

ACHILLION PHARMACEUTICALS INC

Form 4

November 02, 2006

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
GILEAD SCIENCES INC

2. Issuer Name and Ticker or Trading Symbol
ACHILLION
PHARMACEUTICALS INC
[ACHN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

(Last) (First) (Middle)

3. Date of Earliest Transaction
(Month/Day/Year)
10/31/2006

333 LAKESIDE DRIVE

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
X Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

FOSTER CITY, CA 94404

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	or (D)	Price
Common Stock	10/31/2006		C		1,115,839	A	\$ 0
					1,115,839	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Series C-1 Convertible Preferred Stock	(1)	10/31/2006		C	2,478,721 (3)	(1)	(2)	Common Stock	370,493 (3)
Series C-2 Convertible Preferred Stock	(1)	10/31/2006		C	5,962,766 (3)	(1)	(2)	Common Stock	745,343 (3)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GILEAD SCIENCES INC 333 LAKESIDE DRIVE FOSTER CITY, CA 94404			X	

Signatures

/s/ John F. Milligan, Executive Vice President and Chief Financial Officer

10/31/2006

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Upon the closing of the issuer's initial public offering, each share of Series C-1 Convertible Preferred Stock automatically converted into approximately 0.149 shares of common stock and each share of Series C-2 Convertible Preferred Stock automatically converted into approximately 0.125 shares of common stock. The Series C-1 and C-2 Convertible Preferred Stock conversion rates reflect the 1-for-8 reverse stock split, which became effective on October 24, 2006.

(2) Not applicable

(3) Includes shares of preferred stock issued as a dividend which was paid upon conversion of the preferred stock in connection with the closing of the issuer's initial public offering.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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