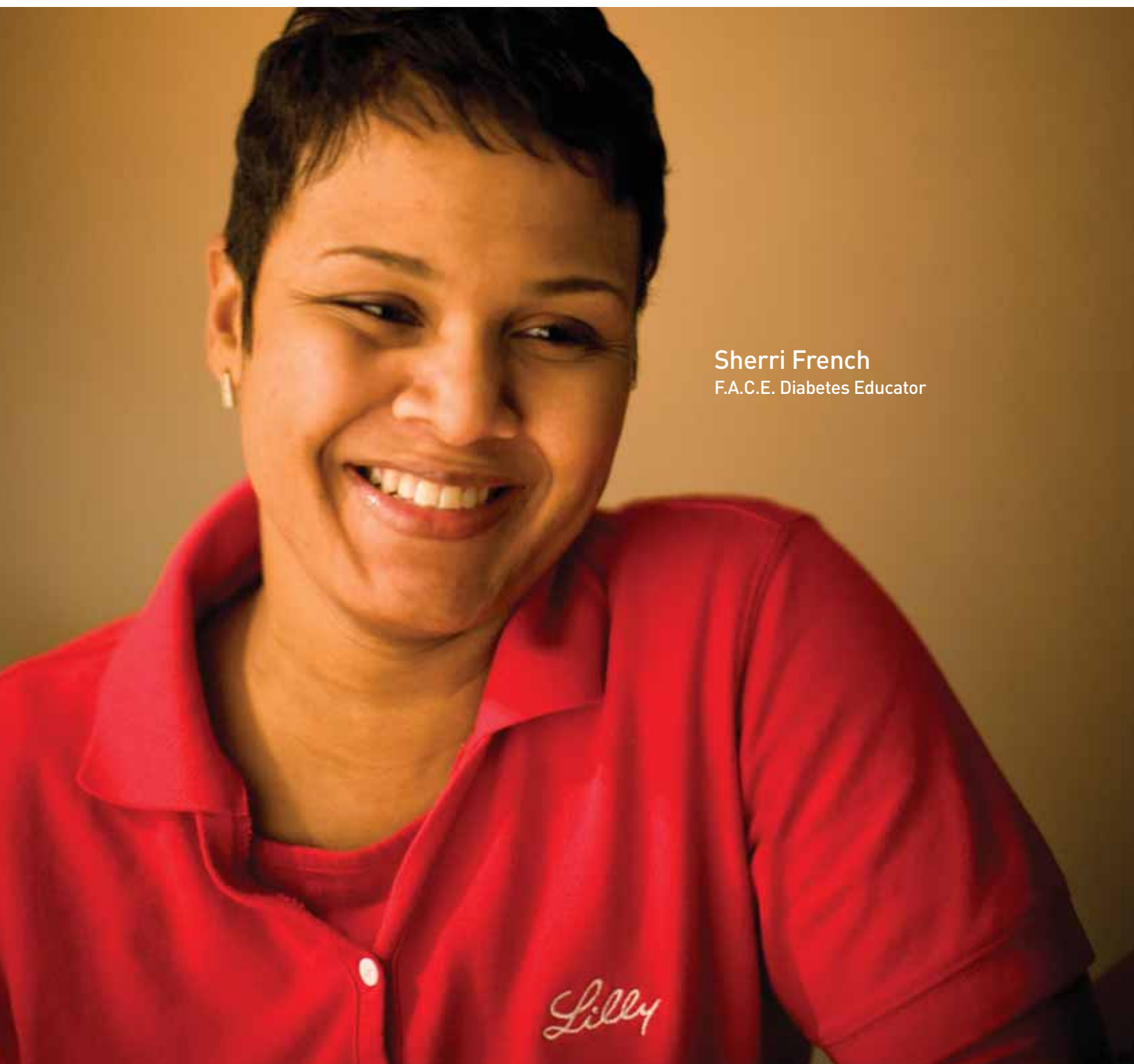


More About Responsibility

Lilly Corporate Responsibility Report 2008

Lilly
Answers That Matter.



Sherri French
F.A.C.E. Diabetes Educator

More About This Report

ACHIEVING MORE

fact

We met four of our six 2010 environmental and safety goals early

fact

In our first Lilly Global Day of Service, more than 20,000 Lilly employees from around the world participated in projects to improve our communities and help patients

Cover image: Sherri French is an educator with the Fearless African-Americans Connected and Empowered (F.A.C.E.) Diabetes Campaign.

The program, which Lilly pioneered, helps African-Americans with diabetes learn to better manage the disease.

The right medicine for the right patient: With a growing focus on tailored therapeutics across the drug discovery process, Lilly scientists are better able to identify the right patients for our medicines.

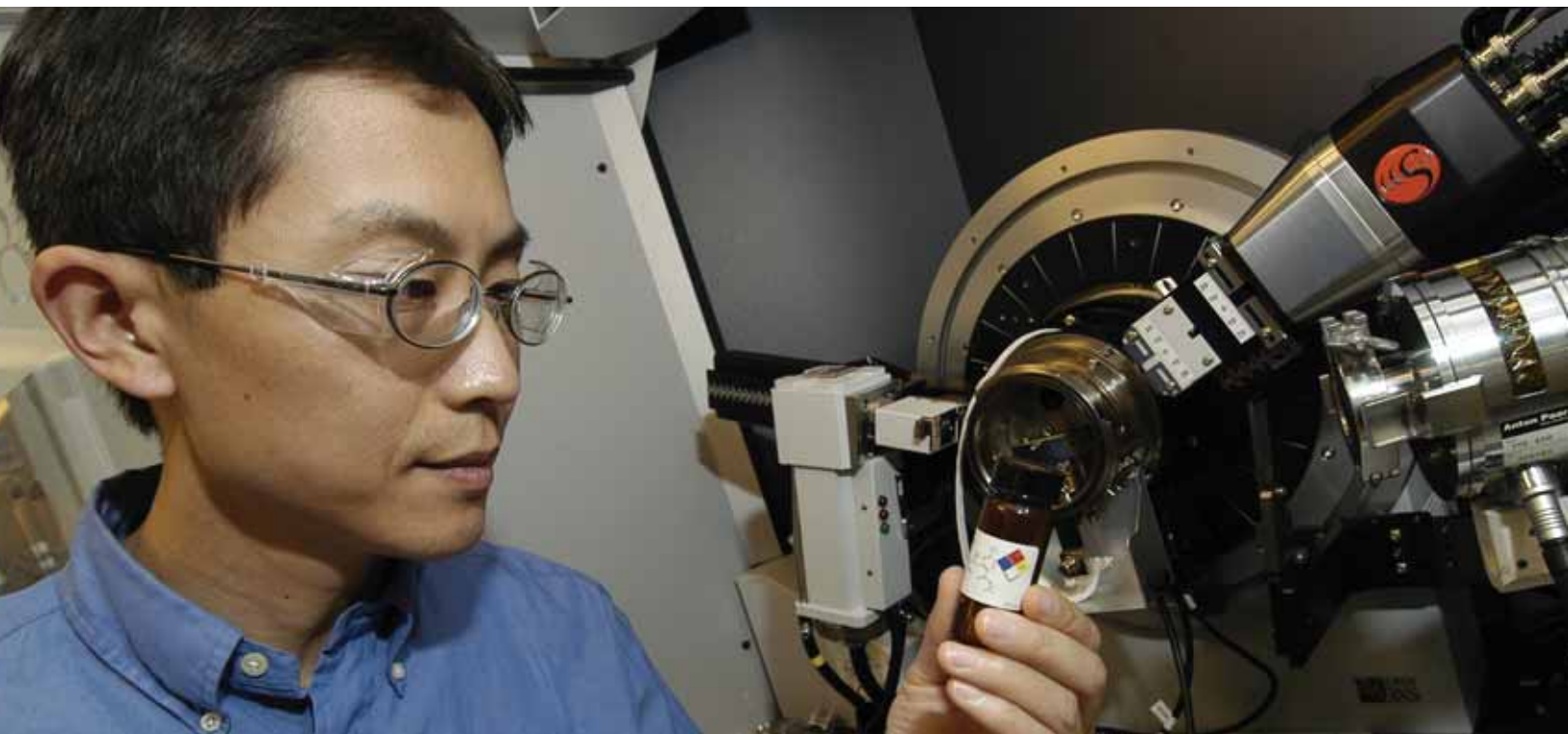
This report summarizes Eli Lilly and Company's corporate responsibility performance and progress in 2007 and 2008.

The change in the name of the report from "corporate citizenship" to "corporate responsibility" reflects the ongoing evolution of our thinking. We continue to align our corporate responsibility vision and strategy with those of the business as a whole. To fulfill our vision of improving outcomes for individual patients, we must act responsibly across our global operations, in our communities, and in contributing to solutions to global health challenges. **In short, we must provide more than medicine.**

The data in this report cover 2007, unless otherwise noted. This report was published in December 2008.

We hope you find this report useful and welcome your feedback on it:

Eli Lilly and Company
Lilly Corporate Center
Indianapolis, Indiana 46268
Attn: Social Responsibility Manager DC 1627



Being **More** Responsible

CEO Message

At the end of 2007, Lilly did something few companies have done—something that added immensely to our understanding of corporate responsibility. We asked all of our employees to join a companywide conversation about Lilly’s present and future. Facilitated by IBM, the four-day, round-the-clock “Vision Jam” brought together 22,000 Lilly employees and contractors online to brainstorm new ideas. Out of this wide-ranging discussion of our business and our strategy, two of the most vigorously discussed topics were corporate responsibility and the environment.

Drawing on the energy and insights of the Vision Jam, we refined our corporate responsibility framework to align with the overall Lilly vision: to consistently deliver better outcomes for individual patients as well as for entire communities—and to do so in a highly collaborative way.

This new framework couldn’t be more timely. Our industry continues to face serious challenges in the marketplace and global community, and a loss of public confidence in who we are and what we do.

Many believe that our industry and our medicines are responsible for the spiraling cost of health care; there are doubts about the safety and effectiveness of our products, and questions about pharmaceutical industry spending on advertising, lobbying, and gifts to physicians.

John C. Lechleiter, Ph.D., Chairman of the Board
and Chief Executive Officer



Being **More** Responsible

This report, which is organized around our new corporate responsibility framework, provides an update on our efforts in these areas. Highlights include:

- Becoming the first pharmaceutical company to announce plans to voluntarily disclose our payments to doctors for any speaking and consulting services they provide. This initiative builds on a record of transparency that includes being the first in our industry to publicly disclose our clinical trials, as well as the educational grants and charitable contributions we make to U.S.-based organizations.
- Raising the bar for our company in areas of health, safety, and the environment. When I became CEO in the spring of 2008, I made a personal commitment to the safety of our employees and set an aggressive goal to cut our serious injury rate. We have followed up with even more ambitious health, safety, and environmental goals for the year 2013 after meeting most of our 2010 goals earlier than we had expected.
- Further developing cutting-edge “green chemistry” methods. These efforts include one initiative that has demonstrated potential for a 100-fold reduction in our use of hazardous raw materials.
- Continuing our commitment to our communities, despite a difficult economic environment. The Lilly TB Drug Discovery Initiative, which we created in June 2007 to help fill the early-stage pipeline for future tuberculosis drug development, recently acquired exciting new compounds that show great potential in early testing. This is part of our comprehensive, \$135 million effort to treat tuberculosis that is resistant to first-line treatments.
- Harnessing the power of our global workforce. In 2008, our first-ever Global Day of Service involved more than 20,000 Lilly employees in service projects worldwide that improved their local communities and helped patients.

Here’s what we’re doing about it.

We believe that our promise to provide “Answers That Matter” begins by delivering innovative medicines that offer greater value than ever before. So we continue our work—using the latest scientific advances—to tailor therapies. By identifying those patients most likely to benefit from our medicines, we’ll improve the outcomes they’re looking for in a way most cost-effective for payers.

At the same time, we understand that to fully deliver “Answers That Matter” to a global society requires more than medicine alone. We must strive for the highest standards in our business operations, and be transparent about them. We must use our resources and influence to strengthen the communities in which we operate. We must be a leader and partner in addressing global health challenges—such as diabetes and multidrug-resistant tuberculosis.

Clearly, living up to our corporate responsibility is a key element of restoring the public trust that companies in our industry need to be successful. But for Lilly, it is also part of our enduring values of integrity, excellence, and respect for people.

More than 125 years ago, Colonel Eli Lilly gave his son, J.K., a mission when he joined the company. “Take what you find here,” he told him, “and make it better and better.” As demonstrated by the energy and enthusiasm shown by our employees in the Vision Jam—and the values that have guided us for more than a century—that remains our shared goal today. We welcome your feedback as we pursue our new vision for the 21st century.



John C. Lechleiter, Ph.D.
Chairman of the Board and Chief Executive Officer

- ▲ Better
 ▼ Worse
 ⊗ Same
 NA Not available

There's **More** to Our Performance

Key Indicators

		2006	2007	Two-year % change/Trend
ECONOMIC AND SOCIAL				
Worldwide sales (\$ million)		15,691	18,633.5	19% ▲
U.S. sales		8,599.2	10,145.5	18% ▲
Europe		3,894.3	4,844.5	24% ▲
Other foreign country sales		3,197.5	3,643.5	12% ▲
Stock price (\$ year-end)		52.10	53.39	2.5% ▲
Research and development		3,129	3,487	11% ▲
Product donations (\$ million) ¹		350	240	-46% ▼
Cash contributions (\$ million)		57	75	32% ▲
Total contributions (\$ million)		420	315	-33% ▼
	2010 goal achieved or on track (where applicable)	2003	2007	Five-year % change/Trend
HEALTH, SAFETY, AND ENVIRONMENT				
Total energy consumed (billion megajoules)		16.0	15.4	-4% ▲
Energy efficiency (megajoules/\$ sales)	Yes	1.27	0.82	-35% ▲
Greenhouse gas emissions (thousand metric tonnes CO ₂ equivalent)		2,271	2,260	0% ⊗
Normalized greenhouse gas emissions (thousand kg CO ₂ equivalent/\$m sales)	Yes	181	121	-33% ▲
Total water intake (billion liters)		38.9	33.6	-14% ▲
Normalized water intake (million liters/\$m sales)		2.7	1.8	-32% ▲
Hazardous materials purchases (kg/\$m sales)	Yes	951	452	-52% ▲
Total solid waste generated (million kg)		135.9	105.4	-22% ▲
Normalized solid waste generated (thousand kg/\$m sales)		9.8	5.7	-42% ▲
Total volatile organic compound emissions (thousand kg)		917	546	-40% ▲
Serious environmental events	No	13	5	-62% ▲
Serious injury and illness rate (per 100 employees)		1.6	1.4	-10% ▲
Serious ergonomic injury rate (per 100 employees)	Yes	0.80	0.60	-25% ▲
Lost-time cases (per 100 employees)		0.51	0.62	22% ▼
Fleet safety: Lilly USA (collisions per million miles driven)	No	NA	7.1	NA

¹ The decline in product donations from 2006 to 2007 was due largely to the introduction of the U.S. government's Medicare Part D prescription drug coverage, which reduced the need for our LillyAnswers patient assistance donation program for eligible senior citizens. The LillyAnswers program concluded at the end of 2006.

More About Our Operations

Our Corporate Responsibility framework calls for Lilly to go beyond legal and regulatory compliance and operate our business to the highest standards.

This includes:

- Being an industry leader in transparency.
- Reducing the impact of our operations on the environment and ensuring the safety of our employees.
- Accelerating meaningful innovation for our customers by developing products that are valuable—both therapeutically and economically.

Leading in Transparency

We have learned that transparency in our business operations is the best way to build trust with our stakeholders. Beginning in 2009, through an online physician registry, Lilly will become the first pharmaceutical research company to voluntarily disclose our payments to doctors for any speaking and consulting services they provide to us. This commitment follows our earlier leadership in publicly disclosing results of clinical trials and reporting educational grants.

Lilly was also the first pharmaceutical research company to endorse bipartisan federal legislation—known as the Physician Payments Sunshine Act—that would establish a national registry of payments to physicians by medical device, medical supply, and pharmaceutical companies. The legislation, which was introduced in September 2007, had not been passed as of the publication of this report.

Building trust through transparency: By voluntarily disclosing our payments to doctors for the speaking and consulting services they provide, Lilly is giving people a clear view of how we operate.



More About Our Operations



Emphasizing ergonomics: Through focused programs, we have cut our serious ergonomic injury rate by 25 percent over five years.

Lilly's Health, Safety, and Environment Goals (for 2009 to 2013; baseline is 2007)

50% reduction
in lost-time injuries

50% reduction
in serious injuries and illnesses

50% reduction
in motor vehicle collisions

15% improvement
in energy efficiency and reduction in the corresponding greenhouse gases¹

40% reduction
of waste to landfills

25% reduction
in water intake

¹ Per square foot of Lilly facilities

Reducing Our Environmental Impact

Lilly has made considerable progress in reducing our environmental impact. Over a five-year period, from 2003 to 2007, we:

- Cut hazardous materials use in half;
- Improved our energy efficiency (in energy used per dollar of sales) by more than a third and reduced absolute energy use by 2.4 percent;
- Cut our greenhouse gas emissions per dollar of sales by 33 percent;
- Improved our water use efficiency by nearly a third and cut overall water use by 14 percent;
- Reduced solid waste generation by 22 percent; and
- Cut emissions of volatile organic compounds by 40 percent.

To drive further improvements, we adopted a new set of goals for energy and water use and waste generation aimed at achieving best-in-class performance improvement within our industry. In addition, our procurement group works continually to ensure that environmental considerations are integrated into procurement decisions about products and services that are important to achieving our goals.

Energy

We continue to focus on improving the energy efficiency of the nine plants that account for 86 percent of our total energy use. A corporate energy and waste reduction fund complements site-level initiatives by funding energy reduction projects. Since its inception in 2006, we have invested nearly \$18 million from the fund in 44 company projects that have reduced our energy use and improved the bottom line by delivering \$10 million in annual savings.

Several of our facilities are exploring how renewable energy technologies can contribute to meeting energy needs and reducing greenhouse gas emissions. In addition, grassroots teams across Lilly are implementing large numbers of energy-reducing initiatives to help meet our goals.

Green Chemistry

The biggest improvements in Lilly's environmental and safety profile will be driven by new production processes that are inherently safer, use fewer resources, and result in less waste. We continue to discover and develop these processes through "green chemistry."

The search for better solutions is integrated within our R&D processes. For example, all of our chemists use electronic lab notebooks that include green chemistry assessment tools to provide our chemists with immediate feedback on the efficiency of the process and whether less-hazardous alternative materials can be used. In the development of manufacturing processes, we use checkpoints at various stages to ensure that expectations for efficiency and use of hazardous materials are met. In addition, we are leveraging new technologies to make medicines more efficiently and with less waste. For example, we reduced raw material use 100-fold by using coiled tube reactors instead of conventional batch reactors.

More About Our Operations



Using energy wisely: Between 2003 and 2007, Lilly reduced by a third both our energy use and greenhouse gas emissions per dollar of sales.

ACHIEVING MORE

Our R&D spending increased 11.4 percent in 2007,

compared to 2006, and grew an additional 20.3 percent in the first half of 2008. Over the long term, we invest about 20 percent of revenues in R&D.

From 2003 to 2007,

Lilly cut our use of hazardous materials in half.



Getting faster, getting better: Lilly's global network of partners and vendors are sharing roles and information to bring innovative medicines to patients faster and for less cost.

LEARN MORE

For more about Lilly, our products, and our development pipeline, visit www.investor.lilly.com/pipeline.cfm?pagesect=product

www.investor.lilly.com/pipeline.cfm

www.lilly.com

Packaging

Pharmaceutical packaging is highly regulated and must fulfill many functions, including providing information, resisting counterfeiting, and protecting the contents from tampering or access by children. Packaging is also a source of cost and waste. Lilly operations around the world have developed innovative packaging approaches that contribute to the bottom line and improve our environmental performance by cutting both waste and costs. Since 2007, we have implemented packaging reduction and productivity improvements that have saved more than \$14 million.

Injury Prevention

A culture with accountability and a strong emphasis on safety is consistent with our brand and with the Lilly value of respect for people. Our employees are our greatest asset and we want them to operate in the safest environment possible.

In 2008, under the leadership of John Lechleiter, our CEO, new and more aggressive targets for injury prevention were established. We set ambitious companywide goals to reduce injury rates by 50 percent. In addition, beginning in 2009, all senior executives who report to Lechleiter will have injury prevention performance metrics included in their annual performance plans.

We also have plans to implement new injury prevention programs throughout the company to ensure continued progress. In fact, we have already expanded our motor vehicle safety program from 10 affiliate sales and marketing organizations to 33. And, we have plans to enhance this program. In addition, we will place an even greater emphasis on ergonomics and areas like motor vehicle safety, where injuries most frequently occur at Lilly.

We are confident that elevating our commitment to safety performance will improve productivity and will allow us to continue our focus on delivering excellence for our patients and customers.

Delivering Innovation

At Lilly, the core of our strategy—indeed, our vision for Lilly going forward—is to consistently deliver improved outcomes for individual patients.

We are committed to innovative drug development, leveraging the latest scientific knowledge and technologies to deliver medicines to patients sooner. Our research and development (R&D) spending increased 11.4 percent in 2007, compared to 2006, and grew an additional 20.3 percent in the first half of 2008. Over the long term, we invest about 20 percent of revenues in R&D.

Much of our current R&D emphasis is on personalized medicines. For example, biomarkers, which help predict which patients will respond to a given therapy, are one way to tailor pharmaceuticals. At Lilly, all of our compounds in Phase I and Phase II clinical development now have a biomarker strategy associated with them. As our R&D organization delivers new medicines to the market, we will offer better value to patients and health care providers.

Strengthening More Communities

Our CR Framework calls for Lilly to:

Use our resources and influence to strengthen the communities in which we operate and recruit and retain a diverse, vibrant workforce in those communities.



Power in numbers: In our first ever Global Day of Service in 2008, thousands of Lilly employees painted more than a half-mile of outdoor murals in our headquarters city of Indianapolis.

Community Engagement

Corporate responsibility is not just a fad we have recently embraced; it is a fundamental part of who we are. The values that Colonel Eli Lilly instilled in our firm more than 130 years ago—integrity, excellence, and respect for people—continue to permeate all that we do. We have a robust history of community involvement and believe that our obligations extend beyond the medicines we make. Our company and our employees are active in dozens of causes and charitable programs to strengthen the communities where we live and work.

Lilly Day of Service

Two years ago, we recognized that we could do more to fully harness the volunteer power of our international workforce. In 2007, we built upon our existing initiatives and launched the Lilly Hands and Hearts Employee Volunteer Program to encourage volunteerism and connect employees with opportunities in their communities.

Our highest-profile effort thus far was our first Lilly Global Day of Service in May 2008. During company time, more than 20,000 Lilly employees around the world, from Algeria to Venezuela, participated in projects that improved our communities and helped patients. In China, employees walked along the Great Wall to raise funds to fight multidrug-resistant tuberculosis. In Turkey, employees planted trees to assist with reforestation efforts.

And, in what ranks among the largest single-day, volunteer initiatives of any company in the U.S., more than 8,400 Lilly employees from our Indianapolis headquarters contributed to a day-long city makeover, planting trees, removing invasive plants, building homes, rehabilitating playgrounds, and painting more than a half-mile of outdoor murals. We believe that a community must be clean and beautiful in order to be healthy and vibrant for its residents. For more information, visit www.lilly.com/responsibility/volunteerism.



Strengthening More Communities



Learning to read. Reading to learn: Volunteer tutors from Lilly are joining other Indianapolis companies in ReadUP, a program that helps fourth-graders improve their reading skills at a critical point.

Charitable Contributions

Lilly consistently ranks among the world's most generous companies. In 2007, we contributed approximately \$315 million in cash, products, and other in-kind donations to charitable causes. This represents about 6 percent of our adjusted income before taxes. In October 2008, *Forbes* ranked Lilly among America's five most generous companies, based on donations as a percentage of operating income. As we move forward, our goal is to more closely align our investments with our business objectives in order to drive better results for our communities, for our patients, and for our company. We plan to demonstrate leadership by using our resources and our expertise to make a meaningful, measurable, and sustainable difference.

Lilly supports several patient assistance programs in the U.S. to help individuals meet their health care needs.

In 2007:
146,000

patients were helped through six patient assistance programs

\$218 million

was made in product donations

Give an Hour

According to a 2008 report by the nonprofit RAND Corporation, more than 18 percent of troops who have served in Iraq and Afghanistan have symptoms of post-traumatic stress or major depression. In 2008, the Lilly Foundation contributed \$1 million to help bridge the gap in mental health services for soldiers returning from service. Lilly has partnered with Give an Hour (GAH) and the American Psychiatric Foundation, which are creating a national network of mental health professionals who are willing to give an hour of their time each week for one year to provide free mental health services for military personnel and their families. Lilly's grant will help GAH meet its goal of recruiting 10 percent of the 400,000 mental health professionals in the United States for this program by 2015. For more information, visit www.giveanhour.org.

Educating Children

We recently kicked off two new initiatives to help teachers succeed in the urban neighborhoods of Indianapolis. Teach for America, a national teacher corps of recent college graduates that is challenging educational inequity, launched in our home city in 2008. To welcome them, we began Teach for America Advocates, pairing Lilly employees with the new educators to serve as mentors and to help acclimate them to Indianapolis.

We also began recruiting Lilly employees to serve as Teaching Fellow Champions for the city's New Teacher Project, which recruits and trains mid-career professionals to teach math, science, special education, and Spanish. Our Lilly volunteers donate supplies, guest-teach classes, and chaperone field trips, among other efforts.

In addition, more than 350 Lilly employees are participating in an Indianapolis tutoring program—ReadUP—for fourth-grade students, particularly at-risk children, struggling to read. One-third of Indianapolis public school fourth-graders read at least two grades below level. The program's efforts are working: in 2007/08, ReadUP's first year, 43 percent of the students reading below grade level in September were reading at level by June, compared with 26 percent of non-ReadUP students. These educational endeavors not only address a vital community need; they also help Lilly prepare a new generation for potential careers at our company. For more information, visit www.uwci.org/index.asp?p=155.

Healthy Families

In 2008, Lilly partnered with the YMCA to create Healthy Family Home to help American families make small changes in habits that can make a big difference in health. Healthy Family Home is designed to work in any home and in any community, and allows families to pick the actions and health goals that make the most sense for them. The program aims to empower families to make wholesome choices each day to sustain an improved quality of life. For more information, visit www.ymca.net/healthyfamilyhome.

Disaster Aid

When disasters strike, Lilly responds with cash and product contributions to help people in desperate situations. In 2008, Lilly gave \$1.1 million in cash and products to victims of two major Asian disasters: the powerful earthquake that destroyed areas in the Sichuan Province of China, and the devastating cyclone that ravaged the southern coastal region of Myanmar. In China, the donation totaled \$800,000 of medicines, including antibiotics, insulin, and mental health medications.

Addressing More Global Challenges

Our CR Framework calls for Lilly to:

Look beyond our operations to see how we can be an effective leader and collaborator to address global health challenges.

Seeing good health through a wider lens: Chronic diseases like diabetes require life-long management and have long-term economic and societal consequences. Lilly is responding with support, programs, and products that can reduce the wider impacts of these diseases, while helping patients live longer, healthier, and more active lives.

As a global pharmaceutical company, we are uniquely positioned to provide the financial contributions and knowledge to help solve some of the world's most serious health crises. We have chosen to concentrate our efforts on two diseases that are difficult to manage and treat: diabetes and multidrug-resistant tuberculosis.

Diabetes

Diabetes affects 246 million people worldwide, and is expected to affect 380 million by 2025, with the largest increases in developing nations. Every 10 seconds, one person dies from a diabetes-related cause and two people develop the disease, according to the International Diabetes Foundation.

Lilly has deep historical expertise in treating diabetes. Strategically, it makes sense for us to target our resources not just on creating medicines that treat diabetes but on promoting efforts to manage, prevent, and inform about the disease as well. We seek to support programs that address the spiraling international caseload, the lack of access to insulins and other medicines, and, in many communities, a lack of access to educational materials.

Until there is a cure for diabetes, we also believe we must continue to aid the search for new treatments through research grants. In 2007, we announced a \$3 million grant to the Juvenile Diabetes Research Foundation to accelerate research into diabetes drugs and therapies. And in 2008, Lilly awarded a \$3 million grant to the Joslin Diabetes Center—one of the largest in the center's history—to fund studies that help advance understanding of the underlying causes of obesity and the relationship to diabetes.



Addressing More Global Challenges



Four faces, four viewpoints: Through the F.A.C.E. campaign, these nurses bring different perspectives to the treatment of diabetes, helping African-Americans better manage the disease.

ACHIEVING MORE

The Diabetes Conversations program

will be introduced to more than 40 countries in Europe, Latin America, and Asia in 2008 and 2009.

International Diabetes Federation

Lilly is donating more than 800,000 vials of insulin to the International Diabetes Federation's Life for a Child Program. The donations, which will focus on nine countries in sub-Saharan Africa, will help as many as 24,000 children who have no access to diabetes treatment. The donation is one of Lilly's largest single contributions of free insulin in the 85 years since we introduced the world's first mass-produced insulin. For more information, visit www.lifeforachild.org.

Big screen. Major impact: The documentary *Life for a Child*, pictured here, follows the journeys of children with type 1 diabetes in Nepal, one of the world's poorest countries. The film was produced by Lilly and the International Diabetes Federation.

Other Lilly efforts include:

F.A.C.E.

African-Americans have nearly twice the risk of developing diabetes than do Caucasians. Lilly is supporting the Fearless African-Americans Connected and Empowered (F.A.C.E.) Diabetes Campaign, a grassroots movement that fosters behavioral and attitudinal changes among African-Americans who are living with diabetes. R&B singer Angie Stone, who herself has diabetes, has partnered with us to help other African-Americans better manage their disease. In 2008, the first year of the campaign, we launched programs in Chicago, Atlanta, Indianapolis, and Washington, D.C., with events that were attended by more than 5,000 individuals. We have set a goal to double participation to 10,000 in 2009.

Project BRIDGES

Lilly is providing an education grant of \$10 million to "Bringing Research in Diabetes to Global Environments and Systems" (BRIDGES) program, which funds research projects that find solutions to improve diabetes care and prevention worldwide. To date, the program has awarded grants to five long-term and six short-term projects around the globe.

Diabetes Education

In September 2008, we announced the launch of Diabetes Conversations, a patient-focused education program designed to improve diabetes understanding and disease management while enhancing patient-clinician interactions. The program, which promotes discussions among small groups of patients and their health care professionals, offers a distinct contrast to traditional methods of diabetes education by providing a dynamic group learning experience. Diabetes Conversations will be introduced to more than 40 countries in Europe, Latin America, and Asia in 2008 and 2009.

We are also continuing to work with the "Peers for Progress" program, which trains patients with diabetes to serve as mentors to other diabetic patients. Peers for Progress hopes to train 2 million mentors worldwide by 2020.



Addressing More Global Challenges



A global collaboration: The Lilly MDR-TB partnership is fighting the spread of multidrug-resistant tuberculosis on five continents.

ACHIEVING MORE

Lilly has provided \$120 million in cash, medications, and technology to increase access to treatment of MDR-TB and to fund prevention programs.

Treating 800,000 MDR-TB patients by 2015 is the new WHO goal we're working toward.

LEARN MORE

For more information on Lilly's efforts around MDR-TB, visit www.lillymdr-tb.com

For more information on the World Health Organization's Stop TB program, visit www.stoptb.org

www.lilly.com

Multidrug-Resistant Tuberculosis

The global health community is battling one of the oldest diseases in the world—tuberculosis (TB). Fueled by poverty and the HIV/AIDS epidemic, first-line TB claims a life every 20 seconds. Two million people die each year from this curable disease—99 percent of them in the developing world.

The cure includes a regimen of four medicines that must be taken daily for six to nine months. But many patients fail to complete the treatment, which can lead to drug resistance. Of the 9.5 million new cases of TB every year, about 450,000 are multidrug-resistant tuberculosis (MDR-TB) that can not be cured by standard methods.

In 2003, Lilly created The Lilly MDR-TB Partnership, a public-private initiative that mobilizes 18 partners on five continents to assist in the fight. To date, Lilly has supported the effort with \$120 million in cash, medications, and technology to increase access to treatment and focus global resources on prevention, diagnosis, and the treatment of patients with MDR-TB.

Two of the antibiotics used to treat TB and MDR-TB, capreomycin (Capastat®) and cycloserine (Seromycin®), were Lilly innovations. We make these medications available at concessionary prices through the World Health Organization's (WHO) Stop TB program to countries facing outbreaks of the resistant strains. More importantly, we are transferring our technology and training local manufacturers in hard-hit regions so they can make these two medicines themselves.

When the partnership began its work in 2003, the WHO set a goal of treating 20,000 MDR-TB patients by 2010—a goal that has already been achieved. We're working aggressively now to meet a new target of treating 800,000 MDR-TB patients by 2015.

In October 2008, we reached another important milestone—this time with our Lilly TB Drug Discovery Initiative, a public-private partnership launched in 2007 with the Infectious Disease Research Institute and the National Institute of Allergy and Infectious Diseases, part of the U.S. National Institutes of Health, to fill the early-stage pipeline for TB drug development. The initiative, which Lilly supported with an additional \$15 million, has acquired two compounds that show potential in initial testing as TB drug candidates. For this initiative, Lilly has opened access to a library of 500,000 compounds and is contributing drug-discovery technologies and expertise in the search for new TB medicines.

More About Lilly

Corporate Profile

OVERVIEW

\$18.6 billion
2007 revenues

Headquarters
Indianapolis, Indiana, U.S.A.

50+ countries
Clinical research

8 countries
Research and development facilities

13 countries
Manufacturing plants

143 countries
Products marketed

Welcome to our **Healthy Family Home**: Lilly and the YMCA developed Healthy Family Home to help families make simple but important changes in their diet, activity levels, and family time.

Lilly makes medicines that help people live longer, healthier, more active lives. Founded by Eli Lilly in 1876, we are now the 10th largest pharmaceutical company in the world. Lilly is consistently ranked as one of the best companies in the world to work for, and generations of Lilly employees have sustained a culture that values integrity, excellence, and respect for people.

Employees (as of September 30, 2008)

Indianapolis: 12,057
Indiana (excluding Indianapolis): 2,192
U.S. (excluding Indiana): 5,401
Outside U.S.: 19,831
Worldwide total: 39,481
R&D employees: approximately 7,946

Awards and Recognition

Black Enterprise "Top 40 Companies for Diversity"
Business Week "Best Places to Launch a Career"
Chronicle of Philanthropy "Most Generous Companies"
Forbes "Most Generous Corporations"
Fortune magazine "America's Most Admired Companies"
Institutional Investor "America's Most Shareholder-Friendly Companies"
Science magazine "Best Companies for Scientists"
The Scientist "Best Places to Work in the Industry"
Working Mother magazine "100 Best Companies for Working Mothers"

