Novartis highlights company transformation, catalyst-rich pipeline, and strong progress on strategy at Meet Novartis Management investor event

- Driving growth through cutting edge pipeline with 15 in-market blockbusters and more than 25 potential blockbusters in development, including 10+ planned launches by 2021
- Strong progress on productivity efforts to expand margins with acceleration of key growth drivers, together with productivity efforts in Novartis Technical Operations and Business Services
- Building leadership in advanced therapy platforms with 18 projects in clinical development
- Continuing a multi-year journey to build a new culture and create lasting trust and impact with society

Basel, May 23, 2019 – Novartis hosts its annual Meet Novartis Management event today at its Research headquarters in Cambridge, Massachusetts, giving investors and industry analysts the opportunity to meet with key executives across the company in six separate breakout sessions. The meeting provides a deeper view into the company’s progress on its ongoing transformation and strategy for sustainable value creation.

“Novartis is on track to become a leading medicines company powered by advanced therapy platforms and data science, and is on track to deliver sustained accretive growth. We are developing and launching medicines that can change the standard of care in devastating diseases. Our pipeline is industry-leading with more than 25 potential blockbusters and this pace of innovation positions Novartis well for the future”, said Novartis CEO, Vas Narasimhan.

In the Pharmaceuticals business unit, management highlights the continued strength of Cosentyx and Entresto and preparation for an unprecedented wave of launches. Strong momentum continues for key growth drivers based on a growing evidence base, including the PIONEER data supporting hospital initiation of Entresto. The team is ready to launch five blockbuster candidates in core therapeutic areas over the next two years – Mayzent, Zolgensma¹, Brolucizumab (RTH258), Ofatumumab (OMB157), and Fevipiprant (QAW039). Novartis also expects double-digit growth in China, capitalizing on faster and broader access.

Novartis is one of the leading Oncology companies with growth opportunities in Targeted Therapy, Cell Therapy, Radioligand Therapy and Immunotherapy. Oncology returned to growth in 2018 and the pipeline and portfolio are well positioned for future growth. Oncology has a rich portfolio with seven in-market blockbusters, three recent launches with blockbuster potential and a strong, unique pipeline across the platforms. By integrating the best internal and external innovations, Novartis is positioned to continue to lead in Oncology.
The Global Drug Development (GDD) team provides insight into the catalyst-rich pipeline that contains more than 25 potential blockbusters. Novartis has multiple 2019 pipeline milestones, including six major readouts that have the potential to accelerate Novartis’ growth trajectory. These 2019 readouts include Pharmaceuticals Entresto (HF-pEF) and Fevipiprant (asthma) and in Oncology the first combination with the Novartis PD1, spartalizumab (PDR001). GDD is building out advanced therapy platform capabilities to complement small molecules and biologics. The team is focused on operational execution with extensive use of data and digital technologies to reduce trial time and cost and improve productivity.

Our rich late stage pipeline is fuelled by a steady flow of emerging assets from the Novartis Institutes for Biomedical Research (NIBR). NIBR is a leading center of therapeutics discovery research with a proven record of delivering innovative therapies. Novartis has a deep pipeline of ~90 new molecular entities prioritized and optimized for transformative potential and resourced for competitive advantage. NIBR is deploying a suite of advanced technology platforms in an effort to drug targets that were previously considered "undruggable". A focused research strategy, accelerating the most promising internal and early external opportunities, is helping NIBR deliver transformative innovation and curate a first-in-class portfolio.

In Sandoz, management provides an update on its continuing transformation and the evolving generics landscape. While the US market is being impacted by pricing pressure, approximately 70% of Sandoz sales come from outside the US where sales are growing and driving margin expansion. Sandoz is shaping its portfolio to drive sustainable and profitable growth, including the divestment of the US oral solids and dermatology portfolio planned to complete in 2019. Sandoz is a leader in Biosimilars with 8 on the market and 10+ in the pipeline. The division is becoming leaner and more agile to drive sustainable sales and margin growth in a rapidly-moving generics environment.

In closing, Group management reiterates the overall strategy to become a leading medicines company powered by advanced therapy platforms and data science. Novartis is building depth across the core therapeutic areas by advancing a highly productive and valuable pipeline. There is a clear path to expand margins through acceleration of key growth drivers, together with productivity efforts in NTO and NBS. Novartis remains disciplined and shareholder-focused in its capital allocation, including maintaining a strong and growing dividend and doing value-creating bolt-on deals. We are focused on building lasting trust with society, we are ranked #2 on the access to medicines index and we are committed to addressing global health challenges including malaria, leprosy and sickle cell. Our culture is transforming to become inspired, curious and unbossed. Novartis management is focused on driving its strategy and sustainable growth.

1. The brand name Zolgensma® has been provisionally approved by the FDA for the investigational product AVXS-101 (onasemnogene abeparvovec-xioi), but the product itself has not received marketing authorization or BLA approval from any regulatory authorities.

For background slides and webcast (audio only) please refer to the following link: http://www.novartis.com/investors/event-calendar/index.shtml
The background slide decks will be available on Thursday May 23, 2019 at 7am EST.

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the development of the products or the proposed transactions described in this release; the potential that
the strategic benefits, synergies or opportunities expected from the Alcon and Sandoz transactions may
not be realized or may be more difficult or take longer to realize than expected; the inherent uncertainties
involved in predicting shareholder returns; the uncertainties inherent in the research and development of
new healthcare products, including clinical trial results and additional analysis of existing clinical data; our
ability to obtain or maintain proprietary intellectual property protection, including the ultimate extent of the
impact on Novartis of the loss of patent protection and exclusivity on key products that commenced in
prior years and will continue this year; safety, quality or manufacturing issues; uncertainties regarding
actual or potential legal proceedings, including, among others, actual or potential product liability litigation,
litigation and investigations regarding sales and marketing practices, intellectual property disputes and
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business models; our performance on environmental, social and governance measures; general political,
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various parts of the world; uncertainties regarding future global exchange rates; uncertainties regarding
future demand for our products; uncertainties regarding potential significant breaches of data security or
data privacy, or disruptions of our information technology systems; and other risks and factors referred to
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medicines company, we use innovative science and digital technologies to create
transformative treatments in areas of great medical need. In our quest to find new medicines,
we consistently rank among the world’s top companies investing in research and
development. Novartis products reach more than 750 million people globally and we are
finding innovative ways to expand access to our latest treatments. About 105 000 people of
more than 140 nationalities work at Novartis around the world. Find out more at

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# # #
**Novartis Media Relations**  
E-mail: media.relations@novartis.com

Eric Althoff  
US External Communications  
+1 646 438 4335  
eric.althoff@novartis.com

Antonio Ligi  
Global External Communications  
+41 61 324 1374  
antonio.ligi@novartis.com

**Novartis Investor Relations**  
Central investor relations line: +41 61 324 7944  
E-mail: investor.relations@novartis.com

Central  
Samir Shah +41 61 324 7944  
Pierre-Michel Bringer +41 61 324 1065  
Thomas Hungerbuehler +41 61 324 8425  
Isabella Zinck +41 61 324 7188

North America  
Richard Pulik +1 862 778 3275  
Cory Twining +1 862 778 3258