

MEDIA RELEASE · COMMUNIQUE AUX MEDIAS · MEDIENMITTEILUNG**Glivec® approved in Japan for treatment of life-threatening gastrointestinal cancer**

Basel, Switzerland, 17 July 2003 – Novartis announced today that health authorities in Japan have approved Glivec® (imatinib)* for the treatment of patients with KIT (CD117) positive gastrointestinal stromal tumors (GISTs), a life-threatening cancer. Historically, GISTs have been very difficult to treat due to their resistance to treatment with available chemotherapy and radiation therapy. Previously, surgery was the only treatment option, resulting essentially in palliation of the disease.

The approval from the Ministry of Health, Labor and Welfare came only six months after Novartis filed for the indication. Glivec was originally granted Orphan Drug status for the GIST indication in Japan in October 2002. The approval was based on clinical data from studies conducted in Japan and Western countries, including the member states of the European Union and the United States, where Glivec is already approved for this indication.

“This approval enables Japanese patients with KIT-positive GISTs to benefit from the remarkable results we’ve seen with Glivec,” said David Epstein, President, Novartis Oncology. “The high response rates in these patients have been extremely encouraging and Novartis is pleased that Japanese regulatory authorities acted swiftly to make the drug available to them.”

Clinical Data

The Japanese study of Glivec was conducted in 74 patients who received once-daily 400 or 600 mg Glivec, respectively, and the overall response rate was 51% at the time of the data cut-off for the submission.

The Japanese data support the findings of a study that was the basis for marketing approval in the EU and US. In this open-label, multinational study conducted in 147 patients with unresectable and/or metastatic malignant GISTs, patients were randomized to receive either 400 mg or 600 mg of Glivec daily. The overall response rate was 38%, based on confirmed partial responses after a median follow-up of approximately seven months.

Updated data from the multinational study, after a median follow-up of 15 months, were presented in May 2002 at the 38th annual meeting of the American Society of Clinical Oncology (ASCO). The data showed that more than 60% of patients with GIST achieved a confirmed partial response to Glivec, and an additional 20% attained some degree of tumor shrinkage or stabilization of their disease. The data also revealed that at a median follow-up of 15 months, 73% of patients remained on the study. Results did not differ substantially between the two randomized dose groups used in the study.

About GIST

GISTs are the most common sarcoma of the gastrointestinal tract. In the past, GISTs have been difficult to distinguish from other gastrointestinal sarcomas, however, new, more sophisticated diagnostic tools are changing previous incidence estimates. According to a Swedish study presented at this year’s ASCO meeting, the incidence of GIST is estimated at 15 per 1 000 000 people annually, more than three times as high as previously suggested.

About Glivec

Glivec is approved in the European Union, US, and more than 70 other countries for the treatment of patients with Kit (CD 117)-positive unresectable and/or metastatic malignant GISTs.

Glivec is also indicated for the treatment of newly diagnosed adult and pediatric patients with Philadelphia chromosome-positive (Ph+) chronic myeloid leukemia (CML) in the EU, Switzerland, and a number of other markets. In Japan, Glivec was initially approved for adult patients in all phases of Ph+ CML in November 2001. Glivec is approved in the US for newly diagnosed adult patients with Ph+ chronic phase CML and pediatric patients with Ph+ chronic phase CML whose disease has recurred after stem cell transplant or who are resistant to interferon alpha therapy. In addition, Glivec is already approved in over 80 countries for the treatment of adult patients with Ph+ CML in blast crisis, accelerated phase, or in chronic phase after failure of interferon alpha therapy.

Contraindications, Warnings and Adverse Events

The Japanese trials in patients with GIST showed a safety profile consistent with that previously found in trials from other countries. The most common undesirable effects experienced during Glivec treatment in CML and GIST are: headache, nausea, vomiting, diarrhea, dyspepsia, myalgia, muscle spasm and cramps, joint swelling, dermatitis, eczema, rash, edema, fluid retention, neutropenia, thrombocytopenia or anemia. Glivec is contraindicated in patients with known hypersensitivity to imatinib or any of its excipients. Women of childbearing potential should be advised to avoid becoming pregnant while taking Glivec.

The foregoing release contains forward-looking statements that can be identified by terminology such as “enables to benefit,” “encouraging” or similar expressions, or express or implied discussions regarding potential future sales of Glivec. Such forward-looking statements reflect the current views of the company regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results with Glivec to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no guarantee regarding future sales of Glivec. In particular, management's expectations regarding Glivec could be affected by, among other things, additional analysis of Glivec clinical data; new clinical data; unexpected clinical trial results; unexpected regulatory actions or delays or government regulation generally; the company's ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; increased government pricing pressures; and other risks and factors referred to in the Company's current Form 20-F on file with the US Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, believed, estimated or expected.

About Novartis

Novartis AG (NYSE: NVS) is a world leader in pharmaceuticals and consumer health. In 2002, the Group's businesses achieved sales of USD 20.9 billion and a net income of USD 4.7 billion. The Group invested approximately USD 2.8 billion in R&D. Headquartered in Basel, Switzerland, Novartis Group companies employ about 77 200 people and operate in over 140 countries around the world. For further information please consult <http://www.novartis.com>.

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Additional information on Novartis Oncology and Glivec can be found at www.novartisoncology.com or www.glivec.com. Additional media information can be found at www.novartisoncologyVPO.com.