UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON D.C. 20549

FORM 10-Q/A

AMENDMENT NO. 1

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

For the quarterly period ended June 30, 1998

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	95-3540776
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Amgen Center Drive, Thousand Oaks, California	91320-1789
(Address of principal executive offices)	(Zip Code)

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

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

As of June 30, 1998, the registrant had 253,927,244 shares of Common Stock, $.0001 par value, outstanding.

EXPLANATORY STATEMENT

This Amendment No. 1 to the Form 10-Q for the quarterly period ended June 30, 1998 for Amgen Inc. is being filed to amend and restate Item 1 due to a financial printer error that resulted in a typographical error and an omission in Note 4 of the "Notes to Condensed Consolidated Financial Statements."

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The information in this report for the three and six months ended June 30, 1998 and 1997 is unaudited but includes all adjustments (consisting only of normal recurring accruals) which Amgen Inc. ("Amgen" or the "Company") 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 the Company's financial statements and the notes thereto contained in the Company's Annual Report on Form 10-K for the year ended December 31, 1997.

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

AMGEN INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1998	1997	1998	1997
Revenues:				
Product sales	$611.2	$566.7	$1,178.0	$1,102.7
Corporate partner revenues	29.9	40.0	52.5	67.4
Royalty income	15.8	13.8	31.8	25.9
Total revenues	656.9	620.5	1,262.3	1,196.0
Operating expenses:				
Cost of sales	83.9	76.8	162.9	148.8
Research and development	152.4	145.4	304.9	293.1
Marketing and selling	74.3	81.8	141.1	149.9
General and administrative	47.7	43.7	94.0	88.1
Loss of affiliates, net	10.2	12.1	16.4	20.6
Total operating expenses	368.5	359.8	719.3	700.5
Operating income	288.4	260.7	543.0	495.5
Other income (expense):				
Interest and other income	23.9	18.0	39.1	33.9
Interest expense, net	(3.3)	(0.4)	(5.5)	(0.7)
Total other income (expense)	20.6	17.6	33.6	33.2
Income before income taxes	309.0	278.3	576.6	528.7
Provision for income taxes	92.7	77.8	173.0	147.9
Net income	$216.3	$200.5	$ 403.6	$ 380.8
Earnings per share:				
Basic	$ 0.85	$ 0.76	$ 1.58	$ 1.44
Diluted	$ 0.82	$ 0.72	$ 1.53	$ 1.37
Shares used in calculation of earnings per share:				
Basic	253.9	265.3	255.1	265.3
Diluted	262.5	277.5	263.2	277.8

See accompanying notes.

AMGEN INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In millions, except per share data)
(Unaudited)

	June 30, 1998	December 31, 1997
ASSETS		
Current assets:		
Cash and cash equivalents	$ 158.0	$ 239.1
Marketable securities	863.3	787.4
Trade receivables, net	291.2	269.0
Inventories	113.3	109.2
Other current assets	141.7	138.8
Total current assets	1,567.5	1,543.5
Property, plant and equipment at cost, net	1,349.5	1,186.2
Investments in affiliated companies	117.1	116.9
Other assets	252.7	263.6
	$3,286.8	$3,110.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 85.0	$ 103.9
Commercial paper	99.5	-
Accrued liabilities	671.8	608.0
Current portion of long-term debt	11.0	30.0
Total current liabilities	867.3	741.9
Long-term debt	223.0	229.0
Contingencies		
Stockholders' equity:		
Preferred stock; $.0001 par value; 5 shares authorized; none issued or outstanding	-	-
Common stock and additional paid-in capital; $.0001 par value; 750 shares authorized; outstanding - 253.9 shares in 1998 and 258.3 shares in 1997	1,306.7	1,196.1
Retained earnings	889.8	943.2
Total stockholders' equity	2,196.5	2,139.3
	$3,286.8	$3,110.2

See accompanying notes.

AMGEN INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)
(Unaudited)

	Six Months Ended June 30,	
	1998	1997
Cash flows from operating activities:		
Net income	$ 403.6	$ 380.8
Depreciation and amortization	72.7	65.1
Loss of affiliates, net	16.4	20.6
Cash provided by (used in):		
Trade receivables, net	(22.2)	(3.4)
Inventories	(4.1)	(8.2)
Other current assets	3.7	16.6
Accounts payable	(18.9)	7.6
Accrued liabilities	63.8	(9.2)
Net cash provided by operating activities	515.0	469.9
Cash flows from investing activities:		
Purchases of property, plant and equipment	(236.0)	(195.0)
Proceeds from maturities of marketable securities	-	184.3
Proceeds from sales of marketable securities	272.1	312.4
Purchases of marketable securities	(348.5)	(483.0)
Other	(6.2)	0.5
Net cash used in investing activities	(318.6)	(180.8)

See accompanying notes.

(Continued on next page)

AMGEN INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

(In millions)
(Unaudited)

	Six Months Ended June 30,	
	1998	1997
Cash flows from financing activities:		
Increase in commercial paper	$ 99.5	$ -
Repayment of long-term debt	(25.0)	(78.2)
Proceeds from issuance of long-term debt	-	100.0
Net proceeds from issuance of common stock upon the exercise of stock options	91.8	59.0
Tax benefits related to stock options	30.0	28.6
Repurchases of common stock	(457.0)	(210.9)
Other	(16.8)	(25.9)
Net cash used in financing activities	(277.5)	(127.4)
(Decrease) increase in cash and cash equivalents	(81.1)	161.7
Cash and cash equivalents at beginning of period	239.1	169.3
Cash and cash equivalents at end of period	$158.0	$331.0

See accompanying notes.

AMGEN INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 1998

1. Summary of significant accounting policies

Business

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

Principles of consolidation

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

Inventories

Inventories are stated at the lower of cost or market. Cost is determined in a manner which approximates the first-in, first-out (FIFO) method. Inventories are shown net of applicable reserves and allowances. Inventories consist of the following (in millions):

	June 30, 1998	December 31, 1997
Raw materials.....	$ 17.6	$ 18.7
Work in process.....	49.6	53.6
Finished goods.....	46.1	36.9
	$113.3	$109.2

Product sales

Product sales consist of three products, EPOGEN(R) (Epoetin alfa), NEUPOGEN(R) (Filgrastim) and INFERGEN(R) (Interferon alfacon-1).

The Company has the exclusive right to sell Epoetin alfa for dialysis, diagnostics and all non-human uses in the United States. The Company sells Epoetin alfa under the brand name EPOGEN(R).

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

Foreign currency transactions

The Company has a program to manage foreign currency risk. As part of this program, it has purchased foreign currency option and forward contracts to hedge against possible reductions in values of certain anticipated foreign currency cash flows generally over the next 12 months, primarily resulting from its sales in Europe. At June 30, 1998, the Company had option and forward contracts to exchange foreign currencies for U.S. dollars of $39.9 million and $25.3 million, respectively, all having maturities of seven months or less. The option contracts, which have only nominal intrinsic value at the time of purchase, are designated and effective as hedges of anticipated foreign currency transactions for financial reporting purposes and accordingly, the net gains on such contracts are deferred and recognized in the same period as the hedged transactions. The forward contracts do not qualify as hedges for financial reporting purposes and accordingly, are marked-to-market. Net gains on option contracts (including option contracts for hedged transactions whose occurrence are no longer probable) and changes in market values of forward contracts are reflected in "Interest and other income". The deferred premiums on option contracts and fair values of forward contracts are included in "Other current assets".

The Company has additional foreign currency forward contracts to hedge exposures to foreign currency fluctuations of certain receivables and payables denominated in foreign currencies. At June 30, 1998, the Company had forward contracts to exchange foreign currencies for U.S. dollars of $27.5 million, all having maturities of two months or less. These contracts are designated and effective as hedges and accordingly, gains and losses on these forward contracts are recognized in the same period the offsetting gains and losses of hedged assets and liabilities are realized and recognized. The fair values of the forward contracts are included in the corresponding captions of the hedged assets and liabilities. Gains and losses on forward contracts, to the extent they differ in amount from the hedged receivables and payables, are included in "Interest and other income".

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities," which is required to be adopted in fiscal years beginning after June 15, 1999. Because of the Company's minimal use of derivatives, management does not anticipate that the adoption of this new

statement will have a significant effect on earnings or the financial position of the Company.

Income taxes

Income taxes are accounted for in accordance SFAS No. 109 (see Note 3, "Income taxes").

Stock option and purchase plans

The Company's stock option and purchase plans are accounted for under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees".

Earnings per share

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	1998	1997	1998	1997
Numerator for basic and diluted earnings per share - net income	$216.3	$200.5	$403.6	$380.8
Denominator:				
Denominator for basic earnings per share - weighted-average shares	253.9	265.3	255.1	265.3
Effect of dilutive securities - employee stock options	8.6	12.2	8.1	12.5
Denominator for diluted earnings per share - adjusted weighted-average shares	262.5	277.5	263.2	277.8
Basic earnings per share	$ 0.85	$ 0.76	$ 1.58	$ 1.44
Diluted earnings per share	$ 0.82	$ 0.72	$ 1.53	$ 1.37

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the

financial statements and accompanying notes. Actual results may differ from those estimates.

Basis of presentation

The financial information for the three and six months ended June 30, 1998 and 1997 is unaudited but includes all adjustments (consisting only of normal recurring accruals) which the Company considers necessary for a fair presentation of the results of operations for these periods. Interim results are not necessarily indicative of results for the full fiscal year.

Reclassification

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

2. Debt

As of June 30, 1998, the Company had $234 million of unsecured debt securities outstanding, of which $11 million matures within one year. The Company has established a $500 million debt shelf registration statement under which the Company has issued $100 million of debt securities (the "Notes") and established a $400 million medium term note program. The Company may offer and issue medium term notes from time to time with terms to be determined by market conditions. The Notes bear interest at a fixed rate of 6.5% and mature in 10 years. The Company's other outstanding debt includes $100 million of debt securities that bear interest at a fixed rate of 8.1% and mature in 2097 and $34 million of notes that bear interest at fixed rates averaging 6% and have remaining maturities of less than six years.

The Company had a commercial paper program which provided for unsecured short-term borrowings up to an aggregate of $200 million. In April 1998, the Company replaced this program with a new commercial paper program which provides for the same amount of aggregate short-term borrowings. As of June 30, 1998, commercial paper with a face amount of $100 million was outstanding. These borrowings had maturities of less than four months and had effective interest rates averaging 5.6%.

In May 1998, the Company replaced its credit facility with a new unsecured $150 million credit facility that has substantially the same terms as the Company's prior credit facility and expires on May 28, 2003. As of June 30, 1998, $150 million was available under the Company's line of credit for borrowing.

3. Income taxes

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	1998	1997	1998	1997
Federal(including U.S. possessions)	$86.6	$72.3	$161.5	$137.4
State	6.1	5.5	11.5	10.5
	$92.7	$77.8	$173.0	$147.9

The increase in the effective tax rate in the current year is the result of a provision in the federal tax law which caps tax benefits associated with the Company's Puerto Rico operations at the 1995 income level.

4. Contingencies

Johnson & Johnson arbitrations

Epoetin alfa

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

A dispute between Amgen and Johnson & Johnson that is the subject of a current arbitration proceeding relates to the audit methodology currently employed by the Company for Epoetin alfa sales. The Company and Johnson & Johnson are required to compensate each other for Epoetin alfa sales which either party makes into the other party's exclusive market, sometimes referred to as "spillover". Spillover occurs when, for example, a hospital or other purchaser buys one brand for use in both dialysis and non-dialysis indications. The Company has established and is employing an audit methodology to assign the proceeds of sales of EPOGEN(R) and PROCRIT in the Company's and Johnson & Johnson's respective exclusive markets. On September 12, 1997, the arbitrator in this matter (the "Arbitrator") issued an opinion adopting the Company's audit methodology. For the free standing dialysis center segment of the Epoetin alfa market, which accounts for about two-thirds of the Company's EPOGEN sales, the Arbitrator ruled that the Company's audit accurately determined that all Epoetin alfa sales to free standing dialysis centers are made for dialysis. For the other segments of the Epoetin alfa market, the Arbitrator ruled that the detailed methodology used by Amgen accurately measured and allocated Epoetin alfa sales for all but the Hospital and Home Health Care segments, for which he ordered certain adjustments to the results of the audit for the 1991-94 time period. The Arbitrator also ruled that no payments are due for the 1989-90 period. Subject to further guidance from the Arbitrator to clarify his opinion and the issuance of the Arbitrator's final order, the Company estimated that the effect of the opinion would be a net spillover payment to Johnson & Johnson which, after benefit of income tax effects, was $78 million for the 1991-94 period and interest in the amount of $18 million after tax. As a result of the opinion, the Company took a charge of $0.35 per share in the third quarter of 1997 for the spillover payment and interest.

A hearing before the Arbitrator was held on October 27, 1997 to clarify, among other issues, the calculation for the amount of the spillover payment due to Johnson & Johnson for the 1991-94 time

period. As a result of that hearing, the Company will pay an additional amount to Johnson & Johnson for the 1991-94 period which is covered by amounts previously provided for by the Company. On April 14, 1998, the Arbitrator issued his final order which confirmed that the Company was the successful party in the arbitration and, as a result, Johnson & Johnson has been ordered to pay to the Company all costs and expenses, including reasonable attorney's fees, that the Company incurred in the arbitration as well as one-half of the audit costs. The Company currently estimates that it will submit a bill for such costs incurred over an eight year period of approximately $100 million; however, the actual amount of the Company's recovery will be determined by the Arbitrator. The final order also confirmed that for the period 1995 forward, the estimates of usage of Epoetin alfa in the Hospital segment of the Company's audit methodology shall be applied without adjustment, subject to the right of either party to challenge the Hospital survey results for 1995 and certain subsequent years.

Both parties filed and presented arguments on motions seeking reconsideration of certain aspects of the Arbitrator's final order. On July 29, 1998, the Arbitrator issued his opinion on both parties' motions for reconsideration. The Arbitrator granted the Company's motion to reconsider one aspect of the adjustment to the results of the audit for the Hospital and Home Health Care Segment. The Arbitrator's ruling changes the calculation for that segment and reduces the Company's liability to Johnson & Johnson for the 1991-94 period. The Arbitrator denied all other motions, including Johnson & Johnson's motion seeking a reconsideration of the award to the Company of all costs and expenses, including reasonable attorneys' fees and costs, that the Company incurred in the arbitration. Due to remaining uncertainties the Company has not recognized any benefit from the reduced liability for 1991-94 or for the recovery of attorneys' fees and costs or audit costs. On August 12, 1998, Johnson & Johnson gave notice of challenge to the results of the audit of the Hospital segment for the 1995-97 period. If, as a result of this challenge, adjustments to the results of the Company's audit are made, the Company may be required to pay additional compensation to Johnson & Johnson for sales during 1995, 1996 and 1997. The Company does not expect that any such additional compensation for the 1995-97 period would have a material adverse effect on the annual financial statements of Amgen due to amounts previously provided for by the Company.

The Company has filed a demand in the arbitration to terminate Johnson & Johnson's rights under the License Agreement and to recover damages for breach of the License Agreement. Johnson & Johnson disputes the Arbitrator's jurisdiction to decide the Company's demand. The Company has requested a hearing before the Arbitrator on the Company's termination demand. No trial date on this matter has been set.

On October 2, 1995, Johnson & Johnson filed a demand for a separate arbitration proceeding against the Company before the American Arbitration Association ("AAA") in Chicago, Illinois. Johnson & Johnson alleges in this demand that the Company has breached the License Agreement. The demand also includes allegations of various antitrust violations. In this demand, Johnson & Johnson seeks an injunction, declaratory relief, unspecified compensatory damages, punitive damages and costs. On October 27, 1995, the Company filed a complaint in the Circuit Court of Cook County, Illinois seeking an order compelling Johnson & Johnson to arbitrate the Company's claim for termination before the Arbitrator as well as all related counterclaims asserted in Johnson & Johnson's October 2, 1995 AAA arbitration demand. The Company is unable to predict at this time the outcome of the demand for termination or when it will be resolved. The Company has filed a motion to stay the AAA arbitration pending the outcome of the existing arbitration proceedings before the Arbitrator discussed above. The Company has also filed an answer and counterclaim denying that AAA has jurisdiction to hear or decide the claims stated in the demand, denying the allegations in the demand and counter claiming for certain unpaid invoices.

NESP

On June 5, 1997, Johnson & Johnson filed a demand for arbitration against Kirin-Amgen, Inc. ("Kirin-Amgen"), an affiliate of the Company, before the AAA. The demand alleges that Amgen's novel erythropoiesis stimulating protein ("NESP") is covered by a license granted by Kirin-Amgen to Johnson & Johnson in 1985 for the development, manufacture and sale of Epoetin alfa in certain territories outside the United States, Japan and China (the "K-A License"). In 1996 Kirin-Amgen acquired exclusive worldwide rights in NESP from Amgen. Kirin-Amgen, in turn, transferred certain rights in NESP to Kirin and certain rights to Amgen. Johnson & Johnson alleges that the K-A License effectively grants Johnson & Johnson the same right to develop, manufacture and sell NESP as granted under the K-A License with respect to Epoetin alfa. Kirin-Amgen filed its answer to Johnson & Johnson's complaint on January 12, 1998, denying that Johnson & Johnson has rights to NESP. Kirin-Amgen also asserted a counterclaim for the recovery of certain royalty payments which Kirin-Amgen asserts were improperly withheld. These same disputes

exist between the Company and Johnson & Johnson under the License Agreement and the parties have agreed that the resolution of these issues in this arbitration will be binding upon them with respect to the License Agreement. The trial in this matter has commenced.

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

5. Stockholders' equity

During the six months ended June 30, 1998, the Company repurchased 8.2 million shares of its common stock at a total cost of $457 million under its common stock repurchase program. In October 1997, the Board of Directors authorized the Company to repurchase up to an additional $1 billion of common stock through December 31, 1998. At June 30, 1998, $255 million of this authorization remained. Stock repurchased under the program is retired.

6. Comprehensive income

As of January 1, 1998, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 130, "Reporting Comprehensive Income". SFAS No. 130 establishes new rules for the reporting and display of comprehensive income and its components. SFAS No. 130 requires unrealized gains and losses on the Company's available-for-sale securities and foreign currency translation adjustments to be included in other comprehensive income. During the three and six months ended June 30, 1998, total comprehensive income was $208.1 million and $392.4 million, respectively. During the three and six months ended June 30, 1997, total comprehensive income was $197.6 million and $376 million, respectively.

SIGNATURES

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

Amgen Inc.
(Registrant)

Date: 8/18/98

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