

## Sandoz

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Sandoz, the generic pharmaceuticals division of Novartis, is a global leader in the rapidly growing generics industry.

A global leader in generics, increasing access to medicines and helping to stabilize healthcare systems

Sandoz develops, produces and markets medicines no longer protected by patents, along with pharmaceutical and biotechnological active substances. This broad portfolio of high-quality and cost-effective products makes affordable medicines available to patients worldwide and helps stabilize healthcare systems. Sandoz has a particular focus on anti-infectives and specializes in difficult-to-make generics – such as complex medical delivery systems and biopharmaceuticals – providing a unique competitive advantage.

Sandoz plays an increasingly important role in the overall Novartis strategy of offering a complete range of medicines to patients, physicians and healthcare providers worldwide. Novartis is the only major pharmaceutical company with leadership positions in both patented prescription medicines and generic pharmaceuticals. High-quality generic medicines free up additional funds for the discovery of new, innovative medicines.

Key role in Novartis strategy to offer full range of medicines

### **Strong organic growth and targeted acquisitions**

In May 2003, Novartis united 14 generics companies under the Sandoz brand to increase recognition among healthcare providers. This initiative capitalized on the strong reputation of Sandoz, a Novartis predecessor company with a high level of awareness and trust among physicians, pharmacists and patients.

Sandoz global rebranding process started in 2003

In addition to strong organic growth, Sandoz has made a series of targeted acquisitions in recent years and is now the second-largest generics company based on annual sales. Following the acquisition of Slovenia's Lek in 2002, and Canada's Sabex and Denmark's Durascan in 2004, Novartis acquired in 2005 two leading global generics companies – privately-held Hexal of Germany and US company Eon Labs. The integration combined the Sandoz global geographic reach and anti-infectives expertise with Hexal's market leadership and strong track record in Germany and Eon Labs' strong US position in difficult-to-make generics.

A series of targeted acquisitions

### **Focus on customer needs**

The generics market is characterized by a growing demand for high-quality pharmaceuticals that can be produced at lower cost due to minimized research and development investments. The Sandoz name stands for three related values: speed and simplicity, customer and quality focus, trust and mutual respect.

High-quality, cost-effective products

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Sandoz has developed a comprehensive global production and development network, with production centers in all major markets. At the same time, it focuses on staying close to customers in local markets, with decentralized commercial operations. Sandoz sells its products in 130 countries.

Global competence plus local presence

### **Specializing in difficult-to-make generics**

Sandoz offers more than 950 generic compounds in more than 5 000 forms worldwide. The division develops and manufactures off-patent medicines into finished dosage forms and sells them to wholesalers, pharmacies, hospitals and other healthcare outlets. It also operates two separate business units with specific focus on anti-infectives and biopharmaceuticals.

More than 950 compounds in more than 5 000 forms

Sandoz differentiates itself through the ability to develop and produce difficult-to-make generics. Its broad portfolio ranges from advanced application forms such as oral solids, through complex technologies such as inhalers or injectables to transdermal patches, implants and follow-on biosimilars.

The high level of Sandoz know-how in anti-infectives is based on decades of experience, particularly in producing intermediates. The wide range of products covers the various stages of the production process, from basic molecules to finished medicines.

Strategic focus on anti-infectives

Sandoz has long been a biotechnological competence center within Novartis, and is now playing a pioneer role in the emerging biosimilars market. Following the precedent-setting 2006 launch of human growth hormone Omnitrope, Sandoz launched the anemia medicine epoetin alfa in the European Union following regulatory approval in 2007.

Leading the way in the emerging biosimilars market