

ARMITAGE ROBERT A
 Form 4
 February 03, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 ARMITAGE ROBERT A

(Last) (First) (Middle)

LILLY CORPORATE CENTER

(Street)

INDIANAPOLIS, IN 46285

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 LILLY ELI & CO [LLY]

3. Date of Earliest Transaction (Month/Day/Year)
 02/01/2010

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Sr. VP and General Counsel

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 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)
Common Stock	02/01/2010		M	V Amount (A) or (D) Price	29,213 A \$ 0	33,655	D
Common Stock	02/01/2010		F	8,851 D \$ 35.2	24,804	D	
Common Stock					2,518	I	401(k)
Common Stock					2,030	I ⁽¹⁾	Robert A. Armitage 2007-3 GRAT
					5,975	I ⁽¹⁾	

Common Stock				Robert A. Armitage 2008-3 GRAT
Common Stock	15,558	I <u>(1)</u>		Robert A. Armitage 2008. 10-3 GRAT
Common Stock	33,486	I <u>(2)</u>		by wife

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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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 Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Restricted Stock Unit	\$ 0	02/01/2010		M	29,213	02/01/2010 02/01/2010	Common Stock 29,213

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ARMITAGE ROBERT A LILLY CORPORATE CENTER INDIANAPOLIS, IN 46285			Sr. VP and General Counsel	

Signatures

Bronwen Mantlo for Robert A. Armitage, authorization on file 02/03/2010

**Signature of Reporting Person

Date

Explanation of Responses:

* 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).

(1) Grantor retained annuity trust established by reporting person. Reporting person is trustee.

(2) Reporting person disclaims beneficial ownership of these shares.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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