SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): APRIL 22, 2003

ELI LILLY AND COMPANY
(Exact name of registrant as specified in its charter)

INDIANA	001-06351	35-0470950
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

LILLY CORPORATE CENTER INDIANAPOLIS, INDIANA (Address of Principal Executive Offices)	46285 (Zip Code)

Registrant's telephone number, including area code: (317) 276-2000

No Change
(Former name or former address, if changed since last report)

ITEM 9. REGULATION FD DISCLOSURE.

The following information is furnished pursuant to Item 12, "Results of Operations and Financial Condition."

On April 22, 2003, Eli Lilly and Company (the "registrant" or "company") issued a press release regarding its results of operations for the quarter ended March 31, 2003, including, among other things, an income statement for that quarter and a consolidated balance sheet as of March 31, 2003. In addition, on the same day the company will hold a teleconference for analysts and media to discuss the first quarter results. The teleconference will be web cast on the company's web site. The press release and related financial statements are attached to this Form 8-K as Exhibit 99.

The company uses non-GAAP financial measures, such as adjusted (or "normalized") net income and diluted earnings per share. For the current quarter the measures exclude the impact of restructurings, asset impairments, and other special charges as described in the attached press release. These items may be highly variable, difficult to predict, and of a size that could have substantial impact on the company's reported operations for a period.

Management believes that these non-GAAP measures provide useful information to investors. Among other things, they may help investors evaluate the company's operations period over period and identify operating trends that could otherwise be masked by the excluded items. Management uses these measures internally to evaluate the performance of the business, including to allocate resources and to evaluate results relative to incentive compensation targets.

Investors should consider these non-GAAP measures in addition to, not as a substitute for, or as superior to, measures of financial performance prepared in accordance with GAAP. For the reasons described above for use of non-GAAP measures, the company's earnings guidance is subject to adjustment for certain matters, such as those identified above, as to which prospective quantification generally is not feasible.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ELI LILLY AND COMPANY
(Registrant)

By: /s/ CHARLES E. GOLDEN

Name: Charles E. Golden
Title: Executive Vice President and Chief Financial Officer

Dated: April 22, 2003

EXHIBIT INDEX

Exhibit Number	Exhibit
(99)	Press release dated April 22, 2003, together with related attachments.

[ELI LILLY AND COMPANY LETTERHEAD]

WWW.LILLY.COM
DATE: April 22, 2003

FOR RELEASE: on April 22, 2003 at 7:00 am New York Time
REFER TO: (317) 276-5795 - Terra L. Fox

ROBUST SALES GROWTH DRIVES LILLY'S FIRST-QUARTER PERFORMANCE

Zyprexa and Other Key Products Deliver Strong Double-Digit Sales Growth and Recent New Product Launches Are Encouraging

Eli Lilly and Company (NYSE: LLY) announced financial results for the first quarter of 2003.

First-Quarter Highlights

- Sales increased 13 percent, to $2.889 billion, driven primarily by robust double-digit growth of Zyprexa(R), Humalog(R), Actos(R), Gemzar(R) and Evista(R) as well as initial sales from the three recent new product launches.
- Reported net income and diluted earnings per share decreased 35 percent and 34 percent, to $407.0 million and $.38, respectively, due to unusual charges.
- Excluding unusual charges in the first quarter of 2003 related to asset impairments, restructuring and other special charges, normalized net income and diluted earnings per share both increased 5 percent, to $661.3 million and $.61, respectively.

Reconciliation of Reported to Normalized First-Quarter Earnings per Share

	First-Quarter		% Over/(Under)
	2003	2002	2002
E.P.S. (AS REPORTED, DILUTED)	$.38	$.58	(34%)
Add back unusual charges:			
Asset impairments, restructuring and other special charges (a)	.23	-	
E.P.S. (NORMALIZED AND DILUTED)	$.61	$.58	5%

(a) Refer to separate section in press release for a description of these unusual charges.

Pharmaceutical Product Sales Highlights

(Dollars in millions)	First Quarter		% Change Over/(Under)
	2003	2002	2002
Zyprexa	$958.3	$819.4	17%
Diabetes Care Products	633.4	502.9	26%
Gemzar	233.9	197.5	18%
Evista	214.0	177.9	20%

Significant Events Over the Last Three Months

- Strattera(TM) was launched in the U.S. for the treatment of attention-deficit hyperactivity disorder (ADHD) in children, adolescents and adults.
- The first U.S. prescriptions for Forteo(R) were written following its December 2002 launch and one-month sampling. Forteo is approved by the U.S. Food and Drug Administration (FDA) for the treatment of osteoporosis in postmenopausal women at high risk for a fracture and to increase bone mass in men with primary or hypogonadal osteoporosis who are at high risk for a fracture.
- Cialis(TM) was launched in the European Union as well as Australia and New Zealand for the treatment of erectile dysfunction in these countries.
- The FDA informed Lilly of a six-month review time following the company's recent submission of its full response to the Cymbalta(TM) approvable letter. Cymbalta's final approval is also subject to successful completion of a manufacturing inspection. Therefore, at this point in time, the company believes a realistic timeline to complete the regulatory approval process for Cymbalta is the fourth quarter of 2003.
- Lilly filed its European submission for duloxetine for the treatment of stress urinary incontinence.

"Robust sales growth across our key products drove Lilly's first-quarter results," said Sidney Taurel, Lilly chairman, president and chief executive officer. "Zyprexa, which is faced with new competition, as well as Humalog, Actos, Gemzar and Evista, all generated strong double-digit sales growth. In addition, thanks to effective market planning and sales implementation for our three recent new-product launches, we are seeing encouraging initial results. In fact, Strattera had

more total prescriptions in its first three months following launch than any other new neuroscience product in history. Our first-quarter performance will enable us during the remainder of this year to make even greater investments to optimize the recent product launches and prepare for the launches of up to four other new products by the end of 2004."

Pedro P. Granadillo, senior vice president for Lilly, commented on Lilly's manufacturing situation, "We have been in ongoing dialogue with the FDA while developing and implementing our Good Manufacturing Practices improvement plan since it was submitted to the agency last October. Our discussions with the FDA continue to be very constructive and collaborative and confirm that we are on the right track with our ongoing improvement efforts. The FDA recently formalized its feedback in a letter, which summarizes the agency's general expectations for bringing our Indianapolis facilities into compliance. The next major milestone in the process will be the reinspections of the dry products facility, where Cymbalta is manufactured, and the sterile injectable facility, where Zyprexa IntraMuscular is manufactured."

First-Quarter Results

Worldwide sales for the quarter were $2.889 billion, an increase of 13 percent compared with the first quarter of 2002. This increase was driven by the strong performance of Zyprexa, Humalog, Actos, Gemzar and Evista as well as sales from the launch of Strattera during the quarter. Worldwide sales volume increased 7 percent, while selling prices and exchange rates increased sales by 2 and 4 percent, respectively.

Gross margins as a percent of sales decreased by 0.8 percentage points, to 78.5 percent. This decrease was due to costs associated with quality improvements as well as growth in capacity in the company's manufacturing operations, offset partially by a favorable sales mix of higher margin products.

Overall, marketing and administrative expenses increased 18 percent, to $914.5 million, which was attributable to marketing expenses in support of the new product launches, increased incentive compensation and costs associated with certain pending litigation. Research and development expenses were $529.6 million, or 18 percent of sales. Compared with the first quarter of 2002, research and development expenses increased 5 percent primarily due to increased incentive compensation.

Operating income decreased 37 percent, to $470.1 million, due to the unusual charges related to asset impairments, restructuring and other special charges noted below. Excluding unusual charges, operating income increased 10 percent over the first quarter of 2002, driven by increased sales. Net other income declined primarily due to less income from outlicensing of development-stage products and less miscellaneous license fee income in the first quarter of 2003, offset partially by increased income from partnered products in development. Net income and diluted earnings per share for the first quarter decreased 35 percent and 34 percent, to $407.0 million and $.38, respectively, due to the unusual charges noted below. Excluding the unusual charges, net income and earnings per share both increased 5 percent for the first quarter, driven by increased sales, offset partially by decreased gross margins as a percent of sales and lower net other income.

Unusual Charges

As previously disclosed, in December 2002, the company initiated a plan of eliminating approximately 700 positions worldwide in order to streamline its infrastructure. While a substantial majority of affected employees were successfully placed into other positions in the company, severance expenses were incurred in the first quarter for those employees who elected the company's voluntary severance package. The restructuring and other special charges, which are primarily voluntary severance expenses, were $52.5 million (pretax), or $.03 per share (after-tax) in the first quarter.

In addition, as part of the company's previously disclosed ongoing strategic review, the company made decisions during the first quarter of 2003 that resulted in the impairment of certain assets, primarily manufacturing assets in the U.S. This review did not result in any closure of facilities, but certain assets located at various manufacturing sites were affected. These asset impairment charges incurred in the first quarter were $114.6 million (pretax), or $.07 per share (after-tax).

In August 2001, Lilly licensed from Isis Pharmaceuticals, Inc., Affinitak(TM), a non-small-cell lung cancer drug candidate, and entered into a research collaboration to discover antisense drugs. In conjunction with this agreement, Lilly made an equity investment in Isis and committed to a loan to fund the four-year research collaboration. In addition, Lilly made a loan to Isis to fund the building of a manufacturing suite for Affinitak. Recently, disappointing results were reported

from Affinitak's first Phase III trial, which will delay any potential future submission. In light of this first-quarter development and in view of the current market climate as it relates to Isis's stock price, in accordance with Generally Accepted Accounting Principles, Lilly has recorded certain charges primarily related to the impairment of Isis-related assets on Lilly's balance sheet and has written these assets down to current fair market value. The assets include the equity investment and collaboration loan, which are tied to Isis's stock price, as well as the construction loan. The Isis-related charges incurred in the first quarter were $186.8 million (pretax), or $.13 per share (after-tax). Lilly is continuing to follow patients currently enrolled in the second Phase III study but has suspended further enrollment in this and other studies of Affinitak, pending a review upon completion of the second Phase III trial. Lilly and Isis are continuing their research collaboration to discover antisense drugs in the areas of oncology and inflammatory and metabolic diseases.

In summary, total asset impairments, restructuring and other special charges incurred in the first quarter of 2003 were $353.9 million (pretax), or $.23 per share (after-tax).

Zyprexa
In the first quarter of 2003, Zyprexa sales totaled $958.3 million, a 17 percent increase over the first quarter of 2002. U.S. sales of Zyprexa increased 9 percent, to $604.0 million, despite a new market entrant and ongoing budget pressures with state Medicaid programs. Sales outside the United States increased 34 percent, to $354.3 million.

Diabetes Care Products
Diabetes care revenue, composed primarily of Humulin(R), Humalog, and Actos(R), increased 26 percent, to $633.4 million, compared with the first quarter of 2002. Diabetes care revenue increased 29 percent in the U.S., to $412.2 million, and increased 21 percent in international markets, to $221.2 million.

In the first quarter of 2003, worldwide Humulin sales increased 3 percent, to $241.0 million, compared with the first quarter of 2002. Worldwide Humalog sales for the first quarter were $248.8 million, an increase of 40 percent compared with a year ago. Actos generated $133.2 million of revenue for Lilly in the first quarter, which represents an increase of 80 percent. The increase in Actos revenue realized by Lilly is due to strong growth in underlying product sales

and to the contract terms with Takeda Chemical Industries, Ltd., which resulted in a favorable comparison relative to the first quarter of the prior year. As previously disclosed, since Lilly's share of revenue from the agreement with Takeda will vary quarter to quarter based on contract terms, Actos revenue will not necessarily track with product sales. As a result, it is difficult to make quarterly comparisons for Actos revenue.

Gemzar

Gemzar had sales totaling $233.9 million for the quarter, an increase of 18 percent from the first quarter of 2002. Gemzar sales increased 15 percent in the U.S. and 23 percent outside the U.S., to $125.4 million and $108.5 million, respectively. The U.S. Gemzar sales growth rate benefited considerably due to lower sales in the first quarter of the prior year due to an inventory work off by wholesalers.

Evista

Evista sales were $214.0 million, a 20 percent increase compared with the first quarter of 2002. U.S. sales of Evista increased 9 percent, to $152.5 million, while sales outside the United States increased 60 percent, to $61.5 million.

Xigris

Sales of Xigris(R) were $35.9 million, an increase of 63 percent compared with $22.0 million in the first quarter of 2002. During the quarter, U.S. sales of Xigris increased 22 percent, to $26.7 million, and sales outside the United States were $9.2 million.

Recent New Product Launches

Launched in the U.S. in January 2003, Strattera generated $55.0 million of sales during the first quarter, which included approximately $18 million of initial stocking. The company is encouraged by these early results, which were above its expectations.

Sales of Forteo during the first quarter were $4.1 million following its December 2002 U.S. launch and one-month sampling. At this early stage of the launch, the sales uptake for Forteo is in line with the company's expectations.

During February and March 2003, Cialis was launched in the European Union, as well as Australia and New Zealand. Lilly is encouraged by the early results and feedback indicating that Cialis is being favorably received not only with patients but also with physicians. Cialis sales that are reported in Lilly's revenue were $4.9 million, which includes initial stocking in Australia, New Zealand and Saudi Arabia, the Lilly-only territories. Cialis sales in the European Union, a Lilly ICOS LLC joint venture territory, will be announced on April 30, 2003, the day of ICOS's quarterly financial conference call. These Lilly ICOS LLC joint venture sales are not reported in Lilly's revenue but rather are part of the joint venture's income statement along with related expenses. Lilly reports its 50 percent share of the joint venture operating results in Lilly's net other income. The joint venture operating results will also be announced on April 30, 2003, the day of ICOS's quarterly financial conference call.

Animal Health

Worldwide sales of animal health products in the first quarter were $172.8 million, an increase of 3 percent compared with the first quarter of 2002. Excluding the effect of exchange rates, sales increased by 1 percent for the quarter.

Financial Expectations for Second Quarter and Full Year 2003

The company expects earnings per share to be in the range of $.59 to $.61 for the second quarter of 2003 and reconfirmed earnings-per-share expectations of $2.50 to $2.60 for the full year 2003. The full-year earnings guidance excludes the asset impairments, restructuring and other special charges that were incurred during the first quarter of 2003. In response to the recently issued SEC Regulation G, the company notes that, if the first-quarter unusual items were not excluded, then the reported earnings-per-share guidance for 2003 would be $2.27 to $2.37. In addition, the company's earnings guidance for the second quarter and full year excludes future unusual items. The company is not aware at this time of any material unusual items that will occur in the remainder of 2003.

Webcast of Conference Call

As previously announced, investors and the general public can access a live webcast of the first-quarter 2003 earnings conference call through a link on Lilly's website at www.lilly.com. The conference call will be held today from 9:30 a.m. to 10:30 a.m. Eastern Daylight Savings Time

(8:30 a.m. to 9:30 a.m. Indianapolis time) and will be available for replay via the website through May 20, 2003.

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.

This press release contains forward-looking statements that are based on management's current expectations, but actual results may differ materially due to various factors. There are significant risks and uncertainties in pharmaceutical research and development. There can be no guarantees with respect to pipeline products that the products will receive the necessary clinical and manufacturing regulatory approvals or that they will prove to be commercially successful. In particular, there is substantial uncertainty surrounding the ultimate impact of the company's manufacturing compliance issues on the timing of new product launches and on the company's results. The failure to resolve these issues to the FDA's satisfaction could result in delayed product approvals, recalls, fines and penalties, and other sanctions. The earnings guidance provided in this release assumes no significant financial penalties from the FDA related to the company's manufacturing issues. The company's results may also be affected by such factors as the continuing impact of generic fluoxetine on Prozac(R) sales in the United States, competitive developments affecting current growth products, rate of sales growth of recently launched products, the timing of anticipated regulatory approvals and launches of new products, other regulatory developments and litigation involving current and future products and manufacturing facilities, the impact of governmental actions regarding coverage and reimbursement for pharmaceuticals, and the impact of exchange rates. For additional information about the factors that affect the company's business, please see Exhibit 99 to the company's latest Form 10-K filed March 2003. The company undertakes no duty to update forward-looking statements.

# # #

Actos(R) (pioglitazone hydrochloride, Takeda), Takeda
Cialis(TM) (tadalafil, ICOS), Lilly ICOS LLC
Cymbalta(TM) (duloxetine hydrochloride, Lilly)
Evista(R) (raloxifene hydrochloride, Lilly)
Forteo(R) (teriparatide of recombinant DNA origin injection, Lilly)
Gemzar(R) (gemcitabine hydrochloride, Lilly)
Humalog(R) (insulin lispro injection of recombinant DNA origin, Lilly)
Humatrope(R) (somatropin of recombinant DNA origin, Lilly)
Humulin(R) (human insulin of recombinant DNA origin, Lilly)
Prozac(R) (fluoxetine hydrochloride, Dista)
Prozac(R) Weekly(TM) (fluoxetine hydrochloride, Dista)
ReoPro(R) (abciximab, Centocor), Lilly
Sarafem(R) (fluoxetine hydrochloride, Lilly)
Strattera(TM) (atomoxetine hydrochloride, Lilly)
Xigris(R) (drotrecogin alfa (activated), Lilly)
Zyprexa(R) (olanzapine, Lilly)

Eli Lilly and Company
Operating Results (Unaudited)
(Dollars in millions, except per share data)

	Three Months Ended March 31	
	2003	2002
Net sales	$ 2,889.4	$ 2,561.1
Cost of sales	621.3	530.1
Research and development	529.6	502.8
Marketing and administrative	914.5	777.3
Asset impairments, restructuring and other special charges	353.9	-
Operating income	470.1	750.9
Interest expense	(15.5)	(9.6)
Other income -- net	39.3	65.4
Income before income taxes	493.9	806.7
Income taxes	86.9	177.5
Net income	$ 407.0	$ 629.2
Earnings per share -- basic	$ 0.38	$ 0.58
Earnings per share -- diluted	$ 0.38	$ 0.58
Dividends paid per share	$ 0.335	$ 0.31
Weighted-average shares outstanding (thousands)	1,076,076	1,077,130
Weighted-average shares outstanding (thousands) -- diluted	1,083,217	1,088,200

Eli Lilly and Company
Operating Results (Unaudited) -- NORMALIZED
(Dollars in millions, except per share data)

	Three Months Ended March 31	
	2003 (a)	2002
Net sales	$ 2,889.4	$ 2,561.1
Cost of sales	621.3	530.1
Research and development	529.6	502.8
Marketing and administrative	914.5	777.3
Operating income	824.0	750.9
Interest expense	(15.5)	(9.6)
Other income -- net	39.3	65.4
Income before income taxes	847.8	806.7
Income taxes	186.5	177.5
Net income	$ 661.3	$ 629.2
Earnings per share -- basic	$ 0.61	$ 0.58
Earnings per share - diluted	$ 0.61	$ 0.58
Dividends paid per share	$ 0.335	$ 0.31
Weighted-average shares outstanding (thousands)	1,076,076	1,077,130
Weighted-average shares outstanding (thousands) -- diluted	1,083,217	1,088,200

(a) The 2003 first-quarter amounts are adjusted to exclude significant unusual charges of $353.9 million for asset impairments, restructuring and other special charges. Refer to separate section in press release for a description of these unusual charges.

Eli Lilly and Company
Major Pharmaceutical Product Sales and Revenues (Unaudited)
(Dollars in millions)

	First Quarter		% Change Over/(Under)
	2003	2002	2002
Zyprexa	$958.3	$819.4	17%
Humalog	248.8	177.4	40%
Humulin	241.0	234.5	3%
Gemzar	233.9	197.5	18%
Evista	214.0	177.9	20%
Prozac family	149.9	186.1	(19%)
Actos	133.2	73.8	80%
ReoPro	93.1	91.7	2%
Humatrope	84.8	77.6	9%
Strattera	55.0	-	-

Eli Lilly and Company
Consolidated Balance Sheets

	March 31, 2003 (Unaudited)	December 31, 2002
	(Dollars in millions)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 2,204.1	$ 1,945.9
Short-term investments	1,342.2	1,708.8
Accounts receivable, net of allowances for doubtful amounts of $69.5 (2003) and $66.4 (2002)	1,655.7	1,670.3
Other receivables	461.6	403.9
Inventories	1,584.7	1,495.4
Deferred income taxes	374.6	331.7
Prepaid expenses	536.9	248.1
TOTAL CURRENT ASSETS	8,159.8	7,804.1
OTHER ASSETS		
Prepaid pension	1,550.6	1,515.4
Investments	3,183.2	3,150.4
Sundry	1,294.2	1,279.1
	6,028.0	5,944.9
PROPERTY AND EQUIPMENT		
Land, buildings, equipment, and construction-in-progress	9,682.6	9,546.1
Less allowances for depreciation	4,228.8	4,253.1
	5,453.8	5,293.0
	$19,641.6	$19,042.0
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term borrowings	$ 168.1	$ 545.4
Accounts payable	602.0	676.9
Employee compensation	240.5	231.7
Dividends payable	-	375.8
Income taxes payable	1,645.4	1,761.9
Other liabilities	1,920.7	1,471.8
TOTAL CURRENT LIABILITIES	4,576.7	5,063.5
LONG-TERM DEBT	4,786.7	4,358.2
OTHER NONCURRENT LIABILITIES	1,550.6	1,346.7
	6,337.3	5,704.9
COMMITMENTS AND CONTINGENCIES	-	-
SHAREHOLDERS' EQUITY		
Common stock	702.4	702.1
Additional paid-in capital	2,610.0	2,610.0
Retained earnings	8,886.8	8,500.1

Employee benefit trust	(2,635.0)	(2,635.0)
Deferred costs-ESOP	(122.0)	(123.3)
Accumulated other comprehensive loss	(605.9)	(670.8)
	8,836.3	8,383.1
Less cost of common stock in treasury	108.7	109.5
	8,727.6	8,273.6
	$19,641.6	$19,042.0