

## PRESS RELEASE

# Novartis and US government reach agreement on lowering drug prices in the US

- *Novartis agrees to take actions aimed at meeting US Administration priorities for drug pricing*
- *Additional Novartis medicines will be made available through direct-to-patient platforms in 2026*
- *Company remains committed to investing in markets that value innovation and implement policies that support broad and fast access to medicines*

**Basel, December 19, 2025** – Novartis, a leading global innovative medicines company, today announced it has reached an agreement with the US government that aims to lower the price of innovative medicines in the US and support continued US investment in manufacturing, and research and development.

Novartis has voluntarily agreed to take actions aimed at meeting the US Administration's drug pricing priorities, including:

- Launching future medicines with comparable prices across high-income countries
- Building direct-to-patient platforms for Mayzent® (siponimod), Rydapt® (midostaurin) and Tabrecta® (capmatinib). These new platforms will be accessible through TrumpRx
- Applying to participate in the GENEROUS (GENErating cost Reductions fOr U.S. Medicaid) Model aimed at further improving access to medicines in the US Medicaid program
- Supporting efforts to address the global imbalance in investment in pharmaceutical innovation

"This agreement continues our long-term partnership with the US government to advance the development and manufacturing of breakthrough treatments for patients in the United States," said Vas Narasimhan, CEO of Novartis. "We are committed to working with governments worldwide to ensure innovation is appropriately valued and that our medicines reach the patients who need them most."

Earlier this year, Novartis committed to [investing \\$23 billion](#) in expanding its US R&D and manufacturing infrastructure over 5 years. Since announcing this investment in April, the company:

- Announced a new \$1.1 billion biomedical research hub in San Diego, CA
- Broke ground on a new flagship manufacturing hub in North Carolina, including three new facilities, in the Raleigh/Durham area. The hub will enable end-to-end manufacturing capabilities to produce medicines across the company's technology platforms

- Opened a new radioligand therapy (RLT) manufacturing facility in Carlsbad, CA, enabling coast-to-coast manufacturing of RLTs
- Advanced plans to build new RLT manufacturing facilities in Florida and Texas

In recognition of this investment, Novartis expects to receive three years of tariff relief.

#### **Disclaimer**

This press release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements can generally be identified by words such as “potential,” “can,” “will,” “plan,” “may,” “could,” “would,” “expect,” “anticipate,” “look forward,” “believe,” “committed,” “investigational,” “pipeline,” “launch,” or similar terms, or by express or implied discussions regarding potential marketing approvals, new indications or labeling for the investigational or approved products described in this press release; or regarding potential future revenues from such products; or regarding our agreement with the US government aiming to lower the price of innovative medicines in the US; or regarding discussions of strategy, plans, expectations or intentions, including discussions regarding our continued investment into new US R&D capabilities and manufacturing. You should not place undue reliance on these statements. Such forward-looking statements are based on our current beliefs and expectations regarding future events, and are subject to significant known and unknown risks and uncertainties. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those set forth in the forward-looking statements. There can be no guarantee that the investigational or approved products described in this press release will be submitted or approved for sale or for any additional indications or labeling in any market, or at any particular time. Nor can there be any guarantee that such products will be commercially successful in the future. Neither can there be any guarantee that the expected benefits from the agreements and investments described in this press release will be achieved in the expected timeframe, or at all. In particular, our expectations regarding such products could be affected by, among other things, the uncertainties inherent in research and development, including clinical trial results and additional analysis of existing clinical data; regulatory actions or delays or government regulation generally; global trends toward health care cost containment, including government, payor and general public pricing and reimbursement pressures and requirements for increased pricing transparency; our ability to obtain or maintain proprietary intellectual property protection; the particular prescribing preferences of physicians and patients; general political, economic and business conditions, including the effects of and efforts to mitigate pandemic diseases; safety, quality, data integrity or manufacturing issues; potential or actual data security and data privacy breaches, or disruptions of our information technology systems, and other risks and factors referred to in Novartis AG’s current Form 20-F on file with the US Securities and Exchange Commission. Novartis is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release as a result of new information, future events or otherwise.

#### **About Novartis**

Novartis is an innovative medicines company. Every day, we work to reimagine medicine to improve and extend people’s lives so that patients, healthcare professionals and societies are empowered in the face of serious disease. Our medicines reach nearly 300 million people worldwide.

Reimagine medicine with us: Visit us at <https://www.novartis.com> and connect with us on [LinkedIn](#), [Facebook](#), [X/Twitter](#) and [Instagram](#).

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