

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) <input type="checkbox"/> Other (specify below) <input type="checkbox"/> |
| | 3. Date of Earliest Transaction (Month/Day/Year) 05/04/2006 | |
| | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 | 05/04/2006 | | S | | 100 | D | \$52.3 | 145,720,704 | D | |
| 2-Common Stock | 05/04/2006 | | S | | 1,000 | D | \$52.27 | 145,719,704 | D | |
| 3-Common Stock | 05/04/2006 | | S | | 800 | D | \$52.26 | 145,718,904 | D | |
| 4-Common Stock | 05/04/2006 | | S | | 800 | D | \$52.25 | 145,718,104 | D | |
| 5-Common Stock | 05/04/2006 | | S | | 1,600 | D | \$52.24 | 145,716,504 | D | |
| 6-Common Stock | 05/04/2006 | | S | | 800 | D | \$52.23 | 145,715,704 | D | |
| 7-Common Stock | 05/04/2006 | | S | | 800 | D | \$52.22 | 145,714,904 | D | |
| 8-Common Stock | 05/04/2006 | | S | | 800 | D | \$52.21 | 145,714,104 | D | |
| 9-Common Stock | 05/04/2006 | | S | | 800 | D | \$52.18 | 145,713,304 | D | |
| 10-Common Stock | 05/04/2006 | | S | | 1,600 | D | \$52.17 | 145,711,704 | D | |
| 11-Common Stock | 05/04/2006 | | S | | 1,300 | D | \$52.16 | 145,710,404 | D | |
| 12-Common Stock | 05/04/2006 | | S | | 3,200 | D | \$52.15 | 145,707,204 | D | |
| 13-Common Stock | 05/04/2006 | | S | | 800 | D | \$52.14 | 145,706,404 | D | |
| 14-Common Stock | 05/04/2006 | | S | | 800 | D | \$52.13 | 145,705,604 | D | |
| 15-Common Stock | 05/04/2006 | | S | | 800 | D | \$52.12 | 145,704,804 | D | |
| 16-Common Stock | 05/04/2006 | | S | | 2,100 | D | \$52.1 | 145,702,704 | D | |
| 17-Common Stock | 05/04/2006 | | S | | 2,200 | D | \$52.09 | 145,700,504 | D | |
| 18-Common Stock | 05/04/2006 | | S | | 4,300 | D | \$52.07 | 145,696,204 | D | |
| 19-Common Stock | 05/04/2006 | | S | | 1,000 | D | \$52.06 | 145,695,204 | D | |
| 20-Common Stock | 05/04/2006 | | S | | 5,000 | D | \$52.05 | 145,690,204 | D | |
| 21-Common Stock | 05/04/2006 | | S | | 4,300 | D | \$52.04 | 145,685,904 | D | |
| 22-Common Stock | 05/04/2006 | | S | | 10,500 | D | \$52.03 | 145,675,404 | D | |
| 23-Common Stock | 05/04/2006 | | S | | 18,100 | D | \$52.02 | 145,657,304 | D | |
| 24-Common Stock | 05/04/2006 | | S | | 13,800 | D | \$52.01 | 145,643,504 | D | |
| 25-Common Stock | 05/04/2006 | | S | | 9,000 | D | \$52 | 145,634,504 | D | |
| 26-Common Stock | 05/04/2006 | | S | | 11,600 | D | \$51.99 | 145,622,904 | D | |
| 27-Common Stock | 05/04/2006 | | S | | 9,000 | D | \$51.98 | 145,613,904 | D | |
| 28-Common Stock | 05/04/2006 | | S | | 10,500 | D | \$51.97 | 145,603,404 | D | |
| 29-Common Stock | 05/04/2006 | | S | | 12,200 | D | \$51.96 | 145,591,204 | D | |
| 30-Common Stock | 05/04/2006 | | S | | 7,200 | D | \$51.95 | 145,584,004 | 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 5, 2006, representing transactions #1 through #30 of 54 total transactions.

[by:/s/ N. Clay Robbins,](#)
[President on behalf of Lilly](#) [05/04/2006](#)
[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.