

AMGEN INC

Form 10-Q

October 31, 2018

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 September 30, 2018

OR

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

Commission file number 001-37702

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

91320-1799

(Address of principal executive offices) (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 Section 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 has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer

Smaller reporting company  Emerging growth company

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

As of October 24, 2018, the registrant had 637,219,244 shares of common stock, \$0.0001 par value, outstanding.

AMGEN INC.  
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## PART I — FINANCIAL INFORMATION

## Item 1. FINANCIAL STATEMENTS

## AMGEN INC.

## CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In millions, except per-share data)

(Unaudited)

	Three months ended September 30, 2018		Nine months ended September 30, 2017	
Revenues:				
Product sales	\$5,510	\$5,453	\$16,532	\$16,226
Other revenues	394	320	985	821
Total revenues	5,904	5,773	17,517	17,047
Operating expenses:				
Cost of sales	1,037	990	3,005	3,010
Research and development	926	877	2,555	2,519
Selling, general and administrative	1,293	1,170	3,773	3,443
Other	325	297	303	347
Total operating expenses	3,581	3,334	9,636	9,319
Operating income	2,323	2,439	7,881	7,728
Interest expense, net	355	325	1,040	972
Interest and other income, net	126	267	519	627
Income before income taxes	2,094	2,381	7,360	7,383
Provision for income taxes	235	360	894	1,140
Net income	\$1,859	\$2,021	\$6,466	\$6,243
Earnings per share:				
Basic	\$2.88	\$2.78	\$9.67	\$8.52
Diluted	\$2.86	\$2.76	\$9.61	\$8.46
Shares used in calculation of earnings per share:				
Basic	645	728	669	733
Diluted	649	733	673	738
Dividends paid per share	\$1.32	\$1.15	\$3.96	\$3.45

See accompanying notes.

AMGEN INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In millions)

(Unaudited)

	Three months ended		Nine months ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
Net income	\$1,859	\$2,021	\$6,466	\$6,243
Other comprehensive income (loss), net of reclassification adjustments and taxes:				