

GILEAD SCIENCES INC

NASDAQ: GILD
Industry: Pharmaceuticals

SABRIENT
STRONG
BUY
RATING

Stock Fundamentals as of January 26, 2015

| | |
|----------------------------------|-----------------------|
| Sabrient Rating | Strong Buy |
| Ticker | GILD |
| Market Cap Designation | Large-cap |
| Market Capitalization (Billions) | \$159.2 |
| Price | \$107.11 |
| 52-Week High/Low | \$114.22/65.48 |
| EPS (TTM) | \$5.65 |
| P/E Ratio (TTM) | 18.6 |
| Dividend Yield | 0.0% |
| S&P 500 P/E Ratio | 19.2 |
| Price/Book Ratio | 11.7 |
| Price/Sales Ratio | 7.7 |
| 30-Day Average Volume (Millions) | 19.5 |
| Beta | 0.87 |
| Current Ratio | 2.0 |
| Short Interest Ratio | N/A |
| Shares Outstanding (Billions) | 1.5 |

Sabrient Ratings

Sabrient's Buy/Hold/Sell ratings are based on a combination of dynamic filters that determine which attributes of a stock are most predictive in the prevailing market and which stocks best reflect those attributes but are not yet rewarded.

Sabrient starts with an "extraction" process that uses the best performing filters to identify stocks having certain compelling attributes currently sought by the market. Then, a composite scoring process uses a weighted average of several key scores to quantify the relative likelihood of upside or downside price action. As a result, the Buy/Hold/Sell rating may, in certain cases, seem inconsistent with a simple average of the scores cited in this analysis.

A BUY rating means the stock is expected to outperform its relevant benchmark substantially over the next 6 months. A SELL rating means the stock is expected to underperform its relevant benchmark substantially over the next 6 months. A HOLD rating means the stock is expected to perform in line with its relevant benchmark over the next 6 months.

If a stock is rated HOLD, the investor should review the stock's history of Sabrient ratings to see if it has recently changed to HOLD from BUY or SELL. If so, this indicates one of the following: (1) there has been a significant change in the stock's fundamentals, (2) the stock is already appropriately rewarded or punished by the market, or (3) there simply has been some recent price consolidation that warrants attention. A reading of Sabrient's analysis should identify which it is.

More about Sabrient on Page 3

Sabrient's Market Cap Designations

| | |
|-----------|-------------------------------|
| Large Cap | > \$5.0 Billion |
| Mid Cap | \$1.0 - \$5.0 Billion |
| Small Cap | \$150 Million - \$1.0 Billion |
| Micro Cap | < \$150.0 Million |

Report prepared on **January 27, 2015** Page 1

Please see important disclaimer on page 4 of this report.

Copyright ©2015 Sabrient Systems LLC. All rights reserved.

GILEAD SCIENCES INC



Company Profile

Gilead Sciences, Inc. (Gilead) is a research-based biopharmaceutical company that discovers, develops and commercializes medicines. Gilead's primary areas of focus include human immunodeficiency virus (HIV)/AIDS, liver diseases, such as hepatitis B and C and cardiovascular/metabolic and respiratory conditions. The Company has operations in North America, Europe and Asia Pacific.

Earnings and Revenue Update: For the quarter ended September 30, 2014, Gilead reported earnings of \$2.7 billion or \$1.67 per share compared with \$3.7 billion or \$2.20 per share for the prior quarter and \$788.6 million or \$0.47 per share for the same quarter one year ago. Revenues were \$6.0 billion for the quarter ended September 30, 2014 compared with \$6.5 billion for the prior quarter and \$2.8 billion for the same quarter one year ago. Last twelve months' earnings were \$5.65 per share compared with \$1.82 per share a year ago. Last twelve months' revenues were \$20.7 billion compared with \$10.7 billion a year ago.

Sabrient Analysis

Top growth and momentum scores and an above-average value profile indicate strong performance in the market and earn GILD a Strong Buy rating.

- **Growth:** GILD scores very high for growth potential, with a Sabrient Growth Score of 99.3. This reflects the company's exceptional earnings performance and expectations and makes it an excellent candidate for the growth-minded investor.
- **Momentum:** GILD also ranks high on momentum, with a Sabrient Momentum Score of 89.2. The score reflects price, earnings and group momentum.
- **Value:** A Sabrient Value Score of 78.1 implies that GILD has considerable room for growth at the current price. This score measures investment potential based on the stock's fundamental valuation and growth metrics.
- **Timeliness:** GILD has a Sabrient Timeliness Score of 47.4. This measures technical strength based on short-term and long-term price performance and long-term group strength.

Sabrient Analysis continued on Page 3

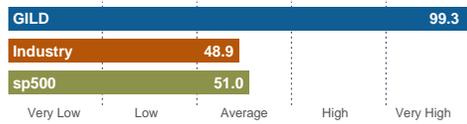
Sabrient

Leaders In Investment Research

Current Sabrient Scores Compared with Industry and Relevant Benchmark

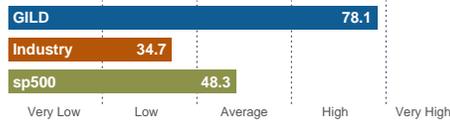
These Sabrient scores compare various aspects of GILEAD SCIENCES INC with its industry and relevant benchmarks. The scores are percentile rankings from 0 to 99.9. Higher scores are better. We use a weighted average of several key scores to quantify the relative likelihood of upside or downside price action. Therefore, the Sabrient rating may seem inconsistent with a simple average of the scores cited in this analysis.

Growth Score: 99.3



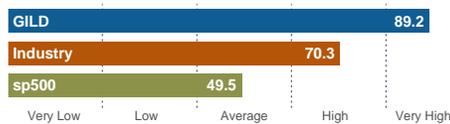
The Sabrient Growth Score reflects a company's historical and projected earnings growth, revenue and sales growth, projected cash flow, analyst activity, and changes in earnings estimates, each over various time periods. The higher the score, the better the combined performance of these key measures. With a Sabrient Growth Score of 99.3, Gilead is dramatically higher than the average of its industry group, which has a Sabrient Growth Score of 48.9.

Value Score: 78.1



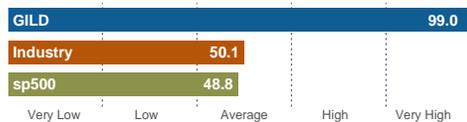
The Sabrient Value Score measures the relationship between a company's stock price and its intrinsic value, as indicated by earnings and balance sheet attributes, with an emphasis on earnings. Also considered are cash flow measures and fundamental valuation ratios. With a Sabrient Value Score of 78.1, Gilead is significantly higher than the average of its industry group, which has a Sabrient Value Score of 34.7.

Momentum Score: 89.2



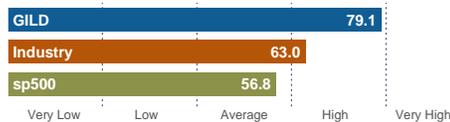
The Sabrient Momentum Score measures a company's earnings and price momentum, evenly weighted, and augmented by group strength, money flow, and relative volume. Core technical factors include current price relative to periodic highs and moving averages. With a Sabrient Momentum Score of 89.2, Gilead is moderately higher than the average of its industry group, which carries a Sabrient Momentum Score of 70.3.

Earnings Score: 99.0



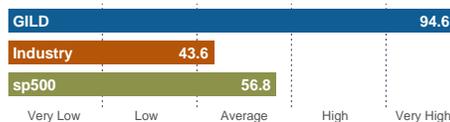
The Sabrient Earnings Score assesses a company's overall earnings performance and projected outlook. Time periods include an average look-back of three years with an emphasis on the past four quarters and a forward look of one to five years. With a Sabrient Earnings Score of 99.0, Gilead is significantly higher than the average of its industry group, which has a Sabrient Earnings Score of 50.1.

Balance Sheet Score: 79.1



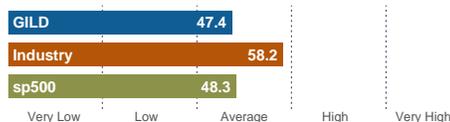
The Sabrient Balance Sheet Score measures a company's liquidity and debt issues, as well as receivables and inventory quality. This score is used to assess relative risk associated with a stock: the lower the score, most likely the higher the inherent risk. With a Sabrient Balance Sheet Score of 79.1, Gilead is moderately higher than the average of its industry group, which carries a Sabrient Balance Sheet Score of 63.0.

Fundamental Score: 94.6



The Sabrient Fundamental Score is the broad measure of a company's financial health, including its balance sheet, cash flow, revenue, and earnings quality. With a Sabrient Fundamental Score of 94.6, Gilead is dramatically higher than the average of its industry group, which carries a Sabrient Fundamental Score of 43.6.

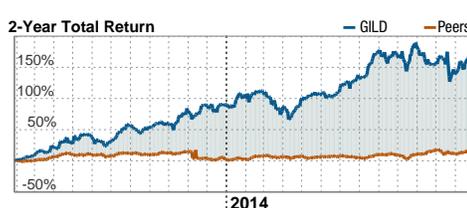
Timeliness Score: 47.4



The Sabrient Timeliness Score is an assessment of a stock's short and long-term price strength as determined by various chart-based indicators and measures of group momentum and relative price performance. With a Sabrient Timeliness Score of 47.4, Gilead is moderately lower than the average of its industry group, which carries a Sabrient Timeliness Score of 58.2.

Peer Analysis

This table compares GILD with other similar-sized companies in the same industry group, focusing on Sabrient's growth, momentum and value scores, which represent the three main investing styles. The Peer Analysis chart compares GILD's 2-year total return with the average 2-year total return of these companies.

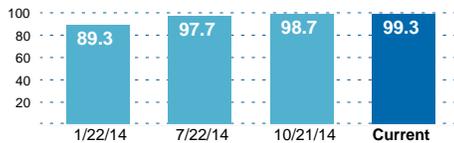


| Symbol | Company | Growth Score | Momentum Score | Value Score | Market Cap.(M) |
|-------------|----------------------------|--------------|----------------|-------------|-------------------|
| GILD | GILEAD SCIENCES INC | 99.3 | 89.2 | 78.1 | \$159224.0 |
| MRK | Merck | 13.9 | 66.4 | 24.6 | \$0.2 |
| PFE | Pfizer | 15.9 | 87.6 | 37.7 | \$0.2 |
| AMGN | Amgen | 82.2 | 80.4 | 31.5 | \$0.1 |
| GSK | Glaxosmithkline | 0 | 26.9 | 41.6 | \$0.1 |
| SNY | Sanofi-Synthelabo | 18.7 | 49.5 | 54.5 | \$0.1 |
| GCVRZ | SANOFI RIGHT 12/31/2020 | 44.8 | 99.3 | 36.3 | \$0.1 |

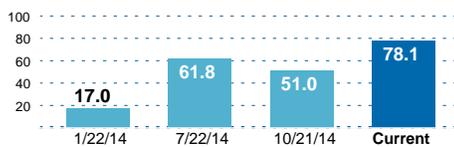
Historical Sabrient Scores

The recent histories of key Sabrient scores provide insight into the stock's trends -- whether they are increasing or decreasing in strength in a particular area or simply holding steady. The Sabrient scores are percentile rankings from 0 to 99.9, with higher scores better. Keep in mind that Sabrient ratings may seem inconsistent with a simple average of these key scores because a weighted average of several key scores is used to quantify the relative likelihood of upside or downside price action.

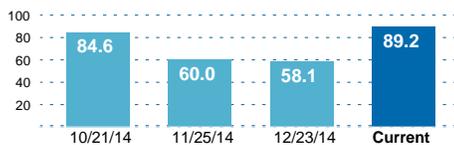
Growth Score: 99.3



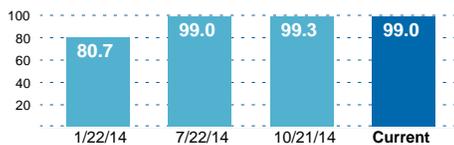
Value Score: 78.1



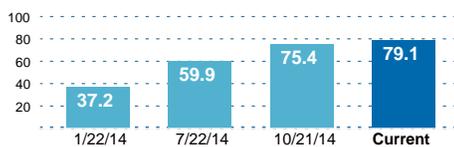
Momentum Score: 89.2



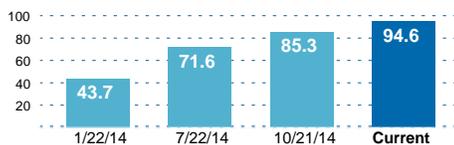
Earnings Score: 99.0



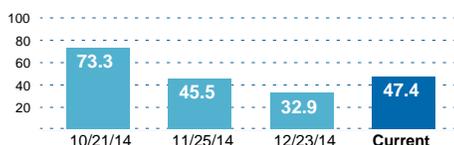
Balance Sheet Score: 79.1



Fundamental Score: 94.6



Timeliness Score: 47.4



Sabrient Analysis continued from Page 1

- **Best Performing Filters:** To determine the likelihood of near-term performance, Sabrient builds and backtests "Smart Filters" to establish which caps, styles and attributes are drawing a premium in today's market. Currently, the three most predictive filters for the relevant segment are:

Consistency Filter: The Consistency Filter measures various earnings trends, along with short-term revenue growth. High scores are given to stocks that exhibit a smooth expansion in earnings and notable short-term revenue growth. The filter is currently among Sabrient's best performers in the large-cap segment. GILD scores 65.8 for this filter.

Earnings Strength Filter: The Earnings Strength Filter seeks stocks with favorable earnings trends by measuring short-term and long-term earnings history, short and long-term earnings projections, as well as percentage change in both over the short term. Over the past 90 days, the filter outperformed its large-cap benchmark by a significant margin. GILD scores 99.8 for this filter.

Composite Growth Filter: The Composite Growth Filter includes long-term and short-term factors related to earnings, cash flow and revenue growth. The filter has significantly outperformed its large-cap benchmark over the past three months. GILD scores 99.2 for this filter.

In summary, GILD's Strong Buy rating is based on a profile of forward-looking metrics which show this stock could significantly outperform the broader markets.

What the Market Wants: November 2012

To read this week's "What the Market Wants" go to the Sabrient Blog at www.sabrient.com/blog/

Company Description

Gilead Sciences, Inc. (Gilead) is a research-based biopharmaceutical company that discovers, develops and commercializes medicines. Gilead's primary areas of focus include human immunodeficiency virus (HIV)/AIDS, liver diseases, such as hepatitis B and C and cardiovascular/metabolic and respiratory conditions. The Company has operations in North America, Europe and Asia Pacific. The Company's products include Atripla, Truvada, Viread, Complera/Eviplera, Emtriva, Hepsera, Letairis, Ranexa, Lexiscan/Rapiscan, AmBisome, Vistide, Macugen, Cayston and Tamiflu. In January 2012, the Company acquired Pharmasset, Inc. On February 8, 2013, its subsidiary, acquired YM BioSciences Inc.

About Sabrient

Sabrient Systems is an independent research firm providing statistical analysis of a company's fundamental data to investment professionals. We use a computer-driven, quantitative methodology to identify stocks that appear poised to outperform or underperform the market.

The Sabrient methodology was developed by an experienced research team led by David Brown, a former NASA scientist and retired CEO of Telescan and designer of its premier stock search program, ProSearch. The research team employs a scientific approach to the creation and testing of multi-factor filters. Each filter targets a key area of traditional stock analysis, including value, growth, momentum, fundamentals, earnings, balance sheet, and group strength. Using an adaptive process, filters are continually tested and monitored to ensure that only the best performing filters are at work.

Sabrient's ratings begin with an extraction process in which each of the few best-performing filters scans the universe of equities to identify stocks having certain compelling attributes sought, but not sufficiently rewarded, by the current market. Then, a composite scoring system employs a broader set of "weighting" filters to rank the extracted stocks. To support individual investors, Sabrient uses the same sophisticated methodology to provide individual stock reports on a universe of approximately 5,600 stocks.

Sabrient regularly tests the performance of its stock selections, using its primary list of published rankings and statistical techniques it believes appropriate. These recommendations have consistently outperformed relevant benchmarks across a broad range of investing styles, market caps, time frames and market conditions, demonstrating the robustness of Sabrient's proprietary methodology. While past performance is no guarantee of future results, Sabrient believes it can maintain its strong performance through its rigorous, scientific approach to filter construction and ongoing backtesting within a dynamic and adaptive composite scoring system.

For more information on Sabrient and its performance, go to www.sabrient.com

Disclaimer

Sabrient SmartStock™ research is provided for informational purposes only. It is neither a solicitation to buy nor an offer to sell these securities. The report is based upon data from sources believed to be reliable, but Sabrient makes no representation as to the data's adequacy, accuracy, completeness or timeliness. The report does not address individual investment objectives or financial situations. The analysis used in preparing these reports may also be used in the preparation of other research products which may reflect distinct investment objectives. Sabrient accepts no liability for any loss arising from any use of this report.

This report is based solely on mathematical calculations and does not reflect any bias of individual analysts. Sabrient provides no investment banking, consulting or other services to the subject company of this report. No Sabrient employee is on the Board of Directors of the subject company, and no one at the subject company serves on the Board of Directors of Sabrient Systems. Sabrient or its employees may have long or short positions in the securities or other related investments of the company mentioned herein, but never more than one percent (1%) of the outstanding shares of any company covered by Sabrient. No part of this document may be reproduced without the written permission of Sabrient Systems.