## Form **8937**

(December 2017)
Department of the Treasury
Internal Revenue Service

## Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-0123

Part I Reporting	Issuer			
1 Issuer's name				2 Issuer's employer identification number (EIN)
				(Zilly)
Eli Lilly and Company				35-0470950
3 Name of contact for add	ditional information	4 Telephon	e No. of contact	5 Email address of contact
		,		
Kevin Hern			(317) 277-1838	harn kovin relilly and
6 Number and street (or F	P.O. box if mail is not	delivered to	street address) of contact	hern kevin r@lilly.com
(		00.170.00 10 1	sireot address) of contact	7 City, town, or post office, state, and ZIP code of contact
Lilly Corporate Center				
8 Date of action		O Class	ification and describe	Indianapolis, Indiana 46285 USA
o bate of action		9 Class	ification and description	
M 1 44 0040				
March 11, 2019		Exchange	of Lilly common stock for Elar	nco common stock
10 CUSIP number	11 Serial number(s	5)	12 Ticker symbol	13 Account number(s)
532457108	N/A		LLY	N/A
Part II Organization	onal Action Attac	h additional	statements if needed. See	back of form for additional questions.
14 Describe the organiza	tional action and, if a	oplicable, the	date of the action or the date	against which shareholders' ownership is measured for
the action ► On Mar	ch 11, 2019, Eli Lilly a	and Company	("Lilly") exchanged shares of	Lilly common stock for shares of Elanco Animal
Health Incorporated ("Elanco	o") common stock by	way of an exc	change offer that expired on Ma	arch 8, 2019 (the "Exchange"). Each tendering
holder of Lilly common stock	received 4 5121 sha	res of Flanco	common stock in explication for	r each share of Lilly common stock accepted by
Lilly in the exchange offer A	Il fractional charge of	Elance comp	common stock in exchange to	each share of Lilly common stock accepted by
exchange agent on hehalf of	the tendering Lilly of	crahaldara a	ion stock resulting from the Ex	change were aggregated and sold by the
applicable tendering Lilly abo	the tendening Liny sn	iarenoiders, a	ind the proceeds (less any com	missions or other fees) were distributed to the
applicable lendering Lilly sna	arenoider in accordan	ce with their t	ractional interest in the aggreg	ate number of shares sold.
15 Describe the quantitat	ive effect of the organ	nizational acti	on on the basis of the security	in the hands of a U.S. taxpayer as an adjustment per
share or as a percenta	ge of old basis ▶ Th	e tav hasis o	f the Elance common charge re	ceived by a shareholder in the Exchange, including
any fractional charge of Flan	co common stock dos	amod receive	d by the abase balder will be the	ceived by a shareholder in the Exchange, including
	CO COMMON STOCK GET	emed receive	d by the shareholder, will be the	e same as the tax basis of the Lilly common
shares exchanged therefor.				
			=	
46 Departure the enterplation				. F
16 Describe the calculation	on of the change in ba	asis and the c	lata that supports the calculation	on, such as the market values of securities and the
valuation dates ► N/A				

Part II	A		4 4 5
	Organizational	Action	(nontinuod)
1 01 6 11	O gainzaudijai	ACHOIL	rconunuem

17 Lis	st the	applicable Internal Revenue Code section(s) and subsection(s) upon which the tax	treatment is bas	sed ► The Exchange is intended
oboroo r	ax-ire	e exchange under IRC sections 368(a)(1)(D) and 355. Under IRC section 358(a)(1)	the aggregate b	asis of the Elanco common
IDC again	eceive	ed by a shareholder in the Exchange is the same as the aggregate basis of the Lilly	common shares	exchanged therefor. Under
the Lilli	HOL 17	223, the holding period for Elanco common shares received by a shareholder in the	Exchange will in	clude the holding period of
tne Lilly	comm	on shares exchanged therefor. Shareholders receiving cash in lieu of fractional sha	res could recogr	nize gain or loss under IRC
section '	1001 v	vith respect to the fractional share.		
			-	
<b>18</b> Ca	an any	resulting loss be recognized? ▶ Participating Lilly shareholders will not recognize	agin or lose for	II C fodoral income tou
nurnoses	s upor	the receipt of shares of Elanco common stock in the Exchange.	gain or loss for	U.S. lederal income tax
	<u> </u>	The receipt of shares of Elanco common stock in the Exchange.		
A partici	natina	Lilly observed allows to a server at the ser		
A particip	uating	Lilly shareholder who receives cash in lieu of a fractional share of Elanco common	stock in the Excl	hange will recognize
capital g	ain or	loss measured by the difference between the tax basis of the fractional share deem	ed to be receive	d, and the amount of cash
received	in res	pect thereof.		
				11
		4		
19 Pro	ovide :	any other information necessary to implement the adjustment, such as the reportab	lo toy your b. Ti	to East.
March 11	1 201	9. For calendar year taxpayers, the reportable year is 2019.	ne tax year	ne Exchange was completed on
vidi Cit Ti	1, 201	5. Tor calcifical year taxpayers, the reportable year is 2019.		
	Lladar			
1	belief.	penalties of perjury, I declare that I have examined this return, including accompanying sche it is true, correct, and complete. Declaration of preparer (other than officer) is based on all infor	dules and stateme	ents, and to the best of my knowledge and
	,	the trady control, and complete. Beclaration of preparer (other than officer) is based off all infor	mation of which p	reparer has any knowledge.
Sign			79	1.
Here	Signat	ure > 1 1 A	Date▶	1112119
	-			
	Print v	our name Kathovo Lodato	THE	and the state of the same
	. IIIL Y	our name ► Kathryn Lodato  Print/Type preparer's name  Preparer's signature		resident - Global Tax
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) wa	WA			self-employed
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Prepai Use O		Firm's name		Firm's EIN ▶
Jse O	nly	Firm's name ► Firm's address ►		Firm's EIN ▶ Phone no.