

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14D-1

TENDER OFFER STATEMENT PURSUANT TO SECTION 14(D)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934

(AMENDMENT NO. 3)

MCKESSON CORPORATION
(NAME OF SUBJECT COMPANY)

ECO ACQUISITION CORPORATION
A WHOLLY OWNED SUBSIDIARY OF
ELI LILLY AND COMPANY
(BIDDERS)

COMMON STOCK, \$2.00 PAR VALUE PER SHARE 581556 10 7
(INCLUDING THE ASSOCIATED RIGHTS) (CUSIP NUMBER OF CLASS OF SECURITIES)
(TITLE OF CLASS OF SECURITIES)

J.B. KING, ESQ.
VICE PRESIDENT AND GENERAL COUNSEL
ELI LILLY AND COMPANY
LILLY CORPORATE CENTER
INDIANAPOLIS, INDIANA 46285
(317) 276-2000

(NAMES, ADDRESSES AND TELEPHONE NUMBERS OF PERSONS AUTHORIZED
TO RECEIVE NOTICES AND COMMUNICATIONS ON BEHALF OF BIDDER)

WITH A COPY TO:

BERNARD E. KURY, ESQ.
DEWEY BALLANTINE
1301 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10019
(212) 259-7400

This Amendment No. 3 to the Schedule 14D-1 relates to a tender offer by ECO Acquisition Corporation (the "Purchaser"), a Delaware corporation and a wholly owned subsidiary of Eli Lilly and Company, an Indiana corporation ("Parent"), to purchase all outstanding shares of common stock, par value \$2.00 per share and the associated Rights (as defined in the Offer to Purchase) (collectively, the "Shares"), of McKesson Corporation (the "Company"), a Delaware corporation, at a purchase price of \$76.00 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated July 15, 1994 (the "Offer to Purchase"), and the related Letter of Transmittal (which together constitute the "Offer"), copies of which were attached as Exhibits (a)(1) and (a)(2), respectively, to the Schedule 14D-1 filed with the Securities and Exchange Commission on July 15, 1994 as amended by Amendment Nos. 1 and 2 thereto dated July 27, 1994 and August 10, 1994, respectively (collectively, the "Schedule 14D-1"). The purpose of this Amendment No. 3 is to amend and supplement Item 11 of the Schedule 14D-1 as described below.

ITEM 11. MATERIAL TO BE FILED AS EXHIBITS.

(a)(20) --Form of press release issued by Parent on September 7, 1994.

SIGNATURE

AFTER DUE INQUIRY AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, EACH OF THE UNDERSIGNED CERTIFIES THAT THE INFORMATION SET FORTH IN THIS STATEMENT IS TRUE, COMPLETE AND CORRECT.

Eli Lilly and Company

By: /s/ James M. Cornelius

Name: James M. Cornelius

Title: Vice President, Finance and
Chief Financial Officer

ECO Acquisition Corporation

/s/ Charles E. Schalliol

By: _____

Name: Charles E. Schalliol

Title: President

Dated: September 7, 1994

September 7, 1994 For Release
Immediately
Refer to (317) 276-3655

LILLY EXTENDS MCKESSON TENDER OFFER

Eli Lilly and Company (NYSE:LLY) announced today that it is extending its offer to purchase all outstanding shares of common stock of McKesson Corporation for \$76.00 per share in cash until 5:00 p.m., New York City time, on Monday, September 26, 1994.

The terms of the extended offer are identical to the terms of the original offer announced on July 11, 1994. Therefore, in addition to Lilly's offer of \$76.00 per share in cash, McKesson Corporation will, immediately prior to the consummation of the tender offer, distribute to its stockholders one share of common stock of a newly formed McKesson corporation for each share in the old McKesson Corporation.

As previously announced, a request for additional information was made by the Federal Trade Commission (FTC) pursuant to the Hart-Scott-Rodino Antitrust Improvements Act in connection with Lilly's acquisition of McKesson's PCS Health Systems, Inc., business. The offer is being extended to provide time for Lilly and McKesson to complete their submissions to the FTC and for McKesson to transfer all its non-PCS assets and liabilities to the newly formed corporation and distribute the common stock of such corporation to McKesson stockholders. For these reasons, it may be necessary to further extend the offer.

As of Tuesday, September 6, 1994 approximately 14,873,000 shares of McKesson common stock had been tendered.

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