

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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	
OMB Number:	3235-0104
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1. Name and Address of Reporting Person* <u>PAUL STEVEN M</u> <hr/> (Last) (First) (Middle) <hr/> (Street) <hr/> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 07/01/2003	3. Issuer Name and Ticker or Trading Symbol <u>LILLY ELI & CO [LLY]</u> <hr/> 4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>EVP, Science and Technology</u>	5. If Amendment, Date of Original Filed (Month/Day/Year) 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
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Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	20,504	D	
Common Stock	2,105	I	401(k)
Common Stock	579	I ⁽¹⁾	by daughter
Common Stock	38,877	I ⁽¹⁾	by wife
Common Stock	589	I ⁽¹⁾	by wife as custodian for son

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Employee stock option (right to buy)	10/17/1997	10/15/2004	Common Stock	18,700	14.66	D	
Employee stock option (right to buy)	10/16/1998	10/14/2005	Common Stock	24,000	23.41	D	
Employee stock option (right to buy)	10/21/1999	10/20/2006	Common Stock	16,000	34.6	D	
Employee stock option (right to buy)	07/21/2000	07/18/2007	Common Stock	100,000	54.8	D	
Employee stock option (right to buy)	10/20/2000	10/19/2007	Common Stock	20,000	64.06	D	
Employee stock option (right to buy)	10/19/2001	10/17/2008	Common Stock	25,000	74.28	D	
Employee Stock Option (right to buy)	10/18/2002	10/16/2009	Common Stock	46,000	66.38	D	
Employee stock option (right to buy)	02/20/2004	02/18/2011	Common Stock	75,900	73.98	D	
Employee stock option (right to buy)	10/04/2002 ⁽²⁾	10/04/2011	Common Stock	23,000	79.28	D	
Employee stock option (right to buy)	02/19/2005	02/17/2012	Common Stock	46,000	75.92	D	
Employee stock option (right to buy)	02/17/2006	02/15/2013	Common Stock	50,000	57.85	D	
Employee stock option (right to buy)	12/19/2005 ⁽³⁾	12/17/2010	Common Stock	100,000	88.41	D	

Explanation of Responses:

1. Reporting person disclaims beneficial ownership of these shares.
2. The option vests in two equal annual installments: 50% on 10/04/2002 and 50% on 10/03/2003
3. The option vests as follows: 25% on 12/19/2005, 25% on 12/18/2008, and 50% on 11/02/2009

Steven M. Paul
07/10/2003

** 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 5 (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.

Steven M. Paul
Lilly Corporate Center
Indianapolis, Indiana 46285

Securities and Exchange Commission
Washington, D.C. 20549

Authorization Regarding Reporting Forms

I hereby authorize and designate the following persons to sign and file with the Commission on my behalf Forms 4 and 5 covering my transactions and holdings in the common stock and other equity securities of Eli Lilly and Company as required by Section 16 of the Securities Exchange Act of 1934 and the rules thereunder:

Alecia A. DeCoudreaux, Lilly Corporate Center, Indianapolis, Indiana

James B. Lootens, Lilly Corporate Center, Indianapolis, Indiana

Bronwen L. Mantlo, Lilly Corporate Center, Indianapolis, Indiana

This authorization and designation shall remain in effect until a written revocation is signed by me and provided to the Commission.

Steven M. Paul

June 24, 2003