

MEDIA RELEASE • MEDIA RELEASE • MEDIA RELEASE**Novartis successfully completes acquisition of The Medicines Company, adding a potentially first-in-class, investigational cholesterol-lowering therapy inclisiran**

- *Over 50 million secondary prevention patients worldwide with atherosclerotic cardiovascular disease (ASCVD) or familial hypercholesterolemia (FH) on current standard of care do not achieve LDL cholesterol (LDL-C) goal and remain at increased risk of cardiovascular events¹*
- *The Medicines Company submitted the New Drug Application (NDA) for inclisiran to the FDA in December 2019*
- *Comprehensive Phase III inclisiran program showed potent and durable reduction of >50% in LDL-C on top of standard of care, with excellent safety profile^{2,3,4}*
- *Adds potentially soon-to-launch, first-in-class investigational product, leveraging significant synergies with existing global cardiovascular commercial capabilities*

Basel, January 6, 2020 — Novartis AG (NYSE: NVS) (“Novartis”) today announced that it has completed the acquisition of The Medicines Company (the “Company”) through the consummation of a merger of its indirect wholly-owned subsidiary, Medusa Merger Corporation (“Purchaser”), with and into the Company, with the Company surviving the merger, without a vote of the Company’s stockholders in accordance with Section 251(h) of the Delaware General Corporation Law. In the merger, each share of the Company’s common stock outstanding immediately prior to the effective time of the merger (other than shares owned by Novartis, Purchaser, the Company, any other subsidiary of Novartis or any subsidiary of the Company, or shares that are held in the Company’s treasury or shares held by any Company stockholder who has properly demanded and perfected appraisal rights under Delaware law) has been converted into the right to receive USD 85.00 per share, net to the seller in cash, without interest and subject to any tax withholding. As a result of the merger, the Company became an indirect wholly-owned subsidiary of Novartis and the Company’s shares have ceased to be traded on the NASDAQ Global Select Market.

Vas Narasimhan, CEO of Novartis, said: “Acquiring The Medicines Company and inclisiran gives Novartis a unique opportunity to open up a new chapter on the treatment of the world’s leading cause of mortality and disability with a vaccine-like approach. It’s a significant step forward on our journey to focus the company, to reimagine medicine, and to bend the curve of life.”

Marie-France Tschudin, CEO, Novartis Pharmaceuticals said: “I’m looking forward to welcoming associates from The Medicines Company to Novartis. There is a real unmet need

for patients living with atherosclerotic cardiovascular disease or familial hypercholesterolemia on current standard of care, who are not achieving LDL cholesterol goals and remain at significant risk of cardiovascular events. With a unique twice yearly, subcutaneous dosing regimen which integrates seamlessly with routine HCP visits, inclisiran has the potential to improve adherence and, potentially, patient outcomes for the millions of people living with ASCVD or FH.”

In December 2019, The Medicines Company submitted the New Drug Application (NDA) for inclisiran to the FDA for use in secondary prevention patients with atherosclerotic cardiovascular disease (ASCVD) and familial hypercholesterolemia (FH).

Disclaimer

This press release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements can generally be identified by words such as “potentially,” “first-in-class,” “investigational,” “remain,” “submitted,” “soon-to-launch,” “leveraging,” “synergies,” “opportunity,” “step forward,” “new chapter,” “journey,” “reimagine,” “bend the curve of life,” “potential,” “looking forward,” “will,” “expected,” “expectations,” “expanding,” “growing,” “pipeline,” or similar terms, or by express or implied discussions regarding potential marketing approvals for inclisiran or the other investigational products described in this press release, or new indications or labeling for Entresto or the other approved products described in this press release, or regarding potential future revenues from such products. You should not place undue reliance on these statements. Such forward-looking statements are based on our current beliefs and expectations regarding future events, and are subject to significant known and unknown risks and uncertainties. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those set forth in the forward-looking statements. There can be no guarantee that Novartis or The Medicines Company’s product, inclisiran, will achieve any particular future financial results, or that Novartis will be able to realize any of potential strategic benefits, synergies or opportunities as a result of the acquisition. Nor can there be any guarantee that inclisiran will be submitted or approved for sale in any market, or at any particular time. Neither can there be any guarantee that such product will be successfully commercialized even if regulatory approvals are obtained. Nor can there be any guarantee that Entresto will be commercially successful in the future. In particular, our expectations could be affected by, among other things: regulatory actions or delays or government regulation generally, as well as potential regulatory actions or delays with respect to the development of inclisiran; the potential that the strategic benefits, synergies or opportunities expected from the acquisition may not be realized or may take longer to realize than expected; the successful integration of The Medicines Company into the Novartis Group subsequent to the closing of the transaction and the timing of such integration; potential adverse reactions to the transaction by customers, suppliers or strategic partners; dependence on key personnel of The Medicines Company; dependence on third parties to fulfill manufacturing and supply obligations; 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; safety, quality, data integrity or manufacturing issues; global trends toward health care cost containment, including government, payer and general public pricing and reimbursement pressures and requirements for increased pricing transparency; the particular prescribing preferences of physicians and patients; uncertainties regarding actual or potential legal proceedings, including, among others, potential legal proceedings with respect to the acquisition; and other risks and factors referred to in Novartis’ current Form 20-F on file with United States Securities and Exchange Commission. Novartis is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release as a result of new information, future events or otherwise.

About Novartis in Cardiovascular-Renal-Metabolism

Bending the curve of life requires addressing some of society's biggest public health concerns. Novartis has an established and expanding presence in diseases covering the heart, kidney and metabolic system. In addition to essential treatment Entresto® (sacubitril/valsartan), Novartis has a growing pipeline of potentially first-in-class molecules addressing cardiovascular, metabolic and renal diseases.

About Novartis

Novartis is reimagining medicine to improve and extend people's lives. As a leading global 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 109,000 people of more than 140 nationalities work at Novartis around the world. Find out more at www.novartis.com.

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3. Wright RS et al. *Inclisiran for subjects with ASCVD and elevated low-density lipoprotein cholesterol*. Data presented at: AHA Scientific Sessions 2019, Nov 16-18; Philadelphia, USA
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