



April 20, 2006

Lilly ICOS LLC Reports Results for First Quarter of 2006

- Cialis Attains Leading ED Market Share Position in Eleven Countries - - 2006 First Quarter Net Income Soars to \$65.0 Million, Compared to Net Loss of \$41.7 Million in Prior Year Quarter -

BOTHELL, Wash. and INDIANAPOLIS, Ind., April 20, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Lilly ICOS LLC (Lilly ICOS) (NYSE: LLY and Nasdaq: ICOS) is releasing its financial results for the 2006 first quarter, ended March 31. Worldwide sales of Cialis(R) (tadalafil) in the first quarter of 2006 totaled \$222.7 million, an increase of 48% compared to \$150.1 million in the first quarter of 2005.

Cialis Net Sales:
(in millions)

	Three Months Ended March 31,	
	2006	2005
Lilly ICOS Territories:		
United States	\$82.5	\$42.7
Europe(1)	67.6	56.3
Canada and Mexico	17.2	12.2
Total Lilly ICOS	167.3	111.2
Lilly Territories	55.4	38.9
Worldwide Total	\$222.7	\$150.1

In February 2006, Cialis had achieved market share leadership in eleven countries, including France, Portugal, Saudi Arabia, South Africa and Venezuela. In France, Cialis has been the market leader for 14 consecutive months and held a 51% share for February 2006.(2)

"We are proud of the market share leadership Cialis has achieved," stated Gaetano Crupi, Cialis Global Brand Development Leader for Lilly. "This time last year, Cialis was the share leader in just five countries. As 2006 unfolds, we expect Cialis to emerge as the category leader in additional markets as share gains continue and overall sales continue to grow."

Lilly ICOS is evaluating the use of tadalafil, the active ingredient in Cialis, for its potential use in a number of medical indications in addition to erectile dysfunction.

Paul Clark, ICOS Chairman and CEO, added, "At this time, we are finalizing the design of a Phase 2b clinical study to evaluate several doses of tadalafil for symptoms of benign prostatic hyperplasia. Patient enrollment in a multi- national Phase 3 study in pulmonary arterial hypertension continues. And, in the second half of 2006, we expect to announce the results of the Phase 2 proof of concept study in hypertension. We are excited that tadalafil might benefit patients in additional indications."

2006 First Quarter Financial Results

For the three months ended March 31, 2006, Lilly ICOS reported net income of \$65.0 million, compared to a net loss of \$41.7 million for the three months ended March 31, 2005, primarily due to the \$72.6 million increase in worldwide sales of Cialis and a \$50.5 million reduction in selling, general and administrative expenses.

Total Lilly ICOS revenue for the 2006 first quarter was \$178.4 million, compared to \$119.0 million for the first quarter of 2005. Lilly ICOS revenue for the 2006 period included \$11.1 million in royalties on sales reported by Lilly, compared to \$7.8 million in royalty revenue for the first quarter of 2005. The increase in net sales of Cialis in the U.S. includes the impact of an estimated

\$27 million aggregate reduction in U.S. wholesaler inventories of Cialis in the 2005 first quarter.

Cost of sales, including royalties payable equal to 5% of net product sales, was 8.0% of net product sales in the 2006 first quarter, compared to 8.8% in the 2005 first quarter. The percentage decrease was primarily due to price increases since the beginning of 2005.

The \$50.5 million decrease in selling, general and administrative expenses, in 2006 compared to 2005, was primarily due to refinements to our U.S. sales force configuration and lower direct to consumer marketing expenditures in the 2006 first quarter.

About Lilly ICOS LLC

Lilly ICOS LLC, a joint venture equally owned by ICOS Corporation and Eli Lilly and Company, is marketing Cialis in North America and Europe for the treatment of erectile dysfunction.

ICOS Corporation, a biotechnology company headquartered in Bothell, Washington, is dedicated to bringing innovative therapeutics to patients. ICOS is working to develop treatments for serious unmet medical needs such as benign prostatic hyperplasia, hypertension, pulmonary arterial hypertension, cancer and inflammatory diseases.

Eli Lilly and Company, a leading innovation-driven corporation, is developing a growing portfolio of first-in-class and best-in-class pharmaceutical products by applying the latest research from its own worldwide laboratories and from collaborations with eminent scientific organizations. Headquartered in Indianapolis, Indiana, Lilly provides answers -- through medicines and information -- for some of the world's most urgent medical needs. F-LLY

Except for historical information contained herein, this press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on current expectations, estimates and projections about the industry, management beliefs and certain assumptions made by the managements of ICOS and Lilly. Investors are cautioned that matters subject to forward-looking statements involve risks and uncertainties, including economic, competitive, governmental, technological, legal and other factors discussed in the two companies' respective filings with the Securities and Exchange Commission, which may affect the business and prospects of the two companies and Lilly ICOS. Results and the timing and outcome of events may differ materially from those expressed or implied by the forward-looking statements in this press release. More specifically, there can be no assurance that tadalafil will achieve sustained commercial success or that competing products will not pre-empt market opportunities that might exist for the product.

The forward-looking statements contained in this press release represent ICOS' and Lilly's judgments as of the date of this release. Neither ICOS nor Lilly undertake any obligation to update any forward-looking statements.

(1) Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

(2) IMS Health, IMS MIDAS (based on PDE5 inhibitor tablets from wholesalers to pharmacies) February 2006.

Lilly ICOS LLC

Condensed Consolidated Statements of Operations (in thousands) (unaudited)

	Three Months Ended March 31,	
	2006	2005
Revenue		
Product sales, net	\$167,274	\$111,194
Royalties	11,088	7,790
Total revenue	178,362	118,984
Expenses		
Cost of sales	13,382	9,752
Selling, general and administrative	86,517	137,027

Research and development	13,502	13,874
	-----	-----
Total expenses	113,401	160,653
	-----	-----
Net income (loss)	\$64,961	\$(41,669)
	=====	=====

Lilly ICOS LLC
SUMMARIZED OPERATING RESULTS
(in thousands)
(unaudited)

	2006	2005	
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	Q1	Q1	Q2
	-----	-----	-----
Revenue:			
Product sales, net:			
United States	\$82,537	\$42,744	\$71,118
Europe	67,586	56,264	60,925
Canada and Mexico	17,151	12,186	13,839
	-----	-----	-----
	167,274	111,194	145,882
Royalties	11,088	7,790	9,010
	-----	-----	-----
	178,362	118,984	154,892
	-----	-----	-----
Expenses:			
Cost of sales	13,382	9,752	11,934
Selling, general and administrative	86,517	137,027	126,232
Research and development	13,502	13,874	18,413
	-----	-----	-----
	113,401	160,653	156,579
	-----	-----	-----
Net income (loss)	\$64,961	\$(41,669)	\$(1,687)
	=====	=====	=====

Lilly ICOS LLC
SUMMARIZED OPERATING RESULTS
(in thousands)
(unaudited)

	2005		
	-----	-----	-----
	Q3	Q4	TOTAL
	-----	-----	-----
Revenue:			
Product sales, net:			
United States	\$77,438	\$81,615	\$272,915
Europe	61,992	65,311	244,492
Canada and Mexico	14,727	18,575	59,327
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	154,157	165,501	576,734
Royalties	8,172	8,997	33,969
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	162,329	174,498	610,703
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Expenses:			
Cost of sales	12,378	13,200	47,264
Selling, general and administrative	112,152	84,416	459,827
Research and development	18,035	15,494	65,816
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	142,565	113,110	572,907
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Net income (loss)	\$19,764	\$61,388	\$37,796
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