

GILEAD SCIENCES, INC.
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL INFORMATION

(unaudited)

(in thousands, except per share amounts)

Below is a reconciliation of Gilead's GAAP operating results and diluted per share amounts as reported in the press release dated July 17, 2008. Non-GAAP net income and net income per diluted share for the 2008 periods are presented excluding the after-tax impact of the purchased in-process research and development expense incurred in connection with the acquisition of all of Navitas Assets, LLC's assets related to its cicletanine business, as well as the after-tax impact of stock-based compensation expense and the related methodology for computing dilutive securities for net income per diluted share purposes. Non-GAAP net income and net income per diluted share for the 2007 periods are presented excluding the after-tax impact of stock-based compensation expense and the related methodology for computing dilutive securities for net income per diluted share purposes. Non-GAAP R&D expenses and SG&A expenses for the 2008 and 2007 periods are presented excluding the impact of stock-based compensation expense. Management believes this non-GAAP information is useful for investors, taken in conjunction with Gilead's GAAP financial statements, because management uses such information internally for its operating, budgeting and financial planning purposes. Non-GAAP information is not prepared under a comprehensive set of accounting rules and should only be used to supplement an understanding of the company's operating results as reported under GAAP.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2008	2007	2008	2007
Net income (GAAP)	\$ 442,828	\$ 407,930	\$ 938,955	\$ 815,337
Stock-based compensation expense, net of tax	26,409	34,260	52,410	74,446
Purchased in-process research and development expense, net of tax	7,769	-	7,769	-
Net income (Non-GAAP)	<u>\$ 477,006</u>	<u>\$ 442,190</u>	<u>\$ 999,134</u>	<u>\$ 889,783</u>
Shares used in per share calculation - diluted (GAAP)	965,663	967,928	966,087	964,614
Dilutive securities	2,403	2,799	2,223	2,408
Shares used in per share calculation - diluted (Non-GAAP)	<u>968,066</u>	<u>970,727</u>	<u>968,310</u>	<u>967,022</u>
Net income per share - diluted (GAAP)	<u>\$ 0.46</u>	<u>\$ 0.42</u>	<u>\$ 0.97</u>	<u>\$ 0.85</u>
Net income per share - diluted (Non-GAAP)	<u>\$ 0.49</u>	<u>\$ 0.46</u>	<u>\$ 1.03</u>	<u>\$ 0.92</u>