

Amgen 3Q profit jumps 24 pct. on stronger sales

October 22 2013, by Linda A. Johnson

Biotech drugmaker Amgen Inc. said Tuesday that its third-quarter profit jumped 24 percent, trouncing analysts' expectations, as sales of more than a half-dozen of its drugs increased by double digits.

The strong performance in the quarter ending Sept. 30 came just before Amgen closed its \$9.7 billion purchase of cancer drug maker Onyx Pharmaceuticals on Oct. 1—part of Amgen's strategy to expand beyond its medicines for easing side effects of some cancer treatments and enter the market for pricey cancer drugs.

It's also just begun joint ventures to sell colorectal cancer drug Vectibix in China and to develop and then sell five medicines in Japan. Japan is the world's second-biggest medicine market, after the U.S., and China is spending more on health care, making its huge and aging population a growth target for most pharmaceutical and biotech companies.

Amgen, which sells arthritis treatment Enbrel and Prolia for osteoporosis, said net income was \$1.37 billion, or \$1.79 per share, up from \$1.11 billion, or \$1.41 per share, a year earlier.

The Thousand Oaks, California-based company said earnings were \$1.94 per share excluding one-time items, mainly costs related to acquisitions, efficiency efforts and issuing stock options. Analysts were expecting \$1.76 per share.

Amgen's stock rose 79 cents to \$117 in after-hours trading after rising

\$2.57, or 2.3 percent, to \$116.21 during the regular trading session.

Amgen beat that handily due to a decline in its tax rate, a \$155 million U.S. government order for Neupogen for boosting infection-fighting white blood cells, and very strong sales of nearly all its drugs.

Revenue was up 10 percent at \$4.75 billion, topping the \$4.6 billion analysts expected.

The company also raised the lower end of its 2013 profit forecast by a nickel and now expects \$7.35 to \$7.45 per share.

"We delivered excellent operating performance this quarter," chief executive Robert Bradway said in a statement. "We also delivered excellent strategic progress."

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