

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) January 10, 1996

Eli Lilly and Company
(Exact name of registrant as specified in its charter)

Indiana
(State or other jurisdic-
tion of incorporation)

1-6351
(Commission
File Number)

35-0470950
(IRS Employer
Identification No.)

Lilly Corporate Center, Indianapolis, Indiana
(Address of principal executive offices)

46285
(Zip Code)

Registrant's telephone number, including area code (317) 276-2000

No Change

(Former name or former address, if changed since last report)

Item 7. Financial Statements and Exhibits.

Exhibit
Number

Exhibit

- (1) Form of Underwriting Agreement, dated as of January 5, 1996, among Eli Lilly and Company and Morgan Stanley & Co. Incorporated, Goldman, Sachs & Co. and J.P. Morgan Securities Inc. relating to the issuance and sale by Eli Lilly and Company of \$200,000,000 aggregate principal amount of its 6.57% Notes Due 2016 and \$300,000,000 aggregate principal amount of its 6.77% Notes Due 2036.
- (4.1) Form of 6.57% Note Due 2016 (Book-Entry) was filed with the Commission as Exhibit 1.1 to registration statement on Form 8-A on January 10, 1996 and is incorporated herein by this reference.
- (4.2) Form of 6.77% Note Due 2036 (Book-Entry) was filed with the Commission as Exhibit 1.2 to registration statement on Form 8-A on January 10, 1996 and is incorporated herein by this reference.
- (24) Consent of Ernst & Young LLP.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ELI LILLY AND COMPANY
(Registrant)

By: /s/ Edwin Miller
Edwin W. Miller
Vice President and
Treasurer

Dated: January 12, 1996.

Exhibit Index

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UNDERWRITING AGREEMENT

January 5, 1996

ELI LILLY AND COMPANY
 Lilly Corporate Center
 Indianapolis, Indiana 46285

Dear Sirs:

The undersigned (the "Underwriters") understand that Eli Lilly and Company, an Indiana corporation (the "Company"), proposes to issue and sell (i) \$200,000,000 aggregate principal amount of 6.57% Notes Due 2016 (the "20-Year Notes") and (ii) \$300,000,000 aggregate principal amount of 6.77% Notes Due 2036 (the "40-Year Notes" and, together with the 20-Year Notes, the "Notes").

Subject to the terms and conditions set forth or incorporated by reference herein, the Company hereby agrees to sell and the Underwriters agree to purchase, severally and not jointly, the principal amount of the 20-Year Notes set forth below opposite their names at a purchase price of 99.125% of the principal amount thereof and the principal amount of the 40-Year Notes set forth below opposite their names at a purchase price of 99.125% of the principal amount thereof, plus, in each case, accrued interest from January 1, 1996 to the date of payment and delivery:

Name	Principal Amount of 20-Year Notes	Principal Amount of 40-Year Notes
Morgan Stanley & Co. Incorporated	\$66,668,000	\$100,000,000
Goldman, Sachs & Co.	66,666,000	100,000,000
J.P. Morgan Securities Inc.	66,666,000	100,000,000
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Total.....	\$200,000,000	\$300,000,000
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The Underwriters will pay for the Notes upon delivery thereof at the office of Morgan Stanley & Co. Incorporated at 10:00 a.m. (New York time) on January 10, 1996 or at such other time, not later than 5:00 p.m. (New

York time) on January 17, 1996, as shall be designated by the Underwriters. The time and date of such payment and delivery are hereinafter referred to as the Closing Date.

The Notes shall have the respective terms set forth in the Prospectus dated June 1, 1995 and the Prospectus Supplement dated January 5, 1996, including the following:

Maturity Date:	January 1, 2016 (20-Year Notes) January 1, 2036 (40-Year Notes)
Interest Rate:	6.57% per annum (20-Year Notes) 6.77% per annum (40-Year Notes)
Redemption Provisions:	The Notes will be redeemable in whole or in part at the option of the Company at any time at a redemption price equal to the greater of (i) 100% of their principal amount or (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Yield (as defined in the Prospectus Supplement) plus in each case accrued interest to the date of redemption
Interest Payment Dates:	January 1 and July 1 commencing July 1, 1996 (interest accrues from January 1, 1996)
Form and Denomination:	Notes will be issued in the form of global securities in the aggregate principal amount of \$200,000,000 for the 20-Year Notes and \$300,000,000 for the 40-Year Notes
Specified Funds for and Manner of Payment of Purchase Price:	Federal funds
Price to Public:	100% (20-Year Notes) 100% (40-Year Notes)

All provisions contained in the document entitled Eli Lilly and Company Underwriting Agreement Standard Provisions (Debt Securities) dated March 18, 1993, a copy of

which is attached hereto, are herein incorporated by reference in their entirety and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein, except that (i) if any term defined in such document is otherwise defined herein, the definition set forth herein shall control, (ii) all references in such document to a type of security that is not a Note shall not be deemed to be a part of this Agreement, (iii) all references in such document to the "Manager" shall be deemed to refer to the Underwriters, (iv) the several obligations of the Underwriters are subject to the additional condition that the Notes shall have been approved for listing on the New York Stock Exchange subject to official notice of issuance and (v) the opinion referred to in Section 4(c) shall be delivered by Daniel P. Carmichael, Esq., Deputy General Counsel of the Company.

Please confirm your agreement by having an authorized officer sign a copy of this Agreement in the space set forth below.

Very truly yours,

MORGAN STANLEY & CO. INCORPORATED
GOLDMAN, SACHS & CO.
J.P. MORGAN SECURITIES INC.

By: MORGAN STANLEY & CO. INCORPORATED

By: /s/ Laurie Campbell

Name: Laurie Campbell
Title: Vice President

Accepted:

ELI LILLY AND COMPANY

By: /s/ Edwin W. Miller

Name: Edwin W. Miller
Title: Vice President and Treasurer

[ERNST & YOUNG LLP LOGO]

One Indiana Square Phone: 317 681 7000
Suite 3400 Fax: 317 681 7216
Indianapolis, Indiana 46204-2094

CONSENT OF INDEPENDENT AUDITORS

We consent to the reference to our firm under the caption "Experts" in the Registration Statement (Form S-3 No. 33-58977) and related Prospectus Supplement of Eli Lilly and Company for the registration of its 6.57% notes due January 1, 2016 and its 6.77% notes due January 1, 2036, and to the incorporation by reference therein of our report dated February 8, 1995, with respect to the consolidated financial statements of Eli Lilly and Company incorporated by reference in its Annual Report (Form 10-K) for the year ended December 31, 1994, filed with the Securities and Exchange Commission.

/s/ ERNST & YOUNG LLP

January 10, 1996

