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Novartis Reports Strong Q4 2024 with 16% Sales Growth, Driven by Cardiovascular, Oncology, and Immunology Therapies

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With net sales reaching $13.15 billion and core operating income up 29%, Novartis strengthens its market leadership through blockbuster drug performance, regulatory milestones, and strategic shareholder returns, positioning for continued growth in 2025.



Novartis delivered a strong Q4 2024 performance, with net sales growing by 16% year-over-year (YoY) at constant currency (cc), reaching $13.15 billion. Core operating income increased 29% (cc) to $4.86 billion, reflecting a combination of higher revenue, operational efficiency, and strategic cost management. Free cash flow surged 70% YoY to $3.64 billion, underpinned by higher cash flows from operating activities.

Key Financial Metrics (USD Millions, % YoY Change)

Metric	Q4 2023	Q4 2024	% Change (USD)	% Change (cc)
Net Sales	11,423	13,153	+15%	+16%
Operating Income	2,582	3,530	+37%	+39%
Net Income	2,638	2,820	+7%	+6%

Metric	Q4 2023	Q4 2024	% Change (USD)	% Change (cc)
EPS (Diluted)	1.29	1.42	+10%	+10%
Core Operating Income	3,821	4,859	+27%	+29%
Free Cash Flow	2,141	3,635	+70%	N/A

Revenue Growth Drivers

Novartis' Q4 2024 revenue growth was driven by strong performances from its flagship therapies, which saw increased demand, expanded indications, and broader market penetration.

Entresto, the company's leading heart failure and hypertension treatment, generated $2.18 billion in revenue, reflecting a 34% YoY increase at constant currency. This surge was primarily due to sustained demand in major markets such as the US, China, and Japan, where cardiovascular disease prevalence remains high.

Kesimpta, a multiple sclerosis treatment, saw a 49% YoY growth, reaching $950 million in revenue. The increasing preference for self-administered B-cell therapies contributed to its strong performance, particularly in the US and European markets.

Kisqali, a targeted therapy for early and metastatic breast cancer, delivered $902 million in Q4, reflecting a 52% YoY increase. The surge in sales was fueled by positive clinical data and increasing adoption in first-line metastatic treatment regimens, strengthening Novartis' oncology portfolio.

Cosentyx, an autoimmune and inflammatory disease treatment, recorded $1.6 billion in sales, growing 24% YoY. This growth was bolstered by expanded indications, higher physician adoption, and new intravenous formulations, enhancing patient convenience and accessibility.

Leqvio, a breakthrough cholesterol-lowering therapy, achieved $223 million in sales, marking an 83% increase YoY. Its growing adoption in lipid management and emphasis on broadening patient reach contributed to its significant growth trajectory.

Pluvicto, a radioligand therapy for prostate cancer, generated $351 million, growing 28% YoY. The increase was driven by unconstrained supply in the US and expanded distribution in European markets, positioning Novartis as a leader in precision oncology treatments.

R&D and Innovation Milestones

Novartis continued to advance its research and development pipeline, achieving multiple regulatory and clinical milestones in Q4 2024 that reinforce its commitment to innovation and patient care.

One of the key achievements was the FDA's accelerated approval for Scemblix, a novel therapy for first-line treatment of Philadelphia chromosome-positive Chronic Myeloid Leukemia (1L Ph+ CML). This approval highlights Novartis' leadership in hematologic oncology and expands the available treatment options for CML patients.

In oncology, the European Commission (EC) granted approval for Kisqali as a treatment for HR+/HER2- early-stage breast cancer. This regulatory milestone solidifies Kisqali's role as a first-line therapy for patients with high-risk breast cancer, reinforcing its strong market adoption.

Additionally, Novartis submitted Fabhalta (iptacopan) for FDA approval in the treatment of C3 glomerulopathy (C3G). The therapy received priority review, underscoring its potential to address unmet medical needs in rare kidney disorders.

A major development in neurology and rare diseases was the positive Phase III STEER trial results for OAV101 IT in Spinal Muscular Atrophy (SMA). The successful outcome of this study paves the way for future regulatory filings, positioning Novartis for expansion in the gene therapy market.

Strategic Business Updates

Novartis continued to strengthen its financial position and global presence through strategic initiatives in shareholder returns, capital allocation, and market expansion.

The company proposed a 6.1% dividend increase to CHF 3.50 per share, reinforcing its commitment to delivering strong shareholder returns. This marks the 27th consecutive year of dividend increases, highlighting Novartis' consistent financial discipline and robust cash flow generation.

In terms of capital allocation, Novartis repurchased 77.5 million shares for $8.3 billion in 2024. This substantial share buyback program not only strengthens its capital structure but also enhances long-term shareholder value by reducing outstanding shares.

Novartis' net debt increased to $16.1 billion, reflecting its continued investments in R&D, pipeline development, and strategic mergers and acquisitions (M&A). The company remains focused on sustainable long-term growth, allocating capital efficiently to fuel innovation and expand its product portfolio.

Geographically, Novartis saw notable growth in key priority markets, particularly in the United States, China, Germany, and Japan. These markets contributed significantly to revenue expansion, driven by strong product uptake, increased regulatory approvals, and expanded patient access initiatives.

2025 Financial Outlook

Novartis expects continued financial growth in 2025, driven by strong product performance, expanding market presence, and strategic cost management. The company forecasts net sales growth in the mid- to high-single digits at constant currency, supported by flagship therapies, new product launches, and increased penetration in key markets.

Core operating income is projected to grow in the high single- to low double-digit range, reflecting operational efficiencies and disciplined cost management. However, the outlook also factors in anticipated generic competition for Tasigna, Promacta, and Entresto in mid-2025, which could impact revenue growth in certain segments. Despite this, Novartis remains confident in its ability to drive long-term value creation through innovation, commercialization, and geographic expansion.