

GILEAD SCIENCES INC
 Form 4
 May 12, 2006

FORM 4

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

OMB APPROVAL

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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 *
DENNY JAMES M

(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)
05/10/2006

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)

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 (A) or (D) Price | | |
| Common Stock | 05/10/2006 | | M | | 40,000 A \$ 4.7813 | 85,000 | D |
| Common Stock | 05/10/2006 | | S | | 4,500 D \$ 57.6 | 80,500 | D |
| Common Stock | 05/10/2006 | | S | | 3,133 D \$ 57.62 | 77,367 | D |
| Common Stock | 05/10/2006 | | S | | 200 D \$ 57.63 | 77,167 | D |
| Common Stock | 05/10/2006 | | S | | 2,313 D \$ 57.64 | 74,854 | D |
| | 05/10/2006 | | S | | 5,800 D \$ 57.65 | 69,054 | D |

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| | | | | | | | |
|--------------|------------|---|-------|---|----------|--------|---|
| Common Stock | | | | | | | |
| Common Stock | 05/10/2006 | S | 4,054 | D | \$ 57.66 | 65,000 | D |
| Common Stock | 05/10/2006 | S | 2,000 | D | \$ 57.67 | 63,000 | D |
| Common Stock | 05/10/2006 | S | 4,000 | D | \$ 57.68 | 59,000 | D |
| Common Stock | 05/10/2006 | S | 4,000 | D | \$ 57.69 | 55,000 | D |

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

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(9-02)

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 Underlying (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|--|--------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title |
| Non-Qualified Stock Option (right to buy) | \$ 57.35 | 05/10/2006 | | A ⁽¹⁾ | 33,750 | 05/10/2006 | 05/10/2016 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 4.7813 | 05/10/2006 | | M | 40,000 | ⁽²⁾ | 01/01/2008 | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| DENNY JAMES M 333 LAKESIDE DRIVE FOSTER CITY, CA 94404 | | X | | |

Signatures

/s/ James M.
Denny

05/12/2006

__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) Options are granted as part of the annual compensation to non-employee members of the Board of Directors and are immediately exercisable on date of grant.
 - (2) Options vested quarterly over a period of five years beginning January 2, 1998, the date of grant.

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.