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NOVARTIS AG
Form 6-K
April 19, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 or 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

Report on Form 6-K dated April 19, 2002

Novartis AG
(Name of Registrant)

Lichtstrasse 35
4056 Basel
Switzerland

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or
will file annual reports under cover of
Form 20-F or Form 40-F.

Form 20-F X Form 40-F
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Indicate by check mark whether the registrant by furnishing the information
contained in this form is also thereby furnishing the information to the
Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No X
 --- ---

Enclosure: Novartis First Quarter Results Presentation - 18 April 2002

[Logo]
Growth Momentum Carries On
First Quarter Results
18 April 2002

This presentation contains certain "forward-looking statements" relating to the
Company's business:

- o The statements can be identified by the use of forward-looking terminology
or by discussions of strategy, plans or intentions.
- o The statements include descriptions and anticipated expenditures of the
Company's investment in research and development programs, descriptions of
new products expected to be introduced by the Company and anticipated

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customer demand for these and existing products in the Company's' existing portfolios.

- o The statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions.
- o Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by the forward-looking statements. These factors can be found in the Annual Reports the Company has filed with the U.S. Securities and Exchange Commission.
- o Specific risk factors include unexpected regulatory delays, uncertainties relating to clinical trials and product development, the introduction of competing products, increased government pricing pressures, and the Company's' ability to obtain or maintain patent and other proprietary intellectual property protection.
- o If any of these risks materialize, or underlying assumptions prove incorrect, actual results may vary materially from those one might expect on the basis of this presentation.

Agenda

- o Overview of sales and results
-

- o Pharmaceuticals
 - Key growth drivers
 - Outlook

- o Group outlook

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Novartis Continues Dynamic Growth Path

- o Growth momentum carries on
- o Performance driven by double-digit growth trend in Pharmaceuticals with strong demand for Cardiovascular, Oncology and Ophthalmics franchises across all regions
- o Performance momentum and rise in net financial income lead to net income increase of 20% to CHF 1.79 bn
- o Key product launches sharpen performance in Generics
- o Divestment of Health and Functional Food on track

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Net Income Expansion On the Back of Strong Operational Performance and Net Financial Income

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in CHF m	Q1 2002	Q1 2001	in % CHF
Sales	7,967	7,224	10
Operating income	1,822	1,545	18
as a % of sales	22.9	21.4	
Net financial income	378	217	74
Net income	1,788	1,485	20
as a % of sales	22.4	20.6	
EPS (CHF)	0.70	0.57	23
Free cash flow			
after dividend	-508	-368	-38

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Dynamic Performance Delivered Through Pharmaceuticals and Generics

Sales: CHF 8 bn, +13% in local currencies, +10% in CHF

Sales growth in % (LC)

Sales by region in %

[GRAPHIC OMITTED]

[GRAPHIC OMITTED]

Pharmaceuticals 16

Asia/Australia/Africa 16%

Generics 26

Europe 33%

OTC -3

US 43%

Animal Health 8

Rest of Americas 8%

Medical Nutrition 3

Infant & Baby 3

CIBA Vision 4

GROUP 13

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Performance Driven by Volume Increase

[GRAPHIC OMITTED]

Volume 11%

Price +1%

Acq./Div. +1%

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Currency -3%

CHF 10%

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First Quarter Operating Income up 18%

Operating income growth in % (CHF)		Operating income by sector	
[GRAPHIC OMITTED]		[GRAPHIC OMITTED]	
Pharmaceuticals	16	Pharmaceuticals	81%
Generics	42	OTC	3%
OTC	-7	Generics	5%
Animal Health	-5	Infant & Baby	6%
Medical Nutrition	28	Animal Health	2%
Infant & Baby	10	Medical Nutrition	1%
CIBA Vision(1)	12	CIBA Vision	2%
GROUP	18		

(1) Including integration costs associated with the Wesley Jessen acquisition of CHF 28m in 2001.

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Improvements in COGS and Slower Increase in Marketing & Distribution Boost Operating Income

[GRAPHIC OMITTED]		[GRAPHIC OMITTED]	
	Q1/2002 CHF m	Change in % in CHF	
Sales	7,967	10	
Cost of goods sold	-1,983	6	
Marketing & Distribution	-2,681	7	
Research & Development	-1,041	12	
General & Administration	-440	17	
Operating income	1,822	18	

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Highlights in Generics, OTC and Animal Health

Generics

- o Recent launches in US in Retail Generics fuel growth to 20% in LC(1)
 - Generic Prozac (depression), July 2001
 - Generic Metformin (diabetes), January 2002
 - Generic Relifex (anti-inflammatory), February 2002

OTC

- o Sales decline of 3% in LC. Excluding discontinued distribution agreements sales increased 3% in LC driven by:
 - Lamisil(R) cream (fungal infection)
 - Nicotinell(R)/Habitrol(R) (smoking cessation)
 - Maalox(R) (antacid)

Animal Health

- o Recent acquisitions of vaccine businesses lead to rise in sales of 8% in LC
- o Farm animal business sees improvement over last year

(1) excluding acquisitions

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Highlights in Medical Nutrition, Infant & Baby and CIBA Vision

Medical Nutrition (incl. Health and Functional Food)

- o Supplement business in Medical Nutrition boosts sales
- o Health and Functional Food divestment on track

Infant & Baby

- o Gerber Graduates and Tender Harvest underpin strong market position of Gerber in US
- o Gerber Wellness driving growth through sales to key accounts

CIBA Vision

- o Innovation behind performance
 - Focus(R) DAILIES(R)
 - Focus(R) Night & DayTM
 - Freshlook(R)
 - Surgical lenses
- o Key Brands account for 44% of revenue at CIBA Vision

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Pharmaceuticals - Key Achievements

- o Continued dynamic growth trend with + 16% in LC
- o Strong growth across all regions with US up 23% in LC
- o Leadership in Cardiovascular and Oncology franchises bolstered by key growth drivers
- o Recent launches Zometa(R) and Elidel(R) off to a good start

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Strong Pharmaceutical Sales Growth in Key Regions

	Q1 Sales 2002 (CHF m)	Growth (in LC)	Market Growth(1)
US	2,238	23%	16%
Europe	1,605	9%	9%
Japan	480	12%	8%
LatAm	318	22%	-7% (2)
Asia/Pacific	407	14%	n/a
Total (3)	5,153	+16%	

1 IMS monthly YTD Feb, 16 countries

2 Argentina, Brazil and Mexico

3 Total includes Canada and others

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Key Franchises Outperforming the Market

[GRAPHIC OMITTED]

Cardiovascular*

Market growth, IMS 16 countries Feb YTD 2002 14%

Novartis growth, IMS 16 countries Feb YTD 2002 35%

Oncology

Market growth, IMS 16 countries Feb YTD 2002 21%

Novartis growth, IMS 16 countries Feb YTD 2002 34%

Source: IMS

* Cardiovascular: Anti hypertensives, Statins, Fibrates, OAD

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Strategic Products Drive Growth

Brand (1 to 10)	Market segment	Sales (CHF m)	Growth (% LC)
Diovan(R) /Co-Diovan(R)	Hypertension	601	+80
Sandimmun(R) /Neoral(R)	Transplantation	451	-1
Cibacen(R) /Lotensin(R)	Hypertension	417	+39
of which Lotrel(R)		223	+55
Sandostatin(R)	Acromegaly	250	+30
Lamisil(R) (1)	Fungal infections	237	-16
Voltaren(R) (1)	Antirheumatics	236	-3
LescoI	Cholesterol reduction	217	+31
Aredia(R)	Oncology (bone)	194	-40
Glivec(R) /GleevecTM	Chronic myeloid leuk.	183	n/a
Tegretol(R)	Epilepsy	162	+8

1 First quarter 2001 restated due to switches to other sectors

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Strategic Products Drive Growth (continued)

Brand (11 to 20)	Market segment	Sales (CHF m)	Growth (% LC)
Miacalcic(R)	Osteoporosis	149	-13
HRT range(1)	Hormone replacement	125	+25
Leponex(R) /Clorazil(R)	Schizophrenia	124	-5
Exelon(R)	Alzheimer's disease	121	+23
VisudyneTM	Wet form of AMD	115	+47
Zometa(R)	Hypercalcaemia	112	n/a
Foradil(R)	Asthma, COPD	108	+15
Famvir(R) (2)	Antivirals	103	+26
Trileptal(R)	Epilepsy	82	+82
Femara(R)	Adv. breast cancer	69	+63
Total Pharmaceuticals		5,153	+16

1 Including Clima/Meri range

2 First quarter 2001 restated due to switches to other sectors

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Sandimmun(R) /Neoral(R)
Slow Generic Erosion in US

[GRAPHIC OMITTED]

- o Q1 sales worldwide:
CHF 451m, -1% in LC
- o Continued slow generic erosion in US
- o Little impact in Europe

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Diovan(R) - Leadership in US

[GRAPHIC OMITTED]

March 2002:

Diovan, 36.8%

Cozaar, 34.6%

- o Q1 2002 sales worldwide:
CHF 601 m, +80% LC
- o Continues to outpace the ARB market segment
- o Reached 20% segment share in Japan

Source: IMS, weekly March 29, 2002, TRx share in ARB segment

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Dynamic Sales Performance of Lotrel(R)

[GRAPHIC OMITTED]

Q1 sales (US only): CHF 223 m, + 55% in LC

	CHF m
1997	134
1998	218
1999	308
2000	552
2001	813
Q1 2002	223

Amlodipine market segment share:

	1997	1998	1999	2000	2001	Q1 2002
Lotrel(R)	10.2%	11.5%	13.6%	17.6%	20.6%	22.7%
Norvasc	89.8%	88.5%	86.4%	82.4%	79.4%	77.3%

Source: IMS monthly data and weekly data for Q1 2002

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Lescol(R) - Strong Performance Across All Regions

- o Q1 2002 sales worldwide: CHF 217 m, +31% in LC
- o Strong performance in major countries

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- o US, +39% in LC
- o Japan, +12% in LC
- o Germany, +114% in LC
- o France, +42 in LC
- o Italy, +259% in LC

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Glivec(R)/GleevecTM - Strong Roll-Out Continues

- o Sales of CHF 183m worldwide
- o Strong launches in Japan and Europe
- o Launch of GIST underway
 - End February launched in US
 - Positive opinion by CPMP in EU in February
 - Swiss approval received in April 2002
- o 95% of patients alive after 18 months of therapy in treatment of chronic phase CML refractory to interferon

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Conversion to Zometa(R) is Accelerating - Key Markets on Track

	Launch date	% Zometa(R) of combined sales(1) (March 2002)	% Zometa(R) of combined sales(1) (YTD March 2002)
US	Aug 2001	79%	41%
Germany	Apr 2001	38%	40%
Italy	Feb 2002	29%	13%
France	Jan 2002	17%	11%

1 Aredia(R) and Zometa(R)

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Zometa(R) - Building a Potential Blockbuster

- o Solid Q1 Zometa(R) sales of CHF 112 m worldwide
- o Launched for bone metastasis in a broad range of tumor types in 14 countries including the US
- o EU approval for bone metastasis anticipated mid 2002
- o In Phase III clinical trials for Osteoporosis and Paget's Disease. Phase II clinical data recently published in New England Journal of Medicine

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Elidel(R) - Promising Start

- o Launched in US in March for the treatment of mild to moderate atopic dermatitis for patients of 2 years and older
- o US NRx share already passed Protopic end of March, 3.9% vs 3.2%(1)
- o Approved in Denmark on March 18, for patients as young as 3 months

1 IMS, weekly NRx, March 29, 2002

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Pharmaceuticals Outlook 2002

- o Sales growth anticipated in the 10% range
- o Continued dynamic performance of key growth drivers
- o Price decreases mainly in Japan
- o More rapid erosion of Aredia(R) sales expected
- o Elidel(R) roll-out to continue
- o Operating margin expected to be maintained at last year's high level assuming no unexpected product approvals

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Group Outlook 2002

Growth momentum expected to continue

- o Mid- to high-single-digit sales growth driven by Pharmaceuticals

Operating income growth in-line with top-line

- o Stable operating margin, assuming no unexpected product approvals

Net financial income difficult to predict, expected to be lower than last year

Net income expected to exceed last year's level, barring unforeseen events

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Appendix

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Group Operating Margin 22.9%

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Operating margins in %

	Q1/2001	Q1/2002
Pharmaceuticals	27.4	28.1
Generics	12.3	14.2
OTC	9.7	9.5
Animal Health	18.3	16.7
Medical Nutrition	4.8	6.1
Infant & Baby	17.3	18.3
CIBA Vision(1)	1.4	8.9
GROUP	21.4	22.9

- 1 Excluding exceptional integration costs in 2001 operating margin would have been 8%

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First Quarter 2002 Sales Growth Components by Sector

	Volume	Price	Acq./Div.	Currency
Pharmaceuticals	+15%	+1%	-%	-2%
Generics	+21%	-1%	+6%	-4%
OTC	-5%	+1%	+1%	-2%
Animal Health	-1%	+3%	+6%	-3%
Medical Nutrition	+2%	+1%	-%	-2%
Infant & Baby	+2%	+1%	-%	+1%
CIBA Vision	+4%	-%	-%	-3%

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GROUP	+11%	+1%	+1%	-3%
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Pharmaceuticals
Top 20 Products
Sales Performance First Quarter 2002

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Pharmaceuticals Top 20 Products I
First Quarter 2002 Total Sales Growth

Brands

	Q1 2002		Q1 2001			
	USD m	CHF m	CHF m	% CHF	% LC	
Diovan(R) /Co-Diovan(R)	358	601	342	76	80	
Sandimmun(R) /Neoral(R)	269	451	468	-4	-1	
Cibacen(R) /Lotensin(R)	248	417	298	40	39	
of which Lotrel(R)	133	223	143	56	55	
Sandostatin(R)	149	250	194	29	30	
Lamisil(R) (group) (1)	141	237	291	-19	-16	
Voltaren(R) (1)	141	236	260	-9	-3	
Lescol(R)	129	217	169	28	31	
Aredia(R)	116	194	326	-40	-40	
Glivec(R) /GleevecTM	109	183	-	-	-	
Tegretol(R)	97	162	155	5	8	

1 First quarter 2001 restated due to switches to other sectors

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Pharmaceuticals Top 20 Products II
First Quarter 2002 Total Sales Growth

Brands

	Q1 2002		Q1 2001			
	USD m	CHF m	CHF m	% CHF	% LC	
Miacalcic(R)	89	149	172	-13	-13	
HRT range(1)	75	125	101	24	25	
Leponex(R) /Clozaril(R)	74	124	133	-7	-5	
Exelon(R)	72	121	99	22	23	
Visudyne(R)	69	115	80	44	47	
Zometa(R)	66	112	1	-	-	
Foradil(R)	64	108	96	13	15	
Famvir(R) (2)	61	103	82	26	26	
Trileptal(R)	49	82	45	82	82	
Femara(R)	41	69	43	60	63	

1 Including Clima/Meri range

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2 First quarter 2001 restated due to switches to other sectors

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Pharmaceuticals Top 20 Products I First Quarter US Sales Growth

Brands

	Q1 2002		Q1 2001	
	USD m	CHF m	CHF m	% LC
Diovan(R) /Co-Diovan(R)	188	315	154	102
Sandimmun(R) /Neoral(R)	81	136	125	7
Cibacen(R) /Lotensin(R)	219	368	244	49
of which Lotrel(R)	133	223	143	55
Sandostatin(R)	73	122	82	47
Lamisil(R) (group) (1)	58	97	164	-42
Voltaren(R) (1)	4	6	10	-33
Lescol(R)	63	106	76	39
Aredia(R)	61	102	209	-52
Glivec(R) /GleevecTM	47	79	-	-
Tegretol(R)	39	65	55	16

1 First quarter 2001 restated due to switches to other sectors

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Pharmaceuticals Top 20 Products II First Quarter US Sales Growth

Brands

	Q1 2002		Q1 2001	
	USD m	CHF m	CHF m	% LC
Miacalcic(R)	51	86	106	-19
HRT range(1)	41	68	37	79
Leponex(R) /Clozaril(R)	29	49	56	-14
Exelon(R)	42	71	51	37
Visudyne(R)	43	72	51	40
Zometa(R)	52	88	-	-
Foradil(R)	5	9	-	-
Famvir(R) (2)	46	78	59	31
Trileptal(R)	35	59	28	105
Femara(R)	15	26	11	138

1 Including Clima/Meri range

2 First quarter 2001 restated due to switches to other sectors

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Pharmaceuticals Top 20 Products I First Quarter RoW Sales Growth

Brands

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	Q1 2002		Q1 2001	% LC
	USD m	CHF m	CHF m	
Diovan(R) /Co-Diovan(R)	170	286	188	62
Sandimmun(R) /Neoral(R)	188	315	343	-4
Cibacen(R) /Lotensin(R)	29	49	54	-7
of which Lotrel(R)	-	-	-	-
Sandostatin(R)	76	128	112	18
Lamisil(R) (group) (1)	83	140	127	16
Voltaren(R) (1)	137	230	250	-2
Lescol(R)	66	111	93	25
Aredia(R)	55	92	117	-18
Glivec(R) /GleevecTM	62	104	-	-
Tegretol(R)	58	97	100	3

1 First quarter 2001 restated due to switches to other sectors

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Pharmaceuticals Top 20 Products II First Quarter RoW Sales Growth

Brands

	Q1 2002		Q1 2001	% LC
	USD m	CHF m	CHF m	
Miacalcic(R)	38	63	66	-3
HRT range(1)	34	57	64	-6
Leponex(R) /Clozaril(R)	45	75	77	1
Exelon(R)	30	50	48	8
Visudyne(R)	26	43	29	60
Zometa(R)	14	24	1	-
Foradil(R)	59	99	96	6
Famvir(R) (2)	15	25	23	13
Trileptal(R)	14	23	17	44
Femara(R)	26	43	32	37

1 Including Clima/Meri range

2 First quarter 2001 restated due to switches to other sectors

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Pharmaceuticals Top 20 Products I

Brands

Market segment

Diovan(R) /Co-Diovan(R)	Hypertension
Sandimmun(R) /Neoral(R)	Transpl., RA, Psoriasis
Cibacen(R) /Lotensin(R)	Antihypertensives
Sandostatin(R) Lamisil(R)	Acromegaly
Lamisil(R)	Fungal infections
Voltaren(R)	Fungal infections
Lescol(R)	Antirheumatics
Aredia(R)	Cholesterol reduction
Glivec(R) /GleevecTM	Oncology (Bone)
Tegretol(R)	Chronic myeloid leukem.

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Epilepsy

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Pharmaceuticals Top 20 Products II

Brands -----	Market segment -----
Miacalcic (R)	Osteoporosis
HRT range	Hormone replacement
Leponex (R) /Clozaril (R)	Schizophrenia
Exelon (R)	Alzheimer's disease
Visudyne (R)	A form of wet AMD
Zometa (R)	Hypercalc. of malignancy
Foradil (R)	Asthma, Bronchitis
Famvir (R)	Antiviral
Trileptal (R)	Epilepsy
Femara (R)	Advanced breast cancer

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Pipeline

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Strong Pipeline

2002	2003	2004	2005	
Elidel (R) (iii)	COX189(ii)	ZelnormTM/Zelmac (R) IBS(ii)	LAF237A(ii)	ICL670A
Glivec (R) /GleevecTM GIST(i)	Certican (R) (ii)	Iloperidone(ii)	PKC412A(ii)	SPP100 (
Diovan (R) CHF(i)	Myfortic (R) (ii)	Xolair (R) (ii)	EP0906A(ii)	PTK787
Zometa (R) Bone met. treat.(i)	VisudyneTM Japan (iii)	ZelnormTM/Zelmac (R) Funct. dyspepsia(i)	PKI166A(ii)	OctreoTh
Ritalin (R) LA(i)	Clozaril (R) INTERSEPT(i)	ZelnormTM/Zelmac (R) Chr. constipation(i)	Sandostatin (R) LAR (R) Diab. retinopathy(i)	Starli +metfor
Lotrel (R) 10/20 mg(i)	Lotrel (R) 10/40 mg(i)	Foradil (R) MDDPI (i)	Exelon (R) TDS(i)	Trilept Neuropath
			Diovan (R) VALUE/VALIANT(i)	Lamisi Tinea cap

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Elidel(R) ointment(i)

Visudyne
Occult

- (i) LCM
- (ii) NME
- (iii) NME roll out

1 Out-licensed to Speedel, call-back option for Novartis

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Novartis AG

Date: April 19, 2002

By: /s/ RAYMUND BREU

Name: Raymund Breu

Title: Chief Financial Officer