## Non-GAAP Cost of Goods Sold

<table>
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</thead>
<tbody>
<tr>
<td>$ in millions</td>
<td>$474,111</td>
<td>$533,683</td>
<td>$533,989</td>
<td>$584,447</td>
<td>$2,124,410</td>
<td>$580,931</td>
<td>$617,345</td>
<td>$1,198,276</td>
</tr>
<tr>
<td>Acquisition of amortization of purchased intangibles</td>
<td>$17,407</td>
<td>$17,408</td>
<td>$17,407</td>
<td>$69,629</td>
<td>$15,836</td>
<td>$15,836</td>
<td>(31,672)</td>
<td></td>
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<tr>
<td>Total Non-GAAP cost of goods sold</td>
<td>$484,660</td>
<td>$551,585</td>
<td>$553,256</td>
<td>$651,720</td>
<td>$2,304,538</td>
<td>$625,994</td>
<td>$699,380</td>
<td>$1,162,384</td>
</tr>
</tbody>
</table>

## Product Gross Margin

- **GAAP Product Gross Margin**:
  - 74.6% (Q1 2011), 73.9% (Q2 2011), 74.3% (Q3 2011), 72.6% (Q4 2011), 73.8% (YTD 2011), 73.5% (Q1 2012), 73.5% (Q2 2012), 73.6% (YTD 2012)

## Research and Development Expenses

- **Year-over-Year Increase**:
  - 10.2% (Q1 2011), 7.2% (Q2 2011), 8.5% (Q3 2011), 10.7% (Q4 2011), 11.4% (YTD 2011), 11.6% (Q1 2012), 11.8% (Q2 2012), 11.9% (YTD 2012)

## Selling, General and Administrative Expenses

- **Year-over-Year Increase**:
  - 13.5% (Q1 2011), 10.9% (Q2 2011), 11.0% (Q3 2011), 11.1% (Q4 2011), 11.2% (YTD 2011), 11.2% (Q1 2012), 11.2% (Q2 2012), 11.2% (YTD 2012)

## Net Income Attributable to Gilead Reconciliation

- **Year-over-Year Increase**:
  - 15.8% (Q1 2011), 12.1% (Q2 2011), 12.4% (Q3 2011), 12.7% (Q4 2011), 12.9% (YTD 2011), 13.0% (Q1 2012), 13.1% (Q2 2012), 13.2% (YTD 2012)

## Diluted Earnings Per Share

- **Year-over-Year Increase**:
  - 18.6% (Q1 2011), 15.8% (Q2 2011), 15.1% (Q3 2011), 14.4% (Q4 2011), 14.7% (YTD 2011), 14.8% (Q1 2012), 14.9% (Q2 2012), 15.0% (YTD 2012)

## Shares Used in Per Share Calculation (Diluted) Reconciliation

- **Year-over-Year Increase**:
  - 15.8% (Q1 2011), 15.1% (Q2 2011), 14.9% (Q3 2011), 14.6% (Q4 2011), 14.9% (YTD 2011), 15.0% (Q1 2012), 15.1% (Q2 2012), 15.2% (YTD 2012)

## Non-GAAP Adjustments Before Tax

- **Year-over-Year Increase**:
  - 15.8% (Q1 2011), 15.1% (Q2 2011), 14.9% (Q3 2011), 14.6% (Q4 2011), 14.9% (YTD 2011), 15.0% (Q1 2012), 15.1% (Q2 2012), 15.2% (YTD 2012)

## Income Tax Effect

- **Year-over-Year Increase**:
  - 15.8% (Q1 2011), 15.1% (Q2 2011), 14.9% (Q3 2011), 14.6% (Q4 2011), 14.9% (YTD 2011), 15.0% (Q1 2012), 15.1% (Q2 2012), 15.2% (YTD 2012)