Gilead and Japan Tobacco Sign Licensing Agreement for Commercialization of Gilead's HIV Products in Japan

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FOSTER CITY, Calif.--(BUSINESS WIRE)--July 31, 2003--Gilead Sciences, Inc. (Nasdaq:GILD) today announced that the company has entered into a licensing agreement with Japan Tobacco Inc. (JT) under which JT will commercialize products in Gilead's HIV portfolio in Japan. The agreement includes Viread(R) (tenofovir disoproxil fumarate), Emtriva(TM)(emtricitabine) and a future co-formulation of the two products.

Under the terms of the agreement, Gilead will receive an up-front fee and is entitled to receive additional cash payments upon achievement of certain milestones. JT also will make payments to Gilead based on product sales. JT will submit applications for Viread and Emtriva to Japanese regulatory authorities in the near future.

"We are very pleased to partner with JT for the commercialization of Viread, Emtriva and our future co-formulated product in Japan," said John C. Martin, PhD, President and CEO, Gilead Sciences. "We believe the profiles of these products make them important treatment options for physicians and their patients across all geographies and stages of HIV disease. JT's proven track record of successfully developing and commercializing the HIV protease inhibitor Viracept(R) (nelfinavir) in Japan makes them an ideal partner for Gilead."

About Viread and Emtriva

Viread is the first nucleotide analogue reverse transcriptase inhibitor (NtRTI) approved for the treatment of HIV in the United States and Europe. In clinical trials and expanded access programs, approximately 10,000 patients have been treated with Viread alone or in combination with other antiretroviral products for periods up to four years. The drug works by blocking reverse transcriptase, an enzyme involved in the replication of HIV. Viread is dosed as one tablet once daily.

The U.S. Food and Drug Administration (FDA) granted marketing approval for Emtriva in the United States on July 2 of this year. On July 24, the European Union's Committee for Proprietary Medicinal Products (CPMP), the scientific committee of the European Medicines Evaluation Agency (EMEA), recommended granting Marketing Authorisation for Emtriva in the 15 member states of the European Union. More than 2000 adult patients have been treated with Emtriva for periods of 10 days to 200 weeks in Phase I, II and III clinical trials. Like Viread, Emtriva works by inhibiting reverse transcriptase. It also is dosed as one capsule taken once daily.

Gilead is developing a co-formulation of Emtriva and Viread, and anticipates a once-daily pill containing both antiretrovirals could reach the U.S. market by early 2005. As part of Gilead's ongoing clinical research of Viread, the company is designing a clinical study to examine the comparative efficacy and safety of Emtriva, Viread and efavirenz compared with Combivir (zidovudine and lamivudine) and efavirenz.

About Gilead Sciences and Japan Tobacco

Gilead Sciences is a biopharmaceutical company that discovers, develops and commercializes therapeutics to advance the care of patients suffering from life-threatening diseases worldwide. The company has seven marketed products and focuses its research and clinical programs on anti-infectives. Headquartered in Foster City, CA, Gilead has operations in the United States, Europe and Australia.

JT, headquartered in Tokyo, Japan, is an internationally operating company with annual revenue of approximately US$37 billion (converted at a rate of US$1=YEN120.20) in the fiscal year ended March 31, 2003. JT entered into the pharmaceutical business in 1987 and established Central Pharmaceutical Research Institute in 1993. JT is currently engaged in R&D of new drugs in various areas such as metabolic disorders, immune disorders, inflammation and anti-viral.

This press release includes forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, that are subject to risks, uncertainties and other factors, including risks related to regulatory approval and commercial acceptance of these products in Japan. These risks, uncertainties and other factors could cause actual results to differ materially from those referred to in the forward-looking statements. The reader is cautioned not to rely on these forward-looking statements. These and other risks are described in detail in the Gilead Annual Report on Form 10-K for the year ended December 31, 2002

and in Gilead's Quarterly Reports on Form 10-Q, all of which are on file with the U.S. Securities and Exchange Commission. All forward-looking statements are based on information currently available to Gilead and Gilead assumes no obligation to update any such forward-looking statements.

Viread is a registered trademark and Emtriva is a trademark of Gilead Sciences, Inc.

For more information on Gilead Sciences, please visit the company's web site at www.gilead.com or call Gilead Public Affairs at 1-800-GILEAD-5 or 1-650-574-3000.

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