



Company	Ticker	Sector	Industry
Amgen Inc.	AMGN-US	Health Care	Biotechnology

Business Description

Amgen is a leader in biotechnology-based human therapeutics, with historical expertise in renal disease and cancer supportive-care products. Flagship drugs include red blood cell boosters Epogen and Aranesp, immune system boosters Neupogen and Neulasta, and Enbrel and Otezla for inflammatory diseases. Amgen introduced its first cancer therapeutic, Vectibix, in 2006 and markets bone-strengthening drug Prolia/Xgeva (approved 2010) and Evenity (2019). The acquisition of Onyx bolstered the firm's therapeutic oncology portfolio with Nexavar and Kyprolis. Recent launches include Repatha (cholesterol-lowering), Aimovig (migraine), and Lumakras (lung cancer). Amgen's biosimilar portfolio includes Mvasi (biosimilar Avastin), Kanjinti (biosimilar Herceptin), and Amgevita (biosimilar Humira). The company was founded by William K. Bowes, Jr., Franklin Pitcher Johnson, Jr., George B. Rathmann, and Joseph Rubinfeld on April 8, 1980 and is headquartered in Thousand Oaks, CA.

Price Chart

Key Info & Metrics



Empirical Research Rank:	2
Date Purchased:	01/03/2018
Price:	\$244.00
52-Week Range:	\$219.27 - \$292.39
Dividend Yield:	3.18%
Market Cap (\$M):	\$130,193
Forward Price-to-Earnings:	13

Total Return

Year-to-Date:	-7.1%
1 Year:	12.6%
3 Year:	16.3%
5 Year:	59.3%

Investment Case - Updated: November 7, 2022

Amgen is the world's second largest biotech company by market value, offering 25 different drugs. Its legacy areas of expertise include bone marrow stimulants, osteoporosis, and nephrology (liver dialysis). The company's newer, growth drugs include anti-inflammatories (Otezla acquired from Bristol Myers-Celgene), hematology (blood cancers), oncology (solid tumors), and biosimilars (the generics alternatives for biotech drugs). Amgen's new drugs, both innovative and biosimilar, have reinvigorated growth. They've also served to stem declines from the loss of exclusivity for legacy drug revenues, now less than 50 percent of total revenues. Amgen plans to grow sales at a mid-single-digit pace through 2030, focusing on oncology, general medicine, and inflammation while expanding its geographic reach. It also plans to double biosimilars revenues by leveraging its expertise in biologics manufacturing. With the introduction of biosimilars, Amgen is creating a sustainable business model in which the manufacturing complexities and capital investment required will limit competition. Despite investor concerns regarding margin stability, Amgen sees the business adding to earnings growth.

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