

LILLY ELI & CO
Form 8-K
April 19, 2004

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**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 19, 2004**

ELI LILLY AND COMPANY

(Exact name of registrant as specified in its charter)

Indiana
(State or Other Jurisdiction
of Incorporation)

001-06351
(Commission
File Number)

35-0470950
(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)

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Item 12. Results of Operations and Financial Condition.

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Press Release

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Item 12. Results of Operations and Financial Condition.

On April 19, 2004, Eli Lilly and Company (the registrant or company) issued a press release announcing its results of operations for the quarter ended March 31, 2004, including, among other things, an income statement for that period and a consolidated balance sheet as of March 31, 2004. In addition, on the same day the company will hold a teleconference for analysts and media to discuss these 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. Non-GAAP financial measures differ from financial statements reported in conformity to U.S. generally accepted accounting principles (GAAP). There are non-GAAP financial measures used in comparing the financial results for the first quarter 2004 to the same period of 2003. Those measures are operating income, earnings, and earnings per share excluding the impact of:

A charge for acquired in-process research and development in connection with the acquisition of Applied Molecular Evolution, Inc. in the first quarter of 2004

Asset impairments, restructuring and special charges incurred in the first quarter of 2003.

The first quarter 2004 item is described in more detail in the attached press release. The first quarter 2003 items are described in more detail in the company s Form 8-K dated April 22, 2003.

The items that are subject to the adjustments are typically highly variable, difficult to predict, and of a size that could have a 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 ongoing operations. They can assist in making meaningful period-over-period comparisons and in identifying operating trends that could otherwise be masked or distorted by the excluded items. Management uses these non-GAAP 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 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 prospective earnings guidance is subject to adjustment for certain matters, such as those identified above, as to which prospective quantification generally is not feasible.

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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 thereunto 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 19, 2004

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EXHIBIT INDEX

Exhibit Number

Exhibit

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Press release dated April 19, 2004, together with related attachments.