

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* LILLY ENDOWMENT INC (Last) (First) (Middle) 2801 NORTH MERIDIAN STREET (Street) INDIANAPOLIS IN 46208-0068 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol LILLY ELI & CO [LLY]	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) 05/25/2005	
		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			
31-Common Stock	05/25/2006		S		800	D	\$51.38	144,434,204	D	
32-Common Stock	05/25/2006		S		1,000	D	\$51.37	144,433,204	D	
33-Common Stock	05/25/2006		S		300	D	\$51.36	144,432,904	D	
34-Common Stock	05/25/2006		S		2,400	D	\$51.35	144,430,504	D	
35-Common Stock	05/25/2006		S		800	D	\$51.34	144,429,704	D	
36-Common Stock	05/25/2006		S		700	D	\$51.33	144,429,004	D	
37-Common Stock	05/25/2006		S		1,800	D	\$51.32	144,427,204	D	
38-Common Stock	05/25/2006		S		2,300	D	\$51.31	144,424,904	D	
39-Common Stock	05/25/2006		S		3,200	D	\$51.3	144,421,704	D	
40-Common Stock	05/25/2006		S		2,100	D	\$51.29	144,419,604	D	
41-Common Stock	05/25/2006		S		1,100	D	\$51.28	144,418,504	D	
42-Common Stock	05/25/2006		S		1,200	D	\$51.27	144,417,304	D	
43-Common Stock	05/25/2006		S		1,500	D	\$51.26	144,415,804	D	
44-Common Stock	05/25/2006		S		2,800	D	\$51.25	144,413,004	D	
45-Common Stock	05/25/2006		S		2,700	D	\$51.24	144,410,304	D	
46-Common Stock	05/25/2006		S		900	D	\$51.23	144,409,404	D	
47-Common Stock	05/25/2006		S		1,600	D	\$51.22	144,407,804	D	
48-Common Stock	05/25/2006		S		400	D	\$51.21	144,407,404	D	
49-Common Stock	05/25/2006		S		2,500	D	\$51.2	144,404,904	D	
50-Common Stock	05/25/2006		S		100	D	\$51.19	144,404,804	D	
51-Common Stock	05/25/2006		S		3,400	D	\$51.18	144,401,404	D	
52-Common Stock	05/25/2006		S		700	D	\$51.17	144,400,704	D	
53-Common Stock	05/25/2006		S		1,500	D	\$51.16	144,399,204	D	
54-Common Stock	05/25/2006		S		700	D	\$51.15	144,398,504	D	
55-Common Stock	05/25/2006		S		1,400	D	\$51.14	144,397,104	D	
56-Common Stock	05/25/2006		S		2,500	D	\$51.13	144,394,604	D	
57-Common Stock	05/25/2006		S		2,500	D	\$51.12	144,392,104	D	
58-Common Stock	05/25/2006		S		1,100	D	\$51.11	144,391,004	D	
59-Common Stock	05/25/2006		S		1,900	D	\$51.1	144,389,104	D	
60-Common Stock	05/25/2006		S		1,500	D	\$51.09	144,387,604	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 second of three Forms 4 filed by the Reporting Person on same date, May 26, 2006, representing transactions #31 through #60 of 75 total transactions.

[by:/s/N. Clay Robbins,](#)
[President on behalf of Lilly Endowment, Inc.](#) [05/26/2005](#)

** 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.