

## **Questions and Answers for Gilead Sciences Stockholders Relating to the 2-for-1 Stock Split Announced on December 10, 2012**

*This information is intended to answer questions you may have about our recently announced stock split.*

**Date posted: December 10, 2012**

### **1. Why did the Company decide to split the stock?**

The Company believes that the stock split of its shares of common stock (which will be effected in the form of a 100% stock dividend) will result in a market price of our stock that will be more attractive to a broader base of investors and will increase liquidity in the trading of Company stock.

### **2. When will the stock split occur?**

There are several key dates relating to this stock split:

- January 7, 2013 will be the record date. Stockholders on this date are entitled to receive additional shares due to the stock split.
- January 25, 2013 will be the distribution date. The additional shares issued in connection with the stock split will be distributed on this date.
- January 28, 2013 will be the first day of trading on NASDAQ at the new, split-adjusted price.

### **3. How does the split affect my investment in the Company?**

As a stockholder of record on January 7, 2013, as a result of the stock split, on January 25, 2013 you will receive one additional share of the Company's common stock for each share held on January 7, 2013. Each stockholder's proportionate ownership interest in the Company will remain unchanged as a result of the stock split. The overall market value of the stockholder's investment also remains the same – the price of each share immediately post-split will be approximately one-half the pre-split share price, until the stock price moves up or down. For example, assuming that as of January 7, 2013, the record date, a stockholder owned 100 shares of common stock at a market price of \$73.92 per share, the stockholder's investment value would be \$7,392. On January 25, 2013, the distribution date, stockholders of record will be sent notification of the shares received as a result of the split. After the split, the stockholder will own 200 shares at an initial market price of \$36.96 per share (assuming a \$73.92 stock price on January 25, 2013). The stockholder's total investment value would remain the same at \$7,392 until the stock price moves up or down.

**4. What happens if I sell my shares before the record date?**

You will not receive the additional shares pursuant to the stock split if you are not a stockholder of record at the close of business on January 7, 2013.

**5. What happens if I sell my shares after the record date but before the distribution date?**

If you sell your shares after the close of business on January 7, 2013 through January 25, 2013, the shares you sold and the additional shares to be distributed in accordance with the stock split will belong to the new purchaser.

**6. Has the stock split been approved by Gilead stockholders?**

No. The Company was not required to obtain stockholder approval because the split is in the form of a stock dividend and the number of shares outstanding after the split will be below the maximum number of shares authorized for issuance by our stockholders in our Certificate of Incorporation. The stock split has been approved by Gilead's Board of Directors.

**7. How many times has Gilead split the stock?**

This is the fifth time the Company has split its stock. The other stock splits occurred in February 2001, February 2002, September 2004 and June 2007.

**8. Will the stock split represent a taxable event to me?**

Stockholders will not have U.S. taxable income as a result of the stock split. The tax basis of each share owned immediately before the stock split will be apportioned equally between the historic share and the newly received share following the stock split. For example, if you owned 100 shares of the Company's common stock that was purchased before the stock split with a cost basis of \$50 per share, after the stock split you will own 200 shares with a cost basis of \$25 per share.

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**9. Do I need to pay anything for these additional shares?**

No.

**10. Will fractional shares be issued in connection with the stock split?**

No.

**11. How will I receive my additional shares?**

If you hold your shares in a brokerage account, your broker, working with the Company's transfer agent, will see that your Company stock holdings are properly adjusted for the stock split. Your additional shares will be directly deposited into your brokerage account.

If you hold physical stock certificates, you will receive the additional shares in book entry form under the Company's direct registration system (DRS) rather than in the form of a stock certificate. This means that instead of receiving a physical stock certificate, your shares will be credited to an account registered in your name that is maintained by our transfer agent, Computershare Shareowner Services LLC. Computershare will mail you a Direct Registration Account Statement (DRAS), which is your confirmation of the number of additional shares you own as a result of the stock split. Do not destroy any stock certificates you currently hold. You should keep the DRAS with your existing certificates as a record of your ownership. Computershare will mail the DRAS to you at the address Computershare has on file. To verify your address, you can contact Computershare directly at (800) 710-0940. You can also request to hold your shares in certificated form, by following the instructions on the back of your DRAS.

**12. What is the DRS?**

The DRS provides for the electronic registration of securities in a stockholder's name directly on the books of the Company (through our transfer agent) and allows stock to be transferred between the transfer agent and brokers electronically, with no need for physical stock certificates.

**13. Why has Gilead decided to distribute the additional shares through the DRS?**

There are a number of important advantages to stockholders under the DRS:

- Protects against loss, damage and fraudulent transfer of stock certificates;
- Eliminates the replacement cost of lost certificates;
- Relieves stockholders of the burden of storing certificates in a safe place; and
- Makes it easier for stockholders to sell or transfer their shares.

**14. What should I do with my existing stock certificate(s)?**

Existing stock certificates are still valid. DO NOT DESTROY ANY STOCK CERTIFICATES YOU CURRENTLY HOLD. You may deposit your existing certificate(s) in the DRS or you may continue to physically hold them. All of the certificates you hold should be kept in a safe place.

**15. How can I transfer the physical certificates I currently hold into the DRS?**

Please follow the instructions on the back of your DRAS. You can also receive information about transferring your existing stock certificates into the DRS by calling Computershare Shareowner Services LLC at (800) 710- 0940.

**16. What if I hold my Gilead stock in a brokerage account?**

Stockholders who hold their stock in a brokerage account will receive their new shares through their broker dealer on or about January 25, 2012.

**17. What if I have more questions?**

For more information about the stock split or the DRS, please contact:

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Registered Gilead stockholder can access their accounts at:

[www.computershare.com/investor](http://www.computershare.com/investor)

Registered holders wishing to submit an electronic question can use the “Online Query” function found in the “Contact Us” section of the website at: [www.computershare.com/contactus](http://www.computershare.com/contactus)

In the United States: (800) 710-0940 for registered stockholder inquiries  
From outside the United States (201) 680-6578