Lilly Announces the Pricing Terms of Its Cash Tender Offer for Up to $1.5 Billion Combined Aggregate Principal Amount of Its Outstanding Debt Securities

September 21, 2021

INDIANAPOLIS, Sept. 21, 2021 /PRNewswire/ -- Eli Lilly and Company (NYSE: LLY) announced today the pricing terms of its previously announced cash tender offer for specified series of its outstanding debt securities.

Holders of notes subject to the tender offer who validly tendered, and did not validly withdraw, their notes on or before 5:00 p.m., New York City time, on September 20, 2021 (the early tender date), and whose notes are accepted for purchase by Lilly, are eligible to receive the applicable total consideration. The total consideration for each $1,000 principal amount of notes tendered and accepted for payment in the tender offer is based on the applicable reference yield plus a fixed spread, in each case as set forth in the table below, and is payable to holders of the notes listed in the table below who validly tendered and did not validly withdraw their notes on or before the early tender date and whose notes are accepted for purchase by Lilly. The reference yields listed in the table were calculated at 10:00 a.m., New York City time, on September 21, 2021. The applicable total consideration for each series of notes includes an early tender premium of $30 per $1,000 principal amount of notes validly tendered and not validly withdrawn and accepted for purchase by Lilly.

Title of Security	CUSIP No.	Acceptance Priority Level	Reference U.S. Treasury Security	Reference Yield	Fixed Spread	Total Consideration[1][2]
4.150% Notes due 2059	532457 BU1	1[3]	2.375% due May 15, 2051	1.865%	80 bps	$1,347.88
3.950% Notes due 2049	532457 BT4	2[4]	2.375% due May 15, 2051	1.865%	70 bps	$1,268.49
7.125% Notes due 2025	532457 AM0	3	0.750% due August 31, 2026	0.820%	15 bps	$1,222.65
6.770% Notes due 2036	532457 AP3	4	1.250% due August 15, 2031	1.321%	105 bps	$1,530.04
5.950% Notes due 2037	532457 BC1	5	1.750% due August 15, 2041	1.816%	55 bps	$1,478.64
5.550% Notes due 2037	532457 BA5	6	1.750% due August 15, 2041	1.816%	50 bps	$1,418.71
5.500% Notes due 2027	532457 AZ1	7	0.750% due August 31, 2026	0.820%	40 bps	$1,226.23
4.650% Notes due 2044	532457 BG2	8	1.750% due August 15, 2041	1.816%	75 bps	$1,351.36
3.950% Notes due 2047	532457 BR8	9	2.375% due May 15, 2051	1.865%	70 bps	$1,255.48
3.875% Notes due 2039	532457 BS6	10	1.750% due August 15, 2041	1.816%	45 bps	$1,225.74
3.700% Notes due 2045	532457 BJ6	11	2.375% due May 15, 2051	1.865%	65 bps	$1,205.60
3.375% Notes due 2029	532457 BV9	12	1.250% due August 15, 2031	1.321%	15 bps	$1,130.16
3.100% Notes due 2027	532457 BP2	13	0.750% due August 31, 2026	0.820%	35 bps	$1,100.66
2.750% Notes due 2025	532457 BH0	14	0.750% due August 31, 2026	0.820%	0 bps	$1,065.36
2.350% Notes due 2022	532457 BQ0	15	1.750% due May 15, 2022	0.070%	10 bps	$1,014.09

(1) Per $1,000 principal amount of notes that are tendered and accepted for purchase.
(2) The applicable total consideration includes an early tender premium of $30 per $1,000 principal amount of notes that are tendered and accepted for purchase.
(3) Lilly has removed the previously announced note cap setting forth the maximum principal amount of 4.150% Notes due 2059 that Lilly will accept for purchase pursuant to the tender offer.
(4) Lilly has removed the previously announced note cap setting forth the maximum principal amount of 3.950% Notes due 2049 that Lilly will accept for purchase pursuant to the tender offer.

All payments for notes accepted for purchase in connection with the early tender date will also include accrued and unpaid interest on the principal amount of such notes to, but excluding, the initial settlement date, which is currently expected to be September 22, 2021.

Holders of notes subject to the tender offer who validly tender and do not validly withdraw their notes after the early tender date will, if such notes are accepted by Lilly, receive the applicable tender consideration, which is equal to the total consideration minus $30 per $1,000 principal amount of notes tendered by such holders and accepted for purchase by Lilly. Accrued and unpaid interest from the last interest payment date for the applicable series of notes to, but excluding, the applicable settlement date will be paid in cash in respect of all validly tendered notes accepted for purchase by Lilly in the tender offer.

The tender offer is scheduled to expire at 11:59 p.m., New York City time, on October 4, 2021, unless extended or terminated earlier.

In accordance with the terms of the tender offer, the withdrawal date was 5:00 p.m., New York City time, on September 20, 2021. As a result, tendered notes may no longer be withdrawn, except in certain limited circumstances where additional withdrawal rights are required by law.

The tender offer is being conducted on the terms and subject to the conditions set forth in the Offer to Purchase, dated September 7, 2021 (the "Offer to Purchase"), and the related Letter of Transmittal, each as supplemented by the press release, dated September 21, 2021, that removed the note caps for the 3.950% Notes due 2049 and the 4.150% Notes due 2059.

Lilly has retained BofA Securities, Inc. and Citigroup Global Markets Inc. to serve as lead dealer managers for the tender offer, and Barclays Capital, Inc., BNP Paribas Securities Corp. and Deutsche Bank Securities Inc. to serve as co-dealer managers. Lilly has retained Global Bondholder Services

Corporation to serve as tender agent and information agent for the tender offer.

Requests for documents relating to the tender offer may be directed to Global Bondholder Services Corporation by telephone at +1 (866) 470-3900, by email at contact@gbsc-usa.com or in writing at 65 Broadway, Suite 404, New York, NY 10006. Questions regarding the tender offer may be directed to BofA Securities, Inc. toll-free at +1 (888) 292-0070 or collect at +1 (980) 387-3907 or to Citigroup Global Markets Inc. toll-free at +1 (800) 558-3745 or collect +1 (212) 723-6106.

This press release is for informational purposes only and is not an offer to purchase, the solicitation of an offer to sell any notes. The tender offer is being made only pursuant to the Offer to Purchase and the information in this press release is qualified by reference to the Offer to Purchase. In any jurisdiction where the laws require the tender offer to be made by a licensed broker or dealer, the tender offer will be deemed made on behalf of Lilly by the dealer managers, or one or more registered brokers or dealers under the laws of such jurisdiction. None of Lilly or its affiliates, their respective boards of directors, the Dealer Managers, Global Bondholder Services Corporation or the trustee with respect to any series of notes is making any recommendation as to whether holders should tender any notes in response to the tender offer, and neither Lilly nor any such other person has authorized any person to make any such recommendation. Holders must make their own decision as to whether to tender any of their notes, and, if so, the principal amount of notes to tender.

In addition, this press release is not an offer to sell or the solicitation of an offer to buy any securities. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Any such securities will be offered only by means of a prospectus, including a prospectus supplement relating to such securities, meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

About Eli Lilly and Company

Lilly is a global healthcare leader that unites caring with discovery to create medicines that make life better for people around the world. We were founded more than a century ago by a man committed to creating high-quality medicines that meet real needs, and today we remain true to that mission in all our work. Across the globe, Lilly employees work to discover and bring life-changing medicines to those who need them, improve the understanding and management of disease, and give back to communities through philanthropy and volunteerism. F-LLY

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements (as that term is defined in the Private Securities Litigation Reform Act of 1995) about the timing, terms, conditions, and other aspects of the tender offer and reflects Lilly's current beliefs and expectations. However, as with any such undertaking, there are substantial risks and uncertainties that could impact Lilly's ability to complete the tender offer on favorable terms, if at all, general market conditions that could affect the tender offer and other risks and uncertainties, many of which are beyond Lilly's control, that could cause its actual results to differ materially from those indicated in its forward-looking statements. For a further discussion of these risks and uncertainties, see Lilly's latest Form 10-K and subsequent filings on Forms 10-Q and 8-K with the United States Securities and Exchange Commission. Except as is required by law, Lilly undertakes no duty to update forward-looking statements to reflect events after the date of this release.

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