
Company overview

Novartis provides healthcare solutions that address the evolving needs of patients and societies worldwide. Our focus is on patients: We provide innovative products to treat and prevent diseases, expand access to critical medicines, ease suffering and improve quality of life.

World leader in offering medicines and vaccines

Being an innovative leader and a responsible corporate citizen as well as further developing our performance-driven organization ultimately fulfills our purpose for patients: to care and cure.

With approximately 100 000 full-time associates and operations in 140 countries, Novartis is working to address fundamental global trends that are driving growth in demand for healthcare: an aging population, the impact of lifestyle changes on chronic diseases, and public debate about access and costs. At the same time, the changing needs of customers are generating demand for innovative medicines that are safe and more effective; less expensive, high-quality generics; vaccines to prevent life-threatening diseases and diagnostic tools; and readily available medicines for self-treatment.

Novartis is addressing this dynamic environment by investing in these strategic growth platforms:

Four divisions:

- **Pharmaceuticals:** New and better medicines with improved efficacy and fewer side effects
- **Vaccines and Diagnostics:** Human vaccines and diagnostic tools to protect against life-threatening diseases
- **Sandoz:** Generic pharmaceuticals that replace branded medicines after patent expiry and free up funds for innovative medicines
- **Consumer Health:** Readily available healthcare products that enable healthy lifestyle choices

- Pharmaceuticals
- Vaccines and Diagnostics
- Sandoz
- Consumer Health

Innovation is paramount in healthcare. Focusing on unmet medical needs inspires Novartis associates to connect science with customer insights to develop new products and drive new industry standards. Novartis leads the industry with several new product approvals in the United States since 2000 and one of the best-rated pipelines. In 2007 Novartis achieved a total of 15 major regulatory approvals in the US and Europe.

We are making significant investments in Research & Development throughout our portfolio of businesses. In Pharmaceuticals, priority areas include cancer, cardiovascular and metabolic conditions as well as respiratory and infectious diseases. New discovery approaches and an increasing focus on biotechnology compounds at the Novartis Institutes for BioMedical Research (NIBR) – including the recently created Novartis Biologics unit to accelerate development of biologic therapies – seek to bolster the Novartis pipeline.

At Novartis, corporate citizenship is a top priority and is embedded in the way we manage our daily business. Our initiatives rest on four pillars: Patients, Ethical business conduct, Our people and communities and Environmental care.

Corporate citizenship a top priority

Novartis is committed to making a difference in its areas of competence, helping patients in need through access-to-medicines programs and research into neglected diseases. In 2007 these programs reached xx million patients worldwide, with contributions totaling USD xx million. Our corporate citizenship efforts were recognized by the Dow Jones Sustainability Index, which named Novartis a Super Sector Leader in 2007.

Since its creation in 1996 through the merger of Ciba-Geigy and Sandoz, Novartis has committed to bringing new healthcare products to patients and physicians worldwide. At the same time, we also seek to provide a return to shareholders that reflects our outstanding performance and to adequately reward those who invest ideas and resources in our company.

Pharmaceuticals

Ranked by IMS Health as one of the fastest-growing global pharmaceutical companies in recent years, Novartis has expanded its market share by introducing a stream of innovative new products and focusing on key markets worldwide.

Ranked as one of the fastest-growing pharmaceutical companies

Novartis consistently leads the industry in gaining regulatory approvals for new medicines, having achieved 15 positive regulatory decisions in the US and Europe in 2007, the most of any pharmaceutical company. Our global product portfolio includes more than 45 key marketed products, many that are leaders in their respective therapeutic areas. In addition, our product pipeline involves nearly 140 projects – including potential new products as well as new indications or formulations for existing products –

in various stages of clinical development. Key R&D areas are cardiovascular and metabolic conditions as well as oncology, respiratory and infectious diseases.

These efforts are recognized by industry experts, who have ranked Novartis as having one of the best combinations of organic growth, pipeline opportunities, and low patent-risk exposure among major companies in the pharmaceutical industry.

Vaccines and Diagnostics

The Novartis Vaccines and Diagnostics Division is a leader in providing vaccines to protect against several preventable viral and bacterial diseases through immunization as well as offering innovative blood testing tools.

No. 2 supplier of influenza vaccines in the US

Novartis is the world's fifth-largest vaccines manufacturer and the second-largest supplier of influenza vaccines in the US. Novartis is also the first company to commercially produce and market cell culture-based vaccines for the prevention of seasonal influenza, marking one of the most significant breakthroughs in vaccine manufacture during the last 50 years.

The vaccines product portfolio includes more than 20 vaccines used to prevent most life-threatening viral and bacterial infections that were once major public health issues. These prevention options include vaccines against meningococcal meningitis infections, required immunizations against childhood diseases, and vaccines to protect travelers against diseases endemic to certain regions.

The Chiron blood testing business is dedicated to preventing the spread of infectious diseases by developing novel blood-screening tools. We are evaluating options to expand this business globally and to expand into molecular diagnostics.

Sandoz

Sandoz is a leading global supplier of generic pharmaceuticals. We develop, produce and market high-quality medicines that compete with chemically identical, off-patent branded drugs, often reducing the costs of treatment.

Sandoz a global leader in generic pharmaceuticals

Through Sandoz, Novartis is the only major pharmaceutical company to have leadership positions in both patented prescription drugs and generic pharmaceuticals, a segment of the healthcare market experiencing dynamic growth.

Ranked as the second-largest company in the industry based on sales, Sandoz goes beyond traditional generics to offer higher-value products that use innovative technologies such as skin patches, inhalation devices and sustained delivery dosage forms. Sandoz is also a pioneer in gaining US and European approvals for biosimilars, which are follow-on versions of previously approved biotechnology drugs that offer savings for patients and payors.

Sandoz offers more than 840 compounds in over 5 000 forms in 110 countries. Significant product groups include antibiotics, treatments for central nervous system disorders, gastrointestinal medicines, cardiovascular treatments and hormone therapies.

Consumer Health

Consumer Health focuses on creating, developing and manufacturing products that restore, maintain, or improve the health and well-being of consumers. The growth of active consumers making healthy decisions is contributing to this division's drive to deliver accelerated sales growth and gain leadership in key markets with strategic brands.

Priority is helping people
improve their well-being

The Consumer Health Division encompasses activities in OTC, Animal Health and CIBA Vision.

OTC is a world leader in the research, development, production and marketing of self-medication products that do not require a prescription. OTC products are designed for the in-home treatment and prevention of medical conditions and ailments as well as the enhancement of overall health and well-being.

Animal Health focuses on the well-being of companion animals and on the health and productivity of farm animals. A range of products provide solutions to prevent and treat various widespread animal diseases and parasite infestations. Many are available by prescription through veterinarians.

CIBA Vision is a global leader in the research, development and manufacturing of contact lenses and lens care products, providing vision solutions to fit the lifestyles, preferences and needs of consumers in more than 70 countries.