

Novartis announces the successful divestment of its Nutrition & Santé unit

Basel, November 28, 2005 – Novartis announced today that it has signed a definitive agreement to divest its Nutrition & Santé business unit to ABN AMRO Capital France for approximately EUR 220 million (USD 260 million) on a cash and debt free basis. The transaction, which requires customary regulatory approvals, is expected to be completed in Q1 2006.

Nutrition & Santé holds the remaining dietary food assets of the former "Health and Functional Food" business unit, which were not sold to Associated British Foods plc in November 2002. At the time of the divestiture, Nutrition & Santé was classified as a non-core asset and has since been included within the Medical Nutrition business unit results.

“Nutrition & Santé has developed a unique range of high-value dietary food products trusted by European consumers. At Novartis, we are committed to focusing on our pharmaceuticals and healthcare businesses. This transaction provides Nutrition & Santé and its employees with a new shareholder who will focus on the business and allows Novartis to realize the value of its investments into Nutrition & Santé,” said Paul Choffat, Chief Executive Officer of Novartis Consumer Health.

“We are enthusiastic about the acquisition of Nutrition & Santé. We are very excited to partner with the management team and we consider the company as an exceptional platform to expand in the dietary food business via organic and external growth”, said Hervé Claquin, Chief Executive Officer of ABN AMRO Capital France.

Nutrition & Santé, which is headquartered in Revel, France, is a leader in the European dietary foods market through activities in functional foods (Gerblé[®] and Céréal[®]), slimming products (Gerlinéa[®], Pesoforma[®] and Milical[®]), sports nutrition (Isostar[®]), and other nutritional specialties. Products are sold through groceries and supermarkets, pharmacies and drug stores, and specialist channels such as health-food stores and gym clubs. Nutrition & Santé reported sales of EUR 245 million and operating income of EUR 21 million for the 12 month period ended September 2005, primarily in France, Spain/Portugal, Italy and the Benelux region.

About ABN AMRO Capital

ABN AMRO Capital is the global private equity business of ABN AMRO, with teams operating in seven countries worldwide including the Netherlands, UK, France, Spain, Italy, Sweden and Australia. Total funds under management (as at end June 05) by ABN AMRO Capital are EUR 2.3 billion, of which EUR 100 million of capital is provided by international investors in ABN AMRO Capital managed funds in the UK and France.

In 2005, ABN AMRO Capital led 14 buy outs for a global value of EUR 2.5 billion (EUR 578 million Equity Investment) as well as eight exits.

About Novartis

Novartis AG (NYSE: NVS) is a world leader in pharmaceuticals and consumer health. In 2004, the Group's businesses achieved sales of USD 28.2 billion and pro forma net income of USD 5.6 billion. The Group invested approximately USD 4.1 billion in R&D. Headquartered in Basel, Switzerland, Novartis Group companies employ about 91,700 people and operate in over 140 countries around the world.

For further information please consult <http://www.novartis.com>.

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