

MEDIA RELEASE · COMMUNIQUE AUX MEDIAS · MEDIENMITTEILUNG**Patients welcome new non-steroid treatment for atopic eczema**

New data show that patients are highly satisfied using Elidel[®] (pimecrolimus) Cream 1% for early control and prevention of progression to flare

Basel, 29 August 2003 - New clinical evidence suggests that ease of use and patient satisfaction are important factors in achieving patient compliance and continued use of treatments for chronic condition such as atopic eczema. The results of two new studies presented today on the new steroid-free eczema treatment Elidel[®] (pimecrolimus) Cream 1%, show that it not only prevents progression to flare and controls atopic eczema but is also considered to be easy to use by patients. Participants declared a high intention to continue with the treatment as they found the cream easy to apply and spread and appreciated that Elidel cream is not sticky.

Presenting the Elidel data at the International Symposium on Atopic Dermatitis (ISAD) in Rome, Italy, Dr Richard Langley, Director of Research, Division of Dermatology at Dalhousie University, Nova Scotia, Canada, commented: "Patient compliance and satisfaction are crucial success factors for treating a chronic disease such as atopic eczema. The study results show how much patients appreciate using a new non-steroid cream that is not only efficacious and safe, but also convenient for treating their condition."

These are among the latest results of two important clinical studies with Elidel (pimecrolimus) Cream 1% reported today at this medical meeting. Together, the studies involved more than 1,500 patients with atopic eczema, followed up to six months.

The first study, called NOBEL, was an international open-label clinical trial¹, designed to reflect "real-life" clinical practice and involved 947 patients from 12 countries worldwide. Results showed that the majority of those who took part in the study said they would willingly incorporate Elidel into their daily skin care routine.

- between 69 and 74% of patients rated Elidel as "good" or "excellent" in terms of spreadability, ease of application and rub-in, and the fact that Elidel did not feel sticky
- 70% would "definitely" or "most likely":
 - continue to use Elidel after completion of the study
 - recommend Elidel to other eczema sufferers

A similar pattern emerged in the second study², called the RAINBOW Study, to which 515 Canadian patients with atopic eczema were recruited:

- more than 92% of patients were satisfied with the cosmetic effects from using Elidel
- 80% of patients continued to use Elidel for more than 28 days
- 78% said they would almost certainly continue to use Elidel once the study had finished
- 78% of those who had used ointments before preferred Elidel

- 67% said they were worried for a variety of reasons about using steroid creams, especially:
 - skin thinning (77%)
 - becoming immune to steroid effects (52%)
 - other long-term concerns (59%)
- nearly one-third (29%) said these concerns had stopped them from using topical steroids prescribed by a doctor

Leading dermatologist and patient group representative confirm the importance of patient satisfaction with Elidel treatment.

Dr. Langley explained “We know that today patients wait too long before seeing their physician about their atopic eczema, which means that they experience flares that are more severe and last longer, causing significant disruption to their lives. Thus, a treatment that patients are happy to use early on and that can give them more ‘flare-free’ days will have a considerable positive impact.”

Patient group spokesman Thomas Schwennesen, Chairman of the German Atopic Dermatitis Federation, was equally enthusiastic. He said: “All atopic eczema sufferers know how demoralized and helpless you feel when a new flare is about to start and to disrupt you and your family’s life. Now there is a new treatment option that patients actually enjoy putting on their skin and feel comfortable using at the earliest signs and symptoms. We have waited for a long time for this breakthrough to bring eczema under control and enable us to lead a more normal life.”

Background

Atopic eczema (also known as atopic dermatitis) is a chronic inflammatory skin disease that can affect all areas of the body. The main symptom is dry, itchy and inflamed skin that is often poorly controlled with current treatments.

For more than half-a-century, eczema has been managed by using emollients to moisturize skin, with steroid creams to treat flares when they occur. The main drawback of such strategies is that they are essentially short-term measures to treat what is a long-term, chronic skin disorder.

Elidel is a new non-steroid cream for the treatment of atopic eczema and the prevention of flare progression, which frequently occurs with this chronic skin condition. It is an anti-inflammatory cytokine inhibitor that delivers rapid and sustained relief of pruritus (itch) and inflammation³.

About Elidel

Elidel Cream is a new non-steroid selective inhibitor of inflammatory cytokines, which is licensed for the treatment of atopic dermatitis. Discovered by the Novartis Research Institute in Vienna, Austria, Elidel contains the active ingredient pimecrolimus, which is derived from ascomycin, a natural substance produced by the bacterium *Streptomyces hygroscopicus* var. *ascomyceticus*. Pimecrolimus selectively blocks the production and release of inflammatory cytokines from T-cells in the skin. It is these cytokines which trigger processes leading to the inflammation, redness and itching associated with eczema. Elidel is now approved in 59 countries worldwide and launched in 30.

This release contains certain “forward-looking statements”, relating to the Group’s business, which can be identified by the use of forward-looking terminology such as “”, “”, “suggests”, “high intention”, “would”, “recommend”, “will”, “breakthrough”, or similar expressions, or express or implied discussions regarding potential future sales of Elidel. Such statements reflect the current views of the Group with respect to future events and are subject to certain risks, uncertainties and assumptions. There can be no guarantee that the

aforementioned clinical trials will result in Elidel reaching any particular sales levels. In particular, management's expectations could be affected by, among other things, 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 described herein as 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 78 200 people and operate in over 140 countries around the world. For further information please consult <http://www.novartis.com>.

Notes to editors:

- I. The International Symposium on Atopic Dermatitis (ISAD) was held in Rome, Italy, August 29-31 2003
- II. The Rainbow study was a multi-centre, single-arm, prospective, open-label (both investigator and subject know they are receiving one active drug) clinical study to assess the safety of Elidel in patients with atopic eczema.
- III. The Nobel study was a real-world, quality of life, single-arm clinical study to study the efficacy and safety of Elidel in patients with atopic eczema.

References

1. A 6-month open label, multi-national, effectiveness, and safety study of Elidel® (pimecrolimus) Cream (NOBEL study)
2. A Multicentre, single arm prospective, open label study to assess the safety of Elidel® (SDZ ASM 981 - pimecrolimus) cream 1% in patients with atopic dermatitis (RAINBOW study)
3. Data on file

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