

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL | |
|--|-----------|
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| 1. Name and Address of Reporting Person* <u>LILLY ENDOWMENT INC</u> (Last) (First) (Middle) 2801 NORTH MERIDIAN STREET (Street) INDIANAPOLIS IN 46208-0068 (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>LILLY ELI & CO [LLY]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below) |
| | 3. Date of Earliest Transaction (Month/Day/Year) 05/18/2004 | |
| | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person |

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 | (A) or (D) | Price | | | |
| 1-Common Stock | 05/18/2004 | | S | | 600 | D | \$73.02 | 152,895,204 | D | |
| 2-Common Stock | 05/18/2004 | | S | | 600 | D | \$73 | 152,894,604 | D | |
| 3-Common Stock | 05/18/2004 | | S | | 600 | D | \$72.99 | 152,894,004 | D | |
| 4-Common Stock | 05/18/2004 | | S | | 800 | D | \$72.95 | 152,893,204 | D | |
| 5-Common Stock | 05/18/2004 | | S | | 1,700 | D | \$72.88 | 152,891,504 | D | |
| 6-Common Stock | 05/18/2004 | | S | | 1,200 | D | \$72.86 | 152,890,304 | D | |
| 7-Common Stock | 05/18/2004 | | S | | 2,000 | D | \$72.84 | 152,888,304 | D | |
| 8-Common Stock | 05/18/2004 | | S | | 600 | D | \$72.81 | 152,887,704 | D | |
| 9-Common Stock | 05/18/2004 | | S | | 4,800 | D | \$72.8 | 152,882,904 | D | |
| 10-Common Stock | 05/18/2004 | | S | | 1,800 | D | \$72.79 | 152,881,104 | D | |
| 11-Common Stock | 05/18/2004 | | S | | 4,700 | D | \$72.77 | 152,876,404 | D | |
| 12-Common Stock | 05/18/2004 | | S | | 2,000 | D | \$72.76 | 152,874,404 | D | |
| 13-Common Stock | 05/18/2004 | | S | | 900 | D | \$72.75 | 152,873,504 | D | |
| 14-Common Stock | 05/18/2004 | | S | | 4,100 | D | \$72.74 | 152,869,404 | D | |
| 15-Common Stock | 05/18/2004 | | S | | 5,900 | D | \$72.73 | 152,863,504 | D | |
| 16-Common Stock | 05/18/2004 | | S | | 3,700 | D | \$72.72 | 152,859,804 | D | |
| 17-Common Stock | 05/18/2004 | | S | | 1,200 | D | \$72.71 | 152,858,604 | D | |
| 18-Common Stock | 05/18/2004 | | S | | 3,200 | D | \$72.7 | 152,855,404 | D | |
| 19-Common Stock | 05/18/2004 | | S | | 4,100 | D | \$72.69 | 152,851,304 | D | |
| 20-Common Stock | 05/18/2004 | | S | | 2,100 | D | \$72.67 | 152,849,204 | D | |
| 21-Common Stock | 05/18/2004 | | S | | 1,600 | D | \$72.66 | 152,847,604 | D | |
| 22-Common Stock | 05/18/2004 | | S | | 1,900 | D | \$72.65 | 152,845,704 | D | |
| 23-Common Stock | 05/18/2004 | | S | | 600 | D | \$72.64 | 152,845,104 | D | |
| 24-Common Stock | 05/18/2004 | | S | | 4,600 | D | \$72.63 | 152,840,504 | D | |
| 25-Common Stock | 05/18/2004 | | S | | 900 | D | \$72.61 | 152,839,604 | D | |
| 26-Common Stock | 05/18/2004 | | S | | 3,000 | D | \$72.6 | 152,836,604 | D | |
| 27-Common Stock | 05/18/2004 | | S | | 6,400 | D | \$72.59 | 152,830,204 | D | |
| 28-Common Stock | 05/18/2004 | | S | | 4,400 | D | \$72.58 | 152,825,804 | D | |
| 29-Common Stock | 05/18/2004 | | S | | 4,200 | D | \$72.57 | 152,821,604 | D | |
| 30-Common Stock | 05/18/2004 | | S | | 2,600 | D | \$72.56 | 152,819,004 | D | |

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

| 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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | |

Explanation of Responses:

Remarks:

This is the first of two Forms 4 filed by the Reporting Person on same date, May 19, 2004, representing transactions #1 through #30 of 45 total transactions.

by:/s/David D. Biber, Secretary
and Treasurer on behalf of 05/19/2004
Lilly Endowment, Inc.

** Signature of Reporting Person Date

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

* 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).

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

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