

NOVARTIS AG
Form 6-K
February 06, 2009

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 or 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934**

Report on Form 6-K dated February 5, 2009

(Commission File No. 1-15024)

Novartis AG

(Name of Registrant)

Lichtstrasse 35

4056 Basel

Switzerland

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

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Form 20-F: x Form 40-F: 0

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes: 0 **No: x**

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes: 0 **No: x**

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes: 0 **No: x**

Novartis International AG

Novartis Global Communications

CH-4002 Basel

Switzerland

<http://www.novartis.com>

- Investor Relations Release -

Novartis successfully launches USD 5 billion bond issue

Basel, February 5, 2009 Novartis announced today the successful launch of a major bond market transaction, issuing a two-tranche bond with a total size of USD 5 billion that has been registered in the US.

The transaction consists of the following tranches:

- USD 2 billion of a 5-year bond with a coupon of 4.125% (issued by the Group's US entity, Novartis Capital Corp.)
- USD 3 billion of a 10-year bond with a coupon of 5.125% (issued by the Group's Bermuda unit, Novartis Securities Investment Ltd.)

These bonds are registered with the U.S. Securities and Exchange Commission as part of an automatic shelf registration statement filed by Novartis in 2008. Both tranches are unconditionally guaranteed by Novartis AG, which is incorporated in Switzerland and is the ultimate parent company of the issuing entities.

This transaction further enhances the financial flexibility of Novartis through this access to new sources of funding. Proceeds will be used for general corporate purposes.

Novartis AG is rated Aa2 (stable outlook) by Moody's, AA- (stable outlook) by Standard & Poor's and AA (stable outlook) by Fitch. JP Morgan, Bank of America, Citi and Goldman Sachs were joint book-runners.

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A copy of the prospectus relating to this offering can be obtained on the EDGAR website (www.sec.gov/edgar.shtml) operated by the SEC or by contacting the underwriters through J.P. Morgan Securities Inc. (+1-212-834-4533).

Disclaimer

This release contains certain forward-looking statements relating to the Group's business, which can be identified by terminology such as "will," or similar expressions, or by express or implied discussions regarding the potential value of the bonds described in this release, the Novartis Group's ability to repay all or any part of the bonds, or potential future sales or earnings of the Novartis Group; or by discussions of strategy, plans, expectations or intentions. You should not place undue reliance on these statements. Such forward-looking statements reflect the current views of the Group regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no guarantee that the bonds will have any particular value or can be sold or re-sold for any particular value. Nor can there be any guarantee that the Novartis Group will be able to repay all or any part of the bonds. Neither can there be any guarantee that the Novartis Group, or any of its divisions or

business units, will achieve any particular financial results. In particular, management's expectations could be affected by, among other things, whether or not a market develops for the bonds; whether or not we issue additional secured or unsecured debt in the future; whether we decide to redeem the notes; uncertainties involved in the development of new pharmaceutical products; unexpected clinical trial results, including additional analysis of existing clinical data or unexpected new clinical data; unexpected regulatory actions or delays with respect to our regulated products, or government regulation generally; the Group's ability to obtain or maintain patent or other proprietary intellectual property protection, including the uncertainties involved in the US litigation process; competition in general; government, industry, and general public pricing and other political pressures; the impact that the foregoing factors could have on the values attributed to the Group's assets and liabilities as recorded in the Group's consolidated balance sheet; and other risks and factors referred to in the Prospectus and Prospectus Supplement for the bonds, and in Novartis AG'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. Novartis is providing the information in these materials as of this date and does not undertake any obligation to update any forward-looking statements as a result of new information, future events or otherwise.

About Novartis

Novartis AG provides healthcare solutions that address the evolving needs of patients and societies. Focused solely on healthcare, Novartis offers a diversified portfolio to best meet these needs: innovative medicines, preventive vaccines, diagnostic tools, cost-saving generic pharmaceuticals, and consumer health products. Novartis is the only company with leading positions in these areas. In 2008, the Group's continuing operations achieved net sales of USD 41.5 billion and net income of USD 8.2 billion. Approximately USD 7.2 billion was invested in R&D activities throughout the Group. Headquartered in Basel, Switzerland, Novartis Group companies employ approximately 96,700 full-time-equivalent associates and operate in more than 140 countries around the world. For more information, please visit <http://www.novartis.com>.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Novartis AG

Date: February 5, 2009

By: /s/ MALCOLM B. CHEETHAM

Name: Malcolm B. Cheetham
Title: Head Group Financial Reporting and
Accounting