GILD Q4 & FY23 Summary of Prepared Remarks

($ in millions, except percentages)	Q423	Q423 Δ	FY23	FY23 Δ	Management Commentary
HIV *Includes Atripla, Biktarvy, Complera/Eviplera, Descovy, Emtriva, Genvoya, Odefsey, Stribild, revenue share Symtuza, Truvada, Sunlenca and Tybost. Revenue share Symtuza represents Gilead's revenue from cobicistat (C), FTC and TAF in Symtuza (darunavir / C / FTC / TAF), a fixed dose combination product commercialized by Janssen*	$4,693	-2% YoY 1% QoQ	$18,175	6% YoY	– Q423 YoY reflects lower average realized price due to channel mix that was notably favorable in Q422, partially offset by strong demand. – Q423 QoQ reflects strong demand and favorable inventory dynamics, partially offset by lower average realized price due to channel mix. – FY23 YoY primarily driven by demand and higher average realized price due to channel mix and inventory dynamics. – FY23 Biktarvy revenues grew 14% YoY with annualized revenues >$12B. – Global HIV Tx markets growth 2-3% YoY and U.S. PrEP market growth >16% YoY. – Gilead's HIV Tx market share >70% and Descovy for PrEP market share >40% in the U.S. – Biktarvy has ~48% U.S. market share, ~3% YoY growth; remains #1 regimen for new starts across major markets.
Oncology	$765	24% YoY -1% QoQ	$2,932	37% YoY	– Sales exceed $3B run-rate.
Cell Therapy *Includes Yescarta and Tecartus*	$466	11% YoY -4% QoQ	$1,869	28% YoY	– Reflects strong demand for both Yescarta and Tecartus outside the U.S., offset by near-term headwinds for Yescarta in the U.S. from in-class and out-of-class competition. – FY23 driven by growth particularly ex-U.S., reflecting expanded network of ATCs and secured reimbursement following recent approvals.

($ in millions,except percentages)	Q423	Q423 Δ	FY23	FY23 Δ	Management Commentary
Trodelvy	$299	53% YoY 5% QoQ	$1,063	56% YoY	– Q423 and FY23 growth driven by strong demand in 2L mTNBC and pre-treated HR+/HER2- mBC. – #1 regimen for 2L mTNBC; increased share growth in pre-treated HR+/HER2- mBC due to increasing adoption in IHC0 and continued use in HER2-low. – Growing awareness and share gains across both breast cancer indications. – >30,000 patients treated to date.
Liver Disease	$691	~Flat YoY -2% QoQ	$2,784	-1% YoY	– Q423 sales primarily driven by unfavorable pricing dynamics, offset by higher HCV market share and our efforts to increase linkage to care, and growing HDV demand in Europe.
HCV *Includes Epclusa, the authorized generic version of Epclusa, Harvoni, the authorized generic version of Harvoni, Sovaldi and Vosevi*	$432	-2% YoY -1% QoQ	$1,767	-2% YoY	– Market share >60% in U.S. and >50% in Europe.
HBV/HDV *Includes Hepcludex, Hepsera, Vemlidy and Viread*	$259	2% YoY -3% QoQ	$1,017	3% YoY	
Other *Includes AmBisome, Cayston, Jyseleca, Letairis, Ranexa and Zydelig*	$201	-20% YoY -7% QoQ	$859	-9% YoY	
Product sales excluding Veklury	$6,350	~Flat YoY ~Flat QoQ	$24,750	7% YoY	– Q423 driven by higher Oncology sales, offset by lower HIV sales due to changes in channel mix that resulted in lower average realized price and expected decline of our portfolio of non-promoted products. – FY23 reflect growth in HIV and Oncology.
Veklury	$720	-28% YoY 13% QoQ	$2,184	-44% YoY	– Q423 sales reflect higher COVID-19 related hospitalizations in Q4. – FY23 reflect uptick in hospitalization at end of 2023, but below levels in 2022.
Product sales	$7,070	-4% YoY 1% QoQ	$26,934	~Flat YoY	– FY23 sales were at the higher end of our guidance range due to strong contribution from Veklury.
Royalty, contract and other	$45	-21% YoY -21% QoQ	$182	-39% YoY	
Total revenues	$7,115	-4% YoY 1% QoQ	$27,116	-1% YoY	

Q423 Key Portfolio Highlights

	Management Commentary
Virology	
OAKTREE *Ph3 trial evaluating obeldesivir for standard-risk, non-hospitalized patients with COVID-19.*	– Obeldesivir missed its primary endpoint of symptom relief in standard-risk, non-hospitalized patients with COVID-19. Obeldesivir was well-tolerated. – Results to be presented at future medical meeting. – Challenging showing benefit given decreasing severity and duration of COVID-19 symptoms observed in standard-risk patients, driven by evolution of variants and improved immunity. Time to symptom alleviation in untreated, standard-risk patients is now <1 week versus ~2 weeks at peak. – Continue to assess whether obeldesivir could address other viral infections
HIV	– Anticipate at least 9 updates in 2024 across our next gen daily and long-acting HIV portfolio. – Expect Ph3 PURPOSE-1 update in 2H24 and Ph3 PURPOSE-2 update as early as early 2025. Target U.S. approval for lenacapavir for PrEP in late 2025. – >75 presentations at CROI, including Ph2 ARTISTRY-1 data on lenacapavir + bictegravir QD oral, Ph2 data on lenacapavir + islatravir QW oral combination in development with Merck, and Ph1 data on GS-1720 QW oral INSTI.
Oncology	
EVOKE-01 *Ph3 trial evaluating Trodelvy for 2L+ mNSCLC*	– Trodelvy missed its primary endpoint of OS in hard-to-treat 2L+ mNSCLC. – Numerical improvement in OS favoring Trodelvy, including in patients with non-squamous and squamous histologies. – Trodelvy achieved >3 months of improvement in mOS in a pre-specified, not alpha-controlled, subgroup of patients non-responsive to their prior anti-PD-(L)1 therapy. Additional analyses, including TROP2 expression are ongoing. – Safety profile consistent with label. – Will share detailed data at the earliest opportunity and will share with regulators and KOLs to determine best path forward. – No current plans to change to Ph3 EVOKE-03 study, which is currently enrolling as expected.
ENHANCE-3 *Ph3 trial evaluating magrolimab for 1L unfit AML*	– Trial has been discontinued based on futility analysis and higher observed incidence of Grade 5 serious adverse events. – Following discontinuation of ENHANCE (July 2023) and ENHANCE-2 (September 2023), we do not plan further development of magrolimab in hematologic cancers.
Cell Therapy	– FDA approved updated manufacturing process that reduces turnaround time for Yescarta in the U.S. from 16 days to 14 days. – In January, FDA proposed safety label changes for all approved CD19 and BCMA CAR T cell therapies, including Yescarta and Tecartus. Based on >16,800 patients treated with Yescarta, there has been no causal link established between Yescarta and those reported to FAERS and no cases of T cell malignancies reported with Tecartus. – Presented 26 abstracts at ASH 2023, showing Yescarta and Tecartus generate some of the longest follow-up and most robust datasets in cell therapy. – Impressive Ph1 data (N=38) on anito-cel in R/R MM. Differentiated safety profile with no delayed neurotoxicity to date, including parkinsonism.

Select Upcoming 2024 Anticipated Milestones

Program	Trial	Indication	Update	Timing
Virology				
LEN/ISL	NCT05052996	HIV LA VS	Ph2 update	1H24
LEN/BIC	ARTISTRY-1	HIV VS TE	Ph3 FPI	1H24
	ARTISTRY-2	HIV VS	Ph3 FPI	1H24
Lenacapavir	PURPOSE-1	HIV PrEP	Ph3 update	2H24
	PURPOSE-5	HIV PrEP	Ph2 FPI	2H24
LEN + TAB + ZAB	NCT05729568	HIV LA VS	Ph2 update	2H24
GS-1720 combination	GS-US-695-6509	HIV LA VS	Ph2 update	2H24
Oncology				
Trodelvy	TROPiCS-04	2L mUC	Ph3 update	1H24
	EVOKE-02	1L mNSCLC	Ph2 update	1H24
	ASCENT-03	1L mTNBC (PD-L1-)	Ph3 update	2H24
	GS-US-682-6769	2L mEC	Ph3 FPI	2H24
Domvanalimab	EDGE-Gastric	1L upper GI	Ph2 update	1H24
Etrumadenant	ARC-9	mCRC	Interim Ph2 update	1H24
Anito-cel	iMMagine-1	R/R MM	Ph2 update	2H24
	iMMagine-3	R/R MM	Ph3 FPI	2H24
Inflammation				
GS-1427	SWIFT	Ulcerative colitis	Ph2 FPI	2H24

Q4 & FY23 Balance Sheet and Cash Flow

(in millions)	Q423	Q423 Δ	FY23	FY23 Δ
Net cash provided by operating activities	$2,168	-16% YoY 24% QoQ	$8,006	-12%
Less: Capital expenditures	$(214)	19% YoY 75% QoQ	$(585)	-20%
Free cash flow[(1)]	$1,954	-18% YoY 20% QoQ	$7,421	-11%
Cash, cash equivalents and marketable securities	$8,428	10% YoY 5% QoQ	$8,428	10%
Debt repaid	$—	NM YoY -100% QoQ	$(2,250)	50%
Cash dividends paid	$(943)	3% YoY -1% QoQ	$(3,809)	3%
Share repurchases	$(150)	-81% YoY -50% QoQ	$(1,000)	-28%

NM - Not Meaningful

(1) Free cash flow is a non-GAAP liquidity measure. Please refer to our disclosures in the Non-GAAP Financial Information section of our Press Release, issued by Gilead Sciences, Inc. on February 6, 2024 on Form 8-K, which is available on http://investors.gilead.com.

Q4 & FY23 Product Sales by Region

(in millions, except percentages)	Q423	Q423 Δ	FY23	FY23 Δ
Total product sales – U.S.	$5,180	-1% YoY 4% QoQ	$19,377	4% YoY
Total product sales – Europe	$1,128	6% YoY 11% QoQ	$4,197	-3% YoY
Total product sales – Other Intl	$762	-27% YoY -23% QoQ	$3,361	-14% YoY
Total product sales	$7,070	-4% YoY 1% QoQ	$26,934	~Flat YoY

Q4 & FY23 Non-GAAP Financial Highlights

You are encouraged to review the GAAP reconciliation of the following non-GAAP measures at the end of this summary.

(in millions, except percentages)	Q423	Q423 Δ	FY23	FY23 Δ	Management Commentary
Cost of goods sold	$980	1% YoY ~flat QoQ	$3,697	3% YoY	
Product gross margin	86%	-66 bps YoY 21 bps QoQ	86%	-38 bps YoY	
Research and development expenses	$1,452	-6% YoY ~flat QoQ	$5,720	15% YoY	– Q423 YoY decline driven by timing of clinical activities, partially offset by increased Oncology investments.
Acquired IPR&D expenses[(1)]	$347	NM	$1,155	22% YoY	– Q423 primarily reflects expansion of Arcellx partnership, and other collaboration-related payments.
Selling, general and administrative expenses	$1,597	-21% YoY 23% QoQ	$6,060	8% YoY	– Q423 YoY decline primarily driven by comparison to Q422 $406M charge for termination of the Everest collaboration that did not repeat in 2023. – Excluding Q422 Everest charge, Q423 non-GAAP SG&A was down 1%.
Total operating expense	$4,376	-7% YoY 14% QoQ	$16,632	10% YoY	
Operating income	$2,739	1% YoY -15% QoQ	$10,484	-14% YoY	
Operating margin	38%	197 bps YoY -724 bps QoQ	39%	-598 bps YoY	
Effective tax rate	17.1%	22 bps YoY 1005 bps QoQ	15.2%	-416 bps YoY	
Net income attributable to Gilead	**$2,161**	**3% YoY -25% QoQ**	$8,454	-8% YoY	
Diluted EPS attributable to Gilead	**$1.72**	**3% YoY**	$6.72	-7% YoY	
Shares used in diluted EPS attributable to	**1,256**	**-1%**	1,258	NM	

NM - Not Meaningful

[(1)] Acquired IPR&D Q423 sequential increased was $190M from Q422 and FY23 year over year increase was $211M from FY22.

FY 2024 Guidance

You are encouraged to review the GAAP reconciliation of the following non-GAAP measures at the end of this summary.

(in millions, except percentages and per share amounts)	FY24	Management Commentary
Total product sales	$27.1 billion - $27.5 billion	
Veklury	~$1.3 billion	– Veklury sales will remain highly variable depending on frequency and severity of COVID-19 surges. – We do not expect an update on Veklury guidance until our Q324 announcement.
Total product sales excluding Veklury	$25.8 billion - $26.2 billion	– Expected to grow of 4-6% compared to 2023. – FY24 HIV sales expected to grow ~4% YoY. – Q124 sales expected to decline 10-12% from Q423 reflecting typical seasonality. – Q124 cell therapy expected to be flat to slightly up from Q423; initial impact of community setting expansion in U.S. expected in 2H24.
Non-GAAP		
Product gross margin	85.0% - 86.0%	
R&D	Low to mid-single digit % growth	– Moderation in R&D growth compared to 2023.
Acquired IPR&D	$0.35 billion	– Reflects known commitments and likely payments; does not reflect additional transactions that have not yet been announced.
SG&A	Mid-single digit % Decline	– Reflects $525M legal settlement in 2023; excluding this, expect low to mid-single digit % growth YoY.
Operating income	$11.2 billion - $11.7 billion	
Effective tax rate	~ 19%	
Diluted EPS	$6.85 - $7.25	
GAAP Diluted EPS	$5.15 - $5.55	

Certain amounts and percentages in this document may not sum or recalculate due to rounding.

GILEAD SCIENCES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(unaudited)

(in millions, except per share amounts)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
Revenues:				
Product sales	$ 7,070	$ 7,333	$ 26,934	$ 26,982
Royalty, contract and other revenues	45	56	182	299
Total revenues	7,115	7,389	27,116	27,281
Costs and expenses:				
Cost of goods sold	2,090	1,396	6,498	5,657
Research and development expenses	1,408	1,548	5,718	4,977
Acquired in-process research and development expenses	347	158	1,155	944
In-process research and development impairment	50	—	50	2,700
Selling, general and administrative expenses	1,608	2,020	6,090	5,673
Total costs and expenses	5,503	5,122	19,511	19,951
Operating income	1,612	2,267	7,605	7,330
Interest expense	(252)	(227)	(944)	(935)
Other income (expense), net	293	(9)	198	(581)
Income before income taxes	1,653	2,031	6,859	5,814
Income tax expense	(236)	(398)	(1,247)	(1,248)
Net income	1,417	1,633	5,613	4,566
Net loss attributable to noncontrolling interest	12	7	52	26
Net income attributable to Gilead	$ 1,429	$ 1,640	$ 5,665	$ 4,592
Basic earnings per share attributable to Gilead	$ 1.15	$ 1.31	$ 4.54	$ 3.66
Shares used in basic earnings per share attributable to Gilead calculation	1,248	1,252	1,248	1,255
Diluted earnings per share attributable to Gilead	$ 1.14	$ 1.30	$ 4.50	$ 3.64
Shares used in diluted earnings per share attributable to Gilead calculation	1,256	1,264	1,258	1,262
Cash dividends declared per share	$ 0.75	$ 0.73	$ 3.00	$ 2.92
Research and development expenses as a % of revenues	19.8 %	20.9 %	21.1 %	18.2 %
Selling, general and administrative expenses as a % of revenues	22.6 %	27.3 %	22.5 %	20.8 %

GILEAD SCIENCES, INC.
TOTAL REVENUE SUMMARY
(unaudited)

(in millions, except percentages)	Three Months Ended December 31, 2023	2022	Change	Twelve Months Ended December 31, 2023	2022	Change
Product sales:						
HIV	$ 4,693	$ 4,772	*(2)%*	$ 18,175	$ 17,194	*6%*
Oncology	765	614	*24%*	2,932	2,139	*37%*
Liver Disease	691	694	*—%*	2,784	2,798	*(1)%*
Other	201	252	*(20)%*	859	946	*(9)%*
Total product sales excluding Veklury	6,350	6,333	*—%*	24,750	23,077	*7%*
Veklury	720	1,000	*(28)%*	2,184	3,905	*(44)%*
Total product sales	7,070	7,333	*(4)%*	26,934	26,982	*—%*
Royalty, contract and other revenues	45	56	*(21)%*	182	299	*(39)%*
Total revenues	$ 7,115	$ 7,389	*(4)%*	$ 27,116	$ 27,281	*(1)%*

GILEAD SCIENCES, INC.
NON-GAAP FINANCIAL INFORMATION[1]
(unaudited)

(in millions, except percentages)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Change	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022	Change
Non-GAAP:						
Cost of goods sold	$ 980	$ 968	*1%*	$ 3,697	$ 3,602	*3%*
Research and development expenses	$ 1,452	$ 1,544	*(6)%*	$ 5,720	$ 4,968	*15%*
Acquired IPR&D expenses[2]	$ 347	$ 158	*NM*	$ 1,155	$ 944	*22%*
Selling, general and administrative expenses	$ 1,597	$ 2,020	*(21)%*	$ 6,060	$ 5,587	*8%*
Other income (expense), net	$ 104	$ 52	*NM*	$ 365	$ 77	*NM*
Diluted EPS	$ 1.72	$ 1.67	*3%*	$ 6.72	$ 7.26	*(7)%*
Product gross margin	86.1 %	86.8 %	*-66 bps*	86.3 %	86.6 %	*-38 bps*
Research and development expenses as a % of revenues	20.4 %	20.9 %	*-49 bps*	21.1 %	18.2 %	*288 bps*
Selling, general and administrative expenses as a % of revenues	22.4 %	27.3 %	*-490 bps*	22.3 %	20.5 %	*187 bps*
Operating margin	38.5 %	36.5 %	*197 bps*	38.7 %	44.6 %	*-598 bps*
Effective tax rate	17.1 %	16.8 %	*22 bps*	15.2 %	19.3 %	*-416 bps*

NM - Not Meaningful

(1) Refer to Non-GAAP Financial Information section above for further disclosures on non-GAAP financial measures. A reconciliation between GAAP and non-GAAP financial information is provided in the tables below.

(2) Equal to GAAP financial information.

GILEAD SCIENCES, INC.
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL INFORMATION
(unaudited)

(in millions, except percentages and per share amounts)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
Cost of goods sold reconciliation:				
GAAP cost of goods sold	$ 2,090	$ 1,396	$ 6,498	$ 5,657
Acquisition-related – amortization[1]	(580)	(428)	(2,271)	(2,013)
Restructuring	(479)	—	(479)	(42)
Other[2]	(51)	—	(51)	—
Non-GAAP cost of goods sold	$ 980	$ 968	$ 3,697	$ 3,602
Product gross margin reconciliation:				
GAAP product gross margin	70.4 %	81.0 %	75.9 %	79.0 %
Acquisition-related – amortization[1]	8.2 %	5.8 %	8.4 %	7.5 %
Restructuring	6.8 %	— %	1.8 %	0.2 %
Other[2]	0.7 %	— %	0.2 %	— %
Non-GAAP product gross margin	86.1 %	86.8 %	86.3 %	86.6 %
Research and development expenses reconciliation:				
GAAP research and development expenses	$ 1,408	$ 1,548	$ 5,718	$ 4,977
Acquisition-related – other costs[4]	59	(1)	22	13
Restructuring	(15)	(4)	(20)	(22)
Non-GAAP research and development expenses	$ 1,452	$ 1,544	$ 5,720	$ 4,968
IPR&D impairment reconciliation:				
GAAP IPR&D impairment	$ 50	$ —	$ 50	$ 2,700
IPR&D impairment	(50)	—	(50)	(2,700)
Non-GAAP IPR&D impairment	$ —	$ —	$ —	$ —
Selling, general and administrative expenses reconciliation:				
GAAP selling, general and administrative expenses	$ 1,608	$ 2,020	$ 6,090	$ 5,673
Acquisition-related – other costs[4]	—	(1)	(2)	(3)
Restructuring	(11)	1	(28)	2
Other[3]	—	—	—	(85)
Non-GAAP selling, general and administrative expenses	$ 1,597	$ 2,020	$ 6,060	$ 5,587
Operating income reconciliation:				
GAAP operating income	$ 1,612	$ 2,267	$ 7,605	$ 7,330
Acquisition-related – amortization[1]	580	428	2,271	2,013
Acquisition-related – other costs[4]	(59)	2	(20)	(10)
Restructuring	505	2	527	62
IPR&D impairment	50	—	50	2,700
Other[2][3]	51	—	51	85
Non-GAAP operating income	$ 2,739	$ 2,699	$ 10,484	$ 12,180
Operating margin reconciliation:				
GAAP operating margin	22.7 %	30.7 %	28.0 %	26.9 %
Acquisition-related – amortization[1]	8.1 %	5.8 %	8.4 %	7.4 %
Acquisition-related – other costs[4]	(0.8)%	— %	(0.1)%	— %
Restructuring	7.1 %	— %	1.9 %	0.2 %
IPR&D impairment	0.7 %	— %	0.2 %	9.9 %
Other[2][3]	0.7 %	— %	0.2 %	0.3 %
Non-GAAP operating margin	38.5 %	36.5 %	38.7 %	44.6 %
Other income (expense), net reconciliation:				
GAAP other income (expense), net	$ 293	$ (9)	$ 198	$ (581)
(Gain) loss from equity securities, net	(189)	61	167	657
Non-GAAP other income (expense), net	$ 104	$ 52	$ 365	$ 77

GILEAD SCIENCES, INC.
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL INFORMATION - (Continued)
(unaudited)

(in millions, except percentages and per share amounts)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
Effective tax rate reconciliation:				
GAAP effective tax rate	14.3 %	19.6 %	18.2 %	21.5 %
Income tax effect of above non-GAAP adjustments and discrete and related tax adjustments[5]	2.8 %	(2.8)%	(3.0)%	(2.1)%
Non-GAAP effective tax rate	17.1 %	16.8 %	15.2 %	19.3 %
Net income attributable to Gilead reconciliation:				
GAAP net income attributable to Gilead	$ 1,429	$ 1,640	$ 5,665	$ 4,592
Acquisition-related – amortization[1]	460	346	1,805	1,610
Acquisition-related – other costs[4]	(59)	1	(29)	(12)
Restructuring	414	2	431	47
IPR&D impairment	35	—	35	2,057
(Gain) loss from equity securities, net	(171)	60	180	630
Discrete and related tax charges[5]	12	57	326	175
Other[2][3]	40	—	40	59
Non-GAAP net income attributable to Gilead	$ 2,161	$ 2,106	$ 8,454	$ 9,158
Diluted earnings per share reconciliation:				
GAAP diluted earnings per share	$ 1.14	$ 1.30	$ 4.50	$ 3.64
Acquisition-related – amortization[1]	0.37	0.27	1.43	1.28
Acquisition-related – other costs[4]	(0.05)	—	(0.02)	(0.01)
Restructuring	0.33	—	0.34	0.04
IPR&D impairment	0.03	—	0.03	1.63
(Gain) loss from equity securities, net	(0.14)	0.05	0.14	0.50
Discrete and related tax charges[5]	0.01	0.05	0.26	0.14
Other[2][3]	0.03	—	0.03	0.05
Non-GAAP diluted earnings per share	$ 1.72	$ 1.67	$ 6.72	$ 7.26
Non-GAAP adjustment summary:				
Cost of goods sold adjustments	$ 1,110	$ 428	$ 2,801	$ 2,055
Research and development expenses adjustments	(44)	4	(2)	9
IPR&D impairment adjustments	50	—	50	2,700
Selling, general and administrative expenses adjustments	11	—	30	86
Total non-GAAP adjustments to costs and expenses	1,127	432	2,879	4,850
Other income (expense), net, adjustments	(189)	61	167	657
Total non-GAAP adjustments before income taxes	938	493	3,046	5,507
Income tax effect of non-GAAP adjustments above	(218)	(84)	(583)	(1,116)
Discrete and related tax charges[5]	12	57	326	175
Total non-GAAP adjustments to net income attributable to Gilead	$ 732	$ 466	$ 2,789	$ 4,566

(1) Relates to amortization of acquired intangibles and inventory step-up charges.
(2) Relates to a write-off of an intangible asset related to the restructuring of our collaboration with Galapagos NV during the fourth quarter of 2023.
(3) Relates to donations to the Gilead Foundation, a California nonprofit organization, during the second quarter of 2022.
(4) Adjustments include integration expenses, contingent consideration fair value adjustments and other expenses associated with Gilead's acquisitions of MYR GmbH, MiroBio, Ltd., Tmunity Therapeutics, Inc. and XinThera, Inc.
(5) Represents discrete and related deferred tax charges or benefits primarily associated with acquired intangible assets and transfers of intangible assets from a foreign subsidiary to Ireland and the United States.

GILEAD SCIENCES, INC.
RECONCILIATION OF GAAP TO NON-GAAP 2024 FULL YEAR GUIDANCE[(1)]
(unaudited)

(in millions, except percentages and per share amounts)	Provided February 6, 2024
Projected product gross margin GAAP to non-GAAP reconciliation:	
GAAP projected product gross margin	76.0% - 77.0%
Acquisition-related expenses and other	~ 9.0%
Non-GAAP projected product gross margin	85.0% - 86.0%
Projected operating income GAAP to non-GAAP reconciliation:	
GAAP projected operating income	$8,700 - $9,200
Acquisition-related expenses and other	~ 2,500
Non-GAAP projected operating income	$11,200 - $11,700
Projected effective tax rate GAAP to non-GAAP reconciliation:	
GAAP projected effective tax rate	~ 21%
Income tax effect of above non-GAAP adjustments, and discrete and related tax adjustments	(~ 2%)
Non-GAAP projected effective tax rate	~ 19%
Projected diluted EPS GAAP to non-GAAP reconciliation:	
GAAP projected diluted EPS	$5.15 - $5.55
Acquisition-related expenses and other, and discrete and related tax adjustments	~ 1.70
Non-GAAP projected diluted EPS	$6.85 - $7.25

(1) Our full-year guidance excludes the potential impact of any (i) acquisitions or business development transactions that have not been executed, (ii) future fair value adjustments of equity securities and (iii) discrete tax charges or benefits associated with changes in tax related laws and guidelines that have not been enacted, as Gilead is unable to project such amounts. The non-GAAP full-year guidance includes non-GAAP adjustments to actual current period results as well as adjustments for the known future impact associated with events that have already occurred, such as future amortization of our intangible assets and the future impact of discrete and related deferred tax charges or benefits primarily associated with acquired intangible assets and transfers of intangible assets from a foreign subsidiary to Ireland and the United States.

GILEAD SCIENCES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

(in millions)	December 31, 2023	December 31, 2022
Assets		
Cash, cash equivalents and marketable debt securities	$ 8,428	$ 7,630
Accounts receivable, net	4,660	4,777
Inventories	3,366	2,820
Property, plant and equipment, net	5,317	5,475
Intangible assets, net	26,454	28,894
Goodwill	8,314	8,314
Other assets	5,586	5,262
Total assets	$ 62,125	$ 63,171
Liabilities and Stockholders' Equity		
Current liabilities	$ 11,280	$ 11,237
Long-term liabilities	28,096	30,725
Stockholders' equity[(1)]	22,749	21,209
Total liabilities and stockholders' equity	$ 62,125	$ 63,171

(1) As of December 31, 2023 and 2022, there were 1,246 and 1,247 shares of common stock issued and outstanding, respectively.

GILEAD SCIENCES, INC.
SELECTED CASH FLOW INFORMATION
(unaudited)

(in millions)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
Net cash provided by operating activities	$ 2,168	$ 2,566	$ 8,006	$ 9,072
Net cash used in investing activities	(726)	(374)	(2,265)	(2,466)
Net cash used in financing activities	(1,100)	(1,554)	(5,125)	(6,469)
Effect of exchange rate changes on cash and cash equivalents	37	75	57	(63)
Net change in cash and cash equivalents	380	713	673	74
Cash and cash equivalents at beginning of period	5,705	4,699	5,412	5,338
Cash and cash equivalents at end of period	$ 6,085	$ 5,412	$ 6,085	$ 5,412

(in millions)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
Net cash provided by operating activities	$ 2,168	$ 2,566	$ 8,006	$ 9,072
Capital expenditures	(214)	(181)	(585)	(728)
Free cash flow[(1)]	$ 1,954	$ 2,386	$ 7,421	$ 8,344

[(1)] Free cash flow is a non-GAAP liquidity measure. Please refer to our disclosures in the Non-GAAP Financial Information section above.

GILEAD SCIENCES, INC.
PRODUCT SALES SUMMARY
(unaudited)

(in millions)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
HIV				
Biktarvy – U.S.	$ 2,588	$ 2,423	$ 9,692	$ 8,510
Biktarvy – Europe	333	295	1,253	1,103
Biktarvy – Other International	188	200	905	777
	3,109	2,918	11,850	10,390
Complera / Eviplera – U.S.	6	17	47	74
Complera / Eviplera – Europe	15	37	70	113
Complera / Eviplera – Other International	3	3	12	13
	24	58	129	200
Descovy – U.S.	457	479	1,771	1,631
Descovy – Europe	25	26	100	118
Descovy – Other International	28	31	114	123
	509	537	1,985	1,872
Genvoya – U.S.	447	543	1,752	1,983
Genvoya – Europe	48	64	205	284
Genvoya – Other International	22	33	103	136
	517	640	2,060	2,404
Odefsey – U.S.	258	295	1,012	1,058
Odefsey – Europe	71	85	294	364
Odefsey – Other International	11	11	44	47
	340	392	1,350	1,469
Stribild – U.S.	15	20	72	88
Stribild – Europe	5	7	21	29
Stribild – Other International	2	3	8	10
	22	29	101	127
Truvada – U.S.	12	37	82	113
Truvada – Europe	3	3	13	15
Truvada – Other International	3	5	19	18
	18	45	114	147
Revenue share – Symtuza[(1)] – U.S.	104	97	382	348
Revenue share – Symtuza[(1)] – Europe	32	42	133	168
Revenue share – Symtuza[(1)] – Other International	3	3	13	14
	139	142	529	530
Other HIV[(2)] – U.S.	13	4	37	15
Other HIV[(2)] – Europe	1	5	12	24
Other HIV[(2)] – Other International	1	3	7	17
	15	12	56	57
Total HIV – U.S.	3,899	3,914	14,848	13,820
Total HIV – Europe	533	566	2,102	2,219
Total HIV – Other International	261	293	1,226	1,155
	4,693	4,772	18,175	17,194

GILEAD SCIENCES, INC.
PRODUCT SALES SUMMARY - (Continued)
(unaudited)

(in millions)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
Oncology				
Cell Therapy				
Tecartus – U.S.	66	61	245	221
Tecartus – Europe	27	19	110	75
Tecartus – Other International	5	1	15	3
	98	82	370	299
Yescarta – U.S.	187	219	811	747
Yescarta – Europe	140	103	547	355
Yescarta – Other International	42	15	140	57
	368	337	1,498	1,160
Total Cell Therapy – U.S.	253	281	1,055	968
Total Cell Therapy – Europe	167	122	658	430
Total Cell Therapy – Other International	46	17	156	60
	466	419	1,869	1,459
Trodelvy				
Trodelvy – U.S.	226	146	777	525
Trodelvy– Europe	48	44	217	143
Trodelvy – Other International	24	4	68	12
	299	195	1,063	680
Total Oncology – U.S.	479	427	1,833	1,494
Total Oncology – Europe	216	166	875	573
Total Oncology – Other International	70	21	224	73
	765	614	2,932	2,139
Liver Disease				
HCV				
Ledipasvir / Sofosbuvir[3] – U.S.	11	19	39	46
Ledipasvir / Sofosbuvir[3] – Europe	1	4	12	17
Ledipasvir / Sofosbuvir[3] – Other International	5	8	19	51
	17	31	70	115
Sofosbuvir / Velpatasvir[4] – U.S.	216	214	859	844
Sofosbuvir / Velpatasvir[4] – Europe	74	67	323	355
Sofosbuvir / Velpatasvir[4] – Other International	89	87	355	331
	378	369	1,537	1,530
Other HCV[5] – U.S.	25	27	104	115
Other HCV[5] – Europe	10	9	43	40
Other HCV[5] – Other International	3	3	12	10
	37	39	160	166
Total HCV – U.S.	251	260	1,002	1,005
Total HCV – Europe	84	80	378	413
Total HCV – Other International	97	98	386	392
	432	439	1,767	1,810

(unaudited)

(in millions)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Twelve Months Ended December 31, 2023	Twelve Months Ended December 31, 2022
HBV/HDV				
Vemlidy – U.S.	115	123	410	429
Vemlidy – Europe	10	8	38	35
Vemlidy – Other International	92	89	414	379
	217	220	862	842
Viread – U.S.	4	2	8	6
Viread – Europe	6	6	22	23
Viread – Other International	12	14	52	62
	21	22	83	91
Other HBV/HDV[6] – U.S.	—	(1)	—	—
Other HBV/HDV[6] – Europe	22	14	72	55
	22	13	72	55
Total HBV/HDV – U.S.	119	124	418	435
Total HBV/HDV – Europe	37	28	133	112
Total HBV/HDV – Other International	103	103	466	441
	259	255	1,017	988
Total Liver Disease – U.S.	370	384	1,421	1,440
Total Liver Disease – Europe	121	108	511	525
Total Liver Disease – Other International	200	202	852	833
	691	694	2,784	2,798
Veklury				
Veklury – U.S.	364	395	972	1,575
Veklury – Europe	181	142	408	702
Veklury – Other International	175	462	805	1,628
	720	1,000	2,184	3,905
Other				
AmBisome – U.S.	4	9	43	57
AmBisome – Europe	68	66	260	258
AmBisome – Other International	39	42	189	182
	111	117	492	497
Letairis – U.S.	36	60	142	196
Other[7] – U.S.	28	44	118	135
Other[7] – Europe	9	13	40	65
Other[7] – Other International	17	18	66	53
	54	75	225	253
Total Other – U.S.	68	113	304	388
Total Other – Europe	77	79	301	323
Total Other – Other International	56	61	255	235
	201	252	859	946
Total product sales – U.S.	5,180	5,234	19,377	18,716
Total product sales – Europe	1,128	1,061	4,197	4,342
Total product sales – Other International	762	1,037	3,361	3,924
	$ 7,070	$ 7,333	$ 26,934	$ 26,982

(1) Represents Gilead's revenue from cobicistat ("C"), FTC and TAF in Symtuza (darunavir/C/FTC/TAF), a fixed dose combination product commercialized by Janssen Sciences Ireland Unlimited Company.
(2) Includes Atripla, Emtriva, Sunlenca and Tybost.
(3) Amounts consist of sales of Harvoni and the authorized generic version of Harvoni sold by Gilead's separate subsidiary, Asegua Therapeutics LLC.
(4) Amounts consist of sales of Epclusa and the authorized generic version of Epclusa sold by Gilead's separate subsidiary, Asegua Therapeutics LLC.
(5) Includes Vosevi and Sovaldi.
(6) Includes Hepcludex and Hepsera.
(7) Includes Cayston, Jyseleca, Ranexa and Zydelig.

Forward-Looking Statements

Statements included in this press release that are not historical in nature are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Gilead cautions readers that forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties include those relating to: Gilead's ability to achieve its anticipated full year 2024 financial results, including as a result of the uncertainty of the amount and timing of Veklury revenues; Gilead's ability to make progress on any of its long-term ambitions or strategic priorities laid out in its corporate strategy; Gilead's ability to accelerate or sustain revenues for its virology, oncology and other programs; Gilead's ability to realize the potential benefits of acquisitions, collaborations or licensing arrangements, including the arrangements with Arcellx, Arcus, Assembly, Compugen, Galapagos NV, MYR, Tmunity, and XinThera; patent protection and estimated loss of exclusivity for our products and product candidates; Gilead's ability to initiate, progress or complete clinical trials within currently anticipated timeframes or at all, the possibility of unfavorable results from ongoing and additional clinical trials, including those involving Tecartus, Trodelvy (including EVOKE-01), Yescarta, anito-cel and domvanalimab, and the risk that safety and efficacy data from clinical trials may not warrant further development of Gilead's product candidates or the product candidates of Gilead's strategic partners; Gilead's ability to submit new drug applications for new product candidates or expanded indications in the currently anticipated timelines; Gilead's ability to receive regulatory approvals in a timely manner or at all, and the risk that any such approvals, if granted, may be subject to significant limitations on use; Gilead's ability to successfully commercialize its products; the risk of potential disruptions to the manufacturing and supply chain of Gilead's products; pricing and reimbursement pressures from government agencies and other third parties, including required rebates and other discounts; a larger than anticipated shift in payer mix to more highly discounted payer segments; market share and price erosion caused by the introduction of generic versions of Gilead products; the risk that physicians and patients may not see advantages of these products over other therapies and may therefore be reluctant to prescribe the products, including Yescarta; and other risks identified from time to time in Gilead's reports filed with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. In addition, Gilead makes estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures. Gilead bases its estimates on historical experience and on various other market specific and other relevant assumptions that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. There may be other factors of which Gilead is not currently aware that may affect matters discussed in the forward-looking statements and may also cause actual results to differ significantly from these estimates. Further, results for the quarter ended December 31, 2023 are not necessarily indicative of operating results for any future periods. Gilead directs readers to its press releases, annual reports on Form 10-K, quarterly reports on Form 10-Q and other subsequent disclosure documents filed with the SEC. Gilead claims the protection of the Safe Harbor contained in the Private Securities Litigation Reform Act of 1995 for forward-looking statements. The reader is cautioned that forward-looking statements are not guarantees of future performance and is cautioned not to place undue reliance on these forward-looking statements. All forward-looking statements are based on information currently available to Gilead and Gilead assumes no obligation to update or supplement any such forward-looking statements other than as required by law. Any forward-looking statements speak only as of the date hereof or as of the dates indicated in the statements.

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