

Amgen outlines growth plan, rules out break-up

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Biotechnology company Amgen, facing pressure from activist investor Daniel Loeb, Tuesday unveiled plans to implement deeper job cuts, lift shareholder payouts and increase revenues to more than \$20 billion in 2015.

Amgen chief executive Robert Bradway said cost-cutting and product launches would lift profits next year, but that there was no plan to break the company in two, as Loeb has suggested.

Bradway did not rule out Loeb's suggestion down the road, but said "right now I'm not convinced" of the merits of the idea.

Amgen projected 2015 revenues of \$20.8-\$21.3 billion, up from \$18.7 billion in 2013.

Amgen's current top-selling drug is Neulasta, which is used during chemotherapy, and notched nearly \$1.5 billion in [global sales](#) last quarter.

Growth will come from Enbrel, used to treat [rheumatoid arthritis](#), which will see annual sales of \$5 billion, up from \$4.6 billion in 2013.

Company officials said they could double the product portfolio over the next three years. The company discussed its launch strategy for a pair of cardiovascular products, Ivabradine and Evolocumab, both of which are under regulatory review.

"With four potential product launches in 2015 and a strong pipeline of innovative and biosimilar molecules, we are well positioned to deliver breakthrough medicines for patients and drive long-term growth," Bradway said.

Cost-cutting and restructuring plans are expected to reduce annual spending by \$1.5 billion by 2018.

Amgen said it would slash 500-1,100 jobs in 2015, on top of a previous plan to eliminate 2,900 jobs. The drugmaker will also trim its facilities footprint by 23 percent.

Amgen plans to boost its dividend by 30 percent in the first quarter of 2015 and to repurchase \$2 billion in shares through the end of 2015.

Amgen shares leaped 5.0 percent to \$155.55 in afternoon trade.

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