocrit is <30%), the recommended FDA label starting dose may be increased once by 25%. Continued use of the drug is not reasonable and necessary if the Hb rises <1 g/dl (hematocrit rise <3 %) compared to pretreatment baseline by 8 weeks of treatment;
- Continued administration of the drug is not reasonable and necessary if there is a rapid rise in Hb > 1 g/dl (hematocrit> 3%) over 2 weeks of treatment unless the Hb remains below or subsequently falls to < 10 g/dL (or the hematocrit is < 30%). Continuation and reinstitution of ESA therapy must include a dose reduction of 25% from the previously administered dose; and
- ESA treatment duration for each course of chemotherapy under the above criteria includes the eight weeks following the final dose of myelosuppressive chemotherapy in a chemotherapy regimen.

Under the provisions of the Decision Memorandum, Medicare contractors may continue to issue local coverage determinations based on the existing Medicare policy of "reasonable and necessary determinations" on all uses of ESAs that are not determined by the NCD, including Myelodysplastic syndrome ("MDS").

The Decision Memorandum sets the coverage policy for Medicare and other government beneficiaries who account for approximately 50% of cancer patients receiving Aranesp®. We are in continuing discussions with CMS regarding the Decision Memorandum and are in the process of evaluating the impact the Decision Memorandum will have on the use, reimbursement and sales of Aranesp® and currently believe that the majority of cancer patients who receive treatment with Aranesp® are initiated at Hb levels above 10g/dL and maintain Hb levels above 10g/dL with continued therapy. Given that the Decision Memorandum contains a coverage restriction for Hb levels greater than 10g/dL, we believe that such restriction will change the way ESAs are used in clinical practice, for example, by decreasing the number of treated patients, dose and duration of therapy. We expect this restriction on reimbursement of ESAs in the Decision Memorandum would have a material adverse effect on our sales of Aranesp®, and our business and results of operations. Additionally, we believe that the Decision Memorandum may be followed and implemented by some private payers.

In addition, the FDA has stated that it intends to hold a joint meeting of the CRDAC and the Drug Safety and Risk Management Advisory Committee on September 11, 2007, to evaluate the safety data on ESA use in renal disease. We cannot predict what action the FDA may take as a result of such committee meeting or what impact it may have on our sales of our ESAs and on our business. Although the revisions to the EMP made no announcement of a nephrology focused NCA, any NCD for ESAs in the renal setting, which may include non-coverage and/or new dosing and treatment restrictions similar to those proposed in the Proposed NCD for treatment of anemia in oncology with ESAs, would negatively effect use, reduce reimbursement and coverage, negatively affect product sales of our ESA products and may have a material adverse effect on our business and results of operations.

Further, the Deficit Reduction Act of 2005 ("DRA") included provisions, which are phased in over time, regarding state collection and submission of data for the purpose of collecting Medicaid drug rebates from manufacturers for physician-administered drugs. We expect that state compliance with elements of these provisions that became effective on January 1, 2006, will increase the level of Medicaid rebates paid by us. We are currently in the process of further evaluating the impact of the DRA and are uncertain as to the potential full impact on our business. Related to this issue, CMS issued a final Medicaid rule on July 6, 2007 that covered a broad range of topics concerning the calculation and use of Average Manufacturer Price ("AMP") and best price as well as a definition for bundled sales under the Medicaid program. Although it has minor differences, the definition of "bundled sale" under this rule is essentially the same as what CMS proposed under the definition of "bundled price concessions" in the Medicare Physician Fee Schedule Proposed Rule for 2008. Given its recent release, we are in the process of evaluating what impact the final rule will have on our business.

Results of Operations

Product sales

For the three and six months ended June 30, 2007 and 2006, worldwide product sales and total product sales by geographic region were as follows (in millions):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2007	2006	Change	2007	2006	Change
Aranesp®	$ 949	$ 1,055	(10)%	$1,969	$1,948	1%
EPOGEN®	624	613	2%	1,249	1,217	3%
Neulasta®/NEUPOGEN®	1,041	1,005	4%	2,059	1,901	8%
ENBREL	823	724	14%	1,553	1,382	12%
Sensipar®	108	79	37%	213	140	52%
Vectibix™	45	—	n/a	96	—	n/a
Other	14	15	(7)%	30	30	0%
Total product sales	$ 3,604	$ 3,491	3%	$7,169	$6,618	8%
Total U.S.	$ 2,879	$ 2,861	1%	$5,763	$5,432	6%
Total International	725	630	15%	1,406	1,186	19%
Total product sales	$ 3,604	$ 3,491	3%	$7,169	$6,618	8%

Product sales are influenced by a number of factors, including demand, third-party reimbursement availability and policies, government programs, regulatory developments or guidelines, clinical trial outcomes, clinical practice, pricing strategies, wholesaler and end-user inventory management practices, patient population, fluctuations in foreign currency exchange rates, new product launches and indications, competitive products, product supply and acquisitions.

Product sales growth for the three and six months ended June 30, 2007 was principally driven by increased demand for ENBREL and Neulasta®. Total product sales growth for the three and six months ended June 30, 2007 was adversely impacted by Aranesp® sales. In particular, for the three months ended June 30, 2007, U.S. Aranesp® sales declined 19% primarily reflecting a decrease in demand as a result of customer reaction to certain label and reimbursement changes. International product sales for the

three and six months ended June 30, 2007 were favorably impacted by $41 million and $83 million, respectively, from foreign currency exchange rate changes. Excluding the favorable impact of foreign currency exchange rate changes, international product sales increased 9% and 12% over the three and six months ended June 30, 2006, respectively.

Aranesp®

For the three and six months ended June 30, 2007 and 2006, total Aranesp® sales by geographic region were as follows (in millions):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2007	2006	Change	2007	2006	Change
Aranesp®—U.S.	$ 578	$ 713	(19)%	$1,232	$1,309	(6)%
Aranesp®—International	371	342	8%	737	639	15%
Total Aranesp®	$ 949	$ 1,055	(10)%	$1,969	$1,948	1%

The decrease in U.S. Aranesp® sales for the three and six months ended June 30, 2007 was principally driven by a decline in demand. Additionally, to a lesser degree, U.S. sales were adversely impacted by unfavorable wholesaler inventory changes which were offset by end-user inventory build. The decline in demand primarily reflects customer reaction in the oncology setting to the ESA safety-related label change and the reimbursement change related to the discontinued Medicare reimbursement of Aranesp® for use in the treatment of AoC, which occurred primarily in the latter half of the first quarter of 2007, as discussed above in the "Overview" section. The impact of these label and reimbursement changes was not fully reflected in sales in the three months ended March 31, 2007 given the timing of their development.

The increase in international Aranesp® sales for the three months ended June 30, 2007 was primarily due to changes in foreign exchange which positively impacted sales by approximately $21 million. Excluding the impact of foreign currency exchange rate changes, international Aranesp® sales for the three month period increased 2%. International sales for the three months ended June 30, 2007 also reflect increased demand in the European nephrology segment partially offset by slight dosing conservatism in the European oncology segment. Although we are maintaining our competitive share position in oncology in Europe, the slight dosing conservatism may have been influenced, in part, by recent developments in the United States. The increase in international sales for the six months ended June 30, 2007 was favorably impacted by foreign currency exchange rate changes of $45 million. Excluding the impact of foreign currency exchange rate changes, international Aranesp® sales for the six month period increased 8%. International sales for the six months ended June 30, 2007 also reflect certain segment growth and share gains, largely occurring during the first quarter of 2007.

In addition to the factors mentioned in the "*Product sales*" section above, future worldwide Aranesp® sales growth will be dependent, in part, on such factors as:

- reimbursement changes for ESAs resulting from CMS' Decision Memorandum issued on July 30, 2007. The Decision Memorandum sets the coverage policy for Medicare and other government beneficiaries who account for approximately 50% of cancer patients receiving Aranesp®. We are in continuing discussions with CMS regarding the Decision Memorandum and are in the process of evaluating the impact the Decision Memorandum will have on the use, reimbursement and sales of Aranesp® and currently believe that the majority of cancer patients who receive treatment with Aranesp® are initiated at Hb levels above 10g/dL and maintain Hb levels above 10g/dL with continued therapy. Given that the Decision Memorandum contains a coverage restriction for Hb levels greater than 10g/dL, we believe that such restriction will change the way ESAs are used in clinical practice, for example, by decreasing the number of treated patients, dose and duration of therapy. We expect this restriction on reimbursement of ESAs in the Decision Memorandum would have a material adverse effect on our sales of Aranesp®, and our business and results of operations. Additionally, we believe that the Decision Memorandum may be followed and implemented by some private payers;
- adverse events or results from clinical trials or studies performed by us or by others, which have and could further impact product safety labeling and may negatively impact healthcare provider prescribing behavior, use of our product, regulatory or private healthcare organization medical guidelines and reimbursement practices. For example, as discussed in more

detail above in the "Overview" section, negative safety results for various studies performed by us and by third-parties, including our AoC 103 Study, involving off-label usage of ESAs have resulted in the following:

- discontinued reimbursement for Aranesp® by nearly all Medicare contractors in the treatment of AoC;
- product safety label changes in the United States for the class of ESAs, including Aranesp® and EPOGEN®, and potential for additional label changes resulting from:
  - recommendations made at the ODAC meeting on May 10, 2007 to include more restrictions on ESA labels and to require companies with currently approved ESAs to conduct additional clinical trials. We are in discussions with the FDA and are working to arrive at new class labeling for ESAs in the oncology setting in the United States;
  - an FDA scheduled joint meeting of the CRDAC and Drug Safety and Risk Management Advisory Committee on September 11, 2007, to evaluate the safety data on ESA use in renal disease; and
  - the European Scientific Advisory Group and the CHMP recently held meetings to review the safety and labeling of ESAs made by us, Johnson & Johnson, Shire and Roche in both the European nephrology and oncology settings. We expect labeling changes to apply to all members of the ESA class consistently and expect that the new labels will be announced sometime towards the end of 2007.
- changes in healthcare provider prescribing behavior or use of our product, such as more conservative dosing;

- governmental or private organization regulations or guidelines relating to the use of our products;
- reimbursement and cost containment pressures by third-party payers, including governments and private insurance plans;
- an increasingly competitive environment of products or therapies, which in 2007 in the United States could potentially include competition in the nephrology segment from Roche's peg-EPO product, which Roche has indicated they intend to bring to the U.S. market upon regulatory approval despite our ongoing lawsuit and their acknowledgment of our U.S. erythropoietin patents (see "Item 1. Legal Proceedings – *Roche Matters*" in Part II herein) and in the EU includes or could potentially include Shire's erythropoietin product, Dynepo™, launched in Germany in March 2007 and expected to be launched in certain other EU countries throughout the remainder of 2007, Roche's peg-EPO product, MIRCERA®,

approved in the EU on July 26, 2007 and expected to be launched in certain EU countries in the third quarter of 2007 and biosimilar products which may be approved in the third quarter of 2007 and launched shortly thereafter;

- our ability to differentiate Aranesp® from current and potential future competition;
- pricing strategies; and

any or all of which could have a material adverse impact on future sales of Aranesp®.

(See "Item 1A. Risk Factors" in Part II herein for further discussion of certain of the above factors that could impact our product sales.)

EPOGEN®

For the three and six months ended June 30, 2007 and 2006, total EPOGEN® sales were as follows (in millions):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2007	2006	Change	2007	2006	Change
EPOGEN®—U.S	$ 624	$ 613	2%	$1,249	$1,217	3%

EPOGEN® sales for the three and six months ended June 30, 2007 increased primarily due to patient population growth, positive revised estimates of dialysis demand (spillover) for prior quarters (see Note 1, "Summary of significant accounting polices – *Product sales*" to the Condensed Consolidated Financial Statements for further discussion), and favorable wholesaler inventory changes, partially offset by changes in customer purchasing patterns. EPOGEN® sales for the three months ended June 30, 2007 were also negatively impacted by low single digit decline in dose/utilization.

In addition to the factors mentioned in the "*Product sales*" section above, future EPOGEN® sales will be dependent, in part, on such factors as:

- adverse events or results from clinical trials or studies performed by us or by others, which have and could further impact product safety labeling and may negatively impact healthcare provider prescribing behavior, use of our product, regulatory or private healthcare organization medical guidelines and reimbursement practices. For example, as discussed in more detail above in the "Overview" section, negative safety results for various studies performed by us and by third-parties, involving off-label usage of ESAs have resulted in the following:
  - reimbursement changes resulting from CMS' July 20, 2007 published revisions to its EMP, effective January 1, 2008, which require a 50% reduction in Medicare reimbursement if a patient's Hb is above 13 g/dL for three or more consecutive months and a reduction of the monthly dosing limits to 400,000 IUs of EPOGEN® from 500,000;

- — product safety label changes in the United States for the class of ESAs, including Aranesp® and EPOGEN®, and the potential for additional label changes resulting from an FDA scheduled joint meeting of the CRDAC and Drug Safety and Risk Management Advisory Committee on September 11, 2007, to evaluate the safety data on ESA use in renal disease;
- — the potential for changes in medical guidelines resulting from the NKF issuance of the proposed KDOQI guidelines, which recommend what factors should be considered in selecting a Hb target and state that the selected Hb target should generally be in the range 11.0 to 12.0 g/dL;
- — changes in healthcare provider prescribing behavior or use of our product, such as more conservative dosing behavior;

- governmental or private organization regulations or guidelines relating to the use of our products;
- changes in reimbursement rates or a change in the basis for reimbursement by the federal government;
- the possibility of competition from Roche's peg-EPO, which Roche has indicated they plan to bring to the U.S. nephrology market in 2007, upon regulatory approval despite our ongoing lawsuit and their acknowledgment of our U.S. erythropoietin patents (see "Item 1. Legal Proceedings – *Roche Matters*" in Part II herein);
- cost containment pressures from the federal government on healthcare providers;
- pricing strategies; and

any or all of which could have a material adverse impact on future sales of EPOGEN®.

- In addition, EPOGEN® sales could be favorably impacted by underlying demand in the free-standing dialysis centers, which we believe will remain consistent with the annual patient population growth of approximately 3% and the lessened impact of conversion to Aranesp® in the U.S. hospital dialysis clinics, which we believe stabilized in mid-2006.

(See "Item 1A. Risk Factors" in Part II herein for further discussion of certain of the above factors that could impact our product sales.)

Neulasta®/NEUPOGEN®

For the three and six months ended June 30, 2007 and 2006, total Neulasta®/NEUPOGEN® sales by geographic region were as follows (in millions):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2007	2006	Change	2007	2006	Change
Neulasta®—U.S.	$ 573	$ 579	(1)%	$1,146	$1,076	7%
NEUPOGEN®—U.S.	200	206	(3)%	404	397	2%
U.S. Neulasta®/NEUPOGEN®—Total	773	785	(2)%	1,550	1,473	5%
Neulasta®—International	161	122	32%	307	233	32%
NEUPOGEN®—International	107	98	9%	202	195	4%
International Neulasta®/NEUPOGEN®—Total	268	220	22%	509	428	19%
Total Worldwide Neulasta®/NEUPOGEN®	$ 1,041	$ 1,005	4%	$2,059	$1,901	8%

The decline in U.S. sales of Neulasta®/NEUPOGEN® for the three months ended June 30, 2007 primarily reflects unfavorable wholesaler inventory changes and increased sales discounts that offset growth in unit demand. The increase in international Neulasta®/NEUPOGEN® sales for the three months ended June 30, 2007 was driven by the continued conversion to Neulasta® and changes in foreign exchange, which positively impacted second quarter international sales by $16 million. Excluding the favorable impact of foreign currency exchange rate changes, international Neulasta®/NEUPOGEN® sales increased 15%.

The increase in U.S. Neulasta® /NEUPOGEN® sales for the six months ended June 30, 2007 was principally driven by demand for Neulasta® due to segment growth. Segment growth is attributable to increase in patients, in part, due to the continued increase of Neulasta® in first cycle use as well as a higher net sales price. The increase in international Neulasta®/NEUPOGEN® sales for the six months ended June 30, 2007 was driven by the continued conversion to Neulasta® from NEUPOGEN® and changes in foreign currency exchange rate changes, which positively impacted the six months ended June 30, 2007 sales by $32 million. Excluding the favorable impact of foreign currency exchange rate changes, international Neulasta®/NEUPOGEN® sales increased 11%.

For the remainder of 2007, we believe sales growth for Neulasta®/NEUPOGEN® will depend on patient growth and further segment penetration of Neulasta® in the moderate-risk population that would benefit from its use in first and subsequent chemotherapy cycles. NEUPOGEN® competes with Neulasta® in the United States and Europe. Worldwide NEUPOGEN® sales have been adversely impacted by conversion to Neulasta®. However, we believe that most of the conversion in the United States and Europe has occurred.

In addition to the factors mentioned in the "*Product sales*" section above, future worldwide Neulasta®/NEUPOGEN® sales growth will be dependent, in part, on such factors as:

- competitive products or therapies, including biosimilar products that may be approved in the EU sometime in 2008 and be available shortly thereafter;
- adverse events or results from clinical trials or studies performed by us or by others, which may expand safety labeling and may negatively impact healthcare provider prescribing behavior, use of our product, regulatory or private healthcare organization medical guidelines and reimbursement practices;

- governmental or private organization regulations or guidelines relating to the use of our products;
- reimbursement by third-party payers, including governments and private insurance plans;
- cost containment pressures from governments and private insurers on healthcare providers;
- pricing strategies;
- penetration of existing segments; and
- development of new treatments for cancer and future chemotherapy treatments. For example, those that are less myelosuppressive may require less Neulasta®/NEUPOGEN®, however, other future chemotherapy treatments that are more myelosuppressive, such as dose dense chemotherapy, could require more Neulasta®/NEUPOGEN®.

(See "Item 1A. Risk Factors" in Part II herein for further discussion of certain of the above factors that could impact our product sales.)

ENBREL

For the three and six months ended June 30, 2007 and 2006, total ENBREL sales by geographic region were as follows (in millions):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2007	2006	Change	2007	2006	Change
ENBREL—U.S.	$ 777	$ 685	13%	$1,470	$1,314	12%
ENBREL—International	46	39	18%	83	68	22%
Total ENBREL	$ 823	$ 724	14%	$1,553	$1,382	12%

ENBREL sales growth for the three and six months ended June 30, 2007 was driven by demand due to increases in both patients and net sales price. While ENBREL continued to maintain a leading position in both rheumatology and dermatology, the sales growth during the three and six months ended June 30, 2007 was affected by slight share declines in the United States in both segments versus the corresponding prior year periods due to increased competitive activity.

We believe sales growth for the remainder of 2007 will be principally driven by growth in the rheumatology and dermatology segments.

In addition to the factors mentioned in the "*Product sales*" section above, future worldwide ENBREL sales growth will be dependent, in part, on such factors as:

- the effects of competing products or therapies and, in part, our ability to differentiate ENBREL based on its safety profile and efficacy;

- segment growth;
- adverse events or results from clinical trials or studies performed by us or by others, which may expand safety labeling and may negatively impact healthcare provider prescribing behavior, use of our product, regulatory or private healthcare organization medical guidelines and reimbursement practices;
- governmental or private organization regulations or guidelines relating to the use of our products;
- the availability, extent and access to reimbursement by government and third-party payers;
- cost containment pressures from governments and private insurers on healthcare providers; and
- pricing strategies.

(See "Item 1A. Risk Factors" in Part II herein for further discussion of certain of the above factors that could impact our product sales.)

Selected operating expenses

The following table summarizes selected operating expenses for the three and six months ended June 30, 2007 and 2006 (in millions):

	Three Months Ended June 30,			Six Months Ended June 30,		
	2007	2006	Change	2007	2006	Change
Product sales	$ 3,604	$ 3,491	3%	$ 7,169	$ 6,618	8%
Operating expenses:						
Cost of sales (excludes amortization of acquired intangible assets)	$ 558	$ 493	13%	$ 1,150	$ 1,045	10%
% of product sales	15%	14%		16%	16%	
Research and development	$ 817	$ 788	4%	$ 1,668	$ 1,443	16%
% of product sales	23%	23%		23%	22%	
Selling, general and administrative	$ 860	$ 840	2%	$ 1,630	$ 1,529	7%
% of product sales	24%	24%		23%	23%	
Amortization of acquired intangible assets	$ 74	$ 87	(15)%	$ 148	$ 174	(15)%
Write-off of acquired in-process research and development	$ —	$ 1,101	(100)%	$ —	$ 1,101	(100)%
Other items	$ 289	—	100%	$ 289	—	100%

Cost of sales

Cost of sales, which excludes the amortization of acquired intangible assets (see "Condensed Consolidated Statements of Operations"), increased 13% and 10%, respectively, for the three and six months ended June 30, 2007. The increase for the three and six months ended June 30, 2007 was primarily driven by product mix, primarily ENBREL, which is more costly to manufacture, increased sales volume and an increase in inventory reserves due to expiry risk associated with declining demand in some smaller products and excess inventory related to the introduction of a new product presentation. The increase in the six months ended June 30, 2007 was also due to the write-off of a semi-completed manufacturing asset that will not be used due to a change in manufacturing strategy.

Research and development

R&D expenses, which are expensed as incurred, are primarily comprised of costs and expenses for salaries and benefits associated with R&D personnel; overhead and occupancy; clinical trial and related clinical manufacturing, including contract services and other outside costs, process development and quality assurance; information systems and amortization of technology used in R&D with alternative future uses. R&D expenses also include such costs related to activities performed on behalf of corporate partners. R&D expenses increased 4% and 16%, respectively, for the three and six months ended June 30, 2007 primarily to support the increased number and expense of studies to advance the Company's late-stage pipeline, including previously initiated mega-trials, as well as the continued advancement of earlier stage compounds. During the three months ended June 30, 2007, staff-related costs and clinical trial and manufacturing costs increased approximately $19 million and $17 million, respectively. During the six months ended June 30, 2007, staff-related costs and clinical trial and manufacturing costs increased approximately $81 million and $110 million, respectively.

Selling, general and administrative

Selling, general and administrative ("SG&A") expenses are primarily comprised of salaries and benefits associated with sales and marketing, finance, legal and other administrative personnel; outside marketing expenses; overhead and occupancy costs and other general and administrative costs. SG&A increased 2% and 7%, respectively, for the three and six months ended June 30, 2007. The increase in the three and six months ended June 30, 2007 primarily reflects the Wyeth profit share related to ENBREL. During the three and six months ended June 30, 2007 outside marketing expenses in support of our principal products, including Wyeth profit share related to ENBREL, increased by approximately $28 million and $92 million, respectively.

Amortization of acquired intangible assets

Amortization of acquired intangible assets relates to the acquired product technology rights acquired in connection with the Immunex acquisition.

Acquired in-process research and development

The fair value of acquired IPR&D projects and technologies which have no alternative future use and which have not reached technological feasibility at the date of acquisition are expensed as incurred. In the three months ended June 30, 2006, we wrote off $1,101 million of acquired IPR&D related to the Abgenix acquisition.

Other items

Due to the various challenges faced by certain of our key products , in particular our ESA products, which are discussed above in the "Overview" section, we have commenced a global review of the Company's business plans to identify opportunities to improve our cost structure in response to any resulting declines in revenues. In connection with these efforts, we have begun taking certain actions to moderate our operating expense growth. In addition, we will refocus spending on critical R&D and operational priorities and seek greater efficiencies in how we conduct our business while continuing to make significant innovative R&D investments and build the framework for the Company's future growth.

As part of these efforts, we have decided to make changes to various ongoing capital projects. These decisions were primarily focused on rationalizing our worldwide network of manufacturing facilities in order to gain cost efficiencies while continuing to meet future commercial and clinical demand for our products and product candidates. In particular, these decisions included a re-scoping of our Ireland manufacturing operations, the construction of which was previously reported to have been delayed, certain revisions to our planned manufacturing expansion in Puerto Rico and, to a lesser degree, moderated expansion of our research facilities. As a result of these decisions, the Company recorded charges for asset impairment and related costs of $289 million during the three months ended June 30, 2007. These charges are included in other operating expenses in the Condensed Consolidated Statement of Operations.

We are continuing our review of the Company's operations and depending, in part, on the outcome of certain future developments, including the impact of CMS' Decision Memorandum related to the use of ESAs in oncology and the results of the upcoming joint meeting of the CRDAC and Drug Safety and Risk Management Advisory Committee, we may be required to take further actions to reduce costs. As a result, we may incur additional related charges in the near term, certain of which may be material.

Interest and other income, net

Interest and other income, net for the three months ended June 30, 2007 was $7 million of income compared to $21 million of income for the three months ended June 30, 2006. The decrease is primarily the result of increased interest expense related to the issuance of $4.0 billion of debt in May 2007. Interest and other income, net for the six months ended June 30, 2007 was $1 million of income compared to $101 million of income for the six months ended June 30, 2006. The decrease was principally attributable to the write-off of $51 million of deferred financing and related costs during the first quarter of 2007 resulting from the repayment of the convertible debt and the increased interest expense related to the issuance of $4.0 billion of debt in May 2007.

Income taxes

Our effective tax rates for the three and six months ended June 30, 2007 were 10.4% and 15.8%, respectively, compared with 95.6% and 37.7%, respectively, for the same periods last year. Our effective tax rates for the three and six months ended June 30, 2007 have decreased primarily due to the write-off of acquired IPR&D cost in connection with the acquisition of Abgenix in the second quarter of 2006 and the favorable resolution of our prior years' federal examination in the second quarter of 2007. The resolution of prior years' tax matters recognized in the three months ended June 30, 2007 impacted the effective tax rates for the three and six months ended June 30, 2007 by (10.6%) and (4.8%), respectively. See Note 3, "Income taxes" to the Condensed Consolidated Financial Statements for further discussion.

Recent and proposed accounting pronouncements

In June 2007, the FASB ratified EITF No. 07-3, which requires that nonrefundable advance payments for goods and services that will be used or rendered in future R&D activities pursuant to executory contractual arrangements be deferred and recognized as an expense in the period that the related goods are delivered or services are performed. We will adopt EITF No. 07-3 as of January 1, 2008, and it is not expected to have a material impact on our results of operations or financial position.

In July 2006, the FASB issued FIN 48, which became effective for us as of January 1, 2007. FIN 48 clarifies the accounting for uncertainty in income taxes by prescribing rules for recognition, measurement and classification in our financial statements of tax positions taken or expected to be taken in a tax return.

For tax benefits to be recognized under FIN 48, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The amount recognized is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. As of January 1, 2007, the gross amount of our liabilities for UTBs was approximately $945 million and accrued interest related to these UTBs totaled approximately $106 million. Included in the balance is approximately $776 million of UTBs (net of the federal benefit on state taxes) that, if recognized, would affect our effective tax rate. The cumulative effect of applying the recognition and measurement provisions upon adoption of FIN 48 was not material.

FIN 48 also provides guidance on the balance sheet classification of liabilities for UTBs as either current or non-current depending on the expected timing of payments. Upon adoption of FIN 48, we reclassified approximately $240 million of UTBs and related accrued interest from current income taxes payable to non-current liabilities.

As of the adoption of FIN 48, we believed that it was reasonably possible that our liabilities for UTBs might decrease by $350 million to $600 million within the succeeding twelve months due to potential settlement of transfer pricing tax positions on our U.S. income tax returns.

Interest and penalties related to UTBs are classified as a component of our provision for income taxes.

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

In July 2007, the FASB voted unanimously to reconsider the current accounting for convertible debt securities that requires or permits settlement in cash either in whole or in part upon conversion (“cash settled convertible debt securities”), which includes our convertible debt securities. The FASB indicated it will expose for public comment a proposed FASB Staff Position (“FSP”) that would change the method of accounting for such securities and would require the proposed method to be retrospectively applied. The FSP would become effective for calendar year end companies like us in the first quarter of 2008. Under this proposed method of accounting, the debt and equity components of such a security would be bifurcated and accounted for separately in a manner that reflects the issuer’s economic interest cost. While the effect on us of this expected proposal cannot be quantified unless and until the

FASB finalizes its guidance, we expect that under this proposal, the equity component of our convertible debt securities would be included in the paid-in-capital section of stockholders' equity on our balance sheet and, accordingly, the initial carrying values of these debt securities would be reduced. Our net income for financial reporting purposes would be reduced by recognizing the accretion of the reduced carrying values of our convertible debt securities to their face amounts as additional non-cash interest expense. This would result in recognizing interest on these securities at effective rates more comparable to what we would have incurred had we issued nonconvertible debt with otherwise similar terms. Therefore, if the expected proposed method of accounting for cash settled convertible debt securities is adopted by the FASB as described above, it would have an adverse impact on our past and future reported financial results.

We cannot predict the outcome of the expected FASB proposal. We also cannot predict any other changes in GAAP that may be made affecting accounting for convertible debt securities, some of which could have an adverse impact on our past or future reported financial results.

For additional discussion on this issue, see "Item 1A. Risk Factors" – "*The accounting method for our convertible debt securities may be subject to change.*" in Part II herein.

Financial Condition, Liquidity and Capital Resources

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

	June 30, 2007	December 31, 2006
Cash, cash equivalents and marketable securities	$ 5,306	$ 6,277
Total assets	32,971	33,788
Current debt	100	1,798
Non-current debt	11,212	7,214
Stockholders' equity	16,469	18,964

We believe that existing funds, cash generated from operations and existing sources of and access to financing are adequate to satisfy our working capital, capital expenditure and debt service requirements for the foreseeable future, as well as to support our stock repurchase programs and other business initiatives, including acquisitions and licensing activities.

Cash, cash equivalents and marketable securities

Of the total cash, cash equivalents and marketable securities at June 30, 2007, approximately $4.2 billion was generated from operations in foreign tax jurisdictions and is intended for use outside the United States. If these funds are repatriated for use in our U.S. operations, substantial additional taxes will be required to be paid.

Financing arrangements

The following table reflects the carrying value of our long-term borrowings under our various financing arrangements as of June 30, 2007 and December 31, 2006 (in millions):

	June 30, 2007	December 31, 2006
0.125% convertible notes due 2011 (2011 Convertible Notes)	$ 2,500	$ 2,500
0.375% convertible notes due 2013 (2013 Convertible Notes)	2,500	2,500
Floating rate notes due 2008 (2008 Floating Rate Notes)	2,000	—
5.85% notes due 2017 (2017 Notes)	1,098	—
4.85% notes due 2014 (2014 Notes)	1,000	1,000
4.00% notes due 2009 (2009 Notes)	999	999
6.375% notes due 2037 (2037 Notes)	899	—
Zero coupon 30 year modified convertible notes due in 2032 (2032 Modified Convertible Notes)	80	1,778
Other	236	235
Total borrowings	11,312	9,012
Less current portion	100	1,798
Total non-current debt	$11,212	$ 7,214

Certain of our financing arrangements contain non-financial covenants and as of June 30, 2007 we were in compliance with all applicable covenants. None of our financing arrangements contain any financial covenants. Our outstanding convertible notes and our outstanding long-term notes are rated A+ by Standard & Poor's and A2 by Moody's Investors Service, Inc. ("Moody's"). On May 23, 2007, Standard & Poor's confirmed its rating of A+ for the Company's outstanding notes, but placed the rating on credit watch with negative implications. Moody's also confirmed its rating of A2 for the Company's outstanding notes, but revised the Company's rating outlook to negative from stable. See Note 4, "Financing arrangements" to our Condensed Consolidated Financial Statements for further discussion of the transactions during the quarter ended June 30, 2007 and Note 5, "Financing arrangements" in Part IV of our Annual Report on Form 10-K for the year ended December 31, 2006 for additional discussion of each of our financing arrangements.

Cash flows

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

	Six months ended June 30,	
	2007	2006
Net cash provided by operating activities	$ 2,283	$ 2,574
Net cash provided by (used in) investing activities	660	(2,042)
Net cash used in financing activities	(2,499)	(425)

Operating

Cash provided by operating activities has been and is expected to continue to be our primary recurring source of funds. Cash provided by operating activities during the six months ended June 30, 2007 decreased from the prior year six months ended due to increased disbursements from the timing of payments in the ordinary course of business partially offset by higher receipts from customers. (See Condensed Consolidated Statements of Cash Flows.)

Investing

Capital expenditures totaled $727 million during the six months ended June 30, 2007, compared with $458 million during the same period last year. The capital expenditures during the six months ended June 30, 2007 were primarily associated with ongoing manufacturing capacity and site expansions in Puerto Rico and other locations and investment in our global enterprise resource planning ("ERP") system.

Capital expenditures for the six months ended June 30, 2006 were primarily associated with ongoing manufacturing and site expansion in Puerto Rico and other locations, and costs associated with implementing our ERP system.

As discussed above in the "Overview" section, we incurred an asset impairment charge of approximately $286 million in the three months ended June 30, 2007 primarily associated with reduced capital investments as part of the rationalization of our worldwide network of manufacturing facilities and, to a lesser degree, moderation of the expansion of our research facilities. We currently estimate 2007 spending on capital projects and equipment to increase slightly compared to the prior year as we continue to increase our manufacturing operations globally, although not to the extent previously planned, and proceed with the implementation of our ERP system. The most significant of these expenditures are expected to be incurred with the further expansion of our Puerto Rico and Fremont manufacturing operations.

On July 16, 2007, we completed our acquisition of Alantos and pursuant to the merger agreement, we agreed to pay cash of approximately $300 million. On July 18, 2007, we completed our acquisition of Ilypsa and pursuant to the merger agreement, we agreed to pay cash of approximately $420 million.

Financing

In May 2007, we issued $2.0 billion aggregate principal amount of 2008 Floating Rate Notes, $1.1 billion aggregate principal amount of 5.85% notes due in 2017 and $0.9 billion aggregate principal amount of 6.375% notes due in 2037. The 2008 Floating Rate Notes will bear interest at a rate per annum, equal to LIBOR plus 0.08%, which will be reset quarterly. A total of $3.2 billion of the net proceeds raised from the issuance of these notes were used to repurchase shares of our common stock under a block trade entered into in May 2007.

On March 2, 2007, as a result of certain holders of the 2032 Modified Convertible Notes exercising their March 1, 2007 put option, we repurchased $2,253 million aggregate principal amount of Convertible Notes at their then-accreted value for $1,702 million in cash, or approximately 96%, of the outstanding balance of these notes.

During the six months ended June 30, 2007 and 2006, we repurchased 82.7 million and 59.6 million shares of our common stock, respectively, at a total cost of $5,000 million and $4,250 million, respectively. The total number of shares repurchased during the six months ended June 30, 2007 excludes 2,527,937 of shares received in July 2007 in connection with the final settlement of a block trade entered into in May 2007. As of June 30, 2007, we had $1,539 million available for stock repurchases under our stock repurchase program authorized by the

Board of Directors in December 2006. In July 2007, the Board authorized us to repurchase up to an additional $5.0 billion of common stock. The manner of purchases, amounts we spend and the number of shares repurchased will vary based on a variety of factors including the stock price and blackout periods in which we are restricted from repurchasing shares, and may include private block purchases as well as market transactions. Repurchases under our stock repurchase programs reflect, in part, our confidence in the long-term value of Amgen common stock. Additionally, we believe that it is an effective way of returning cash to our stockholders.

For additional information regarding our stock repurchase program, see "Item 2. Unregistered Sales of Equity Securities, Use of Proceeds and Issuer Purchases of Equity Securities" in Part II herein.

We receive cash from the exercise of employee stock options and proceeds from the sale of stock pursuant to the employee stock purchase plan. Employee stock option exercises and proceeds from the sale of stock by us pursuant to the employee stock purchase plan provided $205 million and $225 million of cash during the six months ended June 30, 2007 and 2006, respectively. Proceeds from the exercise of employee stock options will vary from period to period based upon, among other factors, fluctuations in the market value of our stock relative to the exercise price of such options.

Contractual Obligations

We adopted FIN 48 on January 1, 2007 (see Note 1, "Summary of significant accounting policies—*Recent accounting pronouncements*" to the Condensed Consolidated Financial Statements for further discussion). On the date of adoption, the current liabilities for UTBs (net of federal benefit on state taxes) and related accrued interest totaled approximately $705 million. As of June 30, 2007, this amount has decreased to approximately $300 million. Noncurrent liabilities for UTBs (net of federal tax benefits on state taxes) and related accrued interest totaling approximately $240 million on January 1, 2007 (approximately $400 million on June 30, 2007) are not included in the contractual obligations table because, due to their nature, there is a high degree of uncertainty regarding the timing of future cash outflows and other events that extinguish these liabilities.

For a discussion of material changes to our long-term debt obligations, see "Financial Condition, Liquidity and Capital Resources – *Cash flows – Financing*" above.

Item 4. CONTROLS AND PROCEDURES

We maintain "disclosure controls and procedures," as such term is defined under Exchange Act Rule 13a-15(e), that are designed to ensure that information required to be disclosed in Amgen's Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to Amgen's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. In designing and evaluating the disclosure controls and procedures, Amgen's management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and in reaching a reasonable level of assurance Amgen's management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. We have carried out an evaluation under the supervision and with the participation of our management, including Amgen's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of Amgen's disclosure controls and procedures. Based upon their evaluation and subject to the foregoing, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 30, 2007.

Management determined that, as of June 30, 2007, there were no changes in our internal control over financial reporting that occurred during the fiscal quarter then ended that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Certain of our legal proceedings are reported in our Annual Report on Form 10-K for the year ended December 31, 2006 and below. While it is not possible to accurately predict or determine the eventual outcome of these items, we do not believe any such items currently pending will have a material adverse effect on our consolidated financial position or liquidity, although an adverse resolution in any quarterly or annual reporting period of one or more of these items could have a material impact on the consolidated results of our operations for that period.

Israel Bio-Engineering Project Litigation ("IBEP")

On June 18, 2007, the U.S. Supreme Court denied IBEP's petition for a writ of certiorari, resulting in a final resolution of this litigation in Amgen's favor.

Average Wholesale Price Litigation

In the Multi-District Litigation (the "MDL") Proceeding, the counties filed an amended complaint, and a hearing on the motions to dismiss the amended complaint is set for July 26, 2007.

Commonwealth of Kentucky v. Alpharma, Inc., et al.

The judge has set a trial date of May 15, 2009 for scheduling purposes.

Roche Matters

Amgen Inc. v. F. Hoffmann-La Roche Ltd., et al.

On June 5, 2007, the United States District Court for the District of Massachusetts (the "District Court") entered the parties' Joint Stipulation for Dismissal of Amgen's Claim for Declaratory Judgment of Infringement of U.S. Patent No. 5,621,080. During June and July of 2007, the parties filed the following motions for summary judgment:

1. On June 11, 2007, F. Hoffman-La Roche Ltd., Roche Diagnostics GmbH and Hoffman-La Roche, Inc. (collectively, "Roche") filed its Motion for Summary Judgment of Non-Infringement of Claim 1 of Patent No. '422 and Claims 9 and 12 of Patent No. '933.
2. On June 11, 2007, Roche filed its Motion for Summary Judgment that Claim 1 of the '422 Patent is Invalid Under 35 U.S.C. § 112.
3. On June 11, 2007, Roche filed its Motion for Summary Judgment that Claim 10 of the '933 Patent is Invalid on the Grounds of Failure to Comply with Claim Differentiation Under § 112, paragraph 4.
4. On June 12, 2007, Roche filed its Motion for Summary Judgment that the Claims of Patents-In-Suit Are Invalid For Double Patenting Over Amgen '016 Patent by F. Hoffmann-LaRoche LTD, Roche Diagnostics GmbH, Hoffmann LaRoche Inc.

5. On June 14, 2007, Roche filed its Motion for Summary Judgment that the Asserted Claims of the ‘933 Patent are Invalid for Indefiniteness and Lack of Written Description.
6. On June 14, 2007, Amgen filed its Motion for Summary Judgment of No Obviousness-Type Double Patenting.
7. On June 15, 2007, Amgen filed its Motion for Summary Judgment of Infringement of ‘422 Claim 1, ‘933 Claim 3, and ‘698 Claim 6.
8. On June 15, 2007, Amgen filed its Motion for Summary Judgment on Roche’s Antitrust and State Law Counterclaims.
9. On June 20, 2007, Amgen filed its Motion for Summary Judgment that Dr. Lin’s Asserted Claims are Definite, Adequately Described and Enabled.
10. On June 22, 2007, Roche filed its Motion for Summary Judgment that Claim 7 of Patent No. 5,756,349 is Invalid Under 35 U.S.C. § 112 and is Not Infringed.
11. On June 22, 2007, Amgen filed its Motion for Summary Judgment of No Inequitable Conduct.
12. On July 3, 2007, Roche filed its Motion for Summary Judgment that Claim 1 of ‘422 is Invalid for Indefiniteness and Lack of Written Description.
13. On July 3, 2007, Roche filed its Motion for Summary Judgment that Amgen is Estopped from Asserting Infringement Under the Doctrine of Equivalents of the Asserted Claims of the ‘933 and ‘422 Patents.
14. On July 3, 2007, Roche filed its Motion for Summary Judgment that Amgen is Estopped from Asserting Infringement Under the Doctrine of Equivalents of the Asserted Claims of the ‘698 and ‘868 Patents.

On July 3, 2007, the District Court issued a written decision with respect to claim construction. At a July 17, 2007 hearing, the District Court denied from the bench five of Roche’s motions for summary judgment, consisting of numbered items 1-5 listed above, relating to non-infringement and invalidity. The Court also denied Amgen’s Motion for Summary Judgment of No Inequitable Conduct, item 11 above. The Court has not yet decided the remaining motions, items 6-10 and 12-14. The Court also ruled that Roche’s antitrust claim will be tried in December of 2007 after the other claims and the jury trial on the patent case will commence on September 4, 2007 and continue until no later than October 17, 2007.

Amgen Inc., et. al. v. Ariad Pharmaceuticals, Inc. (“Ariad”)

On May 30, 2007, Ariad filed a Motion for Leave to file Amended Counterclaims to assert Additional Claims for infringement of U.S. Patent Nos. 6,150,090 and 5,804,374. Amgen opposed Ariad’s motion. The Court scheduled trial for November 2008.

Securities Class Actions

On May 21, 2007, Rosenfield v. Amgen Inc. et. al., and on June 18, 2007, Public Employees' Retirement Association of Colorado v. Amgen Inc., et. al securities class action lawsuits were filed against Amgen Inc., Kevin W. Sharer, Willard H. Dere, Richard D. Nanula, Dennis M. Fenton, Roger M. Perlmutter, Brian M. McNamee, George J. Morrow, Edward V. Fritzky, Gilbert S. Omenn and Franklin P. Johnson, Jr., (the "Individual Defendants") in the United States District Court for the Central District of California (the "California Central District Court"). The complaint alleges that Amgen and the Individual Defendants made false statements that resulted in a fraudulent scheme and course of business operated as a fraud or deceit on purchasers of Amgen publicly traded securities in that: (i) they temporarily deceived the investing public regarding Amgen's prospects and business; (ii) they artificially inflated the prices of Amgen's publicly traded securities; and (iii) they caused plaintiffs and other members of the class to purchase Amgen publicly traded securities at inflated prices. The complaint also makes off-label marketing allegations and allegations as to a failure to disclose negative results of clinical studies. Amgen has not been served with the complaint. Plaintiffs seek class certification, compensatory damages, legal fees and other relief deemed proper. All of the individual securities class action lawsuits filed with the California Central District Court will be consolidated and an amended complaint will be filed by August 30, 2007.

Derivative class actions

On May 10, 2007, the derivative lawsuit of Michael Schreiman v. Amgen Inc. et. al. was filed in Superior Court of the State of California, Ventura County ("the Superior Court") and names Amgen Inc., Kevin W. Sharer, Dennis M. Fenton, Richard D. Nanula, David Baltimore, Frank J. Biondi, Jr., Jerry D. Choate, Frederick W. Gluck, Frank C. Herringer, Gilbert S. Omenn, Judith C. Pelham, J. Paul Reason and Leonard D. Schaeffer, as defendants (the "State Defendants"). The complaint alleges the same claims and requests the same relief as in three other shareholder derivative complaints previously filed in the Superior Court. The complaint alleges that the State Defendants breached their fiduciary duties, wasted corporate assets, were unjustly enriched and violated the California Corporations Code. Plaintiffs allege that the State Defendants failed to disclose and/or misrepresented results of Aranesp® clinical studies, marketed both Aranesp® and EPOGEN® for off-label uses and that these actions or inactions as well as the Amgen market strategy caused damage to the Company resulting in several inquiries, investigations and lawsuits that are costly to defend. The complaints also allege insider trading by the State Defendants. Plaintiffs seek treble damages based on various causes of action, reformed corporate governance, equitable and/or injunctive relief, restitution, disgorgement of profits, benefits and other compensation, and legal costs.

Third- party payors class actions

On June 5, 2007 the United Food & Commercial Workers Central Pennsylvania and Regional Health & Welfare Fund v. Amgen Inc., on June 7, 2007 the Vista Healthplan Inc. v. Amgen Inc., and on June 14, 2007, the Painters District Council No. 30 Health & Welfare Fund v. Amgen. Inc. putative class action lawsuits were filed by third-party payors against Amgen in the California Central District Court. In each action, the plaintiff alleges that Amgen marketed its anemia medicines, EPOGEN® and Aranesp®, for "off-label" uses, or uses that are not approved by the FDA, and claims that, as a result, the plaintiff paid for unwarranted prescriptions. Specifically, the complaints allege that Amgen promoted EPOGEN® and Aranesp® for: treating cancer patients who are not on chemotherapy; treating quality of life symptoms associated with anemia, such as fatigue; and reaching Hb targets above the FDA-approved level. Each plaintiff asserts claims under California's consumer protection statutes and for breach of implied warranty and unjust enrichment and plaintiffs seek to represent a nationwide class of individuals and entities.

Item 1A. RISK FACTORS

This report and other documents we file with the SEC contain forward looking statements that are based on current expectations, estimates, forecasts and projections about us, our future performance, our business or others on our behalf, our beliefs and our management's assumptions. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict. You should carefully consider the risks and uncertainties facing our business. The risks described below are not the only ones facing us. Our business is also subject to the risks that affect many other companies, such as employment relations, general economic conditions, geopolitical events and international operations. Further, additional risks not currently known to us or that we currently believe are immaterial also may impair our business, operations, liquidity and stock price materially and adversely.

Our current products and products in development cannot be sold if we do not gain or maintain regulatory approval of our products and we may be required to perform additional clinical trials or change the labeling of our products or take other potentially limiting or costly actions if we or others identify side effects after our products are on the market.

We and certain of our licensors and partners conduct research, preclinical testing and clinical trials for our product candidates. In addition, we manufacture and contract manufacture and certain of our licensors and partners manufacture our product candidates. We also manufacture and contract manufacture, price, sell, distribute and market or co-market our products for their approved indications. These activities are subject to extensive regulation by numerous state and federal governmental authorities in the United States, such as the FDA and CMS, as well as in foreign countries, such as the European Medicines Agency ("EMEA") in European countries, Canada, Australia and Japan. Currently, we are required in the United States and in foreign countries to obtain approval from those countries' regulatory authorities before we can manufacture (or have our third-party manufacturers produce), market and sell our products in those countries. The FDA and other U.S. and foreign regulatory agencies have substantial authority to fail to approve commencement of, suspend or terminate clinical trials, require additional testing, delay or withhold registration and marketing approval, mandate product withdrawals and require changes in labeling of our products.

In our experience, obtaining regulatory approval is costly and takes many years, and after it is obtained, remains costly to maintain. With the occurrence of a number of high profile safety events with certain pharmaceutical products such as Vioxx® and Bextra®, regulatory authorities, members of Congress, the U.S. Government Accountability Office ("GAO"), the United States Senate Committee on Finance, private health/science foundations and organizations, medical professionals, including physicians and investigators, and the general public are increasingly concerned about potential or perceived safety issues associated with pharmaceutical and biological products, whether under study for initial approval or already marketed. For example, on March 20, 2007, we received a letter from Chairmen Dingell and Stupak of the House Subcommittee on Oversight and Investigation, Committee on Energy and Commerce posing questions around ESA studies, promotions of ESAs, communications with the FDA and sales to physicians. We also received a letter from the United States Senate Committee on Finance on May 16, 2007, requesting a briefing to discuss the issues and concerns reported in the media as to the marketing and safety of ESAs and our cooperation with the FDA. It has also been reported that Representative Peter Stark, who chairs the House Ways & Means Health Subcommittee, sent a Dear Colleague letter to other members of Congress requesting that they join his quest to overhaul Medicare reimbursement policy to curb ESA overuse due to safety concerns. Further on June 26, 2007, Representative Stark convened a meeting of the House Ways and

Means Health Subcommittee at which ESRD program changes and bundled payment for dialysis services and drugs, among other topics, were discussed. As a result, safety signals from clinical trials or other sources are receiving greater scrutiny which may lead to fewer treatments being approved by the FDA or other regulatory bodies, termination of clinical trials before completion or longer or additional clinical trials for new or existing indications for our products and product candidates that may result in substantial additional expense. (See "— *Before we commercialize and sell any of our product candidates, we must conduct clinical trials in humans; if we fail to adequately manage these trials we may not be able to sell future products and our sales could be adversely affected*.")

Adverse events or results from clinical trials or studies performed by us or by others or from the marketed use of our drugs may expand safety labeling for our approved products and may negatively impact healthcare provider prescribing behavior, use of our products, regulatory or private health organization medical guidelines and reimbursement for our products. (See "— *Guidelines and recommendations published by various organizations can reduce the use of our products." and "— Our sales depend on payment and reimbursement from third-party payers, and, to the extent that reimbursement for our products is reduced, this could negatively impact the utilization of our products*.") For example on March 9, 2007, based upon data from our AoC 103 Study, Johnson & Johnson's Correction of Hemoglobin and Outcomes In Renal Insufficiency ("CHOIR") study, and preliminary data from the third-party investigator Danish Head and Neck Cancer (DAHANCA) 10 Study, among others, the FDA approved updated safety information, including a boxed warning, in the prescribing information for the class of ESAs, including Aranesp® and EPOGEN®. The boxed warning notes that ESAs, when administered to target a Hb of greater than 12 g/dL: i) increased the risk for death and serious cardiovascular events; ii) shortened time to tumor progression in patients with advanced head and neck cancer receiving radiation therapy; and iii) shortened overall survival and increased deaths attributed to disease progression at four months in patients with metastatic breast cancer receiving chemotherapy. Physicians were advised in the boxed warning to use the lowest dose of ESAs that will gradually increase the Hb concentration to the lowest level sufficient to avoid the need for red blood cell transfusions, and not to exceed 12 g/dL. The European Scientific Advisory Group and the CHMP recently held meetings to review the safety and labeling of ESAs made by us, Johnson & Johnson, Shire and Roche in both the nephrology and oncology settings. We expect labeling changes to apply to all members of the ESA class consistently and expect that the new labels will be announced some time towards the end of 2007. Further, the FDA held a meeting of the ODAC on May 10, 2007, at which the panel discussed the safety/efficacy profile of ESAs, including Aranesp® and EPOGEN®. (See "— *The results of the May 10, 2007 ODAC panel meeting on ESAs are likely to result in the FDA requiring us to perform additional clinical trials and/or change the labeling of our ESAs.*")

In addition, we announced in March 2007 that we had discontinued Vectibix™ treatment in our PACCE trial, a non-registration-enabling trial evaluating the addition of Vectibix™ to standard chemotherapy and Avastin® (bevacizumab) for the treatment of first-line metastatic colorectal cancer. The PACCE trial investigated a treatment regimen that used dual biologics combined with oxaliplatin- or irinotecan-based chemotherapy. The decision to discontinue Vectibix™ treatment in the trial was based on a preliminary review of data from a pre-planned interim efficacy analysis which revealed a statistically significant difference in progression-free survival in favor of the control arm. An unplanned analysis of overall survival also demonstrated a difference favoring the control arm. We had previously informed investigators and regulatory authorities about safety information from a planned interim safety analysis of the PACCE trial which showed an increased incidence of grade 3 severe events of diarrhea, dehydration and infections in the Vectibix™-treated patients and additionally an increased incidence of pulmonary embolism was observed in patients who received Vectibix™ compared with those who did not. We are in continuing discussions with the FDA with respect to the Vectibix™ label, and expect to provide

additional prominence to data from the PACCE trial. The language is still in development, discussions with the FDA are on-going and any label change is subject to FDA approval. Further, on May 25, 2007, the CHMP adopted a negative opinion with respect to the approval of Vectibix™ in the EU to treat patients with metastatic colorectal cancer whose disease has progressed on or following all standard chemotherapy regimens. In accordance with European regulations, we have requested re-examination of the CHMP opinion as part of the EU regulatory process.

Substantially all of our marketed products are currently approved in the United States and most are approved in Europe and in other foreign countries for specific uses. However, later discovery of unknown problems with our products could result in restrictions on the sale or use of such products, including potential withdrawal of the product from the market. If new medical data suggests an unacceptable safety risk or previously unidentified side-effects, we may voluntarily withdraw, or regulatory authorities may mandate the withdrawal of, such product from the market for some period or permanently. For example, we previously initiated a voluntary recall of the Neulasta® SureClick™ pre-filled pen in Europe because of the potential risk to patients of receiving an incomplete dose and we have previously conducted a voluntary wholesaler recall of a limited number of lots of ENBREL as a result of a small number of reports of missing, detached or loose rubber caps on the needle-less syringe filled with diluent liquid by a third-party contract manufacturer and packaged with the vials of ENBREL. Although there have been no observable adverse event trends associated with the Neulasta® SureClick™ pre-filled pen or with the reports of missing, detached or loose rubber caps with the needle-less syringe packaged with the ENBREL vials, we may experience the same or other problems in the future resulting in broader product recalls or adverse event trends. Further, regulatory agencies could change existing, or promulgate new, regulations at any time which may affect our ability to obtain or maintain approval of our existing or future products or require significant additional costs to obtain or maintain such approvals.

If we or others identify side effects or other safety concerns before or after any of our products are on the market, or if manufacturing problems occur, regulatory approval may be withdrawn, reformulation of our products may be required or other risk management activities may be imposed by regulators, additional clinical trials may be required, changes in labeling of our products, changes in guidelines and reimbursement and changes to or re-approvals of our manufacturing facilities may be required, any of which could have a material adverse effect on sales of the affected products and on our business and results of operations. (See "— *Our sales depend on payment and reimbursement from third-party payers, and, to the extent that reimbursement for our products is reduced, this could negatively impact the utilization of our products*.") Regulatory agencies such as the FDA could require us to engage in risk management activities, which could modify or restrict our existing promotional activities, restrict or encumber the ability of healthcare providers to prescribe, dispense or use our products or limit patient access to our products. Certain specific labeling or label changes may be necessary for a number of reasons, including: the identification of actual or theoretical safety or efficacy concerns by regulatory agencies, the discovery of significant problems with a similar product that implicates an entire class of products, subsequent concerns about the sufficiency of the data or studies underlying the label or changes to the underlying safety/efficacy analysis related to changes in clinical practice and options. Before any of our products are approved for commercial use, regulatory bodies could decide that the product label include certain warning language as part of an evolving label change to a particular class of products. For example, the Vectibix™ prescribing information includes a boxed warning from the FDA on dermatologic toxicities and severe infusion reactions as part of an evolving FDA labeling to the anti-epidermal growth factor receptor ("EGFr") class. In addition, after any of our products are approved for commercial use, we or regulatory bodies could decide, and have in the past decided, that changes to our product labeling are required. For example, the FDA has instituted a class label change

for the three ESAs marketed in the United States to add information about pure red cell aplasia ("PRCA") to the adverse event profile section and for the boxed warning in the prescribing information of the label described above.

Any significant concerns raised about the safety or efficacy of our products could also result in the need to reformulate those products, to conduct additional clinical trials, to make changes to our manufacturing processes or to seek re-approval of our manufacturing facilities. Significant concerns about the safety and effectiveness of a product could ultimately lead to the revocation of its marketing approval. The labeling of a new product, a revision of product labeling or the regulatory actions described above could be required even if there is no clearly established connection between the product and the safety or efficacy concerns that have been raised. If the labeling of a new product, a revision of product labeling or the regulatory actions described above resulted in decreased use of our products, it could have a material adverse effect on sales of the affected products and on our business and results of operations.

In addition, if regulatory authorities determine that we or our licensor or partner conducting R&D activities on our behalf have not complied with regulations in the R&D of a product candidate, new indication or information to support a current indication, then they may not approve the product candidate and we will not be able to market and sell it. If we were unable to market and sell our products or product candidates, our business and results of operations would be materially and adversely affected.

Before we commercialize and sell any of our product candidates, we must conduct clinical trials in humans; if we fail to adequately manage these trials we may not be able to sell future products and our sales could be adversely affected.

Before we can sell any products, we must conduct clinical trials which demonstrate that our product candidates are safe and effective for use in humans for the indications sought. The results of these clinical trials are used as the basis to obtain regulatory approval from government authorities such as the FDA. Clinical trials are experiments conducted using our product candidates in human patients having the diseases or medical conditions we are trying to address. Conducting clinical trials is a complex, time-consuming and expensive process. We are required to conduct clinical trials using an appropriate number of trial sites and patients to support the product label claims we are seeking. The length of time, number of trial sites and patients required for clinical trials vary substantially according to the type, complexity, novelty and intended use of the product candidate and therefore, we may spend as much as several years completing certain trials. Our ability to complete our clinical trials in a timely fashion depends in large part on a number of key factors including protocol design, regulatory and institutional review board approval and the rate of patient enrollment in clinical trials. Patient enrollment is a function of several factors, including the size and location of the patient population, enrollment criteria and competition with other clinical trials for eligible patients. As such, there may be limited availability of patients who meet the criteria for certain clinical trials. Delays in planned clinical trials can result in increased development costs, delays in regulatory approvals and associated delays in product candidates reaching the market. In addition, in order to increase the number of patients available for enrollment for our clinical trials, we have and will continue to open clinical sites and enroll patients in a number of new geographic locations where our experience conducting clinical trials is more limited, including Russia, China, India and some Central and South American countries either through utilization of third-party contract clinical trial providers entirely or in combination with local staff. Conducting clinical trials in locations where we have limited experience requires substantial time and resources to identify and understand the unique regulatory environments of individual countries. If we fail to

adequately manage our increasingly larger, more complex and regulatory diverse clinical trials, our clinical trials and corresponding regulatory approvals may be delayed or we may fail to gain approval for our product candidates altogether. If we are unable to market and sell our product candidates or are unable to obtain approvals in the timeframe needed to execute our product strategies, our business and results of operations would be materially adversely affected. Additional information on our clinical trials can be found on our website at (http://www.amgen.com). (This website address is not intended to function as a hyperlink, and the information contained on our website is not intended to be a part of this filing.)

Patients may also suffer adverse medical events or side effects in the course of our clinical trials that may delay or prohibit regulatory approval of our product candidates or additional indications for our currently approved products, or may render the product candidate commercially infeasible. Additionally, adverse events or results from clinical trials or studies performed by us or by others may expand safety labeling for our approved products and may negatively impact healthcare provider prescribing behavior, use of our products, regulatory or private healthcare organization medical guidelines and reimbursement of our products. *(See "— Our current products and products in development cannot be sold if we do not gain or maintain regulatory approval of our products and we may be required to perform additional clinical trials or change the labeling of our products or take other potentially limiting or costly actions if we or others identify side effects after our products are on the market."; "— Our sales depend on payment and reimbursement from third-party payers, and, to the extent that reimbursement for our products is reduced, this could negatively impact the utilization of our products."* and *"— Guidelines and recommendations published by various organizations can reduce the use of our products.")* For example, as a result of observing an increased frequency of cholecystitis, inflammation of the gall bladder, in patients treated with our late-stage product candidate motesanib diphosphate, we delayed our phase 3 "mega-site" trial (involving 200 or more sites) in first line non-small cell lung cancer, which was previously expected to begin in the fourth quarter of 2006, until the second half of 2007. Clinical trials must be designed based on the current standard of medical care. However in certain diseases, such as cancer, the standard of care is evolving rapidly. In these diseases, the duration of time needed to complete certain clinical trials may result in the design of such clinical trials being based on an out of date standard of medical care, limiting the utility and application of such trials. Of course, even if we successfully manage our clinical trials, we may not obtain favorable clinical trial results and may not be able to obtain regulatory approval on this basis.

We have substantially expanded our R&D capabilities to manage and execute increasingly larger and more complex clinical trials and to build the capacity to advance more compounds into and through the clinic. Based on current business trends, we expect to see further growth in R&D expense in 2007, but not to the same extent experienced in 2006, in order to support the increased number and expense of studies to advance our late-stage pipeline, including previously initiated mega-trials, as well as the continued advancement of earlier stage compounds. However, as a result of recent regulatory and legislative challenges, we have and will continue to assess the optimal level of our R&D investment. To the extent future sales are negatively impacted as a result of these challenges, we may be required to adjust our R&D investment plans. Such actions could delay obtaining approval or reduce the number of indications and market potential of our product candidates.

The results of the May 10, 2007 ODAC panel meeting on ESAs are likely to result in the FDA requiring us to perform additional clinical trials and/or change the labeling of our ESAs.

On May 10, 2007, the ODAC held a panel meeting to discuss the safety/efficacy profile of ESAs, including Aranesp® and EPOGEN®. The ODAC is an advisory committee of external experts who advise the FDA about the safety and efficacy of drug

products for use in treating cancer patients. This committee is advisory only and FDA officials are not bound or limited by its recommendations. However, the FDA commonly follows the recommendations of its advisory panels.

Responding to questions posed by the FDA, the seventeen ODAC members voted on these questions and the results of these votes, as follows, could limit the use of our ESAs:

- Fifteen of the panel members voted to recommend additional restrictions on ESA labels;
- The panel voted unanimously to recommend additional clinical trials be conducted to more clearly define the benefits and risks associated with the use of ESAs;
- Twelve of the panel members voted to recommend additions to ESA labels to state that ESAs are not indicated for use in specific tumor types;
- Fifteen of the panel members voted to recommend a defined Hb level in asymptomatic patients for initiation of treatment with ESAs; and
- Sixteen panel members voted to recommend changes to ESA labels recommending discontinuation of ESA therapy following the completion of a chemotherapy regimen and reevaluation of the degree of anemia with subsequent chemotherapy regimen.

However, eleven of the seventeen panel members voted against recommending lowering the upper limit of the Hb range in the current ESA labels.

While the ODAC recommended that more restrictions be added to ESA labels and that additional clinical trials be conducted by companies with currently approved ESAs, including us, no specific restrictions or studies were recommended at the ODAC meeting. Although not required, the FDA will likely take into consideration the recommendations by the ODAC and will decide what updates to the ESA labels are necessary and whether additional clinical trials for ESAs should be conducted and how those trials should be designed. The further restrictions to the prescribing information of the ESA labels may include i) limiting use of ESAs in certain tumor types, ii) establishment of a threshold Hb level before therapy with ESAs may be initiated, and iii) limiting when and how long post-chemotherapy treatment ESAs should be used. We are in discussions with the FDA following the ODAC meeting and are working to arrive at new class labeling for ESAs in the oncology setting in the United States.

Although we cannot predict what action the FDA may take or the extent or impact of any such action, any restrictions to the labels of Aranesp® and EPOGEN® described above that may be required by the FDA are likely to negatively impact healthcare provider prescribing behavior, use of our ESA products, regulatory or private health organization medical guidelines, reimbursement and sales for our ESA products, which could have a material adverse effect on our business and results of operations. We believe that the results of the ODAC meeting have resulted in oncologists exercising increasing caution with respect to the use of ESAs in certain therapeutic areas and the acceleration of further reimbursement constraints by payers in anticipation of regulatory action, both of which could have a material adverse effect on the use and sales of Aranesp® and our business and the results of operations. In addition, the results of the ODAC meeting and activities by the FDA related to ESA safety may influence the review by the European Scientific Advisory Group and the CHMP of the safety and labeling of the class of ESAs. If the CHMP were to add restrictions to the labels, it is likely to have a negative impact on the use, reimbursement and sales of Aranesp® in Europe. Further, on May 14, 2007,

CMS issued its Proposed NCD following the close of its NCA and review of data and comments submitted as part of the NCA which if finalized in its proposed or a similar form would have a material adverse effect on the use, reimbursement and sales of Aranesp®, and our business and results of operations. (See "— *Our sales depend on payment and reimbursement from third-party payers, and, to the extent that reimbursement for our products is reduced, this could negatively impact the utilization of our products*." and "— *Guidelines and recommendations published by various organizations can reduce the use of our products*.") The ODAC's recommendation for additional clinical trials of ESAs could result in substantial additional expense or additional label restrictions and may have a material adverse effect on our business and results of operations, and any negative results from such trials could materially effect the use, reimbursement and sales of our ESA products. (See "— *Before we commercialize and sell any of our product candidates, we must conduct clinical trials in humans; if we fail to adequately manage these trials we may not be able to sell future products and our sales could be adversely affected*.") Further, the FDA has stated that it intends to hold a joint meeting of the CRDAC and the Drug Safety and Risk Management Advisory Committee on September 11, 2007, to evaluate the safety data on ESA use in renal disease. We cannot predict what action the FDA may take as a result of such committee meeting.

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

Sales of all of our principal products are dependent, in part, on the availability and extent of reimbursement from third-party payers, including governments and private insurance plans. Generally, in Europe and other countries outside the United States, the government sponsored healthcare system is the primary payer of healthcare costs of patients. Governments may regulate access to, prices or reimbursement levels of our products to control costs or to affect levels of use of our products. Worldwide use of our products may be affected by these cost containment pressures and cost shifting from governments and private insurers to healthcare providers in response to ongoing initiatives to reduce or reallocate healthcare expenditures. Further, adverse events or results from clinical trials or studies performed by us or by others or from the marketed use of our drugs may expand safety labeling for our approved products and may negatively impact worldwide reimbursement for our products. On May 14, 2007, CMS issued its Proposed NCD and on July 30, 2007, issued its Decision Memorandum. We are in the process of evaluating what impact the Decision Memorandum will have on the use, reimbursement and sales of Aranesp®, and our business and results of operations. A complete discussion of the Decision Memorandum follows below. (See also "— *Our current products and products in development cannot be sold if we do not gain or maintain regulatory approval of our products and we may be required to perform additional clinical trials or change the labeling of our products or take other potentially limiting or costly actions if we or others identify side effects after our products are on the market.*" and "— *Guidelines and recommendations published by various organizations can reduce the use of our products*.") In addition, Senator Charles Grassley from the United States Senate Finance Committee sent letters to the FDA, CMS and to us expressing interest in the use of ESAs in cancer and ESRD patients and has requested meetings with each of the three. To the extent that there is resulting legislation or changes in CMS or FDA policy as a result of Senator Grassley's concerns, such changes could have a material or adverse effect on the use of our ESA products.

Most patients receiving Aranesp®, Neulasta® and NEUPOGEN® for approved indications are covered by both government and private payer healthcare programs. Government healthcare programs are governed by the MMA which was enacted into law in December 2003 and became effective January 1, 2005. Since January 1, 2005, in the physician clinic setting and since January 1,

2006, in the hospital outpatient setting, Aranesp®, Neulasta® and NEUPOGEN® have been reimbursed under a Medicare Part B payment methodology that reimburses each product at 106% of its ASP (sometimes referred to as "ASP+6%"). ASP is calculated by the manufacturer based on a statutorily defined formula and submitted to CMS. A product's ASP is calculated on a quarterly basis and therefore may change each quarter. The ASP in effect for a given quarter (the "Current Period") is based upon certain historical sales and sales incentive data covering a statutorily defined period of time preceding the Current Period. For example, the ASP for Aranesp® that will be in effect for the third quarter of 2007 will be based in part on certain historical sales and sales incentive data for Aranesp® from June 1, 2006 through May 30, 2007. CMS publishes the ASPs for products in advance of the quarter in which they go into effect. Any changes to the ASP calculations directly affect the Medicare reimbursement for our products administered in the physician office and the hospital outpatient setting. These calculations are regularly reviewed for completeness and based on such review, we have had to revise our interpretation and methodology of such interpretation to reflect such calculation changes both prospectively and retroactively. Partially as a result of our methodology changes, our ASP reimbursement rate for EPOGEN® was reduced for the third quarter of 2007. Prior to January 1, 2006, Medicare's hospital OPPS, which determines payment rates for specified covered outpatient drugs and biologics in the hospital outpatient setting, utilized the AWP as the basis of Medicare Part B payment for covered outpatient drugs and biologics administered in the hospital outpatient setting. From 2003 to 2005, CMS applied an "equitable adjustment" such that the Aranesp® reimbursement rate was based on the AWP of PROCRIT®, Johnson & Johnson's recombinant human erythropoietin product marketed in the United States, using a dose conversion ratio. In 2006 and 2007, CMS did not apply an "equitable adjustment" to tie the reimbursement rate for Aranesp® to PROCRIT®. On July 16, 2007, CMS released its 2008 OPPS proposed rule that did not propose to apply an "equitable adjustment" to the reimbursement rate for Aranesp® to PROCRIT®, however, CMS has maintained that it reserves the right to apply an "equitable adjustment" to the payment rate for Aranesp® in future years.

In the United States, dialysis providers are primarily reimbursed for EPOGEN® by the federal government through the ESRD Program of Medicare. The ESRD Program reimburses approved providers for 80% of allowed dialysis costs; the remainder is paid by other sources, including patients, state Medicaid programs, private insurance, and to a lesser extent, state kidney patient programs. The ESRD Program reimbursement rate is established by federal law and is monitored and implemented by CMS. Effective January 1, 2006, the payment mechanism for separately reimbursed dialysis drugs in both free-standing and hospital-based dialysis centers, including EPOGEN® and Aranesp®, is reimbursed by Medicare at ASP+6% using the same payment amounts used in the physician clinic setting. On May 18, 2007, CMS released a notice, based on its ongoing assessment for payment of Part B drugs, that there would be a single payment limit for Epoetin alfa (EPOGEN® and PROCRIT®) beginning in the third quarter of 2007. Further, on July, 24, 2007, the U.S. House of Representatives Committees on Ways & Means and Energy & Commerce released the Proposed CHAMP Legislation which would reduce ESA payment to large dialysis organizations to ASP+2% in 2008 and 2009. Although we cannot predict the payment levels of EPOGEN® in future quarters, a decrease in the reimbursement rate for EPOGEN® may have a material adverse effect on our business and results of operations.

Since April 1, 2006, the ESRD Program reimbursement has been subject to a revised HMA-PM, a Medicare payment review mechanism used by CMS to audit EPOGEN® and Aranesp® (when used in dialysis) utilization and appropriate hematocrit outcomes of dialysis patients. This policy, EMP, was revised, effective October 1, 2006, to provide that if a patient's Hb is greater than 13 g/dL, providers are instructed to reduce the patient's EPOGEN® and Aranesp® dose and report this reduction on claims using a coding

modifier. If the provider does not reduce the patient's EPOGEN® and Aranesp® dose and the provider does not submit medical documentation to support maintaining a patient's Hb above 13 g/dL, reimbursement will be reduced to the level it would have been had the provider reduced dosage by 25%. On July 20, 2007, CMS published revisions to the EMP, effective January 1, 2008, requiring a 50% reduction in Medicare reimbursement if a patient's Hb is above 13 g/dL for three or more consecutive months and a reduction of the monthly dosing limits to 400,000 IUs of EPOGEN®, from 500,000 IUs, and to 1,200 mcgs of Aranesp®, from 1,500 mcgs.

Changes resulting from the MMA, which beginning in 2005 lowered reimbursement for our products, could negatively affect product sales of some of our marketed products. However, we believe that our product sales for 2005 and 2006 were not significantly impacted by the reimbursement changes resulting from the MMA. While we cannot accurately predict the impact of any such changes on how, or under what circumstances, healthcare providers will prescribe or administer our products and we cannot estimate the full impact of the MMA on our business, we believe that it is likely to be significant to our business in 2007. However, additional provisions of the MMA and other regulations affecting reimbursement that have gone or may go into effect could affect our product sales and related sales growth in the future. For example, the MMA required a demonstration project of a bundled payment system for dialysis, including separately billable drugs and EPOGEN®. The demonstration project was scheduled to start in January 2006, but has been delayed with no announced start date. However, the Proposed CHAMP Legislation would bundle payment to LDOs for dialysis services, including but not limited to composite rate services, ESAs, other drugs and labs common in dialysis, and home dialysis training beginning in 2010. The Proposed CHAMP Legislation also requires that aggregate payment be reduced by 4% in 2010, and allows CMS four years to phase in bundling to non-LDO providers. Bundling initiatives that have been implemented in other healthcare settings have resulted in lower utilization of services that had not previously been a part of the bundled payment. Because CMS is continuing to study bundled payments in the ESRD setting, we cannot predict what impact a bundled payments system would have on sales of EPOGEN® or Aranesp® used in the treatment of persons receiving outpatient dialysis services.

In addition, on December 29, 2006, the MedPAC released its second Congressionally-mandated report on the impact of changes in Medicare payments for Part B Drugs specifically recommending that the Secretary of the Department of Health and Human Services clarify ASP reporting requirements "to ensure that ASP calculations allocate discounts to reflect the transaction price for each drug." Under the ASP system, the Company allocates its discounts based on the prices paid for individual drugs, according to the terms of its contracts with physicians and other purchasers, and we believe that the resulting ASPs reflect the transaction prices for individual drugs. Referencing MedPAC's December 2006 report, CMS proposed in the Medicare Physician Fee Schedule Proposed Rule for 2008 revising the methodology for calculating ASP to require the reallocation of price concessions of drugs sold under "bundled arrangements," described by CMS in part as an arrangement regardless of physical packaging under which the rebate, discount or other price concession is conditioned upon the purchase of the same drug or biological or other drugs or biologicals or some other performance requirement. As it is premature to speculate on how CMS will finalize the proposed methodology, we cannot predict the potential impact this revised methodology may have on our business.

Other initiatives reviewing the coverage or reimbursement of our products, including those related to safety, could result in less extensive coverage or lower reimbursement and could negatively affect sales of some of our marketed products. For example, on March 14, 2007, shortly after the label changes for all ESAs, CMS announced that the agency had begun reviewing all Medicare policies related to the administration of ESAs in non-renal disease applications as part of a NCA which is generally CMS' first step toward developing a NCD. Generally, a NCD is a national policy statement granting, limiting or excluding Medicare coverage or

reimbursement for a specific medical item or service. During the initial comment period which ended on April 13, 2007, we submitted comments to CMS which included a detailed and thorough review of the available clinical data, noted a series of important considerations and made a number of specific recommendations for the agency to consider in developing a NCD. On May 14, 2007, CMS issued the Proposed NCD following a review of data and public comments submitted as part of the NCA, which under the MMA, was subject to a 30-day public comment period that ended June 13, 2007.

On July 30, 2007, CMS issued its Decision Memorandum which was substantially altered from the Proposed NCD. In the Decision Memorandum, CMS determined that ESA treatment was not reasonable and necessary for certain clinical conditions. These conditions include:

- Any anemia in cancer or cancer treatment patients due to folate deficiency, B-12 deficiency, iron deficiency, hemolysis, bleeding, or bone marrow fibrosis;
- Anemia associated with the treatment of acute and chronic myelogenous leukemias (CML, AML), or erythroid cancers;
- Anemia of cancer not related to cancer treatment;
- Any anemia associated only with radiotherapy;
- Prophylactic use to prevent chemotherapy-induced anemia;
- Prophylactic use to reduce tumor hypoxia;
- Patients with erythropoietin-type resistance due to neutralizing antibodies; and
- Anemia due to cancer treatment if patients have uncontrolled hypertension.

Additionally, in the Decision Memorandum, CMS provides coverage for ESA treatment for the anemia secondary to myelosuppressive anticancer chemotherapy in solid tumors, multiple myeloma, lymphoma, and lymphocytic leukemia under the following criteria:

- The Hb level immediately prior to initiation or maintenance of ESA treatment is < 10 g/dL (or the hematocrit is < 30%);
- The starting dose for ESA treatment is the recommended FDA label starting dose, no more than 150 U/kg/three times weekly for Epoetin and 2.25 mcg/kg/weekly for darbepoetin alfa;
- Maintenance of ESA therapy is the starting dose if the Hb level remains below 10 g/dL (or hematocrit is < 30%) 4 weeks after initiation of therapy and the rise in Hb is > 1g/dL (hematocrit > 3%). However, if after the first 4 weeks the Hb is > 10g/dL, ESA treatment is not covered;
- For patients whose Hb rises <1 g/dl (hematocrit rise <3%) compared to pretreatment baseline over 4 weeks of treatment and whose Hb level remains <10 g/dL after the 4 weeks of treatment (or the hematocrit is <30%), the recommended FDA label starting dose may be increased once by 25%. Continued use of the drug is not reasonable and necessary if the Hb rises <1 g/dl (hematocrit rise <3 %) compared to pretreatment baseline by 8 weeks of treatment;

- Continued administration of the drug is not reasonable and necessary if there is a rapid rise in Hb > 1 g/dl (hematocrit> 3%) over 2 weeks of treatment unless the Hb remains below or subsequently falls to < 10 g/dL (or the hematocrit is < 30%). Continuation and reinstitution of ESA therapy must include a dose reduction of 25% from the previously administered dose; and
- ESA treatment duration for each course of chemotherapy under the above criteria includes the eight weeks following the final dose of myelosuppressive chemotherapy in a chemotherapy regimen.

Under the provisions of the Decision Memorandum, Medicare contractors may continue to issue local coverage determinations based on the existing Medicare policy of "reasonable and necessary determinations" on all uses of ESAs that are not determined by the NCD, including MDS.

The Decision Memorandum sets the coverage policy for Medicare and other government beneficiaries who account for approximately 50% of cancer patients receiving Aranesp®. We are in continuing discussions with CMS regarding the Decision Memorandum and are in the process of evaluating the impact the Decision Memorandum will have on the use, reimbursement and sales of Aranesp® and currently believe that the majority of cancer patients who receive treatment with Aranesp® are initiated at Hb levels above 10g/dL and maintain Hb levels above 10g/dL with continued therapy. Given that the Decision Memorandum contains a coverage restriction for Hb levels greater than 10g/dL, we believe that such restriction will change the way ESAs are used in clinical practice, for example, by decreasing the number of treated patients, dose and duration of therapy. We expect this restriction on reimbursement of ESAs in the Decision Memorandum would have a material adverse effect on our sales of Aranesp®, and our business and results of operations. Additionally, we believe that the Decision Memorandum may be followed and implemented by some private payers.

In addition, the FDA has stated that it intends to hold a joint meeting of the CRDAC and the Drug Safety and Risk Management Advisory Committee on September 11, 2007, to evaluate the safety data on ESA use in renal disease. We cannot predict what action the FDA may take as a result of such committee meeting or what impact it may have on our sales of our ESAs and on our business. Although the revisions to the EMP made no announcement of a nephrology focused NCA, any NCD for ESAs in the renal setting, which may include non-coverage and/or new dosing and treatment restrictions similar to those proposed in the Proposed NCD for treatment of anemia in oncology with ESAs, would negatively effect use, reduce reimbursement and coverage, negatively affect product sales of our ESA products and may have a material adverse effect on our business and results of operations.

Further, the DRA of 2005 included provisions, which are phased in over time, regarding state collection and submission of data for the purpose of collecting Medicaid drug rebates from manufacturers for physician-administered drugs. We expect that state compliance with elements of these provisions that became effective on January 1, 2006, will increase the level of Medicaid rebates paid by us. We are currently in the process of further evaluating the impact of the DRA and are uncertain as to the potential full impact on our business. Related to this issue, CMS issued a final Medicaid rule on July 6, 2007 that covered a broad range of topics concerning the calculation and use of AMP and best price as well as a definition for bundled sales under the Medicaid program. Although it has minor differences, the definition of "bundled sale" under this rule is essentially the same as what CMS proposed under the definition of "bundled price concessions" in the Medicare Physician Fee Schedule Proposed Rule for 2008. Given its recent release, we are in the process of evaluating what impact the final rule will have on our business.

If, and when, reimbursement rates or availability for our marketed products changes adversely or if we fail to obtain adequate reimbursement for our current or future products, healthcare providers may limit how much or under what circumstances they will prescribe or administer them, which could reduce the use of our products or cause us to reduce the price of our products. This could result in lower product sales, which could have a material adverse effect on us and our results of operations. For example, the use of EPOGEN® in the United States in connection with treatment for ESRD is funded primarily by the U.S. federal government. In early 1997, CMS, formerly known as Healthcare Financing Administration ("HCFA"), instituted a reimbursement change for EPOGEN®, which materially and adversely affected our EPOGEN® sales until the policies were revised. In addition, following the update to the ESA labels, nearly all Medicare contractors dropped reimbursement for Aranesp® for AoC. (See "— *Guidelines and recommendations published by various organizations can reduce the use of our products*.") Also, we believe the increasing emphasis on cost-containment initiatives in the United States, Europe and other countries has and will continue to put pressure on the price and usage of our products, which may adversely impact product sales. Further, when a new therapeutic product is approved, the governmental and/or private coverage and reimbursement for that product is uncertain and a failure to demonstrate clear economic value associated with the use of a new therapeutic product as compared to existing therapeutic products or practices may result in inadequate or no reimbursement. We cannot predict the availability or amount of reimbursement for our approved products or product candidates, including those at a late stage of development, and current reimbursement policies for marketed products may change at any time. Sales of all our products are and will be affected by government and private payer reimbursement policies. Reduction in reimbursement for our products could have a material adverse effect on our product sales and results of operations.

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

The patent positions of pharmaceutical and biotechnology companies can be highly uncertain and often involve complex legal, scientific and factual questions. To date, there has emerged no consistent policy regarding breadth of claims allowed in such companies' patents. Third parties may challenge, invalidate or circumvent our patents and patent applications relating to our products, product candidates and technologies. In addition, our patent positions might not protect us against competitors with similar products or technologies because competing products or technologies may not infringe our patents. For certain of our product candidates, there are third parties who have patents or pending patents that they may claim prevent us from commercializing these product candidates in certain territories. Patent disputes are frequent, costly and can preclude or delay commercialization of products. We are currently, and in the future may be, involved in patent litigation. However, a patent dispute or litigation may not discourage a potential violator from bringing the product that is alleged to infringe to market and we may be subject to competition during certain periods of litigation. For example, Roche is developing a peg-EPO molecule for which they have filed a BLA with the FDA and which Roche announced on May 18, 2007 that the FDA had issued an approvable letter for MIRCERA® for the treatment of anemia associated with chronic renal failure including patients on dialysis and patients not on dialysis. Roche stated that it has received a draft label from the FDA and expects the label to be finalized after the CRDAC has issued its recommendations on the entire class of ESAs. The FDA stated that it intends to hold a joint meeting of the CRDAC and the Drug Safety and Risk Management Advisory Committee on September 11, 2007. On November 8, 2005, we filed a lawsuit against Roche for patent infringement of six of our U.S. patents. In addition, on April 11, 2006, we filed a complaint with the U.S. International Trade Commission ("ITC") requesting that the ITC institute an investigation of Roche's importation of peg-EPO. This lawsuit and matter is described in "Item 1. Legal Proceedings— *Roche Matters.*" According to Roche's public statements, they expect to launch the molecule in the U.S. nephrology segment in 2007,

upon regulatory approval, despite our ongoing lawsuit and their acknowledgement of our U.S. erythropoietin patents. (See "— *Our marketed products face substantial competition and other companies may discover, develop, acquire or commercialize products before or more successfully than we do*.") If we lose or settle current or future litigations at certain stages or entirely, we could be subject to competition and/or significant liabilities; required to enter into third-party licenses for the infringed product or technology; or required to cease using the technology or product in dispute. In addition, we cannot guarantee that such licenses will be available on terms acceptable to us, or at all.

Our success depends in part on our ability to obtain and defend patent rights and other intellectual property rights that are important to the commercialization of our products and product candidates. We have filed applications for a number of patents and have been granted patents or obtained rights relating to erythropoietin, natural and recombinant G-CSF, darbepoetin alfa, pegfilgrastim, etanercept, cinacalcet HCl, panitumumab and our other products and potential products. We market our erythropoietin, recombinant G-CSF, darbepoetin alfa, pegfilgrastim, etanercept, cinacalcet HCl and panitumumab products as EPOGEN® (Epoetin alfa), NEUPOGEN® (Filgrastim), Aranesp® (darbepoetin alfa), Neulasta® (pegfilgrastim), Enbrel® (etanercept), Sensipar®/Mimpara® (cinacalcet HCl) and Vectibix™ (panitumumab), respectively. With respect to our material patents, we have had a number of G-CSF patent expiries in the United States. In addition we have had our principal erythropoietin patent expiry in the EU and our principal European patent relating to G-CSF has expired.

Product		General Subject Matter	Expiration
Epoetin alfa	U.S.	— Process of making erythropoietin	8/15/2012
		— Product claims to erythropoietin	8/20/2013
		— Pharmaceutical compositions of erythropoietin	8/20/2013
		— Cells that make certain levels of erythropoietin	5/26/2015
darbepoetin alfa	U.S.	— Glycosylation analogs of erythropoietin proteins	5/15/2024
	Europe[1]	— Glycosylation analogs of erythropoietin proteins	10/12/2010
		— Glycosylation analogs of erythropoietin proteins	8/16/2014
Filgrastim	U.S.	— G-CSF polypeptides	12/3/2013
		— Methods of treatment using G-CSF polypeptides	12/10/2013
pegfilgrastim	U.S.	— Pegylated G-CSF	10/20/2015
	Europe[1]	— Pegylated G-CSF	2/8/2015
etanercept	U.S.	— Methods of treating TNF — dependent inflammatory response	9/5/2009
		— TNFR proteins and pharmaceutical compositions	9/5/2009
		— TNFR DNA vectors, cells and processes for making proteins	10/23/2012
panitumumab	U.S.	— Human monoclonal antibodies to EGFr	5/5/2017
cinacalcet HCl	U.S. [2]	— Calcium receptor-active molecules	12/14/2016
		— Calcium receptor-active molecules	12/14/2016
		— Calcium receptor-active molecules	12/14/2016
		— Calcium receptor-active molecules	10/23/2015
	Europe[1]	— Calcium receptor-active molecules	10/23/2015

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

(2) An application for patent term extension has been submitted and is currently pending in the United States.

We also have been granted or obtained rights to patents in Europe relating to erythropoietin; G-CSF; pegfilgrastim (pegylated G-CSF); etanercept; two relating to darbepoetin alfa; hyperglycosylated erythropoietic proteins; and cinacalcet HCl. Our principal European patent relating to erythropoietin expired on December 12, 2004 and our principal European patent relating to G-CSF expired on August 22, 2006. As these patents have expired, some companies have and we believe others may receive approval for and market follow-on biologics or biosimilar products (as they are generally known in the EU) to compete with these products in the EU presenting additional competition to our products. (See "— *Our marketed products face substantial competition and other companies may discover, develop, acquire or commercialize products before or more successfully than we do*.") Although we cannot predict with certainty when the first G-CSF biosimilar products could appear on the market in the EU, we expect that the first biosimilar G-CSF product may be approved in the EU some time in 2008 and could be available shortly thereafter, and that it would compete with

Neulasta® and NEUPOGEN®. While we do not market EPOGEN® in Europe as this right belongs to Johnson & Johnson (through KA), we do market Aranesp® in the EU, which competes with or may compete with the following products:

Product	Company	Countries	Timing for Launch
EPREX®	Johnson & Johnson	EU	Launched
Neorecormon®	Roche	EU	Launched
Dynepo™	Shire	Germany, UK Italy, Spain, France	Launched Q3 & Q4 2007
Biosimilar Erythropoietin	Sandoz	Germany, UK Others	Late Q3/Early Q4 2007 2008
Biosimilar Erythropoietin	Hospira/Stada	Germany, UK Others	Q4 2007 2008
peg-EPO	Roche	Germany, UK, Netherlands, Switzerland	August/September 2007 (approved by European Commission on July 26, 2007)

Although, we cannot predict whether or to what extent the entry of biosimilar products or other competing products would impact future Aranesp®, Neulasta® or NEUPOGEN® sales in the EU, biosimilar products or other products that effectively compete with our products could reduce sales which could have a material adverse effect on our results of operations.

In 2006, the EMEA developed and issued final regulatory guidelines related to the development and approval of biosimilar products. The final guidelines included clinical trial guidance for certain biosimilar products including erythropoietins and G-CSFs, which guidance recommends that applicants seeking approval of such biosimilar products conduct fairly extensive pharmacodynamic, toxicological, clinical safety studies and a pharmacovigilance program. In the United States, there currently is no legal approval pathway for the approval of BLAs for follow-on biologics. A number of events would need to occur before these products could enter the market, including passage of legislation by Congress to create a new approval pathway and, depending on the specific provisions of any such legislation, promulgation of associated regulations and guidance by the FDA. During this current Congressional session, several members of Congress expressed interest in the issue, a number of bills have been introduced, and the House and Senate have held hearings. A Senate follow-on biologics bill has been approved by a Senate Committee but has not been presented to the full Senate for a vote. It is unknown what type of regulatory framework, what legal provisions, and what timeframes for issuance of regulations and guidance any final legislation would contain. Until such legislation is created, we cannot predict when follow-on biologics could appear in the United States.

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

Government agencies promulgate regulations and guidelines directly applicable to us and to our products. However, professional societies, practice management groups, insurance carriers, physicians, private health/science foundations and organizations involved in various diseases from time to time may also publish guidelines or recommendations to healthcare providers, administrators and payers, and patient communities. Recommendations of government agencies or these other groups/organizations may relate to such matters as usage, dosage, route of administration and use of related therapies and reimbursement of our products by government and private payers. (See "— *Our sales depend on payment and reimbursement from third-party payers, and, to the*

extent that reimbursement for our products is reduced, this could negatively impact the utilization of our products.") Organizations like these have in the past made recommendations about our products. Recommendations or guidelines that are followed by patients and healthcare providers could result in decreased use and/or dosage of our products. Some examples of agency and organizational guidelines include:

- On April 12, 2007 the NKF distributed to the nephrology community the draft of the KDOQI Clinical Practice Guideline and Clinical Practice Recommendations for Anemia Management in Chronic Kidney Disease. The draft guideline was open for comments from the community until April 30, 2007 prior to being finalized and published. The NKF's Anemia Working Group initiated a review of the existing guidelines following recent clinical developments, such as the publication of the results of the CHOIR and other trials. In the proposed guideline, the group recommends what factors should be considered in selecting a Hb target and states that the selected Hb target should generally be in the range 11.0 to 12.0 g/dL. Like others in the nephrology community, we are currently reviewing the new guideline and cannot predict what impact the revised guideline will have on our business but anticipate that CMS will likely consider the KDOQI guidelines as it undertakes its review of the EMP.
- The GAO issued a report on December 5, 2006 recommending that ESRD drugs and biologics, including EPOGEN®, be bundled into the Medicare dialysis composite payment rate. A day after the GAO report was released, the House Ways and Means Committee held a hearing that focused on EPOGEN®, including discussion of the delay in the MMA mandated bundled payment demonstration, and the GAO report and recommendation. Although Congress did not take legislative action in 2006 to require bundling, the Proposed CHAMP Legislation would bundle payment for all dialysis services, including but not limited to ESAs, other drugs and labs common in dialysis, beginning in 2010.
- On February 2, 2007, following the reported results from our AoC 103 Study, the USP DI Drug Reference Guides removed Aranesp® in the treatment of AoC. Thereafter, nearly all Medicare contractors stopped reimbursing for Aranesp® use in AoC patients.

Any recommendations or guidelines that result in decreased use, dosage or reimbursement of our products could adversely affect our product sales and operating results materially. In addition, the perception by the investment community or stockholders that such recommendations or guidelines will result in decreased use and dosage of our products could adversely affect the market price for our common stock.

We may not be able to develop commercial products.

We intend to continue an aggressive R&D program. Successful product development in the biotechnology industry is highly uncertain, and very few R&D projects produce a commercial product. Product candidates or new indications for existing products (collectively, "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 or more effective than currently available therapies in treating a specified condition or illness
- the product candidate had harmful side effects in humans or animals
- the necessary regulatory bodies, such as the FDA, did not approve our product candidate for an intended use
- the product candidate was not economical for us to manufacture and commercialize
- other parties have or may have proprietary rights to our product candidate, such as patent rights, and will not let us sell it on reasonable terms, or at all
- the product candidate is not cost effective in light of existing therapeutics
- we and certain of our licensors or partners may fail to effectively conduct clinical development or clinical manufacturing activities
- the regulatory pathway to approval for product candidates is uncertain or not well-defined

For example, we announced that after discussions with the FDA we have decided not to file for approval of motesanib diphosphate in refractory thyroid cancer until there is more clarity on what would constitute an appropriate regulatory filing package for that indication. Further, we believe that the safety concerns around our ESAs expressed by the FDA must be addressed to the agency's satisfaction before new indications or expanded labeling of our ESA products will likely be approved.

Further, several of our product candidates have failed or been discontinued at various stages in the product development process, including, but not limited to, Brain Derived Neurotrophic Factor ("BDNF"), Megakaryocyte Growth and Development Factor ("MGDF") and Glial Cell Lined-Derived Neurotrophic Factor ("GDNF"). For example, in 1997, we announced the failure of BDNF for the treatment of amyotrophic lateral sclerosis, or Lou Gehrig's Disease, because the product candidate, when administered by injection, did not produce acceptable clinical results for a specific use after a phase 3 trial, even though BDNF had progressed successfully through preclinical and earlier clinical trials. In addition, in 1998, we discontinued development of MGDF, a novel platelet growth factor, at the phase 3 trial stage after several people in platelet donation trials developed low platelet counts and neutralizing antibodies. Also, in June 2004, we announced that the phase 2 study of GDNF for the treatment of advanced Parkinson's disease did not meet the primary study endpoint upon completion of nine months of the double-blind treatment phase of the study even though a small phase 1 pilot investigator-initiated open-label study over a three year period appeared to result in improvements for advanced Parkinson's disease patients. Subsequently, in the fall of 2004 we discontinued clinical development of GDNF in patients with advanced Parkinson's disease after several patients in the phase 2 study developed neutralizing antibodies and new preclinical data showed that GDNF caused irreversible damage to the area of the brain critical to movement control and coordination. On February 11, 2005, we confirmed our previous decision to halt clinical trials and, as a part of that decision and based on thorough scientific review, we also concluded that we will not provide GDNF to the 48 patients who participated in clinical trials that were terminated in the fall of 2004. Of course, there may be other factors that prevent us from marketing a product. We cannot guarantee we will be able to produce or manufacture commercially successful products. (See "— *Difficulties, disruptions or delays in*

manufacturing or failure to comply with manufacturing regulations may limit supply of our products and limit our product sales."; "*— Our current products and products in development cannot be sold if we do not gain or maintain regulatory approval of our products and we may be required to perform additional clinical trials or change the labeling of our products or take other potentially limiting or costly actions if we or others identify side effects after our products are on the market*."; and "*— Before we commercialize and sell any of our product candidates, we must conduct clinical trials in humans; if we fail to adequately manage these trials we may not be able to sell future products and our sales could be adversely affected*.")

Our business may be impacted by government investigations or litigation.

We and certain of our subsidiaries are involved in legal proceedings relating to various patent matters, government investigations, our business operations, government requests for information and other legal proceedings that arise from time to time in the ordinary course of our business. Matters required to be disclosed by us are set forth in "Item 1. Legal Proceedings" and are updated as required in subsequently filed Form 10-Qs. Litigation is inherently unpredictable, and the outcome can result in excessive verdicts and/or injunctive relief that affects how we operate our business. Consequently, it is possible that we could, in the future, incur judgments or enter into settlements of claims for monetary damages or change the way we operate our business, which could have a material adverse effect on our results of operations (in the case of monetary damages, in the period in which such damages are incurred).

The federal government, state governments and private payers are investigating, and many have filed actions against numerous pharmaceutical and biotechnology companies, including Amgen and Immunex, now a wholly owned subsidiary of ours, alleging that the reporting of prices for pharmaceutical products has resulted in false and overstated AWP, which in turn is alleged to have improperly inflated the reimbursement paid by Medicare beneficiaries, insurers, state Medicaid programs, medical plans and other payers to healthcare providers who prescribed and administered those products. A number of these actions have been brought against us and/or Immunex. Additionally, a number of states have pending investigations regarding our Medicaid drug pricing practices and the U.S. Departments of Justice and Health and Human Services have requested that Immunex produce documents relating to pricing issues. Further, certain state government entity plaintiffs in some of these AWP cases are also alleging that companies, including ours, were not reporting their "best price" to the states under the Medicaid program. These cases and investigations are described in "Item 1. Legal Proceedings—*Average Wholesale Price Litigation*" and are updated as required in subsequent Form 10-Qs. Other states and agencies could initiate investigations of our pricing practices. A decision adverse to our interests on these actions and/or investigations could result in substantial economic damages and could have a material adverse effect on our results of operations in the period in which such liabilities are incurred.

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

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

Our revenues may fluctuate and our operating results are subject to fluctuations and these fluctuations could cause financial results to be below expectations and our stock price is volatile, which could adversely affect your investment.

Our operating results may fluctuate from period to period for a number of reasons. For example as a result of various regulatory, legislative and competitive challenges facing certain of our principal products, in particular our ESA products, we decided to make changes to various ongoing capital projects. These decisions were primarily focused on rationalizing our worldwide network of manufacturing facilities in order to gain cost efficiencies while continuing to meet product demand. As a result of these decisions, we recorded charges for asset impairments and related costs of $289 million during the three months ended June 30, 2007. In addition, depending in part on the outcome of certain future developments, we may be required to take further actions to reduce costs. As a result we may incur additional related charges in the near term, certain of which may be material. Further, although we are moderating our operating expense growth in response to these challenges, some of our operating expenses are fixed in the short term and cannot be reduced within a short period of time to offset unplanned or unexpected reductions in revenue. Our ability to achieve cost savings within the timeframes that may be required is subject to significant economic, competitive and other uncertainties, some of which are beyond our control. Because of this, even a relatively small revenue shortfall may cause a period's results to be below our expectations or projections. A revenue shortfall could arise from any number of factors, some of which we cannot control. For example, as a result of the above noted challenges facing our principal products, our revenues and operating results and, in turn, our stock price may be subject to significant fluctuations. Additionally, our stock price, like that of other biotechnology companies, is volatile. For example, in the fifty-two weeks prior to June 30, 2007, the trading price of our common stock has ranged from a high of $76.50 per share to a low of $53.68 per share.

Our revenues, operating results and stock price may be affected by a number of factors, such as:

- adverse developments regarding the safety or efficacy of our products
- changes in the government's or private payers' reimbursement policies or prescribing guidelines for our products
- inability to maintain regulatory approval of marketed products or manufacturing facilities
- actual or anticipated clinical trial results of ours or other companies and organizations
- actual or anticipated product supply constraints
- business development or licensing activities
- product development or other business announcements by us or our competitors
- regulatory matters or actions
- changes in our product pricing strategies
- lower than expected demand for our products
- changes in wholesaler buying patterns

- increased competition from new or existing products
- fluctuations in foreign currency exchange rates
- announcements in the scientific and research community
- intellectual property and legal matters
- broader economic, industry and market trends unrelated to our performance
- pronouncements and rule changes by applicable standards authorities that change the manner in which we account for certain transactions

Of course, there may be other factors that affect our revenues, operating results and, stock price in any given period. In addition, if our revenues, earnings or other financial results in any period fail to meet the investment community's expectations, there could be an immediate adverse impact on our stock price.

We rely on single third-party suppliers for some of our raw materials, medical devices and components; if these third-parties fail to supply these items, we may be unable to supply our products.

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

- regulatory requirements or action by the FDA or others
- adverse financial developments at or affecting the supplier
- unexpected demand for or shortage of raw materials, medical devices or components
- labor disputes or shortages, including the effects of an avian or pandemic flu outbreak, or otherwise
- failure to comply with our quality standards which results in quality failures, product contamination and/or recall

These events could adversely affect our ability to satisfy demand for our products, which could adversely affect our product sales and operating results materially. For example, we have experienced shortages in certain components necessary for the formulation, fill and finish of certain of our products in our Puerto Rico facility without impact on our ability to supply these products. However, we may experience these shortages in the future resulting in delayed shipments, supply constraints and/or stock-outs of our products.

Also, certain of the raw materials required in the commercial manufacturing and the formulation of our products are derived from biological sources, including mammalian tissues, bovine serum and HSA. We are investigating alternatives to certain biological sources and alternative manufacturing processes that do not require the use of certain biologically-sourced raw materials as such raw materials may be subject to contamination and/or recall. Also, some countries in which we market our products may restrict the use of certain biologically derived substances in the manufacture of drugs. A material shortage, contamination, recall and/or restriction of the use of certain biologically derived substances in the manufacture of our products could adversely impact or disrupt our commercial manufacturing of our products or could result in a mandated withdrawal of our products from the market. This could adversely affect our ability to satisfy demand for our products, which could adversely affect our product sales and operating results materially.

Difficulties, disruptions or delays in manufacturing or failure to comply with manufacturing regulations may limit supply of our products and limit our product sales.

We currently manufacture and market all our principal products, and we plan to manufacture and market many of our potential products. Manufacturing biologic human therapeutic products is difficult, complex and highly regulated. (See "— *Our current products and products in development cannot be sold if we do not gain or maintain regulatory approval of our products and we may be required to perform additional clinical trials or change the labeling of our products or take other potentially limiting or costly actions if we or others identify side effects after our products are on the market*.") We currently manufacture our products and product candidates at our manufacturing facilities located in Thousand Oaks and Fremont, California, Boulder and Longmont, Colorado, West Greenwich, Rhode Island and Juncos, Puerto Rico (See "— *We formulate, fill and finish substantially all our products at our Puerto Rico manufacturing facility; if significant natural disasters or production failures occur at this facility, we may not be able to supply these products*.") Additionally, we currently use third-party contract manufacturers to produce or assist in the production of ENBREL and Sensipar® /Mimpara® and in the formulation, fill and finish of Vectibix™ and plan to use contract manufacturers to produce a number of our late-stage product candidates. (See "— *We are dependent on third parties for a significant portion of our bulk supply and the formulation, fill and finish of ENBREL*.") Our ability to adequately and timely manufacture and supply our products is dependent on the uninterrupted and efficient operation of our facilities which is impacted by many manufacturing variables including:

- availability or contamination of raw materials and components used in the manufacturing process, particularly those for which we have no other source or supplier
- facility capacity of our facilities or those of our contract manufacturers
- facility contamination by microorganisms or viruses
- labor disputes or shortages, including the effects of an avian or pandemic flu outbreak, or otherwise
- compliance with regulatory requirements
- changes in forecasts of future demand

- timing and actual number of production runs
- production success rates and bulk drug yields
- timing and outcome of product quality testing

If we have problems in one or more of these or other manufacturing variables, we may experience delayed shipments, supply constraints, stock-outs and/or recalls of our products. For example, in the second quarter of 2002, the prior co-marketers with respect to ENBREL experienced a brief period where no ENBREL was available to fill patient prescriptions, primarily due to variation in the expected production yield from Boehringer Ingelheim Pharma KG ("BI Pharma"). If we are at any time unable to provide an uninterrupted supply of our products to patients, we may lose patients, physicians may elect to prescribe competing therapeutics instead of our products, and sales of our products will be adversely affected, which could materially and adversely affect our product sales and results of operations.

We manufacture and contract manufacture, price, sell, distribute and market or co-market our products for their approved indications. These activities are subject to extensive regulation by numerous state and federal governmental authorities in the United States, such as the FDA and CMS, as well as in foreign countries, including European countries, Canada, Australia and Japan. Although we have obtained regulatory approval for our marketed products, these products and our manufacturing processes and those of our third-party contract manufacturers must undergo a potentially lengthy FDA or other regulatory approval process and are subject to continued review by the FDA and other regulatory authorities. It can take longer than five years to build and license a new manufacturing plant and it can take longer than three years to qualify a new contract manufacturer. In order to maintain adequate supply to keep up with demand for our products, mitigate risks associated with nearly all of the bulk manufacturing for Aranesp®, Neulasta® and NEUPOGEN® and the vast majority of our formulation, fill and finish operations located in Puerto Rico, and to adequately prepare to launch a number of our late-stage product candidates, we must successfully implement a number of manufacturing projects on schedule, operate our facilities at appropriate production capacity over the next few years, expand our use of third-party contract manufacturers and maintain a state of regulatory compliance. Key manufacturing projects include: 1) expansion of existing bulk protein facilities at our Puerto Rico site for the production of our late-stage product candidate denosumab; 2) expansion of our Fremont, CA facility to support future product launches; and 3) construction, qualification and licensure of new formulation, fill and finish facilities at our Puerto Rico site.

If regulatory authorities determine that we or our third-party contract manufacturers or third-party service providers have violated regulations or if they restrict, suspend or revoke our prior approvals, they could prohibit us from manufacturing our products or conducting clinical trials or selling our marketed products until we or our third-party contract manufacturers or third-party service providers comply, or indefinitely. Because our third-party contract manufacturers and third-party service providers are subject to FDA and foreign regulatory authorities, alternative qualified third-party contract manufacturers and service providers may not be available on a timely basis or at all. For example, we are dependent upon a single FDA approved third-party contract manufacturer for the formulation, fill and finish of Vectibix™. If we or our third-party contract manufacturers and third-party service providers cease or interrupt production or if our third-party contract manufacturers and third-party service providers fail to supply materials, products or services to us for any reason, we may experience delayed shipments, supply constraints, stock-outs and/or recalls of our products. If we are unable to manufacture, market and sell our products, our business and results of operations would be materially and adversely affected.

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

We currently perform all of the formulation, fill and finish for EPOGEN®, Aranesp®, Neulasta® and NEUPOGEN®, some formulation, fill and finish operations for ENBREL, and nearly all of the bulk manufacturing for Aranesp®, Neulasta® and NEUPOGEN® at our manufacturing facility in Juncos, Puerto Rico. Our global supply of these products is significantly dependent on the uninterrupted and efficient operation of this facility. A number of factors could adversely affect our formulation, fill and finish operations, including:

- power failures
- breakdown, failure or substandard performance of equipment
- improper installation or operation of equipment
- labor disputes or shortages, including the effects of an avian or pandemic flu outbreak, or otherwise
- inability of third-party suppliers to provide raw materials and components
- natural or other disasters, including hurricanes
- failures to comply with regulatory requirements, including those of the FDA

For example, this facility in Puerto Rico has experienced manufacturing component shortages and has had evidence of adverse trends in the microbial bioburden of the production environment that reduced the production output. Although these experiences in Puerto Rico have not impacted our ability to supply product in the past, the same or other problems may result in our being unable to supply these products, which could adversely affect our product sales and operating results materially. Although we have obtained limited insurance to protect against certain business interruption losses, there can be no assurance that such coverage will be adequate or that such coverage will continue to remain available on acceptable terms, if at all. The extent of the coverage of our insurance could limit our ability to mitigate for lost sales and could result in such losses adversely affecting our product sales and operating results materially. (See "— *Difficulties, disruptions or delays in manufacturing or failure to comply with manufacturing regulations may limit supply of our products and limit our product sales*.")

We are dependent on third parties for a significant portion of our bulk supply and the formulation, fill and finish of ENBREL.

We currently produce a substantial portion of annual ENBREL supply at our Rhode Island manufacturing facilities. However, we also depend on third parties for a significant portion of our ENBREL bulk supply as well as for some of the formulation, fill and finish of ENBREL that we manufacture. BI Pharma is our third-party contract manufacturer of ENBREL bulk drug; accordingly, our U.S. and Canadian supply of ENBREL is currently significantly dependent on BI Pharma's production schedule for ENBREL. We

would be unable to produce ENBREL in sufficient quantities to substantially offset shortages in BI Pharma's scheduled production if BI Pharma or other third-party contract manufacturers used for the formulation, fill and finish of ENBREL bulk drug were to cease or interrupt production or services or otherwise fail to supply materials, products or services to us for any reason, including due to labor shortages or disputes, regulatory requirements or action or contamination of product lots or product recalls. For example, in the second quarter of 2002, the prior co-marketers with respect to ENBREL experienced a brief period where no ENBREL was available to fill patient prescriptions, primarily due to variation in the expected production yield from BI Pharma. We cannot guarantee that an alternative third-party contract manufacturer would be available on a timely basis or at all. This in turn could materially reduce our ability to satisfy demand for ENBREL, which could materially and adversely affect our operating results.

Among the factors that could affect our actual supply of ENBREL at any time include, without limitation, BI Pharma's and the Rhode Island facilities' bulk drug production scheduling. For example, BI Pharma does not produce ENBREL continuously; rather, it produces the bulk drug substance through a series of periodic campaigns throughout the year. Our Rhode Island manufacturing facilities are currently dedicated to ENBREL production. The amount of commercial inventory available to us at any time depends on a variety of factors, including the timing and actual number of BI Pharma's production runs, the actual number of runs at our Rhode Island manufacturing facilities, and, for either the Rhode Island or BI Pharma facilities, the level of production yields and success rates, the timing and outcome of product quality testing and the amount of formulation, fill and finish capacity. We are also dependent on third-parties for some formulation, fill and finish of ENBREL bulk drug substance manufactured at our Rhode Island facilities. If third-party formulation, fill and finish manufacturers are unable to provide sufficient capacity or are otherwise unable to provide services to us, the supply of ENBREL could be adversely affected materially.

Under a collaboration and global supply agreement, we and Wyeth share the total worldwide bulk supply of ENBREL produced by Amgen's Rhode Island manufacturing facilities, BI Pharma's manufacturing facility in Germany and Wyeth's manufacturing facility in Ireland. Our ENBREL supply forecasts rely on certain assumptions of how much ENBREL each of these manufacturing facilities is expected to produce. If any of these manufacturing facilities are unable to produce in accordance with our or Wyeth's expectations, the worldwide supply of ENBREL could be adversely affected materially. In such cases, we may be required to allocate supply for Wyeth's benefit. To the extent that there is a shortfall in worldwide production expectations, our supply of ENBREL could be adversely affected. Additionally, the costs associated with a shortfall or failure in production of ENBREL would be borne by both parties.

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

We operate in a highly competitive environment. Our products compete with other products or treatments for diseases for which our products may be indicated. For example, ENBREL competes in certain circumstances with products marketed by Johnson & Johnson, Abbott, Biogen, Genentech, Bristol-Myers Squibb, Novartis and Sanofi-Aventis, as well as the generic drug methotrexate, and may face competition from other potential therapies being developed. While ENBREL continues to maintain a leading position in both rheumatology and dermatology, it has experienced and continues to experience share loss to competitors. Aranesp® and EPOGEN® may also face competition in the U.S. from Roche's peg-EPO for which they have filed a BLA with the FDA and which Roche announced on May 18, 2007 that the FDA had issued an approvable letter for MIRCERA® for the treatment of anemia

associated with chronic renal failure including patients on dialysis and patients not on dialysis. Roche stated that it has received a draft label from the FDA and expects the label to be finalized after the CRDAC has issued its recommendations on the entire class of ESAs. The FDA stated that it intends to hold a joint meeting of the CRDAC and the Drug Safety and Risk Management Advisory Committee on September 11, 2007, to evaluate the safety data on ESA use in the renal disease. According to Roche's public statements, they expect to launch the molecule in the U.S. nephrology segment in 2007, upon regulatory approval, despite our ongoing lawsuit and their acknowledgement of our U.S. erythropoietin patents. (See "— *If our intellectual property positions are challenged, invalidated, circumvented or expire, or if we fail to prevail in present and future intellectual property litigation, our business could be adversely affected*.") Additionally, Aranesp® competes or will potentially compete in the EU with:

Product	Company	Countries	Timing for Launch
EPREX®	Johnson & Johnson	EU	Launched
Neorecormon®	Roche	EU	Launched
Dynepo™	Shire	Germany, UK Italy, Spain, France	Launched Q3 & Q4 2007
biosimilar erythropoietin	Sandoz	Germany, UK Others	Late Q3/Early Q4 2007 2008
biosimilar erythropoietin	Hospira/Stada	Germany, UK Others	Q4 2007 2008
peg-EPO	Roche	Germany, UK, Netherlands, Switzerland	August/September 2007 (approved by European Commission on July 26, 2007)

In addition, Astellas/FibroGen are co-developing an erythropoietic small molecule and Affymax is developing an erythropoietin mimetic for the treatment of anemia. Vectibix™, our oncology therapeutic in the U.S. to treat patients with metastatic colorectal cancer, competes with Imclone's Erbitux®. Further, if our currently marketed products are approved for new uses, or if we sell new products, or our competitors get new or expanded indications, we may face new, additional competition that we do not face today. Further, adverse clinical developments for our current products could limit our ability to compete. (See "— *Our current products and products in development cannot be sold if we do not gain or maintain regulatory approval of our products and we may be required to perform additional clinical trials or change the labeling of our products or take other potentially limiting or costly actions if we or others identify side effects after our products are on the market*.") Our products may compete against products that have lower prices, equivalent or superior performance, are easier to administer or that are otherwise competitive with our products.

Our principal European patent relating to erythropoietin expired on December 12, 2004 and our principal European patent relating to G-CSF expired on August 22, 2006. We believe that as these patents have expired, some companies have and other companies may receive approval for and market biosimilar products to compete with our products in the EU, presenting additional competition to our products. Although we cannot predict with certainty when the first G-CSF biosimilar products could appear on the market in the EU, we expect that the first biosimilar G-CSF product may be approved in the EU some time in 2008 and could be available shortly thereafter, and that it would compete with Neulasta® and NEUPOGEN®. We cannot predict whether or to what extent the entry of biosimilar products or other competing products would impact future Aranesp®, Neulasta® or NEUPOGEN® sales in the EU. Our inability to compete effectively could reduce sales which could have a material adverse effect on our results of operations.

In 2006, the EMEA developed and issued final regulatory guidelines related to the development and approval of biosimilar products. The final guidelines included clinical trial guidance for certain biosimilar products including erythropoietins and G-CSFs, which guidance recommends that applicants seeking approval of such biosimilar products conduct fairly extensive pharmacodynamic, toxicological, clinical safety studies and a pharmacovigilance program. In the United States, there currently is no legal approval pathway for the approval of BLAs for follow-on biologics. A number of events would need to occur before these products could enter the market, including passage of legislation by Congress to create a new approval pathway and, depending on the specific provisions of any such legislation, promulgation of associated regulations and guidance by the FDA. During this current Congressional session, several members of Congress expressed interest in the issue, a number of bills have been introduced, and the House and Senate have held hearings. A Senate follow-on biologics bill has been approved by a Senate Committee but has not been presented to the full Senate for a vote. It is unknown what type of regulatory framework, what legal provisions, and what timeframes for issuance of regulations and guidance any final legislation would contain. Until such legislation is created, we cannot predict when follow-on biologics could appear in the United States.

Certain of our competitors, including biotechnology and pharmaceutical companies, market products or are actively engaged in R&D in areas where we have products or where we are developing product candidates or new indications for existing products. In the future, we expect that our products will compete with new drugs currently in development, drugs approved for other indications that may be approved for the same indications as those of our products and drugs approved for other indications that are used off-label. Large pharmaceutical corporations may have greater clinical, research, regulatory, manufacturing, marketing, financial and human resources than we do. In addition, some of our competitors may have technical or competitive advantages over us for the development of technologies and processes. These resources may make it difficult for us to compete with them to successfully discover, develop and market new products and for our current products to compete with new products or new product indications that these competitors may bring to market. Business combinations among our competitors may also increase competition and the resources available to our competitors.

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

We have had an aggressive growth plan that has included substantial and increasing investments in R&D, sales and marketing and facilities. We plan to continue to grow, although not to the same extent as seen in recent years. However, given the recent challenges around ESAs and certain of our other products, our plan has a number of risks, some of which we cannot completely control. For example:

- we will need to manage complexities associated with a larger and more geographically diverse organization
- we will need to manage and execute larger, more complex and increasingly global clinical trials
- we will need to retain our highly qualified management, scientific, manufacturing and sales and marketing personnel

- we may need to significantly expand our sales and marketing resources to launch late-stage product candidates
- we will need to accurately anticipate demand for the products we manufacture and maintain adequate manufacturing capacity for both commercial and clinical supply
- we will need to start up our new manufacturing facilities and enter into and manage new third-party contract manufacturing arrangements
- we are implementing an enterprise resource planning system to support our increasingly complex business and business processes and such implementation is costly and carries substantial operations risk, including loss of data or information, unanticipated increases in costs, disruption of operations or business interruption

Of course, there may be other risks and we cannot guarantee that we will be able to successfully manage these or other risks. If we fail to manage our growth in these ways or others, such failure could result in a material adverse effect on our business and results of operations.

Concentration of sales at certain of our wholesaler distributors and consolidation of free-standing dialysis clinic businesses may negatively impact our bargaining power and profit margins.

The substantial majority of our U.S. product sales are made to three pharmaceutical product wholesaler distributors, AmerisourceBergen Corporation, Cardinal Health, Inc. and McKesson Corporation. These distributors, in turn, sell our products to their customers, which include clinics, dialysis centers, hospitals and pharmacies. One of these products, EPOGEN®, is primarily sold to free-standing dialysis clinics, which have recently experienced significant consolidation. Two organizations, DaVita Inc. and Fresenius Medical Care North America, Inc. ("Fresenius") own or manage a large number of the outpatient dialysis facilities located in the United States and account for a significant majority of all EPOGEN® sales in the free-standing dialysis clinic setting. In October 2006, we entered into a five-year sole sourcing and supply agreement with an affiliate of Fresenius, on its behalf and on behalf of certain of its affiliates, to purchase, and we have agreed to supply, all of Fresenius' commercial requirements for erythropoietic stimulating proteins for use in managing the anemia of its hemodialysis patients in the United States and Puerto Rico, based on forecasts provided by Fresenius and subject to the terms and conditions of the agreement.

This concentration and consolidation has increased these entities' purchasing leverage and may put pressure on our pricing by their potential ability to extract price discounts on our products or fees for other services, correspondingly negatively impacting our bargaining position and profit margins. The results of these developments may have a material adverse effect on our product sales and results of operations.

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

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

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

The development, manufacturing, distribution, pricing, sales, marketing and reimbursement of our products, together with our general operations, is subject to extensive federal and state regulation in the United States and to extensive regulation in foreign countries. (See "— *Our current products and products in development cannot be sold if we do not gain or maintain regulatory approval of our products and we may be required to perform additional clinical trials or change the labeling of our products or take other potentially limiting or costly actions if we or others identify side effects after our products are on the market*." and "— *Difficulties, disruptions or delays in manufacturing or failure to comply with manufacturing regulations may limit supply of our products and limit our product sales*.") While we have developed and instituted a corporate compliance program based on what we believe to be current best practices, we cannot assure you that we, our employees, our consultants or our contractors are or will be in compliance with all potentially applicable U.S. federal and state regulations and/or laws or all potentially applicable foreign regulations and/or laws. If we fail to comply with any of these regulations and/or laws a range of actions could result, including, but not limited to, the termination of clinical trials, the failure to approve a product candidate, restrictions on our products or manufacturing processes, including withdrawal of our products from the market, significant fines, exclusion from government healthcare programs or other sanctions or litigation.

The accounting method for our convertible debt securities may be subject to change.

A convertible debt security providing for share and/or cash settlement of the conversion value and meeting specified requirements under EITF Issue No. 00-19, "Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock," including our outstanding convertible debt securities, is currently classified in its entirety as debt. No portion of the carrying value of such a security related to the conversion option indexed to the issuer's stock is classified as equity. In addition, interest expense is recognized at the stated coupon rate. The coupon rate of interest for convertible debt securities, including our convertible debt securities, is typically lower than what an issuer would be required to pay for nonconvertible debt with otherwise similar terms.

The EITF recently considered whether the accounting for convertible debt securities that requires or permits settlement in cash either in whole or in part upon conversion ("cash settled convertible debt securities") should be changed, but was unable to reach a consensus and discontinued deliberations on this issue. Subsequently, in July 2007, the FASB voted unanimously to reconsider the current accounting for cash settled convertible debt securities, which includes our convertible debt securities. The FASB indicated it will expose for public comment a proposed FSP that would change the method of accounting for such securities and would require the proposed method to be retrospectively applied. The FSP would become effective for calendar year end companies like us in the first quarter of 2008. Under this proposed method of accounting, the debt and equity components of such a security would be bifurcated and accounted for separately in a manner that reflects the issuer's economic interest cost. While the effect on us of this expected proposal cannot be quantified unless and until the FASB finalizes its guidance, we expect that under this proposal, the equity component of our convertible debt securities would be included in the paid-in-capital section of stockholders' equity on our balance sheet and, accordingly, the initial carrying values of these debt securities would be reduced. Our net income for financial reporting purposes would be reduced by recognizing the accretion of the reduced carrying values of our convertible debt securities to their face amounts as additional non-cash interest expense. This would result in recognizing interest on these securities at effective rates more comparable to what we would have incurred had we issued nonconvertible debt with otherwise similar terms. Therefore, if the expected proposed method of accounting for cash settled convertible debt securities is adopted by the FASB as described above, it would have an adverse impact on our past and future reported financial results.

We cannot predict the outcome of the expected FASB proposal. We also cannot predict any other changes in GAAP that may be made affecting accounting for convertible debt securities, some of which could have an adverse impact on our past or future reported financial results.

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

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

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS AND ISSUER PURCHASES OF EQUITY SECURITIES

During the three months ended June 30, 2007, we had two outstanding stock repurchase programs. The manner of purchases, the amount we spend and the number of shares repurchased will vary based on a variety of factors including the stock price and blackout periods in which we are restricted from repurchasing shares and may include private block purchases as well as market transactions. Repurchases under our stock repurchase programs reflect, in part, our confidence in the long-term value of Amgen common stock. Additionally, we believe that it is an effective way of returning cash to our stockholders. A summary of our repurchase activity for the three months ended June 30, 2007 is as follows:

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Maximum $ Value that May Yet Be Purchased Under the Programs (1)
April 1 - April 30	9,127,993	$ 63.14	9,125,000	$ 5,426,258,487
May 1 - May 31	64,799,703**(2)**	59.98	64,798,835**(2)**	1,539,425,047
June 1 - June 30	670	56.52	—	1,539,425,047
	73,928,366**(3)**	60.37	73,923,835**(3)**	

(1) In December 2006, the Board authorized us to repurchase up to $5.0 billion of common stock. In July 2007, the Board authorized us to repurchase up to an additional $5.0 billion of common stock.

(2) The total number of shares repurchased during the three months ended June 30, 2007 excludes 2,527,937 of shares received in July 2007 in connection with the final settlement of a block trade entered into in May 2007 (see Note 5, “Stockholders’ equity” to the Condensed Consolidated Financial Statements for further discussion).

(3) The difference between total number of shares purchased and the total number of shares purchased as part of publicly announced programs is due to shares of common stock withheld by us for the payment of taxes upon vesting of certain employees’ restricted stock.

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

(a) The Company held its Annual Meeting of Stockholders on May 9, 2007.

(b) Omitted pursuant to Instruction 3 to Item 4 of Form 10-Q.

(c) The five items voted upon at the meeting were: (i) to elect four directors to a three year term of office expiring at the 2010 Annual Meeting of Stockholders ("Item One"), however, if Items 3 and 4 below to eliminate the classification of the Board are approved by the required vote of stockholders, then the terms of all directors, including those elected at the Annual Meeting, will end at the next annual meeting of stockholders; (ii) to ratify the selection of Ernst & Young LLP as the independent registered public accounting firm for the Company for the year ending December 31, 2007 ("Item Two"); (iii) to approve amendments to the Amended Certificate of Incorporation to eliminate the classification of the Board of Directors ("Item Three"); (iv) to approve amendments to the Bylaws to eliminate the classification of the Board of Directors ("Item Four"); and the Stockholder Proposals ("Item Five"), which consisted of Stockholder Proposal #1 relating to an animal welfare policy, and Stockholder Proposal #2 relating to a sustainability report.

The voting was as follows:

	In Favor	Against	Abstain	Broker Non-Votes
Item One				
Mr. Frank J. Biondi, Jr.	969,940,658	34,563,451	—	—
Mr. Jerry D. Choate	990,204,732	14,736,532	—	—
Mr. Frank C. Herringer	993,038,873	11,894,007	—	—
Dr. Gilbert S. Omenn	985,847,698	18,691,445	—	—
Item Two	988,446,056	17,666,059	7,784,432	—
Item Three	994,381,905	10,202,877	9,311,765	—
Item Four	994,072,063	10,331,811	9,492,673	—
Item Five				
Stockholder Proposal #1	41,625,406	629,365,767	128,873,895	214,031,479
Stockholder Proposal #2	77,457,888	603,385,504	119,021,476	214,031,679

All nominees to the Board of Directors were declared to have been elected as directors and, because stockholders also approved Items Three and Four eliminating declassification of the Board of Directors, will hold office until the 2008 Annual Meeting of Stockholders. Items Two, Three and Four were declared to have been approved. With respect to Item Five, Stockholder Proposals #s 1 and 2 were declared to have not been approved.

(d) Not applicable.

Item 5. OTHER INFORMATION

Due to the various challenges faced by certain of our key products, in particular our ESA products, which are discussed in the "Overview" section of the MD&A in Part I herein, we have commenced a global review of the Company's business plans to identify opportunities to improve our cost structure in response to any resulting declines in revenues. As part of these efforts and in connection with the preparation of our financial statements for the three months ended June 30, 2007, we have decided to make changes to various ongoing capital projects. These decisions were primarily focused on rationalizing our worldwide network of manufacturing facilities in order to gain cost efficiencies while continuing to meet future commercial and clinical demand for our products and product candidates. In particular, these decisions included a re-scoping of our Ireland manufacturing operations, the construction of which was previously reported to have been delayed, certain revisions to our planned manufacturing expansion in Puerto Rico and, to a lesser degree, moderated expansion of our research facilities. As a result of these decisions, the Company recorded charges for asset impairment of $286 million and related costs of $3 million during the three months ended June 30, 2007. These charges are recorded as other operating expenses in the Condensed Consolidated Statement of Operations.

Item 6. EXHIBITS

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

SIGNATURES

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

Amgen Inc.
(Registrant)

Date: August 9, 2007

By: /s/ ROBERT A. BRADWAY
Robert A. Bradway
Executive Vice President
and Chief Financial Officer

AMGEN INC.

INDEX TO EXHIBITS

Exhibit No.	Description
3.1	Restated Certificate of Incorporation (As Restated December 6, 2005). (Filed as an exhibit to Form 10-K for the year ended December 31, 2005 on March 10, 2006 and incorporated herein by reference.)
3.2*	Certificate of Amendment of the Restated Certificate of Incorporation (As Amended May 24, 2007).
3.3*	Certificate of Correction of the Restated Certificate of Incorporation (As Corrected May 24, 2007).
3.4	Amended and Restated Bylaws of Amgen Inc. (As Amended and Restated February 14, 2007). (Filed as an exhibit to Form 8-K filed on February 20, 2007 and incorporated herein by reference.)
3.5*	Amendment to Amended and Restated Bylaws of Amgen Inc. (As Amended May 24, 2007).
4.1	Form of stock certificate for the common stock, par value $.0001 of the Company. (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 1997 on May 13, 1997 and incorporated herein by reference.)
4.2	Form of Indenture, dated January 1, 1992, between Amgen Inc. and Citibank N.A. (Filed as an exhibit to Form S-3 Registration Statement filed on December 19, 1991 and incorporated herein by reference.)
4.3	6.50% Notes Due December 1, 2007. (Filed as an exhibit to Form 8-K filed on December 5, 1997 and incorporated herein by reference.)
4.4	First Supplemental Indenture, dated February 26, 1997, between Amgen Inc. and Citibank, N.A. (Filed as an exhibit to Form 8-K on March 14, 1997 and incorporated herein by reference.)
4.5	Officer's Certificate, dated as of January 1, 1992, as supplemented by the First Supplemental Indenture, dated as of February 26, 1997, each between Amgen Inc. and Citibank, N.A., establishing a series of securities entitled "6.50% Notes Due December 1, 2007" (Filed as an exhibit to Form 8-K filed on December 5, 1997 and incorporated herein by reference.)
4.6	8-1/8% Debentures due April 1, 2097. (Filed as an exhibit to Form 8-K filed on April 8, 1997 and incorporated herein by reference.)
4.7	Officer's Certificate, dated as of January 1, 1992, as supplemented by the First Supplemental Indenture, dated as of February 26, 1997, each between Amgen Inc. and Citibank, N.A., establishing a series of securities entitled "8 1/8% Debentures due April 1, 2097." (Filed as an exhibit to Form 8-K filed on April 8, 1997 and incorporated herein by reference.)
4.8	Form of Liquid Yield Option™ Note due 2032. (Filed as an exhibit to Form 8-K on March 1, 2002 and incorporated herein by reference.)
4.9	Indenture, dated as of March 1, 2002, between Amgen Inc. and LaSalle Bank National Association. (Filed as an exhibit to Form 8-K on March 1, 2002 and incorporated herein by reference.)
4.10	First Supplemental Indenture, dated March 2, 2005, between Amgen Inc. and LaSalle Bank National Association. (Filed as an exhibit to Form 8-K filed on March 4, 2005 and incorporated herein by reference.)

4.11	Indenture, dated as of August 4, 2003, between Amgen Inc. and JPMorgan Chase Bank. (Filed as an exhibit to Form S-3 Registration Statement on August 4, 2003 and incorporated herein by reference.)
4.12	Form of 4.00% Senior Note due 2009. (Filed as an exhibit to Form 8-K on November 19, 2004 and incorporated herein by reference.)
4.13	Form of 4.85% Senior Notes due 2014. (Filed as an exhibit to Form 8-K on November 19, 2004 and incorporated herein by reference.)
4.14	Officers' Certificate, dated November 18, 2004, including forms of the 4.00% Senior Notes due 2009 and 4.85% Senior Notes due 2014. (Filed as an exhibit to Form 8-K on November 19, 2004 and incorporated herein by reference.)
4.15	Registration Rights Agreement, dated as of November 18, 2004, among Amgen Inc. and Morgan Stanley & Co. Incorporated and Merrill Lynch, Pierce, Fenner & Smith Incorporated. (Filed as an exhibit to Form 8-K on November 19, 2004 and incorporated herein by reference.)
4.16	Form of Zero Coupon Convertible Note due 2032. (Filed as an exhibit to Form 8-K on May 6, 2005 and incorporated herein by reference.)
4.17	Indenture, dated as of May 6, 2005, between Amgen Inc. and LaSalle Bank National Association. (Filed as an exhibit to Form 8-K on May 6, 2005 and incorporated herein by reference.)
4.18	Indenture, dated as of February 17, 2006 and First Supplemental Indenture, dated as of June 8, 2006, between Amgen Inc. and JPMorgan Chase Bank, N.A, as trustee (including form of 0.125% Convertible Senior Note due 2011). (Filed as exhibit to Form 10-Q for the quarter ended June 30, 2006 on August 9, 2006 and incorporated herein by reference).
4.19	Indenture, dated as of February 17, 2006 and First Supplemental Indenture, dated as of June 8, 2006 between Amgen Inc. and JPMorgan Chase Bank, N.A., as trustee (including form of 0.375% Convertible Senior Note due 2013). (Filed as exhibit to Form 10-Q for the quarter ended June 30, 2006 on August 9, 2006 and incorporated herein by reference).
4.20	Registration Rights Agreement, dated as of February 17, 2006, among Amgen Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated, Citigroup Global Markets Inc., JPMorgan Securities Inc., Lehman Brothers Inc., Bear, Stearns & Co. Inc., Credit Suisse Securities (USA) LLC. (Filed as an exhibit to Form 8-K on February 21, 2006 and incorporated herein by reference.)
4.21	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. (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 1998 on May 13, 1998 and incorporated herein by reference.)
4.22	The instruments defining the rights of holders of the long-term debt securities of Abgenix, Inc. and its subsidiaries are omitted pursuant to section (b)(4)(iii)(A) of Item 601 of Regulation S-K. Amgen Inc. hereby agrees to furnish copies of these instruments to the Securities and Exchange Commission upon request.
4.23	Officers' Certificate of Amgen Inc. dated as of May 30, 2007, including forms of the Company's Senior Floating Rate Notes due 2008, 5.85% Senior Notes due 2017 and 6.375% Senior Notes due 2037. (Filed as an exhibit to Form 8-K on May 30, 2007 and incorporated herein by reference).
4.24	Registration Rights Agreement, dated as of May 30, 2007, among Amgen Inc. and Morgan Stanley & Co. Incorporated, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Barclays Capital Inc., Credit Suisse Securities (USA) LLC, Goldman, Sachs & Co., Citigroup Global Markets Inc., J.P. Morgan Securities Inc. and Lehman Brothers Inc. (Filed as an exhibit to Form 8-K on May 30, 2007 and incorporated herein by reference).
10.1+	Amended and Restated 1991 Equity Incentive Plan (As Amended and Restated December 5, 2005) and Forms of Stock Option Grant Agreements and Restricted Stock Unit Agreements. (Filed as exhibits to Form 8-K on December 8, 2005 and incorporated herein by reference.)

10.2+*	Amgen Inc. Director Equity Incentive Program (As Amended and Restated March 7, 2007)
10.3+	Forms of Stock Option Grant Agreements and Restricted Stock Unit Agreements for Amgen Inc. Director Equity Incentive Program. (Filed as exhibits to Form 8-K on December 8, 2005 and incorporated herein by reference.)
10.4+	Amgen Inc. Amended and Restated 1997 Equity Incentive Plan (As Amended and Restated December 5, 2005) and Forms of Stock Option Grant Agreements and Restricted Stock Unit Agreements. (Filed as exhibits to Form 8-K on December 8, 2005 and incorporated herein by reference.)
10.5+	Amended and Restated 1999 Equity Incentive Plan (As Amended and Restated of December 5, 2005) and Forms of Stock Option Grant Agreements. (Filed as exhibits to Form 8-K on December 8, 2005 and incorporated herein by reference.)
10.6+	Amgen Inc. Amended and Restated 1999 Incentive Stock Plan (As Amended and Restated April 1, 2006). (Filed as an exhibit to Form S-8 on April 3, 2006 and incorporated herein by reference.)
10.7+	Amgen Inc. Amended and Restated Employee Stock Purchase Plan. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2000 on August 1, 2000 and incorporated herein by reference.)
10.8+	First Amendment to the Amgen Inc. Amended and Restated Employee Stock Purchase Plan (As Amended and Restated July 12, 2005). (Filed as an exhibit to Form 8-K on July 14, 2005 and incorporated herein by reference.)
10.9+	Amgen Supplemental Retirement Plan (As Amended and Restated January 1, 2005). (Filed as an exhibit to Form 8-K on October 12, 2004 and incorporated herein by reference.)
10.10+	First Amendment to the Amgen Supplemental Retirement Plan (As Amended and Restated January 1, 2005). (Filed as an exhibit to Form 8-K on October 20, 2005 and incorporated herein by reference.)
10.11+	Second Amendment to the Amgen Supplemental Retirement Plan (As Amended and Restated July 1, 2006). (Filed as an exhibit to Form 8-K on May 16, 2006 and incorporated herein by reference.)
10.12+	Third Amendment to the Amgen Supplemental Retirement Plan (As Amended and Restated January 1, 2007). (Filed as an exhibit to Form 10-K for the year ended December 31, 2006 on February 28, 2007 and incorporated herein by reference.)
10.13+	Amgen Inc. Change of Control Severance Plan. (Filed as an exhibit to Form 10-K for the year ended December 31, 1998 on March 16, 1999 and incorporated herein by reference.)
10.14+	First Amendment to Amgen Inc. Change of Control Severance Plan (As Amended May 10, 2000). (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2000 on August 1, 2000 and incorporated herein by reference.)
10.15+	Second Amendment to the Amgen Inc. Change in Control Severance Plan (As Amended October 16, 2001). (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2001 on October 26, 2001 and incorporated herein by reference.)
10.16+	Third Amendment to the Amgen Inc. Change of Control Severance Plan (As Amended January 1, 2004). (Filed as an exhibit to Form 10-K for the year ended December 31, 2004 on March 9, 2005 and incorporated herein by reference.)
10.17+	Fourth Amendment to the Amgen Inc. Change of Control Severance Plan (As Amended June 1, 2004). (Filed as an exhibit to Form 10-K for the year ended December 31, 2004 on March 9, 2005 and incorporated herein by reference.)

10.18+	Fifth Amendment to the Amgen Inc. Change of Control Severance Plan (As Amended December 6, 2004). (Filed as an exhibit to Form 8-K on December 9, 2004 and incorporated herein by reference.)
10.19+	Sixth Amendment to the Amgen Inc. Change of Control Severance Plan (As Amended May 10, 2006). (Filed as an exhibit to Form 8-K on May 16, 2006 and incorporated herein by reference.)
10.20+	Seventh Amendment to the Amgen Inc. Change of Control Severance Plan (As Amended October 4, 2006). (Filed as exhibit to Form 8-K on October 6, 2006 and incorporated herein by reference).
10.21+	Eight Amendment to the Amgen Inc. Change of Control Severance Plan (As Amended December 15, 2006). (Filed as an exhibit to Form 10-K for the year ended December 31, 2006 on February 28, 2007 and incorporated herein by reference).
10.22+	Amgen Inc. Executive Incentive Plan. (Filed as Annex G to Amendment No. 1 to Form S-4 Registration Statement on March 22, 2002 and incorporated herein by reference.)
10.23+	First Amendment to the Amgen Inc. Executive Incentive Plan (As Amended December 6, 2004). (Filed as an exhibit to Form 8-K on December 9, 2004 and incorporated herein by reference.)
10.24+	Amgen Inc. Executive Nonqualified Retirement Plan. (Filed as an exhibit to Form 10-K for the year ended December 31, 2001 on February 26, 2002 and incorporated herein by reference.)
10.25+	Amgen Nonqualified Deferred Compensation Plan (As Amended and Restated effective January 1, 2005). (Filed as an exhibit to Form 8-K on October 12, 2004 and incorporated herein by reference.)
10.26+	First Amendment to the Amgen Nonqualified Deferred Compensation Plan (As Amended and Restated January 1, 2005). (Filed as an exhibit to Form 8-K on October 20, 2005 and incorporated herein by reference.)
10.27+	Second Amendment to the Amgen Nonqualified Deferred Compensation Plan (As Amended and Restated January 1, 2005). (Filed as an exhibit to Form 8-K on November 22, 2005 and incorporated herein by reference.)
10.28+	Third Amendment to the Amgen Nonqualified Deferred Compensation Plan (As Amended and Restated January 1, 2005). (Filed as an exhibit to Form 10-K for the year ended December 31, 2006 on February 28, 2007 and incorporated herein by reference.)
10.29+*	Amended and Restated Amgen Inc. Performance Award Program (As Amended and Restated July 9, 2007).
10.30+*	Form of Performance Unit Agreement to the Amended and Restated Amgen Inc. Performance Award Program (As Amended and Restated July 9, 2007).
10.31+	2002 Special Severance Pay Plan for Amgen Employees. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2002 on August 13, 2002 and incorporated herein by reference.)
10.32+	Agreement, dated March 2, 2001, between Amgen Inc. and Mr. George J. Morrow. (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2001 on May 14, 2001 and incorporated herein by reference.)
10.33+	Agreement, dated March 2, 2001 between Amgen Inc. and Dr. Roger M. Perlmutter, M.D., Ph.D. (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2001 on May 14, 2001 and incorporated herein by reference.)
10.34+	Agreement, dated May 2, 2001, between Amgen Inc. and Mr. Brian McNamee. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2001 on July 27, 2001 and incorporated herein by reference.)
10.35+	Restricted Stock Purchase Agreement, dated March 3, 2003, between Amgen Inc. and Brian M. McNamee. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2003 on July 30, 2003 and incorporated herein by reference.)

10.36+	Agreement, dated May 14, 2001, between Amgen Inc. and Mr. Richard Nanula. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2001 on July 27, 2001 and incorporated herein by reference.)
10.37+	Promissory Note, dated June 27, 2001, of Mr. Richard Nanula. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2001 on July 27, 2001 and incorporated herein by reference.)
10.38+	Agreement, dated February 11, 2004, between Amgen Inc. and David J. Scott. (Filed as an exhibit to Form 10-K for the year ended December 31, 2003 on March 11, 2004 and incorporated herein by reference.)
10.39+	Restricted Stock Purchase Agreement, dated December 6, 2004, between Amgen Inc. and Dennis M. Fenton. (Filed as an exhibit to Form 10-K for the year ended December 31, 2005 on March 10, 2006 and incorporated herein by reference.)
10.40+	Product License Agreement, dated September 30, 1985, and Technology License Agreement, dated, September 30, 1985 between Amgen and Ortho Pharmaceutical Corporation. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2000 on August 1, 2000 and incorporated herein by reference.)
10.41	Shareholders' Agreement, dated May 11, 1984, among Amgen, Kirin Brewery Company, Limited and Kirin-Amgen, Inc. (Filed as an exhibit to Form 10-K for the year ended December 31, 2000 on March 7, 2001 and incorporated herein by reference.)
10.42	Amendment No. 1 dated March 19, 1985, Amendment No. 2 dated July 29, 1985 (effective July 1, 1985), and Amendment No. 3, dated December 19, 1985, to the Shareholders' Agreement dated May 11, 1984. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2000 on August 1, 2000 and incorporated herein by reference.)
10.43	Amendment No. 4 dated October 16, 1986 (effective July 1, 1986), Amendment No. 5 dated December 6, 1986 (effective July 1, 1986), Amendment No. 6 dated June 1, 1987, Amendment No. 7 dated July 17, 1987 (effective April 1, 1987), Amendment No. 8 dated May 28, 1993 (effective November 13, 1990), Amendment No. 9 dated December 9, 1994 (effective June 14, 1994), Amendment No. 10 effective March 1, 1996, and Amendment No. 11 effective March 20, 2000 to the Shareholders' Agreement, dated May 11, 1984. (Filed as exhibits to Form 10-K for the year ended December 31, 2000 on March 7, 2001 and incorporated herein by reference.)
10.44	Amendment No. 12 to the Shareholders' Agreement, dated January 31, 2001. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2005 on August 8, 2005 and incorporated herein by reference.)
10.45*	Amendment No. 13 to the Shareholders' Agreement, dated June 28, 2007 (with certain confidential information deleted therefrom).
10.46	Product License Agreement, dated September 30, 1985, and Technology License Agreement, dated September 30, 1985, between Kirin-Amgen, Inc. and Ortho Pharmaceutical Corporation. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2000 on August 1, 2000 and incorporated herein by reference.)
10.47	Research, Development Technology Disclosure and License Agreement: PPO, dated January 20, 1986, by and between Kirin Brewery Co., Ltd. and Amgen Inc. (Filed as an exhibit to Amendment No. 1 to Form S-1 Registration Statement on March 11, 1986 and incorporated herein by reference.)
10.48	Amendment Agreement, dated June 30, 1988, to Research, Development, Technology Disclosure and License Agreement: GM-CSF dated March 31, 1987, between Kirin Brewery Company, Limited and Amgen Inc. (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.)

10.49 Assignment and License Agreement, dated October 16, 1986 (effective July 1, 1986, between Amgen and Kirin-Amgen, Inc. (Filed as an exhibit to Form 10-K for the year ended December 31, 2000 on March 7, 2001 and incorporated herein by reference.)

10.50 G-CSF United States License Agreement, dated June 1, 1987 (effective July 1, 1986), Amendment No. 1, dated October 20, 1988, and Amendment No. 2, dated October 17, 1991 (effective November 13, 1990), between Kirin-Amgen, Inc. and Amgen Inc. (Filed as exhibits to Form 10-K for the year ended December 31, 2000 on March 7, 2001 and incorporated herein by reference.)

10.51 G-CSF European License Agreement, dated December 30, 1986, between Kirin-Amgen and Amgen, Amendment No. 1 to Kirin-Amgen, Inc. / Amgen G-CSF European License Agreement, dated June 1, 1987, Amendment No. 2 to Kirin-Amgen, Inc. / Amgen G-CSF European License Agreement, dated March 15, 1998, Amendment No. 3 to Kirin-Amgen, Inc. / Amgen G-CSF European License Agreement, dated October 20, 1988, and Amendment No. 4 to Kirin-Amgen, Inc. / Amgen G-CSF European License Agreement, dated December 29, 1989, between Kirin-Amgen, Inc. and Amgen Inc. (Filed as exhibits to Form 10-K for the year ended December 31, 2000 on March 7, 2001 and incorporated herein by reference.)

10.52 ENBREL® Supply Agreement among Immunex Corporation, American Home Products Corporation and Boehringer Ingelheim Pharma KG, dated as of November 5, 1998 (with certain confidential information deleted therefrom). (Filed as an exhibit to the Immunex Corporation Annual Report on Form 10-K for the year ended December 31, 1998 on March 23, 1998 and incorporated herein by reference.)

10.53 Amendment No. 1 to the ENBREL® Supply Agreement, dated June 27, 2000, among Immunex Corporation, American Home Products Corporation and Boehringer Ingelheim Pharma KG, (with certain confidential information deleted therefrom). (Filed as an exhibit to the Immunex Corporation Form 10-Q for the quarter ended June 30, 2000 on August 11, 2000 and incorporated herein by reference.)

10.54 Amendment No. 2 to the ENBREL® Supply Agreement, dated June 3, 2002, among Immunex Corporation, Wyeth (formerly known as American Home Products Corporation) and Boehringer Ingelheim Pharma KG (with certain confidential information deleted therefrom). (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2002 on August 13, 2002 and incorporated herein by reference.)

10.55 Amendment No. 3 to the ENBREL® Supply Agreement, dated December 18, 2002, among Immunex Corporation, Wyeth (formerly, "American Home Products Corporation") and Boehringer Ingelheim Pharma KG (with certain confidential information deleted therefrom). (Filed as an exhibit to Form 10-K for the year ended December 31, 2002 on March 10, 2003 and incorporated herein by reference.)

10.56 Amendment No. 4 to the ENBREL® Supply Agreement, dated May 21, 2004, among Immunex Corporation, Wyeth (formerly, "American Home Products Corporation") and Boehringer Ingelheim Pharma KG. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2005 on August 8, 2005 and incorporated herein by reference.)

10.57 Amendment No. 5 to the ENBREL® Supply Agreement, dated August 30, 2005, among Immunex Corporation, Wyeth (formerly, "American Home Products Corporation") and Boehringer Ingelheim Pharma KG. (Filed as an exhibit to Form 10-Q for the quarter ended September 30, 2005 on November 9, 2005 and incorporated herein by reference.)

10.58 Agreement Regarding Governance and Commercial Matters, dated December 16, 2001, by and among American Home Products Corporation, American Cyanamid Company and Amgen Inc. (with certain confidential information deleted therefrom). (Filed as an exhibit to Amendment No. 1 to Form S-4 Registration Statement on March 22, 2002 and incorporated herein by reference.)

10.59 Asset Purchase Agreement dated May 2, 2002, by and between Immunex Corporation and Schering Aktiengesellschaft (with certain confidential information deleted therefrom). (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2002 on August 13, 2002 and incorporated herein by reference.)

10.60 Amendment No. 1 dated as of June 25, 2002 and Amendment No. 2 dated as of July 17, 2002 to the Asset Purchase Agreement dated as of September 25, 2002, by and between Immunex Corporation and Schering Aktiengesellschaft. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2002 on August 13, 2002 and incorporated herein by reference.)

10.61 Amended and Restated Promotion Agreement, dated as of December 16, 2001, by and among Immunex Corporation, American Home Products Corporation and Amgen Inc. (with certain confidential information deleted therefrom). (Filed as an exhibit to Amendment No. 1 to Form S-4 Registration Statement on March 22, 2002 and incorporated herein by reference.)

10.62 Description of Amendment No. 1 to Amended and Restated Promotion Agreement, effective as of July 8, 2003, among Wyeth, Amgen Inc. and Immunex Corporation, (with certain confidential information deleted therefrom). (Filed as an exhibit to Form 10-K for the year ended December 31, 2003 on March 11, 2004 and incorporated herein by reference.)

10.63 Description of Amendment No. 2 to Amended and Restated Promotion Agreement, effective as of April 20, 2004, by and among Wyeth, Amgen Inc. and Immunex Corporation. (Filed as an exhibit to Form S-4/A on June 29, 2004 and incorporated herein by reference.)

10.64 Amendment No. 3 to Amended and Restated Promotion Agreement, effective as of January 1, 2005, by and among Wyeth, Amgen Inc. and Immunex Corporation (with certain confidential information deleted therefrom). (Filed as an exhibit to Form 10-Q for the quarter ended March 31, 2005 on May 4, 2005 and incorporated herein by reference.)

10.65 Credit Agreement, dated as of July 16, 2004, among Amgen Inc., the Banks therein named, Citibank N.A., as Issuing Bank, Citicorp USA, Inc., as Administrative Agent, and Barclays Bank PLC, as Syndication Agent. (Filed as an exhibit to Form 10-Q for the quarter ended June 30, 2004 on August 6, 2004 and incorporated herein by reference.)

10.66 First Amendment dated as of December 6, 2005, to the Credit Agreement dated as of July 16, 2004, among Amgen Inc., the Banks therein named, Citibank N.A., as Issuing Bank, Citicorp USA, Inc, as Administrative Agent, and Barclays Bank PLC, as Syndication Agent. (Filed as an exhibit to Form 8-K dated and filed on December 8, 2005 and incorporated herein by reference.)

10.67 Purchase Agreement, dated as of November 15, 2004, among Amgen Inc. and Morgan Stanley & Co. Incorporated and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representatives of the several initial purchasers. (Filed as an exhibit to Form 8-K on November 19, 2004 and incorporated herein by reference.)

10.68 Purchase Agreement, dated as of February 14, 2006, among Amgen Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated, Citigroup Global Markets Inc., JPMorgan Securities, Inc., Lehman Brothers Inc, Bear, Stearns & Co. Inc., Credit Suisse Securities (USA) LLC. (Filed as an exhibit to Form 8-K on February 21, 2006 and incorporated herein by reference.)

10.69 Confirmation of OTC Convertible Note Hedge related to 2011 Notes, dated February 14, 2006, to Amgen Inc. from Merrill Lynch International related to the 0.125% Convertible Senior Notes Due 2011. (Filed as an exhibit to Form 10-K for the year ended December 31, 2005 on March 10, 2006 and incorporated herein by reference.)

10.70	Confirmation of OTC Convertible Note Hedge related to 2013 Notes, dated February 14, 2006, to Amgen Inc. from Merrill Lynch International related to 0.375% Convertible Senior Notes Due 2013. (Filed as an exhibit to Form 10-K for the year ended December 31, 2005 on March 10, 2006 and incorporated herein by reference.)
10.71	Confirmation of OTC Convertible Note Hedge related to 2011 Notes, dated February 14, 2006, to Amgen Inc. from Morgan Stanley & Co. International Limited related to the 0.125% Convertible Senior Notes Due 2011 Notes. (Filed as an exhibit to Form 10-K for the year ended December 31, 2005 on March 10, 2006 and incorporated herein by reference.)
10.72	Confirmation of OTC Warrant Transaction, dated February 14, 2006, to Amgen Inc. from Merrill Lynch International for warrants expiring in 2011. (Filed as an exhibit to Form 10-K for the year ended December 31, 2005 on March 10, 2006 and incorporated herein by reference.)
10.73	Confirmation of OTC Warrant Transaction, dated February 14, 2006, to Amgen Inc. from Merrill Lynch International for warrants expiring in 2013. (Filed as an exhibit to Form 10-K for the year ended December 31, 2005 on March 10, 2006 and incorporated herein by reference.)
10.74	Confirmation of OTC Warrant Transaction, dated February 14, 2006, to Amgen Inc. from Morgan Stanley & Co. International Limited for warrants maturing in 2011. (Filed as an exhibit to Form 10-K for the year ended December 31, 2005 on March 10, 2006 and incorporated herein by reference.)
10.75	Purchase Agreement, dated February 16, 2006, between Amgen Inc. and Citigroup Global Markets Inc. (Filed as an exhibit to Form 10-K for the year ended December 31, 2005 on March 10, 2006 and incorporated herein by reference.)
10.76*	Purchase Agreement, dated May 24, 2007, among Amgen Inc., Morgan Stanley & Co. Incorporated, Merrill Lynch, Pierce, Fenner & Smith Incorporated and the Initial Purchasers Names in Schedule A hereof.
10.77*	Purchase Agreement, dated May 29, 2007, between Amgen Inc. and Merrill Lynch International.
31*	Rule 13a-14(a) Certifications.
32**	Section 1350 Certifications.

(* = filed herewith)
(** = furnished herewith and not “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended)
(+ = management contract or compensatory plan or arrangement.)

CERTIFICATE OF AMENDMENT
TO THE
RESTATED CERTIFICATE OF INCORPORATION
OF
AMGEN INC.

Amgen Inc., a corporation duly organized and existing under the General Corporation Law of the State of Delaware (the "Company"), does hereby certify that:

1. The Restated Certificate of Incorporation of the Company shall be amended by changing Article FIFTH so that, as amended, said Article shall be and read in its entirety as follows:

FIFTH: (a) The number of directors which shall constitute the whole Board of Directors of this corporation shall be fixed by resolution of the Board of Directors from time to time, subject to the provisions of this Article FIFTH.

(b) At each annual meeting of stockholders of this corporation commencing at the annual meeting of stockholders next following the 2007 annual meeting of stockholders, all directors shall be elected for a term expiring at the next succeeding annual meeting of stockholders, by such stockholders having the right to vote on such election. The term of each director serving as of and immediately following the date of the 2007 annual meeting of stockholders shall expire at the next annual meeting of stockholders after such date, notwithstanding that such director may have been elected for a term that extended beyond the date of such annual meeting of stockholders. Each director shall serve until the director's term expires in accordance with the foregoing provisions or until the director's prior death, resignation, retirement, disqualification or removal from office; provided that each director shall serve notwithstanding the expiration of the director's term until the director's successor shall be duly elected and qualified.

(c) No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(d) Newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, retirement, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office (and not by stockholders), even though less than a quorum of the Board of Directors. The term of any director elected in accordance with the preceding sentence shall expire at the next annual meeting of the stockholders. Each such

director shall serve until the director's term expires in accordance with the foregoing provision or until the director's prior death, resignation, retirement, disqualification or removal from office; provided that the director shall serve notwithstanding the expiration of the director's term until the director's successor shall be duly elected and qualified.

2. The foregoing amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, Amgen Inc. has caused this Certificate of Amendment to be executed by a duly authorized officer on this 24th day of May, 2007.

AMGEN INC.

By: **/s/ David J. Scott**
Name: David J. Scott
Title: Senior Vice President, General Counsel and Secretary

CERTIFICATE OF CORRECTION OF
RESTATED CERTIFICATE OF INCORPORATION OF
AMGEN INC.

Amgen Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "Company"), in accordance with the provisions of Section 103 thereof, DOES HEREBY CERTIFY:

1. The name of the Company is Amgen Inc.

2. A Restated Certificate of Incorporation of the Company (the "Certificate of Incorporation") was filed with the Secretary of State of the State of Delaware on January 9, 2006 and such Certificate of Incorporation requires correction as permitted by subsection (f) of Section 103 of the General Corporation Law of the State of Delaware.

3. The inaccuracy or defect of such Certificate of Incorporation to be corrected is that Section 1 of the Certificate of Designations of Series A Junior Participating Preferred Stock of the Company (the "Series A Preferred Stock") that is attached as Appendix A to such Certificate of Incorporation and incorporated therein by reference (the "Series A Certificate of Designations") inadvertently provided that the total number of shares constituting the Series A Preferred Stock is 2,750,000. Section 1 of such Series A Certificate of Designations should have provided that total number of shares constituting the Series A Preferred Stock is 687,500.

4. The Certificate of Incorporation is corrected by replacing the first sentence of Section 1 of the Series A Certificate of Designations with the following:

"The shares of such series shall be designated as "Series A Junior Participating Preferred Stock" (the "*Series A Preferred Stock*") and the number of shares constituting the Series A Preferred Stock shall be 687,500."

5. All other provisions of the Certificate of Incorporation remain unchanged.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Certificate of Correction to be executed as of the 24th day of May, 2007.

AMGEN INC.

By: /s/ David J. Scott
David J. Scott
Senior Vice President, General Counsel and Secretary

AMENDMENT TO THE
AMENDED AND RESTATED BYLAWS OF
AMGEN INC.

WHEREAS, the Board of Directors deems it to be in the best interests of Amgen Inc. (the "Company") to amend its Bylaws;

WHEREAS, the stockholders of the Company approved the amendments to the Company's Bylaws at the Company's annual meeting of stockholders on May 9, 2007, effective upon the filing by the Company of a Certificate of Amendment to the Restated Certificate of Incorporation (the "Certificate"), which includes the amendments to the Restated Certificate of Incorporation approved by stockholders, with the Secretary of State of the State of Delaware;

WHEREAS, the Company filed the Certificate with the Secretary of State of the State of Delaware on May 24, 2007;

NOW, THEREFORE, be it resolved that Article IV of the Bylaws of the Company, be, and hereby is, amended as follows:

1. Section 17 of Article IV of the Bylaws shall be deleted in its entirety:

   "Section 17. [Intentionally Omitted]"

2. Section 18 of Article IV of the Bylaws shall be deleted in its entirety:

   "Section 18. [Intentionally Omitted]"

AMGEN INC.
DIRECTOR EQUITY INCENTIVE PROGRAM
(Amended and Restated Effective March 6, 2007)

ARTICLE I

PURPOSE

The purpose of this document is to set forth the general terms and conditions applicable to the Director Equity Incentive Program (the "Program") established by the Board of Directors of Amgen Inc. (the "Company") pursuant to, and in implementation of, Section 4(b) of the Company's Amended and Restated 1991 Equity Incentive Plan, as amended (the "1991 Plan"). The Program is intended to carry out the purposes of the 1991 Plan and provide a means to reinforce objectives for sustained long-term performance and value creation by awarding each non-employee director of the Company with stock awards, subject to the restrictions and other provisions of the Program and the 1991 Plan. The Program shall be effective as of December 9, 2003 (the "Effective Date"). This Program is intended to be implemented pursuant to the Company's Policy Equity Awards Policy.

ARTICLE II

DEFINITIONS

Unless otherwise defined herein, capitalized terms used herein shall have the same definitions as such terms are defined in the 1991 Plan.

"Award" shall mean a Nonqualified Stock Option or a Restricted Stock Unit granted to an Eligible Director pursuant to the Program.

"Board" shall mean the Board of Directors of the Company.

"Code" shall mean the Internal Revenue Code of 1986, as amended, together with the regulations and official guidance promulgated thereunder.

"Common Stock" shall mean the common stock, par value $0.0001 per share, of the Company.

"Eligible Director" shall mean a member of the Board who is not an employee of the Company or any Affiliate.

"Nonqualified Stock Option" or "NQSO" shall mean a stock option which does not qualify as an incentive stock option as that term is used in Section 422 of the Code.

"QDRO" shall mean a court order (i) that creates or recognizes the right of the spouse, former spouse or child (an "Alternate Payee") of an individual who is granted an Award to an interest in such Award relating to marital property rights or support obligations and (ii) that the Board determines would be a "qualified domestic relations order," as that term is defined in Section 414(p) of the Code and Section 206(d) of the Employee Retirement Income Security Act ("ERISA"), but for the fact that the

Program is not a plan described in Section 3(3) of ERISA.

"Restricted Stock Unit" shall mean a restricted right to receive a share of Common Stock granted pursuant to Article IV.

ARTICLE III

STOCK OPTIONS

3.1 Inaugural Grants. Each person who becomes an Eligible Director after the Effective Date shall, on the date which is two business days after the release of the Company's quarterly or annual earnings next following the date such person first becomes an Eligible Director, automatically be granted, without further action by the Company, the Board, or the Company's stockholders, a Nonqualified Stock Option to purchase twenty thousand (20,000) shares of Common Stock on the terms and conditions set forth herein. Should the date of grant set forth above be a Saturday, Sunday or legal holiday, such grant shall be made on the next business day.

3.2 Annual Grants. On the date which is two business days after the release of the Company's quarterly earnings for the first fiscal quarter of each year after the Effective Date, each person who is at that time an Eligible Director shall automatically be granted, without further action by the Company, the Board, or the Company's stockholders, a Nonqualified Stock Option to purchase five thousand (5,000) shares of Common Stock on the terms and conditions set forth herein. Should the date of grant set forth above be a Saturday, Sunday or legal holiday, such grant shall be made on the next business day.

3.3 Terms of Options.

(a) Each Nonqualified Stock Option granted pursuant to the Program shall constitute a Discretionary Stock Option under Section 5 of the 1991 Plan. The provisions of separate Nonqualified Stock Options need not be identical, but each Nonqualified Stock Option shall include (through incorporation of provisions hereof by reference in the Nonqualified Stock Option or otherwise) the substance of each of the following provisions as set forth in this Section 3.3 and Section 5 of the 1991 Plan.

(b) No Option shall be exercisable after the expiration of seven (7) years from the date it was granted.

(c) The exercise price of each Nonqualified Stock Option shall be not less than one hundred percent (100%) of the fair market value of the Common Stock subject to the Nonqualified Stock Option on the date the Nonqualified Option is granted.

(d) The purchase price of Common Stock acquired pursuant to a Nonqualified Stock Option shall be paid, to the extent permitted by applicable statutes and regulations, either: (i) in cash at the time the Nonqualified Stock Option is exercised; or (ii) at the discretion of the Board, either at the time of grant or exercise of the Nonqualified Stock Option (A) by delivery to the Company of shares of Common Stock that have been held for the period required to avoid a charge to the Company's reported earnings and valued at the fair market value on the date of exercise, or (B) in any other form of legal consideration that may be acceptable to the Board in its discretion; including but not limited to payment of the purchase price pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board which results in the receipt of cash (or a check) by the Company before Common Stock is

issued or the receipt of irrevocable instruction to pay the aggregate exercise price to the Company from the sales proceeds before Common Stock is issued.

(e) A Nonqualified Stock Option shall be exercisable during the lifetime of the Eligible Director only by the Eligible Director, and after the death of the Eligible Director, the Nonqualified Stock Option shall be exercisable by the person or persons to whom the Eligible Director's rights under such option pass by will or by the laws of descent and distribution.

(f) Each Nonqualified Stock Option that is granted to an Eligible Director who has as of the date of grant provided three (3) years of prior continuous service on the Board as an Eligible Director shall be fully vested as of the date of grant. Each Nonqualified Stock Option that is granted to an Eligible Director who has not as of the date of grant provided three (3) years of prior continuous service as an Eligible Director shall be fully vested as of the date upon which such Eligible Director has provided one year of continuous service on the Board as an Eligible Director following the date of grant of such Nonqualified Stock Option. If the Eligible Director's relationship as a director of the Company or an Affiliate is terminated by reason of the Eligible Director's death or disability (within the meaning of Title II or XVI of the Social Security Act or comparable statute applicable to an Affiliate and with such permanent and total disability certified by (i) the Social Security Administration, (ii) the comparable governmental authority applicable to an Affiliate, (iii) such other body having the relevant decision-making power applicable to an Affiliate, or (iv) an independent medical advisor appointed by the Company, as applicable, prior to such termination), then the vesting schedule of each Nonqualified Stock Option granted to such Eligible Director shall be accelerated by twelve months for each full year the Eligible Director has been affiliated with the Company and/or an Affiliate.

(g) The Company may require any holder under this Article III, or any person to whom a Nonqualified Stock Option is transferred under Section 3.3(e), as a condition of exercising any such option: (i) to give written assurances satisfactory to the Company as to such person's knowledge and experience in financial and business matters and/or to employ a purchaser representative who has such knowledge and experience in financial and business matters, and that such person is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Nonqualified Stock Option; and (ii) to give written assurances satisfactory to the Company stating that such person is acquiring the Common Stock subject to the Nonqualified Stock Option for such person's own account and not with any present intention of selling or otherwise distributing the Common Stock. These requirements, and any assurances given pursuant to such requirements, shall be inoperative if: (x) the issuance of the shares upon the exercise of the Nonqualified Stock Option has been registered under a then currently effective registration statement under the Securities Act of 1933, as amended (the "Securities Act"); or (y) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities law.

ARTICLE IV

RESTRICTED STOCK UNITS

4.1 Annual Grants. On March 15, 2004, each person who is at that time an Eligible Director shall automatically be granted, without further action by the Company, the Board, or the Company's stockholders, Restricted Stock Units to acquire a number of shares of Common Stock (rounded down to the nearest whole number) equal to the quotient obtained by dividing (x) $100,000, by (y) the closing market price of a share of Common Stock on the business day immediately preceding the date of grant

(rounded to two decimal places); thereafter, on the date which is two business days after the release of the Company's quarterly earnings for the first fiscal quarter of each year after the Effective Date, each person who is at that time an Eligible Director shall automatically be granted, without further action by the Company, the Board, or the Company's stockholders, Restricted Stock Units to acquire a number of shares of Common Stock (rounded down to the nearest whole number) equal to the quotient obtained by dividing (x) $100,000, by (y) the closing market price of a share of Common Stock on the date of grant (rounded to two decimal places). Should the date of grant set forth in this Section 4.1 be a Saturday, Sunday or legal holiday, such grant shall be made on the next business day. Restricted Stock Units shall constitute stock bonuses under Section 7 of the 1991 Plan.

4.2 Terms of Restricted Stock Units.

(a) Each Restricted Stock Unit granted pursuant to this Program shall be in such form and shall contain such terms and conditions as the Board shall deem appropriate. The provisions of separate Restricted Stock Units need not be identical, but each Restricted Stock Unit shall include (through incorporation of provisions hereof by reference in the Restricted Stock Unit agreement or otherwise) the substance of each of the following provisions as set forth this Section 4.2 and Section 7 of the 1991 Plan.

(b) Each grant of Restricted Stock Units made to an Eligible Director who has as of the date of grant provided three (3) years of prior continuous service on the Board as an Eligible Director shall be fully vested as of the date of grant and each grant of Restricted Stock Units that is made to an Eligible Director who has not as of the date of grant provided three (3) years of prior continuous service as an Eligible Director shall be fully vested as of the date upon which such Eligible Director has provided one year of continuous service on the Board as an Eligible Director following the date of grant of such Restricted Stock Units (in each case, such date of vesting the "Vesting Date"). If the Eligible Director's relationship as a director of the Company or an Affiliate is terminated by reason of the Eligible Director's death or total and permanent disability (as certified by an independent medical advisor appointed by the Company prior to such termination) and in a manner constituting a "separation from service" within the meaning of Code Section 409A, then a prorated number (rounded down to the nearest whole number) of unvested Restricted Stock Units, if any, shall vest immediately upon such death or disability, determined by multiplying the number of unvested Restricted Stock Units, if any, by a fraction (rounded to two decimal places), the numerator of which is the number of complete months of continuous service during the one year period following the date of grant and the denominator of which is 12.

(c) A holder's vested Restricted Stock Units shall be paid by the Company in shares of Common Stock (on a one-to-one basis) on, or as soon as practicable after, the Vesting Date (the "Payment Date"), but in any event by the fifteenth day of the third month following the end of the tax year in which such Restricted Stock Units vest, unless the Eligible Director has irrevocably elected in writing by December 31 of the year preceding the grant of such Restricted Stock Units to defer the payment of such Restricted Stock Units, and any dividends paid thereon, to another date under one of the following options, which payment form or forms (including payment upon death or disability as provided above) shall be specified at the time of the deferral election (the "Deferred Payment Date"): (i) full payment of the Restricted Stock Units in January of a year specified by the Eligible Director which shall be no earlier than the third calendar year following the calendar year in which the date of grant occurs and no later than the tenth calendar year following such year, (ii) payment of the Restricted Stock Units in five substantially equal annual installments, commencing in January of the calendar year following the year in which the Eligible Director with respect to whom the Restricted Stock Units were granted ceases to be an Eligible Director and ceases to otherwise provide services to the Company in a manner that constitutes a "separation from

service" (within the meaning Code Section 409A) for any reason, or (iii) payment of the Restricted Stock Units in ten substantially equal annual installments, commencing in January of the calendar year following the year in which the Eligible Director with respect to whom the Restricted Stock Units were granted ceases to be an Eligible Director and ceases to otherwise provide services to the Company in a manner that constitutes a "separation from service" (within the meaning Code Section 409A) for any reason. Shares of Common Stock issued in respect of a Restricted Stock Unit shall be deemed to be issued in consideration for future services to be rendered or past services actually rendered to the Company or for its benefit, by the Eligible Director, which the Board deems to have a value not less than the par value of a share of Common Stock.

4.3 Dividend Equivalents. If an Eligible Director has elected to defer payment of his or her vested Restricted Stock Units as provided in Section 4.2(c) above and the Company pays any dividends with respect to the Common Stock at any time during the period between the Payment Date and the Deferred Payment Date, the holder of such vested Restricted Stock Units shall be credited, as of the dividend payment date, with dividend equivalents equal to the amount of the dividends which would have been payable to such holder if the holder held a number of shares of Common Stock equal to the number of vested Restricted Stock Units so deferred. Such dividend equivalents shall be deemed reinvested in the Common Stock on the dividend payment date and shall be paid by the Company in shares of Common Stock on the Deferred Payment Date. Such dividend equivalents shall constitute stock bonuses under Section 7 of the 1991 Plan.

ARTICLE V

MISCELLANEOUS

5.1 Administration of the Program. The Program shall be administered by the Board.

5.2 Application of 1991 Plan. The Program is subject to all the provisions of the 1991 Plan, including Section 11 thereof (relating to adjustments upon changes in the Common Stock) and Section 12 thereof (relating to Change of Control), and its provisions are hereby made a part of the Program, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the 1991 Plan. In the event of any conflict between the provisions of this Program and those of the 1991 Plan, the provisions of the 1991 Plan shall control.

5.3 Amendment and Termination. Notwithstanding anything herein to the contrary, the Board may, at any time, terminate, modify or suspend the Program; *provided, however,* that, without the prior consent of the Eligible Directors affected, no such action may adversely affect any rights or obligations with respect to any Awards theretofore earned but unpaid, whether or not the amounts of such Awards have been computed and whether or not such Awards are then payable. Any amendment of this Program may, in the sole discretion of the Board, be accomplished in a manner calculated to cause such amendment not to constitute an "extension," "renewal" or "modification" (each within the meaning of Code Section 409A) of any RSUs that would cause such RSUs to be considered "nonqualified deferred compensation" (within the meaning of Code Section 409A).

5.4 No Contract for Employment. Nothing contained in the Program or in any document related to the Program or to any Award shall confer upon any Eligible Director any right to continue as a director or in the service or employment of the Company or an Affiliate or constitute any contract or agreement of service or employment for a specific term or interfere in any way with the right of the

Company or an Affiliate to reduce such person's compensation, to change the position held by such person or to terminate the service of such person, with or without cause.

5.5 Nontransferability. No benefit payable under, or interest in, this Program shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge and any such attempted action shall be void and no such benefit or interest shall be, in any manner, liable for, or subject to, debts, contracts, liabilities or torts of any Eligible Director or beneficiary; *provided, however*, that, nothing in this Section 5.5 shall prevent transfer (i) by will, (ii) by applicable laws of descent and distribution, or (iii) to an Alternate Payee to the extent that a QDRO so provides. The assignment of an Award to an Alternate Payee pursuant to a QDRO shall not be treated as having caused a new grant. If an Award is assigned to an Alternate Payee, the Alternate Payee generally has the same rights as the Eligible Director under the terms of the Program; *provided however*, that (i) the Award shall be subject to the same vesting terms and exercise period as if the Award were still held by the Eligible Director, and (ii) an Alternate Payee may not transfer an Award. In the event of the 1991 Plan administrator's receipt of a domestic relations order or other notice of adverse claim by an Alternate Payee of an Eligible Director of an Award, transfer of the proceeds of the exercise of such Award, whether in the form of cash, stock or other property, may be suspended. Such proceeds shall thereafter be transferred pursuant to the terms of a QDRO or other agreement between the Eligible Director and Alternate Payee. An Eligible Director's ability to exercise an Award may be barred if the 1991 Plan administrator receives a court order directing the 1991 Plan administrator not to permit exercise.

5.6 Nature of Program. No Eligible Director, beneficiary or other person shall have any right, title or interest in any fund or in any specific asset of the Company or any Affiliate by reason of any award hereunder. There shall be no funding of any benefits which may become payable hereunder. Nothing contained in this Program (or in any document related thereto), nor the creation or adoption of this Program, nor any action taken pursuant to the provisions of this Program shall create, or be construed to create, a trust of any kind or a fiduciary relationship between the Company or an Affiliate and any Eligible Director, beneficiary or other person. To the extent that an Eligible Director, beneficiary or other person acquires a right to receive payment with respect to an award hereunder, such right shall be no greater than the right of any unsecured general creditor of the Company or other employing entity, as applicable. All amounts payable under this Program shall be paid from the general assets of the Company or employing entity, as applicable, and no special or separate fund or deposit shall be established and no segregation of assets shall be made to assure payment of such amounts. Nothing in this Program shall be deemed to give any person any right to participate in this Program except in accordance herewith.

5.7 Governing Law. This Program shall be construed in accordance with the laws of the State of Delaware, without giving effect to the principles of conflicts of law thereof.

5.8 Code Section 409A. To the extent that this Program constitutes a "non-qualified deferred compensation plan" within the meaning of with Code Section 409A and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Effective Date, this Program shall be interpreted and operated in accordance with Code Section 409A. Notwithstanding any provision of this Program to the contrary, in the event that following the grant of any RSUs, the Board determines that any Award does or may violate any of the requirements of Code Section 409A, the Board may adopt such amendments to the Program and any affected Award or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Board determines are necessary or appropriate to (a) exempt the Program and any such Award from the application of Code Section 409A and/or preserve the intended tax treatment of the benefits provided with respect to the Award, or (b) comply with the requirements of Code Section 409A.

AMENDED AND RESTATED AMGEN INC.
PERFORMANCE AWARD PROGRAM
(Amended and Restated Effective July 9, 2007)

ARTICLE I

PURPOSE

The purpose of this document is to set forth the general terms and conditions applicable to the Performance Award Program (the "Program") established by the Compensation and Management Development Committee of the Board of Directors of Amgen Inc. (the "Company") pursuant to, and in implementation of, Section 10(d) of the Company's Amended and Restated 1991 Equity Incentive Plan, as amended (the "1991 Plan"). The Program is intended to carry out the purposes of the 1991 Plan and provide a means to reinforce objectives for sustained long-term performance and value creation by awarding selected key employees of the Company with payments in Company stock based on the level of achievement of pre-established performance goals during performance cycles, subject to the restrictions and other provisions of the Program and the 1991 Plan.

ARTICLE II

DEFINITIONS

Unless otherwise defined herein, capitalized terms used herein shall have the same definitions as such terms are defined in the 1991 Plan.

"Award" shall mean the earned Performance Units payable in Common Stock under the Program for a Performance Cycle.

"Board" shall mean the Board of Directors of the Company.

"Code" shall mean the Internal Revenue Code of 1986, as amended, together with the regulations and official guidance promulgated thereunder.

"Committee" shall mean the Compensation and Management Development Committee of the Board, appointed by the Board from among its members to administer the 1991 Plan in accordance with Section 2 thereof.

"Common Stock" shall mean the common stock, par value $0.0001 per share, of the Company.

"Determination Date" shall have the meaning ascribed to it in Section 4.1.

"Participant" shall mean a key employee of the Company or an Affiliate who participates in this Program pursuant to the provisions of Article III hereof.

"Performance Cycle" shall mean a period of time with respect to which performance is measured as determined by the Committee. Performance Cycles may overlap.

"Performance Goals" shall have the meaning ascribed to it in Section 5.2.

"Performance Unit" shall mean a right granted to a Participant pursuant to the Program to receive Common Stock, the payment of which is contingent upon achieving the Performance Goals.

"Permanent and Total Disability" shall have the meaning ascribed to such term under Section 22(e)(3) of the Code and with such permanent and total disability being certified prior to termination of a Participant's employment by (i) the Social Security Administration, (ii) the comparable governmental authority applicable to an Affiliate of the Company, (iii) such other body having the relevant decision-making power applicable to an Affiliate of the Company, or (iv) an independent medical advisor appointed by the Company in its sole discretion, as applicable, in any such case.

"QDRO" shall mean a court order (i) that creates or recognizes the right of the spouse, former spouse or child (an "Alternate Payee") of an individual who is granted an Award to an interest in such Award relating to marital property rights or support obligations and (ii) that the 1991 Plan administrator determines would be a "qualified domestic relations order," as that term is defined in Section 414(p) of the Code and Section 206(d) of the Employee Retirement Income Security Act ("ERISA"), but for the fact that the 1991 Plan is not a plan described in Section 3(3) of ERISA.

"Retirement-Eligible" shall mean when a Participant is at least sixty (60) years of age and has been an employee of the Company and/or an Affiliate of the Company for at least fifteen (15) consecutive years.

"Section 162(m) Participant" shall mean any Participant designated by the Committee as a "covered employee" within the meaning of Section 162(m) of the Code whose compensation for the fiscal year in which the Participant is so designated or a future fiscal year may be subject to the limit on deductible compensation imposed by Section 162(m) of the Code.

"Voluntary Retirement" shall mean voluntary termination of employment that is not the result of Permanent and Total Disability.

ARTICLE III

PARTICIPATION

3.1 Participants. Participants for any Performance Cycle shall be those active key employees of the Company or an Affiliate who are designated in writing as eligible for participation by the Committee within the first ninety (90) days of such Performance Cycle.

3.2 No Right to Participate. No Participant or other employee of the Company or an Affiliate shall, at any time, have a right to participate in this Program for any Performance Cycle, notwithstanding having previously participated in this Program.

ARTICLE IV

ADMINISTRATION

4.1 Generally. The Committee shall establish the basis for payments under this Program in relation to specified Performance Goals, as more fully described in Article V hereof. With respect to the 162(m) Participants, the Committee shall establish the basis for payments under this Program in relation to specified Performance Goals within the first ninety (90) days of each Performance Cycle, but in no event after 25 percent of the Performance Cycle has lapsed. Following the end of each Performance Cycle, once all of the information necessary for the Committee to determine the Company's performance is made available to the Committee, the Committee shall determine the amount of the Award payable to each Participant; *provided, however*, that any such determination shall be made no later than six months following the end of such Performance Cycle (the date of such determination shall hereinafter be called the "Determination Date"). The Committee shall have the power and authority granted it under Section 2 of the 1991 Plan, including, without limitation, the authority to construe and interpret this Program, to prescribe, amend and rescind rules, regulations and procedures relating to its administration and to make all other determinations necessary or advisable for administration of this Program. Decisions of the Committee in accordance with the authority granted hereby shall be conclusive and binding. Subject only to compliance with the express provisions hereof, the Committee may act in its sole and absolute discretion with respect to matters within its authority under this Program.

4.2 Provisions Applicable to Section 162(m) Participants. Subject to the sole discretion of the Committee, any Awards paid hereunder to a Section 162(m) Participant shall satisfy and shall be interpreted in a manner that satisfies any applicable requirements as "qualified performance-based compensation" within the meaning of Section 162(m) of the Code and any provisions, application or interpretation of the Program or the 1991 Plan that is inconsistent with this intent shall be disregarded. To the extent that any Award (i) is deemed to constitute "nonqualified deferred compensation" (within the meaning of Code Section 409A) and (ii) would nevertheless be subject to the deduction limitations imposed by Section 162(m) of the Code in the year in which such Award would otherwise be paid under this Program, the payment of such Award may, in the Committee's discretion, be delayed until the earlier of (A) the first year in which such Award would not be subject to the deduction limitations imposed by Section 162(m) or (B) such time as the Participant ceases to be a "service provider" to the Company (within the meaning of Section 409A of the Code).

4.3 Provisions Applicable to Participants in Foreign Jurisdictions. Notwithstanding any provision of the Program to the contrary, in order to comply with the laws in other countries in which the Company and its Affiliates operate or have employees, the Committee, in its sole discretion, shall have the power and authority to:

(i) modify the terms and conditions of any award of Performance Units granted to employees outside the United States to comply with applicable foreign laws;

(ii) condition the effectiveness of any award of Performance Units upon approval or compliance with any applicable foreign laws, regulations, rules or local governmental regulatory exemption or approvals;

(iii) provide for payment of any Award in cash or Common Stock, at the Company's election, to the extent necessary to comply with applicable foreign laws; and

(iv) take any other action, before or after an award of Performance Units is made, that it deems advisable to obtain approval or comply with any necessary local governmental regulatory exemptions or approvals.

Notwithstanding the foregoing, the Committee may not take any actions hereunder, and no award of Performance Units shall be granted, that would violate the Securities Act of 1933, as amended, Securities Exchange Act of 1934, as amended, the Code, or any other securities or tax or other applicable law or regulation.

ARTICLE V

AWARD DETERMINATIONS

5.1 Award of Performance Units. The Committee shall determine the number of Performance Units (rounded down to the nearest whole number) to be awarded under this Program to each Participant with respect to such Performance Cycle. With respect to the Section 162(m) Participants, the Committee shall determine the number of Performance Units (rounded down to the nearest whole number) to be awarded under this Program to each Section 162(m) Participant with respect to such Performance Cycle within the first ninety (90) days of such Performance Cycle, but in no event after 25 percent of the Performance Cycle has elapsed. Performance Units granted under the Program shall constitute stock bonuses under Sections 7 and 10(d) of the 1991 Plan.

5.2 Performance Requirements. The Committee shall approve the performance goals (collectively, the "Performance Goals") with respect to any of the business criteria permitted under Section 10(d) of the 1991 Plan), each subject to such adjustments as the Committee may specify in writing at such time, and shall establish a formula, standard or schedule which aligns the level of achievement of the Performance Goals with the earned Performance Units.

With respect to the Section 162(m) Participants, the Committee shall approve the Performance Goals within the first ninety (90) days of such the Performance Cycle, but in no event after 25 percent of the Performance Cycle has elapsed, and the Performance Goals may not be changed during the Performance Cycle, but the thresholds, targets and multiplier measures of the Performance Goals shall be subject to such adjustments as the Committee may specify in writing within the first ninety (90) days of the Performance Cycle, but in no event after 25 percent of the Performance Cycle has elapsed.

ARTICLE VI

PAYMENT OF AWARDS

6.1 Form and Timing of Payment. Except as set forth in Section 8.1 below, no Award payable pursuant to this Program shall be paid unless and until the Committee certifies, in writing, the extent to which the Performance Goals have been achieved and the corresponding number of Performance Units earned. The specified payment date applicable to such Awards shall be the year immediately following the tax year including the end of the Performance Cycle. Shares of Common Stock issued in respect of an Award shall be deemed to be issued in consideration for future services to be rendered or past services actually rendered to the Company or for its benefit, by the Participant, which the Committee deems to have a value at least equal to the aggregate par value thereof.

6.2 Tax Withholding. The Participant shall satisfy any federal, state and local tax withholding obligation relating to the payment of the Award by authorizing the Company to withhold from the shares of the Common Stock otherwise issuable to the Participant as a result of the vesting or the payment of the Award a number of shares having a fair market value less than or equal to the amount of the Company's required minimum statutory withholding for federal, state and local tax purposes, including any payroll taxes resulting from the vesting of the Performance Units. Any shares of Common Stock withheld by the Company hereunder shall not be deemed to have been issued by the Company for any purpose under the 1991 Plan. In addition, the Participant shall take any further actions and execute any additional documents as may be necessary to effectuate the provisions of this Section 6.2. Notwithstanding Section 6.1, no certificates representing the shares of Common Stock shall be delivered to a Participant unless and until he or she shall have paid to the Company the full amount of all federal, state and local tax withholding or other employment taxes applicable to him or her resulting from the payment of the Award.

ARTICLE VII

TERMINATION OF EMPLOYMENT

7.1 Termination of Employment During Performance Cycle.

(a) In the event that a Participant's employment with the Company or an Affiliate is terminated within six months following the commencement of a Performance Cycle for any reason, all of such Participant's rights to an Award for such Performance Cycle shall be forfeited.

(b) Subject to Section 7.1(a) above, in the event that a Participant's employment with the Company or an Affiliate is terminated prior to the last business day of a Performance Cycle by reason of such Participant's Voluntary Retirement and such Participant is Retirement-Eligible on the date of such termination, the prorated amount of such Participant's Award, if any, applicable to such Performance Cycle shall be paid in accordance with the

provisions of Article VI above, *provided*, that if (i) amounts payable under this Program are deemed to constitute "nonqualified deferred compensation," and (ii) a Participant is deemed to be a "specified employee" (within the meaning of Code Section 409A), then amounts payable under this Program shall not be paid until the later of (A) the payment date described in Article VI above, or (B) the date that is six months after the date of termination (or the date on which such Participant dies, if earlier). For purposes of the foregoing, the amount of the Participant's Award (rounded down to the nearest whole number) shall be determined based on the Company's performance as compared to the Performance Goals for such Performance Cycle and the Award otherwise payable is multiplied by a fraction (rounded to two decimal places), the numerator of which is the number of complete months of employment during the Performance Cycle, and the denominator of which is the number of months in the Performance Cycle; provided however, that prior to termination of a Participant's employment with the Company or an Affiliate, such Participant signs a general release in a form provided by the Company.

(c) Subject to Section 7.1(a) above, in the event that a Participant's employment with the Company or an Affiliate is terminated prior to the last business day of a Performance Cycle by reason of such Participant's death or Permanent and Total Disability, the prorated amount of such Participant's Award, if any, applicable to such Performance Cycle shall be paid in accordance with the provisions of Article VI above, *provided*, that if (i) a Participant's employment terminates due to Permanent and Total Disability, (ii) amounts payable under this Program are deemed to constitute "nonqualified deferred compensation," and (iii) the Participant is deemed to be a "specified employee" (within the meaning of Code Section 409A), then amounts payable under this Program shall not be paid until the later of (A) the payment date described in Article VI above, or (B) the date that is six months after the date of termination (or the date on which such Participant dies, if earlier). For purposes of the foregoing, the amount of the Participant's Award (rounded down to the nearest whole number) shall be determined based on the Company's performance as compared to the Performance Goals for such Performance Cycle and the Award otherwise payable is multiplied by a fraction (rounded to two decimal places), the numerator of which is the number of complete months of employment during the Performance Cycle, and the denominator of which is the number of months in the Performance Cycle. Notwithstanding the foregoing, a Participant shall not be entitled to such prorated amount of such Participant's Award unless prior to a Participant's termination of employment due to such Participant's Permanent and Total Disability, such Participant signs a general release in a form provided by the Company.

(d) In the event that a Participant's employment with the Company or an Affiliate is terminated prior to the last business day of a Performance Cycle for any reason other than as specified in Sections 7.1(a), (b) and (c) above, all of such Participant's rights to an Award for such Performance Cycle shall be forfeited, unless the Committee approves, based upon the recommendation of the Company's Chief Executive Officer which are based on valid business reasons, the payment of a prorated amount of the Participant's Award, if any, applicable to such Performance Cycle shall be paid in accordance with the provisions of Article VI above. For purposes of the foregoing, the amount of the Participant's Award (rounded down to the nearest whole number) shall be determined based on the Company's performance as compared to the Performance Goals for such Performance Cycle and the Award otherwise payable is multiplied by a fraction (rounded to two decimal places), the numerator of which is the number of complete months of employment during the Performance Cycle, and the denominator of which is the

number of months in the Performance Cycle; provided however, that prior to termination of a Participant's employment with the Company or an Affiliate, such Participant signs a general release in a form provided by the Company.

7.2 Termination of Employment After End of Performance Cycle. In the event that a Participant's employment with the Company or an Affiliate is terminated on or after the last business day of the applicable Performance Cycle but prior to the Determination Date for any reason, the amount of any Award applicable to such Performance Cycle shall be paid to the Participant in accordance with the provisions of Article VI above.

ARTICLE VIII

CHANGE IN CONTROL

8.1 Change in Control During Performance Cycle.

(a) Notwithstanding anything to the contrary in the Program, in the event of a Change in Control that occurs during the first fiscal year of a Performance Cycle, such Performance Cycle shall be shortened and shall terminate as of the last business day of the last completed fiscal quarter preceding the date of such Change in Control and each Participant employed by the Company immediately prior to such Change in Control shall be entitled to a payment equal to the amount of the Participant's Award (rounded down to the nearest whole number) he or she would have received for such Performance Cycle assuming that the target levels with respect to the Company's Revenue CAGR and EPS CAGR of the Performance Goals are satisfied. Any such payment shall be made as soon as practicable following such Change in Control (provided, that the Company may elect, in its sole discretion, to make any such payments in a manner that will not subject the payments to penalties under Code Section 409A) and, in the Committee's sole discretion, may be paid in cash.

(b) Notwithstanding anything to the contrary in the Program, in the event of a Change in Control that occurs during the second or third fiscal year of a Performance Cycle, such Performance Cycle shall be shortened and shall terminate as of the last business day of the last completed fiscal quarter preceding the date of such Change in Control and each Participant employed by the Company immediately prior to such Change in Control shall be entitled to a payment equal to the greater of (i) the amount of the Participant's Award (rounded down to the nearest whole number) he or she would have received for such Performance Cycle assuming that the targets levels with respect to the Company's Revenue CAGR and EPS CAGR of the Performance Goals are satisfied, or (ii) the amount of the Participant's Award (rounded down to the nearest whole number) he or she would have been entitled to receive for such Performance Cycle, determined based on the Company's Revenue CAGR and EPS CAGR performance and Total Shareholder Return performance for such shortened Performance Cycle. Any such payment shall be made as soon as practicable following such Change in Control (provided, that the Company may elect, in its sole discretion, to make any such payments in a manner that will not subject the payments to penalties under Code Section 409A) and, in the Committee's sole discretion, may be paid in cash.

8.2 Change in Control After End of Performance Cycle. Notwithstanding anything to the contrary in the Program, in the event of a Change in Control that occurs after the end of the applicable Performance Cycle but prior to the Determination Date, the amount of any Award applicable to such Performance Cycle shall be paid to the Participant in accordance with the provisions of Article VI above.

ARTICLE IX

MISCELLANEOUS

9.1 Plan. The Program is subject to all the provisions of the 1991 Plan and its provisions are hereby made a part of the Program, including without limitation the provisions of Sections 7 and 10(d) thereof (relating to stock bonuses) and Section 11 thereof (relating to adjustments upon changes in the Common Stock), and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the 1991 Plan. In the event of any conflict between the provisions of the Program and those of the 1991 Plan, the provisions of the 1991 Plan shall control. Notwithstanding any provision of the Program to the contrary, any earned Performance Units paid in cash rather than shares of Common Stock shall not be deemed to have been issued by the Company for any purpose under the 1991 Plan.

9.2 Amendment and Termination. Notwithstanding anything herein to the contrary, the Committee may, at any time, terminate, modify or suspend this Program; *provided, however*, that, without the prior consent of the Participants affected, no such action may adversely affect any rights or obligations with respect to any Awards theretofore earned but unpaid for a completed Performance Cycle, whether or not the amounts of such Awards have been computed and whether or not such Awards are then payable. Notwithstanding the forgoing, at any time the Committee determines that the Performance Units may be subject to Section 409A of the Code, the Committee shall have the right, in its sole discretion, and without a Participant's prior consent to amend the Program as it may determine is necessary or desirable either for the Performance Units to be exempt from the application of Section 409A or to satisfy the requirements of Section 409A, including by adding conditions with respect to the vesting and/or the payment of the Performance Units, provided that no such amendment may change the Program's "performance goals," within the meaning of Section 162(m) of the Code, with respect to any person who is a "covered employee," within the meaning of Section 162(m) of the Code.

9.3 No Contract for Employment. Nothing contained in this Program or in any document related to this Program or to any Award shall confer upon any Participant any right to continue as an employee or in the employ of the Company or an Affiliate or constitute any contract or agreement of employment for a specific term or interfere in any way with the right of the Company or an Affiliate to reduce such person's compensation, to change the position held by such person or to terminate the employment of such person, with or without cause.

9.4 Nontransferability. No benefit payable under, or interest in, this Program shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge and any such attempted action shall be void and no such benefit or interest shall be, in any manner, liable for, or subject to, debts, contracts, liabilities or torts of any Participant or

beneficiary; *provided, however*, that, nothing in this Section 9.4 shall prevent transfer (i) by will, (ii) by applicable laws of descent and distribution or (iii) to an Alternate Payee to the extent that a QDRO so provides. The assignment of an Award to an Alternate Payee pursuant to a QDRO shall not be treated as having caused a new grant. If an Award is assigned to an Alternate Payee, the Alternate Payee generally has the same rights as the Participant under the terms of the Program; *provided however*, that (i) the Award shall be subject to the same vesting terms as if the Award were still held by the Participant, and (ii) an Alternate Payee may not transfer an Award. In the event of the 1991 Plan administrator's receipt of a domestic relations order or other notice of adverse claim by an Alternate Payee of a Participant, transfer of the proceeds of such Award may be suspended. Such proceeds shall thereafter be transferred pursuant to the terms of a QDRO or other agreement between the Participant and Alternate Payee. A Participant's ability to receive payment of an Award may be barred if the 1991 Plan administrator receives a court order directing the 1991 Plan administrator not to make such payment.

9.5 Nature of Program. No Participant, beneficiary or other person shall have any right, title or interest in any fund or in any specific asset of the Company or any Affiliate by reason of any award hereunder. There shall be no funding of any benefits which may become payable hereunder. Nothing contained in this Program (or in any document related thereto), nor the creation or adoption of this Program, nor any action taken pursuant to the provisions of this Program shall create, or be construed to create, a trust of any kind or a fiduciary relationship between the Company or an Affiliate and any Participant, beneficiary or other person. To the extent that a Participant, beneficiary or other person acquires a right to receive payment with respect to an Award hereunder, such right shall be no greater than the right of any unsecured general creditor of the Company or other employing entity, as applicable. All amounts payable under this Program shall be paid from the general assets of the Company or employing entity, as applicable, and no special or separate fund or deposit shall be established and no segregation of assets shall be made to assure payment of such amounts. Nothing in this Program shall be deemed to give any employee any right to participate in this Program except in accordance herewith.

9.6 Governing Law. This Program shall be construed in accordance with the laws of the State of Delaware, without giving effect to the principles of conflicts of law thereof.

PERFORMANCE UNIT AGREEMENT

_____, Amgen Inc. Grantee:

On this __ day of _____ (the "Grant Date"), Amgen Inc., a Delaware corporation (the "Company"), pursuant to its Performance Award Program (the "Program") which implements the Amended and Restated 1991 Equity Incentive Plan (the "Plan"), has granted to you, the grantee named above, _____ performance units (the "Units") on the terms and conditions set forth in this Performance Unit Agreement (this "Agreement"), the Plan, the Program and the Resolutions (as defined below). Capitalized terms not defined herein shall have the meanings assigned to such terms in the Program.

I. Performance Cycle. The Performance Cycle shall begin on ____, 200__ and end on December 31, 200__.

II. Value of Units. The value of each Unit is equal to a share of Common Stock.

III. Performance Goals. Up to 225% of the Units shall be earned, depending on the extent to which the Company achieves objectively determinable performance goals established by the Compensation and Management Development Committee (the "Committee") pursuant to those certain Resolutions of the Compensation and Management Development Committee of the Board of Directors of Amgen Inc., adopted on _____, regarding the Performance Award Program (the "Resolutions"). The Units earned shall be calculated in accordance with the Resolutions and the Program.

IV. Form and Timing of Payment. Subject to Section X and except as set forth in the Program, for any Units earned pursuant to Section III above the specified payment date applicable to such Units shall be the year immediately following the end of the Performance Cycle. Shares of Common Stock issued in respect of a Unit shall be deemed to be issued in consideration of past services actually rendered by you to the Company or an Affiliate or for its benefit for which you have not previously been compensated or for future services to be rendered, as the case may be, which the Company deems to have a value at least equal to the aggregate par value thereof.

V. Issuance of Certificates; Tax Withholding. All payments made pursuant to Section IV above shall be subject to withholding of all applicable taxes, based on the minimum statutory withholding rates for federal, state and local tax purposes, including any employment taxes resulting from the vesting of the Units (the "Tax Obligations"). You hereby agree that you will satisfy the Tax Obligations resulting from the vesting of the Units by authorizing, and you hereby authorize, the Company to withhold from the shares of Common Stock otherwise deliverable to you as a result of the vesting of the Units in accordance herewith, a number of shares having a fair market value less than or equal to the Tax Obligations. Any shares of Common Stock withheld by the Company hereunder shall not be deemed to have been issued by the Company for any purpose under the Plan and shall remain available for issuance

thereunder. The number of shares of Common Stock tendered by you pursuant to this subsection shall be determined by the Company and be valued at the fair market value of the Common Stock on the date the Tax Obligations arise. To the extent that the number of shares tendered by you pursuant to this subsection is insufficient to satisfy the Tax Obligations, you hereby authorize the Company to deduct from your compensation the additional amount necessary to fully satisfy the Tax Obligations. If the Company chooses not to deduct such amount from your compensation, you agree to pay the Company, in cash or by check, the additional amount necessary to fully satisfy the Tax Obligations. You agree to take any further actions and execute any additional documents as may be necessary to effectuate the provisions of this Section V. Notwithstanding Section IV above, no certificates representing the shares of Common Stock shall be delivered to you unless and until you have satisfied your obligations with respect to the full amount of all federal, state and local tax withholding or other employment taxes applicable to you resulting from the payment of the Units earned.

VI. Nontransferability. No benefit payable under, or interest in, this Agreement or in the shares of Common Stock that may become issuable to you hereunder shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge and any such attempted action shall be void and no such benefit or interest shall be, in any manner, liable for, or subject to, your or your beneficiary's debts, contracts, liabilities or torts; *provided, however*, nothing in this Section VI shall prevent transfer (i) by will, (ii) by applicable laws of descent and distribution or (iii) to an Alternate Payee to the extent that a QDRO so provides, as further described in the Program.

VII. No Contract for Employment. This Agreement is not an employment or service contract and nothing in this Agreement shall be deemed to create in any way whatsoever any obligation on your part to continue in the employ or service of the Company, or of the Company to continue your employment or service with the Company.

VIII. Notices. Any notices provided for in this Agreement or the Plan shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at such address as is currently maintained in the Company's records or at such other address as you hereafter designate by written notice to the Secretary of the Company.

IX. Resolutions, Plan and Program. This Agreement is subject to all the provisions of the Resolutions, the Plan and the Program and their provisions are hereby made a part of this Agreement and incorporated herein by reference, including without limitation the provisions of Sections 7 and 10(d) of the Plan (relating to stock bonuses) and Section 11 of the Plan (relating to adjustments upon changes in the Common Stock), and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of this Agreement and those of the Resolutions, the Plan and the Program, the provisions of the Plan shall control. Notwithstanding any provision of this Agreement or the Program to the contrary, any earned Units paid in cash rather than shares of Common Stock shall not be deemed to have been issued by the Company for any purpose under the Plan.

X. No Compensation Deferral. The Units are not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (together with the regulations and official guidance promulgated thereunder, the "Code"). However, if at any time the Committee determines that the Units may be subject to Section 409A, the Committee shall have the right, in its sole discretion, and without your prior consent to amend the Program as it may determine is necessary or desirable either for the Units to be exempt from the application of Section 409A or to satisfy the requirements of Section 409A, including by adding conditions with respect to the vesting and/or the payment of the Units, provided that no such amendment may change the Program's "performance goals," within the meaning of Section 162(m) of the Code, with respect to any person who is a "covered employee," within the meaning of Section 162(m) of the Code. Any such amendment to the Program may in the Committee's sole discretion apply retroactively to this award of Units.

XI. Provisions Applicable to Participants in Foreign Jurisdictions. Notwithstanding any provision of this Agreement or the Program to the contrary, if you are employed by the Company or its Affiliates outside the United States or are subject to the laws of any foreign jurisdiction, your award of Units shall be subject to the following additional terms and conditions:

(a) the terms and conditions of your award of Units are deemed modified to the extent necessary to comply with applicable foreign laws;

(b) if applicable, the effectiveness of your award of Units is conditioned upon its compliance with any applicable foreign laws, regulations, rules or local governmental regulatory exemption and subject to receipt of any required foreign regulatory approvals;

(c) to the extent necessary to comply with applicable foreign laws, the payment of any earned Units shall be made in cash or Common Stock, at the Company's election; and

(d) the Committee may take any other action, before or after an award of Units is made, that it deems advisable to obtain approval or comply with any necessary local governmental regulatory exemptions or approvals.

Notwithstanding the foregoing, the Committee may not take any actions hereunder, and no award of Units shall be granted, that would violate the Securities Act of 1933, as amended (the "Act"), Securities Exchange Act of 1934, as amended, the Code, or any other securities or tax or other applicable law or regulation. Notwithstanding anything to the contrary contained herein, the shares issuable upon vesting of the Unit shall not be issued unless such shares are then registered under the Act, or, if such shares are not then so registered, the Company has determined that such exercise and issuance would be exempt from the registration requirements of the Act.

XII. Governing Law. This Agreement shall be construed and interpreted, and the rights of the parties shall be determined, in accordance with the laws of the State of Delaware, without regard to conflicts of law provisions thereof.

Very truly yours,
AMGEN INC.

By: _____
Name:
Title:

Accepted and Agreed,
this ___ day of _____, 200__.

By: _____
Name:

AMENDMENT NO. 13
TO THE SHAREHOLDERS' AGREEMENT OF KIRIN-AMGEN, INC.

This AMENDMENT NO. 13 TO THE SHAREHOLDERS' AGREEMENT OF KIRIN-AMGEN, INC., dated as of June 28, 2007 (this "Amendment Agreement"), which shall become effective at 12:01 A.M., Japan Standard Time, on July 1, 2007, is made and entered into by and among Kirin Brewery Company, Limited, a Japanese corporation to be renamed Kirin Holdings Company, Limited on July 1, 2007 ("Kirin Holdings"), Kirin Pharma Company, Limited, a Japanese corporation (including any successors by way of merger, consolidation, Share Exchange or similar transaction, "Kirin Pharma"), Amgen Inc., a Delaware corporation ("Amgen"), and Kirin-Amgen, Inc., a Delaware corporation ("Kirin-Amgen"). All capitalized terms used in this Amendment Agreement and not otherwise defined herein shall have the meanings assigned to such terms in the Shareholders' Agreement (defined below), as amended hereby.

RECITALS

A. Kirin Holdings, Amgen and Kirin-Amgen are parties to that certain Shareholders' Agreement of Kirin-Amgen, Inc., dated May 11, 1984 (as amended, the "Shareholders' Agreement"), and Kirin Holdings and either or both of Amgen and Kirin-Amgen, as the case may be, are parties to certain other agreements listed in Appendix A to this Amendment Agreement (such other agreements collectively, the "Kirin/Amgen Agreements");

B. Kirin Pharma is a direct, wholly owned subsidiary of Kirin Holdings;

C. The stockholders of Kirin Holdings have approved the effectuation by Kirin Holdings of a reorganization pursuant to which, among other things, it will assign, convey and transfer to Kirin Pharma all or substantially all of the assets and liabilities relating to Kirin Holdings' pharmaceuticals business, including all of the shares of capital stock of Kirin-Amgen held by Kirin Holdings (the "Shares") and the rights and obligations of Kirin Holdings under the Shareholders' Agreement as amended hereby and each Kirin/Amgen Agreement, in each case by means of a "Kaisha-Bunkatsu" effected in accordance with the Corporate Split Agreement listed on Appendix D attached hereto and pursuant to Section 757 of the Japanese Corporation Code (the "Reorganization");

D. Following the Reorganization, Kirin Pharma will continue to be a direct, wholly owned subsidiary of Kirin Holdings;

E. The Shareholders' Agreement and the Kirin/Amgen Agreements contain certain restrictions on Kirin Holdings' ability to assign to third parties its rights and obligations under the Kirin/Amgen Agreements;

F. Kirin Holdings has requested that Amgen consent to the assignment by Kirin Holdings to Kirin Pharma of all of the rights and obligations of Kirin Holdings under each Kirin/Amgen Agreement;

NOW, THEREFORE, in order to facilitate the Reorganization and at the same time protect their respective investments in Kirin-Amgen, the parties have agreed as follows:

1. CONSENT AND WAIVER; AMENDMENT OF CERTIFICATE OF INCORPORATION; CERTIFICATES OF CORPORATE REGISTRIES; EXCLUSION FROM THE SCOPE OF THE REORGANIZATION

1.01 Amgen Consent and Waiver

Subject to the terms and conditions of this Amendment Agreement, Amgen and Kirin-Amgen each hereby consent to the assignment by Kirin Holdings to Kirin Pharma, pursuant to the Reorganization and in the manner described in the Reorganization Package, of all of the rights and obligations of Kirin Holdings under each Kirin/Amgen Agreement.

1.02 Amendment of Certificate of Incorporation

The parties to this Amendment Agreement hereby agree that, in order to give full effect to Paragraph 17.03 of the Shareholders' Agreement, as described in Section 2.09 below, the certificate of incorporation of Kirin-Amgen shall be amended and restated as of the date of this Amendment Agreement to conform to Appendix B attached to this Amendment Agreement. Each Party to this Amendment Agreement shall take all actions and execute and deliver all documents and instruments (including written consents of Kirin Holdings and Amgen in their respective capacities as stockholders of Kirin-Amgen), and shall cause the members of the board of directors of Kirin-Amgen to adopt all resolutions, take alnl actions and execute and deliver all documents and instruments, reasonably necessary to give full effect to the provisions of this Section 1.02.

1.03 Exclusion from the Scope of the Reorganization

In accordance with the last sentence of Article 4(2) of the Corporate Split Agreement listed on Appendix D attached hereto, Kirin Holdings and Kirin Pharma have discussed the exclusion of the Shares and the rights and obligations of Kirin Holdings under the Shareholders' Agreement as amended hereby from the scope of the Reorganization and hereby agree that, notwithstanding anything to the contrary contained in the Corporate Split Agreement, the Shares and the rights and obligations of Kirin Holdings under the Shareholders' Agreement as amended hereby shall be excluded from the scope of the rights and obligations being transferred from Kirin Holdings to Kirin Pharma as part of the corporate split contemplated in the Corporate Split Agreement. Notwithstanding anything to the contrary contained herein, the provision in this paragraph shall be governed by and construed in accordance with the internal laws, and not the law of conflicts, of Japan applicable to agreements made and to be performed in Japan.

Kirin Holdings and Kirin Pharma, jointly and severally, represent and warrant to Amgen as of the date hereof that (a) the agreement of Kirin Holdings and Kirin Pharma in the immediately preceding paragraph constitutes a valid and legally binding agreement of each of Kirin Holdings and Kirin Pharma enforceable against it in accordance with its terms, (b) the agreement of Kirin Holdings and Kirin Pharma in the immediately preceding paragraph overrides anything to the contrary contained herein or in the Reorganization Package (including

the Corporate Split Agreement) and (c) by virtue of the agreement of Kirin Holdings and Kirin Pharma in the immediately preceding paragraph, the Shares and the rights and obligations of Kirin Holdings under the Shareholders' Agreement as amended hereby will be retained by Kirin Holdings, and will not be transferred to Kirin Pharma, in the Reorganization, notwithstanding anything to the contrary contained herein or in the Reorganization Package (including the Corporate Split Agreement).

1.04 Certificates of Corporate Registries

Each of Kirin Holdings and Kirin Pharma shall deliver to counsel to Amgen at its office in Tokyo true and complete certificates of their respective corporate registries, issued by a competent registrar office of the Ministry of Justice in Japan and describing the effectuation of the "Kaisha Bunkatsu" in accordance with the Corporate Split Agreement listed on Appendix D hereto and pursuant to Section 757 of the Japanese Corporation Code, in each case promptly after the same becomes available (and, in any event, within two business days thereof).

2. AMENDMENTS TO THE SHAREHOLDERS' AGREEMENT

Effective as of the date of this Amendment Agreement, the Shareholders' Agreement is hereby amended as follows:

2.01 Preamble

The Preamble of the Shareholders' Agreement is amended by (i) replacing the comma after the word "corporation" in the sixth line with the phrase "to be renamed Kirin Holdings Company and", (ii) replacing the phrase "1900 Oak Terrace Lane" with the phrase "One Amgen Center Drive", and (iii) replacing the phrase "("Kirin")," with the phrase "("Kirin" or "Kirin Holdings"), Kirin Pharma Company, Limited, a Japanese corporation having its principal office at 26-1, Jingumae 6-chome, Shibuya-ku, Tokyo, Japan 150-8011 (including any successors by way of merger, consolidation, Share Exchange or similar transaction, "Kirin Pharma"),".

2.02 Certain Definitions

Paragraph 1 of the Shareholders' Agreement is amended by inserting (i) in Paragraph 1.10, after the word "Kirin," in the first and third lines, the phrase "Kirin Pharma,", (ii) in Paragraph 1.09, in the place of the word "Kirin", the phrase "Kirin Pharma" and (iii) after Paragraph 1.10, new Paragraphs 1.11 through 1.33 as follows:

1.11 Administrative Matters

The term Administrative Matters shall mean any matter relating to the handling and resolution of intellectual property matters, legal matters and payment of expenses.

1.12 Affiliate

The term Affiliate shall mean, with respect to any Person, any Person directly or indirectly Controlling, Controlled by, or under common Control with, such other Person as of the

date on which, or at any time during the period for which, the determination of affiliation is being made.

1.13 Asian Country

The term Asian Country shall mean any of the jurisdictions specified in Appendix C attached to this Amendment Agreement, and the term Asian Countries shall mean all such jurisdictions collectively.

1.14 Asian Pharma Entity

The term Asian Pharma Entity shall mean any corporation that (i) is incorporated or otherwise organized under the laws of, and has its principal executive offices in, any Asian Country; (ii) derives at least 80% of its consolidated revenues from the development, manufacture, processing, distribution or sale of pharmaceutical or biotechnology products in Asian Countries; and (iii) is not Controlled, directly or indirectly, by a Non-Asian Pharma Entity.

1.15 Average Two-Year Trailing Revenues

The term Average Two-Year Trailing Revenues with respect to any particular fiscal year shall mean the average of the total revenues and other income of Corporation, as set forth in the audited annual financial statements of Corporation, for the two immediately preceding fiscal years.

1.16 Beneficial Owner

The term Beneficial Owner shall mean, with respect to any Equity Securities, any Person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares (i) voting power, which includes the power to vote, or to direct the voting of, such Equity Security; and/or (ii) investment power, which includes the power to dispose, or to direct the disposition of, such Equity Securities. The terms Beneficially Owned and Beneficial Ownership shall have corresponding meanings. In any dispute between Amgen and Kirin concerning whether or not a Person who is not a record holder of Equity Securities is nonetheless a Beneficial Owner of such Equity Securities, Amgen shall have the burden of proving that such Person is a Beneficial Owner.

1.17 Consumer Price Index

The term Consumer Price Index shall mean the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the U.S. Department of Commerce, Los Angeles All Items (1982-1984=100), or any successor index thereto, appropriately adjusted. If the Consumer Price Index is converted to a different standard reference base or otherwise revised, then, whenever the determination of a Consumer Price Index figure is called for herein, the Consumer Price Index shall be converted in accordance with the conversion factors published by the U.S. Department of Commerce, Bureau of Labor Statistics, or, if such Bureau does not publish such conversion factors, the conversion factors published by any other nationally recognized publisher of similar statistical information determined by Amgen.

1.18 Control

The term Control, as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through the ownership of voting securities or by contract or otherwise. The phrases Controlled by and under common Control with shall have corresponding meanings.

1.19 Control Event

The term Control Event shall mean any of the following: (i) the first date on which the shares of common stock of Kirin Pharma held of record by Kirin Holdings of which Kirin Holdings is a Beneficial Owner cease to constitute at least 2/3 (two thirds) of the total number of shares of common stock of Kirin Pharma on a fully diluted basis or cease to represent at least 2/3 (two thirds) of the votes entitled to be cast on any matter by holders of Equity Securities of Kirin Pharma; provided that, in the event but only in the event that Kirin Pharma consummates a Qualified Public Merger or Qualified Public Offering, as of and from the time of such consummation this clause (i) shall automatically be amended to replace each of the two instances of the phrase "2/3 (two thirds)" above (but not the instance of that phrase below) with the phrase "a majority"; provided, further, that, if Kirin Holdings acquires a majority of the outstanding Equity Securities of a corporation (a majority of the Equity Securities of which corporation are listed for trading on a recognized national or international securities exchange) ("Target") and concurrently therewith or thereafter contributes all of the outstanding common stock of Kirin Pharma to the Target with the result that all of the outstanding common stock of Kirin Pharma is owned by Target (such a transaction, a "Transitional Transaction"), then the fact that Kirin Holdings owns of record less than 2/3 of the outstanding common stock of Kirin Pharma shall not constitute a Control Event if (x) the Target holds of record all of the outstanding shares of common stock of Kirin Pharma, (y) Kirin Holdings holds of record a majority of the outstanding Equity Securities of Target, and (z) within 365 days following Kirin Holdings' contribution to Target of shares of common stock of Kirin Pharma, Kirin Pharma is merged into Target in a transaction constituting a Qualified Public Merger, (ii) the first date on which Kirin Holdings ceases to have the ability to elect at least a majority of the members of the board of directors of Kirin Pharma; provided that, in the event that Kirin Holdings, Kirin Pharma and a Target enter into a Transitional Transaction, the fact that Kirin Holdings ceases to have the direct ability to elect at least a majority of the members of the board of directors of Kirin Pharma shall not constitute a Control Event if (x) the Target has the ability to elect all of the directors of Kirin Pharma, (y) Kirin Holdings has the ability to elect a majority of the directors of Target, and (z) within 365 days following Kirin Holdings' contribution to Target of shares of common stock of Kirin Pharma, Kirin Pharma is merged into Target in a transaction constituting a Qualified Public Merger, (iii) the consummation of any Restricted Transaction or, if earlier, the public announcement, execution or delivery of any agreement, plan or proposal contemplating any Restricted Transaction, in any such case without the prior written consent of Amgen, or (iv) to the extent that Kirin Holdings or Kirin Pharma consummates a transaction or series of transactions that, but for the fact that it was entered into with a Qualified Third Party or Non-Pharma Entity, would have constituted a Restricted Transaction, the first date on which such Qualified Third Party ceases to be an Asian Pharma Entity or such Non-Pharma Entity ceases to be a Non-Pharma Entity.

1.20 CPI Adjustment

The term CPI Adjustment shall mean an adjustment of the FTE Rate, which shall be made by first multiplying such FTE Rate by the Consumer Price Index in effect as of the effective date of such adjustment and then dividing the resulting product by the Consumer Price Index in effect as of the later of the date of this Amendment Agreement and the date as of which the FTE Rate was last adjusted.

1.21 Equity Securities

The term Equity Securities shall mean, with respect to any Person other than a natural person, any shares of capital stock or other ownership interests of such Person and the securities convertible into or exchangeable or exercisable for or into any such shares or ownership interests.

1.22 FTE Rate

The term FTE Rate shall mean the rate used by the Parties to reimburse Kirin Pharma and Amgen for personnel-related expenses incurred by them in connection with their respective research and development activities.

1.23 Group

The term Group means any group of Persons acting in concert with respect to the acquisition, ownership or disposition of Equity Securities.

1.24 Kirin-Amgen Matter

The term Kirin-Amgen Matter shall mean, collectively, any Administrative Matter, any matter relating to Corporation under consideration by the primary business representatives of Amgen, on the one hand, and Kirin Holdings or Kirin Pharma, on the other hand, any matter or question required to be decided or acted upon by the Board of Directors or stockholders of Corporation and any matter requiring the consent of any of the Parties pursuant to this Agreement or any other agreement between or among Amgen, on the one hand, and Kirin Holdings or Kirin Pharma, on the other hand, related to Corporation or to the Products (as defined in Section 17.04.1).

1.25 Non-Asian Pharma Entity

The term Non-Asian Pharma Entity shall mean (i) any Person that derives 50% or more of its consolidated revenues from the development, manufacture, processing, distribution or sale of pharmaceutical or biotechnology products outside of Asian Countries, and (ii) any Person Controlled, directly or indirectly, by any Person described by clause (i) of this sentence.

1.26 Non-Pharma Entity

The term Non-Pharma Entity shall mean any Person that (i) derives less than 10% of its consolidated revenues from the development, manufacture, processing, distribution or sale

of pharmaceutical or biotechnology products, and (ii) if Controlled, is not Controlled, directly or indirectly, by any Person other than a Person described by clause (i) of this sentence.

1.27 Person

The term Person shall mean an individual, a corporation, a partnership, an association, a limited liability company, joint venture, estate, trust or other entity of any kind or nature.

1.28 Purchase Event

The term Purchase Event shall mean the first date on which shares of common stock of Kirin Pharma held of record by Kirin Holdings of which Kirin Holdings is a Beneficial Owner cease to constitute at least [*] of the total number of shares of common stock of Kirin Pharma on a fully diluted basis or cease to represent at least [*] of the votes entitled to be cast on any matter by holders of Equity Securities of Kirin Pharma; provided that, if Kirin Holdings acquires [*] of the outstanding Equity Securities of Target and concurrently therewith or thereafter consummates a Transitional Transaction, then the fact that Kirin Holdings owns of record less than [*] of the outstanding common stock of Kirin Pharma shall not constitute a Control Event if (i) Target holds of record [*] of the outstanding shares of common stock of Kirin Pharma, (ii) Kirin Holdings holds of record [*] of the outstanding Equity Securities of Target, and (iii) within [*] days following Kirin Holdings' contribution to Target of shares of common stock of Kirin Pharma, Kirin Pharma is merged into Target in a transaction constituting a Qualified Public Merger.

1.29 Qualified Public Merger

The term Qualified Public Merger shall mean any merger, consolidation or Share Exchange of Kirin Pharma with or into any other corporation (a majority of the Equity Securities of which corporation are listed for trading on a recognized national or international securities exchange) after the consummation of which merger, consolidation or Share Exchange at least 30% but less than 50% of the total number of shares of common stock of Kirin Pharma, calculated on a fully diluted basis, are listed for trading on a recognized national or international securities exchange; provided, however that after the consummation of a Qualified Public Merger (other than Share Exchange) in which Kirin Pharma is not the surviving corporation, all references to shares of common stock of Kirin Pharma herein shall be deemed to be references to shares of common stock of such surviving corporation.

1.30 Qualified Public Offering

The term Qualified Public Offering shall mean a public offering, registered under the Securities and Exchange Law of Japan and conducted on a "firm commitment" basis for an aggregate offering price of not less than ¥5 billion, of shares of common stock of Kirin Pharma that upon completion of such offering will be listed on the Tokyo Stock Exchange and will represent at least 30% but less than 50% of the total number of shares of common stock of Kirin Pharma on a fully diluted basis.

1.31 Qualified Third Party

The term Qualified Third Party shall mean any Asian Pharma Entity that is not making or asserting and, within the past five years, has not made or asserted, against Amgen or any of its Affiliates or any of their significant subsidiaries, in any written communication, action, suit, proceeding or arbitration, any claim which, if resolved other than in Amgen's favor, could materially and adversely affect the business, assets, business relationships, prospects, financial condition or results of operations of Amgen or any such Affiliate or significant subsidiary.

1.32 Restricted Transaction

The term Restricted Transaction shall mean any transaction or series of transactions (including but not limited to any issuance, sale, transfer, assignment, pledge, hypothecation or other disposition or encumbrance of securities or other assets or property, and any merger, consolidation, Share Exchange, reorganization, recapitalization or reverse stock split) as a result of which any Person or Group (other than Kirin Holdings or an employee of Kirin Pharma) (i) is or will become the Beneficial Owner of (A) any Equity Securities of Kirin Pharma and such Beneficial Ownership could affect the management or business of Corporation, or (B) any Equity Securities of Corporation, or (ii) possesses or will possess the right to appoint one or more members of the board of directors of (A) Kirin Pharma, where the existence or exercise of such rights could affect the management or business of Corporation, or (B) Corporation, other than any (v) issuance, sale or transfer of Equity Securities of Kirin Holdings to any Qualified Third Party or Non-Pharma Entity, (w) merger, consolidation, Share Exchange or similar business combination transaction between Kirin Holdings, on the one hand, and any Qualified Third Party or Non-Pharma Entity, on the other, (x) Qualified Public Merger, or (y) Qualified Public Offering, or (z) Transitional Transaction in which (I) the Target holds of record all of the outstanding shares of common stock of Kirin Pharma, (II) Kirin Holdings holds of record a majority of the outstanding Equity Securities of Target, (III) the Target has the ability to elect all of the directors of Kirin Pharma, (IV) Kirin Holdings has the ability to elect a majority of the directors of Target, and (V) within 365 days following Kirin Holdings' contribution to Target of shares of common stock of Kirin Pharma, Kirin Pharma is merged into Target in a transaction constituting a Qualified Public Merger.

1.33 Share Exchange

The term Share Exchange shall mean a *kabushiki-kokan* or *kabushiki-iten*, as those terms are currently construed under the Japanese Corporation Code.

2.03 Qualification of Board Members

Paragraph 12.01 of the Shareholders' Agreement is amended by inserting after the second sentence thereof, the following sentence: "Each member of the Board of Directors of Corporation (and each candidate therefor nominated by Kirin or Amgen) shall be an employee of Kirin or one of its subsidiaries or Amgen or one of its subsidiaries, as the case may be."

2.04 Shareholder Consultation

Paragraph 12 of the Shareholders' Agreement is amended by inserting, after Paragraph 12.03, Paragraphs 12.03A and 12.03B as follows:

"12.03A Administrative Decision-Making

The Parties shall cause all Administrative Matters to be handled in a manner consistent with their respective past practices.

12.03B Decision Deadlocks

12.03B.1 If, with respect to any Kirin-Amgen Matter, the representatives of the applicable Parties are unable to reach agreement within [*] calendar days following the date on which such Kirin-Amgen Matter is first notified by one Party to the other Party, then either such Party shall be entitled to implement the consultation process contemplated by this Paragraph by giving written notice to the other Party (each, an "Escalation Notice").

12.03B.2 Within [*] calendar days following receipt of an Escalation Notice, the applicable Parties shall cause such Kirin-Amgen Matter to be referred to the President and the Chairman of Corporation (or such designees who have decision-making authority with respect to such Kirin-Amgen Matter), and the applicable Parties shall cooperate to cause such President and Chairman (or their designees) to resolve such disagreement in good faith within [*] calendar days following the date of the related Escalation Notice.

12.03B.3 If the President and the Chairman of Corporation are unable to reach agreement on such Kirin-Amgen Matter during such period, the applicable Parties shall cause such Kirin-Amgen Matter to be referred to the attendees of Kirin and Amgen at the first succeeding executive business meeting of Corporation and the applicable Parties shall cooperate to cause such attendees to resolve such disagreement in good faith at such executive business meeting.

12.03B.4 If such attendees are unable to resolve such disagreement at such meeting, within [*] calendar days following such meeting, the applicable Parties shall cause such Kirin-Amgen Matter to be referred to the respective Chief Executive Officers of Kirin and Amgen, and the applicable Parties shall cooperate to cause such Chief Executive Officers to resolve such disagreement in good faith within [*] calendar days following the date of the preceding executive business meeting.

12.03B.5 If the authorized representatives of the applicable Parties reach agreement with respect to such Kirin-Amgen Matter pursuant to this Paragraph, Kirin and Amgen shall take such actions as are necessary to cause Corporation to implement such decision. If the Chief Executive Officers of Kirin and Amgen are unable to reach agreement on such Kirin-Amgen Matter, neither Corporation nor its Board of Directors or Officers shall be required to take any action in connection therewith."

2.05 Management

(a) Paragraph 12.06 of the Shareholders' Agreement is amended by replacing the phrase "Kirin and/or Amgen" in the seventh line thereof with the phrase "any of the Parties".

(b) Paragraph 12.07 of the Shareholders' Agreement is amended by replacing the phrase "Kirin and/or Amgen" in the fourth line thereof with the phrase "any of the Parties".

(c) Paragraph 12.10 of the Shareholders' Agreement is amended by inserting, after the word "Kirin", the phrase ", Kirin Pharma".

2.06 Business Matter

(a) Paragraph 13.01 of the Shareholders' Agreement is amended by (i) replacing the phrase "Kirin and Amgen" in the second line thereof with the phrase "the Parties", and (ii) replacing the word "Kirin" in the first line of clause (i), and the second, fifth and eleventh lines of clause (iii) with the phrase "Kirin Pharma".

(b) Paragraphs 13.02 and 13.03 of the Shareholders' Agreement are amended by replacing each instance of the word "Kirin" with the phrase "Kirin Pharma".

2.07 Restrictions on Shares

(a) Paragraph 14.01 of the Shareholders Agreement is amended by deleting the words "in any other way dispose of or" and ", voluntarily and involuntarily, by bankruptcy, operation of law or otherwise" in the sixth through eighth lines thereof.

(b) Paragraph 14.02 of the Shareholders' Agreement is deleted in its entirety.

(c) Paragraphs 14.03 and 14.04 of the Shareholders' Agreement are amended and restated as follows:

"14.03 Purchase Price

For purposes of Paragraphs 14.01 above and 17.04 below, the "Purchase Price" to be paid for the shares (the "Purchase Shares") of the transferring shareholder (the "Transferor") shall be as follows:

(i) The Purchase Price shall be [*], and shall be determined in United States dollars as of a date not later than [*] calendar days following the date of the notice in writing (each, an "Exercise Notice") provided by the Nontransferring Shareholder or Amgen, as the case may be (the "Transferee"), pursuant to Paragraph 14.03 or 17.04, as the case may be; provided that, if such determination is made by [*] in accordance with Paragraph 14.03(ii), such determination shall be made as of the month preceding the date on which such [*] is made.

(ii) The Purchase Price shall be determined, if possible, by the mutual agreement of the Transferor and Transferee in accordance with the definition set forth in Paragraph 14.03(i). If Transferor and Transferee are unable to reach agreement within [*] calendar days following the date of the Exercise Notice, the Purchase Price shall be determined by [*]. If Transferor and Transferee are unable to [*], each shall choose [*] and the [*] shall, in good faith, select [*]. The [*] so selected shall determine the Purchase Price, which determination shall be final and binding on Transferor and Transferee. If either Transferor or Transferee fail to select [*] within [*] calendar days after receipt of notice from the other Party specifying such failure, such other Party may select [*] in its sole discretion to determine the Purchase Price, which determination shall be final and binding on Transferor and Transferee. Transferor and Transferee shall instruct the [*] so retained to deliver a written opinion as to the Purchase Price to each of them within [*]

calendar days following the selection of the [*]. The cost of determining the Purchase Price, including the fees and expenses of the [*], shall, unless otherwise agreed by Transferor and Transferee in writing, be borne [*].

(iii) Corporation agrees to furnish the [*] retained pursuant to Paragraph 14.03(ii) with such financial, business or other information as is reasonably necessary to allow it to evaluate the business, financial condition and results of operations of Corporation, subject to execution of a reasonable confidentiality agreement between Corporation and such [*].

14.04 Purchase Closing

(i) The consummation of the purchase and sale of the Purchase Shares (the "Purchase Closing") shall occur on the 15th calendar day (or, if such 15th calendar day is not a business day, the next succeeding business day) following the last to occur of (i) the final determination of the Purchase Price, and (ii) the receipt of any governmental and regulatory approvals required for the consummation of the Purchase Closing, at 10:00 a.m., California time, at the principal executive office of Transferee. At the Purchase Closing, the Transferor shall deliver to Corporation a share certificate or share certificates evidencing the Purchase Shares, endorsed for transfer to the Transferee, and a notice of transfer sufficient to effect the transfer of the Purchase Shares to the Transferee, and the Transferee shall deliver the Purchase Price to the Transferor in cash, by wire transfer or by certified or official bank check, in any case denominated in United States dollars, and the transfer of the ownership of the Purchase Shares shall be duly recorded in the share register of Corporation.

(ii) The consummation of such transaction shall constitute (i) a warranty by the Transferor to the Transferee that, as of the Purchase Closing, all such Purchase Shares shall be duly authorized, validly issued and fully paid and that the sale and delivery of the Purchase Shares at the Purchase Closing shall vest in the Transferee good legal title and beneficial ownership of the Purchase Shares, free and clear of all liens, charges, encumbrances, usufructs, restrictions, options and other claims, and (ii) an agreement by the Transferee to indemnify the Transferor and hold it harmless against any losses or damages arising out of the foregoing warranty."

2.08 Endorsement of Certificates

Section 16 of the Shareholders' Agreement is amended by replacing the word "Kirin" with the phrase "Kirin Holdings, Kirin Pharma".

2.09 Additional Provisions

Section 17 of the Shareholders' Agreement is amended and restated as follows:

"17. ADDITIONAL PROVISIONS

17.01 Restricted Transactions

Neither Kirin nor Kirin Pharma shall, without the prior written consent of Amgen, consummate, publicly announce, execute or deliver any agreement, plan or proposal

contemplating any Restricted Transaction or take or permit any action or suffer to exist any event, condition or circumstance that is reasonably likely to result in any Restricted Transaction.

17.02 Control Event

Kirin shall provide Amgen with confidential written notice (containing, with respect to an event referred to in clause (a), a reasonably detailed description of the proposed agreement or transaction) of (a) its expected entry into any agreement or transaction providing for a Control Event, not later than [*] calendar days prior to entering into such agreement or transaction, and (b) the occurrence of a Control Event within [*] calendar days following such occurrence. Upon the occurrence of a Control Event:

17.02.1 Corporation shall at Amgen's option, which it may exercise by giving written notice thereof at any time on or prior to the [*] calendar day following its receipt of notice of the occurrence of such Control Event, immediately issue and deliver to Amgen one share of preferred stock having the terms set forth in Article Fifth of Corporation's Amended and Restated Certificate of Incorporation to be filed on or about June 29, 2007 (such share, the "Control Share" and such Amended and Restated Certificate of Incorporation, the "Restated Charter"), and Amgen shall promptly pay to Corporation, against the delivery thereof, the par value thereof. Amgen, Kirin Holdings and Kirin Pharma hereby irrevocably consent to such issuance of the Control Share in accordance with Paragraph 2.13.1.

17.02.2 Upon the issuance to Amgen of one share of preferred stock of Corporation pursuant to Paragraph 17.02.1, the number of members of the Board of Directors of Corporation shall automatically increase to seven directors pursuant to Article Eighth of the Restated Charter, and Amgen, in its capacity as holder of all of the outstanding shares of preferred stock, shall promptly nominate, designate and elect the member of the board of directors of Corporation entitled to be nominated, designated and elected by holders of such shares pursuant to paragraph (a) of Article Fifth of the Restated Charter.

17.02.3 Each Party shall take all actions, and execute and deliver all documents and instruments, reasonably necessary to give full effect to the provisions of this Paragraph 17.02 and the Restated Charter.

17.03 Purchase Event

Kirin shall provide Amgen with confidential written notice (containing, with respect to an event referred to in clause (a), a reasonably detailed description of the proposed agreement or transaction) of (a) its expected entry into any agreement or transaction providing for a Purchase Event, not later than [*] calendar days prior to entering into such agreement or transaction, and (b) the occurrence of a Purchase Event within [*] calendar days following such occurrence. Such notice shall be deemed given when such notice is received.

Upon the occurrence of a Purchase Event, (i) Amgen shall have the option, which it may exercise by giving written notice thereof to Kirin and Corporation at any time on or prior to the [*] calendar day following its receipt of notice of the occurrence of such Purchase Event, to elect to purchase [*] of the Equity Securities of Corporation held by Kirin (the "Kirin Shares") in accordance with Paragraphs 14.03 and 14.04, as amended, and (ii) the Corporation shall be

entitled to, and Amgen may (by written notice given, in its sole discretion, on Corporation's behalf), at any time following such occurrence, terminate any or all of the agreements between Corporation, on the one hand, and Kirin and/or Kirin Pharma, on the other hand, including any or all of the Kirin/Amgen Agreements, and each such agreement is hereby amended to so provide.

17.04 R&D Funding & Reimbursement Obligations

17.04.1 Corporation shall, and Kirin and Amgen shall cooperate to cause Corporation to, (i) authorize Amgen to incur expenses on Corporation's behalf, in each calendar year specified in the table below, in respect of research and development activities conducted by Amgen in relation to indications presented to the Board of Directors of Corporation prior to July 1, 2007 of any of [*] (each as defined in the applicable amendment to this Agreement and the related agreements between or among one or more of the Parties and, collectively, the "Products"), up to at least the aggregate expense amount set forth opposite such calendar year in the second column of the table below, and (ii) authorize Kirin Pharma to incur expenses on Corporation's behalf, in each calendar year specified in the table below, in respect of research and development activities conducted by Kirin Pharma in relation to such indications of the Products, up to at least the aggregate expense amount set forth opposite such calendar year in the third column of the table below. Corporation shall account for such authorized expenses in accordance with U.S. generally accepted accounting principles and shall reimburse Amgen and Kirin Pharma therefor in accordance with past practice. Each such aggregate expense amount shall be allocated among Amgen's or Kirin Pharma's research and development activities relating to such indications of the Products in a manner determined by Amgen or Kirin Pharma, as the case may be, in its sole discretion, and each such Party shall provide Corporation with reasonable notice of such allocation.

Year	Amgen Aggregate Expense Amount	Kirin Pharma Aggregate Expense Amount
[*]	[*]	[*]
[*]	[*]	[*]
[*]	[*]	[*]

Any expenses that Amgen or Kirin Pharma incurs on behalf of Corporation in respect of research and development activities relating to such indications of the Products that are in excess of such aggregate expense amount shall require the approval of the Board of Directors of Corporation. Notwithstanding anything to the contrary herein, [*].

17.04.2 Corporation shall, and Kirin and Amgen shall cooperate to cause Corporation to, authorize each of Kirin Pharma and Amgen to incur expenses on Corporation's behalf, in each calendar year from [*] through 2019, in respect of research and development activities conducted by Kirin Pharma and/or Amgen in relation to the Products, up to at least an aggregate expense amount equal to [*] of the [*] of Corporation applicable to such calendar year. Corporation shall account for such authorized expenses in accordance with U.S. generally accepted accounting principles and shall reimburse Kirin Pharma and/or Amgen therefor in accordance with past practice. Each such aggregate expense amount shall be allocated among Kirin Pharma's and Amgen's respective research and development activities relating to the

Products in a manner determined by the Board of Directors of Corporation in its sole discretion. In the event that the Board of Directors of Corporation is unable to reach agreement on such allocation, the applicable aggregate expense amount shall be allocated among Kirin Pharma and Amgen's respective research and development activities in proportion to the previous year's allocation.

17.04.3 If at any time the revenue of Corporation, together with any cash on hand, is insufficient to fund the payment obligations of Corporation under this Paragraph 17.04, then Kirin and Amgen shall make capital contributions to Corporation, ratably according to the number of shares of common stock of Corporation held by each of them, in an aggregate amount equal to the amount by which such payment obligation exceeds such income and cash on hand and otherwise in accordance with Paragraph 2.13. Each of Kirin and Amgen shall have the right to deduct from any amounts (including royalties) owed by such Party to Corporation pursuant to any agreement between such Party and Corporation any unpaid amounts required to be paid by Corporation pursuant to this Paragraph 17.04.

17.05 FTE Rates

Corporation agrees, and Kirin and Amgen agree to cause Corporation to, adjust the FTE Rate by means of a CPI Adjustment effective as of January 1 of each calendar year; provided that, unless otherwise agreed by Kirin and Amgen in writing, in no event shall any FTE Rate be reduced to an amount less than the prior year's FTE Rate."

2.10 Export Control Laws

Paragraph 19.02 of the Shareholders' Agreement is amended by replacing the word "Kirin" with the phrase "Kirin Pharma".

2.11 Entire Agreement; Amendment

Paragraph 22.03 of the Shareholders' Agreement is amended by replacing the phrase "Kirin, Amgen and the Corporation" in the second sentence thereof with the phrase "each Party".

2.12 Notices

Paragraph 22.01 of the Shareholders' Agreement is amended and restated as follows:

"All notices, requests, demands and other communications required or permitted to be given under this Agreement shall be in writing and shall be addressed to the following:

"Kirin Holdings" Kirin Holdings Company, Limited
10-1, Shinkawa 2-chome, Chuo-ku
Tokyo, 104-8288, Japan

Attention: General Manager, Corporate Planning Department
Facsimile No.: +81-3-5540-3587
Telephone No.: +81-3-5540-3424

"Kirin Pharma" Kirin Pharma Company, Limited
26-1, Jingumae 6-chome, Shibuya-ku
Tokyo, 150-8011, Japan

Attention: General Manager, Planning Department
Facsimile No.: +81-3-5485-6301
Telephone No.: +81-3-5485-6765

"Amgen" Amgen Inc.
One Amgen Center Drive
Thousand Oaks, California 91320-1799, United States
Attention: General Counsel
Facsimile No.: +1-805-499-6751
Telephone No.: +1-805-447-1000

"Corporation" Kirin-Amgen, Inc.
c/o Amgen Inc.
One Amgen Center Drive
Thousand Oaks, California 91320-1799, United States

Attention: President of Kirin-Amgen
Facsimile No.: +1-805-499-6751
Telephone No.: +1-805-447-1000

Either Party may change its address to which notices shall be sent by giving notice to the other Party in the manner herein provided. Any notice required or provided for by the terms of this Agreement shall be in writing and shall be (a) sent by means of "next day" air express delivery via a reputable international overnight courier service, or (b) sent by facsimile transmission, in each case properly addressed in accordance with the paragraph above. The effective date of notice shall be the actual date of receipt by the Party receiving the same."

2.13 Publicity and Disclosure

Paragraph 22.02 of the Shareholders' Agreement is amended and restated as follows:

"22.02 Confidential Information; Disclosure and Publicity

22.02.1 Each Party agrees not to, and agrees to cause such Party's directors,

officers, employees, etc. not to, disclose or permit the disclosure to any third party of any confidential, non-public or proprietary information relating to the business of Corporation or any other Party (collectively, "Confidential Information"); provided that such disclosure may be made (i) with the prior written consent of Kirin and Amgen, (ii) to any Person who is a director, officer, employee, attorney, agent, consultant or accountant of a Party who needs to know such information for the purposes of this Agreement and in connection with the conduct of the business of Corporation, and agrees to be bound by such Party's confidentiality obligations hereunder, (iii) subject to Paragraph 22.02.2, pursuant to a subpoena or order issued by a court, arbitrator or governmental body, agency or official, or (iv) subject to Paragraph 22.02.3, to the extent required by applicable law or by the rules of any securities exchange.

22.02.2 In the event that a Party or any of its Affiliates is required to disclose any Confidential Information in connection with any judicial or administrative proceedings (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigation demand or similar process), that Party in advance of such disclosure shall provide the other Parties with prompt notice of such requirement(s). Such Party also agrees, to the extent legally permissible, to provide the other Parties, in advance of any such disclosure, with a list of any Confidential Information it intends to disclose (and, if applicable, the text of the disclosure language itself) and to cooperate with the other Parties to the extent they may seek to limit such disclosure, including, if requested, taking all reasonable steps to resist or avoid any such judicial or administrative proceeding referred to above. If, in the absence of a protective order or the receipt of a waiver from the other Parties after a request in writing therefor is made by such Party (such request to be made as soon as practicable to allow the other Parties a reasonable amount of time to respond thereto), such Party or any of its Affiliates is legally required to disclose the Confidential Information to any tribunal to avoid censure or penalty, such Party may disclose such information without liability hereunder.

22.02.3 No Party shall issue or publish any press release or other public communication about Corporation or its business without the express written consent of the other Party, except to the extent such public communication is required by applicable law or by the rules of any securities exchange; provided that, to the extent practicable, such Party shall provide notice to and consult with the other Party on the content of such communication."

2.14 Expansion of Business

Paragraph 22.19 of the Shareholders' Agreement is amended by replacing the phrase "Amgen or Kirin" with the phrase "any of the Parties".

3. REPRESENTATIONS AND WARRANTIES

3.01 Representations and Warranties of Kirin Holdings and Kirin Pharma

To induce Amgen to enter into and perform this Agreement, Kirin Holdings and Kirin Pharma (collectively, the "Kirin Parties"), jointly and severally, represent and warrant to Amgen as of the date hereof as follows:

(a) Kirin Pharma is a corporation duly organized and validly existing and in good standing under the laws of the country of Japan and has all requisite power and authority to

lawfully carry on its business as now being conducted and to make, execute, deliver and perform this Amendment Agreement. All of the outstanding Equity Securities of Kirin Pharma are held of record and beneficially by Kirin Holdings.

(b) This Amendment Agreement has been duly authorized and has been approved by all necessary corporate action of each Kirin Party. This Amendment Agreement has been duly executed and delivered by each Kirin Party and constitutes a valid and legally binding obligation of each Kirin Party, enforceable against each Kirin Party in accordance with its terms.

(c) Neither execution or delivery of this Amendment Agreement nor its performance by each Kirin Party will, with or without notice, lapse of time or both, (i) conflict with, violate or result in a breach of any term, condition or provision of, nor constitute a material default under, or result in the acceleration of any material obligation under, or permit the termination of any indenture, material contract or other material agreement to which a Kirin Party is a party or by which a Kirin Party or its properties is subject or bound; (ii) conflict with or violate the provisions of any judgment, decree or order to which such Kirin Party is subject or such Kirin Party's registry certificate, articles of association or comparable governing documents, or to the best of each Kirin Party's knowledge, any law or regulation; or (iii) result in the creation or acceleration of any obligations under any lien, charge, pledge, security interest, claim or other encumbrance on any of the assets of any Kirin Party or any of its subsidiaries.

(d) Neither Kirin Party is a party to any pending or threatened suit, action or legal, administrative, arbitration or other proceeding which might materially and adversely affect the transactions contemplated by this Amendment Agreement, nor does either Kirin Party know of any facts which are likely with the passage of time to give rise to such a suit, action or proceeding.

(e) No notices, reports or filings are required to be made by any Kirin Party with, nor are any consents, registrations, approvals, permits or authorizations required to be obtained by any Kirin Party from, any domestic or foreign governmental or regulatory authority, agency, commission, body, court or other legislative, executive or judicial governmental entity (each, a "Governmental Entity"), in connection with the execution, delivery and performance of this Amendment Agreement by any of the parties hereto.

(f) Kirin Holdings and Kirin Pharma have provided Amgen with the documentation listed on Appendix D to this Agreement (the "Reorganization Package"), pertaining to the Reorganization and the assignment, conveyance and transfer of the rights and obligations of Kirin Holdings under each Kirin/Amgen Agreement. The documentation comprising the Reorganization Package is true, accurate and complete, and describes the Reorganization in all material respects. The Reorganization Package does not contain any untrue statement of a material fact, or omit to state a material fact necessary to make the statements or facts contained herein or therein not misleading. The Reorganization will be effected in accordance with the Reorganization Package.

3.02 Representations and Warranties of Amgen

To induce the Kirin Parties to enter into this Agreement, Amgen represents and

warrants to Kirin Holdings and Kirin Pharma as of the date hereof as follows:

(a) This Amendment Agreement has been duly authorized and has been approved by all necessary corporate action of Amgen. This Amendment Agreement has been duly executed and delivered and constitutes a valid and legally binding obligation of Amgen, enforceable against Amgen in accordance with its terms.

(b) Neither execution or delivery of this Amendment Agreement nor its performance by Amgen will, with or without notice, lapse of time or both, (i) conflict with, violate or result in a breach of any term, condition or provision of, nor constitute a material default under, or result in the acceleration of any material obligation under, or permit the termination of any indenture, material contract or other material agreement to which Amgen is a party or by which Amgen or its properties is subject or bound; (ii) conflict with or violate the provisions of any judgment, decree or order to which Amgen is subject or Amgen's certificate of incorporation, bylaws or comparable governing documents, or to the best of Amgen's knowledge, any law or regulation; or (iii) result in the creation or acceleration of any obligations under any lien, charge, pledge, security interest, claim or other encumbrance on any of the assets of Amgen or any of its subsidiaries.

(c) Amgen is not a party to any pending or threatened suit, action or legal, administrative, arbitration or other proceeding which might materially and adversely affect the transactions contemplated by this Amendment Agreement, nor does Amgen know of any facts which are likely with the passage of time to give rise to such a suit, action or proceeding.

(d) No notices, reports or filings are required to be made by Amgen with, nor are any consents, registrations, approvals, permits or authorizations required to be obtained by Amgen from a Governmental Entity, in connection with the execution, delivery and performance of this Amendment Agreement by any of the parties hereto.

4. GUARANTEE

Notwithstanding the provisions of any other document, agreement or instrument (including but not limited to the Corporate Split Agreement between Kirin Holdings and Kirin Pharma), the provisions of the Shareholders' Agreement, as amended by this Amendment Agreement, shall remain binding upon Kirin Holdings and Kirin Holdings shall not be released or discharged from any obligations in respect thereof. Notwithstanding the provisions of any other document, agreement or instrument, Kirin Holdings hereby absolutely, unconditionally and irrevocably guarantees to Amgen, as a primary obligor and not merely as a surety, the due and punctual performance and observance of, and compliance with, all covenants, agreements, obligations, liabilities, representations and warranties of Kirin Pharma under or pursuant to the Shareholders' Agreement, each Kirin/Amgen Agreement and this Amendment Agreement, as each such agreement may be amended or modified from time to time with or without notice to Kirin Holdings (all such obligations being collectively referred to as the "Guaranteed Obligations"). Amgen shall provide reasonable written notice to Kirin Holdings if Kirin Pharma fails to perform the Guaranteed Obligations when due. Kirin Holdings irrevocably and unconditionally waives, and agrees that its liability under this representation shall be unaffected by, any act, omission, delay or other circumstance or election of remedies by Amgen that might

otherwise constitute a legal or equitable discharge or defense of a guarantor or surety. Kirin Holdings further agrees that its guarantee is a continuing guarantee of payment and performance of the Guaranteed Obligations when due (whether or not any bankruptcy, insolvency or similar proceeding under applicable law shall have stayed the accrual or collection of any of the Guaranteed Obligations or operated as a discharge thereof) and not of collection. The foregoing guarantee shall [*] (a) as of the consummation of any transaction providing for a Purchase Event, if and only if Kirin Holdings [*] such transaction or (b) after the [*] that Kirin-Amgen [*] the agreements between Kirin-Amgen, on the one hand, and Kirin Holdings and/or Kirin Pharma, on the other hand, including all of such Kirin/Amgen Agreements, in accordance with Section 17.03 of the Shareholders Agreement, except that, in any such case of (a) or (b), no such [*] shall [*] Kirin Holdings from [*] with respect to any Guaranteed Obligations that [*] to such [*].

5. MISCELLANEOUS

5.01 No Further Amendment

Except as expressly set forth in this Amendment Agreement, from and after the effective time of the Reorganization, all the terms and conditions of the Shareholders' Agreement and each Kirin/Amgen Agreement shall remain unchanged and in full force and effect and shall continue to be binding between or among Kirin Pharma, Kirin Holdings and either or both of Amgen and Kirin-Amgen, as the case may be.

5.02 Entire Agreement; Amendment

This Amendment Agreement (together with its Appendices and all documents and instruments delivered in connection herewith) constitutes the full and complete agreement and understanding between the parties hereto and shall supersede any and all prior written and oral agreements concerning the subject matter contained herein. This Amendment Agreement may not be modified or amended, nor may any provision hereof be waived without a written instrument executed by the parties hereto.

5.03 Waiver

No failure or delay by any Party to insist upon the strict performance of any term, condition, covenant or agreement of this Amendment Agreement, or to exercise any right, power or remedy hereunder or thereunder or consequent upon a breach hereof or thereof shall constitute a waiver of any such term, condition, covenant, agreement, right, power or remedy or of any such breach or preclude such Party from exercising any such right, power or remedy at any later time or times.

5.04 Remedies

No right, power or remedy herein conferred upon or reserved to any Party is intended to be exclusive of any other right, power or remedy or remedies, and each and every right, power and remedy of any Party pursuant to this Amendment Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall to the extent permitted by law be cumulative and concurrent, and shall be in addition to every other right, power or remedy pursuant to this Amendment Agreement, or now or hereafter existing at law or in equity or by

statute or otherwise and the exercise or beginning of the exercise by any Party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by any Party of any or all such other rights, powers or remedies.

5.05 Headings

Headings in this Amendment Agreement are included herein for the convenience of reference only and shall not constitute a part of this Amendment Agreement for any purpose.

5.06 Effectiveness

Any provision of this Amendment Agreement which is prohibited or unenforceable in any jurisdiction shall as to such jurisdiction be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or effecting the validity or enforceability of such provision in any other jurisdiction.

5.07 Governing Law

This Amendment Agreement, other than the provision contained in the first paragraph of Section 1.03, shall be construed in accordance with the internal laws, and not the law of conflicts, of the State of California applicable to agreements made and to be performed in such state.

5.08 Binding Effect

This Amendment Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

5.09 Number and Gender

Words in the singular shall include the plural, and words in a particular gender shall include either or both additional genders, when the context in which such words are used indicates that such is the intent.

5.10 Counterparts

This Amendment Agreement may be executed in one or more counterparts by the parties hereto. All counterparts shall be construed together and shall constitute one agreement.

5.11 Validity

If for any reason any clause or provision of this Amendment Agreement, or the application of any such clause or provision in a particular context or to a particular situation, circumstance or person, should be held unenforceable, invalid or in violation of law by any court or other tribunal, then the application of such clause or provision in contexts or to situations, circumstances or persons other than that in or to which it is held unenforceable, invalid or in violation of law shall not be affected thereby, and the remaining clauses and provisions hereof shall nevertheless remain in full force and effect.

5.12 Confidentiality

(a) Each Party agrees not to, and agrees to cause such Party's directors, officers, employees, etc. not to, disclose or permit the disclosure to any third party of any confidential, non-public or proprietary information relating to this Amendment Agreement (collectively, "Amendment Confidential Information"); provided that such disclosure may be made (i) with the prior written consent of Kirin Holdings and Amgen, (ii) to any Person who is a director, officer, employee, attorney, consultant or accountant of a Party who needs to know such information for the purposes of this Amendment Agreement, and agrees to be bound by such Party's obligation hereunder, (iii) subject to Paragraph 5.12(b), pursuant to a subpoena or order issued by a court, arbitrator or governmental body, agency or official, (iv) subject to Paragraph 5.12(c), to the extent required by applicable law or by the rules of any securities exchange or (v) to any Person, who agrees in writing, for the benefit of the nondisclosing Parties, to comply with this Section 5.12, in connection with a due diligence investigation undertaken by such Person in connection with a merger, consolidation or Share Exchange with the disclosing Party, or a purchase of a material portion of the assets or the business (including corporate split) of the disclosing Party.

(b) In the event that a Party or any of its Affiliates is required to disclose any Amendment Confidential Information in connection with any judicial or administrative proceedings (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigation demand or similar process), that Party in advance of such disclosure shall provide the other Parties with prompt notice of such requirement(s). Such Party also agrees, to the extent legally permissible, to provide the other Parties, in advance of any such disclosure, with a list of any Amendment Confidential Information it intends to disclose (and, if applicable, the text of the disclosure language itself) and to cooperate with the other Parties to the extent they may seek to limit such disclosure, including, if requested, taking all reasonable steps to resist or avoid any such judicial or administrative proceeding referred to above. If, in the absence of a protective order or the receipt of a waiver from the other Parties after a request in writing therefor is made by such Party (such request to be made as soon as practicable to allow the other Parties a reasonable amount of time to respond thereto), such Party or any of its Affiliates is legally required to disclose the Amendment Confidential Information to any tribunal to avoid censure or penalty, such Party may disclose such information without liability hereunder.

(c) No Party shall issue or publish any press release or other public communication concerning this Amendment Agreement without the express written consent of the other Parties, except to the extent such public communication is required by applicable law or by the rules of any securities exchange; provided that, to the extent practicable, such Party shall provide notice to and consult with the other Parties on the content of such communication. Kirin Holdings, Kirin Pharma and Kirin-Amgen hereby acknowledge and agree that Amgen shall have the right to file an unredacted copy of this Amendment Agreement with the U.S. Securities and Exchange Commission.

IN WITNESS WHEREOF, the undersigned have caused this Amendment Agreement to be executed by their duly authorized representatives in the manner legally binding upon them.

KIRIN BREWERY COMPANY, LIMITED

By /s/ Kazuyasu Kato
Name: Kazuyasu Kato
Title: President, Representative Director
Date: June 28, 2007

KIRIN PHARMA COMPANY, LIMITED

By /s/ Katsuhiko Asano
Name: Katsuhiko Asano, Ph.D
Title: President, Representative Director
Date: June 28, 2007

AMGEN INC.,
a Delaware corporation

By /s/ George J. Morrow
Name: George J. Morrow
Title: Executive Vice President, Global Commercial Operations
Date: June 28, 2007

KIRIN-AMGEN, INC.,
a Delaware corporation

By /s/ Dominique Monnet
Name: Dominique Monnet
Title: President
Date: June 28, 2007

Kirin/Amgen Agreements

[*]

Restated Charter

Asian Countries

[*]

Reorganization Package

[*]

Exhibit 10.76

EXECUTION COPY

PURCHASE AGREEMENT

Dated May 24, 2007

between

AMGEN INC.

and

MORGAN STANLEY & CO. INCORPORATED

and

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

and

THE INITIAL PURCHASERS NAMED IN SCHEDULE A HEREOF

AMGEN INC.

$2,000,000,000 SENIOR FLOATING RATE NOTES DUE 2008

$1,100,000,000 5.85% SENIOR NOTES DUE 2017

$900,000,000 6.375% SENIOR NOTES DUE 2037

PURCHASE AGREEMENT

Dated May 24, 2007

Morgan Stanley & Co. Incorporated
Merrill Lynch, Pierce, Fenner & Smith Incorporated
c/o Morgan Stanley & Co. Incorporated
1585 Broadway New York,
New York 10036

Dear Sirs and Mesdames:

Amgen Inc., a Delaware corporation (the "Company"), proposes to issue and sell to the several purchasers named in Schedule A hereto (the "Initial Purchasers") $2,000,000,000 aggregate principal amount of its Senior Floating Rate Notes due 2008 (the "Floating Rate Notes"), $1,100,000,000 aggregate principal amount of its 5.85% Senior Notes due 2017 (the "2017 Notes") and $900,000,000 aggregate principal amount of its 6.375% Senior Notes due 2037 (the "2037 Notes" and, together with the Floating Rate Notes and the 2017 Notes, the "Securities") to be issued pursuant to the provisions of an Indenture, dated as of August 4, 2003 (the "Indenture"), between the Company and The Bank of New York, as successor to JPMorgan Chase Bank, N.A., as trustee (the "Trustee").

Pursuant to the transactions contemplated by this Agreement, the Securities will be offered and sold to the Initial Purchasers and reoffered by the Initial Purchasers without being registered under the Securities Act of 1933, as amended (the "Securities Act"), to qualified institutional buyers in compliance with the exemption from registration provided by Rule 144A under the Securities Act and in offshore transactions in reliance on Regulation S under the Securities Act ("Regulation S").

The Initial Purchasers and their direct and indirect transferees ("Subsequent Purchasers") will be entitled to the benefits of a Registration Rights Agreement, to be dated as of May 30, 2007 between the Company and Morgan Stanley & Co. Incorporated ("Morgan Stanley") and Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") on behalf of the Initial Purchasers (the "Registration Rights Agreement"), substantially in the form set forth in Exhibit A.

In connection with the offering of the Securities, the Company has prepared a preliminary offering memorandum dated May 23, 2007 (the "Preliminary Memorandum") and will prepare a final offering memorandum dated May 24, 2007 (the "Final Memorandum" and, together with the Preliminary Memorandum, each a "Memorandum") including or incorporating by reference a description of the terms of the Securities, the terms of the offering and a description of the Company.

As used herein, the term "Memorandum" shall include in each case the documents incorporated by reference therein. The terms "supplement," "amendment" and "amend" as used herein with respect to a Memorandum shall include all documents deemed to be incorporated by reference in the Preliminary Memorandum or Final Memorandum that are filed subsequent to the date of such Memorandum with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"). "Memorandum" means, with respect to any date or time referred to in this Agreement, the most recent memorandum (whether the Final Memorandum, or any amendment or supplement to such document), including exhibits thereto and any documents incorporated by reference therein, that has been prepared and delivered by the Company to the Initial Purchasers in connection with their solicitation of, purchase of, or offering of, the Securities.

1. Representations and Warranties. (a) The Company represents and warrants to, and agrees with, you that as of the date hereof and as of the Closing Date:

(i) As of the Applicable Time (as defined below), neither (x) the Preliminary Memorandum as of the Applicable Time as supplemented by the final pricing term sheet, in the form attached hereto as Schedule B (the "Pricing Supplement"), that has been prepared and delivered by the Company to the Initial Purchasers in connection with their solicitation of offers to purchase Securities, all considered together (collectively, the "Disclosure Package"), nor (y) any individual Supplemental Offering Materials (as defined below), when considered together with the Disclosure Package, included any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. "Applicable Time" means 2:20 pm (Eastern time) on May 24, 2007 or such other time as agreed by the Company and Morgan Stanley.

"Supplemental Offering Materials" means any "written communication" (within the meaning of the Securities Act and the rules and regulations thereunder (the "1933 Act Regulations")) prepared by or on behalf of the Company, or used or referred to by the Company, that constitutes an offer to sell or a solicitation of an offer to buy the Securities other than the Memorandum or amendments or supplements thereto (including the Pricing Supplement), including, without limitation, any road show relating to the Securities that constitutes such a written communication. The Company and each Initial Purchaser agree that no offering of the Securities will be made by the Company or any Initial Purchaser with any "written communication" (within the meaning of the 1933 Act Regulations other than such Supplemental Offering Materials) without the prior written agreement of the Company and Morgan Stanley and Merrill Lynch, other than as disclosed to the Company; *provided, however*, that prior to the preparation of the Pricing Supplement, the Initial Purchasers are authorized to use the information to be set forth in the Pricing Supplement in communications conveying information relating to the offering to potential investors.

As of its issue date and as of the Closing Date, the Final Memorandum will not include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

The representation and warranties in this subsection shall not apply to statements in or omissions from the Disclosure Package or the Final Memorandum made in reliance upon and in conformity with written information furnished to the Company by any Initial Purchaser expressly for use therein.

(ii) The Memorandum as delivered from time to time shall incorporate by reference the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006; the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2007 and the Company's Current Reports on Form 8-K filed with the Commission on January 19, 2007, February 20, 2007, March 2, 2007, March 12, 2007, April 12, 2007, May 15, 2007, May 21, 2007, May 22, 2007 and May 23, 2007. The documents incorporated or deemed to be incorporated by reference in the Memorandum at the time they were or hereafter are filed, or, if amended, as so amended, with the Commission complied and, with respect to future filings, will comply, in all material respects with the requirements of the Exchange Act and the rules and regulations of the Commission thereunder, and, when read together with the other information in the Memorandum, at the date of the Memorandum and at the Closing Date, will not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

(iii) Ernst & Young, LLP, which has audited certain consolidated financial statements of the Company and its consolidated subsidiaries to be incorporated by reference in the Memorandum, are independent registered public accountants with respect to the Company and its subsidiaries within the meaning of Regulation S-X under the Securities Act and the 1933 Act Regulations.

(iv) The consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2007, which is incorporated by reference in the Disclosure Package and Final Memorandum present fairly, in all material respects, the financial position of the Company and its consolidated subsidiaries at December 31, 2006 and 2005, and at March 31, 2007 and 2006, respectively, and the statements of operations and cash flows of the Company and its consolidated subsidiaries for each of the three years in the period ended December 31, 2006, and for each of the three months ended March 31, 2007 and 2006, respectively, in conformity with accounting principles generally accepted in the United States ("GAAP"). The related financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly in all material respects the information set forth therein.

(v) Since the respective dates as of which information is given in the Disclosure Package and Final Memorandum, except as otherwise stated therein, (A) there has been no material adverse change in the financial condition or in the earnings of the Company and its subsidiaries considered as one enterprise, (B) there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its subsidiaries considered as one enterprise, and (C) there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock not described in the Final Memorandum.

(vi) Each of the Company, Amgen Manufacturing, Limited, a Bermuda corporation ("Amgen Manufacturing"), and Immunex Corporation, a Washington corporation ("Immunex" and, together with Amgen Manufacturing, the "Significant Subsidiaries"), has been duly incorporated or organized and is validly existing in good standing under the laws of the jurisdiction in which it is incorporated, chartered or organized with the corporate power and authority to own or lease, as the case may be, and to operate its properties and conduct its business as described in the Disclosure Package and Final Memorandum and is duly qualified to do business as a foreign corporation or organization and is in good standing under the laws of each jurisdiction which requires such qualification, except, in each case, where the failure so to qualify or to be in good standing would not have a material adverse effect on the financial condition of the Company and its subsidiaries, considered as one enterprise (a "Material Adverse Effect").

(vii) All the issued and outstanding shares of capital stock of the Significant Subsidiaries have been duly and validly authorized and issued and are fully paid and nonassessable, and, except as may be otherwise set forth in the Disclosure Package and the Final Memorandum, all outstanding shares of capital stock of the Significant Subsidiaries are owned by the Company either directly or through a wholly-owned subsidiary free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity; none of the outstanding shares of capital stock of the Significant Subsidiaries was issued in violation of the preemptive or similar rights of any securityholder of either Significant Subsidiary.

(viii) Neither of the Significant Subsidiaries is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such subsidiary's capital stock, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's property or assets to the Company or any other subsidiary of the Company, except as may be described in or contemplated by the Disclosure Package and the Final Memorandum and except as would not result in a Material Adverse Effect.

(ix) The unaudited consolidated capitalization of the Company as of December 31, 2006 is as set forth in the Disclosure Package and the Final Memorandum in the column entitled "Actual" under the caption "Capitalization." The outstanding shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and nonassessable; none of the outstanding shares of capital stock of the Company was issued in violation of the preemptive or similar rights of any security holder of the Company.

(x) This Agreement has been duly authorized, executed and delivered by the Company.

(xi) The Indenture has been duly authorized, executed and delivered by the Company, and, assuming the due authorization, execution and delivery of the Indenture by the Trustee, is a valid and binding agreement of the Company enforceable against the Company in accordance with its terms, except (A) to the extent that a waiver of rights under any usury laws may be unenforceable and as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent conveyance, moratorium or other similar laws now or hereafter in effect relating to or affecting the enforcement of creditors' rights and remedies generally and (B) as rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability, whether or not enforcement is sought at law or in equity.

(xii) At the Closing Date, the Registration Rights Agreement will have been duly authorized by the Company and, when executed and delivered by the Company, assuming the due authorization, execution and delivery of the Registration Rights Agreement by the Initial Purchasers, will constitute a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except (A) as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent conveyance, moratorium or other similar laws now or hereafter in effect relating to or affecting the enforcement of creditors' rights and remedies generally, (B) as rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability, whether or not enforcement is sought at law or in equity and (C) as rights to indemnification or contribution may be limited by federal or state securities laws or public policy considerations.

(xiii) The Securities have been duly authorized by the Company, and, at the Closing Date, the Securities will have been duly executed by the Company and, when authenticated, issued and delivered in the manner provided for in the Indenture and delivered against payment of the Purchase Price (as defined below) therefore as provided in this Agreement, will be the valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except (A) to the extent that a waiver of rights under any usury laws may be unenforceable and as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent conveyance, moratorium or other similar laws now or hereafter in effect relating to or affecting the enforcement of creditors' rights and remedies generally and (B) as rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability, whether or not enforcement is sought at law or in equity. At the Closing Date, the Securities will be in the form contemplated by, and will be entitled to the benefits of, the Indenture and the Registration Rights Agreement.

(xiv) The Securities, the Indenture and the Registration Rights Agreement will conform in all material respects to the respective statements relating thereto contained in the Memorandum.

(xv) Neither the Company nor any of its Significant Subsidiaries is in violation of its charter or by-laws or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the

Company or any of its subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of its subsidiaries is subject, except for such defaults that would not result in a Material Adverse Effect.

(xvi) The execution, delivery and performance by the Company of its obligations under this Agreement, the Indenture, the Registration Rights Agreement and the Securities will not contravene any provision of (A) the Amended and Restated Certificate of Incorporation, or Amended and Restated Bylaws of the Company, (B) any agreement or other instrument binding upon the Company or its business or assets that is material to the financial condition of the Company and its subsidiaries, considered as one enterprise, (C) applicable law and (D) any judgment, order, decree of any governmental body, agency or court having jurisdiction over the Company or its business or assets.

(xvii) Except as disclosed in the Disclosure Package and the Final Memorandum, there is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries which might reasonably be expected to result in a Material Adverse Effect, or which might reasonably be expected to materially and adversely affect the properties or assets of the Company or any of its subsidiaries or the consummation of the transactions contemplated by this Agreement or the performance by the Company of its obligations hereunder. The aggregate of all pending legal or governmental proceedings to which the Company or any of its subsidiaries is a party or of which any of their respective property or assets is the subject which are not described in the Disclosure Package and the Final Memorandum, including ordinary routine litigation incidental to the business, could not reasonably be expected to result in a Material Adverse Effect.

(xviii) The Company and its Significant Subsidiaries own or possess, or can acquire on reasonable terms, adequate patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks and trade names (collectively, "Intellectual Property") which in each case are material to the financial condition of the Company and its subsidiaries, considered as one enterprise and, except as described in the Disclosure Package and the Final Memorandum, neither the Company nor any of its Significant Subsidiaries has received any notice of any infringement of or conflict with asserted rights of others with respect to any Intellectual Property, which infringement or conflict, singly or in the aggregate, could reasonably be expected to result in a Material Adverse Effect.

(xix) No consent, approval, authorization or order of or qualification with any governmental body or agency is required for the performance by the Company of its obligations under this Agreement, the Indenture or in connection with the offering, issuance and sale of the Securities, except (A) such as have been already obtained or will have been obtained prior to the Closing Date and (B) as may be required under the 1933 Act Regulations, the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and the Rules and Regulations thereunder, in each case with respect to transactions contemplated by the Registrations Rights Agreement and the Indenture.

(xx) The Company has all necessary consents, authorizations, approvals, orders, certificates and permits of and from (collectively, "Governmental Permits"), and has made all declarations and filings with, all federal, state, local and other governmental authorities, all self-regulatory organizations and all courts and other tribunals, to own, lease, license and use its properties and assets and to conduct its business in the manner described in the Disclosure Package and the Final Memorandum, except to the extent that the failure to obtain or file would not have a Material Adverse Effect; and the Company has not received any notice of proceedings relating to the revocation or modification of any such Governmental Permits which, singly or in the aggregate, could reasonably be expected to result in a Material Adverse Effect.

(xxi) Except as described in the Disclosure Package and the Final Memorandum and except as would not, singly or in the aggregate, result in a Material Adverse Effect, (A) neither the Company nor any of its subsidiaries is in violation of any federal, state, local or foreign statute, law, rule, regulation, ordinance, code, policy or rule of common law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products (collectively, "Hazardous Materials") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "Environmental Laws"), (B) the Company and its subsidiaries have all permits, authorizations and approvals required under any applicable Environmental Laws and are each in compliance with their requirements, (C) there are no pending or threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigations or proceedings relating to any Environmental Law against the Company or any of its subsidiaries and (D) there are no events or circumstances that might reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Company or any of its subsidiaries relating to Hazardous Materials or any Environmental Laws.

(xxii) Neither the Company nor any of its subsidiaries is in violation of any Federal or state law or regulation relating to occupational safety and health or to the storage, handling and transportation of hazardous or toxic materials; the Company and each of its subsidiaries have received all permits, licenses or other approvals required of them under applicable Federal and state occupational safety and health laws and Environmental Laws and regulations to conduct their respective businesses, and the Company and each such subsidiary is in compliance with all terms and conditions of any such permit, license or approval, except any such violation of law or regulation, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals that would not, singly or in the aggregate, result in a Material Adverse Effect, except as described in or contemplated by the Disclosure Package and the Final Memorandum.

(xxiii) The Company and its subsidiaries, taken as a whole, maintain a system of internal accounting controls sufficient to provide reasonable assurances that (A)

transactions are executed in accordance with management's general or specific authorization; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(xxiv) The Company is not, and after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in the Disclosure Package and Final Memorandum, will not be an "investment company," or an entity "controlled" by an investment company, as such terms are defined in the Investment Company Act of 1940, as amended.

(xxv) The Company and each of its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are reasonable and consistent with sound business practice.

(xxvi) Neither the Company nor any of its affiliates, as such term is defined in Rule 501(b) of Regulation D under the Securities Act (each, an "Affiliate"), has, directly or indirectly, solicited any offer to buy, sold or offered to sell or otherwise negotiated in respect of, or will solicit any offer to buy or offer to sell or otherwise negotiate in respect of, any security (as defined in the Securities Act) that is or would be integrated with the sale of the Securities in a manner that would require the Securities to be registered under the Securities Act.

(xxvii) The Securities are eligible for resale pursuant to Rule 144A under the Securities Act and will not be, at the Closing Date, of the same class as securities listed on a national securities exchange registered under Section 6 of the Exchange Act, or quoted in a U.S. automated interdealer quotation system.

(xxviii) None of the Company, any of its Affiliates or any person acting on its or any of their behalf (other than the Initial Purchasers and their Affiliates, as to whom the Company makes no representation) has engaged or will engage, in connection with the offering of the Securities, in any form of general solicitation or general advertising within the meaning of Rule 502(c) of Regulation D under the Securities Act or in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act.

(xxix) Subject to compliance by the Initial Purchasers with the representations, warranties and agreements set forth in Section 7, it is not necessary in connection with the offer, sale and delivery of the Securities to the Initial Purchasers and to each Subsequent Purchaser in the manner contemplated by this Agreement and the Disclosure Package and Final Memorandum to register the Securities under the Securities Act.

(xxx) The Company is subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act.

(xxxi) With respect to those Securities sold in reliance on Regulation S, (A) none of the Company, its Affiliates or any person acting on its or their behalf (other than the Initial Purchasers and their Affiliates, as to whom the Company makes no representation) has

engaged or will engage in any directed selling efforts within the meaning of Regulation S and (B) each of the Company and its Affiliates and any person acting on its or their behalf (other than the Initial Purchasers and their Affiliates, as to whom the Company makes no representation) has complied and will comply with the offering restrictions requirement of Regulation S.

(xxxii) There are no persons with registration rights or other similar rights to have any securities included in any registration statement filed pursuant to a registration agreement or in any offering made pursuant to such registration statement, other than pursuant to that certain Registration Rights Agreement, dated as of February 17, 2006, between the Company, Merrill Lynch, Pierce, Fenner & Smith, Incorporated and Morgan Stanley & Co. Incorporated.

(b) Officer's Certificate. Any certificate signed by any officer of the Company and delivered to the Initial Purchasers or counsel for the Initial Purchasers in connection with the issuance of the Securities shall be deemed a representation and warranty by the Company, as to matters covered thereby, to the Initial Purchasers.

2. Agreements to Sell and Purchase.

(a) The Company hereby agrees to sell to the several Initial Purchasers, and each Initial Purchaser, upon the basis of the representations and warranties herein contained, but subject to the conditions hereinafter stated, agrees, severally and not jointly, to purchase from the Company the respective principal amount of Securities set forth opposite its name in Schedule A hereto and the Company and the Initial Purchasers agree that the Company shall receive 99.85% of the aggregate principal amount of the Floating Rate Notes, 99.393% of the aggregate principal amount of the 2017 Notes and 99.018% of the aggregate principal amount of the 2037 Notes, plus accrued interest, in each case, if any, from the Closing Date.

The Company hereby agrees that, without the prior written consent of Morgan Stanley on behalf of the Initial Purchasers, it will not, during the period beginning on the date of this Agreement and continuing to and including the Closing Date, offer, sell, contract to sell or otherwise dispose of any debt of the Company or warrants to purchase debt of the Company substantially similar to the Securities (other than the sale of the Securities under this Agreement).

3. Terms of Offering. You have advised the Company that the Initial Purchasers will make an offering of the Securities purchased by the Initial Purchasers hereunder on the terms to be set forth in the Disclosure Package and the Final Memorandum, as soon as practicable after this Agreement is entered into as in your reasonable judgment is advisable and that it is the intention of the Initial Purchasers not to hold any Securities after the Closing Date.

4. Payment and Delivery. Payment for the Securities shall be made to the Company in Federal or other funds immediately available in New York City against delivery of such Securities for the respective accounts of the several Initial Purchasers at 10:00 a.m., New York City time, on May 30, 2007, or at such other time on the same or such other date as shall be agreed by the parties. The time and date of such payment are hereinafter referred to as the "Closing Date."

Certificates for the Securities, if any, shall be in global form and registered in the name of Cede & Co., as nominee of the Depository Trust Company. The certificates evidencing the Securities shall be delivered to the Trustee on the Closing Date for the respective accounts of the several Initial Purchasers, with any transfer taxes payable in connection with the transfer of the Securities to the Initial Purchasers duly paid, against payment of the Purchase Price therefor plus accrued interest, if any, to the date of payment and delivery.

5. Conditions to the Initial Purchasers' Obligations. The several obligations of the Initial Purchasers to purchase and pay for the Securities on the Closing Date are subject to the following conditions:

(a) Subsequent to the execution and delivery of this Agreement and prior to the Closing Date:

(i) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded of any of the Company's securities by any "nationally recognized statistical rating organization," as such term is defined for purposes of Rule 436(g)(2) under the Securities Act; and

(ii) there shall not have been, since the date of this Agreement or since the respective dates as of which information is given in the Disclosure Package and Final Memorandum, any material adverse change in the financial condition or in the earnings of the Company and its subsidiaries, taken as a whole.

(b) The Initial Purchasers shall have received on the Closing Date, a certificate, dated as of the Closing Date and signed by the chief executive officer or the chief financial officer of the Company, to the effect set forth in Section 5(a)(i) and to the effect that (i) the representations and warranties of the Company contained in this Agreement are true and correct in all material respects as of the Closing Date and (ii) the Company has complied in all material respects with all of the agreements and satisfied in all material respects all of the conditions on its part to be performed or satisfied hereunder on or before the Closing Date.

The officer signing and delivering such certificate may rely upon the best of his or her knowledge as to proceedings threatened.

(c) The Initial Purchasers shall have received on the Closing Date an opinion or opinions and a negative assurances letter of Latham & Watkins LLP, outside counsel for the Company, dated the Closing Date, substantially in the forms set forth in Exhibit B.

(d) The Initial Purchasers shall have received on the Closing Date an opinion of the Company's general counsel or any assistant general counsel, dated the Closing Date, substantially in the form set forth in Exhibit C.

(e) The Initial Purchasers shall have received on the Closing Date, an opinion of Shearman & Sterling LLP, counsel for the Initial Purchasers, dated the Closing Date, covering the matters set forth in Exhibit D.

(f) The Initial Purchasers and the board of directors of the Company shall have received on the date hereof a letter, dated the date hereof, in form and substance reasonably satisfactory to the Initial Purchasers, from Ernst & Young LLP, independent registered public accountants, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in or incorporated by reference into the Disclosure Package and the Final Memorandum and on the Closing Date, the Initial Purchasers and the board of directors of the Company shall have received a letter from Ernst & Young LLP, in form and substance reasonably satisfactory to the Initial Purchasers, to the effect that they reaffirm the statements made in the letter dated the date hereof.

6. Covenants of the Company. In further consideration of the agreements of the Initial Purchasers contained in this Agreement, the Company covenants with each Initial Purchaser as follows:

(a) To furnish to you in New York City, without charge, prior to 10:00 a.m. New York City time on the business day next succeeding the date of this Agreement and during the period mentioned in Section 6(c), as many copies of the Final Memorandum, and any supplements and amendments thereto as you may reasonably request.

(b) Before amending or supplementing any Memorandum, to furnish to you a copy of each such proposed amendment or supplement and not to use any such proposed amendment or supplement to which you reasonably object.

(c) If, at any time prior to the completion of the resale of the Securities by the Initial Purchasers, any event shall occur or condition exist as a result of which it is necessary, in the reasonable opinion of the Initial Purchasers or counsel for the Initial Purchasers, to amend or supplement the Final Memorandum in order to make the statements therein, in the light of the circumstances when the Final Memorandum is delivered to a purchaser, not misleading, or if, in the reasonable opinion of counsel for the Initial Purchasers, it is necessary to amend or supplement the Final Memorandum to comply with applicable law, forthwith to prepare and furnish, at its own expense, to the Initial Purchasers, either amendments or supplements to the Final Memorandum so that the statements in the Final Memorandum as so amended or supplemented will not, in the light of the circumstances when the Final Memorandum is delivered to a purchaser, be misleading or so that the Final Memorandum, as amended or supplemented, will comply with applicable law.

(d) To endeavor to qualify the Securities for offer and sale under the securities or Blue Sky laws of such jurisdictions as you shall reasonably request *provided, however*, that the Company shall not be required to (i) qualify as a foreign corporation or as a dealer in securities in any jurisdiction where it would not otherwise be required to qualify but for this Section 6(d), (ii) file any general consent to service of process, (iii) subject itself to taxation in any such jurisdiction if it is not so subject or (iv) make any changes to its certificate of incorporation or bylaws.

(e) Whether or not the transactions contemplated in this Agreement are consummated or this Agreement is terminated, to pay or cause to be paid all expenses

incident to the performance of its obligations under this Agreement, including: (i) the fees, disbursements and expenses of the Company's counsel and the Company's accountants in connection with the issuance and sale of the Securities and all other fees or expenses of the Company in connection with the preparation of each Memorandum and all amendments and supplements thereto, including all printing costs associated therewith, and the delivering of copies thereof to the Initial Purchasers, in the quantities herein above specified, (ii) all costs and expenses related to the preparation, issuance and delivery of the Securities to the Initial Purchasers, including any transfer or other taxes payable thereon, (iii) all expenses in connection with the qualification of the Securities for offer and sale under state securities laws as provided in Section 6(d), including filing fees and the reasonable fees and disbursements of counsel for the Initial Purchasers in connection with such qualification and in connection with the preparation of any Blue Sky or legal investment memorandum, (iv) any fees charged by rating agencies for the rating of the Securities, (v) the costs and charges of the Trustee, and (vi) all other cost and expenses incident to the performance of the obligations of the Company hereunder for which provision is not otherwise made in this Section. It is understood, however, that except as provided in clause (iii) of this Section 6(e), and the last paragraph of Section 10, the Initial Purchasers will pay all of their costs and expenses, including fees and disbursements of their counsel, transfer taxes payable on resale of any of the Securities by them and any advertising expenses connected with any offers they may make.

(f) Not to, and to cause its Affiliates not to, sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in the Securities Act) which could be integrated with the sale of the Securities in a manner which would require the registration under the Securities Act of the Securities.

(g) Not to solicit any offer to buy or offer or sell the Securities by means of any form of general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act.

(h) While any of the Securities remain "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act, to make available, upon request, to any seller of such Securities the information specified in Rule 144A(d)(4) under the Securities Act, unless the Company is then subject to Section 13 or 15(d) of the Exchange Act.

(i) Not to, and to cause its Affiliates or any person acting on its or their behalf (other than the Initial Purchasers) not to, engage in any directed selling efforts (as that term is defined in Regulation S) with respect to the Securities, and the Company and its Affiliates and each person acting on its or their behalf (other than the Initial Purchasers) will comply with the offering restrictions requirement of Regulation S.

(j) During the period of two years after the Closing Date, the Company will not, and will not permit any of its affiliates (as defined in Rule 144 under the Securities Act) to resell any of the Securities which constitute "restricted securities" under Rule 144(a)(3) that have been reacquired by any of them.

7. Offering of Securities; Restrictions on Transfer. (a) Each Initial Purchaser, severally and not jointly, represents and warrants that such Initial Purchaser is a qualified institutional buyer as defined in Rule 144A under the Securities Act (a "QIB"). Each Initial Purchaser, severally and not jointly, agrees with the Company that (i) it has not and will not solicit offers for, or offer or sell, such Securities by any form of general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act, (ii) it will solicit offers for such Securities only from, and will offer such Securities only to, persons that it reasonably believes to be (A) in the case of offers inside the United States, QIBs and (B) in the case of offers outside the United States, to persons other than U.S. persons ("Foreign Purchasers," which term shall include dealers or other professional fiduciaries in the United States acting on a discretionary basis for foreign beneficial owners (other than an estate or trust)) in reliance upon Regulation S under the Securities Act that, in each case in purchasing such Securities are deemed to have represented and agreed as provided in the Disclosure Package and the Final Memorandum under the caption "Transfer Restrictions," and (iii) it will otherwise act in accordance with the terms and conditions set forth in this Agreement and the Memorandum in connection with the placement of the Securities contemplated hereby.

(b) Each Initial Purchaser, severally and not jointly, represents, warrants and agrees with respect to offers and sales outside the United States that:

(i) such Initial Purchaser understands that no action has been or will be taken in any jurisdiction by the Company that would permit a public offering of Securities, or possession or distribution of the Preliminary Memorandum, the Disclosure Package, the Final Memorandum or any other offering or publicity material relating to the Securities, in any country or jurisdiction where action for that purpose is required;

(ii) such Initial Purchaser will comply with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Securities or has in its possession or distributes the Preliminary Memorandum, the Disclosure Package, the Final Memorandum or any such other material, in all cases at its own expense;

(iii) the Securities have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Rule 144A or Regulation S under the Securities Act;

(iv) such Initial Purchaser has offered the Securities and will offer and sell the Securities (A) as part of their distribution at any time and (B) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, only in accordance with Rule 903 of Regulation S or as otherwise permitted in Section 7(a); accordingly, neither such Initial Purchaser, its Affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts (within the meaning of Regulation S) with respect to the Securities, and any such Initial Purchaser, its Affiliates and any such persons have complied with and will comply with the offering restrictions requirement of Regulation S;

(v) such Initial Purchaser, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a

"Member State"), has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Member State it has not made and will not make an offer of Securities to the public in that Member State, except that it may, which effect from and including such date, make an offer of Securities to the public in that Member State:

(A) at any time to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(B) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or

(C) at any time in any other circumstances which do not require the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

For purposes of the above, the expression an "offer of Securities to the public" in relation to any Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe to the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in that Member State;

(vi) such Initial Purchaser has represented and agreed that it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of the Securities in circumstances in which Section 21(1) of such Act does not apply to the Company and it has complied and will comply with all applicable provisions of such Act with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom;

(vii) such Initial Purchaser understands that the Securities have not been and will not be registered under the Securities and Exchange Law of Japan, and represents that it has not offered or sold, and agrees not to offer or sell, directly or indirectly, any Securities in Japan or for the account of any resident thereof except pursuant to any exemption from the registration requirements of the Securities and Exchange Law of Japan and otherwise in compliance with applicable provisions of Japanese law; and

(viii) such Initial Purchaser agrees that, at or prior to confirmation of sales of the Securities, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Securities from it during the restricted period a confirmation or notice to substantially the following effect:

"The Securities convered hereby have not been registered under the U.S. Securities Act of 1933 (the "Securities Act") and may not be offered and sold within the United States or to, or for the account or benefit of, U.S. persons (i) as a part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, except in either case in accordance with Regulation S (or Rule 144A if available) under the Securities Act. Terms used above have the meaning given to them by Regulation S."

Terms used in this Section 7(b) have the meanings given to them by Regulation S.

8. Indemnity and Contribution. (a) The Company will indemnify and hold harmless each Initial Purchaser against any losses, claims, damages or liabilities, joint or several, to which such Initial Purchaser may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Disclosure Package, the Final Memorandum and any Supplemental Offering Materials relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse such Initial Purchaser for any legal or other expenses reasonably incurred by it in connection with investigating or defending any such action or claim as such expenses are incurred; *provided, however*, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Disclosure Package, the Final Memorandum and any Supplemental Offering Materials relating to the Securities, or in any such amendment or supplement thereto, in reliance upon and in conformity with written information furnished to the Company by such Initial Purchaser expressly for use therein.

(b) Each Initial Purchaser will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Disclosure Package, the Final Memorandum and any Supplemental Offering Materials relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Disclosure Package, the Final Memorandum and any Supplemental Offering Materials relating to the Securities, or any such amendment or supplement thereto, in reliance upon and in conformity with written information furnished to the Company by such Initial Purchaser expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) As promptly as reasonably practical after receipt by an indemnified party under paragraph (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it of its obligations (i) under paragraph (a) or (b), as applicable, of this Section 8 unless and only to the extent that the indemnifying party is materially prejudiced by the failure to notify, or (ii) from any liability which it may have to any indemnified party otherwise than under such applicable subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, and retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (1) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (2) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would, in the written opinion of legal counsel to the indemnified party, be inappropriate due to actual or potential differing interests between them.

It is understood that the indemnifying party shall not, in respect of the legal expenses of any indemnified party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all such indemnified parties and that all such fees and expenses shall be reimbursed as they are incurred. Such firm shall be designated in writing by Morgan Stanley or, if Morgan Stanley is not an indemnified party and is not reasonably likely to become an indemnified party, by the Initial Purchasers that are indemnified parties, in the case of parties indemnified pursuant to paragraph (a) above, and by the Company, in the case of parties indemnified pursuant to paragraph (b) above. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 8 is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and each Initial Purchaser on the other from the offering of the Securities to which such

loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and each Initial Purchaser on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and each Initial Purchaser on the other shall be deemed to be in the same proportion as the total net proceeds from the sale of Securities (before deducting expenses) received by the Company bear to the total commissions and discounts received by such Initial Purchaser in respect thereof. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading relates to information supplied by the Company on the one hand or by any Initial Purchaser on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and each Initial Purchaser agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if all Initial Purchasers were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), an Initial Purchaser shall not be required to contribute any amount in excess of the amount by which the total price at which the Securities that were offered and sold to the public through such Initial Purchaser exceeds the amount of any damages which such Initial Purchaser has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of each of the Initial Purchasers under this subsection (d) to contribute are several in proportion to the respective purchases made by or through each such Initial Purchaser to which such loss, claim, damage or liability (or action in respect thereof) relates and are not joint.

(e) The obligations of the Company under this Section 8 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Initial Purchaser within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act; and the obligations of each Initial Purchaser under this Section 8 shall be in addition to any liability which such Initial Purchaser may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act.

9. Termination. This Agreement shall be subject to termination in the Initial Purchasers' absolute discretion, by written notice to the Company, if (a) after the execution and delivery of this Agreement and prior to the Closing Date (i) trading generally shall have been suspended or materially limited on or by, as the case may be, any of the New York Stock Exchange, the American Stock Exchange or the Nasdaq National Market, (ii) trading of any securities of the Company shall have been suspended on any exchange or in any over-the-counter market, (iii) a general moratorium on commercial banking activities in New York shall have been declared by either Federal or New York State authorities, or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis that, in the judgment of the Initial Purchasers, is material and adverse and (b) in the case of any of the events specified in clauses (a)(i) through (iv), such event, singly or together with any other such event, makes it, in the judgment of the Initial Purchasers, impracticable to market the Securities on the terms and in the manner contemplated in the Disclosure Package and the Final Memorandum.

10. Effectiveness; Defaulting Initial Purchasers. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

If, on the Closing Date, any one or more of the Initial Purchasers shall fail or refuse to purchase Securities that it or they have agreed to purchase hereunder on such date, and the aggregate principal amount of Securities which such defaulting Initial Purchaser or Initial Purchasers agreed but failed or refused to purchase is not more than one-tenth of the aggregate principal amount of Securities to be purchased on such date, the other Initial Purchasers shall be obligated severally in the proportions that the principal amount of Securities set forth opposite their respective names in Schedule I bears to the aggregate principal amount of Securities set forth opposite the names of all such non-defaulting Initial Purchasers, or in such other proportions as you may specify, to purchase the Securities which such defaulting Initial Purchaser or Initial Purchasers agreed but failed or refused to purchase on such date; *provided* that in no event shall the principal amount of Securities that any Initial Purchaser has agreed to purchase pursuant to this Agreement be increased pursuant to this Section 10 by an amount in excess of one-ninth of such principal amount of Securities without the written consent of such Initial Purchaser. If, on the Closing Date any Initial Purchaser or Initial Purchasers shall fail or refuse to purchase Securities which it or they have agreed to purchase hereunder on such date and the aggregate principal amount of Securities with respect to which such default occurs is more than one-tenth of the aggregate principal amount of Securities to be purchased on such date, and arrangements satisfactory to you and the Company for the purchase of such Securities are not made within 36 hours after such default, this Agreement shall terminate without liability on the part of any non-defaulting Initial Purchaser or of the Company. In any such case either you or the Company shall have the right to postpone the Closing Date, but in no event for longer than seven days, in order that the required changes, if any, in the Final Memorandum or in any other documents or arrangements may be effected. Any action taken under this paragraph shall not relieve any defaulting Initial Purchaser from liability in respect of any default of such Initial Purchaser under this Agreement.

If this Agreement shall be terminated by the Initial Purchasers, or any of them, because of any failure or refusal on the part of the Company to comply with the terms or to fulfill any of the conditions of this Agreement, or if for any reason the Company shall be unable to

perform its obligations under this Agreement (except if the Company shall be unable to so perform as a result of any default by any Initial Purchaser as contemplated above), the Company will reimburse the Initial Purchasers or such Initial Purchasers as have so terminated this Agreement with respect to themselves, severally, for all out-of-pocket expenses (including the fees and disbursements of their counsel) reasonably incurred by such Initial Purchasers in connection with this Agreement or the offering contemplated hereunder.

11. Counterparts. This Agreement may be executed in any number of counterparts and by the parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

12. Applicable Law. This Agreement shall be governed by the laws of the State of New York, including, without limitation, Section 5-1401 of the New York General Obligations Law.

13. Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

14. Section References. Unless otherwise indicated, references in this Agreement to sections are to the sections of this Agreement.

15. Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the construction hereof.

16. Notice. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Initial Purchasers shall be directed to Morgan Stanley & Co. Incorporated at 1585 Broadway, New York, NY 10036 (facsimile no. 212-761-0538), Attention: Global Capital Markets Syndicate Desk, and Merrill Lynch, Pierce, Fenner & Smith Incorporated at 4 World Financial Center, New York, NY 10080 (facsimile no. 212-449-3207), Attention: Global Origination Counsel, with a copy to Shearman & Sterling LLP at 525 Market Street, San Francisco, California 94105 (facsimile no. 415-616-1199), Attention: John D. Wilson; notices to the Company shall be directed to it at One Amgen Center Drive, Thousand Oaks, California 91320-1799 (facsimile no. 805-499-8011), Attention: Corporate Secretary, with a copy to Latham & Watkins LLP, 633 West Fifth Street, Suite 4000, Los Angeles, California 90071 (facsimile no. 213-891-8763), Attention: Scott Hodgkins and Latham & Watkins LLP, 885 Third Avenue, New York, New York 10022 (facsimile no. 212-751-4864), Attention: Greg Rodgers.

17. No Advisory or Fiduciary Relationship. The Company acknowledges and agrees that (a) the purchase and sale of the Securities pursuant to this Agreement, including the determination of the offering price of the Securities and any related discounts and commissions, is an arm's-length commercial transaction between the Company, on the one hand, and the several Initial Purchasers, on the other hand, (b) in connection with the offering contemplated

hereby and the process leading to such transaction each Initial Purchaser is and has been acting solely as a principal and is not the agent or fiduciary of the Company, or its stockholders, creditors, employees or any other party, (c) no Initial Purchaser has assumed or will assume an advisory or fiduciary responsibility in favor of the Company with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Initial Purchaser has advised or is currently advising the Company on other matters) and no Initial Purchaser has any obligation to the Company with respect to the offering contemplated hereby except the obligations expressly set forth in this Agreement, (d) the Initial Purchasers and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of each of the Company, and (e) the Initial Purchasers have not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate.

18. Integration. This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Company and the Initial Purchasers, or any of them, with respect to the subject matter hereof.

[Remainder of page intentionally left blank]

Very truly yours,

AMGEN INC.

By: /s/ Robert A. Bradway
Name: Robert A. Bradway
Title: Executive Vice President and Chief Financial Officer

Accepted as of the date hereof

MORGAN STANLEY & CO. INCORPORATED
MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

Acting severally on behalf of themselves and the several Initial Purchasers named in Schedule A hereto.

By: Morgan Stanley & Co. Incorporated

By: /s/ Yurij Slyt
Name: Yurij Slyt
Title: Vice President

By: Merrill Lynch, Pierce, Fenner & Smith
Incorporated

By: /s/ John Kaplan
Name: John Kaplan
Title: Managing Director

SCHEDULE A

INITIAL PURCHASERS	PRINCIPAL AMOUNT OF SECURITIES TO BE PURCHASED
SENIOR FLOATING RATE NOTES DUE 2008	
Morgan Stanley & Co. Incorporated	$ 850,040,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	$ 660,000,000
Barclays Capital Inc.	$ 124,000,000
Credit Suisse Securities (USA) LLC	$ 124,000,000
Goldman, Sachs & Co.	$ 124,000,000
Citigroup Global Markets Inc.	$ 39,320,000
J.P. Morgan Securities Inc.	$ 39,320,000
Lehman Brothers Inc.	$ 39,320,000
Total:	$ 2,000,000,000
5.85 % SENIOR NOTES DUE 2017	
Morgan Stanley & Co. Incorporated	$ 467,522,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	$ 363,000,000
Barclays Capital Inc.	$ 68,200,000
Credit Suisse Securities (USA) LLC	$ 68,200,000
Goldman, Sachs & Co.	$ 68,200,000
Citigroup Global Markets Inc.	$ 21,626,000
J.P. Morgan Securities Inc.	$ 21,626,000
Lehman Brothers Inc.	$ 21,626,000
Total:	$ 1,100,000,000
6.375% SENIOR NOTES DUE 2037	
Morgan Stanley & Co. Incorporated	$ 382,518,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	$ 297,000,000
Barclays Capital Inc.	$ 55,800,000
Credit Suisse Securities (USA) LLC	$ 55,800,000
Goldman, Sachs & Co.	$ 55,800,000
Citigroup Global Markets Inc.	$ 17,694,000
J.P. Morgan Securities Inc.	$ 17,694,000
Lehman Brothers Inc.	$ 17,694,000
Total:	$ 900,000,000

SCHEDULE B

PRICING SUPPLEMENT

$2,000,000,000 Floating Rate Senior Notes due 2008

Issuer:	Amgen Inc.
Offering Format:	144A/ Reg. S with Registration Rights
Ranking:	Senior Unsecured
Size:	$2,000,000,000
Net Proceeds to Issuer (before expenses):	$1,997,000,000
First Redemption Date:	November 28, 2007
Maturity Date:	November 28, 2008
Price to Public:	100%
Reference Rate:	Three-month LIBOR
Spread to Reference Rate:	.08%
Coupon:	Three-month LIBOR + .08%
Interest Payment Dates:	August 28, 2007, November 28, 2007, February 28, 2008, May 28, 2008, August 28, 2008 and November 28, 2008
Redemption Provisions:	
Optional Redemption:	The floating rate notes may be redeemed at any time on or after November 28, 2007, in whole or from time to time in part, at a price equal to 100% of their principal amount plus accrued and unpaid interest to the redemption date.
Change of Control Repurchase:	Upon the occurrence of a change of control triggering event (which requires the occurrence of both a change of control and a below investment grade rating of the notes by Moody's and S&P), the issuer will be required to make an offer to purchase the notes at a price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the date of repurchase.
Trade Date:	May 24, 2007
Settlement Date:	May 30, 2007 (T+3)
CUSIP:	031162 AR1 (144A)/ U03160 AF2 (Reg. S)
ISIN:	US031162AR16 (144A)/ USU03160AF22 (Reg. S)
Denominations:	$2,000 x $1,000
Ratings:	A+ (Negative Watch) / A2 (Negative Outlook)
Initial Purchasers:	*Joint Book-Running Managers:* Morgan Stanley & Co. Incorporated Merrill Lynch, Pierce, Fenner & Smith Incorporated Barclays Capital Inc. Credit Suisse Securities (USA) LLC Goldman, Sachs & Co. *Co-Managers:* Citigroup Global Markets Inc. J.P. Morgan Securities Inc. Lehman Brothers Inc.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). The Notes may not be offered or sold within the United States or to U.S. persons, except to qualified institutional buyers in reliance on the exemption from registration provided by Rule 144A under the Securities Act ("Rule 144A") and to certain persons in transactions outside the United States in reliance on Regulation S under the Securities Act ("Regulation S"). Prospective purchasers are hereby notified that the seller of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

$1,100,000,000 5.85% Senior Notes due 2017

Issuer:	Amgen Inc.
Offering Format:	144A/ Reg. S with Registration Rights
Ranking:	Senior Unsecured
Size:	$1,100,000,000
Net Proceeds to Issuer (before expenses):	$1,093,323,000
Maturity Date:	June 1, 2017
Coupon:	5.85%
Price to Public:	99.843%
Yield to Maturity:	5.871%
Interest Payment Dates:	June 1 and December 1, commencing December 1, 2007
Redemption Provisions:	
Optional Redemption:	The 2017 notes are redeemable at any time prior to maturity at the option of the issuer, in whole or from time to time in part, at a redemption price equal to the sum of (1) 100% of the principal amount of notes being redeemed plus accrued and unpaid interest to, but not including, the redemption date, and (2) the make-whole amount, if any.
Make-Whole Amount:	The excess of (1) the net present value of the principal being redeemed or paid and the amount of interest that would have been payable if such redemption had not been made, over (2) the aggregate principal amount of the 2017 notes being redeemed or paid. Net present value shall be determined by discounting, on a semi-annual basis, such principal and interest at the Reinvestment Rate from the respective dates on which such principal and interest would have been payable if such redemption had not been made.
Reinvestment Rate:	.15% plus the arithmetic mean of the yields under the respective heading “Week Ending” published in the most recent Statistical Release under the caption “Treasury Constant Maturities” for the maturity corresponding to the remaining life to maturity, as of the payment date of the principal being redeemed or paid.
Change of Control Repurchase:	Upon the occurrence of a change of control triggering event (which requires the occurrence of both a change of control and a below investment grade rating of the notes by Moody’s and S&P), the issuer will be required to make an offer to purchase the notes at a price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the date of repurchase.
Trade Date:	May 24, 2007
Settlement Date:	May 30, 2007 (T+3)
CUSIP:	031162 AS9 (144A)/ U03160 AG0 (Reg. S)
ISIN:	US031162AS98 (144A)/ USU03160AG05 (Reg. S)
Denominations:	$2,000 x $1,000
Ratings:	A+ (Negative Watch) / A2 (Negative Outlook)
Initial Purchasers:	*Joint Book-Running Managers:* Morgan Stanley & Co. Incorporated Merrill Lynch, Pierce, Fenner & Smith Incorporated Barclays Capital Inc.

Credit Suisse Securities (USA) LLC
Goldman, Sachs & Co.
Co-Managers:
Citigroup Global Markets Inc.
J.P. Morgan Securities Inc.
Lehman Brothers Inc.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). The Notes may not be offered or sold within the United States or to U.S. persons, except to qualified institutional buyers in reliance on the exemption from registration provided by Rule 144A under the Securities Act ("Rule 144A") and to certain persons in transactions outside the United States in reliance on Regulation S under the Securities Act ("Regulation S"). Prospective purchasers are hereby notified that the seller of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

$900,000,000 6.375% Senior Notes due 2037

Issuer:	Amgen Inc.
Offering Format:	144A/ Reg. S with Registration Rights
Ranking:	Senior Unsecured
Size:	$900,000,000
Net Proceeds to Issuer (before expenses):	$891,162,000
Maturity Date:	June 1, 2037
Coupon:	6.375%
Price to Public:	99.893%
Yield to Maturity:	6.383%
Interest Payment Dates:	June 1 and December 1, commencing December 1, 2007
Redemption Provisions:	
Optional Redemption:	The 2037 notes are redeemable at any time prior to maturity at the option of the issuer, in whole or from time to time in part, at a redemption price equal to the sum of (1) 100% of the principal amount of notes being redeemed plus accrued and unpaid interest to, but not including, the redemption date, and (2) the make-whole amount, if any.
Make-Whole Amount:	The excess of (1) the net present value of the principal being redeemed or paid and the amount of interest that would have been payable if such redemption had not been made, over (2) the aggregate principal amount of the 2037 notes being redeemed or paid. Net present value shall be determined by discounting, on a semi-annual basis, such principal and interest at the Reinvestment Rate from the respective dates on which such principal and interest would have been payable if such redemption had not been made.
Reinvestment Rate:	.20% plus the arithmetic mean of the yields under the respective heading “Week Ending” published in the most recent Statistical Release under the caption “Treasury Constant Maturities” for the maturity corresponding to the remaining life to maturity, as of the payment date of the principal being redeemed or paid.
Change of Control Repurchase:	Upon the occurrence of a change of control triggering event (which requires the occurrence of both a change of control and a below investment grade rating of the notes by Moody’s and S&P), the issuer will be required to make an offer to purchase the notes at a price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the date of repurchase.
Trade Date:	May 24, 2007
Settlement Date:	May 30, 2007 (T+3)
CUSIP:	031162 AT7 (144A)/ U03160 AH8 (Reg. S)
ISIN:	US031162AT71 (144A)/ USU03160AH87 (Reg. S)
Denominations:	$2,000 x $1,000
Ratings:	A+ (Negative Watch) / A2 (Negative Outlook)
Initial Purchasers:	*Joint Book-Running Managers:* Morgan Stanley & Co. Incorporated Merrill Lynch, Pierce, Fenner & Smith Incorporated Barclays Capital Inc.

Credit Suisse Securities (USA) LLC
Goldman, Sachs & Co.
Co-Managers:
Citigroup Global Markets Inc.
J.P. Morgan Securities Inc.
Lehman Brothers Inc.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). The Notes may not be offered or sold within the United States or to U.S. persons, except to qualified institutional buyers in reliance on the exemption from registration provided by Rule 144A under the Securities Act ("Rule 144A") and to certain persons in transactions outside the United States in reliance on Regulation S under the Securities Act ("Regulation S"). Prospective purchasers are hereby notified that the seller of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Exhibit 10.77

PURCHASE AGREEMENT

As of May 29, 2007

Merrill Lynch International
Merrill Lynch Financial Centre
2 King Edward Street
London, England EC1A 1HQ
Attn: Fran Jacobson (212-236-8620)

Ladies and Gentlemen:

Amgen Inc., a Delaware corporation (the "**Company**"), subject to the terms and conditions and in reliance upon the representations and warranties set forth herein, confirms its agreement with Merrill Lynch International (the "**Dealer**") to purchase from the Dealer 53,339,035 shares (the "**Initial Shares**"), of the Company's common stock, $0.0001 par value per share (the "**Common Stock**"), at a per share price of $59.96 (the "**Initial Price**") (subject to adjustment as provided herein). Certain capitalized terms used herein have the meanings provided to them in Section 6. Prior to the close of business on the first Trading Day immediately following the date hereof (the "**Settlement Date**"), (A) the Company will pay for the Initial Shares by delivering an amount equal to the Aggregate Purchase Price by wire transfer of immediately available funds to an account designated by the Dealer and (B) the Dealer will deliver the Initial Shares to the Company. The parties understand and agree that the delivery of the Initial Shares by or on behalf of the Dealer upon the payment of the Aggregate Purchase Price by the Company is irrevocable and that as of the Settlement Date the Company shall be the sole beneficial owner of the Initial Shares for all purposes.

The parties to this Agreement agree that the purchases of shares of Common Stock anticipated by this Agreement shall be made pursuant to the requirements of and in conformity

with the provisions of Rule 10b5-1 under the Exchange Act, and a plan established by the Company as permitted by Rule 10b5-1 (the "**Plan**") described in Annex B hereto.

Section 1. Purchase Price Adjustment.

(a) [Reserved]

(b) For each Trading Day, commencing on the Settlement Date, the Calculation Agent shall determine the following amounts, as applicable:

(i) The Purchase Price Adjustment owed to the Dealer by the Company on the Excess Daily Value, if any, for each prior Trading Day;

(ii) The Purchase Price Adjustment owed to the Company by the Dealer on the Deficit Daily Value, if any, for each prior Trading Day;

(iii) The Daily Rebate Value owed to the Company by the Dealer on a Daily Notional Amount, if any, for each prior Trading Day; and

(iv) The value (which may be positive or negative) equal to the sum of the Purchase Price Adjustment pursuant to clause (ii) above and the Daily Rebate Value pursuant to clause (iii) above minus the Purchase Price Adjustment pursuant to clause (i) above with respect to each day during the Transaction Term (a "**Daily Accrual Value**").

(c) On the tenth Trading Day immediately following the last day of the Transaction Term (the "**Final Settlement Date**"), the Dealer shall pay the Final Settlement Value if the Final Settlement Value is negative or the Company shall pay the Final Settlement Value if the Final Settlement Value is positive.

(d) In the event that the Final Settlement Value is positive, prior to the close of business on the Final Settlement Date, the Company shall cause to be delivered the lesser of (Y) Final

Stock Settlement Shares, the value of which is equal to the Final Settlement Value or (Z) the Cap Amount (such lesser amount, the "**Positive Final Settlement Value**"). If the Company represents to the Dealer that the Company is not in possession of material non-public information or if the Company has terminated the Plan pursuant to its terms, then the Company may, in lieu of the foregoing, elect at its discretion to pay to the Dealer an amount in cash (by wire transfer of immediately available funds) equal to the Positive Final Settlement Value. Such election by the Company to pay cash instead of shares of Common Stock shall be made by the second Trading Day immediately succeeding the notice by the Dealer to the Company that the Final Settlement Value is positive.

If a Stock Settlement Deficiency exists, the Dealer will notify the Company within five (5) Trading Days of the determination of such Stock Settlement Deficiency. Within three (3) Trading Days of such notification, the Company shall deliver to the Dealer shares of Common Stock, the value of which is equal to the Stock Settlement Deficiency Amount (such number of shares being based on the Closing Price of the Common Stock on the third Trading Day immediately succeeding the date of the notification by the Dealer to the Company of the Stock Settlement Deficiency). If the Company delivers shares of Common Stock pursuant to the preceding sentence, the Company shall be obligated to deliver shares of Common Stock to the Dealer, upon notification by the Dealer, until such time as the Dealer has received an amount from the sale of such shares equal to the Final Settlement Value or until such time as the Company has delivered the amount of shares which is equal to the Cap Amount. If the Company represents to the Dealer that the Company is not in possession of material non-public information or if the Company has terminated the Plan pursuant to its terms, then the Company may, in lieu of the foregoing, elect at its discretion to pay to the Dealer an amount in cash (by wire transfer of

immediately available funds) equal to the Stock Settlement Deficiency instead of delivering shares of Common Stock anticipated by the first sentence of this paragraph. Such election by the Company to pay cash instead of shares of Common Stock shall be made by the second Trading Day immediately succeeding the notice by the Dealer to the Company of Stock Settlement Deficiency.

If a Stock Settlement Excess exists, the Dealer will notify the Company within five (5) Trading Days of the determination of such Stock Settlement Excess. Within three (3) Trading Days of such notification, the Dealer shall deliver to the Company the Stock Settlement Excess Amount. If the Company represents to the Dealer that the Company is not in possession of material non-public information or if the Company has terminated the Plan pursuant to its terms, then the Company may, in lieu of the foregoing, elect at its discretion to have the Dealer pay an amount in cash (by wire transfer of immediately available funds) equal to proceeds received by Dealer from the sale of the Stock Settlement Excess Amount instead of delivering shares of Common Stock anticipated by the immediately preceding sentence. Such election by the Company to receive cash instead of shares of Common Stock shall be made by the second Trading Day immediately succeeding the notice by the Dealer to the Company of Stock Settlement Excess.

In the event that the Final Settlement Value is negative, the Dealer shall cause such amount to be delivered to the Company. The Dealer shall satisfy such obligation by delivery to the Company of a number of shares of Common Stock equal to the quotient obtained by dividing the Final Settlement Value by the average per share purchase price paid by the Dealer to acquire (in a commercially reasonable manner) such shares of Common Stock. If the Company represents to the Dealer that the Company is not in possession of material non-public information

or if the Company has terminated the Plan pursuant to its terms, then the Company may, in lieu of the foregoing, elect at its discretion to have the Dealer pay an amount in cash (by wire transfer of immediately available funds) equal to the Final Settlement Value instead of delivering shares of Common Stock anticipated by the immediately preceding sentence. Such election to receive cash instead of shares of Common Stock shall be made by second Trading Day immediately succeeding the notice by the Dealer to the Company that the Final Settlement Value is negative.

If the Dealer is unable to purchase a total number of shares of Common Stock equal to the Initial Shares by the deadline established in the definition of "Maturity Date," then such deadline shall be postponed to a date determined by the Dealer in a written notice to the Company that would enable the Dealer to purchase a total number of shares of Common Stock equal to the Initial Shares. For the purposes of clarity, it is understood and acknowledged by the parties hereto that such postponement shall, among other consequences, extend the Transaction Term and that additional postponements may be required if the Dealer continues to be unable to purchase a total number of shares of Common Stock equal to the Initial Shares by any postponed deadline for the Maturity Date.

The Final Stock Settlement Shares and any other shares of Common Stock made as payment by the Company to the Dealer pursuant to Section 1(d) shall be delivered by the Company in shares of Common Stock the resale of which may be unregistered or registered under the Securities Act (in the Company's sole discretion). In the event the Company elects to deliver shares pursuant to Section 1(d) that are intended to be registered under the Securities Act, no later than the Trading Day immediately prior to any delivery, the Company shall have executed and delivered to the Dealer the Registration Rights Agreement. In the event that shares which are not intended to be registered under the Securities Act are delivered to the Dealer

pursuant to Section 1(d), the Dealer shall, in consultation with the Company, determine the value of such shares by applying a commercially reasonable discount (which discount shall reflect any costs associated with the delay in resale addressed in the next sentence). If at the time of the delivery and resale of any shares which are not intended to be registered under the Securities Act the Company is unable to represent that the Company is not in possession of material non-public information, then the Dealer shall delay the resale of such shares until such representation may be made.

Section 2. Anti-dilution Adjustments.

(a) Subdivisions and Combination of Common Stock. In the event that the outstanding shares of the Common Stock shall be subdivided or split (including by means of a stock dividend) into a greater number of shares of Common Stock where the effective date of such subdivision or the record date for such split occurs during the Transaction Term, the Initial Shares, the Daily Share Purchase Amount, the Cap Amount and the other share-based terms used herein shall be proportionately increased and the Initial Price shall be deemed to be proportionately decreased. Conversely, in the event that the outstanding shares of Common Stock shall each be combined into a smaller number of shares of Common Stock through a combination of shares of Common Stock or a reverse stock split where the effective date of such combination or the record date for such reverse stock split occurs during the Transaction Term, the Initial Shares, the Daily Share Purchase Amount, the Cap Amount and the other share-based terms used herein shall be proportionately decreased and the Initial Price shall be proportionately increased. Any adjustment pursuant to this Section 2(a) shall become effective (i) in the case of a subdivision or combination of the Common Stock, on the effective date of such subdivision or combination or (ii) in the case of a stock split or reverse stock split, at the close of business on

the record date for such stock split or reverse stock split. Notwithstanding anything to the contrary contained herein, no adjustment shall be made pursuant to this Section 2(a) unless a similar adjustment is required to be made to the number of shares of Common Stock delivered or deliverable to the lender or lenders of Common Stock to the Dealer.

(b) Reclassification, Consolidation, Merger or Sale of Assets. In the event that during the Transaction Term the Company shall enter into any agreement, arrangement or understanding that provides for any recapitalization or reclassification of the Common Stock (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of an event specified in Section 2(a)), any consolidation of the Company with, or merger of the Company into, any other person, any merger of another person into the Company (other than a merger which does not result in a reclassification, conversion, exchange or cancellation of outstanding shares of Common Stock), any sale or transfer of all or substantially all of the assets of the Company or any compulsory share exchange, in each case pursuant to which the Common Stock is converted into the right to receive other securities, cash or other property (each of the foregoing, an "**Extraordinary Transaction**"), then the Dealer and the Company shall negotiate in good faith to amend this Agreement to give appropriate effect to the Extraordinary Transaction. In the event that the parties are unable to reach an agreement on the earlier of the date (i) twenty (20) Trading Days prior to the date, if any, that is specified for the consummation of such transaction under the governing legal agreements for such transaction and (ii) ten (10) Trading Days after the first public disclosure of the contemplated Extraordinary Transaction (such earlier date, the "**Early Termination Date**"), then (w) the Transaction Term shall be deemed to terminate on the fifth Trading Day after the Early Termination Date, (x) the provisions of Section 3(b)(i) shall be void and of no further force or effect from and after the

Early Termination Date, (y) the Final Settlement Date shall be the eighth Trading Day after the Early Termination Date and (z) the Final Settlement Value shall be determined in a commercially reasonable manner by the Calculation Agent in consultation with the Company and the Dealer.

(c) Stock Borrow. In the event the Dealer cannot borrow a sufficient number of shares of Common Stock equal to the remaining number of Initial Shares not repurchased prior to such time at an average cost equal to the Stock Borrow Spread or less, the Dealer may request a change to the Spread to directly compensate for such cost above the Stock Borrow Spread.

Section 3. Covenants.

(a) The Company covenants and agrees with the Dealer:

(i) during the Transaction Term, (A) neither the Company nor any of its affiliates shall take any action that would cause the purchases by the Dealer pursuant to Section 3(b)(i) not to comply with the provisions of Rule 10b-18(b)(1) under the Exchange Act as if such provisions applied and (B) the Company will provide the Dealer with all information necessary for Dealer to comply with Rule 10b-18(b)(4) as if such provisions applied;

(ii) during the Transaction Term, to promptly notify the Dealer telephonically (which oral communication shall be promptly confirmed by telecopy to the Dealer) that as a result of an acquisition or other business combination transaction or for any other reason, the Company determines that the Company will be engaged in a distribution of shares of Common Stock or other securities for which Common Stock is a reference security for purposes of Rule 102 of Regulation M under the Exchange Act and to promptly notify the Dealer by telecopy of the period

commencing on the date that is one (1) business day before the commencement of such distribution and ending on the day on which the Company completes the distribution;

(iii) during the Transaction Term, the Company shall not (i) alter its dividend policy that is in effect on the date hereof, (ii) declare an extraordinary dividend or (iii) set an ex-dividend date prior to the Maturity Date; and

(iv) [Reserved].

(b) the Dealer covenants and agrees with the Company:

(i) subject to clauses (ii), (iii), (iv) and (v) below, to use its best efforts to purchase, or cause to be purchased, on each Trading Day during the Transaction Term the Daily Share Purchase Amount on the open market at the then market price;

(ii) in connection with bids and purchases pursuant to clause (i) above, the Dealer shall comply, or cause compliance, with the timing and volume provisions of Rule 10b-18(b)(2) and (4) under the Exchange Act as if such provisions applied;

(iii) in connection with bids and purchases pursuant to clause (i) above, the Dealer will effect purchases at a purchase price that does not exceed the highest independent bid or the last independent transaction price, whichever is higher, reported in the consolidated system at the time such purchases are effected (as those terms are defined in Rule 10b-18 under the Exchange Act); and

(iv) not to purchase shares of Common Stock on any Trading Day with respect to which the Dealer reasonably determines in good faith that it is required, in light of legal or regulatory requirements or related policies and procedures reasonably adopted by the Dealer, to refrain from purchasing shares of Common Stock on

any such Trading Day. The Dealer shall promptly notify the Company upon making any determination pursuant to this clause (iv) and shall subsequently promptly notify the Company on the day the Dealer shall resume purchasing shares of Common Stock pursuant to clause (i) above, it being understood that the Dealer shall not be required to indicate to the Company the reason for the Dealer's exercise of its rights pursuant to this clause (iv) if the Dealer reasonably determines in good faith that disclosing such reason to the Company may result in a violation of federal or state securities laws or is prohibited by the Dealer's internal conflicts policies and procedures.

Section 4. Representations and Warranties.

The Company hereby represents and warrants to the Dealer that:

(a) the Company has all power and authority to execute this Agreement and enter into the Plan and the transactions contemplated hereby (other than with respect to discretionary actions which, if undertaken by the Company, shall be duly authorized by the Board of Directors of the Company);

(b) this Agreement has been duly authorized, validly executed and delivered by the Company and constitutes a legal, valid and binding agreement of the Company, enforceable against the Company in accordance with its terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance or other similar laws affecting the rights of creditors now or hereafter in effect, and to equitable principles that may limit the right to specific enforcement of remedies);

(c) the Company is not entering into this Agreement (i) to create actual or apparent trading activity in the Common Stock (or any security convertible into or exchangeable for

Common Stock) or (ii) to facilitate a future distribution of the Common Stock (or any security convertible into or exchangeable for Common Stock) or in connection with a future issuance of securities as part of a plan, in either case with the intention to manipulate the price of the Common Stock (or any security convertible into or exchangeable for Common Stock);

(d) the purchase of the Initial Shares by the Company, the compliance by the Company with all of the provisions of this Agreement and the consummation of the transactions herein contemplated will not result in any violation of the provisions of the Amended and Restated Certificate of Incorporation, or Amended and Restated Bylaws, of the Company or any statute or any rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its properties;

(e) no consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or governmental body having jurisdiction over the Company is required for the purchase of the Initial Shares by the Company, the compliance by the Company with all the terms of this Agreement, or the consummation by the Company of the transactions contemplated by this Agreement, other than the registration of shares of Common Stock pursuant to the Registration Rights Agreement (if applicable); and

(f) the Company has made its own independent inquiry as to the legal, tax, credit and accounting aspects of the transactions contemplated by this Agreement and any related transactions, and the Company has not relied on the Dealer, the Dealer's legal counsel or the Dealer's accounting advisors for legal, tax, credit or accounting advice in connection with the transactions contemplated by this Agreement or any related transactions. The Company agrees and acknowledges that the Dealer and its affiliates may from time to time, not in the capacity of the Company's agent but in the ordinary course of their business, execute transactions for their

own account or the account of customers and hold and deal in securities or options on securities of the Company (including, without limitation, Common Stock) and that the Dealer and its affiliates may continue to conduct such transactions during the Transaction Term.

The Dealer hereby represents and warrants to the Company that:

(a) the Dealer has all power and authority to execute this Agreement and to consummate the transactions contemplated hereby;

(b) this Agreement has been duly authorized, validly executed and delivered by the Dealer and constitutes a legal, valid and binding agreement of the Dealer, enforceable against the Dealer in accordance with its terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance or other similar laws affecting the rights of creditors now or hereafter in effect, and to equitable principles that may limit the right to specific enforcement of remedies);

(c) the Dealer has made its own independent inquiry as to the legal, tax, credit and accounting aspects of the transactions contemplated by this Agreement and any related transactions, and the Dealer has not relied on the Company or its legal counsel or accounting advisors for legal, tax, credit or accounting advice in connection with the transactions contemplated by this Agreement or any related transactions; and

(d) the Dealer acknowledges that its rights under this Agreement (other than Section 5) do not directly or indirectly give rise to any rights or claims against the Company as a creditor of the Company.

Section 5. Indemnification.

(i) The Company agrees to indemnify the Dealer and its affiliates and their respective directors, officers, employees, agents and controlling persons (the Dealer and each such person

being an "**Indemnified Party**") from and against any and all losses, claims, damages and liabilities, joint or several, to which such Indemnified Party may become subject (and with respect to which is not duplicative of reimbursements otherwise made pursuant to the terms of this Agreement other than this Section 5) under any applicable federal or state law, or otherwise, and related to or arising out of (a) the breach by the Company of any of its representations or warranties contained in this Agreement or the Plan and (b) the breach by the Company of any of its covenants or agreements contained in this Agreement or the Plan, and will reimburse any Indemnified Party for all expenses (including reasonable counsel fees and expenses) in connection with the investigation of, preparation for or defense or settlement of any pending or threatened claim or any action or proceeding arising therefrom, whether or not such Indemnified Party is a party except if such claim, action or proceeding is initiated or brought by or on behalf of the Company. The Company will not be liable under the foregoing indemnification provision to the extent that any loss, claim, damage, liability or expense is found in a final judgment by a court to have resulted directly from willful misconduct or negligence on the part of the Dealer or on the part of any other Indemnified Party.

(ii) If the indemnification provided for in this Agreement is for any reason held unenforceable, the Company agrees to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with the same) for which such indemnification is held unenforceable as shall be appropriate to reflect (1) the relative fault of the Company on the one hand and the Indemnified Parties on the other hand in connection with the actions or inactions that have resulted in such losses, claims, damages, liabilities and expenses, (2) the relative benefits received by the Company on the one hand and the Dealer on the other hand from the transactions contemplated by this Agreement and (3) any

other relevant equitable considerations. Relative fault shall be determined by reference to, among other things, each such party's relative intent, knowledge, access to information and opportunity to correct or prevent such action or inaction. The Company and the Dealer each agree that it would not be just and equitable if contribution pursuant to this subparagraph (ii) were to be determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this Section 5, the Dealer shall not be required to contribute in excess of the amount equal to the excess of (x) the compensation received by the Dealer pursuant to this Agreement over (y) the amount of any damages which the Dealer has otherwise been required to pay by reason of any such action or inaction.

(iii) The Company agrees that without the prior written consent of the Dealer, which consent shall not be unreasonably withheld, it will not settle, compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding in respect of which indemnification could be sought under the indemnification provision of this Agreement unless such settlement, compromise or consent includes an unconditional release of each Indemnified Party from all liability arising out of such claim, action or proceeding.

(v) The provisions of this Section 5 shall survive any termination of this Agreement or completion of the transactions contemplated hereby for one (1) year.

(vi) Promptly after receipt by an Indemnified Party of notice of the commencement of any action, such Indemnified Party will, if a claim in respect thereof may be made against the Company under this Section 5, notify the Company in writing of the commencement thereof, but the omission so to notify the Company will not relieve it from any liability which it may have to

any Indemnified Party otherwise than under this Section 5 except to the extent that the Company's rights are materially prejudiced as a result of such delay. In case such notice of any such action shall be so given, the Company shall be entitled to participate at its own expense in the defense, or if it so elects, to assume the defense of such action, in which event such defense shall be conducted by counsel chosen by the Company and reasonably satisfactory to the Indemnified Party or Indemnified Parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the Company shall elect not to assume the defense of such action, the Company will reimburse such Indemnified Party or Indemnified Parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action (including impleaded parties) include both the Indemnified Parties and the Company and counsel for the Company shall have reasonably concluded that there may be a conflict of interest involved in the representation by a single counsel of both the indemnifying parties and the Company, the Indemnified Party or Indemnified Parties shall have the right to select separate counsel, satisfactory to the Company (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel representing the Indemnified Parties who are parties to such action).

Section 6. Certain Definitions.

As used herein the following terms shall have the meanings set forth below:

"**Actual Share Purchase Amount**" shall mean the actual number of shares of Common Stock purchased by the Dealer pursuant to Section 3(b)(i) on any given Trading Day.

"**Actual Share Purchase Value**" shall mean, on any given Trading Day, the product of the Actual Share Purchase Amount and the corresponding Settlement Price.

"**Aggregate Actual Share Purchase Value**" shall mean the amount equal to the aggregate value of all Actual Share Purchase Values, as calculated during the Transaction Term.

"Aggregate Purchase Price" shall mean an amount equal to the Initial Price multiplied by the number of Initial Shares.

"**Aggregate Purchase Price Adjustment Value**" shall mean the sum (which may be positive, if the Dealer owes the Company value, or negative, if the Company owes the Dealer value) of all Daily Accrual Values for each Trading Day during the Transaction Term.

"**Applicable Adjustment Rate**" shall mean an interest rate equal to the Effective Rate.

"**Calculation Agent**" shall mean the Dealer.

"**Cap Amount**" shall mean 53,339,035 shares.

"**Closing Price**" on any day shall mean the last reported sales price regular way of the Common Stock on such day or, in case no such sales price is reported on such day, the average of the reported closing bid and asked prices of the Common Stock, in each case on the NASDAQ, or if not then traded on the NASDAQ, the principal securities exchange or quotation system on which the Common Stock is then listed or admitted to trading, or if not then listed or admitted to trading on a securities exchange or quotation system, the average of the closing bid and asked prices of the Common Stock in the over-the-counter market on the day in question as reported by the National Quotations Bureau Incorporated, or a similarly generally accepted reporting service, or, if not so available in such manner, as furnished by any NASDAQ member firm selected by the Calculation Agent.

"**Daily Notional Amount**" shall mean an amount determined by the Calculation Agent equal to the product of (i) the Initial Price and (ii) the amount by which the Initial Shares exceeds the sum of all Actual Share Purchase Amounts which have been executed up to and including the

Trading Day preceding the applicable Trading Day.

"**Daily Rebate Value**" shall mean an amount determined by the Calculation Agent equal to the product of (i) the Effective Rate less the Spread, (ii) 1/360 and (iii) each corresponding Daily Notional Amount.

"**Daily Share Purchase Amount**" shall mean an amount to be determined by the Dealer up to the maximum amount of shares of Common Stock permitted to be purchased pursuant to Rule 10b-18 (the "**10b-18 Amount**"); provided, however, that such amount shall not be less than the lesser of (1) 1,000,000 shares of Common Stock and (2) the 10b-18 Amount.

"**Daily Share Purchase Value**" shall mean the product of the Actual Share Purchase Amount and the Initial Price.

"**Deficit Daily Value**" shall mean, on any given Trading Day, if the Settlement Price is less than the Initial Price, the positive value by which the Daily Share Purchase Value exceeds the Actual Share Purchase Value, but in no event less than zero.

"**Effective Rate**" shall mean 4.80%.

"**Excess Daily Value**" shall mean, on any given Trading Day, if the Settlement Price is greater than the Initial Price, the positive value by which the Actual Share Purchase Value exceeds the Daily Share Purchase Value, but in no event less than zero.

"**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended.

"**Final Settlement Value**" shall mean (i) the Aggregate Actual Share Purchase Value minus (ii) the sum of (A) the Aggregate Purchase Price plus (B) the Aggregate Purchase Price Adjustment Value.

"**Final Stock Settlement Shares**" shall mean a number of shares of Common Stock determined by the Calculation Agent (rounded up or down to the nearest whole number) equal to

the number of shares of Common Stock that the Company would be required to deliver to the Dealer to satisfy its obligations to the Dealer pursuant to Section 1, based on the Closing Price of the Common Stock as of the Common Stock on the third Trading Day immediately succeeding the date of notification by the Dealer to the Company that the Final Settlement Value is positive.

"**Maturity Date**" shall mean the date on which the total number of shares of Common Stock purchased by the Dealer pursuant to and for purposes of satisfying the Dealer's obligation under Section 3(b)(i) (including for purposes of determining the Final Settlement Value) is equal to or greater than the Initial Shares, provided, that such date may not be after July 31, 2007 (which date is subject to postponement pursuant to Section 1(d)).

"**NASDAQ**" shall mean The NASDAQ Stock Market.

"**Purchase Price Adjustment**" shall mean adjustment amounts accrued on the Excess Daily Value or Deficit Daily Value, as applicable, and excluding the Trading Day on which such Excess Daily Value or Deficit Daily Value, as applicable, arises up from the first business day immediately succeeding the Settlement Date to and including the Final Settlement Date at the Applicable Adjustment Rate.

"**Registration Rights Agreement**" shall mean the Registration Rights Agreement, substantially in the form of Annex A attached hereto, and with such changes as the parties may mutually agree.

"**Securities Act**" shall mean the Securities Act of 1933, as amended.

"**Settlement Price**" shall mean, on any given Trading Day, the weighted average market price per share paid by the Dealer to purchase the Actual Share Purchase Amount.

"**Spread**" shall mean 0 basis points.

"**Stock Borrow Spread**" shall mean 20 basis points.

"**Stock Settlement Deficiency**" shall mean the occurrence of each date, if any, on which the amount received by the Dealer from the sale of the Final Stock Settlement Shares, plus any other shares of Common Stock delivered by the Company to the Dealer pursuant to Section 1(d), is less than the Final Settlement Value.

"**Stock Settlement Deficiency Amount**" shall mean the amount by which the amount received by the Dealer from the sale of the Final Stock Settlement Shares, plus any other shares of Common Stock delivered by the Company to the Dealer pursuant to Section 1(d), is less than the Final Settlement Value.

"**Stock Settlement Excess**" shall mean the occurrence of each date, if any, on which the amount received by the Dealer from the sale of the Final Stock Settlement Shares, plus any other shares of Common Stock delivered by the Company to the Dealer pursuant to Section 1(d), equals or exceeds the Final Settlement Value.

"**Stock Settlement Excess Amount**" shall mean the number of Shares equal to the sum of: (a) the Final Stock Settlement Shares, plus any shares of Common Stock delivered by the Company to the Dealer pursuant to Section 1(d) (together, the "**Delivered Shares**"), remaining when a Stock Settlement Excess occurs and (b) a number of shares of Common Stock purchased by the Dealer (in a commercially reasonable manner) with any cash proceeds received by the Dealer from the sale of the Delivered Shares in excess of the Final Settlement Value.

"**Trading Day**" shall mean any day on which the Common Stock is traded on NASDAQ, or, if not then traded on the NASDAQ, the principal securities exchange or quotation system on which such securities are then traded or, if not then traded on a securities exchange or quotation system, in the over-the-counter market.

"**Transaction Term**" shall mean the period commencing on the Settlement Date and

terminating on, and including, the Maturity Date.

Section 7. Miscellaneous.

(a) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and obligations set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

(b) Assignment. Neither the rights under this Agreement nor the obligations created by this Agreement shall be assignable or delegable, in whole or in part, by either party herein without the prior written consent of the other, and any attempt to assign or delegate any rights or obligations arising under this Agreement without such consent shall be void.

(c) Waivers, etc. No failure or delay on the part of either party in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. No amendment, modification or waiver of any provision of this Agreement nor consent to any departure by either party therefrom shall in any event be effective unless the same shall be in writing, and, in the case of a waiver or consent, shall be effective only in the specific instance and for the purpose for which given.

(d) Beneficiaries. This Agreement shall be binding upon, and inure solely to the benefit of, the Company and the Dealer and no other person shall acquire any rights hereunder. Without limiting the generality of the foregoing, the Dealer's obligations under Section 3(b)(i) are solely for the benefit of the Company and not the holders of any of the Company's securities.

(e) Changes of Law. If, due to any change in applicable law or regulations or the

interpretation thereof by any court of law or other body having jurisdiction subsequent to the date of this Agreement, performance of any provision of this Agreement or any transaction contemplated hereby shall become impracticable or impossible, the parties hereto shall use their best efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such provision.

(f) Confidentiality. Subject (i) to any contrary requirement of law or applicable regulator, (ii) to the right of each party to enforce its rights hereunder in any legal action and (iii) in the case of the Company, to the determination by its counsel that disclosure is appropriate or necessary, each party shall keep strictly confidential and shall cause its employees and agents to keep strictly confidential the terms of this Agreement and any information of or concerning the other party which it or any of its agents or employees may acquire pursuant to, or in the course of performing its obligations under, any provision of this Agreement. The Dealer hereby consents to the issuance of a press release by the Company announcing its entry into this Agreement and the filing with the Securities and Exchange Commission of such information relating thereto as required under the Exchange Act (in each case in the Company's sole discretion).

Notwithstanding any provision in this Agreement, in connection with Section 1.6011-4 of the Treasury Regulations, the parties hereby agree that each party (and each employee, representative, or other agent of such party) may disclose to any and all persons, without limitation of any kind, the U.S. tax treatment and U.S. tax structure of the transactions contemplated hereby and all materials of any kind (including opinions or other tax analyses) that are provided to such party relating to such U.S. tax treatment and U.S. tax structure, other than any information for which nondisclosure is reasonably necessary in order to comply with applicable securities laws.

(g) Expenses. The Company will pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including the fees and disbursements of the Company's counsel and accountants and other experts. The Dealer will pay its own expenses incident to the performance of its obligations under this Agreement.

(h) Headings. Descriptive headings herein are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

(i) Counterparts. This Agreement may be executed by the parties hereto in counterparts, and each such executed counterpart shall be, and shall be deemed to be, an original instrument and all such counterparts, taken together, shall constitute one and the same instrument.

(j) Notices. All notices, consents, requests, instructions, approvals and other communications provided for herein shall be validly given, made or served if in writing and delivered personally, by telegram, by telecopy or sent by overnight courier, postage prepaid:

if to the Dealer:

Merrill Lynch International
250 Vesey Street, 17th Floor
New York, New York 10080
Attention: Fran Jacobson and Charles Plohn

and, in connection with any notices
pursuant to Section 3(a)(ii) by
telephone and facsimile to:

Telephone: Fran Jacobson (212) 236-8620
Charles Plohn (212) 449-4577
Facsimile: Fran Jacobson (917) 778-0835

if to the Company:

Amgen Inc.
One Amgen Center Drive
Thousand Oaks, California 91320-1799
Facsimile: 805-499-8011
Attention: Corporate Secretary

with a copy to:

Latham & Watkins LLP
885 Third Avenue
New York, New York 10022-4834
Facsimile: 212-751-4864
Attention: Gregory P. Rodgers

or to such other address as any party may, from time to time, designate in a written notice given in a like manner. Notice given by telegram or telecopy shall be deemed delivered when evidence of the transmission is received by the sender and shall be confirmed in writing by overnight courier, postage prepaid. Notice given by overnight courier as set out above shall be deemed delivered the business day after the date the same is mailed.

(k) Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York without reference to conflict of law principles.

(l) Cap Amount. For the avoidance of doubt, notwithstanding anything herein to the contrary, in no event shall the Company be obligated to issue or deliver to the Dealer shares of Common Stock pursuant to this Agreement in excess of the Cap Amount (as such amount may be adjusted from time to time pursuant to Section 2).

(m) Waiver of Set-Off. Each of the Dealer and the Company waives any and all rights it may have to set-off under this Agreement, whether arising under any agreement, applicable law or otherwise.

If the foregoing is in accordance with our understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this letter and your acceptance shall represent a binding Agreement between the Company and you.

Very truly yours,

AMGEN INC.

By /s/ Robert A. Bradway
Name: Robert A. Bradway
Title: Executive Vice President and Chief Financial Officer

Accepted as of the date
first written above.

MERRILL LYNCH INTERNATIONAL

By /s/ John Kaplan
Name: John Kaplan
Title: Managing Director

REGISTRATION RIGHTS AGREEMENT

REGISTRATION RIGHTS AGREEMENT dated as of _____, 200_ between Amgen Inc., a Delaware corporation (the "**Company**"), and Merrill Lynch International (the "**Shareholder**").

DEFINITIONS

1.1. Definitions. The following terms, as used herein, have the following meanings:

"**1933 Act**" means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"**1934 Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

"**Commission**" means the Securities and Exchange Commission.

"**Common Stock**" means the Company's common stock, $0.0001 par value.

"**Person**" means an individual, a corporation, a partnership, a limited liability company, an association, a trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"**Prospectus**" shall mean the prospectus that is a part of the Shelf Registration Statement at all times after the effective date of the Shelf Registration Statement, as the same may be amended.

"**Purchase Agreement**" means the Purchase Agreement between the Company and the Shareholder dated as of May 29, 2007.

"**Registrable Securities**" means all shares of Common Stock delivered by the Company to the Shareholder pursuant to the Purchase Agreement that it intends to register under the 1933 Act.

"**Shelf Registration Statement**" means the Shelf Registration Statement as defined in Section 2.1.

"**Underwriter**" means a securities dealer who purchases any Registrable Securities as principal and not as part of such dealer's market-making activities.

REGISTRATION RIGHTS

2.1. Shelf Registration. (a) If the Company delivers Registrable Securities to the Shareholder, the Company covenants and agrees that as of the date of such delivery the Company shall have prepared and filed with the Commission a shelf registration statement (as amended and supplemented from time to time, the "**Shelf Registration Statement**") relating to the Registrable Securities in accordance with Rule 415 under the 1933 Act, and, to the extent the Shelf Registration Statement has not theretofore been declared effective or is not automatically effective upon such filing, the Company shall cause such Shelf Registration Statement to be declared effective no later than the Final Settlement Date (as defined in the Purchase Agreement) and to keep such Shelf Registration Statement continuously effective and in compliance with the 1933 Act and usable for resale of such Registrable Securities for a period from the date on which the Commission declares such Shelf Registration Statement effective until the second anniversary of the Final Settlement Date.

(b) [Reserved]

(c) Prior to the Shelf Registration Statement becoming effective, the Shareholder shall provide such information as reasonably requested by the Company so that the Shareholder is named as a selling securityholder in the Shelf Registration Statement and is permitted to deliver the Prospectus to purchasers of the Shareholder's Registrable Securities in accordance with applicable law.

(d) The Company may suspend the use of the Prospectus for a period not to exceed 45 days in any three-month period or an aggregate of 120 days in any twelve month period for valid business reasons (not including the avoidance of its obligations hereunder) or to avoid premature public disclosure of a pending corporate transaction, including pending acquisitions or divestiture of assets, mergers and combinations and similar events; provided that the period that the Company is required to keep the Shelf Registration Statement effective shall be extended by the number of days during which such Shelf Registration Statement was not effective or usable pursuant to the foregoing provisions.

REGISTRATION PROCEDURES; INDEMNIFICATION

3.1. In connection with any Shelf Registration Statement:

(a) The Company will promptly notify the Shareholder, and confirm the notice in writing, (i) when the Shelf Registration Statement, or any post-effective amendment to the Shelf Registration Statement, shall have become effective, or any supplement to the Prospectus or any amended Prospectus shall have been filed, (ii) of any request by the Commission to amend the Shelf Registration Statement or amend or supplement the Prospectus or for additional information after the Shelf Registration Statement shall have become effective, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Shelf Registration Statement or of any order preventing or suspending the use of any preliminary

prospectus, or of the suspension of the qualification of the Registrable Securities for offering or sale in any jurisdiction, or of the institution or threatening of any proceedings for any of such purposes and (iv) of the existence of any fact that results in the Shelf Registration Statement, the Prospectus or any document incorporated therein by reference containing an untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make any statement therein not misleading.

(b) The Company will use its commercially reasonable efforts to prevent the issuance of any stop order suspending the effectiveness of the Shelf Registration Statement or of any order preventing or suspending the use of any preliminary prospectus and, if any such order is issued, to obtain the lifting thereof at the earliest possible moment.

(c) The Company will furnish to the Shareholder, without charge, as many signed copies of the Shelf Registration Statement (as originally filed) and of all amendments thereto, whether filed before or after the Shelf Registration Statement becomes effective, copies of all exhibits and documents filed therewith, including documents incorporated by reference into the Prospectus, prospectus supplements, and signed copies of all consents of experts, as the Shareholder may reasonably request. The Company will deliver to the Shareholder, without charge, from time to time during the period when the Prospectus is required to be delivered under the 1933 Act, such number of copies of the Prospectus (as supplemented or amended) as the Shareholder may reasonably request.

(d) The Company will comply with the 1933 Act and the 1934 Act so as to permit the completion of the distribution of the Registrable Securities in accordance with the intended method or methods of distribution contemplated in the Prospectus.

(e) The Company will use its commercially reasonable efforts, in cooperation with the Shareholder, to qualify the Registrable Securities for offering and sale under the applicable securities laws of such states and other jurisdictions as the Shareholder may designate; provided, however, that the Company shall not be obligated to qualify the Registrable Securities for offering and sale under the applicable securities laws of such states and other jurisdictions where the Company will be obligated (i) to file any general consent to service of process or to qualify as a foreign corporation or as a broker or dealer in securities in any jurisdiction in which it is not so qualified, (ii) to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject or (iii) file annual reports or comply with any other requirements deemed in its reasonable judgment to be unduly burdensome. The Company will file such statements and reports as may be required by the laws of each jurisdiction in which the Registrable Securities have been qualified as above provided.

(f) The Company will use its commercially reasonable efforts to effect the listing of the Registrable Securities covered by a Shelf Registration Statement on each securities exchange on which the Company's Common Stock is then listed.

(g) The Company will enter into such customary agreements, and take all such other reasonable and customary actions in connection with the offering in order to expedite or facilitate the disposition of the Registrable Securities.

(h) The Company will pay and bear all costs and expenses incident to the performance of its obligations in connection with the Shelf Registration Statement, including, without limitation: (i) the costs of preparation, printing and filing of the Shelf Registration Statement (including financial statements and exhibits), as originally filed and as amended, any preliminary prospectuses and the Prospectus and any amendments or supplements thereto, and the cost of

furnishing copies thereof to the Shareholder; (ii) the costs of preparation, printing and distribution of certificates representing the Registrable Securities and other documents relating to the performance of and compliance with this Agreement by the Company; (iii) the fees and disbursements of the Company's counsel and accountants; (iv) expenses relating to the qualification of the Registrable Securities under applicable securities laws and any filing for review of the offering with the National Association of Securities Dealers, Inc.; (v) all fees and expenses incurred in connection with the listing, if any, of any of the Registrable Securities on any securities exchange; and (vi) the reasonable fees and disbursements of one counsel to review the Shelf Registration Statement on behalf of the Shareholder.

(i) Upon the request of the Shareholder or if required by the rules, regulations or instructions applicable to the registration form used by the Company, or otherwise by the 1933 Act in connection with the offering of Registrable Securities pursuant to the Shelf Registration Statement, the Company will prepare a prospectus supplement that complies with the 1933 Act and that sets forth the aggregate amount of the Registrable Securities being sold, the price at which the Registrable Securities are to be sold, any discounts, commissions or other items constituting compensation, and such other information as the Shareholder and the Company deem appropriate in connection with the offering of the Registrable Securities prior to such prospectus supplement being used or filed with the Commission.

(j) If the Shareholder reasonably determines, based on advice of legal counsel, that the Shareholder could be deemed an "underwriter" under the 1933 Act in connection with any resale of the Registrable Securities pursuant to the Shelf Registration Statement, then in connection with any offering of the Registrable Securities by the Shareholder, the Company will (i) furnish to the Shareholder (A) an opinion or opinions of counsel to the Company and (B) a comfort letter

or comfort letters from the Company's independent public accountants, each in customary form and covering such matters of the type customarily covered by opinions or comfort letters, as the case may be, as the Shareholder reasonably requests and (ii) make its management and corporate records reasonably available for customary due diligence review by the Shareholder.

(k) The Company shall indemnify the Shareholder (in its capacity as such and in its capacity as an Underwriter), its respective officers and directors and each Person, if any, who controls any of such parties within the meaning of Section 15 of the 1933 Act (each an "**Indemnified Party**") from and against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the 1933 Act or any other statute or common law and shall reimburse each such Indemnified Party for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) as and when incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Prospectus, or in the Shelf Registration Statement, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the indemnity agreement contained in this Section 3.1(k) as to any Indemnified Party shall not apply to any such losses, claims, damages, liabilities, expenses or actions arising out of, or based upon, any such untrue statement or alleged untrue statement, or any such omission or alleged omission, if such statement or omission was made in reliance upon and in conformity with information furnished in writing to the Company by such Indemnified Party expressly for use in connection with the preparation of the Shelf Registration

Statement or the related Prospectus or any amendment or supplement to either thereof; and provided further, that the indemnity agreement contained in this Section 3.1(k) with respect to the related Prospectus or any amendment or supplement thereto (if the Company shall have furnished any amendment or supplement thereto) shall not inure to the benefit of any Indemnified Party on account of any such losses, claims, damages, liabilities, expenses or actions arising from the sale of Registrable Securities to any person if a copy of the related Prospectus (exclusive of any documents incorporated by reference) shall not have been given or sent to such person by or on behalf of such Indemnified Party with or prior to the written confirmation of the sale involved unless, with respect to the delivery of any amendment or supplement to the Prospectus, the alleged omission or alleged untrue statement was not corrected in such amendment or supplement at the time of such written confirmation. The indemnity agreement of the Company contained in this Section 3.1(k) shall remain operative and in full force and effect regardless of any termination of this Agreement or of any investigation made by or on behalf of any Indemnified Party, and shall survive the registration of the Registrable Securities.

(l) The Shareholder shall indemnify, defend and hold harmless the Company and any underwriter and other selling security holder, and their respective officers and directors, and each person who controls the Company or any other selling holder within the meaning of Section 15 of the 1933 Act, from and against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the 1933 Act or any other statute or common law and shall reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) as and when incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities,

expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Shelf Registration Statement or the related Prospectus, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, if such statement or omission was made in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of the Shareholder, expressly for use in connection with the preparation of the Shelf Registration Statement or the related Prospectus or any amendment or supplement to either thereof. The indemnity agreement of the Shareholder contained in this Section 3.1(l) shall remain operative and in full force and effect regardless of any termination of this Agreement or of any investigation made by or on behalf of the Company, any underwriter, or any other selling shareholder, or their respective managers, directors or officers, or any such controlling person, and shall survive the registration of the Registrable Securities.

(m) The Company and the Shareholder each shall, upon the receipt of notice of the commencement of any action against it or any person controlling it as aforesaid, in respect of which indemnity may be sought on account of any indemnity agreement contained herein, promptly give written notice of the commencement thereof to the party or parties against whom indemnity shall be sought hereunder, but the failure to notify such indemnifying party or parties of any such action shall not relieve such indemnifying party or parties from any liability hereunder to the extent such indemnifying party or parties is/are not materially prejudiced as a result of such failure to notify and in any event shall not relieve such indemnifying party or parties from any liability that it or they may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given,

such indemnifying party shall be entitled to participate at its own expense in the defense, or, if it so elects, to assume (in conjunction with any other indemnifying parties) the defense of such action, in which event such defense shall be conducted by counsel chosen by such indemnifying party or parties and reasonably satisfactory to the indemnified party or parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the indemnifying party shall elect not to assume the defense of such action, such indemnifying party will reimburse such indemnified party or parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action (including impleaded parties) include both the indemnified party and the indemnifying party and counsel for the indemnifying party shall have reasonably concluded that there may be a conflict of interest involved in the representation by a single counsel of both the indemnifying party and the indemnified party, the indemnified party or parties shall have the right to select separate counsel, satisfactory to the indemnifying party, whose reasonable fees and expenses shall be paid by such indemnifying party, to participate in the defense of such action on behalf of such indemnified party or parties (it being understood, however, that the indemnifying party shall not be liable for the fees and expenses of more than one separate counsel (in addition to local counsel) representing the indemnified parties who are parties to such action). The Company and the Shareholder each agree that without the other party's prior written consent, which consent shall not be unreasonably withheld, it will not settle, compromise or consent to the entry of any judgment in any claim in respect of which indemnification may be sought under the indemnification provisions of this Agreement, unless such settlement, compromise or consent (i) includes an unconditional release of such other party

from all liability arising out of such claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of such other party.

(n) If the indemnification provided for in Sections 3.1(k) or (l) above shall be unenforceable under applicable law by an indemnified party, each indemnifying party agrees to contribute to such indemnified party with respect to any and all losses, claims, damages, liabilities and expenses for which each such indemnification provided for in Sections 3.1(k) or (l) above shall be unenforceable, in such proportion as shall be appropriate to reflect (i) the relative benefits received by each indemnifying party on the one hand and the indemnified party on the other hand from the offering of the Registrable Securities pursuant to this agreement, (ii) if an allocation solely on the basis provided by clause (i) is not permitted by applicable law or is inequitable or against public policy, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of each indemnifying party on the one hand and the indemnified party on the other hand in connection with the statements or omissions which have resulted in such losses, claims, damages, liabilities and expenses and (iii) any other relevant equitable considerations; provided, however, that no indemnified party guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any indemnifying party not guilty of such fraudulent misrepresentation. Relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or the indemnified party and each such party's relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Company and the Shareholder each agree that it would not be just and equitable if contributions

pursuant to this Section 3.1(n) were to be determined by pro rata allocation or by any other method of allocation which does not taken account of the equitable consideration referred to above. Notwithstanding the provisions of this Section 3.1(n), the Shareholder shall not be required to contribute in excess of the amount equal to the excess of (i) the net proceeds received by the Shareholder from the sale of Registrable Securities by it, over (ii) the amount of any damages which the Shareholder has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission.

MISCELLANEOUS

4.1. Participation in Underwritten Registrations. No Person may participate in any underwritten registered offering contemplated hereunder unless such Person (a) agrees to sell its securities on the basis provided in any underwriting arrangements approved by the Persons entitled hereunder to approve such arrangements and (b) completes and executes all questionnaires, powers of attorney, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements and these Registration Rights.

4.2. Notices. All notices, requests and other communications to either party hereunder shall be in writing (including telecopy or similar writing) and shall be given,

if to the Company, to:

Amgen Inc.
One Amgen Center Drive
Thousand Oaks, California 91320-1799
Telecopy No.: 805-499-8011
Attention: Corporate Secretary

with a copy to:

Latham & Watkins LLP
885 Third Avenue
New York, New York 10022-4834
Telecopy No.: 212-751-4864

Attention: Gregory P. Rodgers.

if to the Shareholder, to:

Merrill Lynch International
250 Vesey Street, 17th Floor
New York, New York 10080
Attention: Fran Jacobson and Charles Plohn
Telephone: Fran Jacobson (212) 236-8620
Charles Plohn (212) 449-4577
Facsimile: Fran Jacobson (917) 778-0835

or such other address or telecopier number as such party may hereafter specify for the purpose by notice to the other party hereto. Each such notice, request or other communication shall be effective when delivered at the address specified in this Section 4.2.

4.3. Amendments; No Waivers.

(a) Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by the Shareholder and the Company, or in the case of a waiver, by the party against whom the waiver is to be effective.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

4.4. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Neither this Agreement nor any provision hereof is intended to confer upon any Person other than the parties hereto any rights or remedies hereunder.

4.5. Counterparts; Effectiveness. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each party hereto shall have received a counterpart hereof signed by the other party hereto.

4.6. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersede all prior agreements, understandings and negotiations, both written and oral, between the parties with respect thereto. No representation, inducement, promise, understanding, condition or warranty not set forth herein or therein has been made or relied upon by any of the parties hereto.

4.7. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of New York, without regard to the conflicts of law rules of such state.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

AMGEN INC.

By: _____
Name:
Title:

MERRILL LYNCH INTERNATIONAL

By: _____
Name:
Title:

Rule 10b5-1 Purchase Plan

Amgen Inc., a Delaware corporation (the "**Corporation**"), as of this 29th day of May, 2007, has established this Plan (the "**Plan**") in order to purchase the Corporation's common stock, $0.0001 par value (the "**Common Stock**"), pursuant to the requirements of and in conformity with the provisions of Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). The Corporation requests that Merrill Lynch International (the "**Dealer**") execute the Plan, in coordination with the purchase requirements of the attached Purchase Agreement, dated as of May 29, 2007, between the Corporation and the Dealer (the "**Purchase Agreement**"), as follows:

1. Starting on May 30, 2007, the Dealer shall purchase shares pursuant to the Purchase Agreement.

2. The Plan shall end on the earliest of:

(i) July 31, 2007 or any date to which the deadline for the Maturity Date is postponed pursuant to the Purchase Agreement;

(ii) the completion of all purchases contemplated by the Purchase Agreement; and

(iii) in the reasonable determination by either the Corporation or the Dealer that:

(1) this 10b5-1 Plan does not comply with Rule 10b5-1 or other applicable securities laws; or

(2) the Corporation has not, or the Dealer has not, complied with this 10b5-1 Plan, Rule 10b5-1 or other applicable securities laws.

In the event that the Plan terminates pursuant to this clause (iii), the Purchase Agreement shall be terminated with the same effect as the occurrence of an Early Termination Date as set forth in Section 2(b) of the Purchase Agreement.

3. The Corporation represents and agrees that in connection with this Plan it has complied and will comply with the provisions of Rule 10b-18. The Dealer is entitled to conclusively rely on information communicated to it by the Corporation concerning the Corporation's market activities. In executing the Plan, the Dealer is instructed to comply with the purchasing conditions specified in the Purchase Agreement.

4. The Corporation confirms that (a) it established this 10b5-1 Plan in good faith in compliance with the requirements of Rule 10b5-1 at a time when it was not in possession of material non-public information, and is entering into this 10b5-1 Plan in good faith and not as part of a plan or scheme to evade compliance with the federal securities laws, (b) it understands the proscriptions of Rule 10b5-1 in respect of offsetting and hedging transactions, (c) it will not, and it will instruct its executive officers to not, disclose to any persons at the Dealer effecting purchases under this 10b5-1 Plan, or making decisions with respect to any such purchases, any information regarding the Corporation that might influence the execution of this 10b5-1 Plan, and (d) it will inform the Dealer as soon as possible of any subsequent legal or contractual restrictions affecting the execution of this 10b5-1 Plan by the Dealer or by the Corporation and of the occurrence of any event that would cause this 10b5-1 Plan to end or be suspended as contemplated in Paragraph 2 or 5.

5. If the Dealer must suspend purchases of shares under this 10b5-1 Plan on a particular day for any of the following reasons:

(i) a day specified by this 10b5-1 Plan is not a day on which the common stock of the Corporation trades regular way on The NASDAQ Stock Market (the "**Exchange**");

(ii) trading of the Common Stock on the Exchange is suspended for any reason; or

(iii) The Dealer cannot effect a purchase of shares due to legal, regulatory or contractual restrictions applicable to it or to the Corporation (including without limitation, Regulation M or Rule 10b-5);

then the Dealer will resume purchases in accordance with paragraph 1 above on the next day specified in this 10b5-1 Plan after the condition causing the suspension of purchases has been resolved to the reasonable satisfaction of the Dealer in good faith.

6. It is the intent of the Corporation and the Dealer that this Agreement shall be interpreted to comply with the requirements of Rule 10b5-1(c).

7. This 10b5-1 Plan, together with the Purchase Agreement, constitutes the entire agreement between the Corporation and the Dealer and supersede any prior agreements or understandings regarding this 10b5-1 Plan.

8. The Plan may be signed in counterparts, each of which will be an original.

9. All notices given by the parties under this Plan will be as follows:

If to the Dealer:

(i) Merrill Lynch International – 250 Vesey Street, 17th Floor, New York, New York 10080 (facsimile: (917) 778-0835), Attention: Fran Jacobson and Charles Plohn.

If to the Corporation:

(ii) Amgen Inc. – One Amgen Center Drive, Thousand Oaks, California 91320-1799 (facsimile no. 805-499-8011), Attention: Corporate Secretary, with a

copy to Latham & Watkins LLP, 885 Third Avenue, New York, New York 10022-4834 (facsimile no. 212-751-4864), Attention: Gregory P. Rodgers.

10. This Plan will be governed by and construed in accordance with the internal laws of the State of New York.

11. The Corporation may terminate the Plan effective immediately at any time after the Maturity Date by written notice to the Dealer.

IN WITNESS WHEREOF, the parties hereto have caused this Plan to be duly executed as of the day and year first above written.

AMGEN INC.

By _____
(Name)
(Title)

Acknowledged and Agreed:

MERRILL LYNCH INTERNATIONAL

By _____
(Name)
(Title)

CERTIFICATIONS

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

1. I have reviewed this Quarterly Report on Form 10-Q of Amgen Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
   (d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2007

/S/ KEVIN W. SHARER

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

CERTIFICATIONS

I, Robert A. Bradway, Executive Vice President and Chief Financial Officer of Amgen Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amgen Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
   (d) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2007

/S/ ROBERT A. BRADWAY

Robert A. Bradway
Executive Vice President
and Chief Financial Officer

Certification of Chief Executive Officer

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

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the period ended June 30, 2007 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

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

Dated: August 9, 2007

/S/ KEVIN W. SHARER
Kevin W. Sharer
Chairman of the Board, Chief Executive Officer and President

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

Certification of Chief Financial Officer

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

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the period ended June 30, 2007 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

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

Dated: August 9, 2007

/S/ ROBERT A. BRADWAY

Robert A. Bradway
Executive Vice President
and Chief Financial Officer

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