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NOVARTIS AG
Form 6-K
June 26, 2002

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 June 26, 2002

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.

Form 20-F Form 40-F
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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 No X
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Enclosures:

1. Invitation for Telephone Conference, First Half 2002 Sales & Results; and
2. Pre-Results Announcement, Quarterly Breakdown 2001.

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Investor Relations

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- INVITATION FOR TELEPHONE CONFERENCE -

First Half 2002 Sales & Results

Dear Investor

We are pleased to invite you to our First Half Sales & Results 2002 conference call. Please below the following dial-in numbers:

Date: Monday, July 22, 2002

Time: Advisable: dial-in 10 minutes before
06.00 p.m. Switzerland
05.00 p.m. UK
12.00 p.m. New York

Phone numbers: +41 91 610 4111 or Free-phone +800 2467 8700 Europe and ROW
+1 800 860 2442 US

You may access the conference call as a live audio webcast on the Internet:
<http://www.novartis.com/investors> (under Upcoming Event). This information will be available for tests and for the submission of questions in advance from July 15, 2002 on.

Additional information will be available on Monday, July 22, on the Internet
http://www.novartis.com/investors/sales_results_releases.shtml

Playback for 48 hours

Date: Monday, July 22, 2002

Time: 07.00 p.m. Switzerland
06.00 p.m. UK
01.00 p.m. New York

Phone numbers: +41 91 612 43 30 Europe and ROW
+1 877 344 7529 US

Code: 335 (followed by the # sign)

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Pre-Results Announcement

Quarterly Breakdown 2001

Investor Relations, June 2002

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Comments

On the following slides you will find for 2001

- o Sector sales and operating income figures updated for the split of Consumer Health into OTC, Medical Nutrition and Infant & Baby
- o Sector sales figures showing a regional breakdown into US and RoW
- o Breakdown of quarterly operating margins

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Quarterly Breakdown of Sales by Sector 2001

| | First Quarter | | Q1 | Second Quarter | | Half Year Total CHF |
|-------------------------|---------------|--------------|----------------|----------------|--------------|---------------------------|
| | US CHF m | RoW CHF m | Total CHF m | US CHF m | RoW CHF m | |
| Group | 2,876 | 4,348 | 7,224 | 3,341 | 4,702 | 15,260 |
| Pharmaceuticals | 1,793 | 2,745 | 4,538 | 2,174 | 2,977 | 9,680 |
| Generics | 156 | 372 | 528 | 176 | 417 | 1,120 |
| OTC | 175 | 426 | 601 | 181 | 432 | 1,210 |
| Animal Health | 75 | 165 | 240 | 74 | 176 | 490 |
| Medical Nutrition & HFF | 97 | 276 | 373 | 111 | 293 | 770 |
| Infant & Baby | 401 | 120 | 521 | 427 | 147 | 1,090 |
| CIBA Vision | 179 | 244 | 423 | 198 | 260 | 880 |

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Quarterly Breakdown of Sales by Sector 2001

| | Third Quarter | | Q3 | Fourth Quarter | | Full Year Total CHF |
|-----------------|---------------|--------------|----------------|----------------|--------------|---------------------------|
| | US CHF m | RoW CHF m | Total CHF m | US CHF m | RoW CHF m | |
| Group | 3,665 | 4,452 | 8,117 | 3,604 | 4,655 | 31,640 |
| Pharmaceuticals | 2,395 | 2,812 | 5,207 | 2,275 | 3,010 | 20,180 |

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| | | | | | | |
|-------------------------|-----|-----|-----|-----|-----|------|
| Generics | 228 | 408 | 636 | 229 | 447 | 2,43 |
| OTC | 230 | 422 | 652 | 246 | 426 | 2,53 |
| Animal Health | 78 | 147 | 225 | 103 | 144 | 96 |
| Medical Nutrition & HFF | 109 | 256 | 365 | 129 | 244 | 1,51 |
| Infant & Baby | 412 | 135 | 547 | 453 | 132 | 2,22 |
| CIBA Vision | 214 | 271 | 485 | 169 | 252 | 1,78 |

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Sales Adjustments¹ For 2001

| | Q1 CHF m ----- | Q2 CHF m ----- | Half Year ----- | Q3 CHF m ----- | Q4 CHF m ----- | Full Year CHF ----- |
|-------------------------|----------------------|----------------------|--------------------|----------------------|----------------------|---------------------------|
| Group | -96 | -101 | -197 | -103 | -95 | -39 |
| OTC | -30 | -29 | -59 | -29 | -41 | -12 |
| Infant & Baby | -55 | -55 | -110 | -66 | -40 | -21 |
| Medical Nutrition & HFF | -11 | -17 | -28 | -8 | -14 | -5 |

¹ adjustments for changes in accounting policy on sales incentives and discounts to retailers

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Quarterly Breakdown of Operating Income by Sector 2001

| | Q1 CHF m ----- | Q2 CHF m ----- | Half Year CHF m ----- | Q3 CHF m ----- | Q4 CHF m ----- | Full Year CHF m ----- |
|-----------------|----------------------|----------------------|-----------------------------|----------------------|----------------------|-----------------------------|
| Group | 1,545 | 1,935 | 3,480 | 1,873 | 1,924 | 7,277 |
| Pharmaceuticals | 1,244 | 1,451 | 2,695 | 1,436 | 1,546 | 5,677 |
| Generics | 65 | 76 | 141 | 68 | 72 | 281 |
| OTC | 58 | 92 | 150 | 128 | 174 | 452 |
| Animal Health | 44 | 22 | 66 | 30 | 42 | 138 |

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| | | | | | | |
|-------------------------|----|-----|-----|----|-----|-----|
| Medical Nutrition & HFF | 18 | 24 | 42 | 17 | 21 | 80 |
| Infant & Baby | 90 | 103 | 193 | 94 | 101 | 388 |
| CIBA Vision | 6 | 81 | 87 | 69 | 18 | 174 |
| Corporate income, net | 20 | 86 | 106 | 31 | -50 | 87 |

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Quarterly Breakdown of Operating Margins by Sector 2001

| | Q1 in % ---- | Q2 in % ---- | Half Year in % ----- | Q3 in % ---- | Q4 in % ---- | Full Year in % ----- |
|-------------------------|--------------------|--------------------|----------------------------|--------------------|--------------------|----------------------------|
| Group | 21.4 | 24.1 | 22.8 | 23.1 | 23.3 | 23.0 |
| Pharmaceuticals | 27.4 | 28.2 | 27.8 | 27.6 | 29.3 | 28.1 |
| Generics | 12.3 | 12.8 | 12.6 | 10.7 | 10.7 | 11.5 |
| OTC | 9.7 | 15.0 | 12.4 | 19.6 | 25.9 | 17.8 |
| Animal Health | 18.3 | 8.8 | 13.5 | 13.3 | 17.0 | 14.3 |
| Medical Nutrition & HFF | 4.8 | 5.9 | 5.4 | 4.7 | 5.6 | 5.3 |
| Infant & Baby | 17.3 | 17.9 | 17.6 | 17.2 | 17.3 | 17.4 |
| CIBA Vision | 1.4 | 17.7 | 9.9 | 14.2 | 4.3 | 9.7 |

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2001 Quarterly Consolidated Income Statement

Quarterly Breakdown of Operating Margins by Sector 2001

| | Q1 CHF millions ----- | Q2 CHF millions ----- | 1H2001 CHF millions ----- | Q3 CHF millions ----- | m |
|--------------------------|--------------------------------|--------------------------------|------------------------------------|--------------------------------|---|
| Total sales | 7,224 | 8,043 | 15,267 | 8,117 | |
| Cost of goods sold | -1,874 | -1,930 | -3,804 | -2,000 | |
| Gross profit | 5,350 | 6,113 | 11,463 | 6,117 | |
| Marketing & Distribution | -2,499 | -2,766 | -5,265 | -2,689 | |
| Research & Development | -929 | -1,081 | -2,010 | -1,057 | |

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|--|-------|-------|-------|-------|
| General & Administration | -377 | -331 | -708 | -498 |
| Operating income | 1,545 | 1,935 | 3,480 | 1,873 |
| Income from associated companies | 31 | 46 | 77 | 23 |
| Financial income, net | 217 | 735 | 952 | 197 |
| Income before taxes and minority interests | 1,793 | 2,716 | 4,509 | 2,093 |
| Taxes | -305 | -463 | -768 | -399 |
| Minority interests | -3 | -9 | -12 | -11 |
| Net income | 1,485 | 2,244 | 3,729 | 1,683 |

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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: June 26, 2002

By: /s/ MALCOLM B. CHEETHAM

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