

ACHILLION PHARMACEUTICALS INC
 Form 3
 October 25, 2006

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL
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INITIAL STATEMENT OF 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 * | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| Â GILEAD SCIENCES INC | | (Month/Day/Year) | ACHILLION PHARMACEUTICALS INC [ACHN] | |
| (Last) | (First) | (Middle) | 10/25/2006 | |
| 333 LAKESIDE DRIVE | | | 4. Relationship of Reporting Person(s) to Issuer | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| (Street) | | | (Check all applicable) | |
| FOSTER CITY, Â CA Â 94404 | | | <input type="checkbox"/> Director | <input checked="" type="checkbox"/> 10% Owner |
| (City) | (State) | (Zip) | <input type="checkbox"/> Officer | <input type="checkbox"/> Other |
| | | | (give title below) | (specify below) |
| | | | | 6. Individual or Joint/Group Filing(Check Applicable Line) |
| | | | | <input checked="" type="checkbox"/> Form filed by One Reporting Person |
| | | | | <input type="checkbox"/> Form filed by More than One Reporting Person |

Table I - Non-Derivative Securities Beneficially Owned

| | | | |
|------------------------------------|--|---|--|
| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|------------------------------------|--|---|--|

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

SEC 1473 (7-02)

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

| | | | | | |
|---|---|--|--|--|--|
| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
| | Date Exercisable | Expiration Date | | | |
| | | Title | Amount or Number of Shares | | |

| | | | | | | | |
|--|-------|-------|--------------|--------------------|--------|---|---|
| Series C-1 Convertible Preferred Stock | Â (1) | Â (2) | Common Stock | 370,494 (3) (4) | \$ (3) | D | Â |
| Series C-2 Convertible Preferred Stock | Â (1) | Â (2) | Common Stock | 745,345 (3) (4) | \$ (3) | D | Â |

Reporting Owners

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

Signatures

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

10/25/2006

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(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) These shares will automatically convert into common stock upon the closing of the issuer's initial public offering of common stock.
- (2) Not applicable.

Reflects a 1-for-8 reverse stock split, which became effective on October 24, 2006. Upon the closing of the issuer's initial public offering,

- (3) each share of Series C-1 Convertible Preferred Stock will convert into approximately 0.149 shares of common stock and each share of Series C-2 Convertible Preferred Stock will convert into approximately 0.125 shares of common stock.

- (4) Includes shares of preferred stock issued as a dividend which will be paid upon the conversion of the preferred stock.

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

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.