

Swiss drugmaker Novartis to spin off generics unit Sandoz

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Swiss pharmaceuticals company Novartis said Thursday that it plans to spin off its generics subsidiary Sandoz, which generated nearly \$10 billion in revenue last year.

The Basel-based company, which makes a vast array of drugs including cancer treatment Gleevec and Diovan for hypertension, says it wants to focus on its core innovation business that is built around [therapeutics](#) and technology such as gene and [cell therapy](#).

Sandoz was one of two Swiss companies that merged more than a quarter-century ago to form Novartis, and the brand later became a division focused on [generic drugs](#).

The planned 100% spinoff will allow shareholders to have stakes in both companies after it's completed as expected in the first half of next year, Novartis said.

The company says Sandoz, based on reporting in March, would be Europe's biggest generics company by sales, which came in at \$9.6 billion last year.

After gaining about 1% after the announcement, shares of Novartis slipped nearly half a percentage point to 80.45 Swiss francs (\$83.51) on the Swiss Six Exchange in early afternoon trading.

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