

LEE WILLIAM A
Form 4
October 27, 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)
10/26/2006

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	10/26/2006		M		\$ 7.3985	99,399	D
Common Stock	10/26/2006		S		\$ 69.28	99,299	D
Common Stock	10/26/2006		S		\$ 69.27	98,322	D
Common Stock	10/26/2006		S		\$ 69.26	96,222	D
Common Stock	10/26/2006		S		\$ 69.25	95,422	D

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Common Stock	10/26/2006	S	3,300	D	\$ 69.24	92,122	D	
Common Stock	10/26/2006	S	9,100	D	\$ 69.23	83,022	D	
Common Stock	10/26/2006	S	600	D	\$ 69.22	82,422	D	
Common Stock	10/26/2006	S	2,309	D	\$ 69.21	80,113	D	
Common Stock	10/26/2006	S	7,714	D	\$ 69.2	72,399	D	
Common Stock	10/26/2006	S	2,042	D	\$ 68.95	70,357	D	
Common Stock	10/26/2006	S	1,560	D	\$ 68.94	68,797	D	
Common Stock	10/26/2006	S	2,000	D	\$ 68.93	66,797	D	
Common Stock	10/26/2006	S	8,259	D	\$ 68.92	58,538	D	
Common Stock	10/26/2006	S	4,180	D	\$ 68.91	54,358	D	
Common Stock	10/26/2006	S	15,959	D	\$ 68.9	38,399	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)		
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				Code V	(A) (D)				

Non-Qualified Stock Option (right to buy)	\$ 7.3985	10/26/2006		M	61,000	<u>(1)</u>	01/17/2011	Common Stock	61,0
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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/Matthew K. Au, as power of attorney for William A. Lee	10/27/2006
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**Signature of Reporting Person	Date
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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.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.