TEVA PHARMACEUTICAL INDUSTRIES LTD.

Teva Pharmaceutical Industries Ltd.
Investor Lunch
Tel- Aviv
Dan Suesskind, CFO

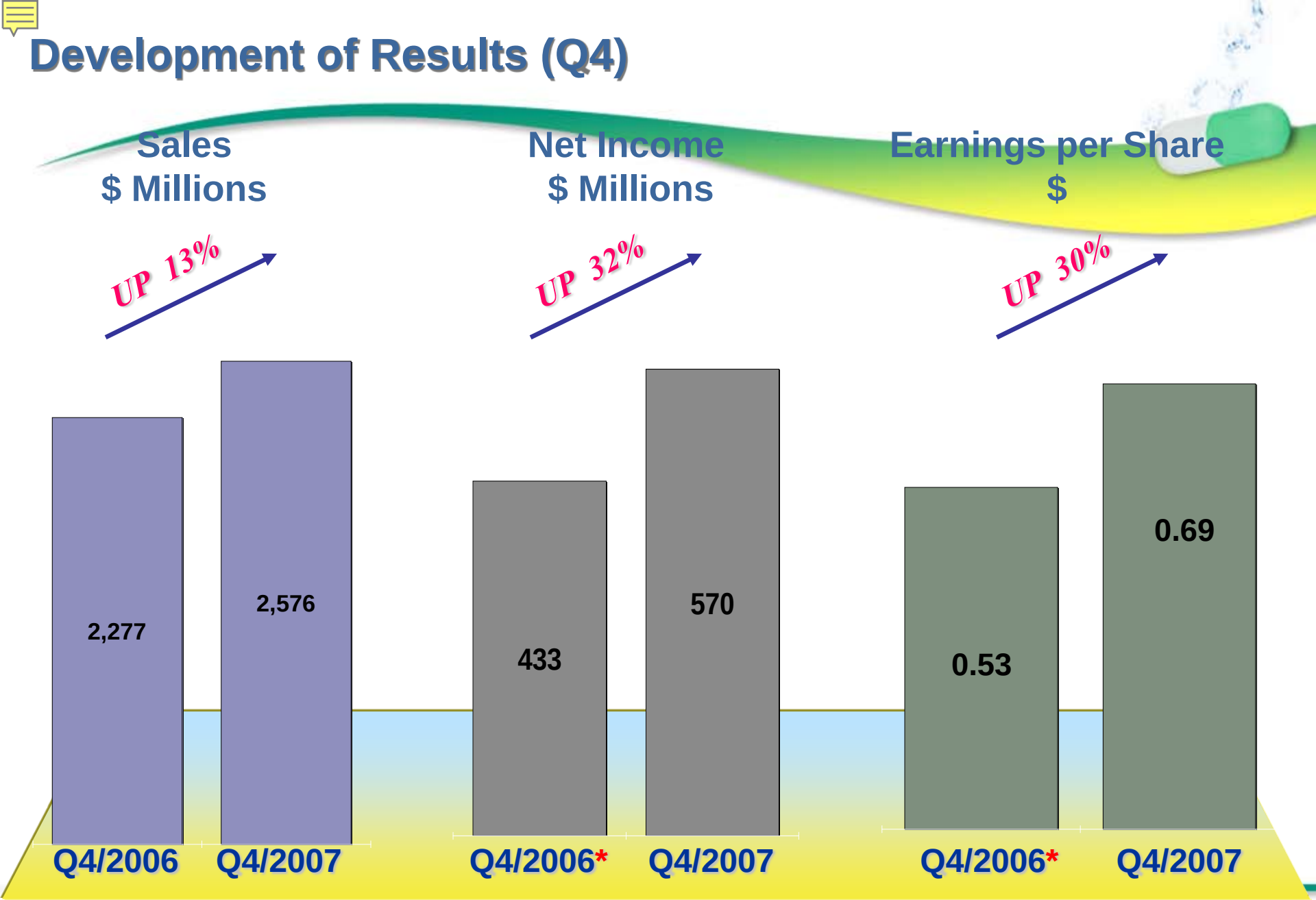
February 12 , 2008



Forward-Looking Statements

TODAY'S PRESENTATION CONTAINS FORWARD LOOKING STATEMENTS WHICH EXPRESS THE CURRENT BELIEFS AND EXPECTATIONS OF MANAGEMENT. SUCH STATEMENTS ARE BASED ON CURRENT EXPECTATIONS AND INVOLVE A NUMBER OF KNOWN AND UNKNOWN RISKS AND UNCERTAINTIES THAT COULD CAUSE TEVA'S FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS TO DIFFER SIGNIFICANTLY FROM THE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. IMPORTANT FACTORS THAT COULD CAUSE OR CONTRIBUTE TO SUCH DIFFERENCES INCLUDE TEVA'S ABILITY TO SUCCESSFULLY DEVELOP AND COMMERCIALIZE ADDITIONAL PHARMACEUTICAL PRODUCTS, THE INTRODUCTION OF COMPETITIVE GENERIC PRODUCTS, THE IMPACT OF COMPETITION FROM BRAND-NAME COMPANIES THAT SELL THEIR OWN GENERIC PRODUCTS OR SUCCESSFULLY EXTEND THE EXLUSIVITY PERIOD OF THEIR BRANDED PRODUCT, TEVA'S ABILITY TO RAPIDLY INTEGRATE THE OPERATIONS OF ACQUIRED BUSINESSES, THE AVAILABILITY OF PRODUCT LIABILITY COVEREGE IN THE CURRENT INSURANCE MARKET, THE IMPACT OF PHARMACEUTICAL INDUSTRY REGULATION AND PENDING LEGISLATION THAT COULD AFFECT THE PHARMACEUTICAL INDUSTRY, THE DIFFICULTY OF PREDICTING U.S. FOOD AND DRUGS ADMINISTRATION ("FDA") AND OTHER REGULATORY AUTHORITY APPROVALS, THE REGULATORY ENVIRONMENT AND CHANGES IN THE HEALTH POLICIES AND STRUCTURE OF VARIOUS COUNTRIES, ACCEPTANCE AND DEMAND FOR NEW PHARMACEUTICAL PRODUCTS AND NEW THERAPIES, UNCERTAINTIES REGARDING MARKET ACCEPTANCE OF INNOVATIVE PRODUCTS NEWLY LAUNCHED, CURRENTLY BEING SOLD OR IN DEVELOPMENT, THE IMPACT OF RESTRUCTURING OF CLIENTS, RELIANCE ON STRATEGIC ALLIANCES, EXPOSURE TO PRODUCT LIABILITY CLAIMS, DEPENDENCE ON PATENT AND OTHER PROTECTIONS FOR INNOVATIVE PRODUCTS, FLUCTUATIONS IN CURRENCY, EXCHANGE AND INTEREST RATES, OPERATING RESULTS, OTHER FACTORS THAT ARE DISCUSSED IN TEVA'S ANNUAL REPORT ON FORM 20-F AND ITS OTHER FILINGS WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION ("SEC"). FORWARD LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE ON WHICH THEY ARE MADE, AND THE COMPANY UNDERTAKES NO OBLIGATION TO UPDATE PUBLICLY OR REVISE ANY FORWARD LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE DEVELOPMENTS OR OTHERWISE.

Development of Results (Q4)



* Non GAAP Figures

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TEVA PHARMACEUTICAL INDUSTRIES LTD.

2007 – Strong Performance

	2007	2006*	% Change
Sales ($ Millions)	9,408	8,408	12%
Net Income ($ Millions)	1,952	1,867	5%
Earnings per Share (diluted $)	2.38	2.30	3%
Cash Flow from Operations	1,813	2,058	
P/E Ratio 2008 (F.C. Consensus $2.69)	**17**		
Market Capitalization (as of Feb. 8, 2008: $46.64)	**37**		

* **Non GAAP Figures**

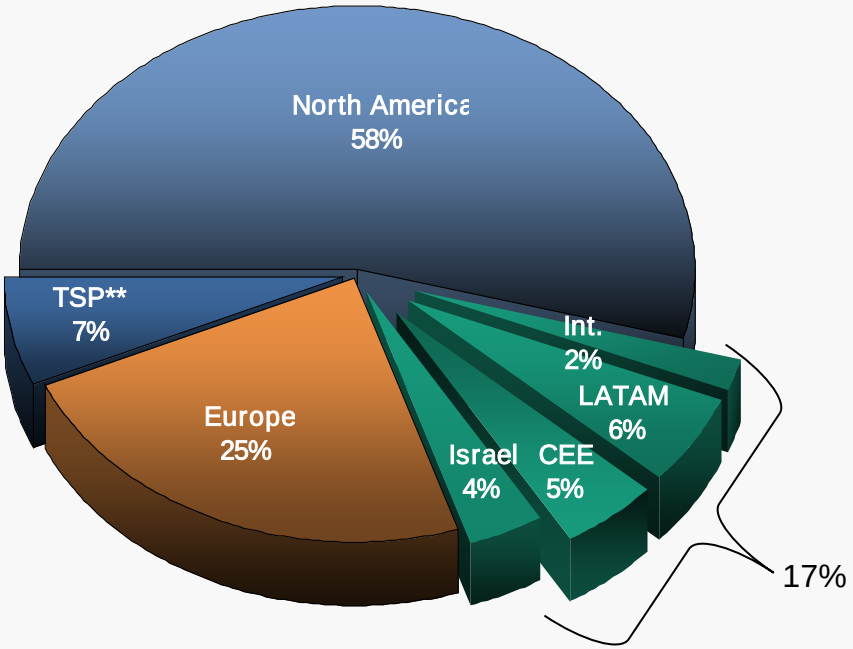
Exchange Rates* (Quarterly Average)

	Q4/07	Q3/07	Q2/07	Q1/07	Q4/06
USD: NIS	93%	98%	96%	99%	100%
	(3.94)	(4.18)	(4.08)	(4.21)	(4.26)
USD: EURO	89%	94%	96%	98%	100%
	(0.69)	(0.73)	(0.74)	(0.76)	(0.77)
USD: HUF	87%	91%	91%	86%	100%
	(174.38)	(183.10)	(183.98)	(192.26)	(201.55)
USD: CAD	86%	92%	96%	103%	100%
	0.98	(1.05)	(1.10)	(1.17)	(1.14)
USD: GBP	94%	95%	97%	98%	100%
	(0.49)	(0.49)	(0.50)	(0.51)	(0.52)

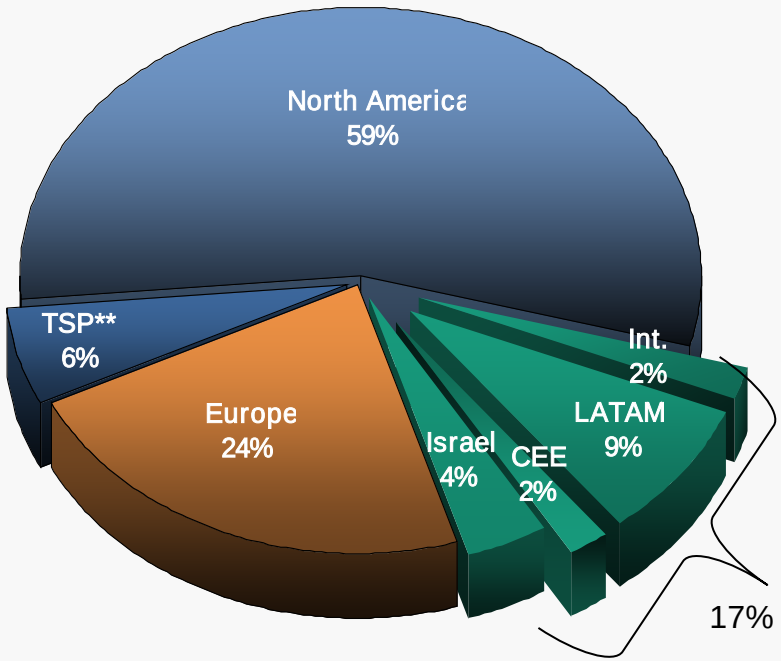
Q4/06= 100%

Q4 2007 – Sales By Region

Q4/07: $2,576 Million



Q4/06: $2,277 Million



* Western Europe and Hungary

**TSP is included in NA

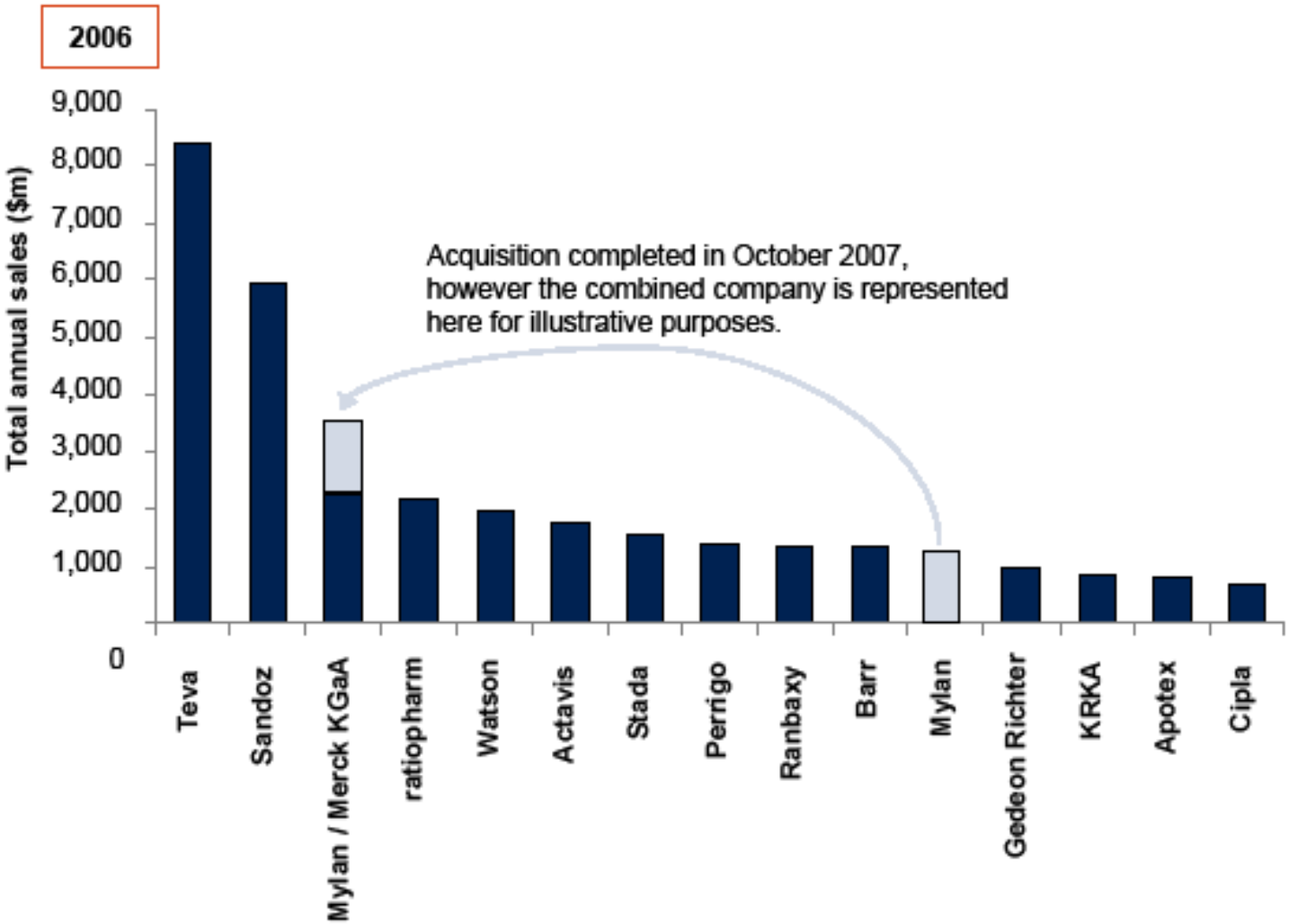
TEVA PHARMACEUTICAL INDUSTRIES LTD.

Teva's competitive positioning



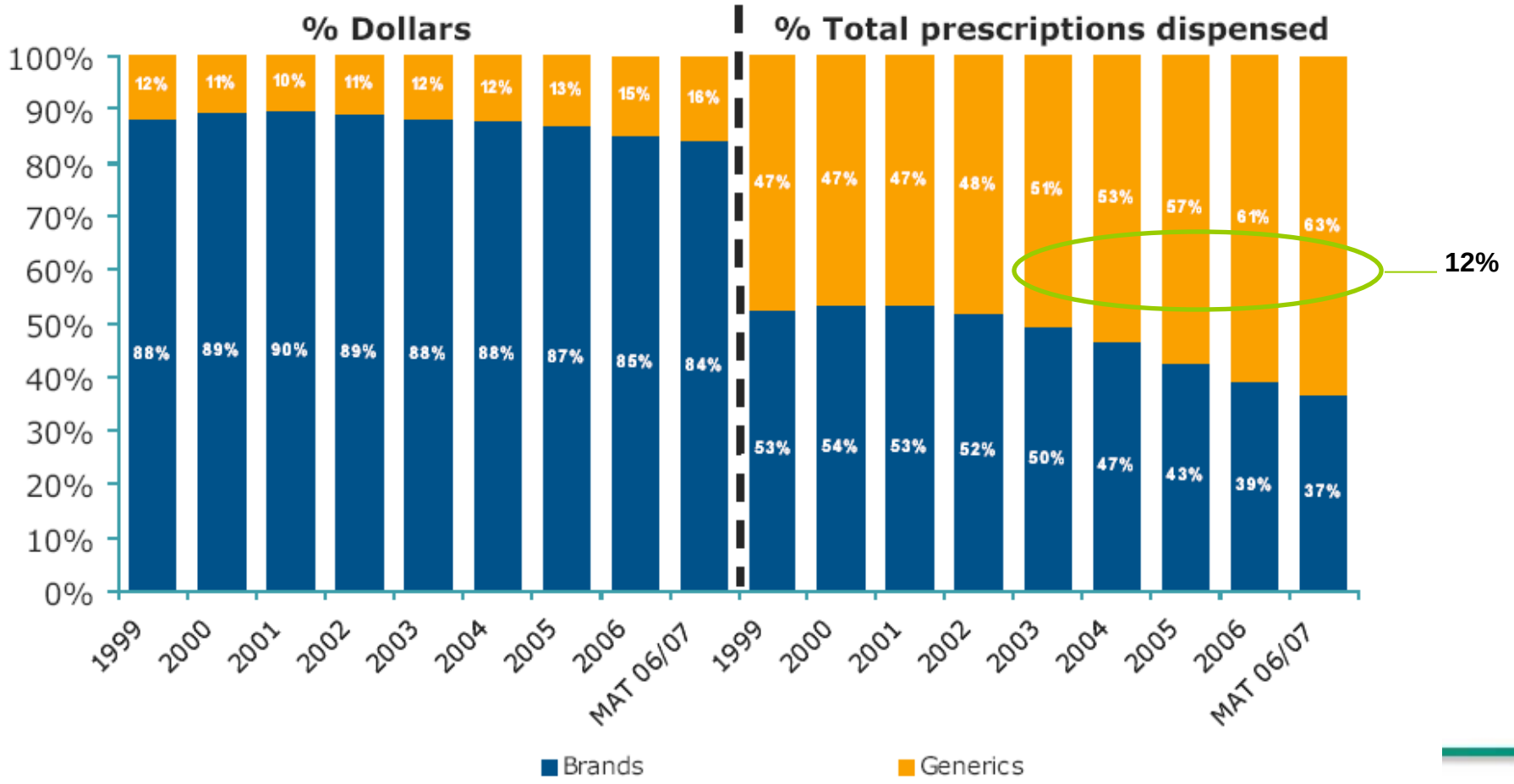
TEVA PHARMACEUTICAL INDUSTRIES LTD.

Generic Company ranking



NB Circled companies have been acquired during 2001–06; Using 2006 sales as last full year of data available

Generic TRx Continue to Gain Traction

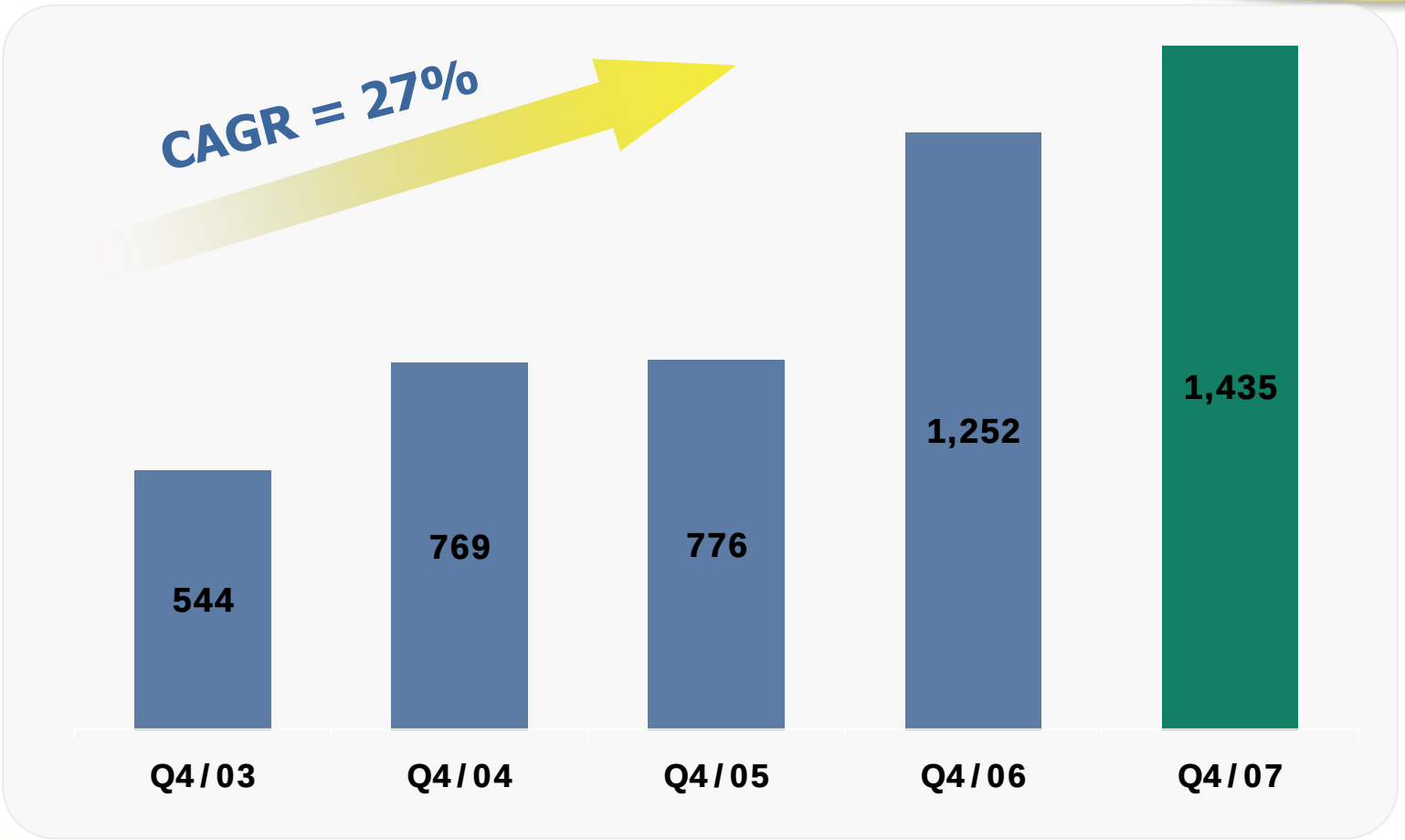


Source: IMS Health, National Prescription Audit Plus, National Sales Perspectives, Jun 2007

Q4 2007 – North America Pharmaceutical Sales

($ Millions)

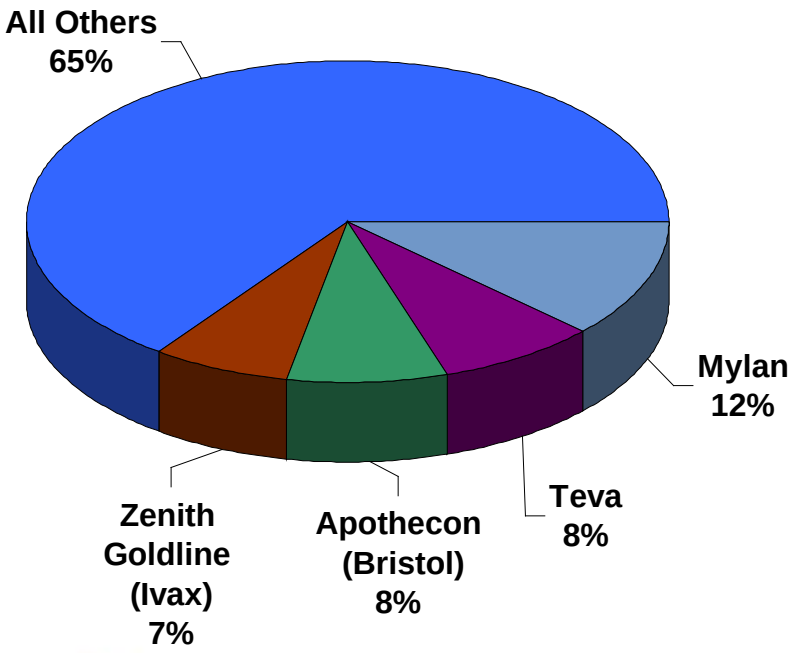
Up 15%



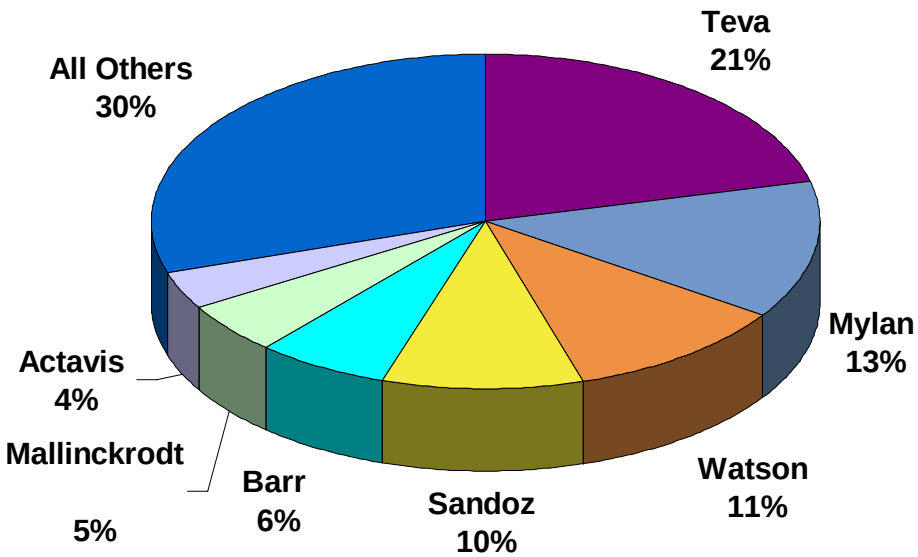
Generic Industry Consolidation

Top 4 have 55% market share combined

IMS TRx MAT Jun-97
(Top 4 = 35%)



IMS TRx MAT Jun-07
(Top 4 = 55%)



TEVA PHARMACEUTICAL INDUSTRIES LTD.

Top U.S. Pharmaceutical Companies

Generic companies only

Total Rx's

		TRxs (000s)	MAT Vol Chg*
1	Teva USA	437,397	20,753
2	Mylan	284,387	31,482
3	Watson	224,667	15,459
4	Sandoz	195,887	-4,478
5	Barr	134,860	2,595
6	Mallinckrodt	92,488	-18,068
7	Qualitest	84,541	13,377
8	Actavis	84,469	-7,003
9	Greenstone	80,450	22,458
10	Par	69,777	1,736

All pharmaceutical companies

Total Rx's

		TRxs (000s)	MAT Vol Chg*
1	Teva USA	453,860	31,965
2	Mylan	298,049	32,599
3	Novartis	266,765	-13,131
4	Pfizer	260,779	-32,403
5	Watson	224,669	15,457
6	Barr	134,938	2,550
7	Merck	121,619	-7,168
8	AstraZeneca	103,419	-14,044
9	GlaxoSmithKline	103,403	-15,896
10	Mallinckrodt	92,488	-18,068

Source: IMS Health December 2007 NPA

U.S. Generic Industry's Largest Pipeline

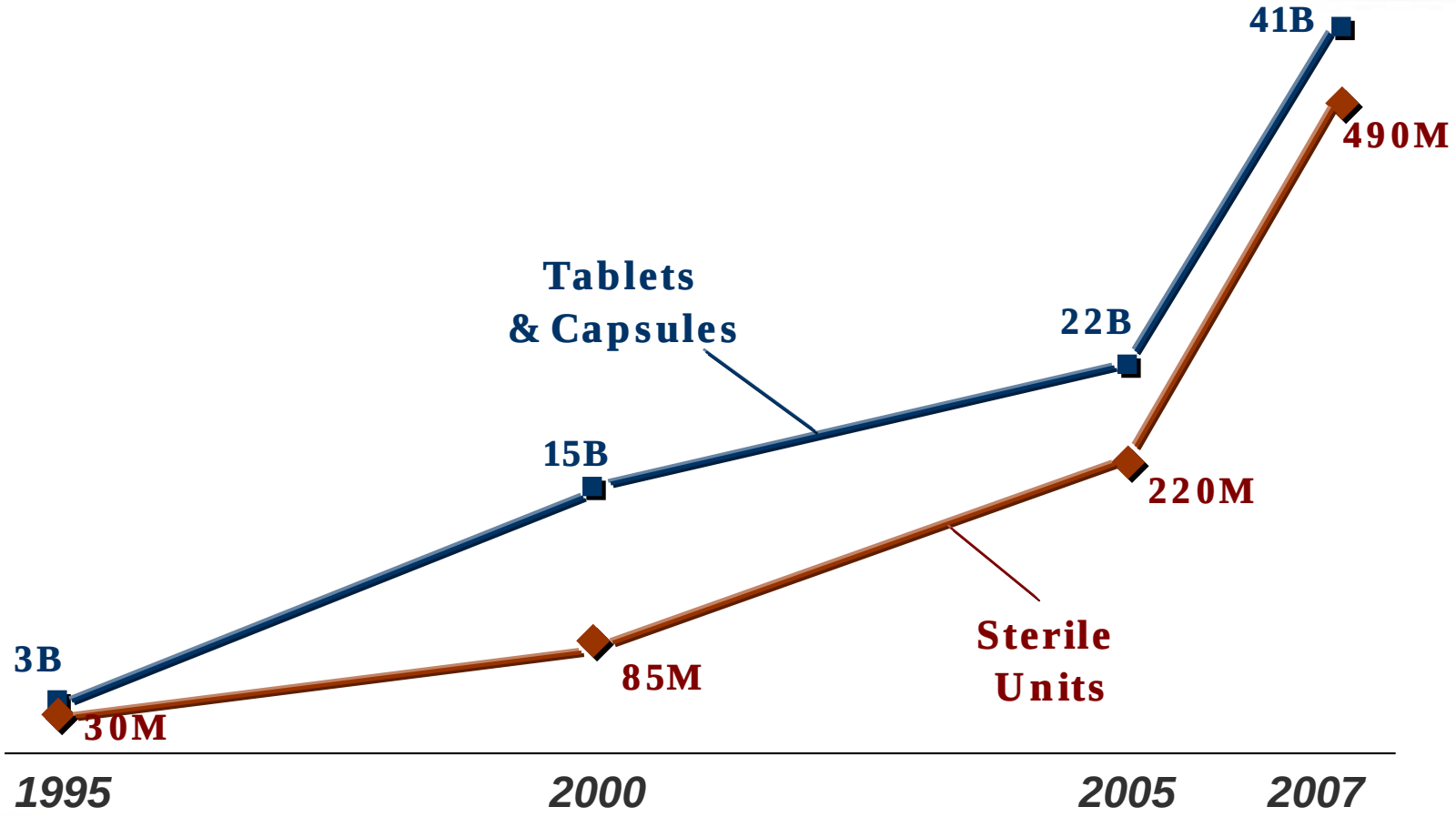
160 ANDAs – over $101 billion in total brand sales

92 Paragraph IV Filings

49 First-to-File – over $40 billion in total brand sales

As of February 7, 2008

In-house Production Volumes



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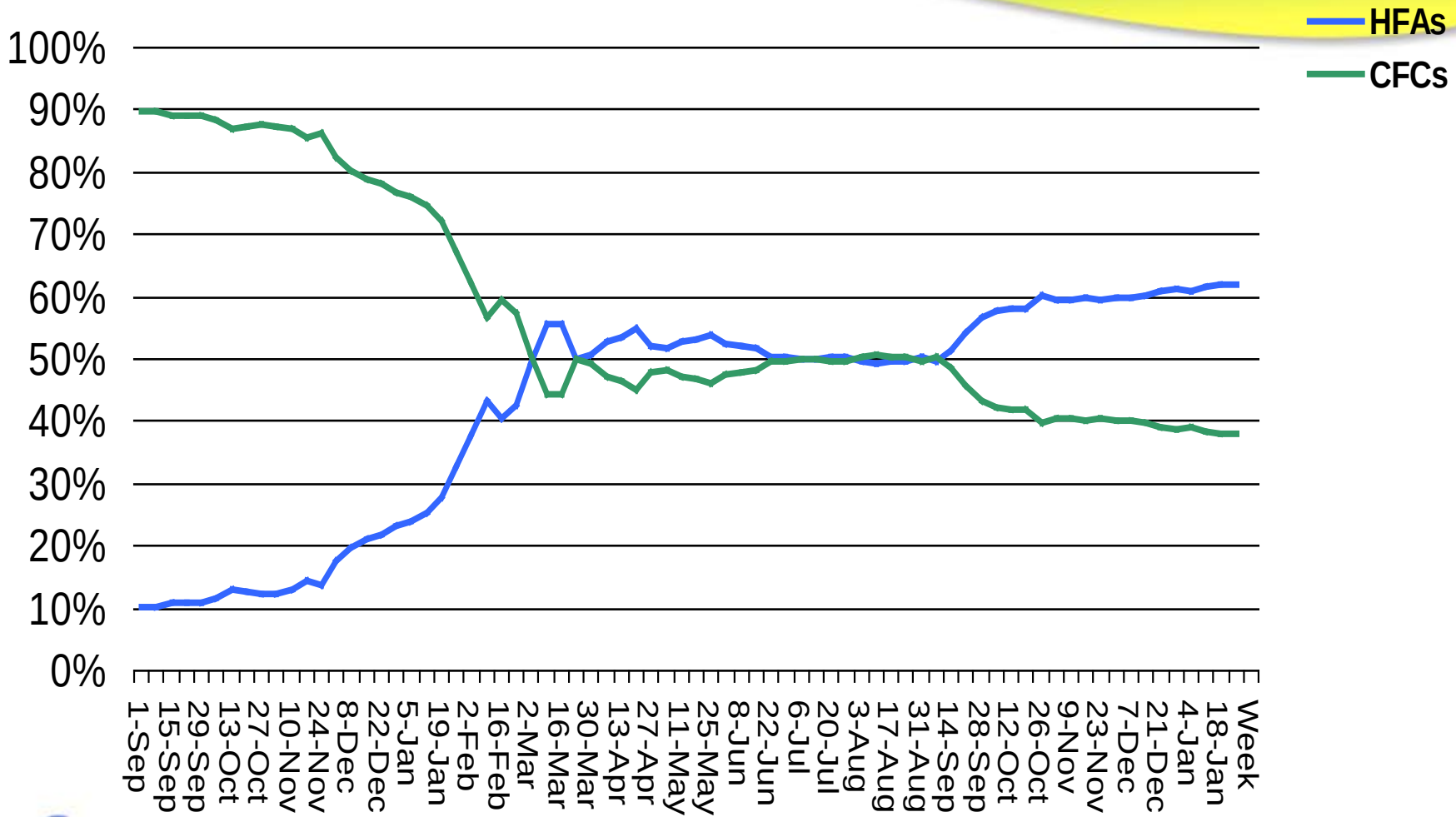
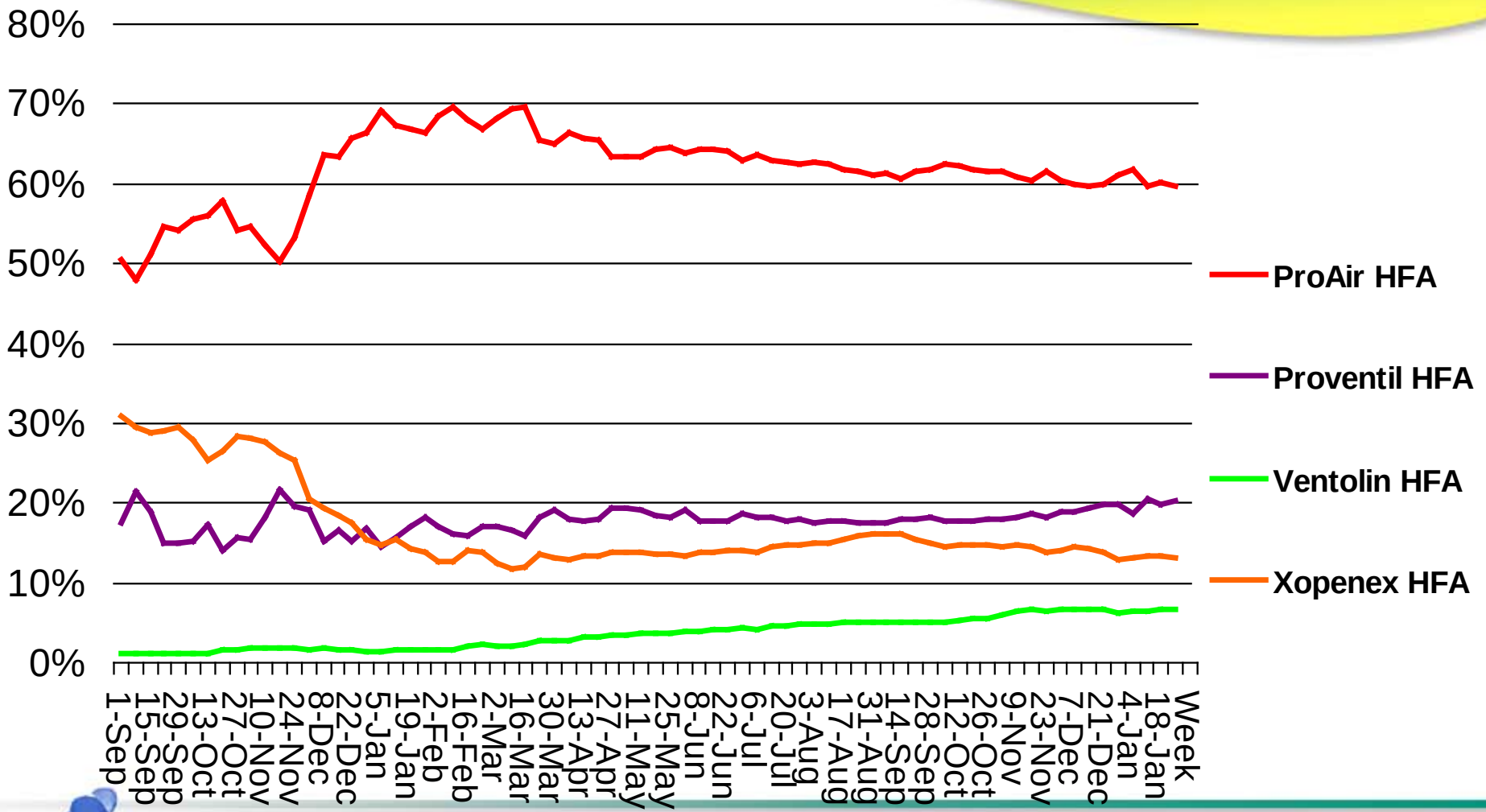
SABA TRx Weekly Market (Share)

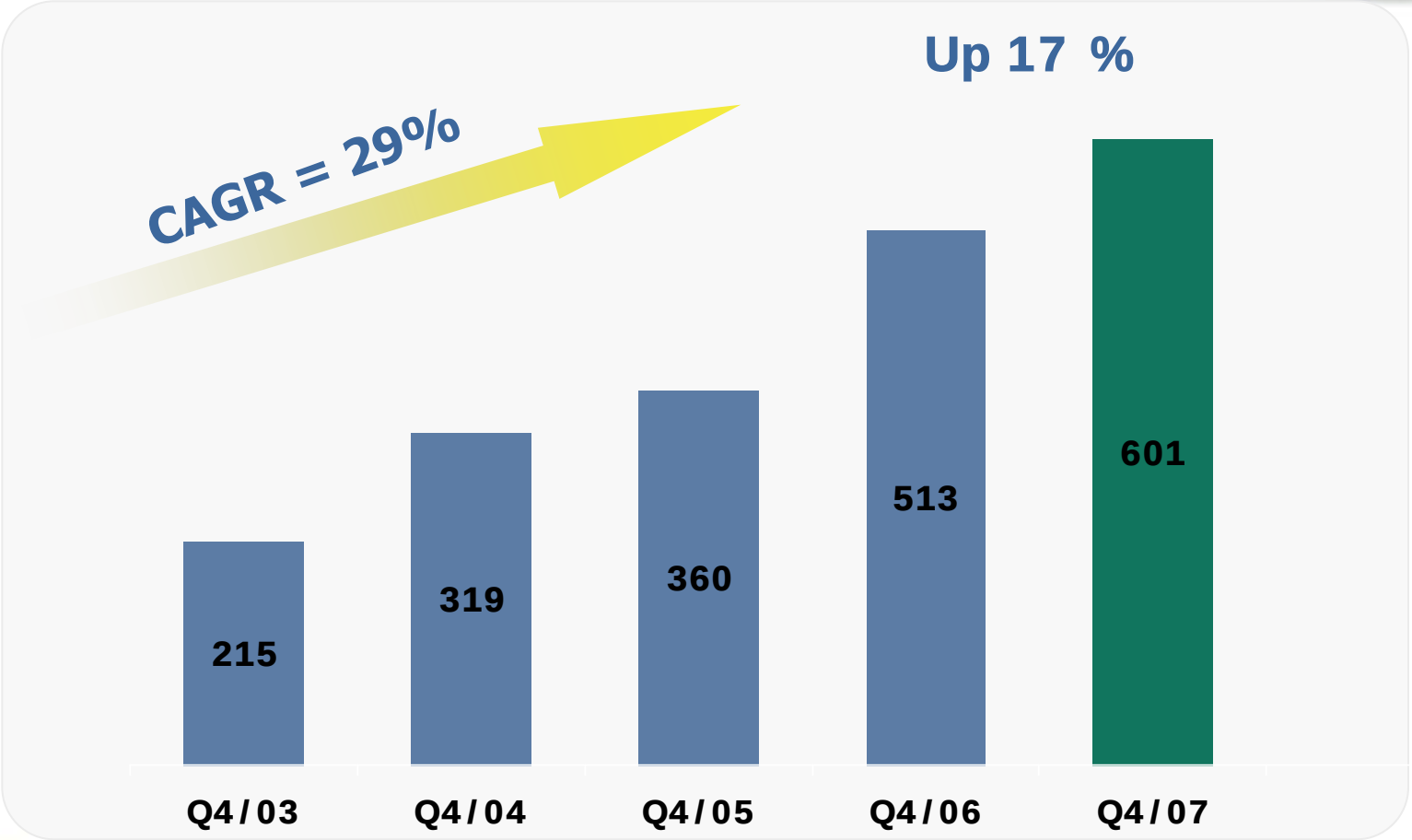


SABA-HFA TRx Market (Share)



Q4 2007 – Europe* Pharmaceutical Sales

($ Millions)



* Western Europe and Hungary

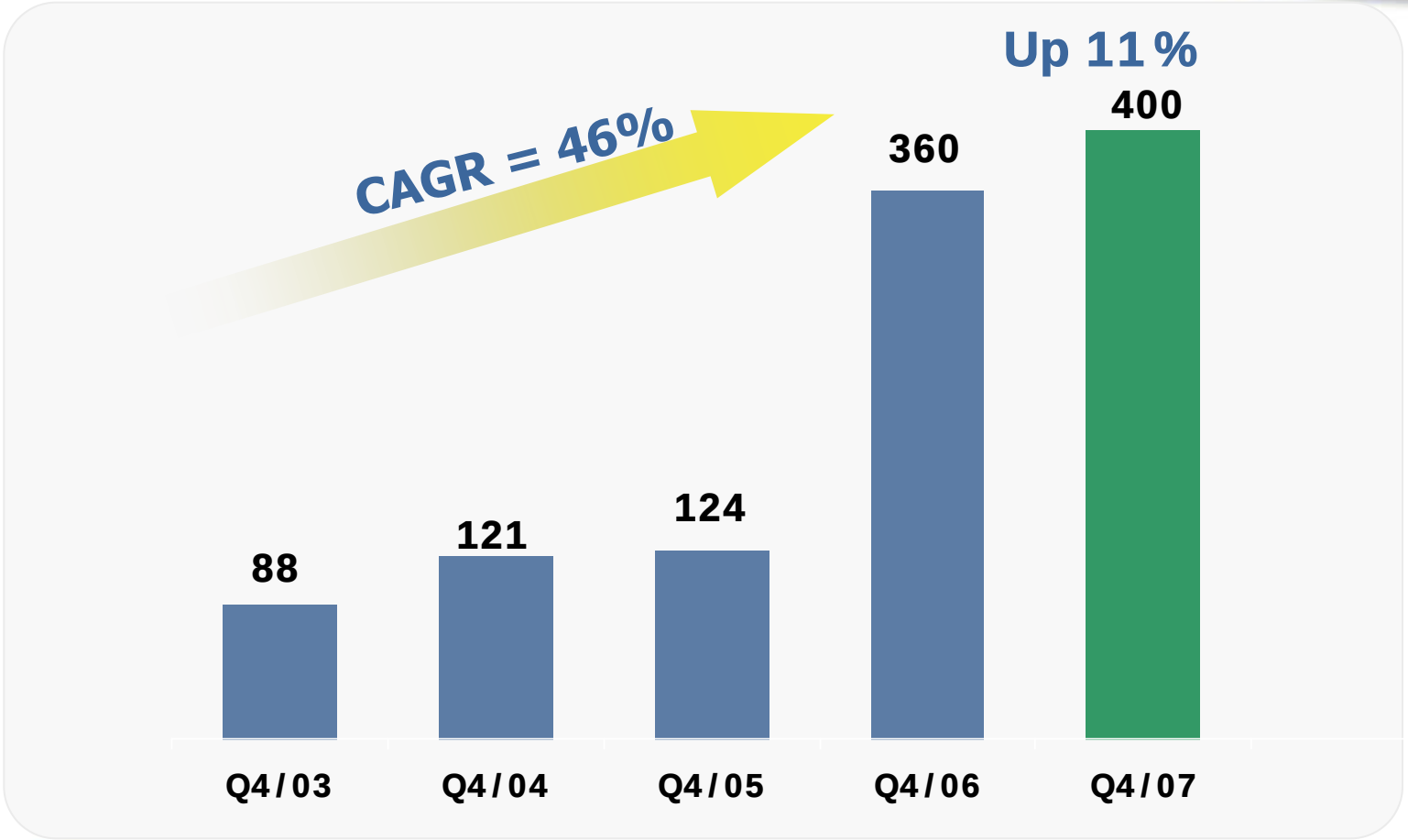
TEVA PHARMACEUTICAL INDUSTRIES LTD.

Registration Status – Europe

(As of Dec. 31, 2007)

Country	2005 Approved	2006 Approved	2007 Approved	2007 Pending
Hungary	36	22	27	154
U.K.	19	19	60	146
France	18	30	62	125
Germany	26	16	62	115
Netherlands	15	30	50	139
Others	255	181	899	2,487
TOTAL	369	298	1,160	3,166

Q4 2007 – International (ROW) Pharmaceutical Sales
($ Millions)



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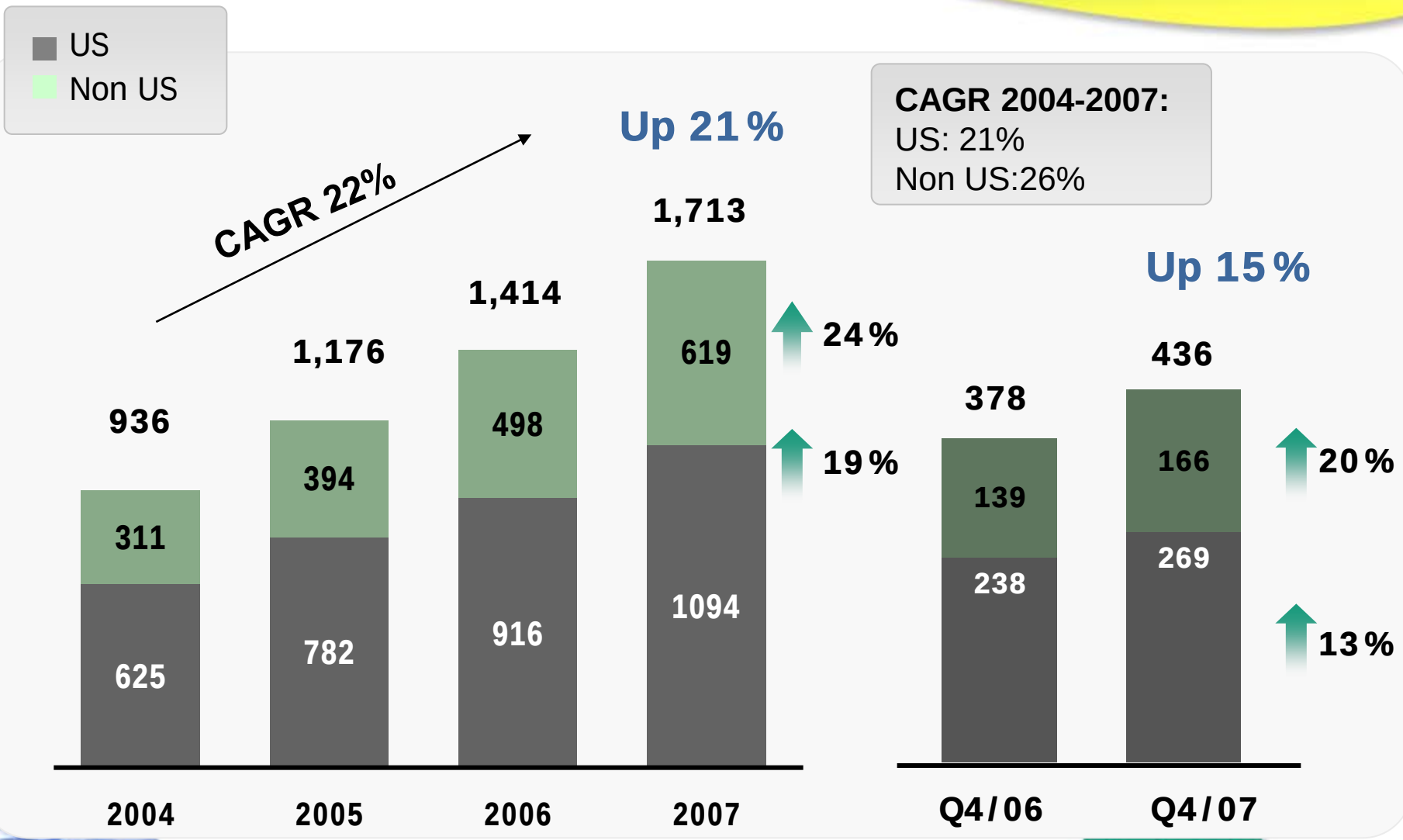
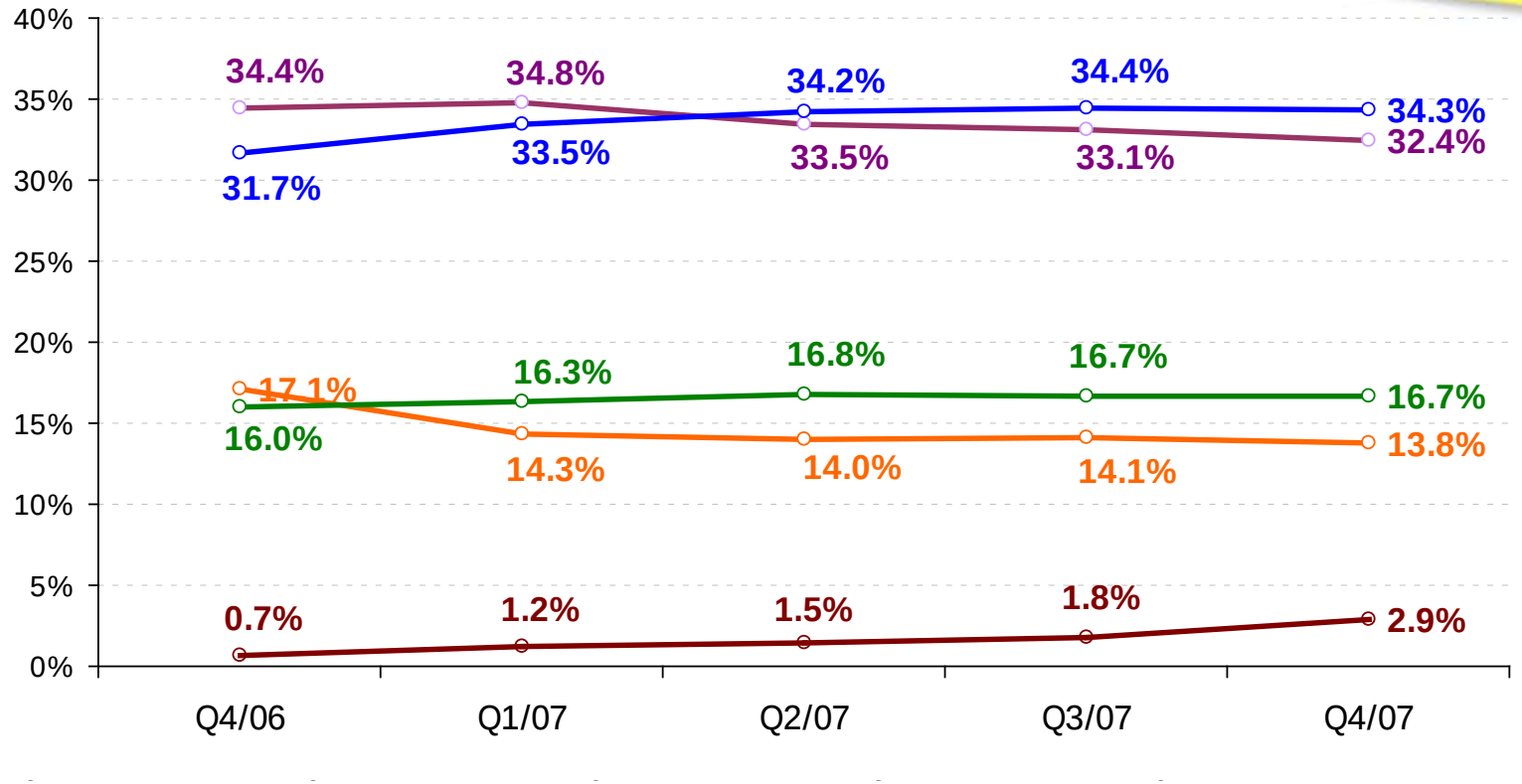
Q4 2007 – Copaxone® In-Market Global Sales

($ Millions)



US Market Share Using Days of Therapy



	Q4/07 Vs. Q4/06	FY 07 Vs. FY06
Avonex	-10%	-11%
Betaseron	-23%	-17%
Rebif	-1%	+4%
Copaxone	+3%	+6%
Tysabri*	+296%	NA
Total US MS Market:	-4.7%	-2.7%

*Tysabri Units are significantly undercounted; less than 50% are captured

TEVA PHARMACEUTICAL INDUSTRIES LTD.

Innovative Products and Growth Opportunities

Marketed products

- **Multiple Sclerosis** Copaxone®
- **Parkinson's** Azilect®
- **Respiratory** QVAR® Albuterol® HFA

End of Phase III 2008-2010

- **Burns** (Phase III)
- **CIS** Copaxone®
- **Multiple Sclerosis** Increased efficacy
- **Parkinson's** Disease modification
- **Hemato-oncological** (Phase III)

End of Phase III 2011 and beyond

- **Chron's disease** (Phase II)
- **Lupus (SLE/LN)** (Phase I)
- **ALS** (Phase III)
- **ALS** (Phase II)
- **MS** (Oral Phase III)
- **Hemato-Oncological** (Phase II)
- **Solid Tumor Oncology** (Phase II)

* Potential sales include respiratory products

Investments – Current Portfolio

Direct / Indirect Equity in Companies

Strategic Rights

Curetech

Gamida-Cell

MediWound

Proteologics

Vaccinex

CBI

Andromeda

NST

BMI

Cellcure

IDM

Compugen

Bioline

D-Pharm

Biocontrol

VBL

XTL

Teva BioGenerics: Key Talking Points

- Biopharmaceuticals – an important and fast-growing segment – will be a major growth engine for Teva in the years to come
- Teva, as the Generics Leader today, is committed to leadership in the evolving Biogeneric market
- First/Early to market to capture significant generic market share
  - Early development target identification
  - Stringent Product selection process and on going monitoring and ROI evaluation
  - IP drive around (TTM & COGS)
- Low Cost of Goods – a competitive advantage in a generic environment
  - Internal cost effective operation
  - Innovative technological platforms
  - Leveraging on existing capabilities (preclinical and clinical development, Legal/IP, RA, sterile manufacturing)
- "Non Substitutional Generic go to market" approach
  - Seek interchangeability (=same clinical attributes)
  - Leveraging on existing marketing platforms
  - Excellence in front end execution (marketing and medical affairs)
- Risk mitigation to manage up front investment and probability of ROI
  - BD partnership
  - Gradual capabilities build up (Right On Time)

Teva Will Leverage CoGenesys Platform

(Example)

- Develop Teva's Sustained Release GCSF, using CoG's HSA technology

What Teva brings to the table

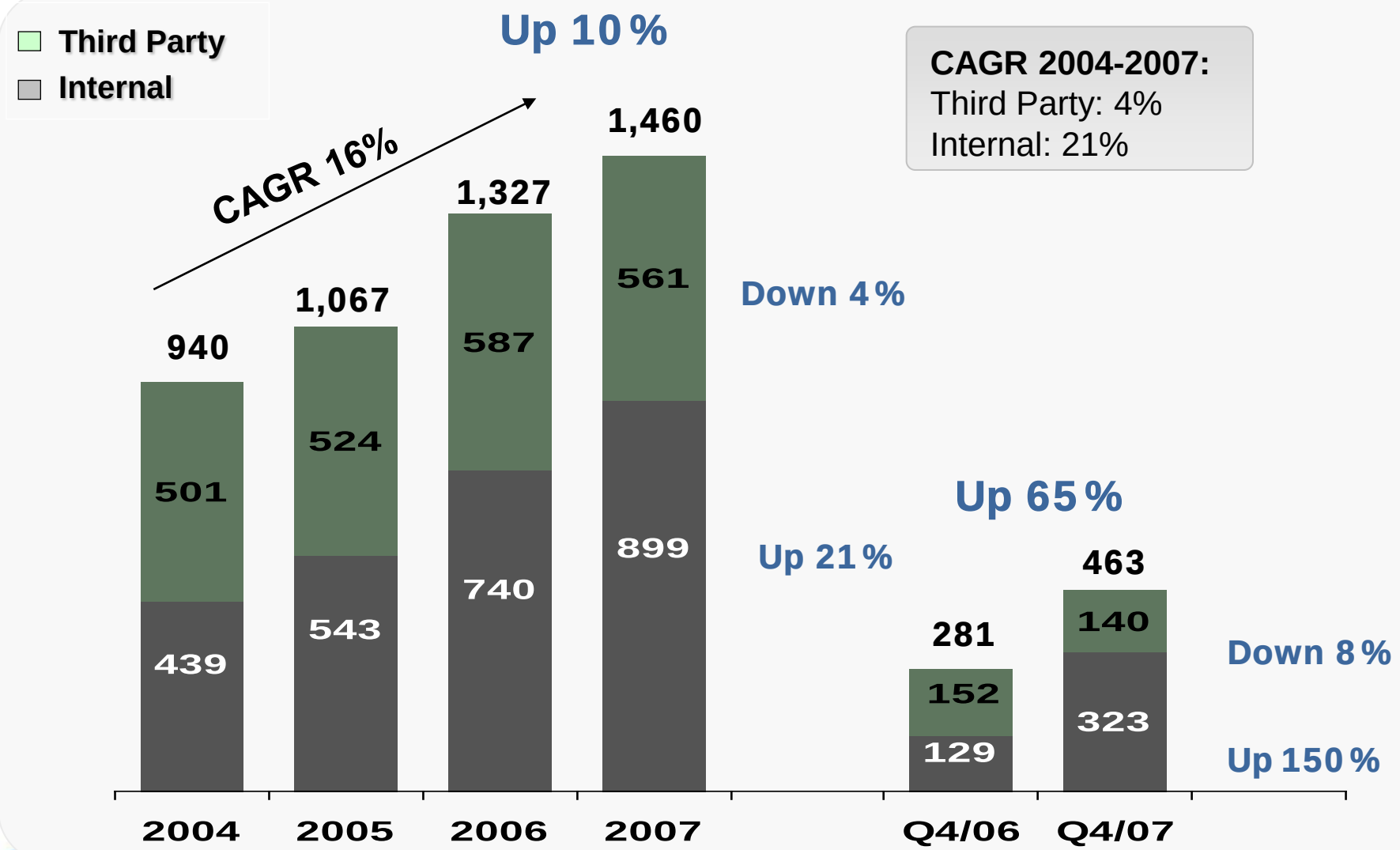
- Investment and skills for clinical trials
- Commercial scale manufacturing capability
- Commercialization experience
- Reputation and relationships with payors
- IP strength

What CoGenesys brings to the table

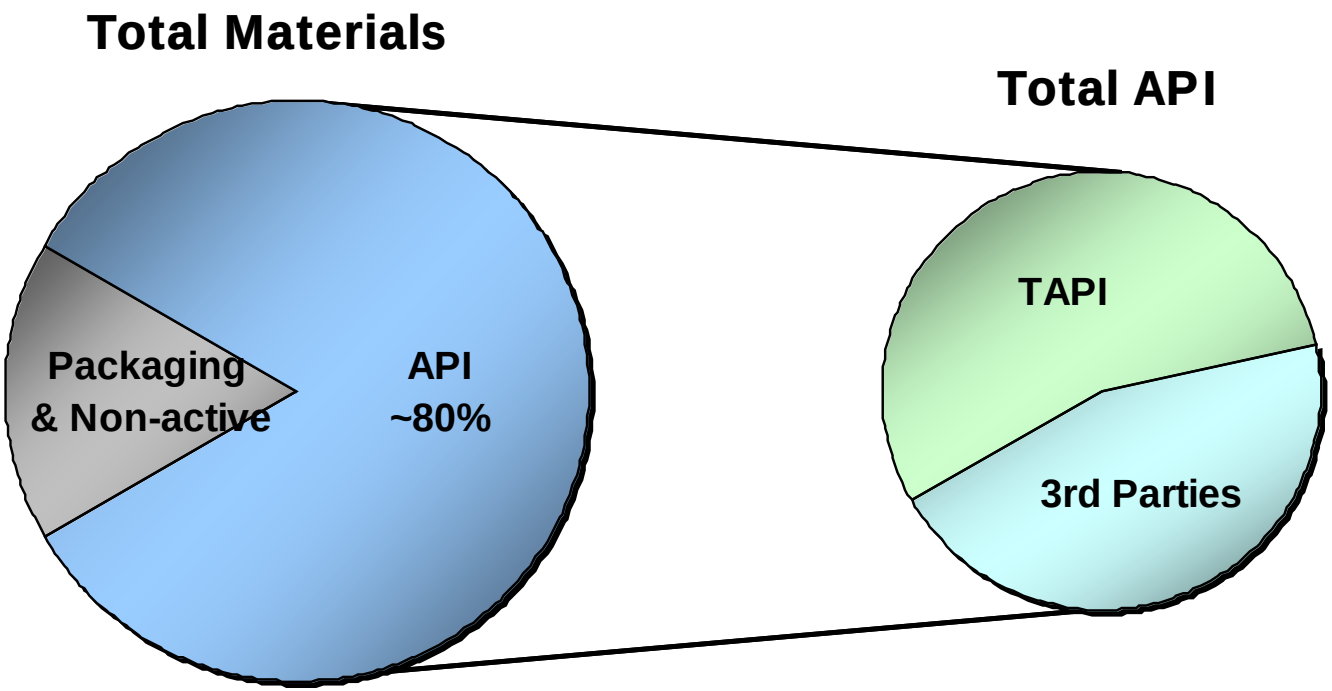
- IP in Human Serum Albumin (HSA)-fusion technology
- Products in development
- CMC capabilities
- Low cost manufacturing technology

API - Overview

($ Millions)



Materials Purchasing Sources

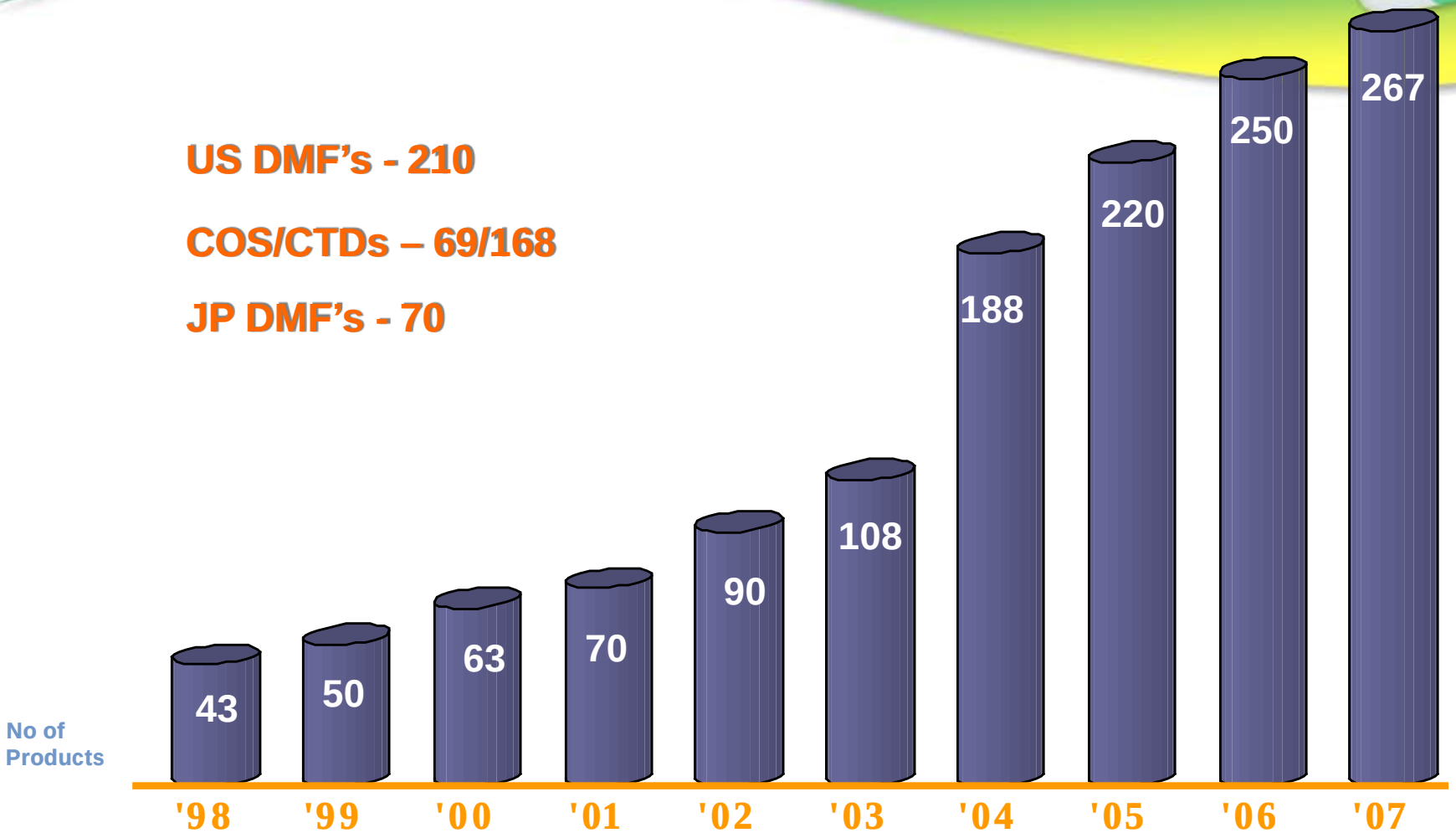


One of the largest portfolio in the industry

US DMF's - 210

COS/CTDs – 69/168

JP DMF's - 70



TEVA PHARMACEUTICAL INDUSTRIES LTD.

Q4 2007 – Consolidated Statement of Income

($ Millions)	Q4/07	Q4/06*	% Change	% of Sales	
				Q4/07	Q4/06
Sales	2,576	2,277	13%	100%	100%
Gross profit	1,347	1,103	22%	52.3%	48.4%
R&D – net	168	137	23%	6.5%	6.0%
S&M expenses	355	321	11%	13.8%	14.1%
G&A expenses	163	157	4%	6.3%	6.9%
Total SG&A expenses	518	478	8%	20.1%	21.0%
Operating income	661	488	35%	25.7%	21.4%
Financial expense (income) - net	3	(4)	-	0.1%	(0.2%)
Income before taxes	658	492	34%	25.5%	21.6%
Net income	570	433	32%	22.1%	19.0%
Earnings per share (Diluted)	0.69	0.53	30%		
Tax Rate	13%	13%			

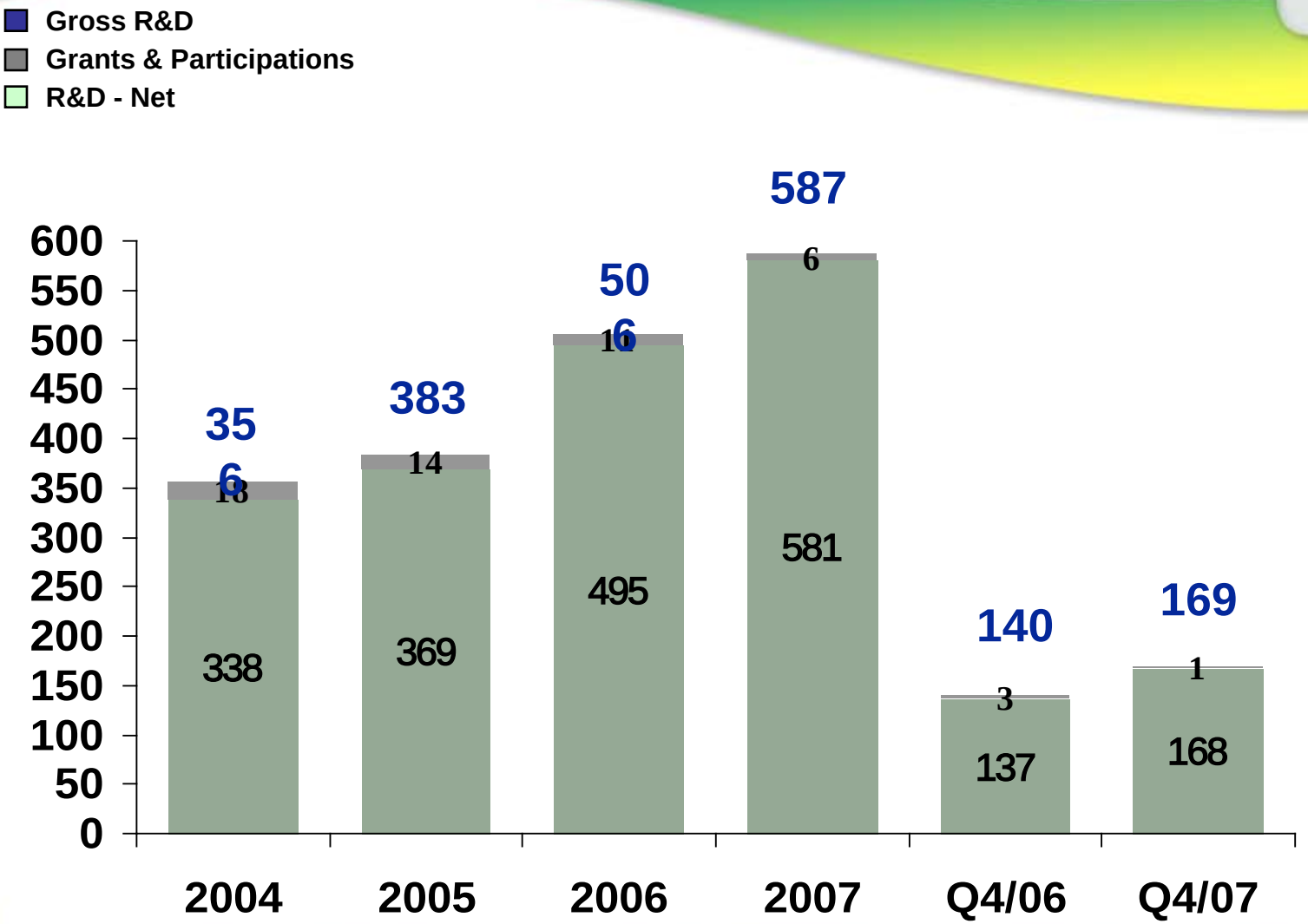
* **Non GAAP Figures**

2007 – Consolidated Statement of Income

($ Millions)	2007	2006*	% Change	% of Sales	
				2007	2006
Sales	9,408	8,408	12%	100%	100%
Gross profit	4,877	4,354	12%	51.8%	51.8%
R&D – net	581	495	17%	6.2%	5.9%
S&M expenses	1,264	1,024	23%	13.4%	12.2%
G&A expenses	637	548	16%	6.8%	6.5%
Total SG&A expenses	1,901	1,572	21%	20.2%	18.7%
Operating income	2,395	2,287	5%	25.5%	27.2%
Financial expenses - net	42	95	(56%)	0.4%	1.1%
Income before taxes	2,353	2,192	7%	25.0%	26.1%
Net income	1,952	1,867	5%	20.7%	22.2%
Earnings per share (Diluted)	2.38	2.30	3%		
Tax Rate	17%	15%			

* **Non GAAP Figures**

R&D Expenses ($ Millions)



TEVA PHARMACEUTICAL INDUSTRIES LTD.

Q4 2007 - Cash Flow Highlights

($ Millions)	Q407	Q307	Q207	Q107	Q406(*)	2007	2006(*)
Net Income	570	525	515	342	433	1,952	1,867
Cash flow from operating activities	545	332	437	499	764	1,813	2,058
Purchase of fixed assets (net of proceeds from sale)	142	104	106	149	129	501	366
Dividends **	79	73	75	72	59	299	229
Free Cash Flow	324	155	256	278	576	1,013	1,463

Acquisition of companies	1	17	-	-	5	18	3,587

* Non GAAP

** Actually distributed

Free Cash Flow = Net cash provided by operating activities less purchase of property, plant and equipment (net), and dividends paid

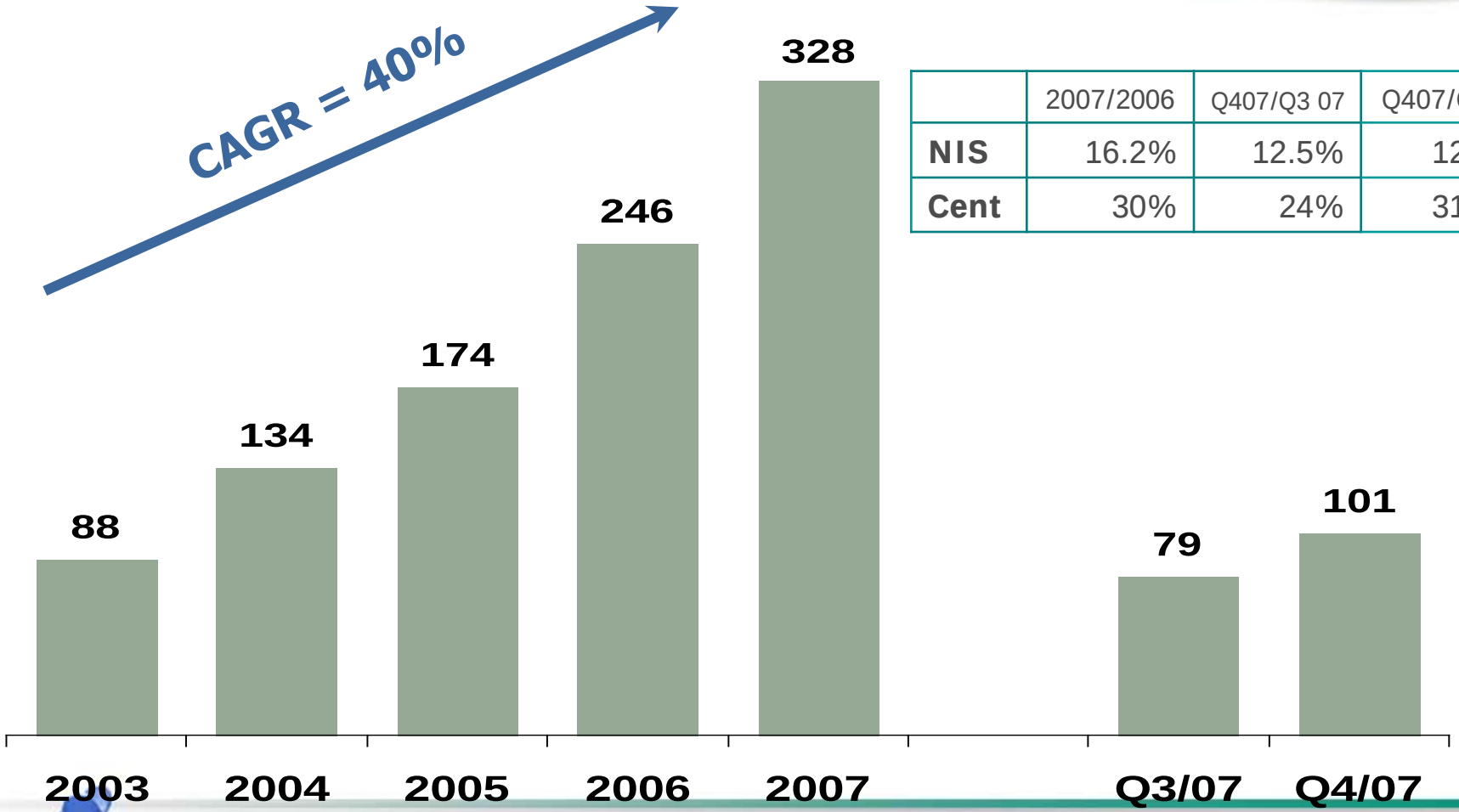
Q4 2007 – Consolidated Balance Sheet

($ Millions)	Dec 31, 2007	Sep 30, 2007	% Change	$ Change	Currencies Effect
Current Assets	9,859	9,132	8%	727	224
of which: Inventory	2,440	2,298	6%	142	40
of which: A/R Trade	3,546	3,277	8%	269	201
Investments and Other Assets	712	717	(1%)	(5)	11
Property, Plant & Eqmt-net	2,515	2,426	4%	89	32
Intangible Assets	1,919	1,927	0%	(8)	36
Goodwill	8,407	8,293	1%	114	122
Total Assets	**23,412**	**22,495**	**4%**	**917**	**425**
Current Liabilities	5,371	5,218	3%	153	157
of which: Short Term Debt	1,841	1,952	(6%)	(111)	7
Long Term Liabilities	2,848	2,887	(1%)	(39)	22
Minority Interests	36	38	(5%)	(2)	-
Convertible Senior Debentures	1,433	1,433	0%	-	-
Shareholders' Equity	13,724	12,919	6%	805	246
Total Liabilities & Equity	**23,412**	**22,495**	**4%**	**917**	**425**

Dividend Declared 2003-2007

(In Million $)

Up 33%



	2007/2006	Q407/Q3 07	Q407/Q406
NIS	16.2%	12.5%	12.5%
Cent	30%	24%	31.9%

TEVA PHARMACEUTICAL INDUSTRIES LTD.

Financial Strength

($ Billions)	Dec 31, 2007	Sep 30, 2007
Total Equity	13.72 B	12.92 B
Total Debt	5.19 B	5.31 B
of which:		
short-term	1.84 B	1.95 B
long-term *	3.35 B	3.36 B
Leverage **	**27%**	**29%**

* Includes both converts of $1.4 bn and straight debt of $1.5 mn issued on Q3 06

** [DEBT / (Debt + Equity)]

NASDAQ Top 20 Companies

As of Feb. 11, 2008

1	MSFT	Microsoft Corporation	$	265,807,348,800
2	CSCO	Cisco Systems, Inc.	$	142,816,403,180
3	GOOG	Google Inc.	$	121,676,878,170
4	INTC	Intel Corporation	$	118,518,690,000
5	AAPL	Apple Inc.	$	110,271,196,600
6	ORCL	Oracle Corporation	$	98,571,123,720
7	QCOM	QUALCOMM Incorporated	$	67,587,112,960
8	AMGN	Amgen Inc.	$	50,610,720,000
9	RIMM	Research in Motion Limited	$	50,333,589,700
10	DELL	Dell Inc.	$	43,587,197,150
11	GILD	Gilead Sciences, Inc.	$	41,447,277,160
12	YHOO	Yahoo! Inc.	$	39,024,164,800
13	EBAY	eBay Inc.	$	37,993,559,030
14	**TEVA**	**Teva Pharmaceutical Industries Limited**	**$**	**37,756,266,522** *
15	CMCSA	Comcast Corporation	$	35,447,745,680
16	AMZN	Amazon.com, Inc.	$	30,515,509,500
17	COST	Costco Wholesale Corporation	$	27,494,032,680
18	AMAT	Applied Materials, Inc.	$	24,792,761,290
19	INFY	Infosys Technologies Limited	$	23,832,287,923
20	CELG	Celgene Corporation	$	22,530,703,260

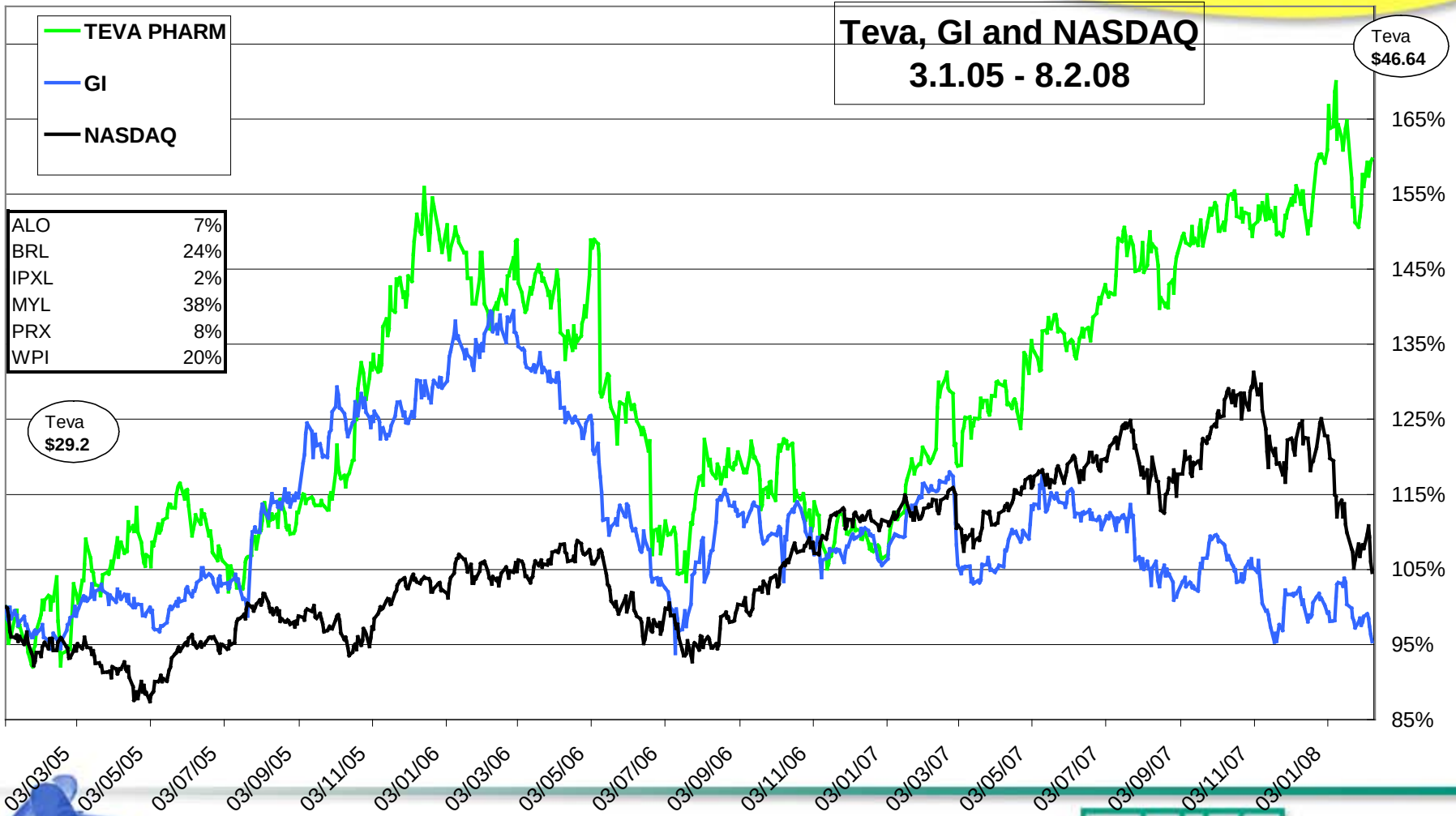
* Share Price: $46.64

Teva Vs. Dow Jones 1984-2007

$1,000 invested in DJ in 1984 would be worth $10,300 today
$1,000 invested in Teva in 1984 would be worth $597,000 today



Teva Vs. Generic Index and NASDAQ 2005-2007

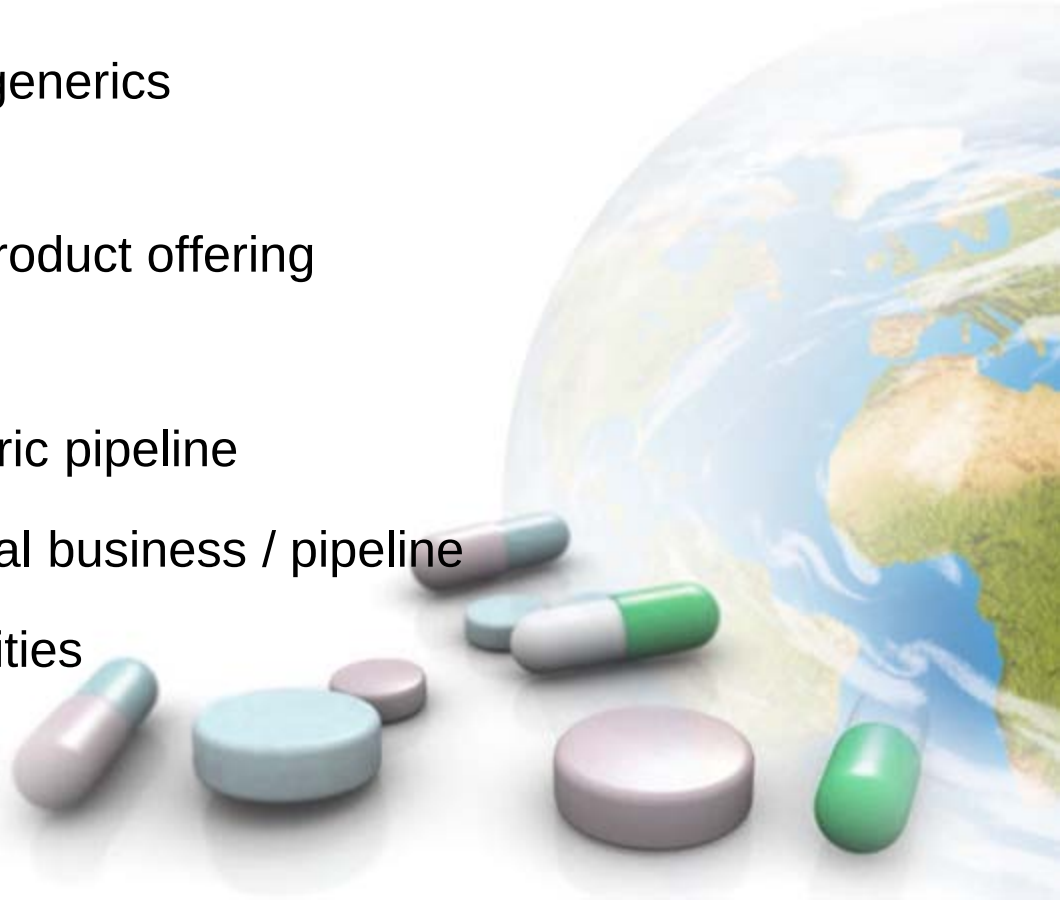


TEVA PHARMACEUTICAL INDUSTRIES LTD.

Driving Growth, Expanding Leadership

Teva's growth is fueled by:

- Increasing demand globally for generics
- Expanding global market reach
- The generic industry's leading product offering
- Unmatched vertical integration
- The industry's most robust generic pipeline
- Growing specialty pharmaceutical business / pipeline
- Promising Biogenerics opportunities



TEVA PHARMACEUTICAL INDUSTRIES LTD.

TEVA PHARMACEUTICAL INDUSTRIES LTD.

Teva Pharmaceutical Industries Ltd.
Investor Lunch
Tel- Aviv
Dan Suesskind, CFO

February 12 , 2008



Competitive Generic TRX share*

Simvastatin # of ANDA's: 12	
Teva	44.3%
Dr. Reddy – AG	24.0%
Aurobindo	13.4%
Ranbaxy	8.1%
Lupin	5.2%
Zydus	2.5%
Other	2.5%

Oxycodone # of ANDA's: 4	
Teva	86.6%
Dava	7.6%
Watson	4.8%
Endo	1.0%

Budeprion XL 300mg # of ANDA's: 3	
Teva	68.0%
Watson	17.7%
Anchen	13.9%
Other	0.4%

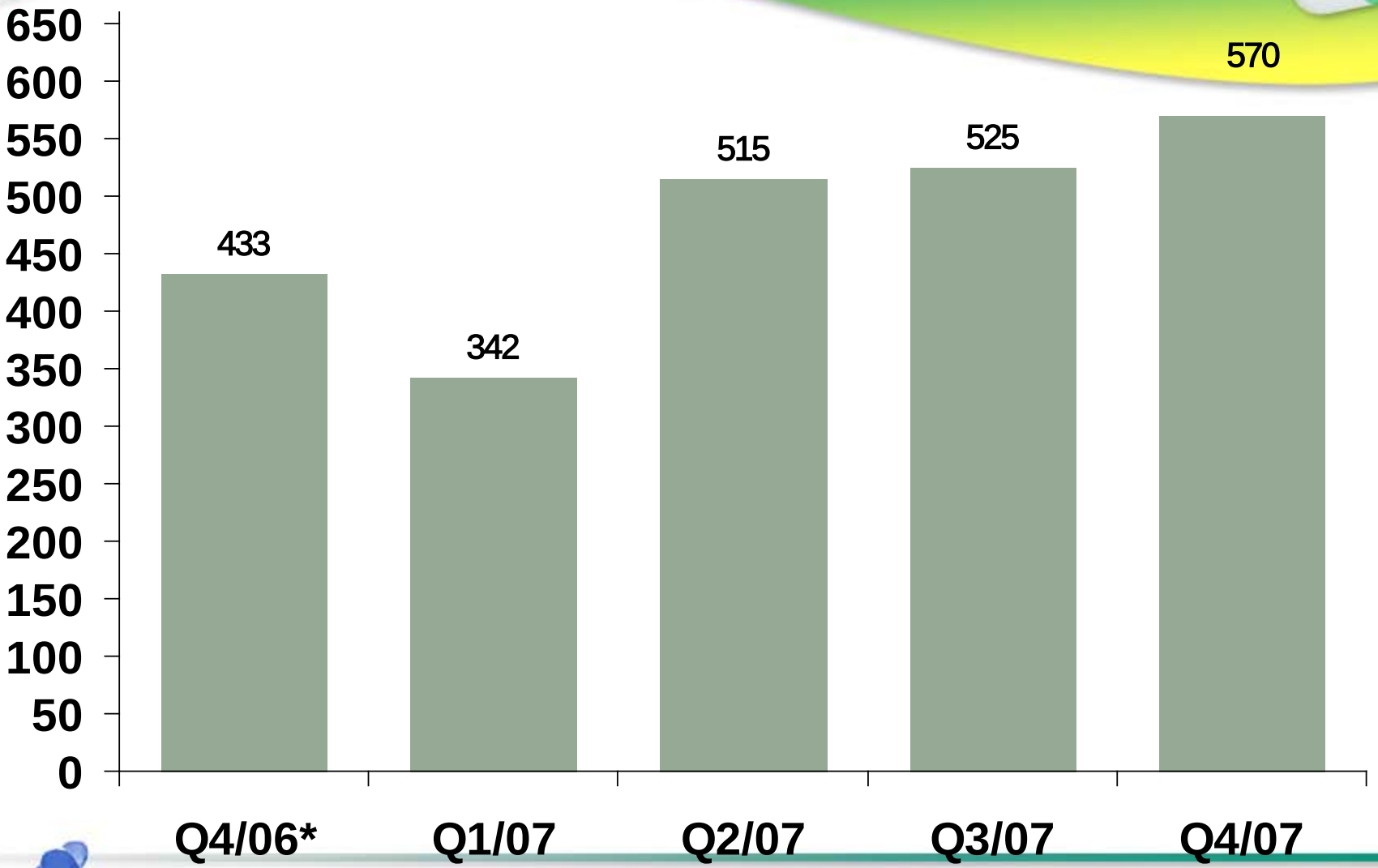
Amlodipine Benazepril # of ANDA's: 2	
Teva	78.1%
Sandoz	21.9%

* Week of January 25, 2008

Q4 2007 – Consolidated Statement of Income

($ Millions)	Q4/07	Q3/07	% Change	% of Sales	
				Q4/07	Q3/07
Sales	2,576	2,366	9%	100%	100%
Gross profit	1,347	1,250	8%	52.3%	52.8%
R&D – net	168	141	19%	6.5%	6.0%
S&M expenses	355	304	17%	13.8%	12.8%
G&A expenses	163	154	6%	6.3%	6.5%
Total SG&A expenses	518	458	13%	20.1%	19.4%
Operating income	661	651	2%	25.7%	27.5%
Financial expenses - net	3	3	0%	0.1%	0.1%
Income before taxes	658	648	2%	25.5%	27.4%
Net income	570	525	9%	22.1%	22.2%
Earnings per share (Diluted)	0.69	0.64	8%		
Tax Rate	13%	19%			

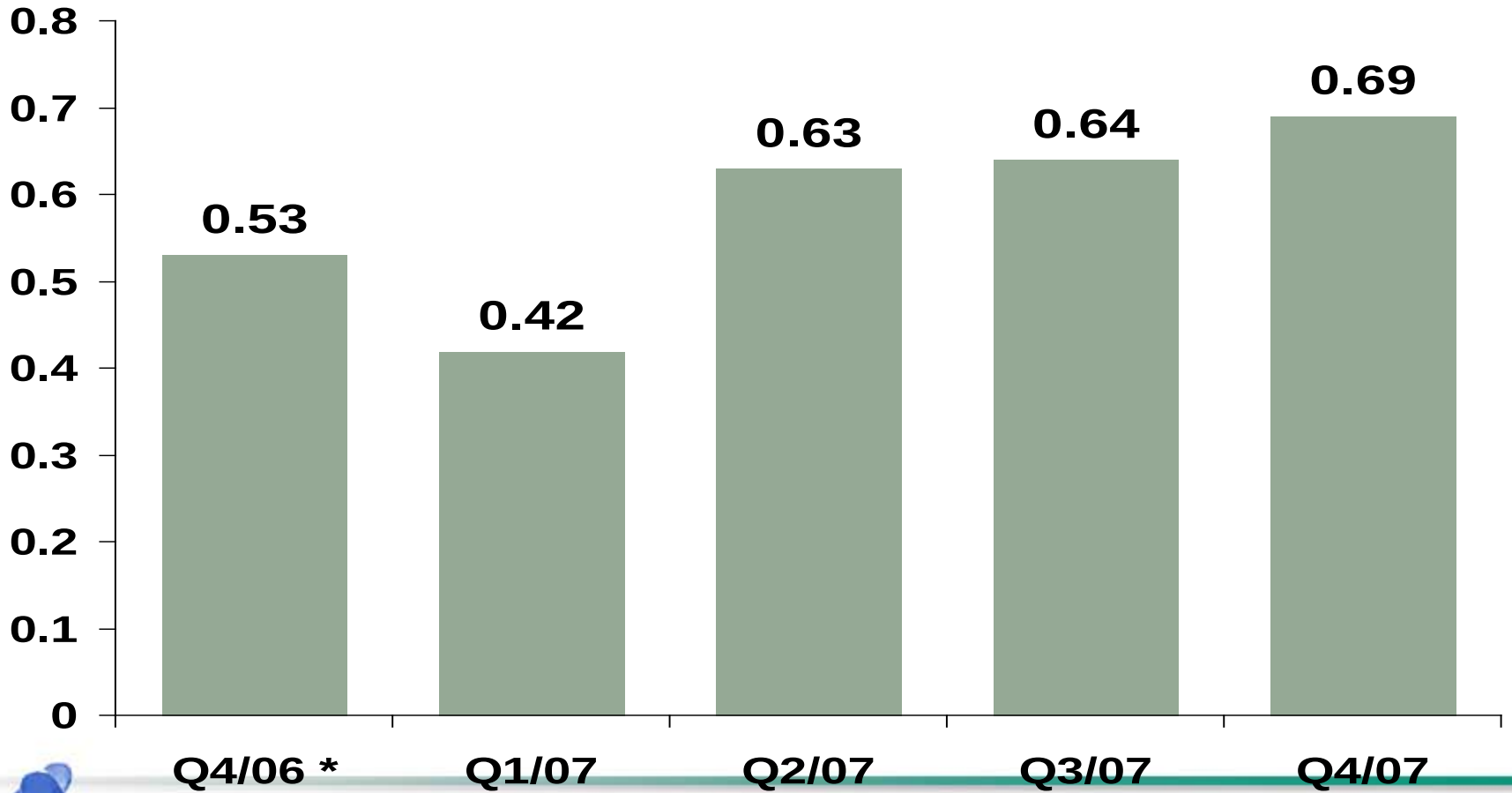
Net Income ($ Millions)



* Before non-recurring items, after tax : Q4/2006-$(27M)

TEVA PHARMACEUTICAL INDUSTRIES LTD.

Earnings per Share (diluted, in $)



* Before non-recurring items, after tax : Q4/2006-$(27M)

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