

Gilead Sciences Announces License Agreement for Investigational Cancer Compound with Glaxo Wellcome PLC

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- *Gilead Acquires Exclusive Worldwide Rights to Novel Oncology Drug* -

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Gilead Sciences, Inc. (Nasdaq: GILD) today announced that the company has entered into an agreement with Glaxo Group Limited and Glaxo Wellcome Inc. (both wholly owned subsidiaries of Glaxo Wellcome plc) granting Gilead exclusive, worldwide rights to GW1843U89, Glaxo Wellcome's investigational thymidylate synthase (TS) inhibitor for the potential treatment of cancer. Gilead will acquire worldwide development and marketing rights to the compound, which was developed at Glaxo Wellcome and had progressed into a Phase I clinical trial. Gilead will reformulate the compound as a liposomal agent called GS7904L and immediately initiate preclinical development with the goal of submitting an Investigational New Drug Application for the product in 2001.

Under the terms of the deal, Gilead has paid to Glaxo Wellcome an upfront licensing fee and will make additional payments upon the achievement of certain development milestones. Gilead is responsible for all costs associated with research and development and will pay to Glaxo Wellcome royalties on worldwide product sales.

"We are committed to rapidly building the Gilead oncology business, and this compound marks an important addition to our growing pipeline of anti-cancer products," said John C. Martin, Ph.D., President and Chief Executive Officer, Gilead Sciences. "Given our proven success in improving the therapeutic index of drugs using our liposomal formulation technology, we are confident in our ability to rapidly move this new compound into Phase I clinical trials."

GW1843U89 is part of a class of drugs called thymidylate synthase inhibitors. Research has shown that the TS enzyme is expressed in tumor cells at a significantly higher level than in non-cancerous cells. By inhibiting the TS enzyme, drugs from this class may shrink or slow the growth of certain cancerous tumors. FDA-approved drugs in this class have improved patient outcomes in the treatment of colorectal and breast cancers. There remains a medical need, however, for products with improved safety, efficacy and ease of administration. In preclinical studies, liposomal GW1843U89 was associated with substantial tumor growth inhibition and appeared to demonstrate an improved safety profile versus the free drug.

About Gilead and Glaxo Wellcome

Gilead Sciences, Inc., headquartered in Foster City, CA, is an independent biopharmaceutical company that seeks to provide accelerated solutions for patients and the people who care for them. Gilead discovers, develops, manufactures and commercializes proprietary therapeutics for challenging infectious diseases (viral, fungal and bacterial infections) and cancer. Gilead maintains research, development or manufacturing facilities in Foster City, CA; Boulder, CO; San Dimas, CA; Cambridge, UK and Dublin, Ireland and sales and marketing organizations in the United States, Europe and Australia.

Glaxo Wellcome is a research-based company committed to fighting disease by bringing innovative medicines and services to patients throughout the world and to the healthcare providers who serve them.

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 that could cause actual results to differ materially from those referred to in the forward-looking statements. Such statements are subject to certain risks and uncertainties, particularly the risks associated with safety, efficacy and development timelines for an investigational compound. Actual results could differ materially from those projected in this release. 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, 1999 and in Gilead's Quarterly Reports on Form 10-Q, all of which are on file with the U.S. Securities and Exchange Commission.

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