

Facts & Figures 2010



Sandoz International GmbH
Industriestr. 25
83607 Holzkirchen
Germany

Website: www.sandoz.com

a Novartis company

Welcome to Sandoz



It is my pleasure to welcome you to Sandoz, the generic pharmaceuticals division of Novartis, a global leader in the rapidly growing generics industry.

Sandoz focuses on increasing global access to affordable healthcare. We develop, produce and market a broad portfolio of high-quality and cost-effective medicines following loss of patent protection, as well as pharmaceutical and biotechnological active substances. We have a comprehensive global development and production network, and our medicines are available to more than 90% of the world's population.

In addition to this extensive geographic presence across about 130 countries, we specialize in complex, differentiated products such as injectables, biosimilars, inhalables, patches and complex oral solids.

Our high level of know-how in differentiated products is based on decades of experience in a wide range of fields, such as in fermentation technologies that laid the basis for our anti-infectives business (Sandoz developed the first-ever oral penicillin in 1951). This experience also paved the way for Sandoz to become a biotechnological competence center within Novartis, and positioned us to play the role of pioneer and global leader in the rapidly emerging market for biosimilars.

Since I joined the company as Head of Sandoz in December 2008, I have had the honor of working with our diverse and talented global team to realize a number of significant achievements, which have laid the groundwork for future success.

These include:

- ▶ 2010: The exclusive US launch of enoxaparin (Sanofi-Aventis' Lovenox®) as the first generic version of this best-selling hospital medication
- ▶ 2010: The successful acquisition and integration of Oriel Therapeutics, which has significantly strengthened our differentiated respiratory product pipeline
- ▶ 2010: The start of major clinical research* in patients for biosimilar rituximab (Roche's Rituxan®/MabThera®), one of the top three biologics worldwide
- ▶ 2010: The opening of a new, state-of-the-art product development center in East Hanover, New Jersey, focusing on added-value products
- ▶ 2009: The launch of human growth hormone somatropin in Japan, the first-ever biosimilar in the world's second-largest pharmaceutical market
- ▶ 2009: The exclusive launch of generic tacrolimus (Astellas's Prograf®) in the US as the first generic version of this critical transplant medication
- ▶ 2009: The creation of a global center of excellence in generic oncology injectables, following the USD 1.3 bn acquisition of EBEWE Pharma
- ▶ 2009: The EU-wide market approval of filgrastim (Amgen's Neupogen®), the third Sandoz biosimilar, used to stimulate production of white blood cells

Such achievements further strengthen Sandoz's commitment to continuously expand global access to innovative and essential pharmaceuticals by offering equivalent quality, safety and efficacy at a more affordable price.

I look forward to working with Sandoz employees, customers and other stakeholders as we strive to make a world of difference to healthcare around the globe.

To find out more about Sandoz, please visit our website at www.sandoz.com.

Yours sincerely,

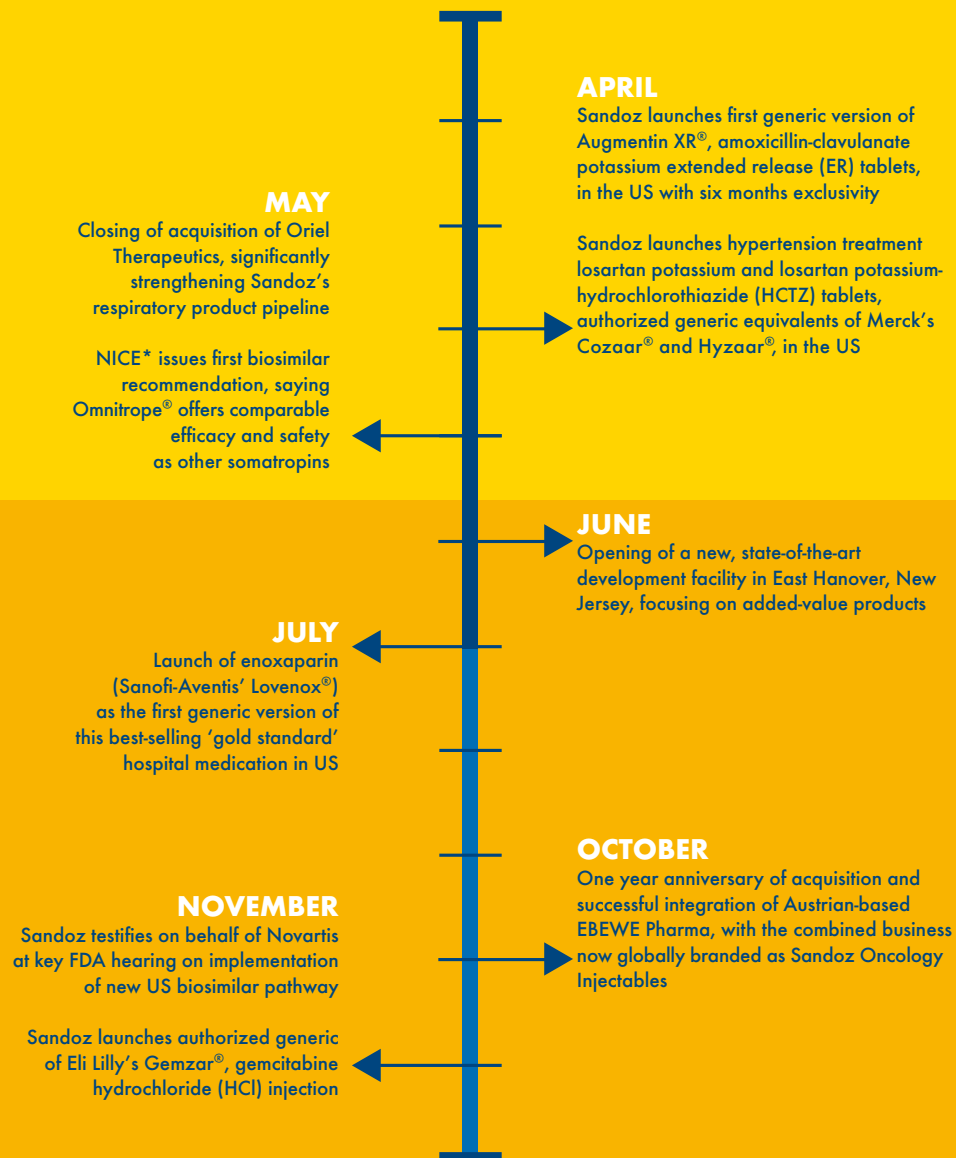
A handwritten signature in black ink that reads "Jeff George". The signature is fluid and cursive.

Jeff George
Head of Sandoz

*Sandoz announced the start of phase II clinical trials for biosimilar rituximab in January 2011.

Sandoz facts and figures

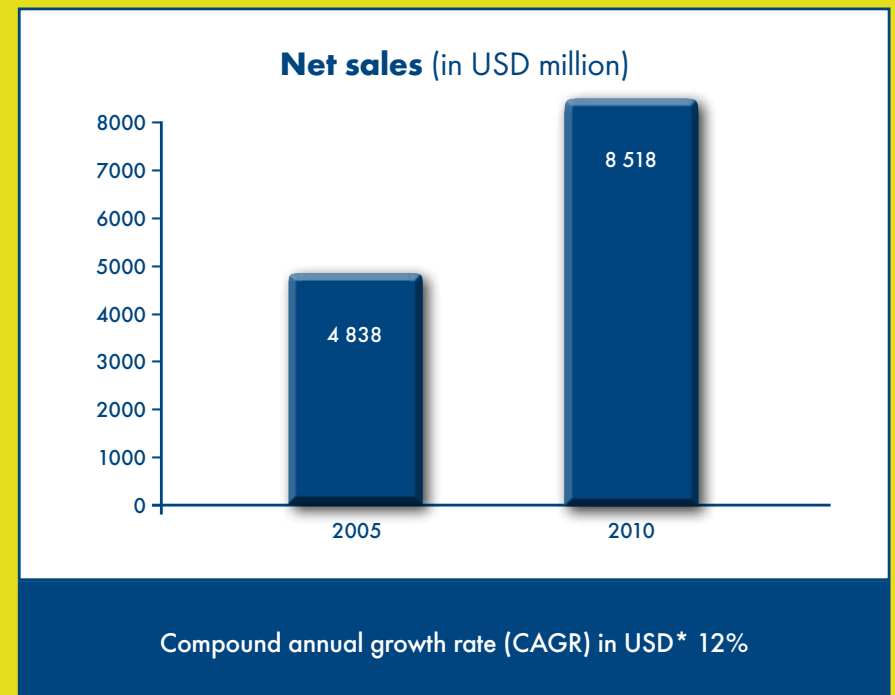
2010 milestones



*UK's National Institute for Health and Clinical Excellence

Key company figures for 2010

- ▶ USD 8 518 million in sales
- ▶ USD 1 685 million core operating income
- ▶ USD 1 272 million operating income
- ▶ More than 23 000 employees in about 130 countries
- ▶ Approximately 1 000 molecules worldwide
- ▶ Over 10 global development centers
- ▶ More than 30 manufacturing sites globally
- ▶ Sandoz medicines accessible for over 90% of the world's population



* including Hexal and Eon Labs acquisition in June 2005



Maasai tribesman
Kenya, Africa

Main therapeutic areas

- ▶ Alimentary tract and metabolism
- ▶ Anti-infectives
- ▶ Blood and blood forming organs
- ▶ Cardiovascular system
- ▶ Central nervous system
- ▶ Respiratory system
- ▶ Antineoplastic and immunomodulating agents

Top 10 products worldwide

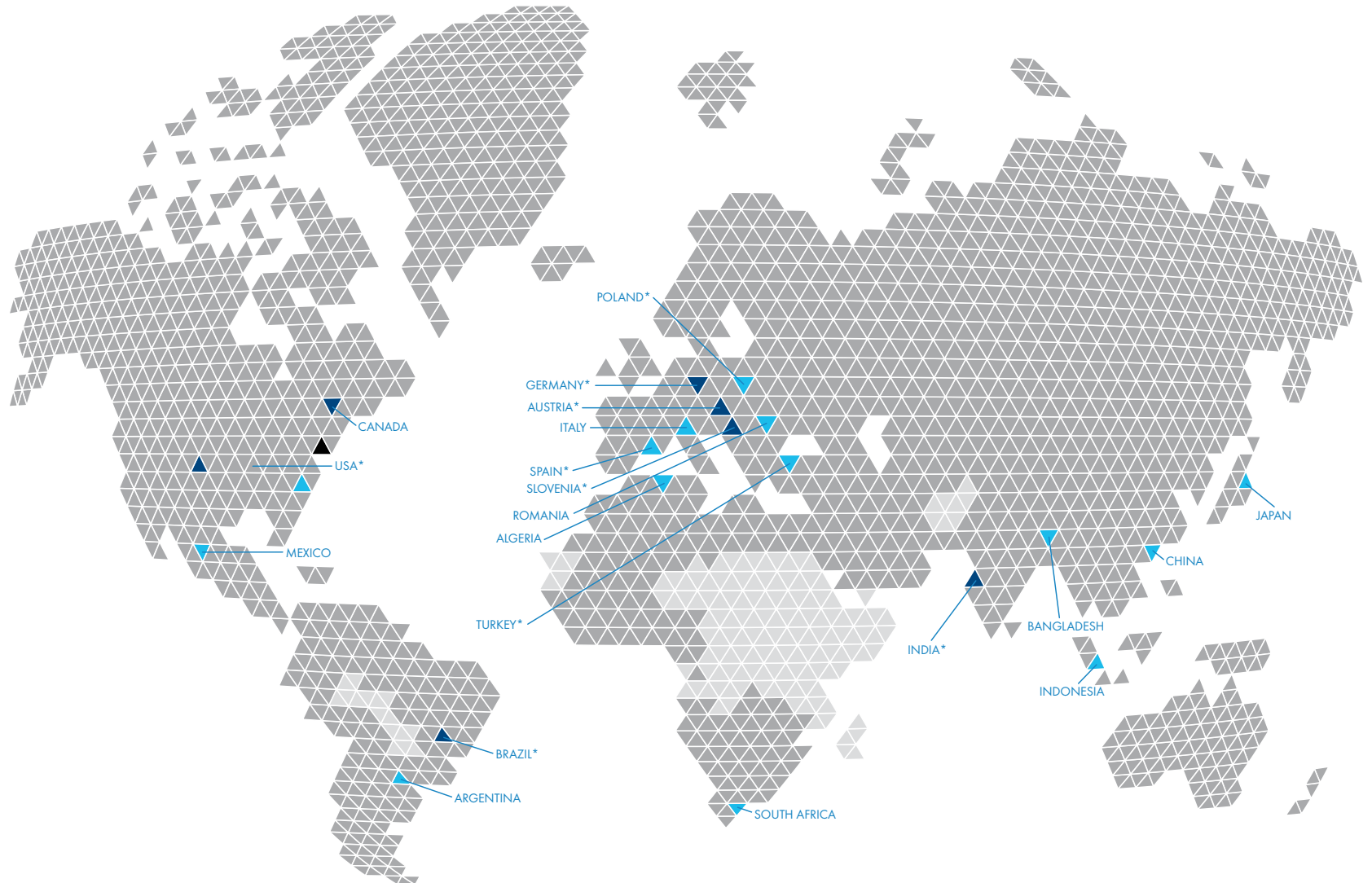
- ▶ Enoxaparin
- ▶ Amoxicillin /clavulanic acid
- ▶ Omeprazole
- ▶ Tacrolimus
- ▶ Losartan
- ▶ Fentanyl
- ▶ Lansoprazole
- ▶ Simvastatin
- ▶ Acetylcystein
- ▶ Amlodipine /benazepril

Sandoz around the world

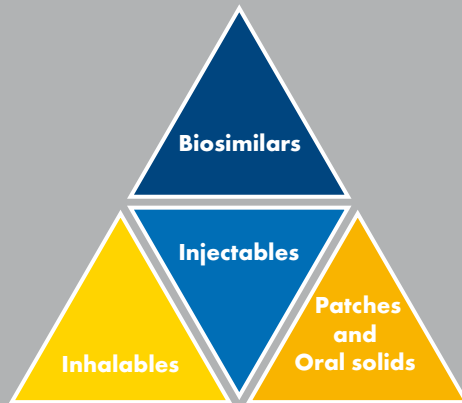
Sandoz has a truly global presence. Sandoz employs over 23 000 people in about 130 countries, and has over 10 major development centers and a worldwide network of more than 30 production sites. This widespread presence is fundamental to our global leadership position in developing and producing high-quality standard and differentiated generics, including biosimilars.

- ▲ Commercial presence
- ▲ Production
- ▲ Production and development
- ▲ Development

* Multiple sites



Adding value through a differentiated portfolio



Biosimilars – high-quality, clinically-proven alternatives to existing biologics, which offer comparable safety and efficacy at a more affordable price. Sandoz pioneered and clearly leads the way with three marketed biosimilars, accounting for nearly half of the global regulated market.



Injectables – non-biologic drugs taken via injection, which include affordable, state-of-the-art generic medicines that may offer greater benefits than their reference products. Following the acquisition of EBEWE Pharma and the US launch of generic enoxaparin, Sandoz is the clear global #2 in this field.



Inhalables – combine complex drugs with sophisticated delivery devices to meet the rapidly growing demand for affordable new options to treat asthma and COPD (chronic obstructive pulmonary disease) in a challenging regulatory environment.



Patches – an innovative transdermal alternative for controlled drug delivery through the skin and into the bloodstream.

Complex oral solids – extended-release tablets or capsules and oral films that control drug delivery and improve ease of use, ensuring greater patient compliance and thus more effective treatments.



Hülya B.
Istanbul, Turkey