

NOVARTIS AG  
Form FWP  
September 19, 2012

Filed Pursuant to Rule 433  
Registration No. 333-183955  
September 18, 2012

**PRICING TERM SHEET**

**Novartis Capital Corporation**

2.400% Notes due 2022

3.700% Notes due 2042

*Fully and unconditionally guaranteed by*  
**Novartis AG**

**2.400% Notes due 2022:**

<b>Issuer:</b>	Novartis Capital Corporation
<b>Guarantor:</b>	Novartis AG
<b>Size:</b>	\$1,500,000,000
<b>Maturity Date:</b>	September 21, 2022
<b>Coupon:</b>	2.400%
<b>Interest Payment Dates:</b>	March 21 and September 21, commencing March 21, 2013
<b>Price to Public:</b>	99.225%
<b>Benchmark Treasury:</b>	1.625% due August 15, 2022
<b>Benchmark Treasury Price and Yield:</b>	98-11 / 1.808%

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<b>Spread to Benchmark Treasury:</b>	68 bp
<b>Yield:</b>	2.488%
<b>Make-Whole Call:</b>	Treasury Rate plus 10 bps
<b>CUSIP:</b>	66989H AE8
<b>ISIN:</b>	US66989HAE80
<b>Trade Date:</b>	September 18, 2012

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**Expected Settlement Date:** September 21, 2012 (T+3)

**Listing:** None

**Anticipated Ratings:** Aa2 (negative) by Moody's Investors Service, Inc.  
AA- (stable) by Standard & Poor's Ratings Services

**Joint Book-Running Managers:** J.P. Morgan Securities LLC  
Morgan Stanley & Co. LLC  
BNP Paribas Securities Corp.  
Citigroup Global Markets Inc.  
Merrill Lynch, Pierce, Fenner & Smith  
  
Incorporated

UBS Securities LLC

**Co-Managers:** Barclays Capital Inc.  
Credit Suisse Securities (USA) LLC  
Deutsche Bank Securities Inc.  
Goldman, Sachs & Co.  
HSBC Securities (USA) Inc.  
RBS Securities Inc.

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**3.700% Notes due 2042:**

**Issuer:** Novartis Capital Corporation

**Guarantor:** Novartis AG

**Size:** \$500,000,000

**Maturity Date:** September 21, 2042

**Coupon:** 3.700%

**Interest Payment Dates:** March 21 and September 21, commencing March 21, 2013

**Price to Public:** 98.325%

**Benchmark Treasury:** 3.000% due May 15, 2042

**Benchmark Treasury Price and Yield:** 100-03+ / 2.994%

**Spread to Benchmark Treasury:** 80 bp

**Yield:** 3.794%

**Make-Whole Call:** Treasury Rate plus 12.5 bps

**CUSIP:** 66989H AF5

**ISIN:** US66989HAF55

**Trade Date:** September 18, 2012

**Expected Settlement Date:** September 21, 2012 (T+3)

**Listing:** None

**Anticipated Ratings:** Aa2 (negative) by Moody's Investors Service, Inc.  
AA- (stable) by Standard & Poor's Ratings Services

**Joint Book-Running Managers:** J.P. Morgan Securities LLC  
Morgan Stanley & Co. LLC  
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HSBC Securities (USA) Inc.  
RBS Securities Inc.

Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

**The issuer and the guarantor have filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer and the guarantor have filed with the SEC for more complete information about the issuer, the guarantor and this offering. You may get these documents for free by visiting EDGAR on the SEC website at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling J.P. Morgan Securities LLC collect at 1-212-834-4533 or Morgan Stanley & Co. LLC at 1-866-718-1649.**

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