



Lilly Makes an Irrevocable Offer to Acquire Janssen Animal Health

INDIANAPOLIS, March 14, 2011 /PRNewswire/ --

- Deal Would Provide European Expansion and Portfolio Diversification For Elanco, Lilly's Animal Health Division

Elanco, the animal health division of Eli Lilly and Company (NYSE: LLY), today announced that Lilly has made an irrevocable, unconditional offer to acquire the animal health business of Janssen Pharmaceutica NV, a Johnson & Johnson Company. The two companies have notified the appropriate European works councils of their intentions. Headquartered in Beerse, Belgium, Janssen's animal health business is primarily European-focused, targeting disease segments in companion animals and livestock, with special emphasis on swine and poultry.

Upon deal closing, Elanco would obtain a portfolio of about 50 marketed animal health products. As part of the proposed agreement, Janssen animal health employees solely dedicated to the animal health business will transfer to Elanco. No manufacturing facilities would be included in the transaction. Closing of the transaction is contingent upon clearance from European regulatory authorities and is subject to other customary closing conditions. No other terms of the transaction were disclosed.

"The addition of Janssen's animal health business will strongly support a number of strategic growth priorities for Elanco, while providing synergies with our current operations," said Jeff Simmons, Lilly senior vice president and president of Elanco. "Through this transaction, we intend to further expand our European presence, bolster our growing portfolio of companion animal medicines and diversify our food animal portfolio with new swine and poultry products. We are excited about these new opportunities to improve animal health, food safety and food animal production while delivering greater value to our customers."

About Elanco

Elanco is a global innovation-driven company that develops and markets products to improve animal health and food animal production in more than 75 countries. Elanco employs more than 2,300 people worldwide, with offices in more than 40 countries, and is a division of Eli Lilly and Company, a leading global pharmaceutical corporation. Additional information about Elanco is available at <http://www.elanco.com>.

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. C-LLY

This press release contains forward-looking statements about the benefits of the acquisition by Lilly of certain assets of the animal health business of Janssen Pharmaceutica, NV, a Johnson & Johnson company, and the potential of these assets, including product pipeline assets. This release reflects Lilly's current beliefs, assuming that the transaction is successfully closed; however, as with any such undertaking, there are substantial risks and uncertainties in the process of implementing the transaction and in the development of these products. There is no guarantee Lilly will realize the expected benefits of the transaction, that the commercial assets acquired will continue to be commercially successful, that pipeline assets will be approved by relevant regulatory authorities on the anticipated timelines or at all, or that the acquired pipeline will yield commercially successful products. For further discussion of these and other risks and uncertainties, please see Lilly's latest Forms 10-K and 10-Q filed with the U.S. Securities and Exchange Commission. The company undertakes no duty to update forward-looking statements.

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