

Latham & Watkins Provides Counsel to Goldman Sachs as Financial Advisor to Novartis in its Acquisition of a Majority Stake in Alcon

Novartis AG and Nestlé SA announced the signing of a definitive agreement under which Novartis has the right to acquire a 77% majority ownership of Alcon, Inc., a global leader in eye care products, in two steps. The transaction's first step to purchase a 25% stake in Alcon from Nestlé through the purchase of approximately 74 million outstanding shares at \$143.18 per share for approximately \$11 billion is expected to close in the second half of 2008. The optional second step provides Novartis an exclusive right to acquire Nestlé's remaining 52% Alcon stake at a fixed price of \$181 per share for approximately \$28 billion between January 1, 2010 and July 31, 2011. During this period, Nestlé has the right to require Novartis to buy its remaining stake at a 20.5% premium to Alcon's share price at the time of exercise, but not exceeding \$181 per share.

Latham & Watkins LLP represents Goldman Sachs International as the financial advisor to Novartis in this transaction. The Latham mergers and acquisitions team is led by New York corporate partner Charles Nathan and associate Efraim Chalamish.

For more information please contact Charles Nathan at (212) 906-1730.