

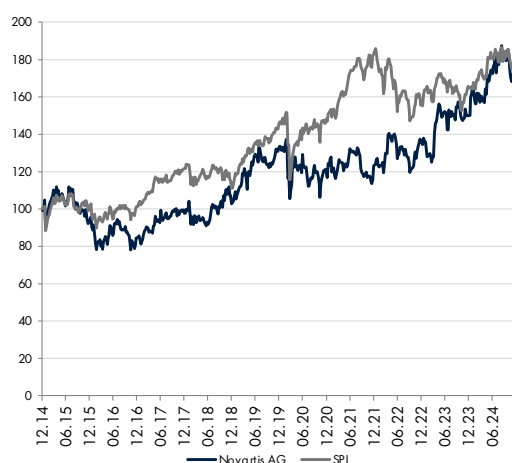
### Stock Information

Price	30.11.2024	CHF	93
Market Capitalisation (mn)		CHF	204'255
Average Daily Volume (last 3 months)			2'925'763
52 weeks High / Low		103	84
ISIN		CH0012005267	
Bloomberg Code		NOVN SW	

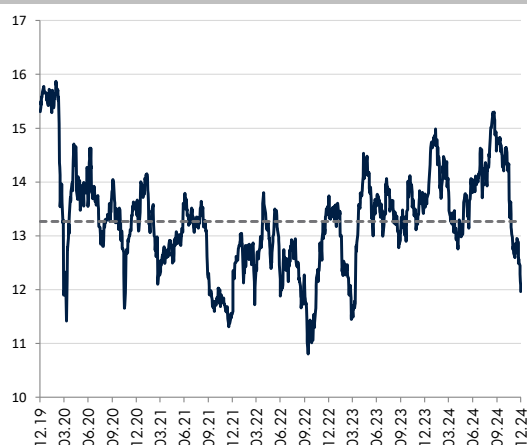
### Management

Chairman	Joerg Reinhardt
CEO	Vasant Narasimhan "Vas"
CFO	Harry Kirsch

### 10 years evolution (weekly data, rebased to CHF)



### 1Y Forward PE



### Stock absolute and relative performance (CHF)

In %	Absolute	Relative *
1 month	-0.6	-0.3
3 months	-8.7	-3.6
6 months	0.1	2.1
YTD	14.0	6.5
1 year	13.7	3.6
2023	11.7	5.6
2022	8.5	24.9

\*relative to Benchmark

### Description

Novartis was formed in 1996 from the merger of Ciba-Geigy and Sandoz. In the face of a lack of new drugs, the group has diversified into generic, OTC products, animal health, vaccines and eyes care (acquisition of Alcon in 2011). However, the bulk of profits are still stemming from branded drugs.

In 2014, the group has reviewed its strategy: The vaccines unit, which was losing money, has been sold; OTC products and animal health, which were lacking scale, have been either sold or put in a JV with the OTC business of GSK. Branded pharma has been reinforced by the acquisition of GSK's oncology products. In 2019, Alcon was spun-off.

The remaining group is now articulated around 2 businesses: Branded pharma and Generic pharma (Sandoz). Sandoz will likely be sold/spun off in the future.

### Key Figures (USD)

	12/21	12/22	12/23	12/24e	12/25e
Sales	51'626	50'545	45'440	50'203	52'132
variation		-2.1%	-10.1%	10.5%	3.8%
D&A costs	5'429	6'705	8'277	1'558	1'790
EBITDA	18'077	24'106	24'755	20'377	21'485
variation		33.4%	2.7%	-17.7%	5.4%
EBIT	11'689	7'946	9'769	18'819	19'695
variation		-32.0%	22.9%	92.6%	4.7%
PBT	15'960	15'934	18'072	18'072	18'501
Net earnings	14'094	13'352	13'446	11'199	12'247
Total current assets	45'718	36'910	30'481	30'481	30'481
Total fixed assets	86'077	80'543	69'464	69'464	69'464
Total assets	131'795	117'453	99'945	99'945	99'945
Shareholders equity	67'822	59'423	46'750	46'750	46'750
Working capital	15'510	8'254	4'091	4'091	4'091
Net debt	2'801	9'183	12'275	11'479	6'122
Operating cash flow	15'071	14'236	14'458	15'892	17'427
Capex	-1'378	-916	-1'060	-1'196	-1'320
Free cash flow	13'693	13'320	13'398	14'696	16'108

### Performance Ratios

	12/21	12/22	12/23	12/24e	12/25e
Operating Margin	22.6%	15.7%	21.5%	37.5%	37.8%
Net margin	27.3%	26.4%	29.6%	22.3%	23.5%
ROE	40.3%	14.0%	21.1%	26.7%	27.9%
WC / Sales	30.0%	16.3%	9.0%	8.1%	7.8%
Net Debt / EBITDA	15.5%	38.1%	49.6%	56.3%	28.5%
Net Debt / Equity	4.1%	15.5%	26.3%	24.6%	13.1%
D&A / P,P&E	18.7%	25.5%	36.3%	6.8%	7.9%
Capex / D&A	25.4%	13.7%	12.8%		
Capex / Sales	2.7%	1.8%	2.3%	2.4%	2.5%
FCF/Net Earnings	97.2%	99.8%	99.6%	131.2%	131.5%

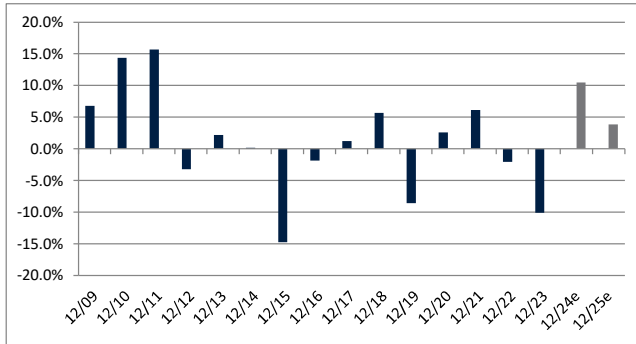
### Principal competitors (rebased to CHF)

Name	Mkt Cap (mn)	P/E 2024	P/E 2025	Div Yield	Perf YTD
Novartis AG	204'255	14.0	12.9	3.7	14.0%
Roche Holding AG	208'397	13.8	12.5	3.8	8.8%
Pfizer Inc	130'871	9.0	9.0	6.4	1.4%

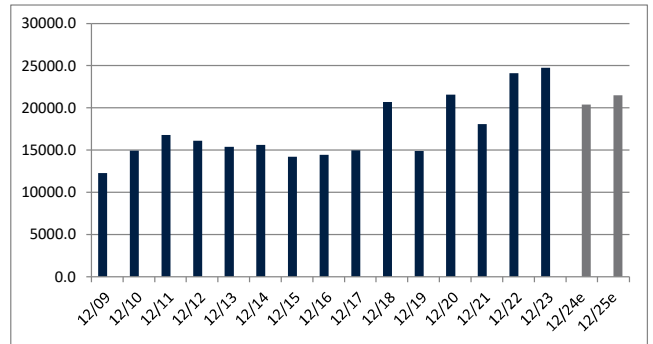
### Per Share CHF

	12/21	12/22	12/23	12/24e	12/25e
Basic EPS	6.29	6.12	6.47	5.56	6.39
Variation		-2.7%	5.7%	-14.0%	14.9%
P/E	12.1	12.9	13.1	16.8	14.6
P/B	2.9	3.4	4.1	4.4	4.4
P/FCF	14.3	15.1	14.4	13.9	12.7
Dividend	3.1	3.5	3.9	3.9	4.0
Variation		13.2%	11.7%	-1.6%	3.9%
Payout ratio	49%	57%	61%	69%	63%
Dividend yield	4.1%	4.4%	4.6%	4.1%	4.3%

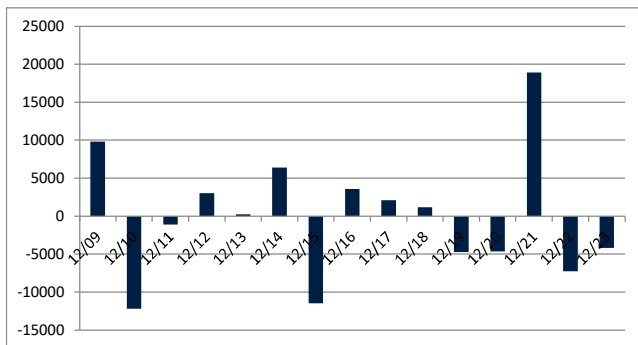
**Sales growth**



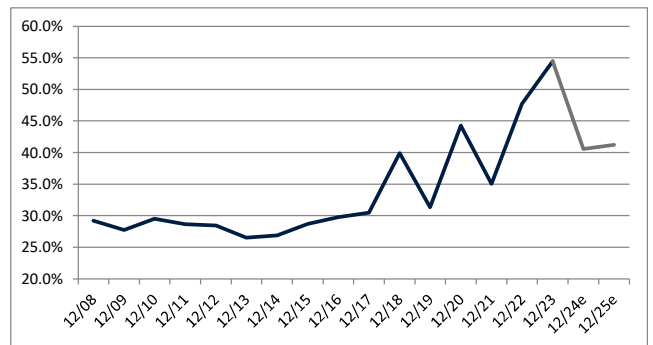
**EBITDA**



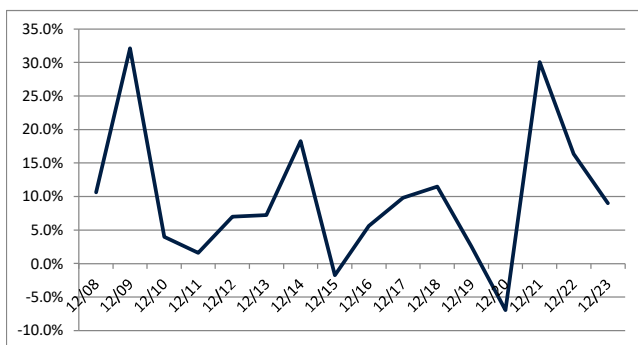
**Variation WC**



**EBITDA margin**



**WC / sales**



**Net debt / EBITDA**

