

LEE WILLIAM A
Form 4
October 25, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
LEE WILLIAM A

(Last) (First) (Middle)

333 LAKESIDE DRIVE

(Street)

FOSTER CITY, CA 94404

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

GILEAD SCIENCES INC [GILD]

3. Date of Earliest Transaction (Month/Day/Year)

10/23/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)

SVP, Research

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	10/23/2006		M		\$ 7.3985	68,399	D
Common Stock	10/23/2006		S		\$ 69.5	68,099	D
Common Stock	10/23/2006		S		\$ 69.49	67,599	D
Common Stock	10/23/2006		S		\$ 69.47	65,056	D
Common Stock	10/23/2006		S		\$ 69.46	64,523	D

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Common Stock	10/23/2006	S	300	D	\$ 69.45	64,223	D	
Common Stock	10/23/2006	S	200	D	\$ 69.44	64,023	D	
Common Stock	10/23/2006	S	100	D	\$ 69.43	63,923	D	
Common Stock	10/23/2006	S	100	D	\$ 69.42	63,823	D	
Common Stock	10/23/2006	S	300	D	\$ 69.4	63,523	D	
Common Stock	10/23/2006	S	615	D	\$ 69.37	62,908	D	
Common Stock	10/23/2006	S	1,500	D	\$ 69.36	61,408	D	
Common Stock	10/23/2006	S	100	D	\$ 69.35	61,308	D	
Common Stock	10/23/2006	S	1,400	D	\$ 69.34	59,908	D	
Common Stock	10/23/2006	S	100	D	\$ 69.33	59,808	D	
Common Stock	10/23/2006	S	100	D	\$ 69.32	59,708	D	
Common Stock	10/23/2006	S	200	D	\$ 69.31	59,508	D	
Common Stock	10/23/2006	S	5,300	D	\$ 69.3	54,208	D	
Common Stock	10/23/2006	S	409	D	\$ 69.29	53,799	D	
Common Stock	10/23/2006	S	8,155	D	\$ 69.28	45,644	D	
Common Stock	10/23/2006	S	400	D	\$ 69.27	45,244	D	
Common Stock	10/23/2006	S	6,845	D	\$ 69.26	38,399 ⁽²⁾	D	
Common Stock						262	I	by Trust

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
Non-Qualified Stock Option (right to buy)	\$ 7.3985	10/23/2006		M	30,000	(1) 01/17/2011	Common Stock 30,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LEE WILLIAM A 333 LAKESIDE DRIVE FOSTER CITY, CA 94404			SVP, Research	

Signatures

/s/ William A. Lee 10/24/2006

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The options have a five year vesting schedule. 20% of the options vested on January 18, 2002, the first anniversary date of the grant. The balance vested 5% every three months thereafter until fully vested on January 18, 2006.
- (2) Amount of securities beneficially owned following the reported transactions (Table 1, Col.5) includes 720 shares acquired under the Gilead Sciences, Inc. Employee Stock Purchase Plan on June 30, 2006.

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