

## Mahajan, Vinay

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**From:** Vas, Message (Gen)  
**Sent:** Friday, June 29, 2018 10:42 AM  
**To:** Mahajan, Vinay  
**Subject:** Message to associates: Announcing our intention to spinoff Alcon in 2019



June 29, 2018

Dear Colleagues,

Today, [we announced](#) our intention to spinoff<sup>i</sup> Alcon in 2019 as a publicly traded standalone company. The planned spinoff would create the world's leading eye care devices company, with a strong portfolio of surgical and vision care products and an unmatched ability to serve patients around the world.

It would also accelerate Novartis' shift to a more focused medicines company, powered by data and digital. Novartis has an incredible legacy in eye care and will continue to build our leading ophthalmic pharmaceuticals business, including preparing for the upcoming launches of RTH258 and Luxturna<sup>®</sup>.

Our confidence in pursuing this path to create an independent Alcon is a testament to the work of Mike Ball, his leadership team and everyone at Alcon in returning the

business to a position of strength. I'm pleased to announce that on July 1, 2018, Mike will become Chairman-designate of Alcon, with COO David Endicott assuming the Alcon CEO role. Mike and David are both highly experienced leaders in medical devices and I look forward to working with them to shape a strong future for Alcon.

Over the coming months, we will continue the [ongoing work](#) to make Alcon operationally autonomous. We will also do everything possible to ensure a smooth transition for Alcon and Novartis associates between now and the planned spinoff. Until then, Alcon remains an integral part of Novartis and we must continue to fully support our colleagues.

I believe the planned spinoff is the right course of action for our patients, customers, associates and shareholders, who would benefit from the future successes of a more focused Novartis and an independent Alcon. As a sign of confidence in our growth prospects, we also announced a share buyback of up to USD 5 billion by the end of 2019.

Let's keep focusing on our five priorities to build our bright future together to reimagine medicine. In the meantime, I invite you to share your thoughts and questions on [One Novartis Yammer](#).

Best regards,

Vas

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<sup>i</sup>Completion is still subject to various conditions and rulings, final Board of Directors endorsement and shareholder approval, as well as completing required employee notification and consultation processes.

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