

AMGEN INC.
CONSOLIDATED STATEMENTS OF INCOME
Years ended December 31, 2015, 2014 and 2013
(In millions, except per share data)

	2015	2014	2013
Revenues:			
Product sales	\$ 20,944	\$ 19,327	\$ 18,192
Other revenues	718	736	484
Total revenues	21,662	20,063	18,676
Operating expenses:			
Cost of sales	4,227	4,422	3,346
Research and development	4,070	4,297	4,083
Selling, general and administrative	4,846	4,699	5,184
Other	49	454	196
Total operating expenses	13,192	13,872	12,809
Operating income	8,470	6,191	5,867
Interest expense, net	1,095	1,071	1,022
Interest and other income, net	603	465	420
Income before income taxes	7,978	5,585	5,265
Provision for income taxes	1,039	427	184
Net income	\$ 6,939	\$ 5,158	\$ 5,081
Earnings per share:			
Basic	\$ 9.15	\$ 6.80	\$ 6.75
Diluted	\$ 9.06	\$ 6.70	\$ 6.64
Shares used in the calculation of earnings per share:			
Basic	758	759	753
Diluted	766	770	765

See accompanying notes.

AMGEN INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
Years ended December 31, 2015, 2014 and 2013
(In millions)

	2015	2014	2013
Net income	\$ 6,939	\$ 5,158	\$ 5,081
Other comprehensive (loss) income, net of reclassification adjustments and taxes:			
Foreign currency translation losses	(247)	(196)	(80)
Effective portion of cash flow hedges	7	323	2
Net unrealized (losses) gains on available-for-sale securities	(241)	24	(226)
Other	9	2	(3)
Other comprehensive (loss) income, net of tax	(472)	153	(307)
Comprehensive income	\$ 6,467	\$ 5,311	\$ 4,774

See accompanying notes.

AMGEN INC.
CONSOLIDATED BALANCE SHEETS
December 31, 2015 and 2014
(In millions, except per share data)

	2015	2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4,144	\$ 3,731
Marketable securities	27,238	23,295
Trade receivables, net	2,995	2,546
Inventories	2,435	2,647
Other current assets	1,706	2,494
Total current assets	38,518	34,713
Property, plant and equipment, net	4,907	5,223
Intangible assets, net	11,641	12,693
Goodwill	14,787	14,788
Other assets	1,723	1,592
Total assets	\$ 71,576	\$ 69,009
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 965	\$ 995
Accrued liabilities	5,452	5,513
Current portion of long-term debt	2,250	500
Total current liabilities	8,667	7,008
Long-term debt	29,306	30,215
Long-term deferred tax liability	2,239	3,461
Other noncurrent liabilities	3,281	2,547
Contingencies and commitments		
Stockholders' equity:		
Common stock and additional paid-in capital; \$0.0001 par value; 2,750.0 shares authorized; outstanding — 754.0 shares in 2015 and 760.4 shares in 2014	30,649	30,410
Accumulated deficit	(2,086)	(4,624)
Accumulated other comprehensive loss	(480)	(8)
Total stockholders' equity	28,083	25,778
Total liabilities and stockholders' equity	\$ 71,576	\$ 69,009

See accompanying notes.

AMGEN INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended December 31, 2015, 2014 and 2013
(In millions)

	2015	2014	2013
Cash flows from operating activities:			
Net income	\$ 6,939	\$ 5,158	\$ 5,081
Depreciation and amortization	2,108	2,092	1,286
Stock-based compensation expense	322	408	403
Deferred income taxes	(607)	(108)	(189)
Other items, net	(399)	(116)	103
Changes in operating assets and liabilities, net of acquisitions:			
Trade receivables, net	(420)	136	(38)
Inventories	481	327	(7)
Other assets	155	(1)	(59)
Accounts payable	(12)	228	60
Accrued income taxes	509	(103)	(326)
Other liabilities	1	534	(23)
Net cash provided by operating activities	9,077	8,555	6,291
Cash flows from investing activities:			
Purchases of property, plant and equipment	(594)	(718)	(693)
Cash paid for acquisitions, net of cash acquired	(359)	(165)	(9,434)
Purchases of intangible assets	(55)	(285)	—
Purchases of marketable securities	(25,977)	(25,878)	(21,965)
Proceeds from sales of marketable securities	18,029	16,697	19,123
Proceeds from maturities of marketable securities	3,527	4,199	5,090
Proceeds from sale of property, plant and equipment	274	3	20
Change in restricted investments, net	—	533	(520)
Other	(392)	(138)	(90)
Net cash used in investing activities	(5,547)	(5,752)	(8,469)
Cash flows from financing activities:			
Net proceeds from issuance of debt	3,465	4,476	8,054
Repayment of debt	(2,400)	(5,605)	(3,371)
Repurchases of common stock	(1,867)	(138)	(832)
Dividends paid	(2,396)	(1,851)	(1,415)
Net proceeds from issuance of common stock in connection with the Company's equity award programs	82	186	296
Settlement of contingent consideration obligations	(253)	(92)	—
Other	252	147	(6)
Net cash (used in) provided by financing activities	(3,117)	(2,877)	2,726
Increase (decrease) in cash and cash equivalents	413	(74)	548
Cash and cash equivalents at beginning of period	3,731	3,805	3,257
Cash and cash equivalents at end of period	\$ 4,144	\$ 3,731	\$ 3,805

See accompanying notes.