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January 22, 2010

**VIA HAND DELIVERY**

The Honorable Victor Marrero  
United States District Judge  
Daniel Patrick Moynihan  
United States Courthouse  
500 Pearl St.  
New York, NY 10007-1312

**Re: *In re Alcon Shareholder Litigation*, Consolidated Case No. 10 CV 139 (VM)**

Dear Judge Marrero:

Pursuant to Your Honor's Individual Practices, Plaintiffs in the above-captioned consolidated action (the "Action") respectfully submit this status letter in advance of the initial case management conference scheduled before Your Honor for January 29, 2010. While Plaintiffs have been in contact with counsel who, we understand, represent the defendants in the Action, those counsel have not entered an appearance. Accordingly, Plaintiffs submit this letter solely for themselves.

As background, on January 7, 2010, the first of 7 purported class actions was filed in this Court, and all of those cases have now been consolidated into the Action pursuant to this Court's January 14, 2010 Order. The Action arises from Novartis AG and Nestlé S.A.'s improper use of their powers as controlling stockholders of Alcon to attempt to "squeeze-out" Alcon's minority shareholders in a merger that is grossly unfair, violates the Company's organizational documents, is contrary to Novartis, Nestlé and Alcon's public statements regarding protection of the Company's minority shareholders, and has been rejected by Alcon's independent directors. Pursuant to the Court's January 14, 2010 Order, Plaintiffs filed a Consolidated Complaint on January 21, 2010, raising claims for: (i) breach of contract; (ii) aiding and abetting breach of contract; (iii) tortious interference with contract; (iv) promissory estoppel; (v) declaratory relief; (vi) breach of fiduciary duty; (vii) aiding and abetting breach of fiduciary duty; and (viii) unjust enrichment.

Plaintiffs intend to move for partial summary judgment with respect to the Consolidated Complaint's counts for breach of contract (Count I), promissory estoppel (Count IV) and

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declaratory relief (Count IV), which involve strictly legal questions. Plaintiffs also intend to move for expedited discovery related to the other counts in the Consolidated Complaint and for a preliminary injunction to prevent the irreparable harm that would result from the consummation of the proposed merger.

Plaintiffs and defendants have had no discussions regarding settlement of the Action. In light of the expedited nature of the transaction and the need to obtain judicial intervention in the most timely manner, Plaintiffs decline to proceed for all purposes before the Magistrate Judge designated for the Action.

Co-Lead Interim Class Counsel look forward to the opportunity to discuss these matters in greater detail with the Court at the initial case management conference scheduled for January 29, 2010.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Mark Lebovitch', is written over a horizontal line.

Mark Lebovitch

cc: Plaintiffs' Counsel  
Trevor Norwitz, Esq. (Novartis Corporate Counsel)  
Robert I. Townsend, Esq. (Nestlé Corporate Counsel)  
R. Corey Worcester, Esq. (Counsel for certain Nestlé Defendants)  
Brain Frawley, Esq. (Alcon Independent Directors Counsel)