Legal Disclaimers

Forward-Looking Statements
This presentation contains “forward-looking statements” that involve risks and uncertainties. These statements can be identified by the fact that they do not relate strictly to historical or current facts, but rather are based on current expectations, estimates, assumptions and projections about the eye care industry and our business and financial results. Forward-looking statements often include words such as “anticipates,” “estimates,” “expects,” “projects,” “intends,” “plans,” “believes” and words and terms of similar substance in connection with discussions of future operating or financial performance. As with any projection or forecast, forward-looking statements are inherently susceptible to uncertainty and changes in circumstances. Our actual results may vary materially from those expressed or implied in our forward-looking statements. Accordingly, undue reliance should not be placed on any forward-looking statement made by us or on our behalf. Important factors that could cause our actual results to differ materially from those in our forward-looking statements include: government regulation, economic, strategic, political and social conditions and other factors, including but not limited to: uncertainties regarding the commercial success of our products and our ability to maintain our share of the markets in which we compete; our ability to keep pace with the advances in the highly competitive eye care devices market; the success of our research and development efforts; uncertainties regarding the success of our separation and spin-off from Novartis, including our ability to achieve our expected benefits; pricing pressure from changes in third-party coverage and reimbursement methodologies; general political and economic conditions; consolidation among our distributors and retailers; uncertainties regarding actual or potential legal proceedings and government investigations; potential product recalls or voluntary market withdrawals in connection with defects in or unanticipated use of our products; regulatory actions or delays or government regulation generally; changes in tax laws; changes in IFRS as issued by the International Accounting Standards Board or other applicable accounting policies; the potential volatility in the price of our shares; uncertainties regarding future sales or dispositions of our shares; and other risks and uncertainties detailed in the section titled “Risk Factors,” “Legal Proceedings” and other sections of the Alcon Inc. Form 20-F Registration Statement filed with the Securities and Exchange Commission (“SEC”) and available on the SEC’s website at http://www.sec.gov.

We caution you that the foregoing list of important factors is not intended to be exhaustive and may not contain all the material factors that are important to you. Any forward-looking statements made by us in this presentation speak only as of the date on which they are made. We are under no obligation to, and expressly disclaim any obligation to, update any forward-looking statements as a result of new information or future events or developments, except as required by law.

Non-IFRS Financial Measures
We have prepared our financial results in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. In addition, we have discussed in this presentation our results using certain non-IFRS financial measures. Management believes that these non-IFRS financial measures provide an additional means of analyzing the results of the periods presented against corresponding results from other periods. However, these non-IFRS financial measures should be viewed in addition to, and not as a substitute for, Alcon’s reported results prepared in accordance with IFRS. Our non-IFRS financial measures are not meant to be considered in isolation or as a substitute for comparable IFRS measures and should be read only in conjunction with our combined financial statements prepared in accordance with IFRS. Please refer to the appendix of this presentation for definitions and reconciliations of non-IFRS financial measures. In addition, non-IFRS measures are footnoted, where applicable, in each slide herein.

Notice Regarding Financial Information
The business of Alcon did not form a separate legal group of companies in all years for which historical financial information is presented in this presentation. As a result, the historical financial information contained in this presentation was prepared on a carve-out basis derived from Novartis’ consolidated financial statements and accounting records. This financial information includes certain expenses of Novartis that were allocated to us for certain corporate functions. These shared expenses may not represent the amounts that would have been incurred had we operated autonomously or as an entity independent of Novartis. Consequently, the financial information included in this presentation are not necessarily indicative of results that may be expected in the future.

This presentation also contains estimates, projections and forecasts, including certain five-year outlook measures regarding Alcon’s future financial performance. As with any projection or forecast, these five-year outlook measures are inherently susceptible to uncertainty and are based on various assumptions that may turn out to be incorrect. Our actual results may vary materially from our outlook due to risks and uncertainties including but not limited to those listed above under “Forward-Looking Statements.” Accordingly, undue reliance should not be placed on the outlook included in this presentation. We are under no obligation to, and expressly disclaim any obligation to, update our outlook included in this presentation as a result of new information or future events or developments, except as required by law.

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This report may contain reference to our proprietary intellectual property. All product names in this presentation are trademarks owned by or licensed to the Novartis Group.

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Alcon at a glance

$6.8b sales
Growing eye care device leader

$23b market
Growing at 4%\textsuperscript{1}

#1 or #2
In all categories within Surgical & Vision Care\textsuperscript{1}

140+
Countries served by over 20,000 employees

Favorable market trends with significant opportunities to grow and expand

Strong & experienced management team

Note: Numbers are rounded for presentation purposes and based on 2017 sales
1. Market Scope, GfK, Nielsen, IQVIA, Euromonitor, Alcon internal estimates
In 2016 we outlined a plan - and strong results have followed

1. Fix the foundation and strengthen execution
2. Invest in promotion, capital and systems
3. Reinvigorate the innovation pipeline
4. Strengthen the customer relationship
5. Develop a nimble medical device culture

Sales have returned to growth over the last several quarters

-1% 1% 3% 4% 5% 6% 5% 5%
FY16 1Q17 2Q17 3Q17 4Q17 1Q18 2Q18 3Q18

Highest ranking of customer satisfaction in major markets; SAP now spans ~60% of sales; significant capital investment in contact lenses

Launched new products (e.g. PanOptix, Ngenuity, DAILIES TOTAL1 multifocal) and expanded the pipeline

Service levels at a 3 year high; increased customer training and field service personnel by 10%

Voluntary employee turnover at a 6 year low

1. Sales growth figures presented in constant currency (cc), which is a non-IFRS measure. For additional information regarding the constant currency figures presented see “Appendix” starting on slide 112.

Note: Some quarterly growth rates have been impacted by inventory movements.
Sizeable opportunities with substantial unmet medical need

80% of visual impairment is preventable or curable\(^1\)

$102b could be saved with appropriate eye care services\(^1\)

People:

- 153 million with uncorrected refractive errors\(^1\)
- 1.7 billion have presbyopia\(^2\)
- 352 million live with dry eye\(^3\)
- 20 million are blind from cataracts\(^1\)
- 93 million have diabetic retinopathy\(^4\)
- 67 million live with glaucoma\(^5\)

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1. World Health Organization (WHO), [www.who.int/blindness](http://www.who.int/blindness)
5. Glaucoma Foundation, [http://glaucomafoundation.org/Get_Involved.htm](http://glaucomafoundation.org/Get_Involved.htm)
Eye care devices represent a large and growing $23b market

<table>
<thead>
<tr>
<th>Total Market</th>
<th>2017 Industry Sales¹ ($b)</th>
<th>2018E-2023E Industry CAGR¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision Care</td>
<td>$14b CAGR: 4%</td>
<td></td>
</tr>
<tr>
<td>Contact Lenses</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Ocular Health²</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Surgical</td>
<td>$9b CAGR: 4%</td>
<td></td>
</tr>
<tr>
<td>Implantables²</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Consumables²</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Equipment / Other²</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Total Market</td>
<td>$23b</td>
<td>4%</td>
</tr>
</tbody>
</table>

1. Market Scope, GfK, Nielsen, IQVIA, Euromonitor, Alcon internal Estimates, see “Legal Disclaimers” slide for more information about future industry growth projections
2. Implantables include IOLs, surgical glaucoma devices; Consumables include cataract, vitreoretinal, and refractive disposable instruments; Equipment includes cataract and vitreoretinal consoles and accessories, FLACS lasers, refractive lasers, equipment service & maintenance, microscopes, diagnostics, and drops for mydriatics, cycloegics, diagnostics, and anesthetics; Ocular Health includes non-Rx dry eye drops, contact lens care solutions, ocular vitamins, non-Rx allergy drops, and non-Rx red eye drops
Favorable megatrends underpin strong market potential

Aging population with growing eye care needs

Population over age 60 will **double** by 2050 (>1b people)


Innovation improving the quality of eye care

Patients have more options and **better outcomes**

2. The unprecedented expansion of the global middle class an update, Kharas 2017

Increasing wealth and growth from emerging economies

Middle class will grow by ~1.5b people in the next 10-15 years


Myopia prevalence is growing; increased screen time and mobile device use is impacting vision

By 2050, half the world, ~5b people, will be **myopic**

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Diversified portfolio across businesses and geographies

2017 Sales $6.8b

Vision Care $3.1b
Surgical $3.7b

27% Contact Lenses
15% Implants
18% Ocular Health
31% Consumables
9% Equipment / Other

U.S. $2.8b
International $4.0b

41%
59%
Leading position in the global Surgical market

2017 Global Surgical Sales¹ ($b)

~$9b Market

- Alcon: 3.7
- Others:

2017 Industry Sales¹ ($b) 2018E-2023E Industry CAGR¹

- Implantables: 3, 6%
- Consumables: 4, 3%
- Equipment/Other: 2, 2%
- Total: 9, 4%

1. Market Scope; Alcon internal estimates; see "Legal Disclaimers" on slide 5 for more information about future industry growth projections
The most complete line of ophthalmic surgical devices

<table>
<thead>
<tr>
<th>Surgical sales</th>
<th>Market position</th>
<th>Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>$b</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.7</td>
<td>#1 Globally</td>
<td>AcrySof brand IOLs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>UltraSert pre-loaded IOL</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Clareon AutonoMe pre-loaded IOL</td>
</tr>
<tr>
<td>1.0</td>
<td>Implantables</td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>Consumables</td>
<td>Cataract consumables</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vitreoretinal instruments &amp; consumables</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Custom surgical packs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Refractive consumables</td>
</tr>
<tr>
<td>0.6</td>
<td>Equipment / Other</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td>Cataract Refractive Suite</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vitreoretinal Constellation Vision System</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Refractive Wavelight System</td>
</tr>
</tbody>
</table>

Source: Market Scope, Alcon internal estimates

Note: Implantables include IOLs, surgical glaucoma devices; Consumables include cataract, vitreoretinal, and refractive disposable instruments; Equipment includes cataract and vitreoretinal consoles and accessories, FLACS lasers, refractive lasers, equipment service & maintenance, microscopes, diagnostics, and drops for mydriatics, cycloegics, diagnostics, and anesthetics
Focusing on 2 near term growth drivers

1. Advanced Technology IOLs
   - Build on new product launches to drive AT-IOL share and increase margins
   - Address barriers to adoption with new technologies and business models

2. Vitreoretinal
   - Deepen technology penetration in key markets
   - Advance smaller incision surgery and safer vitrectomy instruments
   - Accelerate conversion from optical to digital surgery
### Global IOL Segment Share, %, 2017

<table>
<thead>
<tr>
<th>Segment</th>
<th>Description</th>
<th>% of Market units</th>
<th>Value per lens</th>
<th>% of Market revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AT-IOLs</strong></td>
<td>Presbyopia Correcting (multi-focal)</td>
<td>8%</td>
<td>5-8x</td>
<td>30%</td>
</tr>
<tr>
<td><strong>Astigmatism</strong></td>
<td>Correcting (toric)</td>
<td></td>
<td>3-4x</td>
<td></td>
</tr>
<tr>
<td><strong>Monofocals</strong></td>
<td>Myopia/Hyperopia Correcting</td>
<td>92%</td>
<td>Base Value</td>
<td>70%</td>
</tr>
</tbody>
</table>

**Source:** Market Scope quarterly

**Note:** All trademarks are property of the respective owner
Unmatched equipment installed base

Alcon equipment installed base (2001-2018)

- **Phaco machines**
  - 2017 installed base share (%): 52%
  - 2017 new installs: #1
  - Globally

- **Vitrectomy machines**¹
  - 2017 installed base share (%): 48%
  - 2017 new installs: #1
  - Globally

- **Refractive lasers**²
  - 2017 installed base share (%): 34%
  - 2017 new installs: #1³
  - Globally

Source: Market Scope; Alcon internal estimate

Note: All trademarks are property of the respective owner

1. Includes combined units that can perform both cataract and vitrectomy procedures
2. Includes excimer and femtosecond lasers
3. Refers to new installs of excimer lasers
Equipment footprint delivers a recurring consumable contribution

**Consumables**
that work with Alcon equipment

**Custom Surgical Packs**
combining Alcon & 3rd party products

**Flexible contracting methods**
that enable adoption of latest technology

- Reduces operating room complexity, improves inventory management
- Alcon delivers over 11,000 configurations using >2,500 components worldwide

40% of consumables sales from dedicated items¹

¹ Dedicated items include fluidic management system (FMS) packs and patient interfaces
A leading position in the global Vision Care market

2017 Global Vision Care Sales\(^1\) (\$b)

- **B&L**: ~$14b market
- **Alcon**: 3.1
- **Others**:

2017 Industry Sales\(^1\) (\$b)

- **Contact Lenses**: 8 (4%)
- **Ocular Health**: 6 (4%)
- **Total**: 14 (4%)

2018E-2023E Industry CAGR\(^1\)

- 4%

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1. Source: GFK, Nielsen, IQVIA, CBG, Euromonitor data, Market Scope, Company filings, Alcon internal estimates; see “Legal Disclaimers” on slide 5 for more information about future industry growth projections.

Note: All trademarks are property of the respective owner.
A leading portfolio of recognizable brands

<table>
<thead>
<tr>
<th>Vision Care sales</th>
<th>Market position¹</th>
<th>Portfolio includes:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$b 3.1</td>
<td>#1 Globally</td>
<td>DAILIES TOTAL1 water gradient lenses</td>
</tr>
<tr>
<td>1.8</td>
<td>#2 Globally</td>
<td>DAILIES AquaComfort Plus</td>
</tr>
<tr>
<td>1.2</td>
<td></td>
<td>AIR OPTIX monthly reusable lenses</td>
</tr>
<tr>
<td></td>
<td></td>
<td>AIR OPTIX COLORS cosmetic lenses</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FreshLook cosmetic lenses</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SYSTANE family of Dry Eye products</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CLEAR CARE cleaning and disinfecting solution</td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTI-FREE family of multi-purpose solution and rewetting drops</td>
</tr>
</tbody>
</table>

Note: Numbers may not add up due to rounding

1. Source: Nielsen, IQVIA, CBG, Euromonitor data, Market Scope, third party research, and Alcon internal estimates
Breakdown of Contact Lens Market sub-categories

2017 Contact Lens Market Breakdown

- **MODALITY**
  - Daily: $8b
  - Reusable: $8b

- **DESIGN**
  - Sphere: $8b
  - Toric: $8b
  - Multi-Focal: $8b
  - Cosmetic: $8b

- **GEOGRAPHY**
  - US: $8b
  - International: $8b

- Market shifting from reusable to daily disposable lenses
- Sales per patient increases 2-3x for daily disposable wearers
- Increasing demand for premium lenses (Toric, Multi-Focal, Cosmetic)
- Premium lenses command ~15-30% premium over spherical lenses due to added benefits
- Accelerating growth in under-penetrated international markets
- North America, Western Europe, and Japan remain highest penetration markets

1. Source: GfK, third party research, and Alcon internal estimates
Significant opportunity for growth in Ocular Health

2017 Ocular Health Market Breakdown

% Sales

- **Dry Eye**: Increased awareness of treatment options drives demand
- **Contact Lens Care (CLC)**: Growth in daily lenses inversely impacts CLC in developed markets
- **Vitamins**: Aging population leads to uptick in consumption
- **Allergy**: Growth in market with younger population and increased economic means
- **Red Eye**: New technology revitalizing growth, disadvantages older mechanisms

Market forces:

1. Source: Nielsen, IQVIA, CBG, Euromonitor data, Market Scope, third party research, and Alcon internal estimates
Focusing on 2 near term growth drivers

1. **DAILIES TOTAL1**
   - Grow DAILIES TOTAL1 family of products
   - Expand presbyopia category through increased consumer awareness, lens comfort and quality
   - Capitalize on market shift to daily disposable

2. **Dry Eye**
   - Continue global roll-out of SYSTANE Complete
   - Leverage #1 position in Dry Eye
   - Grow consumer demand with investments in DTC marketing
Rich pipeline to fuel growth into the future

<table>
<thead>
<tr>
<th>SELECTED LAUNCHES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recent</strong></td>
</tr>
<tr>
<td><strong>2018 - 2020</strong></td>
</tr>
<tr>
<td><strong>2020+</strong></td>
</tr>
</tbody>
</table>

**SURGICAL**
- Clareon with AutonoMe (Intl)
- UltraSert
- PanOptix Trifocal (Intl)
- ReSTOR Toric with ACTIVITYFOCUS (US)
- NGENUITY 3D
- PanOptix Trifocal (US)
- Non-diffraction presbyopia correcting IOL
- Clareon with AutonoMe (US)
- ORA System with VerifEye Lynk
- CENTURION Active Sentry Handpiece
  Alcon first Digital Health Platform
- 4 major new IOL platforms (e.g. accommodating)
- Next generation cataract and vitreoretinal technology platforms
  Integrative technologies to connect the clinic to the operating room

**VISION CARE**
- AIR OPTIX plus HydraGlyde
- DAILIES Total1 Multifocal
- Clear Care plus HydraGlyde
- SYSTANE Complete
  FRESHLOOK – 5 new designs
  AIR OPTIX plus HydraGlyde (Toric and Multifocal lenses)
  PRECISION1 new daily disposable contact lens platform
  DAILIES Total1 for Astigmatism
- 2 innovative new contact lens platforms
  Accommodating contact lens
  SYSTANE product line expansion

Note: Global launch unless otherwise indicated
## 2023 financial outlook

<table>
<thead>
<tr>
<th></th>
<th>2023E¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales growth</strong></td>
<td>Mid-single digit</td>
</tr>
<tr>
<td>(% CAGR 2018-2023)</td>
<td></td>
</tr>
<tr>
<td><strong>Core operating margin²</strong></td>
<td>Low-to-mid 20s</td>
</tr>
<tr>
<td>(%)</td>
<td></td>
</tr>
<tr>
<td><strong>Capex</strong></td>
<td>Mid-single digit</td>
</tr>
<tr>
<td>(as % of sales)</td>
<td></td>
</tr>
<tr>
<td><strong>Core tax rate²</strong></td>
<td>High-teens</td>
</tr>
<tr>
<td>(%)</td>
<td></td>
</tr>
</tbody>
</table>

1. 5 year outlook is subject to various risks and uncertainties. See “Legal Disclaimers” on slide 5 and the assumptions underlying our outlook on slide 96 for more information.

2. For additional information regarding the core measures discussed above, which are non-IFRS measures, see “Appendix” starting on slide 112.
Committed to delivering significant margin expansion

Core operating margin\(^1,2\)
(% of sales)

Drivers of margin improvement

- Sales acceleration on the back of near term growth drivers and new innovation
- Favorable product mix
- Manufacturing efficiencies from new lower cost contact lens platforms
- SG&A improvement as we leverage existing infrastructure (built up during turnaround phase)
- Process & cost efficiencies from global business services and reaping benefits of SAP implementation

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1. For additional information regarding core operating margin, which is a non-IFRS measure, see "Appendix" starting on slide 112.
2. 5 year outlook for our core operating margin expansion is subject to various risks and uncertainties. See "Legal Disclaimers" on slide 5 and the assumptions underlying our outlook on slide 96 for more information.
Cash flow generation expected to increase 2.5x – 3.0x by 2023

Free cash flow\(^1,2\) $(\)

**Drivers**
- Sales growth
- Margin expansion
- Stabilization of capital and IT investments

Including separation costs in 2019-2020 of ~$0.3b

1. 5 year outlook for our free cash flow generation is subject to various risks and uncertainties. See “Legal Disclaimers” on slide 5 and the assumptions underlying our outlook on slide 96 for more information.
2. For additional information regarding free cash flow, which is a non-IFRS measure, see “Appendix” starting on slide 112
Key priorities

- Invest in organic growth drivers
- Invest in R&D
- Disciplined BD&L and M&A
- Return to shareholders

- Expect to pay regular cash dividend beginning in 2020 at approximately 10% of 2019 core net income¹

1. Future dividend policy, including potential dividend increases, will be subject to recommendation by the new Alcon Board of Directors and shareholder approval
Opportunity to leverage Alcon’s global footprint/scale

Flexibility to execute different investment structures

Innovation driven with particular interest in next-generation technologies

Focus on bolt-on acquisitions to surgical, vision care and adjacencies

Agnostic to source of innovation

BD&L and M&A strategy primarily focused on new technologies
Maintaining flexibility with our balance sheet and investment grade profile

1. Alcon will be externally financed at spin-off

2. Financing at spin will be provided by bank debt / loans

3. Part of this bank debt is expected to be re-financed in the capital markets

4. Net financial debt of $3b at the time of spin

5. Targeting investment grade credit rating from ratings agencies
Novartis’ strategic review of Alcon concluded that a 100% spinoff will be in the best interest of shareholders

- Alcon incorporated and headquartered in Switzerland; Fort Worth will continue to be a key location
- Dual listing on SIX Swiss Exchange and NYSE with one global share
- Expected completion in H1 2019
- Subject to general market conditions, tax rulings, final Novartis BoD endorsement and shareholder approval at 2019 Novartis Annual General Meeting
In summary, the global market leader in eye care devices

- Favorable market trends with significant opportunities to grow and expand
- World leading expertise, focused strategy, and strong management team
- Strong pipeline filled with significant innovation
- Partner of choice to secure external technologies
- Disciplined capital allocation framework with growth on top and bottom line