

To the insured members of Novartis Pension Fund

Dear Sir/Madam

Please find enclosed, as announced, your provisional statement as of 1 January 2011 for comparison. This shows you the status of your projected benefit entitlements (including any compensation payment) at age 65 or 62 and the prospective contributions in the coming year, calculated on the basis of the salary effective on 1 April 2010.

To ensure that you are better able to assess the expected effects of the forthcoming change in the pension plan on your personal situation, you also have access to an online simulation tool, which you can use to calculate future benefits on the basis of various assumptions and options.

This tool is available to you with immediate effect on the home page of Novartis Pension Fund at www.pensionskasse-novartis.ch. Here you will also find an overview of frequently asked questions and answers, as well as a fact sheet on the most important differences between defined benefits and defined contributions plans.

As from August, a series of information events will be held in different languages (German, French, Italian and English) at various Novartis sites in Switzerland, where we shall also be available to you for personal consultations:

- Tuesday, 24.08.2010 Novartis Pharma Switzerland, Bern
- Wednesday, 25.08.2010 Novartis Campus, Basel (German)
- Wednesday, 25.08.2010 Novartis Campus, Basel (English)
- Thursday, 26.08.2010 Sandoz, Cham
- Friday, 27.08.2010 Novartis Campus, Basel (German)
- Friday, 27.08.2010 Novartis Campus, Basel (English)
- Monday, 30.08.2010 Novartis Campus, Basel (German)
- Monday, 30.08.2010 Novartis Campus, Basel (English)
- Wednesday, 08.09.2010 Novartis Site Schweizerhalle
- Friday, 10.09.2010 Novartis Site Stein
- Tuesday, 14.09.2010 Novartis Consumer Health, Nyon
- Tuesday, 21.09.2010 Pharmedica, Locarno
- Thursday, 23.09.2010 Centre de Recherche Santé Animale (CRA), St-Aubin
- Tuesday, 28.09.2010 Ciba Vision, Embrach

Finally, we have set up a hotline on **061 324 24 20** to answer your questions. Needless to say, you can also e-mail your questions to pk.novartis@novartis.com.

Yours sincerely

Novartis Pension Fund



Markus Moser



Marco Armellini