



November 21, 2001

Lilly Receives FDA Approval to Market Xigris™

Wednesday, November 21, 2001

Eli Lilly and Company (NYSE: LLY) announced today that the U.S. Food and Drug Administration (FDA) has approved Xigris™ (drotrecogin alfa [activated]), a breakthrough biotech therapy discovered and developed by Lilly. Xigris is approved for the reduction of mortality in adult patients with severe sepsis (sepsis associated with acute organ dysfunction) who have a high risk of death (e.g., as determined by APACHE II¹). Lilly plans to launch Xigris in the United States within days. The efficacy of Xigris has not been established in adult patients with severe sepsis and lower risk of death. Safety and efficacy have not been established in pediatric patients with severe sepsis. Lilly is working with the FDA to institute post approval trials which will include a study of the efficacy of Xigris in adult patients with severe sepsis who have a lower risk of death and a study in pediatric patients with severe sepsis.

The approval was based on the results of a landmark, international Phase III clinical trial (known as PROWESS, Recombinant Human Activated Protein C Worldwide Evaluation in Severe Sepsis), which were published March 8, 2001, in the New England Journal of Medicine. The relative risk of death from severe sepsis was reduced by nearly 20 percent in this trial involving 1,690 patients. The mortality rates were 25 percent among drotrecogin alfa (activated)-treated patients versus 31 percent among patients treated with placebo ($p=0.005$).

Bleeding events are common in patients with severe sepsis. In PROWESS, bleeding was the most common adverse reaction associated with Xigris therapy. Serious bleeding events were observed during the 28-day study period in 3.5 percent of Xigris-treated and 2.0 percent of placebo-treated patients. The difference in serious bleeding occurred primarily during infusion. Intracranial hemorrhage (ICH) may occur in patients with severe sepsis. In PROWESS, the incidence of intracranial hemorrhage was 0.2 percent for Xigris-treated and 0.1 percent for placebo-treated patients. ICH has been reported in Xigris-treated patients in non-placebo controlled trials with an incidence of approximately 1 percent during infusion. The risk of ICH may be increased in patients with risk factors for bleeding such as severe coagulopathy and severe thrombocytopenia.

"The approval of Xigris demonstrates the ability of government and industry to meet a pressing unmet medical need," said Sidney Taurel, chairman and CEO of Eli Lilly and Company. "The FDA should be commended for addressing a very complex medical condition expeditiously."

"The approval of Xigris breaks new ground," says Mitchell Levy, M.D., F.C.C.M., associate professor of medicine at Brown University School of Medicine. "For decades, physicians have been awaiting the development of a product such as Xigris to treat patients at high risk of death from severe sepsis."

Xigris is a recombinant form of human Activated Protein C. Xigris will be administered by intravenous infusion and is available in 5 and 20 mg vials.

"Severe sepsis is recognized by critical care physicians as the major killer of patients in their hospitals' intensive care units," said August M. Watanabe, M.D., executive vice president, science and technology, for Lilly. "While many patients who develop severe sepsis are already in the hospital for an unrelated illness, completely healthy people can also develop infections and quickly progress to severe sepsis. Xigris can provide greater hope for those patients with severe sepsis who are at high risk of death."

Eli Lilly and Company has applied for regulatory approval of Xigris in Canada, the EU and Australia for the treatment of severe sepsis.

About Severe Sepsis

Sepsis can strike anyone. It is triggered by infection, often the result of events such as trauma, surgery, and burns, or illnesses such as cancer and pneumonia. Every year severe sepsis (sepsis associated with acute organ dysfunction) strikes 750,000 Americans, at least 215,000 of whom die, about as many as die as a result of an acute heart attack.² The incidence of severe sepsis is expected to rise to 1 million by the end of the decade.² It is the leading cause of death in non-coronary intensive care units.³ The estimated costs associated with the treatment of patients with severe sepsis are \$17 billion annually in the United States.²

Currently available treatment options include treatment for the infection and supportive care such as mechanical ventilation and kidney dialysis.

Finding a treatment for severe sepsis has long perplexed the research community because of the complexity of the syndrome. Many companies have tried and failed to produce an effective treatment. But, after nearly 20 years researching and developing one of the most complex biotech compounds ever created, Lilly is now able to offer doctors a new treatment for severe sepsis patients at a high risk of death.

About Eli Lilly and Company

Lilly, a leading innovation-driven corporation, is developing a growing portfolio of 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, Ind., Lilly provides answers - through medicines and information - for some of the world's most urgent medical needs. Additional information about Lilly is available at www.lilly.com.

For full prescribing information, call 800-423-2313. For more information about Xigris (drotrecogin alfa [activated]), visit www.aboutXigris.com.

This news release contains forward-looking statements that reflect management's current beliefs about the potential for Xigris (drotrecogin alfa [activated]) for the approved indication. However, as with any pharmaceutical under development, there are significant risks and uncertainties in the process of development and regulatory review. There are no guarantees that the product will prove to be commercially successful. For additional information about the factors that affect the company's business, please see Exhibit 99 to the company's latest Form 10-Q, filed November 2001. The company undertakes no duty to update forward-looking statements.

XigrisTM (drotrecogin alfa [activated]), Lilly

References

Acute Physiology and Chronic Health Evaluation Score Angus D, et al. Epidemiology of severe sepsis in the United States: analysis of incidence, outcome, and associated costs of care. Crit Care Med 2001; 29(7): 1303-1310. Sands KE, Bates DW, Lanken PN, et al. Epidemiology of sepsis syndrome in 8 academic medical centers. JAMA. 1997; 278(3): 234-240.