

Teva Pharmaceutical Industries Ltd.

First Quarter 2021 Results

April 28, 2021



Cautionary Note Regarding Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are based on management's current beliefs and expectations and are subject to substantial risks and uncertainties, both known and unknown, that could cause our future results, performance or achievements to differ significantly from that expressed or implied by such forward-looking statements. Important factors that could cause or contribute to such differences include risks relating to:

- our ability to successfully compete in the marketplace, including: that we are substantially dependent on our generic products; consolidation of our customer base and commercial alliances among our customers; delays in launches of new generic products; the increase in the number of competitors targeting generic opportunities and seeking U.S. market exclusivity for generic versions of significant products; our ability to develop and commercialize biopharmaceutical products; competition for our specialty products, including AUSTEDO®, AJOVY® and COPAXONE®; our ability to achieve expected results from investments in our product pipeline; our ability to develop and commercialize additional pharmaceutical products; and the effectiveness of our patents and other measures to protect our intellectual property rights;
 - our substantial indebtedness, which may limit our ability to incur additional indebtedness, engage in additional transactions or make new investments, may result in a further downgrade of our credit ratings; and our inability to raise debt or borrow funds in amounts or on terms that are favorable to us;
 - our business and operations in general, including: uncertainty regarding the COVID-19 pandemic and its impact on our business, financial condition, operations, cash flows, and liquidity and on the economy in general; our ability to successfully execute and maintain the activities and efforts related to the measures we have taken or may take in response to the COVID-19 pandemic and associated costs therewith; effectiveness of our optimization efforts; our ability to attract, hire and retain highly skilled personnel; manufacturing or quality control problems; interruptions in our supply chain; disruptions of information technology systems; breaches of our data security; variations in intellectual property laws; challenges associated with conducting business globally, including political or economic instability, major hostilities or terrorism; costs and delays resulting from the extensive pharmaceutical regulation to which we are subject or delays in governmental processing time due to travel and work restrictions caused by the COVID-19 pandemic; the effects of reforms in healthcare regulation and reductions in pharmaceutical pricing, reimbursement and coverage; significant sales to a limited number of customers; our ability to successfully bid for suitable acquisition targets or licensing opportunities, or to consummate and integrate acquisitions; and our prospects and opportunities for growth if we sell assets;
 - compliance, regulatory and litigation matters, including: failure to comply with complex legal and regulatory environments; increased legal and regulatory action in connection with public concern over the abuse of opioid medications and our ability to reach a final resolution of the remaining opioid-related litigation; scrutiny from competition and pricing authorities around the world, including our ability to successfully defend against the U.S. Department of Justice criminal charges of Sherman Act violations; potential liability for patent infringement; product liability claims; failure to comply with complex Medicare and Medicaid reporting and payment obligations; compliance with anti-corruption sanctions and trade control laws; and environmental risks;
 - other financial and economic risks, including: our exposure to currency fluctuations and restrictions as well as credit risks; potential impairments of our intangible assets; potential significant increases in tax liabilities (including as a result of potential tax reform in the United States); and the effect on our overall effective tax rate of the termination or expiration of governmental programs or tax benefits, or of a change in our business;
- and other factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2020, including in the sections captioned "Risk Factors" and "Forward-looking statements." Forward-looking statements speak only as of the date on which they are made, and we assume no obligation to update or revise any forward-looking statements or other information contained herein, whether as a result of new information, future events or otherwise. You are cautioned not to put undue reliance on these forward-looking statements.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures as defined by SEC rules. Please see our press release reporting our financial results for the first quarter of 2021, as well as our Quarterly Report of Form 10-Q for the quarter ended March 31, 2021, for a reconciliation of the GAAP results to the adjusted non-GAAP measures. The non-GAAP data presented by Teva are the results used by Teva's management and board of directors to evaluate the operational performance of the company, to compare against the company's work plans and budgets, and ultimately to evaluate the performance of management; the company's annual budgets are prepared on a non-GAAP basis; and senior management's annual compensation is derived, in part, using these non-GAAP measures. Teva provides such non-GAAP data to investors as supplemental data and not in substitution or replacement for GAAP measure because management believes such data provides useful information to investors. We are not providing forward looking guidance for GAAP reported financial measures or a quantitative reconciliation of forward-looking non-GAAP financial measures to the most directly comparable GAAP measure because we are unable to predict with reasonable certainty the ultimate outcome of certain significant items without unreasonable effort.

Some amounts in this presentation may not add up due to rounding. All percentages have been calculated using unrounded amounts.

Kåre Schultz

President and Chief Executive Officer

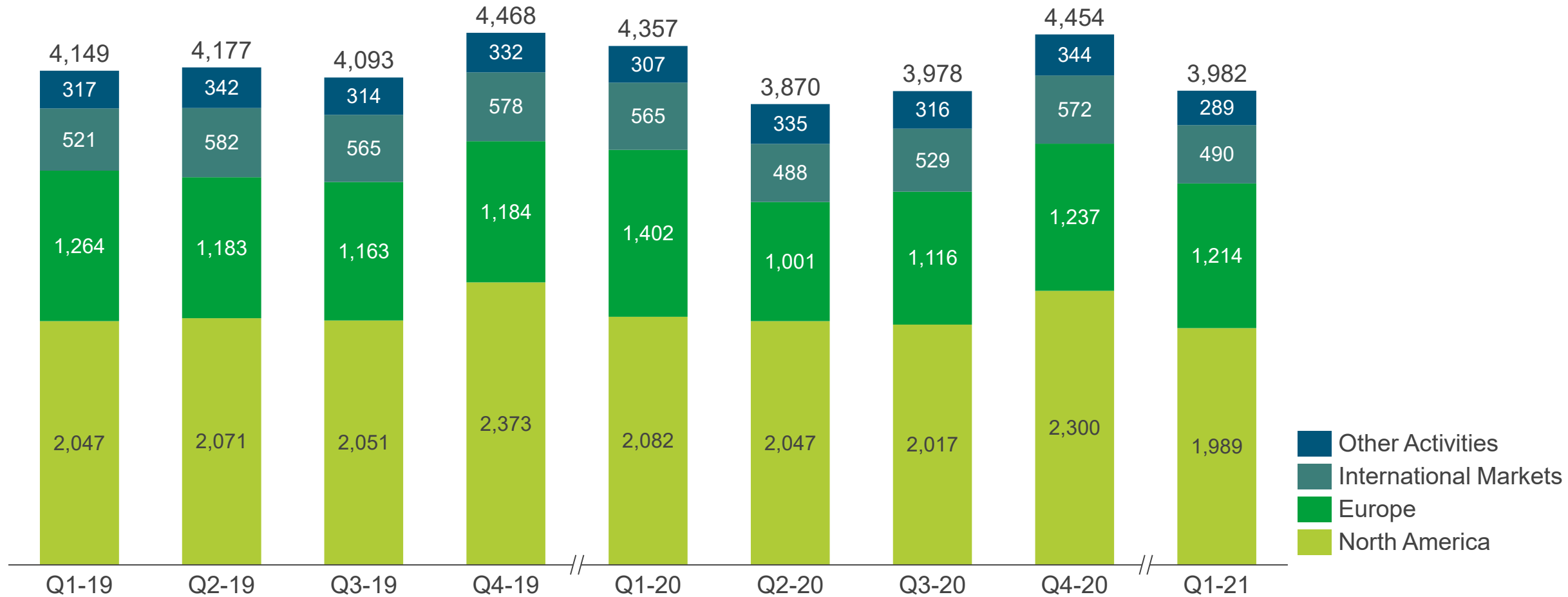


Q1 2021 Financial Highlights

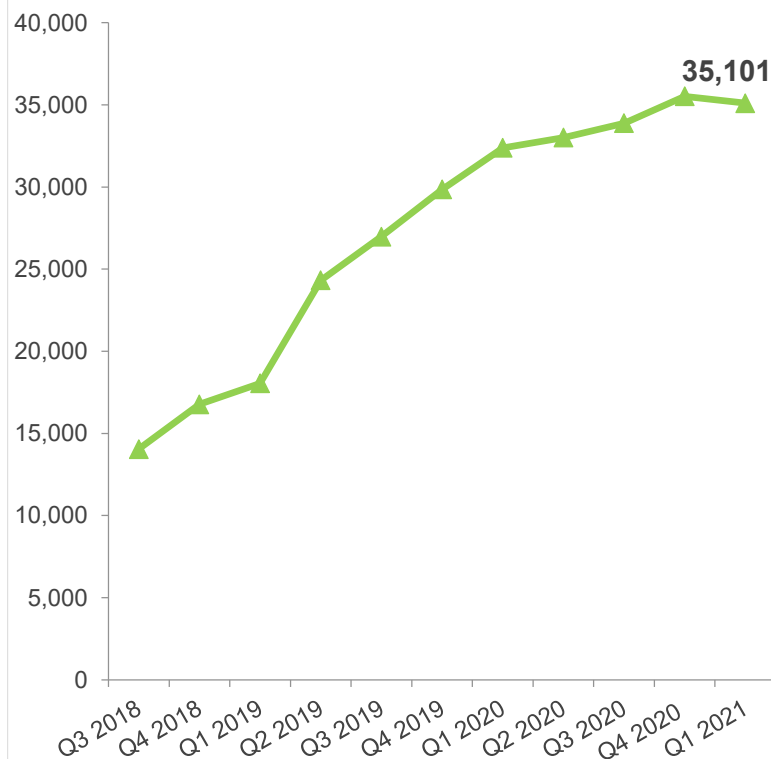
- Revenues of \$4 billion
- Adjusted EBITDA of \$1.2 billion
- GAAP diluted EPS of \$0.07; Non-GAAP diluted EPS of \$0.63
- Net debt reduced to \$23.2 billion
- 2021 outlook reaffirmed

Revenue Development

\$ millions

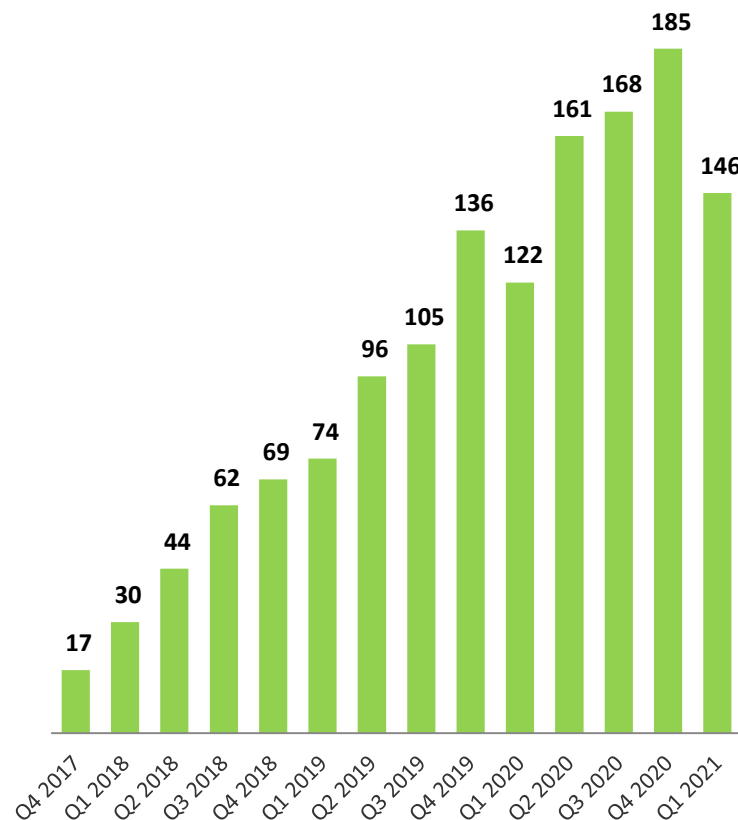


AUSTEDO® TRx Count Per Quarter



Source: IQVIA US NPA Audit

AUSTEDO® Revenues By Quarter (\$ million)



Source: Company Information

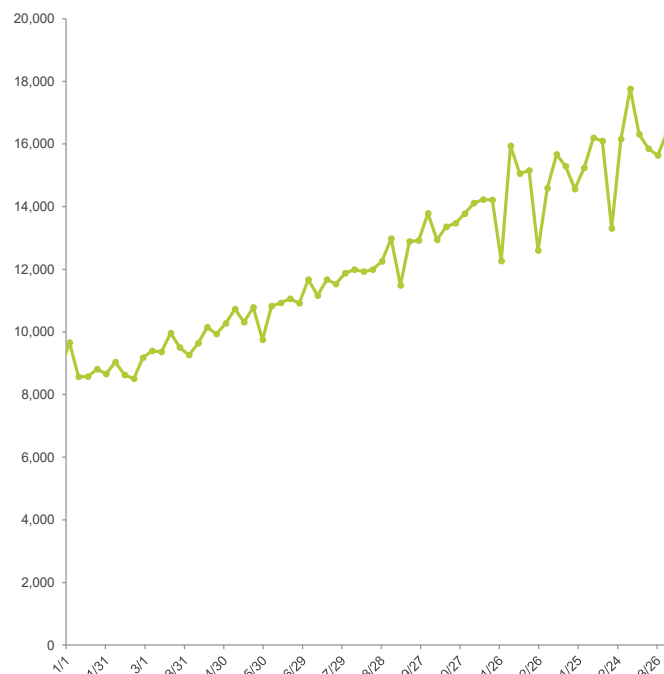
Highlights

- U.S. sales of \$146 million in Q1 2021, an increase of ~20% vs. Q1 2020
- Decline from Q4 2020 attributable to volume of orders in December vs. January
- >35K prescriptions were dispensed in Q1 2021, an increase of 8% vs. Q1 2020
- Focus on expanding access and availability of AUSTEDO, including ad campaign directed at consumers

AJOVY® Maintaining U.S. NBRx Share

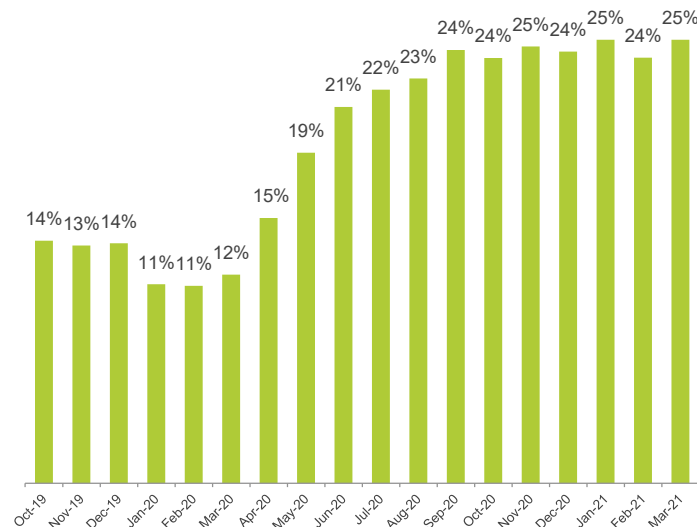


AJOVY® Weekly Normalized TRx Count



Source: IQVIA NPA TRx (weekly), normalized - wk ending 4/2/2021

AJOVY® Monthly NBRx Share*



*monthly NBRx share estimated from weekly NBRx data

Source: IQVIA NPA MD Weekly data rolled up to March 2021

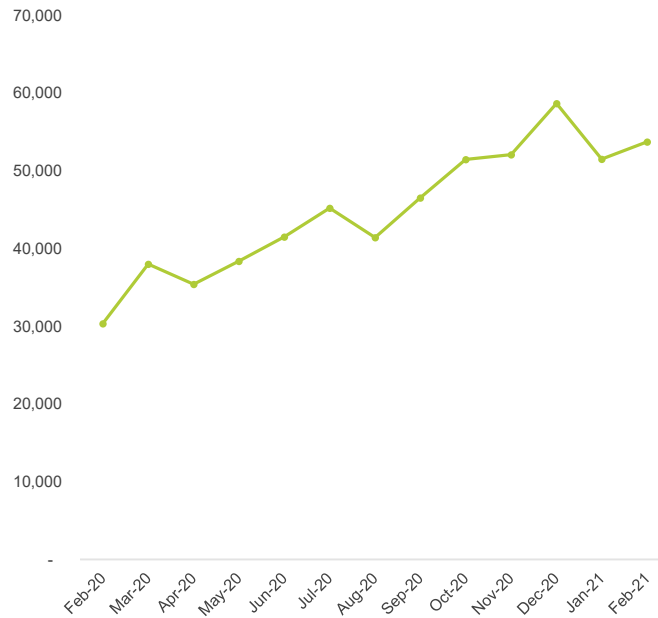
Highlights

- Net global sales of \$48 million in Q1 2021:
 - North America - \$31 million
 - Europe - \$16 million
 - International Markets - \$1 million
- AJOVY weekly normalized TRx volume continues to grow and is aligned with increases in market volume
- As of March 2021, AJOVY monthly NBRx share remains stable at 24.5%; normalized TRx share has grown to 21% in Q1 2021
- In January 2021 we launched a triple pack product offering, providing subcutaneous quarterly dosing, which is only available with AJOVY

AJOVY® Increasing Market Share in Europe

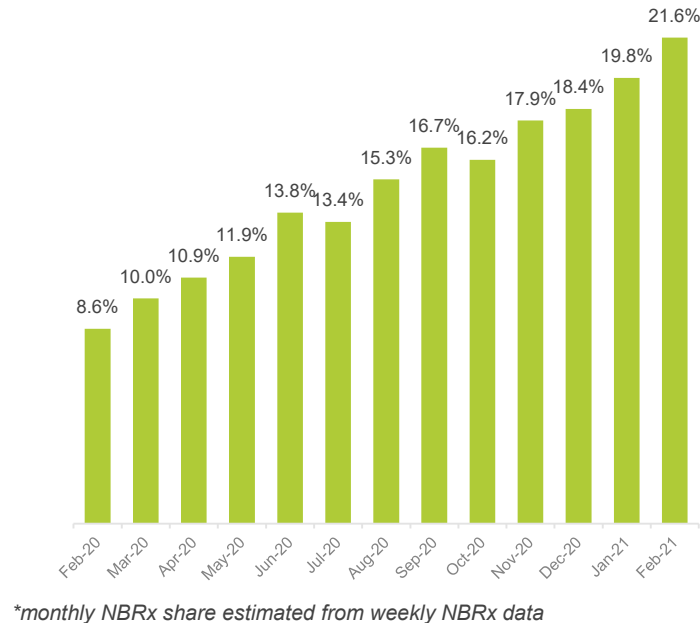


EU anti-CGRP Monthly Volumes



Source: IQVIA MIDAS Data: DE Hosp, IT, FR, ES, CH, PL, UK; Insight Health: AT & DE Retail; Local: CZ and Nordics (SE, FI, NO, DK). Total EU includes: 13 Countries (DE, IT, FR, ES, SE, FI, NO, DK, AT, CZ, CH, PL, UK) *AT, CZ & NORDIC countries updated with Mar'21 data.

AJOVY® EU Monthly Volume market share



Source: IQVIA MIDAS Data: DE Hosp, IT, FR, ES, CH, PL, UK; Insight Health: AT & DE Retail; Local: CZ and Nordics (SE, FI, NO, DK). Total EU includes: 13 Countries (DE, IT, FR, ES, SE, FI, NO, DK, AT, CZ, CH, PL, UK) *AT, CZ & NORDIC countries updated with Mar'21 data.

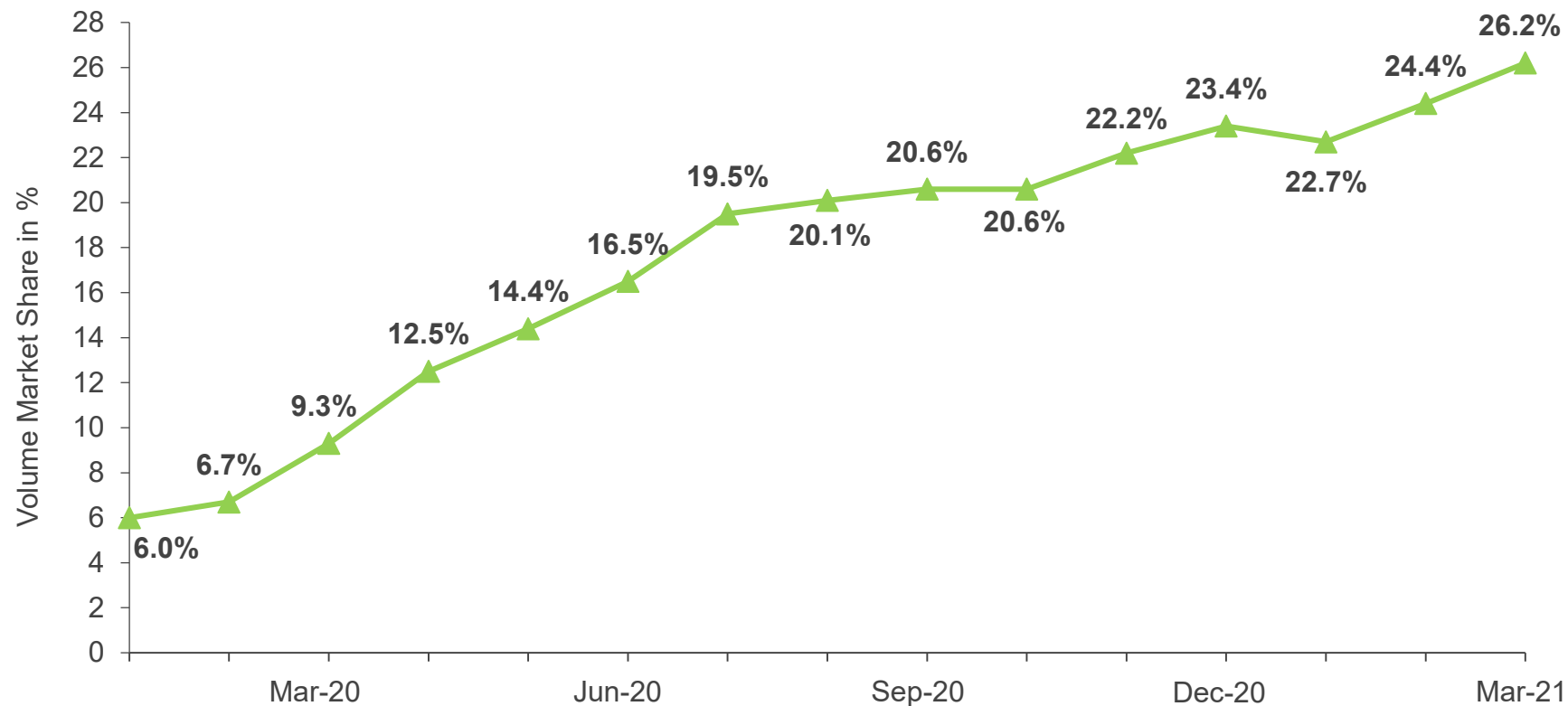
Highlights

- Anti-CGRP market in Europe continues to grow in volume and shows 108% MAT
- AJOVY has been launched in 19 European markets with full reimbursement, launches will continue in 2021
- AJOVY market share has a positive trajectory, reaching 22% in February 2021, with Germany, Nordics and UK being the main markets

Truxima® - Key Teva Biosimilar Continues Growth



Truxima Market Shares within rituximab IV, Q1 2021



Source: IQVIA DDDMD

Highlights

- Reached 26% market share in March 2021
- Remains only rituximab biosimilar indicated for rheumatoid arthritis (RA)

Teva Specialty & Biosimilar Product Pipeline

by development stage – April 2021

Pre-clinical		Phase 1	Phase 2	Phase 3	Pre Submission	Under Regulatory Review
TEV-54242 Oncology	TEV-54142	Fremanezumab ² Status Migrainosus	Fremanezumab ² Fibromyalgia	Fasinumab ³ Osteoarthritic Pain	Digihaler® (budesonide and formoterol fumarate dihydrate) (EU)	Biosimilar to Humira® (adalimumab) ¹
TEV-56192 Respiratory	TEV-56194	TV-44749 Schizophrenia	TEV-48574 Respiratory	Fremanezumab ² Additional Indication		
TEV-56279 Pain	TEV-56191	TEV-53408 Gastrointestinal	TEV-53275 Respiratory	Deutetrabenazine ⁴ Dyskinesia in Cerebral Palsy		
TV-48438 Schizophrenia	TEV-56261	TEV-45779		Biosimilar to Prolia® (denosumab)		
TEV-56248 Respiratory	TEV-56281 ¹					
	TEV-56282 ¹				QVAR® Digihaler® (beclomethasone dipropionate HFA) (US)	Risperidone LAI Schizophrenia
	TEV-56283 ¹					
	TEV-56284 ¹					



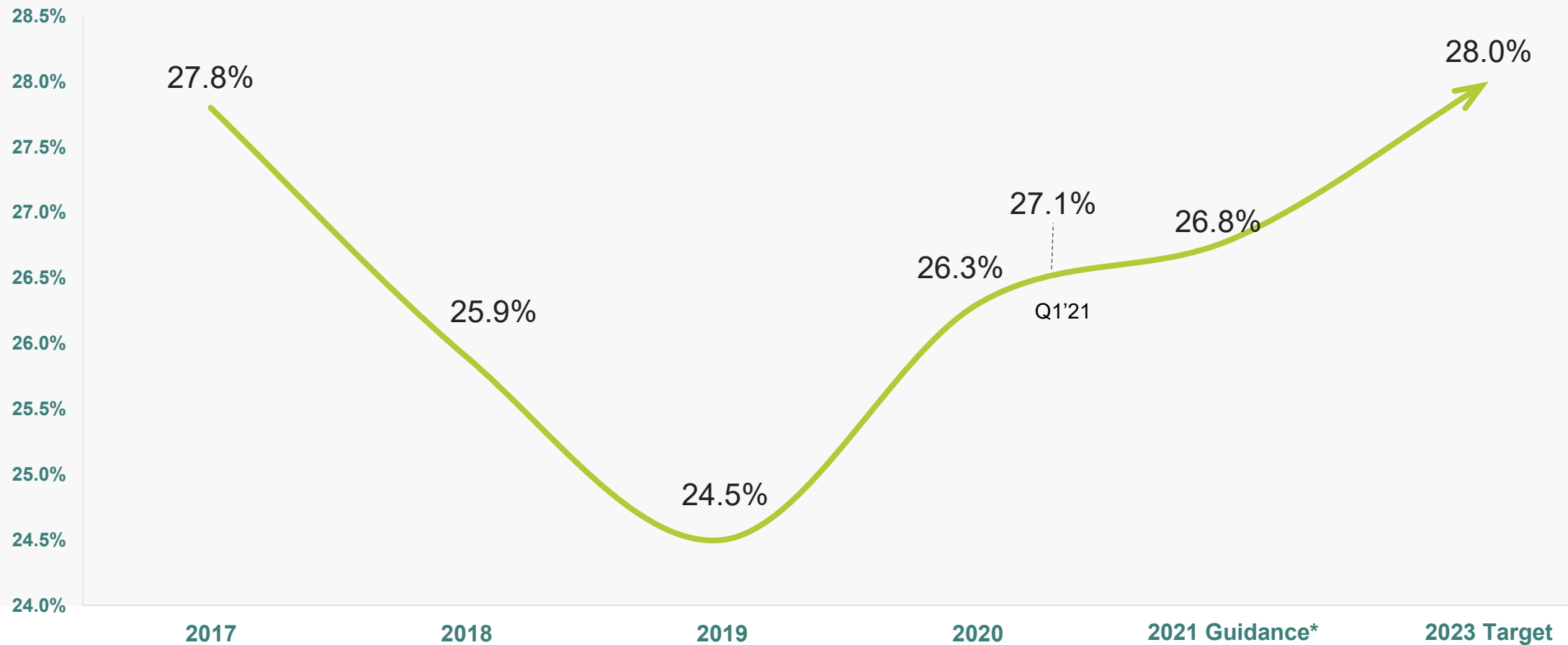
Teva specialty pipeline by development stage, excluding country / regional launches of products submitted or under review in new markets.
 *Visit <https://www.tevausa.com/our-products/article-pages/Specialty-Medicines-List/> for full prescribing information for these products in the US.

Pipeline is current as of April 2021

- 1) In partnership with Alvotect
- 2) These uses are investigational. Fremanezumab is approved in the United States for another indication as AJOVY® (fremanezumab-vfrm) injection*
- 3) In partnership with Regeneron
- 4) These uses are investigational. Deutetrabenazine is approved in the United States for other indications as AUSTEDO® (deutetrabenazine) tablets*

Operating Margin Expansion

Non-GAAP operating margin %



Long-Term Financial Targets

To be achieved by year-end 2023

Operating income margin ⁽²⁾⁽³⁾



Cash-to-earnings ⁽¹⁾⁽³⁾⁽⁴⁾



Net debt / EBITDA ⁽³⁾⁽⁵⁾



Committed to utilizing cash flow to pay down debt; we do not plan to raise equity

(1) Free cash flow includes cash flow from operating activities, beneficial interest collected in exchange for securitized accounts receivables, proceeds from divestitures of businesses and other assets, net of cash used for capital investment.

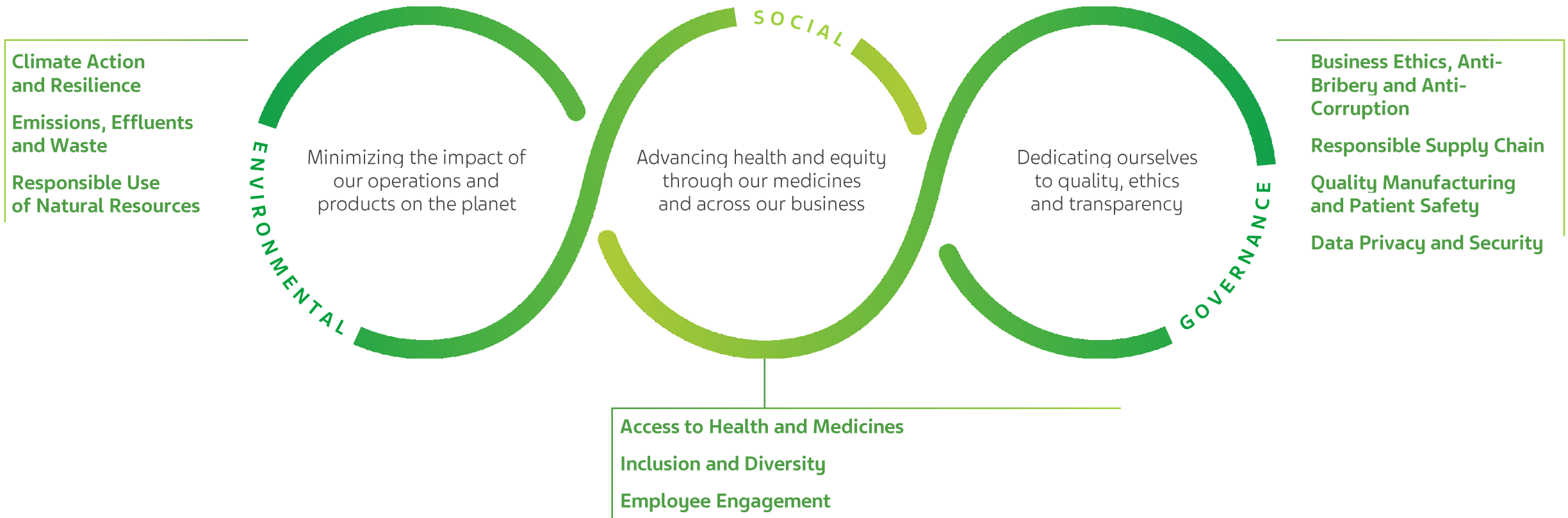
(2) Operating income margin = Non-GAAP operating income divided by net revenues.

(3) All measures including operating income, EBITDA and earnings are presented on a non-GAAP basis.

(4) Cash to earnings reflects free cash flow divided by non-GAAP net income attributable to ordinary shareholders.

(5) Net debt/EBITDA reflects Net debt/adjusted EBITDA.

ESG is Everyone's Business at Teva



Eli Kalif

EVP & Chief Financial Officer



Q1 2021 Summary

\$ millions, except EPS	Q1 2021	Q1 2020	Q1 2021	Q1 2020
	GAAP		Non-GAAP	
Revenues	3,982	4,357	3,982	4,357
Operating income	434	191	1,077	1,244
Net income attributable to Teva	77	69	699	835
Earnings per share (\$)*	0.07 1,107 million shares	0.06 1,096 million shares	0.63 1,107 million shares	0.76 1,096 million shares

Non-GAAP Adjustments

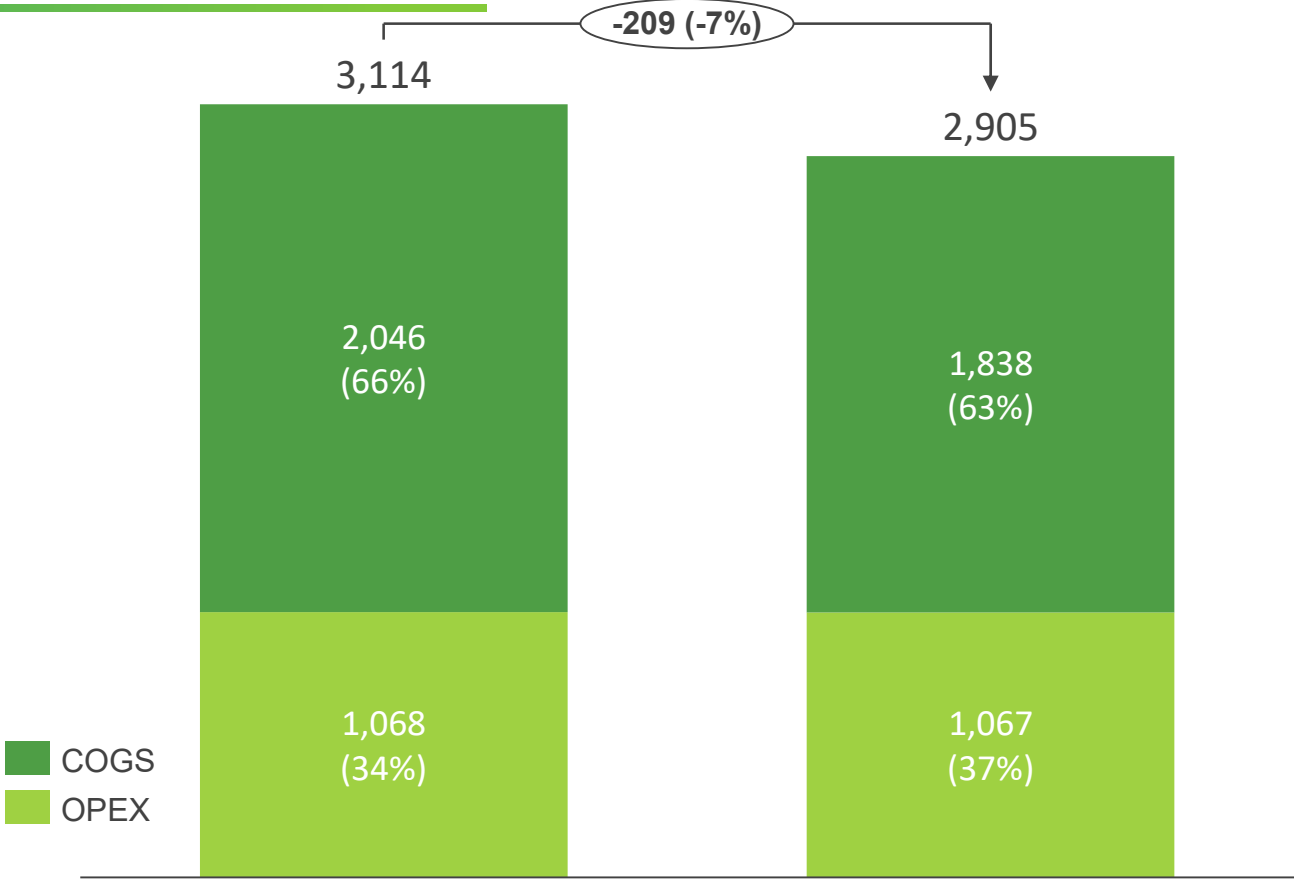
\$ millions	Q1 2021	Comments
Amortization	242	Quarterly run-rate
Impairment of assets, and accelerated depreciation	134	Mainly U.S. IPR&D and product rights
Legal settlements	104	Mainly related to a provision for a potential patent settlement
Restructuring	81	
Financial Expenses	64	
Equity Compensation Plans	31	
Divestment, Contingent, IPR&D and Other	50	
Corresponding tax effect	(85)	
Total adjustments	621	

Q1 2020 Non-GAAP Summary

\$ billions, except EPS	Q1 2021	Q1 2020	Change
Revenues	4.0	4.4	-9%
Gross profit	2.1 53.8%	2.3 53.1%	0.8%
Operating income	1.1 27.1%	1.2 28.5%	-1.5%
EBITDA	1.2	1.4	-12%
Net income	0.7	0.8	-16%
EPS (\$)	0.63 1,107 million shares	0.76 1,096 million shares	-17%
Free cash flow*	0.06	0.55	-89%

Spend Base – Q1 2021 vs. Q1 2020

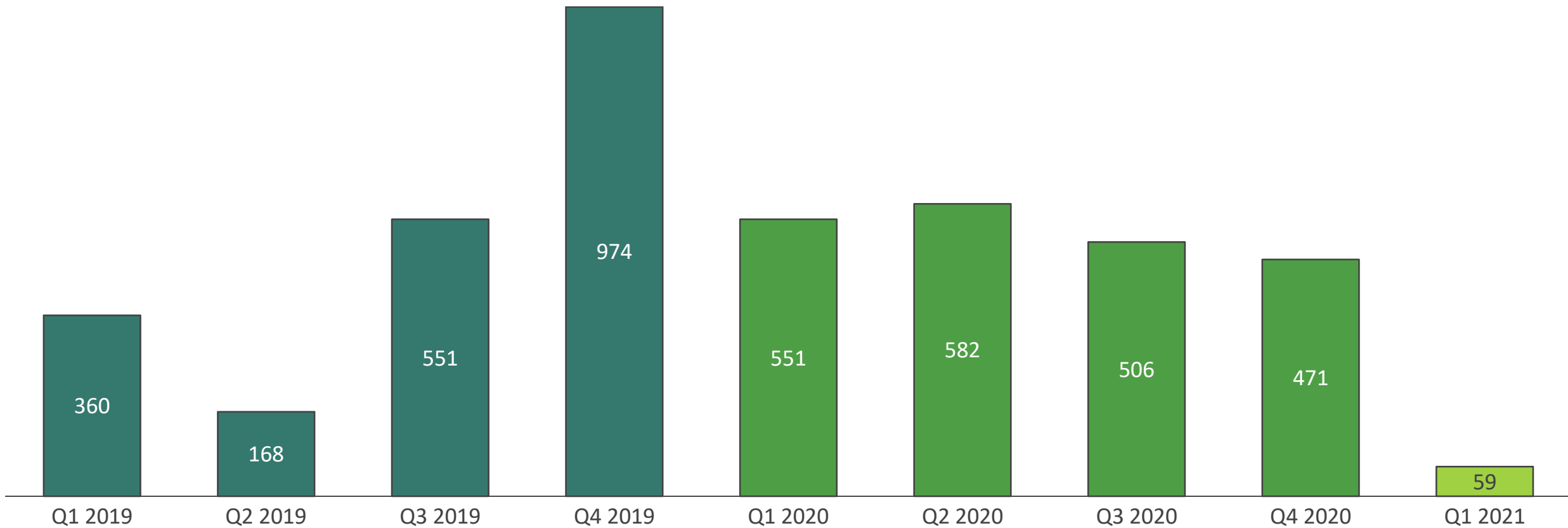
\$ millions



Revenues	4,357	3,982
GP%	53.1%	53.8%
OP%	28.5%	27.1%

Free Cash Flow by Quarters

\$ millions



Ongoing Debt Reduction

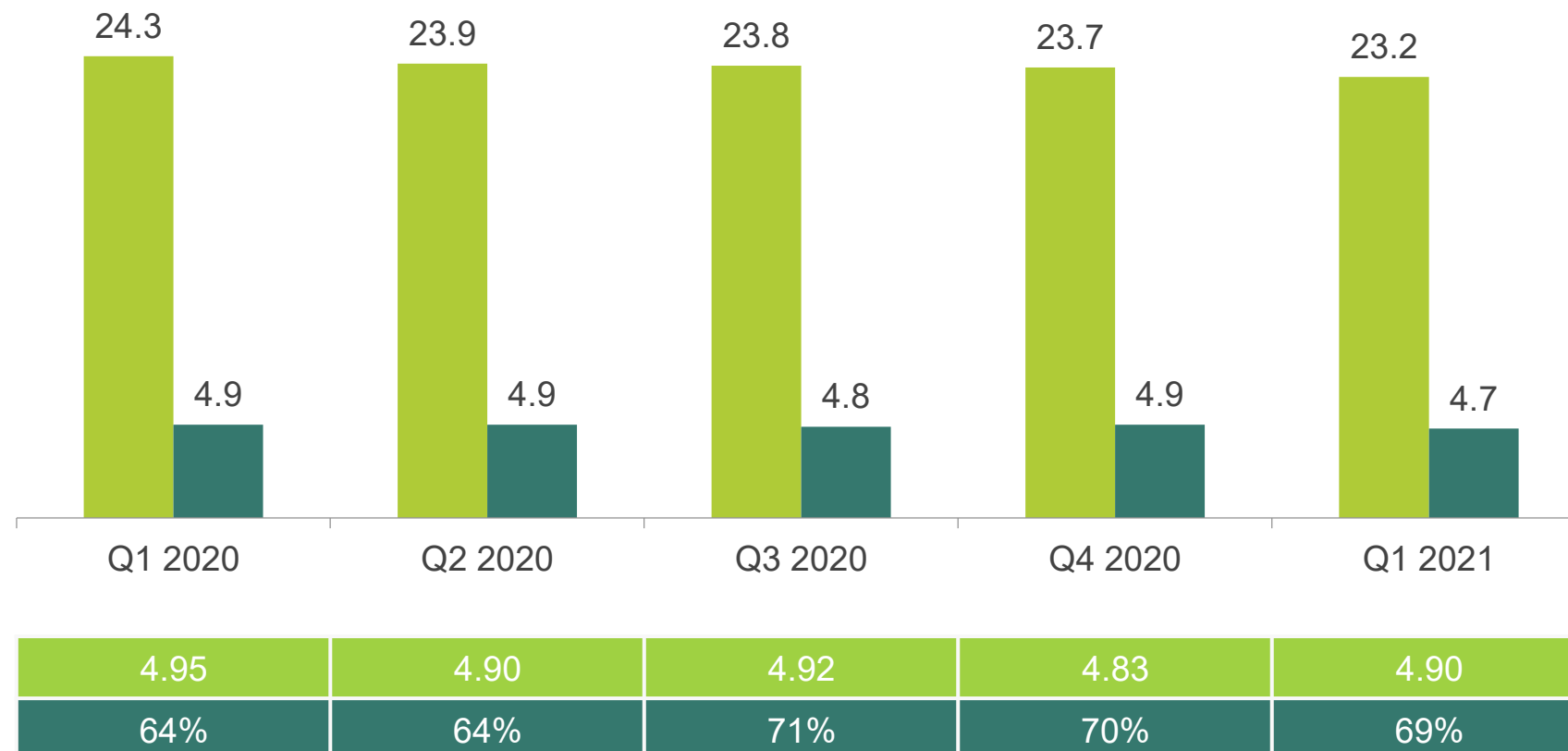
\$ billions

Net Debt

EBITDA MAT

Net Debt / EBITDA MAT*

Leverage



Reaffirming 2021 Non-GAAP Outlook

\$ billions, except EPS	2021 Outlook	2020 Actual
Revenues*	16.4 - 16.8	16.7
COPAXONE	~\$1,050 million	\$1,337 million
AUSTEDO	~\$950 million	\$638 million
AJOVY	~\$300 million	\$183 million
Operating Income	4.3 - 4.6	4.4
EBITDA	4.8 - 5.1	4.9
EPS (\$)	2.50 - 2.70 1,105 million shares	2.57 1,099 million shares
Free Cash Flow**	2.0 - 2.3	2.1
CAPEX	0.6	0.6
Non-GAAP Tax Rate	17% - 18%	17%
Foreign Exchange	Volatile swings in FX can negatively impact revenue and income	

* 2020 actual results include ~\$240 million in revenues from generic products in Japan divested on February 1, 2021, along with a manufacturing site

** Free cash flow includes cash flow from operating activities, beneficial interest collected in exchange for securitized accounts receivables, proceeds from divestitures of businesses and other assets, net of cash used for capital investment.



Q&A



Additional Information

Quarterly GAAP Income Statement

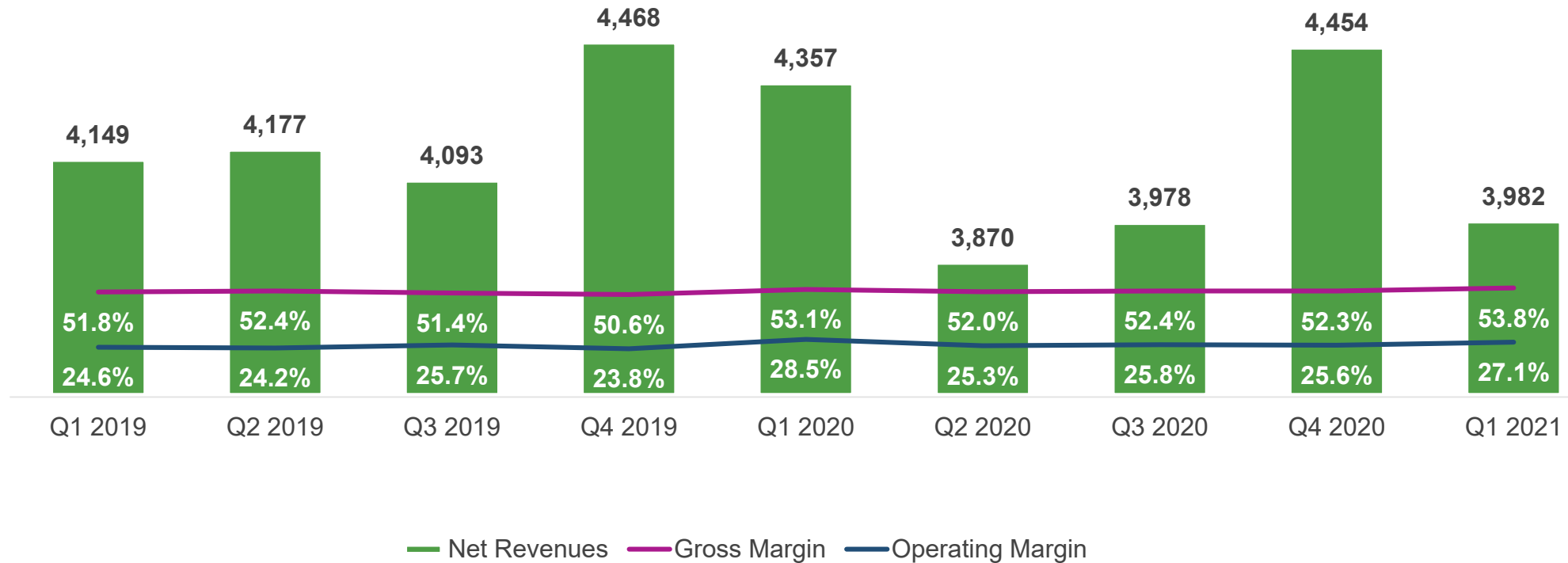
\$ millions, except EPS	Q1 2021	Q1 2021 Margins	Q1 2020	Q1 2020 Margins	Change
Revenues	3,982		4,357		(9%)
COGS	2,104	52.8%	2,294	52.7%	(8%)
Gross profit	1,878	47.2%	2,063	47.3%	(9%)
R&D	254	6.4%	221	5.1%	15%
S&M	585	14.7%	613	14.1%	(5%)
G&A	290	7.3%	304	7.0%	(5%)
Legal settlements and loss contingencies	104	2.6%	(25)	(0.6%)	n/a
Impairments, restructuring and others	216	5.4%	770	17.7%	(72%)
Other income	(5)	(0.1%)	(13)	(0.3%)	(61%)
Operating income	434	10.9%	191	4.4%	127%
Finance exp.	290	7.3%	224	5.2%	29%
Tax	62	43.1% *	(59)	178.1% *	n/a
Minority and share in profit (loss)	5	0.1%	(43)	(1.0%)	n/a
Net income attributable to Teva	77	1.9%	69	1.6%	12%
# of shares (diluted, millions)	1,107		1,096		
Earnings (loss) per share (\$)	0.07		0.06		11%

Q1 2021 Foreign Exchange Impact

\$ millions	Q1 2021	Q1 2020	Diff	FX Effect	Diff net FX
Revenues	3,982	4,357	(376)	74	(449)
Operating income (loss) GAAP	434	191	242	(14)	256
Operating income Non-GAAP	1,077	1,244	(167)	(10)	(156)

Net Revenue and Profitability (Non-GAAP)

\$ millions

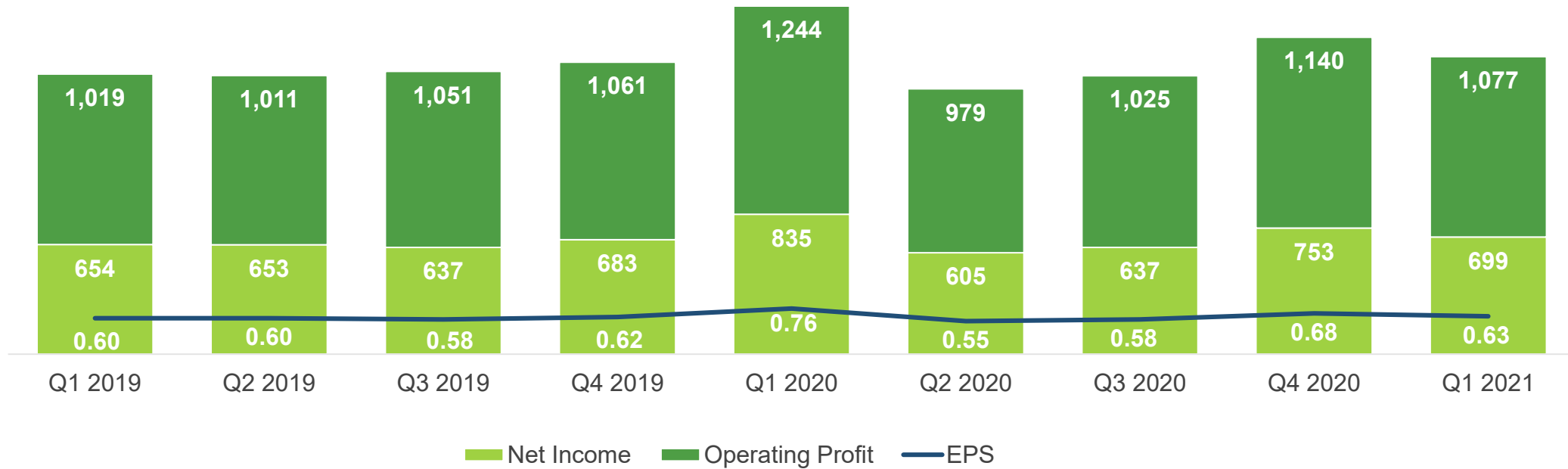


Revenues by Activity and Geographical Area

\$ millions	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21
North America Segment	2,082	2,047	2,017	2,300	1,989
Generic products	952	923	928	1,206	1,053
AJOVY®	29	34	35	36	31
AUSTEDO®	122	161	168	185	146
BENDEKA®/TREANDA®	105	103	105	102	91
COPAXONE®	198	238	236	213	164
ProAir®*	59	66	50	67	54
Anda	426	374	341	321	289
Other	191	147	155	171	161
Europe Segment	1,402	1,001	1,116	1,237	1,214
Generic products	1,032	737	824	920	865
AJOVY®	4	5	8	13	16
COPAXONE®	109	84	101	106	100
Respiratory	106	80	77	90	93
Other	151	95	106	107	140
International Markets Segment	565	488	529	572	490
Generic products	449	426	429	488	392
COPAXONE®	12	12	14	15	12
Other	104	50	86	69	86
Other	307	335	316	344	289
Total Teva	4,357	3,870	3,978	4,454	3,982

Profits and EPS (Non-GAAP)

\$ millions, EPS in \$

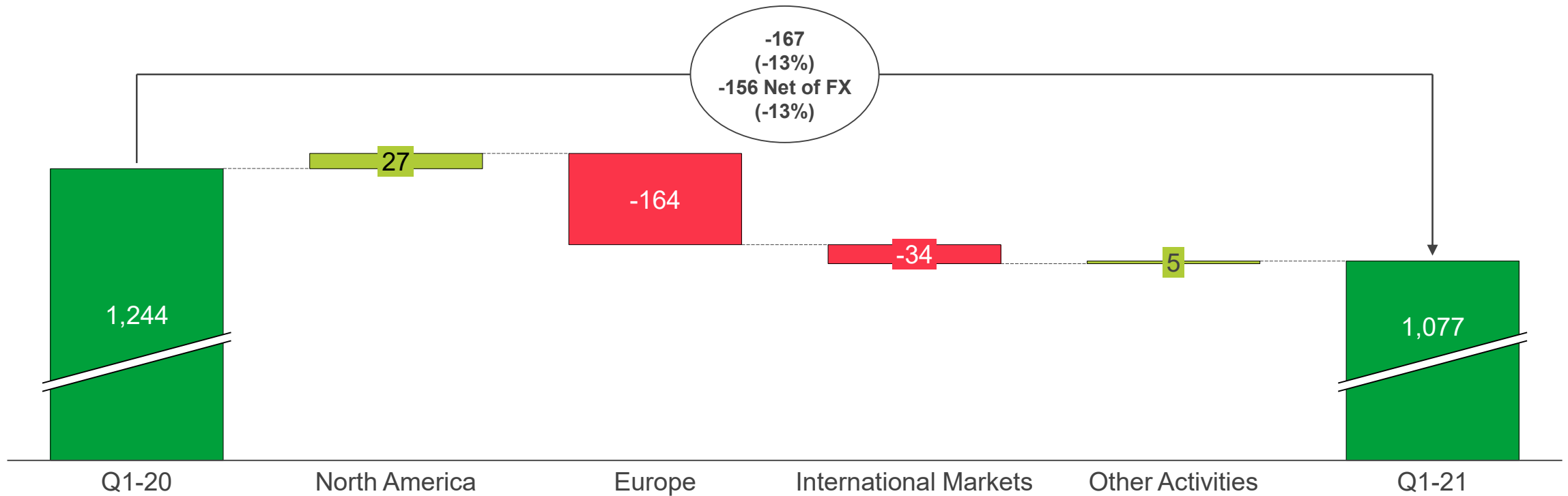


Spend Base Trend (Non-GAAP)

\$ millions	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
COGS	2,046	1,859	1,894	2,126	1,838
S&M	570	559	566	627	549
R&D	221	233	233	254	244
G&A	290	245	269	312	278
Other income	(13)	(6)	(8)	(5)	(5)
Total	3,114	2,891	2,953	3,313	2,905

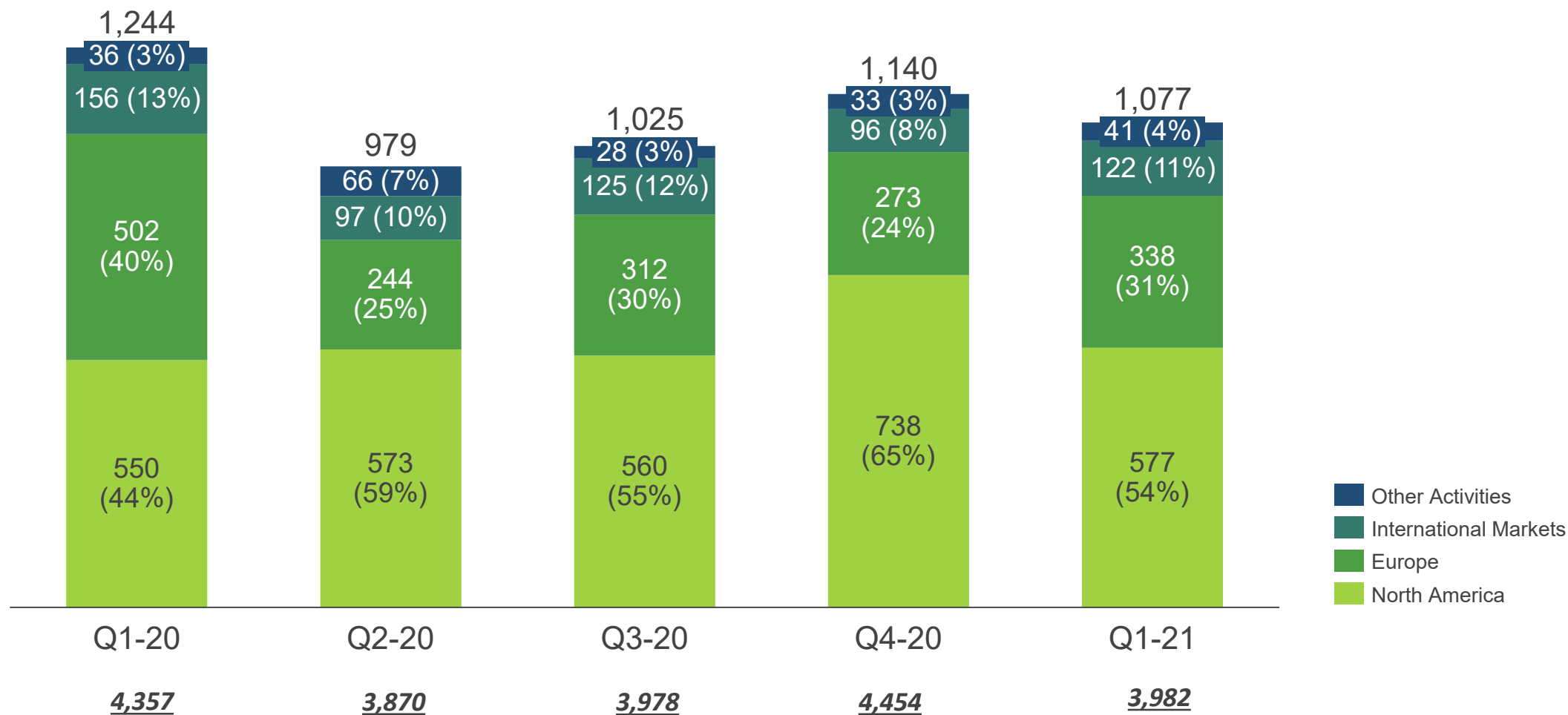
Quarterly Non-GAAP Operating Income

\$ millions



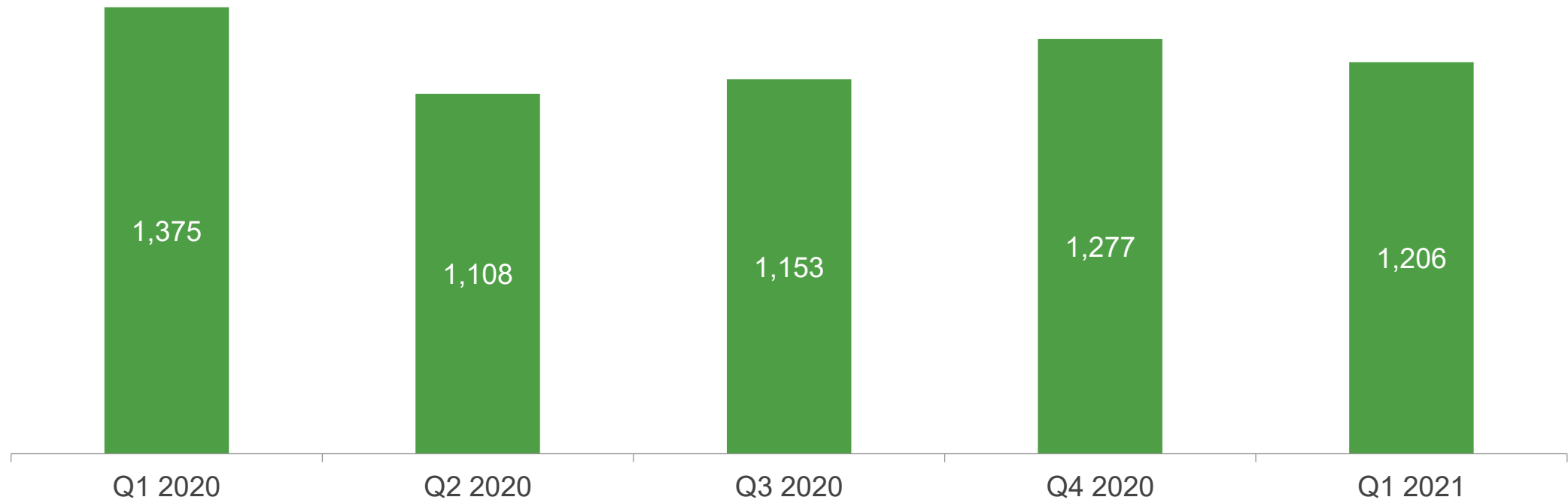
Quarterly Non-GAAP Operating Income

\$ millions



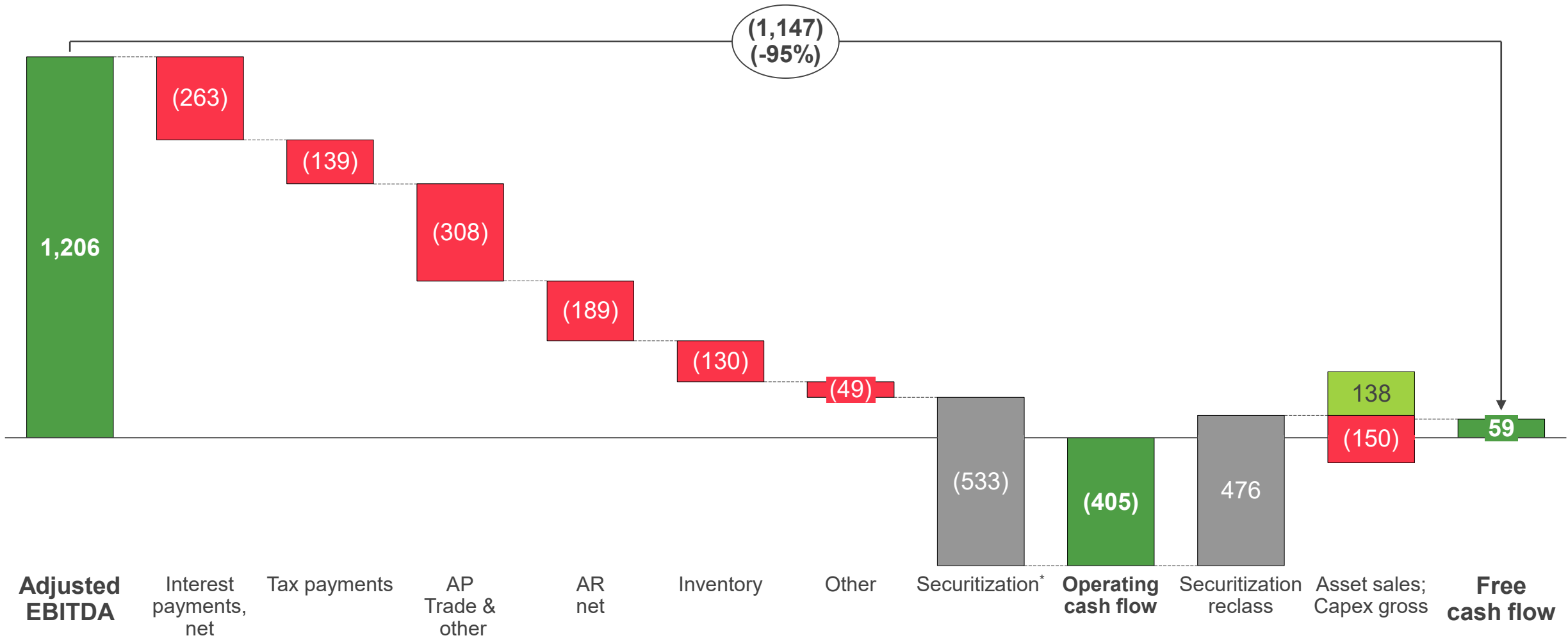
Quarterly Adjusted EBITDA

\$ millions



Q1 2021 Adjusted EBITDA to Free Cash Flow

\$ millions

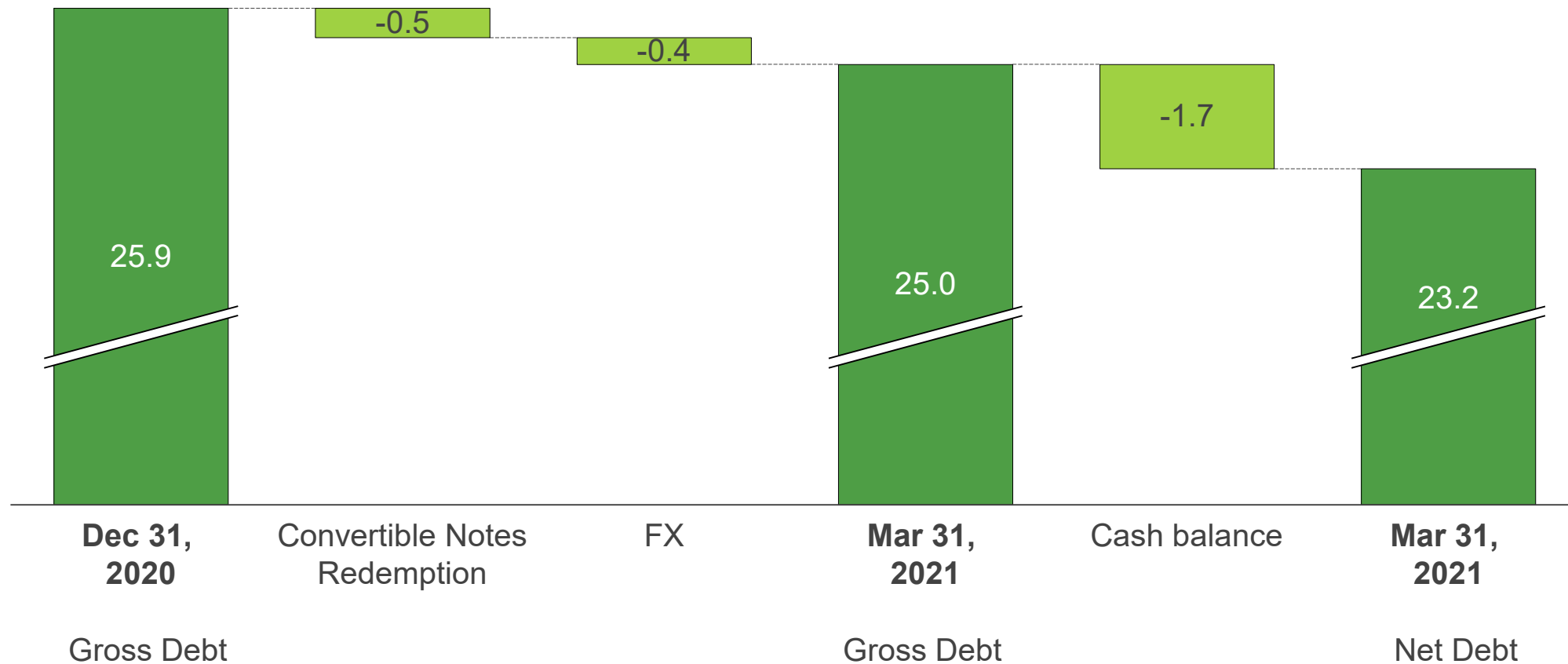


Consolidated Balance Sheet

\$ billions	Mar 31, 2021	Dec 31, 2020	Diff
Cash and Cash Equivalents	1.7	2.2	(0.4)
AR Trade	4.6	4.6	(0.0)
Pre-paid Expenses and Other Current Assets	1.7	1.8	(0.2)
Inventory	4.4	4.4	0.0
Fixed Assets	6.1	6.3	(0.2)
Intangible Assets	8.4	8.9	(0.5)
Goodwill	20.3	20.6	(0.3)
Other Long Term Assets	1.7	1.8	(0.0)
Total Assets	49.0	50.6	(1.6)
AP Trade	1.7	1.8	(0.1)
SR&A	4.6	4.8	(0.2)
AP Other	3.1	3.4	(0.3)
Total Debt (ST+LT)	25.0	25.9	(0.9)
Other Long Term liabilities	3.7	3.7	(0.0)
Minority	1.0	1.0	(0.1)
Teva Shareholders' Equity	10.0	10.0	(0.0)
Total Liabilities & Equity	49.0	50.6	(1.6)

Q1 2021 Debt Movements

\$ billions



Teva 2020 ESG Performance

	2020 Score	2020 Sector Ranking		Previous Score	Previous Sector Ranking
	65	Top 10%	^	63	Top 14%
	36	Top 30%	^	33	Top 45%
	A-	Top 38%	^	B	Top 64%
	C	Bottom 18%		Not scored	Not scored
	C	Top 40%	^	D+	N/A
	3.4	Top 29%	✓	3.9	Top 12%
	B	Bottom 22%	>	B	Bottom 22%
	56	Top 23%	>	56	Top 17%
	22	Top 22%	^	9	Top 17%

teva

