



May 28, 2015

## Lilly Announces the Pricing Terms of Its Cash Tender Offer for Up to \$1.6 Billion Aggregate Principal Amount of Its Outstanding Debt Securities

INDIANAPOLIS, May 28, 2015 /PRNewswire/ -- Eli Lilly and Company (NYSE: LLY) announced today the pricing terms of its previously announced cash tender offer for up to \$1.6 billion aggregate principal amount of certain of its outstanding debt securities.

Holders of notes who tendered, and did not validly withdraw, their notes on or before 5:00 p.m., New York City time, on May 27, 2015 (the early tender date), and which are accepted for purchase by Lilly, are eligible to receive the total consideration. The total consideration for each series of notes is based on the applicable reference yield plus a fixed spread, in each case as set forth in the table below, and is payable to holders of the notes listed in the table below who validly tendered and did not validly withdraw their notes on or before the early tender date and which are accepted for purchase by Lilly. The reference yields listed in the table were determined at 11:30 a.m., New York City time, on May 28, 2015. The total consideration for each series of notes includes an early tender premium of \$30 per \$1,000 principal amount of notes validly tendered and not validly withdrawn by such holders and accepted for purchase by Lilly.

Title of Security	CUSIP No	Acceptance Priority Level	Reference U.S Treasury Security	Reference Yield	Fixed Spread	Total Consideration <sup>(1) (2)</sup>
5.55% Notes due 2037	532457 BA5	1	3.00% due November 15, 2044	2.910%	98 bps	\$ 1,242.26
4.650% Notes due 2044	532457 BG2	2	3.00% due November 15, 2044	2.910%	98 bps	\$ 1,130.27
5.950% Notes due 2037	532457 BC1	3	3.00% due November 15, 2044	2.910%	98 bps	\$ 1,306.50
5.50% Notes due 2027	532457 AZ1	4	2.00% due February 15, 2025	2.157%	83 bps	\$ 1,247.93
6.77% Notes due 2036	532457 AP3	5	3.00% due November 15, 2044	2.910%	100 bps	\$ 1,401.64
7.125% Notes due 2025	532457 AM0	6	2.00% due February 15, 2025	2.157%	75 bps	\$ 1,363.40
5.20% Notes due 2017	532457 BB3	7 <sup>(3)</sup>	0.75% due March 15, 2017	0.568%	12.5 bps	\$ 1,079.48

(1) Per \$1,000 principal amount of notes that are tendered and accepted for purchase.

(2) The total consideration includes the early tender premium of \$30 per \$1,000 principal amount of notes.

(3) The maximum principal amount of 5.20% Notes that will be purchased by Lilly is \$400,000,000.

All payments for notes purchased in connection with the early tender date will also include accrued and unpaid interest on the principal amount of notes tendered up to, but not including, the initial settlement date, which is currently expected to be June 5, 2015.

Subject to the terms and conditions of the tender offer, Lilly expects it will accept for purchase all of the notes validly tendered and not validly withdrawn on or prior to the early tender date.

Holders of notes who validly tender their notes after the early tender date will, if such notes are accepted by Lilly, receive the tender consideration, which is equal to the total consideration minus \$30 per \$1,000 principal amount of notes tendered by such holders and accepted for purchase by Lilly. Accrued and unpaid interest up to, but excluding, the applicable settlement date will be paid in cash on all validly tendered notes accepted and purchased by Lilly in the tender offer.

The tender offer is scheduled to expire at 11:59 p.m., New York City time, on June 10, 2015, unless extended or earlier terminated.

In accordance with the terms of the tender offer, the withdrawal date was 5:00 p.m., New York City time, on May 27, 2015. As a result, tendered notes may no longer be withdrawn, except in certain limited circumstances where additional withdrawal rights are required by law.

The tender offer is being conducted upon the terms and subject to the conditions set forth in the Offer to Purchase, dated May 12, 2015, and the related Letter of Transmittal.

Lilly has retained Deutsche Bank Securities Inc., J.P. Morgan Securities LLC and Credit Suisse Securities (USA) LLC to serve as lead dealer managers for the tender offer and has retained D.F. King & Co., Inc. to serve as tender agent and information agent for the tender offer.

Requests for documents relating to the tender offer may be directed to D.F. King & Co., Inc. by telephone at (877) 297-1747, by

email at [LLY@dfking.com](mailto:LLY@dfking.com) or in writing at 48 Wall Street, 22nd Floor, New York, New York 10005. Questions regarding the tender offer may be directed to Deutsche Bank Securities Inc. at (866) 627-0391 or to J.P. Morgan Securities LLC at (866) 834-4666.

This press release is not a tender offer to purchase or a solicitation of acceptance of a tender offer, which may be made only pursuant to the terms of the Offer to Purchase. In any jurisdiction where the laws require the tender offer to be made by a licensed broker or dealer, the tender offer will be deemed made on behalf of Lilly by the dealer managers, or one or more registered brokers or dealers under the laws of such jurisdiction. In addition, this press release is not an offer to sell or the solicitation of an offer to buy any securities. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Any such securities will be offered only by means of a prospectus, including a prospectus supplement relating to such securities, meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

#### **About Eli Lilly and Company**

Lilly is a global healthcare leader that unites caring with discovery to make life better for people around the world. We were founded more than a century ago by a man committed to creating high-quality medicines that meet real needs, and today we remain true to that mission in all our work. Across the globe, Lilly employees work to discover and bring life-changing medicines to those who need them, improve the understanding and management of disease, and give back to communities through philanthropy and volunteerism. To learn more about Lilly, please visit us at [www.lilly.com](http://www.lilly.com) and [newsroom.lilly.com/social-channels](http://newsroom.lilly.com/social-channels). (F-LLY)

This press release contains management's current intentions and expectations for the future, all of which are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The words "estimate," "project," "intend," "expect," "believe," "target," and similar expressions are intended to identify forward-looking statements, including but not limited to statements about the terms and conditions of, and the completion of, the tender offer. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the control of Lilly, that may cause its actual results to differ materially from those indicated in its forward-looking statements. For a further discussion of these risks and uncertainties, please see Lilly's latest Form 10-K and Form 10-Q filed with the Securities and Exchange Commission. You should not place undue reliance on forward-looking statements, which speak only as of the date of this release. Except as is required by law, Lilly expressly disclaims any obligation to publicly release any revisions to forward-looking statements to reflect events after the date of this release.

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To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/lilly-announces-the-pricing-terms-of-its-cash-tender-offer-for-up-to-16-billion-aggregate-principal-amount-of-its-outstanding-debt-securities-300090679.html>

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