

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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                                 |           |
|--|-----------|
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|   |  |   |
|---|--|---|
| 1. Name and Address of Reporting Person*<br><b>LILLY ENDOWMENT INC</b><br><br>(Last) (First) (Middle)<br><b>2801 NORTH MERIDIAN STREET</b><br><br>(Street)<br><b>INDIANAPOLIS IN 46208-0068</b><br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><b>LILLY ELI &amp; CO [ LLY ]</b> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><br>Director <input checked="" type="checkbox"/> 10% Owner<br><br>Officer (give title below) Other (specify below) |
|   | 3. Date of Earliest Transaction (Month/Day/Year)<br><b>03/15/2006</b>            |   |
|   |  | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><br>Form filed by More than One Reporting Person |

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) |   | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) |            |         | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|---------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price   |   |  |   |
| 61-Common Stock                 | 03/15/2006                           |  | S                              |   | 2,200   | D          | \$56.54 | 146,678,704   | D  |   |
| 62-Common Stock                 | 03/15/2006                           |  | S                              |   | 2,300   | D          | \$56.52 | 146,676,404   | D  |   |
| 63-Common Stock                 | 03/15/2006                           |  | S                              |   | 1,100   | D          | \$56.5  | 146,675,304   | D  |   |
| 64-Common Stock                 | 03/15/2006                           |  | S                              |   | 1,500   | D          | \$56.49 | 146,673,804   | D  |   |
| 65-Common Stock                 | 03/15/2006                           |  | S                              |   | 1,000   | D          | \$56.48 | 146,672,804   | D  |   |
| 66-Common Stock                 | 03/15/2006                           |  | S                              |   | 2,000   | D          | \$56.47 | 146,670,804   | D  |   |

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|--|--|-----------------|---|--|--|---|--|
|  |  |                                      |  |                                |  | Date Exercisable   | Expiration Date |   |  |  |   |  |
|  |  |                                      |  |                                |  |  |                 |   |  |  |   |  |

Explanation of Responses:

**Remarks:**

This is the third of three Forms 4 filed by the Reporting Person on same date, March 16, 2006, representing transactions #61 through #66 of 66 total transactions.

/s/David D. Biber, Secretary and Treasurer on behalf of Lilly Endowment, Inc.      03/16/2006

\*\* 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 4 (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.