



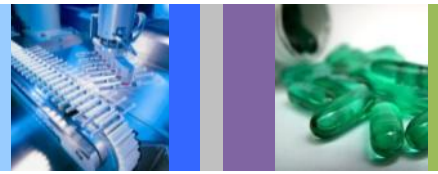
Bank of America Merrill Lynch 2010 Health Care Conference

Shlomo Yanai

President & CEO

May 13th 2010

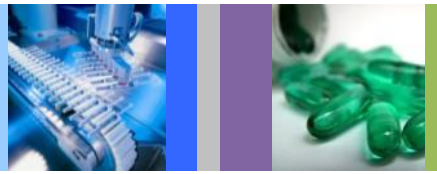
Q1 2010 - Solid start for 2010



	Q1/09*	Q1/10*	Change
Sales $m	3,147	3,653	+16%
Operating income $m	826	1,002	+21%
Net income $m	634	830	+31%
EPS $	0.71	0.91	+28%
Cash flow from operations $m	733	886	+21%

* Net income, operating income and EPS are non GAAP results

Q1 2010 – excellent margins



	Q1/09*	Q1/10*	Change
Sales $m	3,147	3,653	+16%
Operating income $m	826	1,002	+16%
Net income $m	634	830	+31%
Gross margin %	58.4	58.4	
Operating margin %	26.2	27.4	
Net margin %	20.1	22.7	

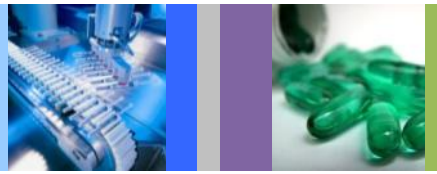
* Operating income, net income, gross margin, operating market and net margin are non GAAP results

Targets for 2015



Revenues	**$31 bn**
Net income	**$6.8 bn**
Net profitability	**22%**

Growth through market share



	2015 sales targets	2009-2015 CAGR
North America	$15bn	9.5%
Europe	$9bn	18.6%
International	$7bn	23.2%
Total	**$31bn**	14.3%

ratiopharm acquisition: Compelling value creation



Strong strategic fit

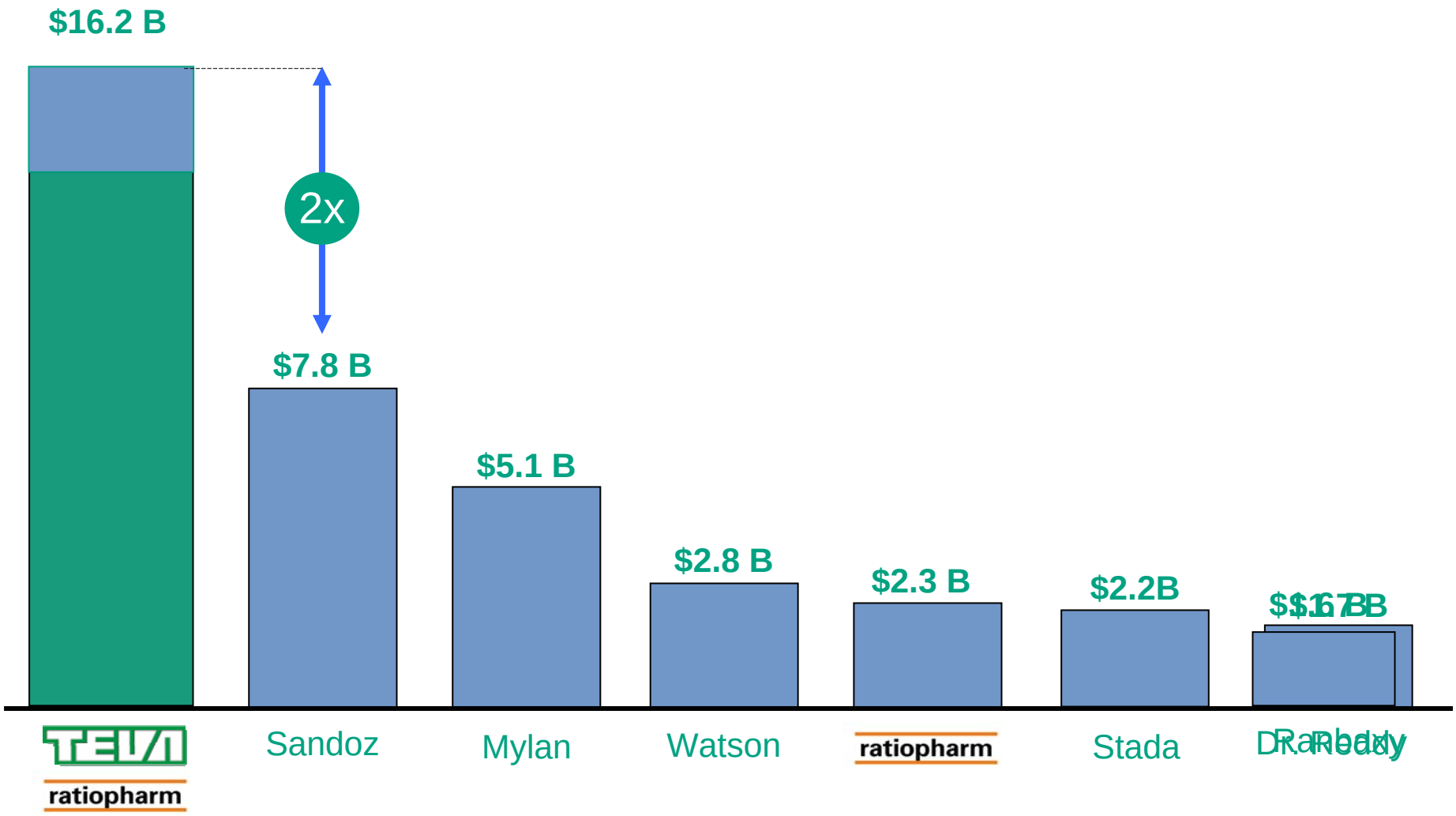
- **Significantly enhance Teva's global leadership**
- **Clear leader of European generics market**
- **#2 in Germany**
- **#1 in 10 EU markets; Top 3 in 7 EU markets**
- **Well-established Biosimilar operations**

Attractive economics

- **Accretive within the 3rd quarter after closing**
- **At least $400 million in annual cost synergies**
- **Revenue upside**

Teva's global lead will grow significantly

2009 Global Peer Group Sales



Source: Company filings and analysts' reports

Is there still room to grow in generics? YES!



$135-150 bn in 2015

GROWTH

People living **longer** and consuming **more** drugs

GROWTH

Healthcare **reforms** and cost saving initiatives

GROWTH

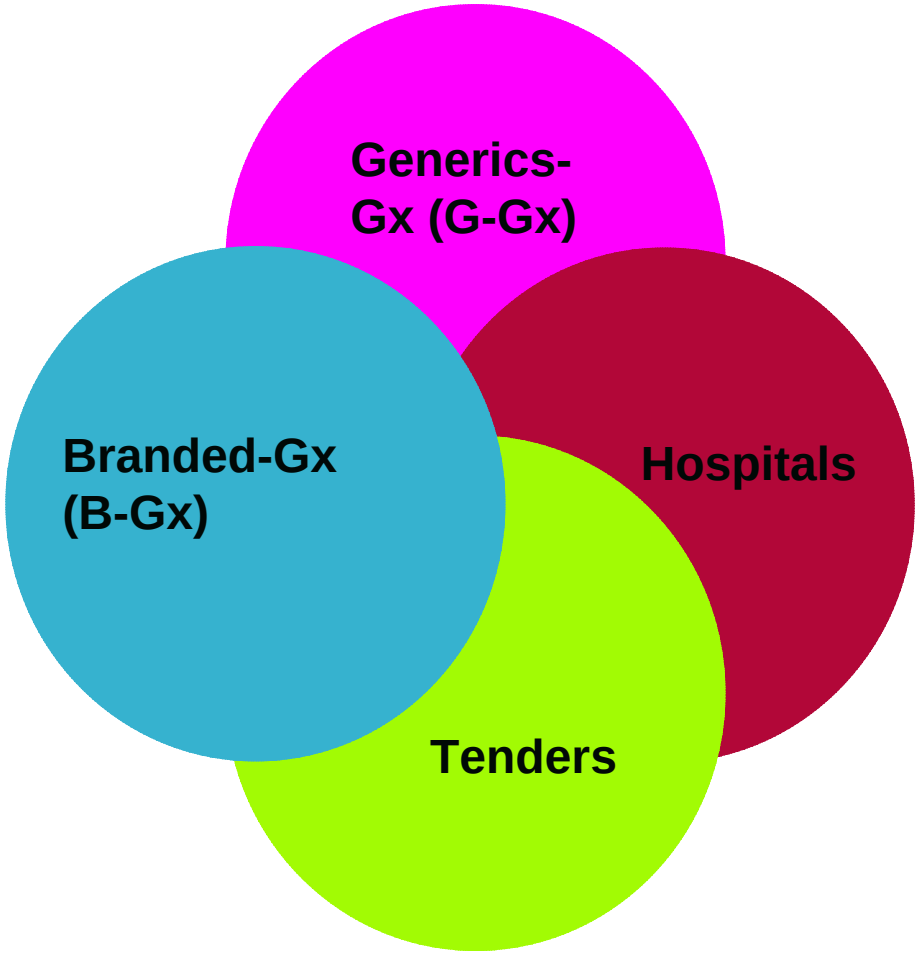
Increasing opportunities in **emerging generics markets**

GROWTH

$150bn of brands going **off-patent** in the next 5 years

The Teva advantage crosses all models

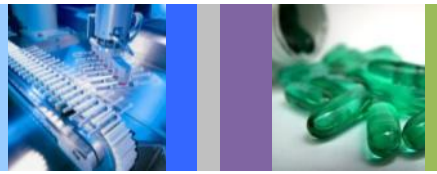
Multiple Generics Models



Teva's Advantage

- >1,000 molecules
- Local market knowledge
- Government relationships
- Speed and agility
- High quality products
- Low cost manufacturing

Teva Branded – multifaceted approach & expertise

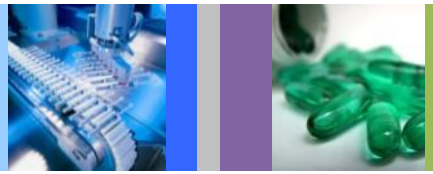


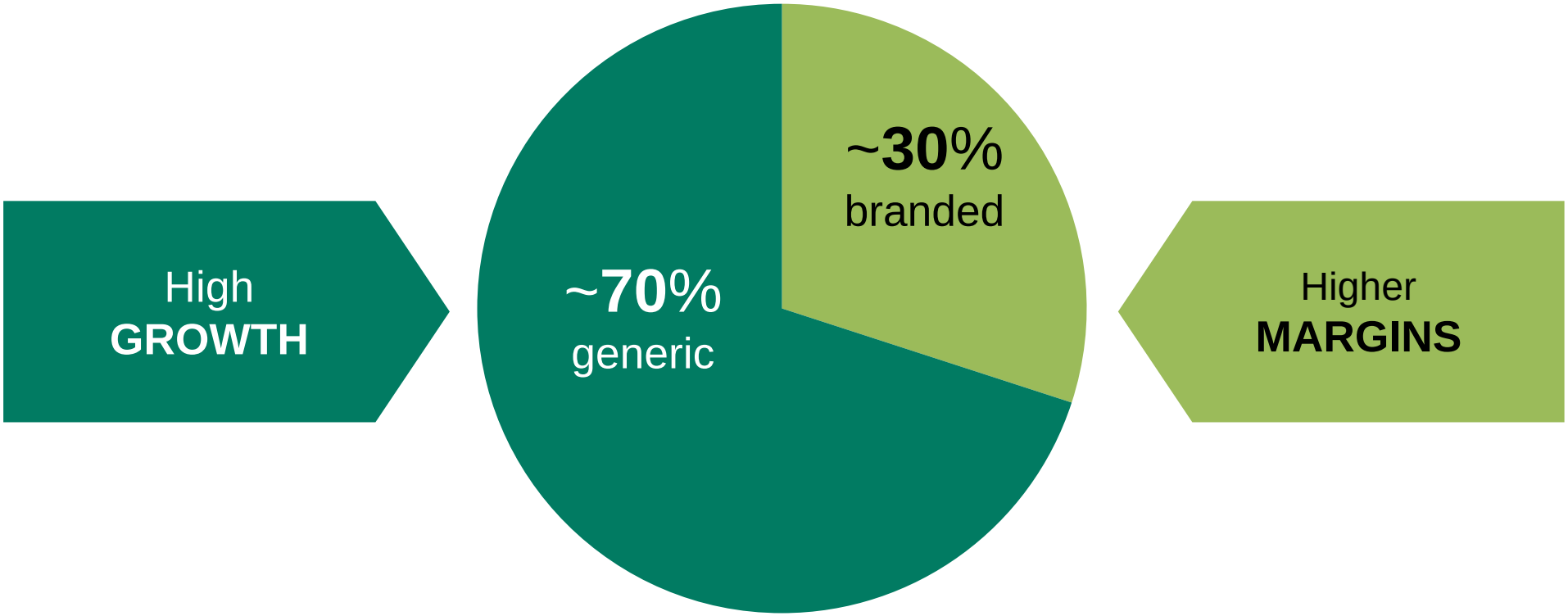


Teva Branded – multifaceted approach & expertise



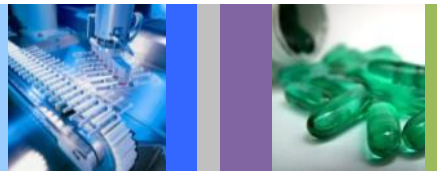
Balance between high-growth generics & higher-margin branded business





Diversity across: BUSINESS UNITS, PRODUCTS, GEOGRAPHIES

Teva 2010-2015: value creation



- ✓ Growth
- ✓ High profitability
- ✓ Sustainable, balanced business model
- ✓ Financial strength





Thank you