

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) November 30, 1994

Eli Lilly and Company

(Exact name of registrant as specified in its charter)

Indiana

(State or other jurisdic-
tion of incorporation)

1-6351

(Commission
File Number)

35-0470950

(IRS 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 7. Financial Statements and Exhibits.

Exhibit
Number
-----Exhibit

- (1) Form of Underwriting Agreement, dated as of November 30, 1994, among Eli Lilly and Company and Morgan Stanley & Co. Incorporated, Goldman Sachs & Co. and J.P. Morgan Securities Inc. relating to the issuance and sale by Eli Lilly and Company of \$150,000,000 aggregate principal amount of its 8-1/8% Notes Due 2001 and \$300,000,000 aggregate principal amount of its 8-3/8% Notes Due 2006.
- (4.1) Form of 8-1/8% Note Due 2001 (Book-Entry) was filed with the Commission as Exhibit 1.1 to registration statement on Form 8-A on December 7, 1994 and is incorporated herein by this reference.
- (4.2) Form of 8-3/8% Note Due 2006 (Book-Entry) was filed with the Commission as Exhibit 1.2 to registration statement on Form 8-A on December 7, 1994 and is incorporated herein by this reference.
- (12) Unaudited Pro Forma Computation of Ratio of Earnings to Fixed Charges for the year ended December 31, 1993 and the nine months ended September 30, 1994.
- (23) Consents of Ernst & Young LLP.

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/ James M. Cornelius

James M. Cornelius
Vice President, Finance and
Chief Financial Officer

Dated: December 12, 1994.

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Exhibit Index

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UNDERWRITING AGREEMENT

November 30, 1994

ELI LILLY AND COMPANY
Lilly Corporate Center
Indianapolis, Indiana 46285

Dear Sirs:

The undersigned (the "Underwriters") understand that Eli Lilly and Company, an Indiana corporation (the "Company"), proposes to issue and sell \$150,000,000 aggregate principal amount of 8 1/8% Notes Due December 1, 2001 (the "Seven Year Notes") and \$300,000,000 aggregate principal amount of 8 3/8% Notes Due December 1, 2006 (the "Twelve Year Notes" and, together with the Seven Year Notes, the "Offered Securities").

Subject to the terms and conditions set forth or incorporated by reference herein, the Company hereby agrees to sell and the Underwriters agree to purchase, severally and not jointly, the principal amount of Seven Year Notes and Twelve Year Notes set forth below opposite their names at a purchase price of 98.822% of the principal amount thereof in the case of the Seven Year Notes and 98.430% of the principal amount thereof in the case of the Twelve Year Notes, plus in each case accrued interest from December 1, 1994 to the date of payment and delivery:

Name ----	Principal Amount of Seven Year Notes -----
Morgan Stanley & Co. Incorporated	\$ 50,000,000
Goldman, Sachs & Co.	50,000,000
J.P. Morgan Securities Inc.	50,000,000 -----
Total	\$150,000,000 =====

Name -----	Principal Amount of Twelve Year Notes -----
Morgan Stanley & Co. Incorporated	\$100,000,000
Goldman, Sachs & Co.	100,000,000
J.P. Morgan Securities Inc.	100,000,000 -----
Total	\$300,000,000 =====

The Underwriters will pay for the Offered Securities upon delivery thereof at the office of Morgan Stanley & Co. Incorporated at 10:00 a.m. (New York time) on December 7, 1994, or at such other time, not later than 5:00 (New York time) on December 14, 1994, as shall be designated by the Underwriters. The time and date of such payment and delivery are hereinafter referred to as the Closing Date.

The Seven Year Notes shall have the terms set forth in the Prospectus dated February 7, 1991 and the Prospectus Supplement dated November 30, 1994, and the Twelve Year Notes shall have the terms set forth in the Prospectus dated January 11, 1993 and the Prospectus Supplement dated November 30, 1994, including the following:

Maturity Dates:	Seven Year Notes: December 1, 2001 Twelve Year Notes: December 1, 2006
Interest Rate:	Seven Year Notes: 8 1/8% per annum Twelve Year Notes: 8 3/8% per annum
Redemption Provisions:	Not redeemable prior to maturity
Interest Payment Dates:	December 1 and June 1 commencing June 1, 1995 (interest accrues from December 1, 1994)
Form and Denomination:	The Seven Year Notes will be issued in the form of one global security in the aggregate principal amount of \$150,000,000, and the Twelve Year Notes will be issued in the form of two global securities in the aggregate principal amount of \$300,000,000.
Specified Funds for and Manner of Payment of Purchase Price:	Federal Funds
Price to Public:	Seven Year Notes: 99.447%

TWELVE YEAR NOTES: 99.105%

All provisions contained in the document entitled Eli Lilly and Company Underwriting Agreement Standard Provisions (Debt Securities) dated March 18, 1993, a copy of which is attached hereto, are herein incorporated by reference in their entirety and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein, except that (i) if any term defined in such document is otherwise defined herein, the definition set forth herein shall control, (ii) all references in such document to a type of security that is not an Offered Security shall not be deemed to be a part of this Agreement, (iii) all references in such document to the "Manager" shall be deemed to refer to the Underwriters, (iv) the several obligations of the Underwriters are subject to the additional condition that the Offered Securities shall have been approved for listing on the New York Stock Exchange subject to official notice of issuance, (v) the opinion referred to in Section 4(c) shall be delivered by Daniel P. Carmichael, Esq., Deputy General Counsel of the Company and (vi) Section 4(e) shall be amended to read in its entirety as follows:

(e) The Underwriters shall have received on the Closing Date letters, dated the Closing Date, in form and substance reasonably satisfactory to the Underwriters, from the independent auditors for the Company and for PCS Group (as defined in the Company's Current Report on Form 8-K dated March 21, 1994), containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in or incorporated by reference into the Prospectus.

Please confirm your agreement by having an authorized officer sign a copy of this Agreement in the space set forth below.

Very truly yours,

MORGAN STANLEY & CO. INCORPORATED
GOLDMAN, SACHS & CO.
J.P. MORGAN SECURITIES INC.

By: MORGAN STANLEY & CO. INCORPORATED

By: /s/ Richard W. Swift

Name: Richard W. Swift
Title: Managing Director

Accepted:

ELI LILLY AND COMPANY

By: /s/ James M. Cornelius

Name: James M. Cornelius
Title: Vice President, Finance and
Chief Financial Officer

ELI LILLY AND COMPANY AND SUBSIDIARIES
 UNAUDITED PRO FORMA COMPUTATION OF
 RATIO OF EARNINGS TO FIXED CHARGES (1)

(Dollars in Millions)

	9/30/94	12/31/93
	-----	-----
Consolidated Pretax Income	\$1,215.0	\$380.8
Interest	281.1	364.3
Less Interest Capitalized During the Period	(19.2)	(25.5)
	-----	-----
Earnings	1,476.9	719.6
Interest Expense	281.1	364.3
Ratio of Earnings to Fixed Charges	5.3	2.0

- (1) The Pro Forma Ratio of Earnings to Fixed Charges gives effect to the transactions described in the Company's Current Report on Form 8-K, dated November 23, 1994 as amended on November 29, 1994 on Form 8-K/A.

The Ratio of Earnings to Fixed Charges represents the historical ratio of the Company and is calculated on a worldwide basis. The ratio above is computed by dividing the sum of earnings from continuing operations before taxes, minority interest and fixed charges excluding capitalized interest by fixed charges. Fixed charges represent interest expense (including capitalized interest).

CONSENT OF INDEPENDENT AUDITORS

We consent to the reference to our firm under the caption "Experts" in the Registration Statement (Form S-3 No. 33-38347) and related Prospectus Supplement of Eli Lilly and Company for the registration of its 8 1/8% notes due 2001 and to the incorporation by reference therein of our report dated February 1, 1994, with respect to the consolidated financial statements of Eli Lilly and Company incorporated by reference in its Annual Report (Form 10-K) for the year ended December 31, 1993, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

December 7, 1994

CONSENT OF INDEPENDENT AUDITORS

We consent to the reference to our firm under the caption "Experts" in the Registration Statement (Form S-3 No. 33-56208) and related Prospectus Supplement of Eli Lilly and Company for the registration of its 8 3/8% notes due 2006 and to the incorporation by reference therein of our report dated February 1, 1994, with respect to the consolidated financial statements of Eli Lilly and Company incorporated by reference in its Annual Report (Form 10-K) for the year ended December 31, 1993, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

December 7, 1994