



Lilly Announces Completion of Alnara Acquisition

INDIANAPOLIS, July 20, 2010 /PRNewswire via COMTEX News Network/ -- Eli Lilly and Company (NYSE: LLY) today announced that it has completed the acquisition of Alnara Pharmaceuticals, Inc., a privately-held company developing protein therapeutics for the treatment of metabolic diseases. The transaction, first announced on July 2, 2010, has received the approval of Alnara stockholders and clearance under the Hart-Scott-Rodino Antitrust Improvements Act. All other closing conditions have also been met.

Alnara's lead product in development is liprotamase, a non-porcine pancreatic enzyme replacement therapy (PERT). Liprotamase is under review by the U.S. Food and Drug Administration for the treatment of exocrine pancreatic insufficiency (EPI). Causes of EPI include cystic fibrosis, chronic pancreatitis, pancreatectomy and other conditions.

Under the terms of the agreement, Lilly acquired all outstanding shares of Alnara for an upfront payment of \$180 million, subject to adjustment based on existing cash on hand at closing. Alnara stockholders will also be eligible for up to \$200 million in additional payments contingent upon potential future regulatory and commercial milestones. The impact of the acquisition will be reflected in Lilly's third quarter 2010 financial statements.

About Eli Lilly and Company

Lilly, a leading innovation-driven corporation, is developing a growing portfolio of pharmaceutical products by applying the latest research from its own worldwide laboratories and from collaborations with eminent scientific organizations. Headquartered in Indianapolis, Ind., Lilly provides answers - through medicines and information - for some of the world's most urgent medical needs. Additional information about Lilly is available at www.lilly.com. C-LLY

This press release contains forward-looking statements about the benefits of a merger between Lilly and Alnara and the potential of Alnara's product pipeline. It reflects Lilly's and Alnara's current beliefs; however, as with any such undertaking, there are substantial risks and uncertainties in the process of implementing the transaction and in drug development. There is no guarantee Lilly will realize the expected benefits of the transaction, or that liprotamase will be approved by the FDA on the anticipated timeline or at all, that liprotamase will be commercially successful, or that Alnara's pipeline will yield commercially successful pharmaceutical products. For further discussion of these and other risks and uncertainties, please see Lilly's latest Form 10-Q filed April 2010 and Form 10-K filed February 2010. The company undertakes no duty to update forward-looking statements.

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