Teva Pharmaceutical Industries Ltd.

Second Quarter 2019 Results

August 7, 2019

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; competition for our specialty products, especially COPAXONE®, our leading medicine, which faces competition from existing and potential additional generic versions and orally-administered alternatives; the uncertainty of commercial success of AJOVY® or AUSTEDO®; competition from companies with greater resources and capabilities; efforts of pharmaceutical companies to limit the use of generics, including through legislation and regulations; consolidation of our customer base and commercial alliances among our customers; the increase in the number of competitors targeting generic opportunities and seeking U.S. market exclusivity for generic versions of significant products; price erosion relating to our products, both from competing products and increased regulation; delays in launches of new products and our ability to achieve expected results from investments in our product pipeline; our ability to take advantage of high-value opportunities; the difficulty and expense of obtaining licenses to proprietary technologies; 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: failure to effectively execute our restructuring plan announced in December 2017; uncertainties related to, and failure to achieve, the potential benefits and success of our new senior management team and organizational structure; harm to our pipeline of future products due to the ongoing review of our R&D programs; our ability to develop and commercialize additional pharmaceutical products; potential additional adverse consequences following our resolution with the U.S. government of our FCPA investigation; compliance with sanctions and other trade control laws; manufacturing or quality control problems, which may damage our reputation for quality production and require costly remediation; interruptions in our supply chain; disruptions of our or third party information technology systems or breaches of our data security; the failure to recruit or retain key personnel; variations in intellectual property laws that may adversely affect our ability to manufacture our products; challenges associated with conducting business globally, including adverse effects of political or economic instability, major hostilities or terrorism; significant sales to a limited number of customers in our U.S. market; our ability to successfully bid for suitable acquisition targets or licensing opportunities, or to consummate and integrate acquisitions; implementation of a new enterprise resource planning system that, if deficient, could materially and adversely affect our operations and/or the effectiveness of our internal controls; and our prospects and opportunities for growth if we sell assets ;
- compliance, regulatory and litigation matters, including: costs and delays resulting from the extensive governmental regulation to which we are subject; the effects of reforms in healthcare regulation and reductions in pharmaceutical pricing, reimbursement and coverage; increased legal and regulatory action in connection with public concern over the abuse of opioid medications in the U.S.; governmental investigations into selling and marketing practices; potential liability for patent infringement; product liability claims; increased government scrutiny of our patent settlement agreements; failure to comply with complex Medicare and Medicaid reporting and payment obligations; 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; 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 Quarterly Report on Form 10-Q for the second quarter of 2019 and in our Annual Report on Form 10-K for the year ended December 31, 2018, 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 2019 second quarter financial results, as well as our Quarterly Report on Form 10-Q for the quarter ended June 30, 2019, for a reconciliation of the GAAP results to the adjusted non-GAAP figures. 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. 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. A reconciliation of forward-looking non-GAAP estimates to the corresponding GAAP measures is not being provided due to the unreasonable efforts required to prepare it.

Kåre Schultz

Chief Executive Officer

Quarterly Highlights

Results

— Revenues of $4.34 billion

— GAAP diluted loss per share of $0.63 and non-GAAP diluted EPS of $0.60

— Non-GAAP EBITDA of $1.14 billion

— Free cash flow of $0.17 billion

Commercial

— Stable NA generics business supported by new launches and portfolio optimization

— Strong growth of Austedo - $96M (up 30% over Q1)

— AJOVY® launch in EU

Expense and Debt Reduction

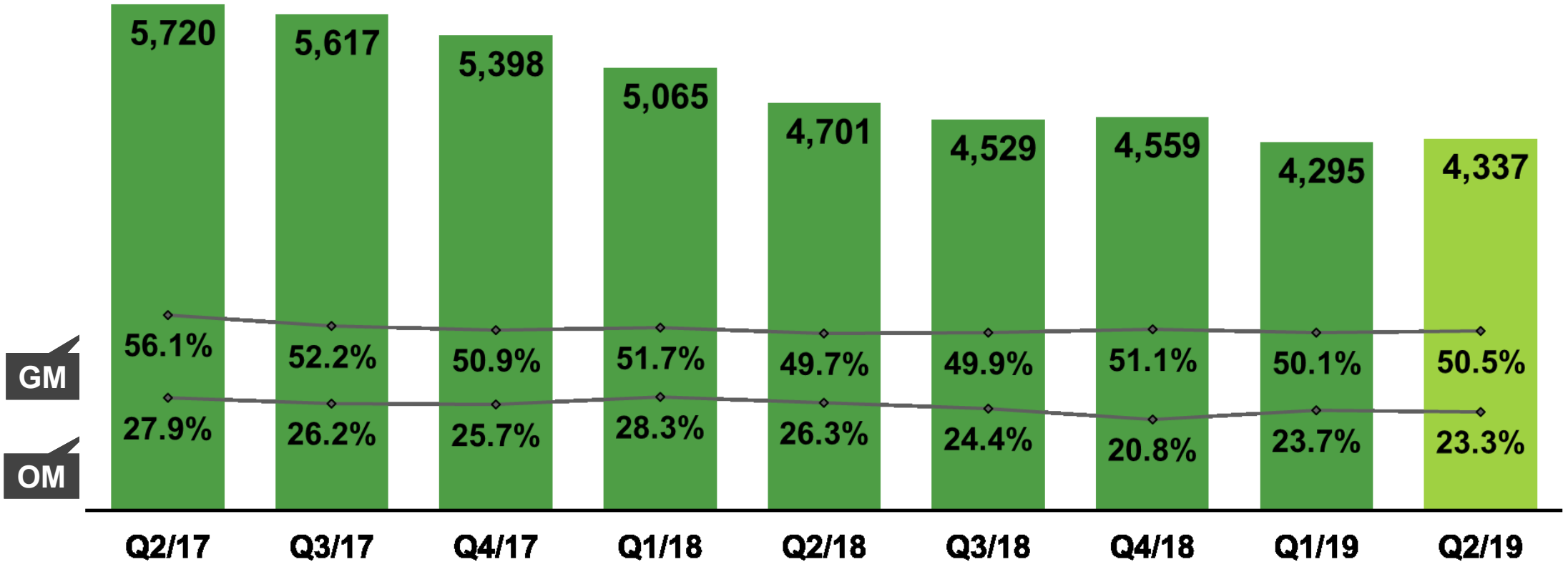
— Spend base reduction continues to progress; on track to achieve 2-year target of $3 billion

— Net debt of $26.6 billion at the end of June; $1.6 billion repaid in July

Reaffirming 2019 Financial Outlook

Development of Results (Non GAAP)

Revenues and profitability

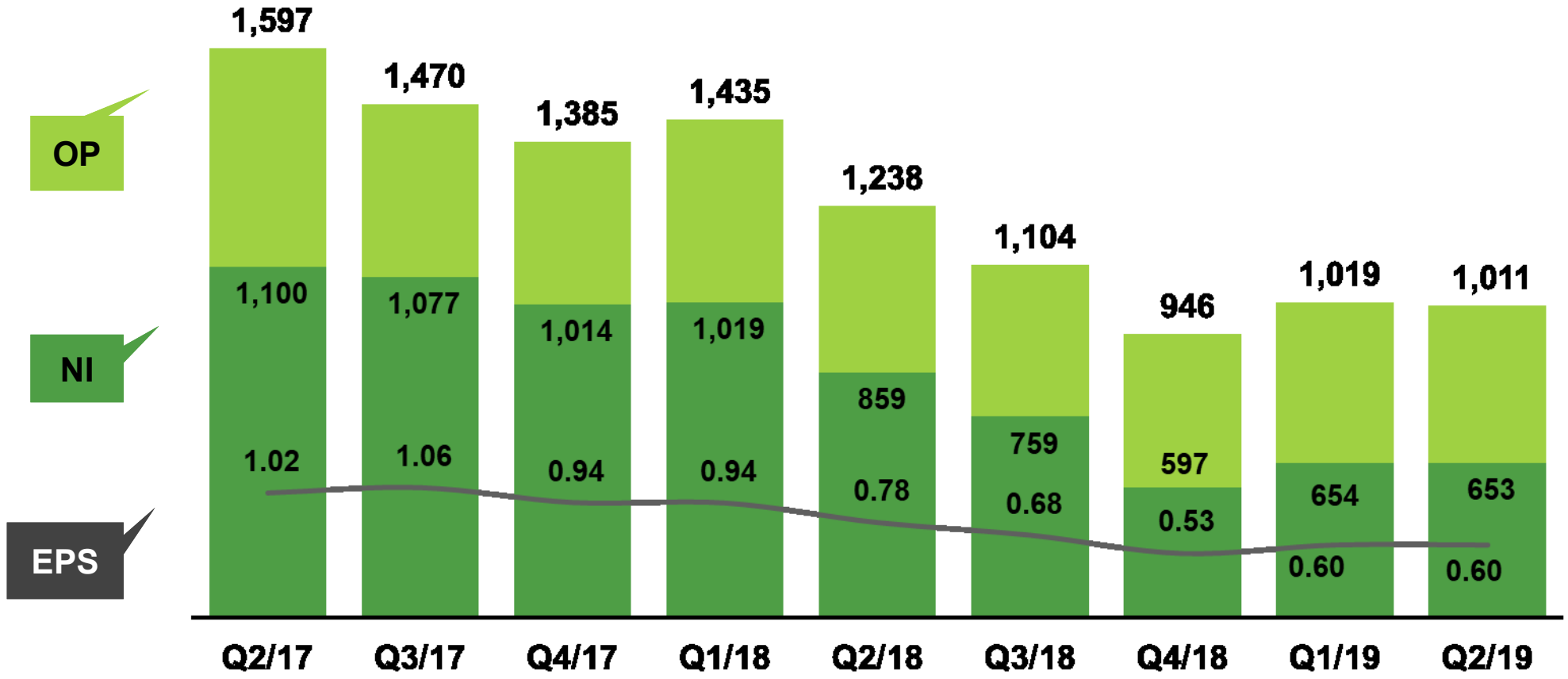


GM - gross margin, OM - operating margin

Development of Results (Non GAAP)

Profits and EPS

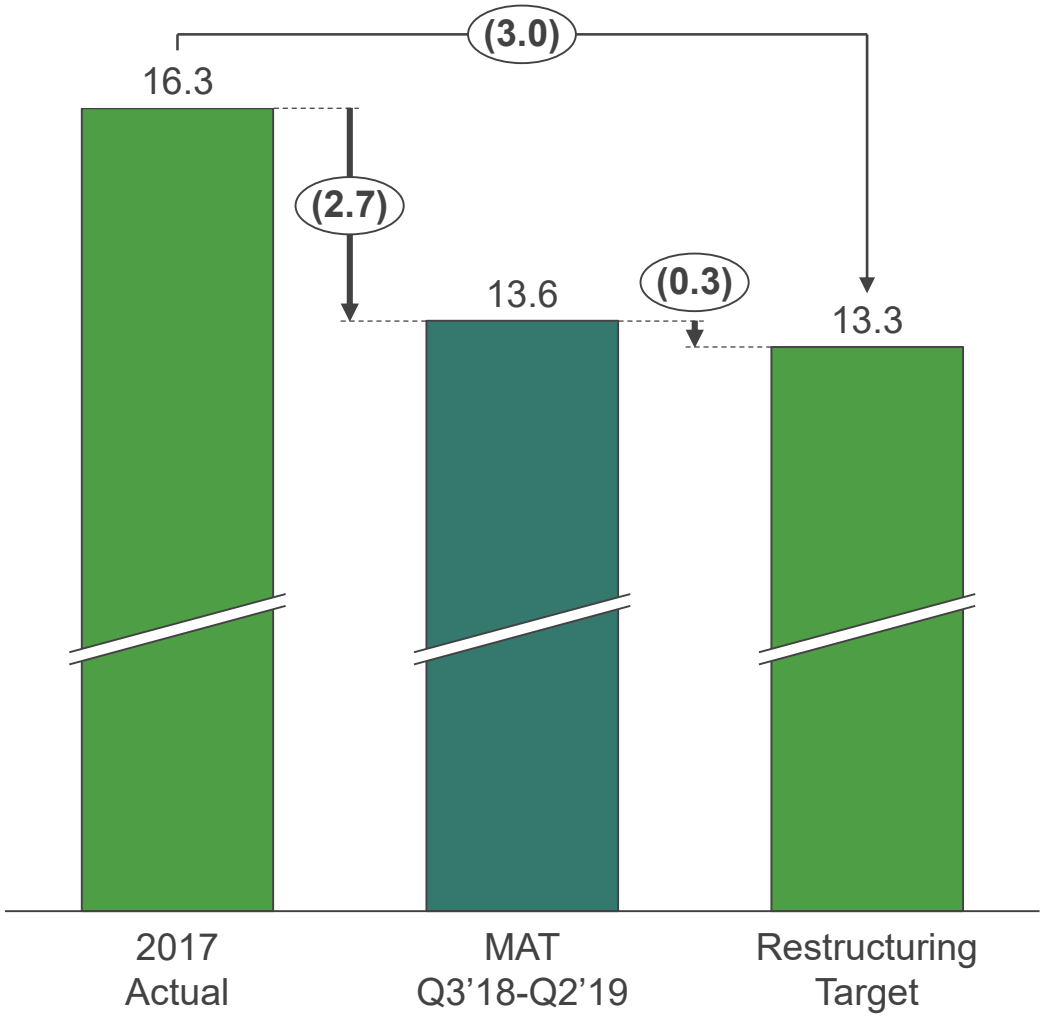
$ millions, EPS in $



OP - operating profit, NI - net income

Spend Base Restructuring Progress

$ billions

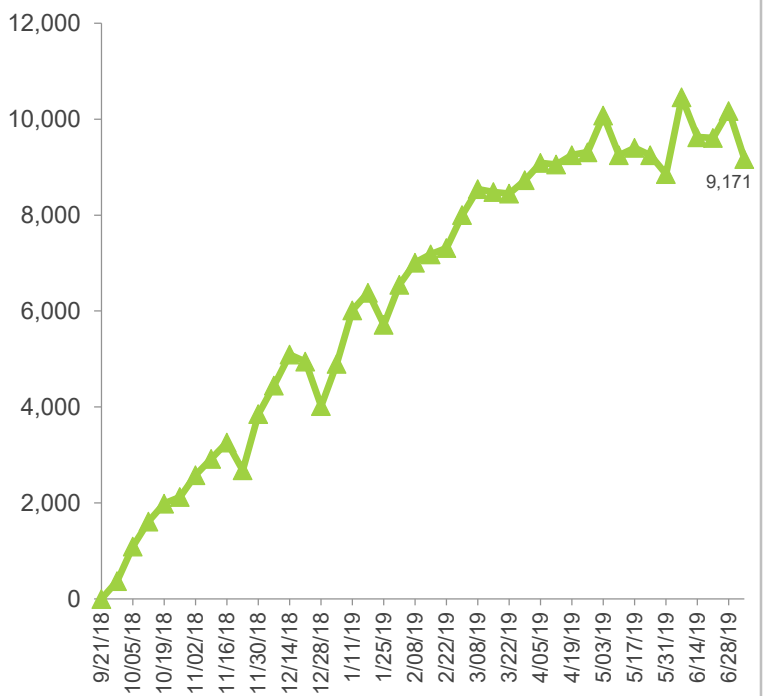


- Last 4 quarters spend base level of $13.6bn, reflecting $2.7 billion spend reduction vs. 2017
- H1 2019 $6.6 billion spend level annualization indicates that Teva will achieve the restructuring target
- FTE reduced by ~11,150 since the start of the restructuring plan

*Spend Base = Non-GAAP COGS + Operating Expenses (including other income/expenses)

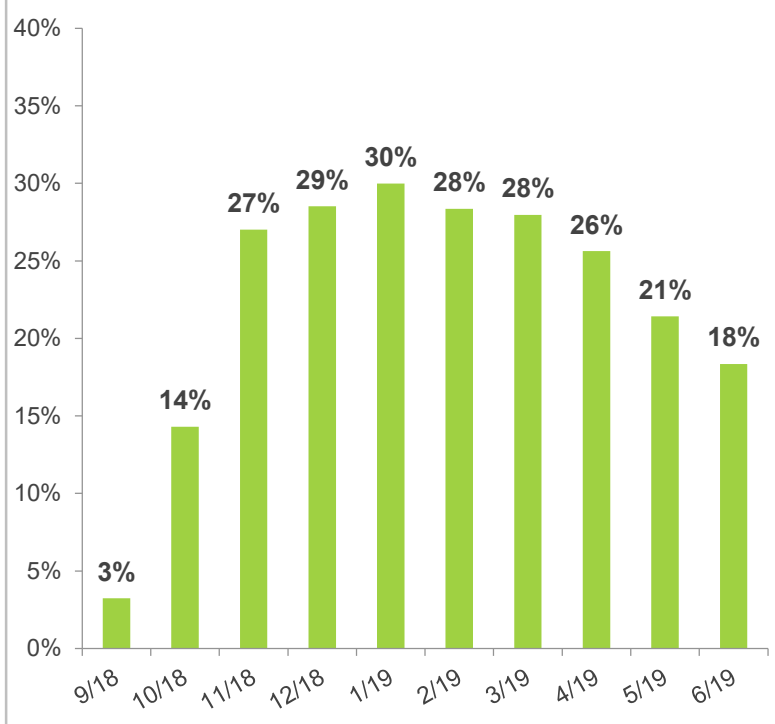
AJOVY®

AJOVY™ Weekly Normalized TRx Count



Source: IQVIA NPA TRx (weekly), normalized - wk ending 7/5/19

AJOVY™ NBRx Share*



**monthly NBRx share estimated from weekly NBRx data*

Source: IQVIA NPA MD (weekly)

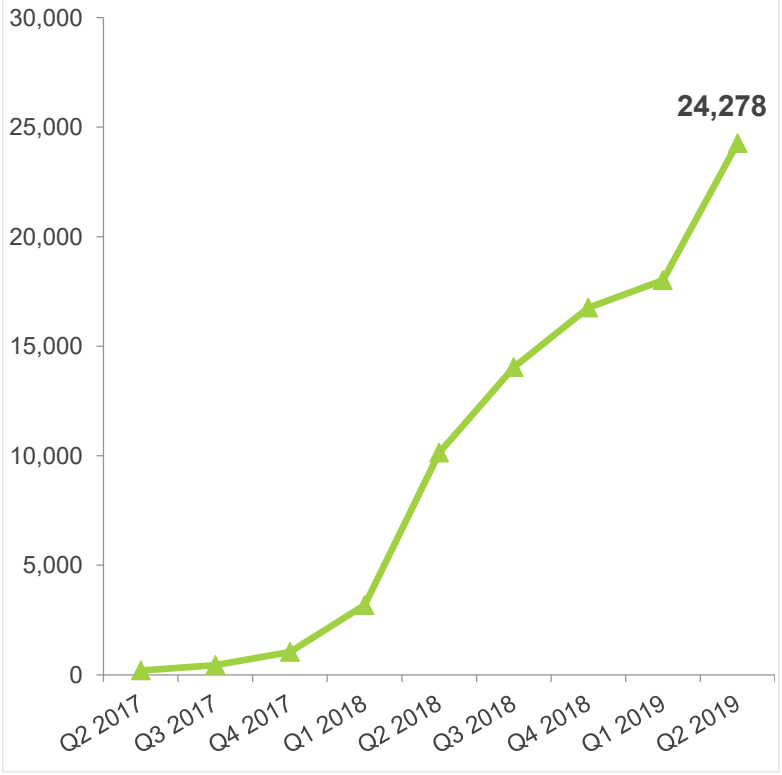
Highlights

- $23M in Net Sales for Q2 2019
- Normalized TRx Share* of ~22%
- ~8% of YTD AJOVY® TRx's are quarterly dosing, ~15% of AJOVY® patients are on quarterly dose
- Over 13K unique health care practitioners have prescribed AJOVY®
- AJOVY® now has acceptable access of ~70% of commercial lives

**for week ending 07/5/2019*

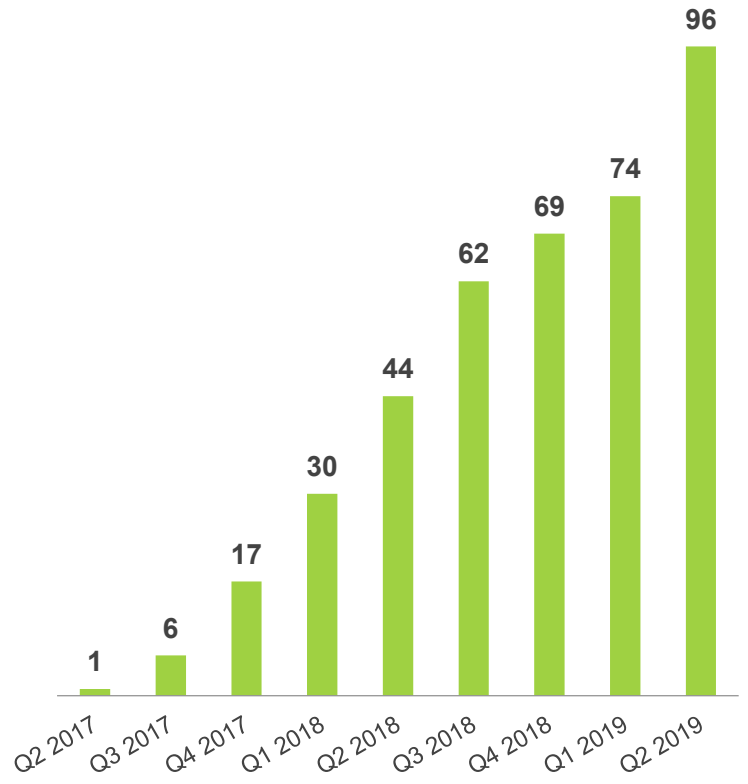
AUSTEDO®

AUSTEDO® TRx Count Per Quarter



Source: IQVIA U.S. NPA Audit

AUSTEDO® Revenues By Quarter ($ million)



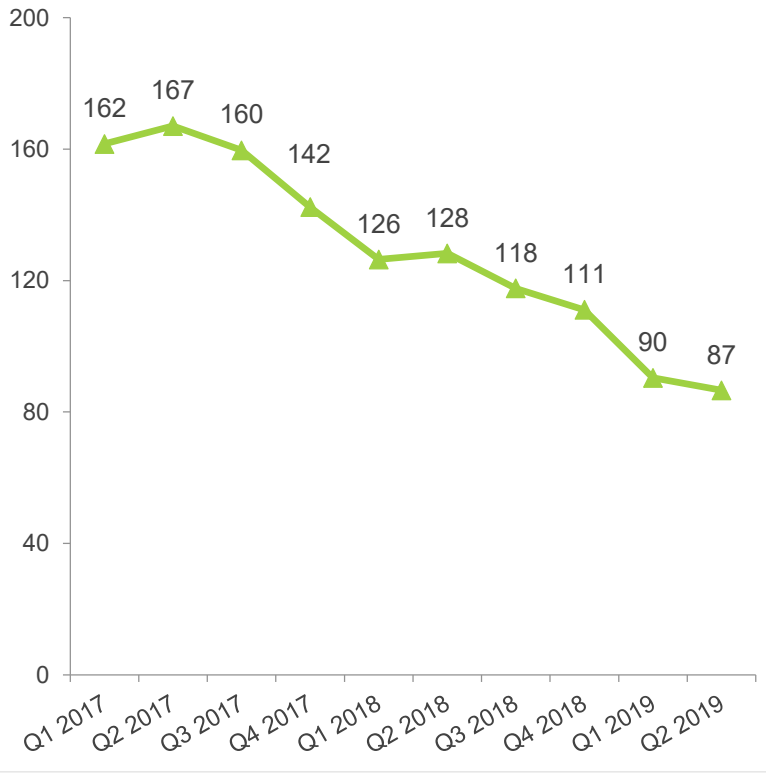
Source: Company Information

Highlights

- $96M in Net Sales for Q2 2019
- Over 24K prescriptions dispensed in Q2 2019
- Favorable national formulary coverage
  - Commercial: 89%
  - Medicare Part D: 85%

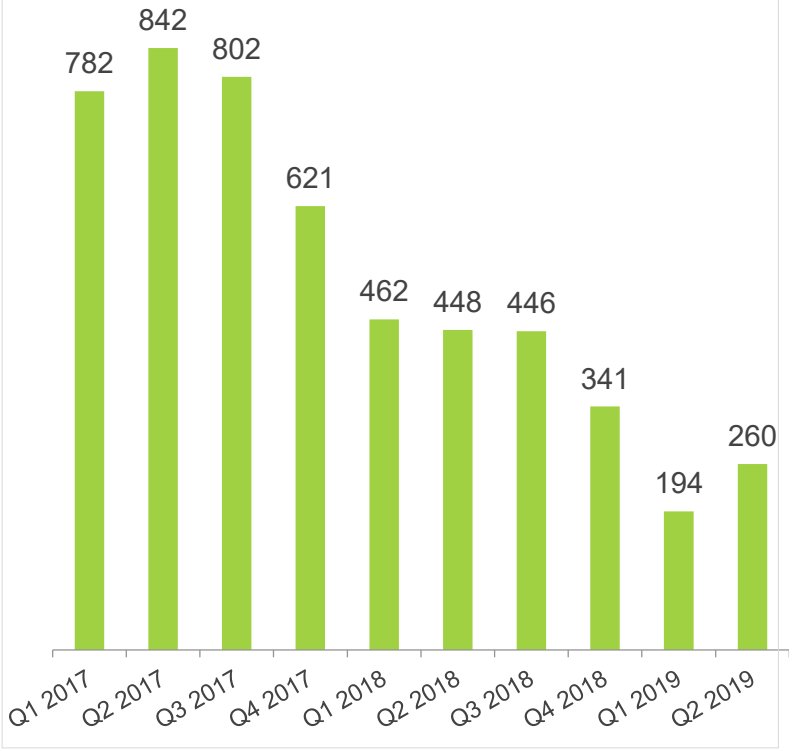
COPAXONE® (U.S. only)

COPAXONE® TRx Count Per Quarter ('000s)



Source: IQVIA NPA TRx (monthly)

COPAXONE® Revenues By Quarter ($ million)



Source: Company Information

Highlights

- $260M in Net Sales for Q2 2019
- COPAXONE® Q2 2019 exit TRx share of total U.S. MS market ~17.5% vs. March 2019 share ~17.9%
- COPAXONE® 40mg share of the 40mg glatiramer acetate market ~64% (June 2019) vs. ~67% share (March 2019)

Our Commitment

- Our mission is to be a global leader in generics and biopharmaceuticals, improving the lives of patients.
- Underpinning every aspect of our work is a continued promise to act with integrity and maintain a culture of ethical conduct and compliance.
- We are committed to conducting our business responsibly and leveraging our resources and expertise to make a positive impact on society.
- We are committed to complying with all laws and regulations, uphold ethical engagement with our external stakeholders and enforce the right policies, processes and programs to achieve and enhance our ethical business and human conduct.

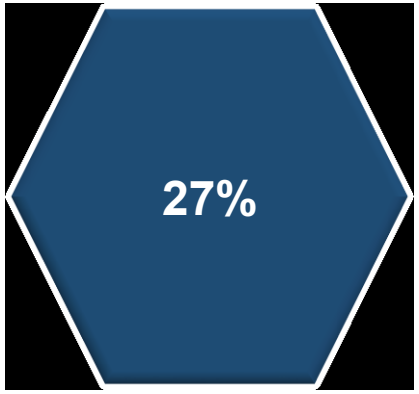
Legacy Litigations

- Opioids (dates back to 1998) and Pricing (2012–2016)
- We assess what will best serve the company and stakeholder interests in real time
- We deny liability and will continue to vigorously defend ourselves in these legacy litigations
- Opioids update:
  - We maintain our defenses while also exploring responsible and comprehensive alternatives
  - We believe litigation is the wrong approach to finding solutions
- Pricing update:
  - Discovery process ongoing, although these matters are still in their early stages, and we expect the litigation to continue for several years
  - We continue to cooperate in DOJ's investigation through ongoing dialog and complying with all requests

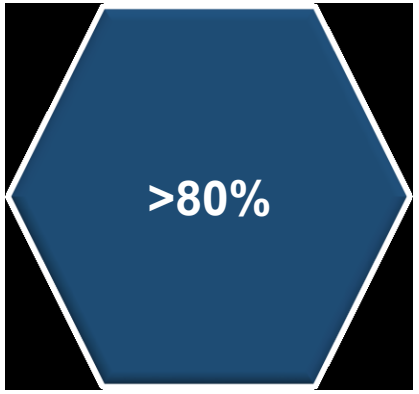
Long-term Financial Targets

To be achieved within 3-5 years vs. FY2018

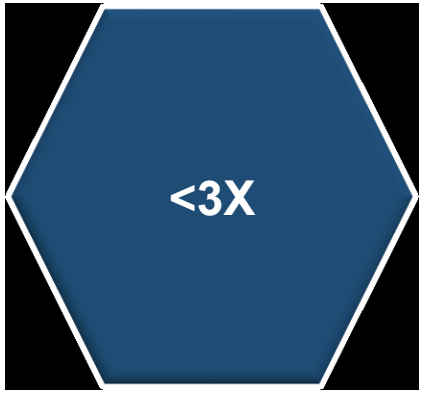
Operating Income Margin*[1]



Cash-to-earnings*[2]



Net debt/EBITDA*[3]



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

- [1] Operating income margin = Non-GAAP operating income divided by net revenues
- [2] Cash to earnings = Free cash flow divided by non-GAAP net income attributable to ordinary shareholders
- [3] Net debt/EBITDA = Net debt/ non-GAAP EBITDA
- *All measures including operating income ,EBITDA and earnings are presented on a non-GAAP basis
- Free Cash Flow includes cash flow generated from operating activities net of capital expenditures and deferred purchase price cash component collected for securitized trade receivables.

Michael McClellan

Chief Financial Officer

Q2 2019 Summary

$ millions, except EPS	Q2 2019	Q2 2018	Q2 2019	Q2 2018
	GAAP		Non-GAAP	
Revenues	4,337	4,701	4,337	4,701
Operating income (loss)	(644)	(14)	1,011	1,238
Net income (loss) attributable to Teva	(689)	(176)	653	794
Earnings (loss) per share ($)	(0.63) 1,092M shares	(0.24) 1,018M shares	0.60 1,093M shares	0.78 1,021M shares

Q2 2019 Non-GAAP Adjustments

$ millions	Q2 2019	Highlights
Legal settlements	646	Mainly related to opioids litigation
Impairment items	609	Mainly U.S. intangible assets and product rights ($460M)
Amortization	285	Quarterly run-rate
Restructuring	47	
Equity compensation plans	35	
Contingent consideration	24	
Other items	17	
Minority	(8)	
Income tax	(312)	
Total adjustments	**1,342**	

Q2 2019 Non-GAAP Summary

$ billions, except EPS	Q2 2019	Q2 2018	Change
Revenues	*4.3*	*4.7*	*(8%)*
Gross profit	*2.2* *50.5%*	*2.3* *49.7%*	*(6%)*
Operating income	*1.0* *23.3%*	*1.2* *26.3%*	*(18%)*
EBITDA	*1.1*	*1.4*	*(18%)*
Net income	*0.7*	*0.9*	*(24%)*
EPS ($)	0.60 1,093M shares	0.78 1,021M shares	*(23%)*
Free cash flow*	**0.2**	**0.6**	**(70%)**
Total cash generated	**0.2**	**0.5**	**(58%)**

* Free Cash Flow includes cash flow generated from operating activities net of capital expenditures and deferred purchase price cash component collected for securitized trade receivables

Q2 2019 Foreign Exchange Impact

$ millions	Q2 2019	Q2 2018	Diff	FX Effect	Diff net FX
Revenues	4,337	4,701	(364)	(125)	(240)
Operating income **GAAP**	(644)	(14)	(630)	(41)	(588)
Operating income **Non-GAAP**	1,011	1,238	(227)	(47)	(181)

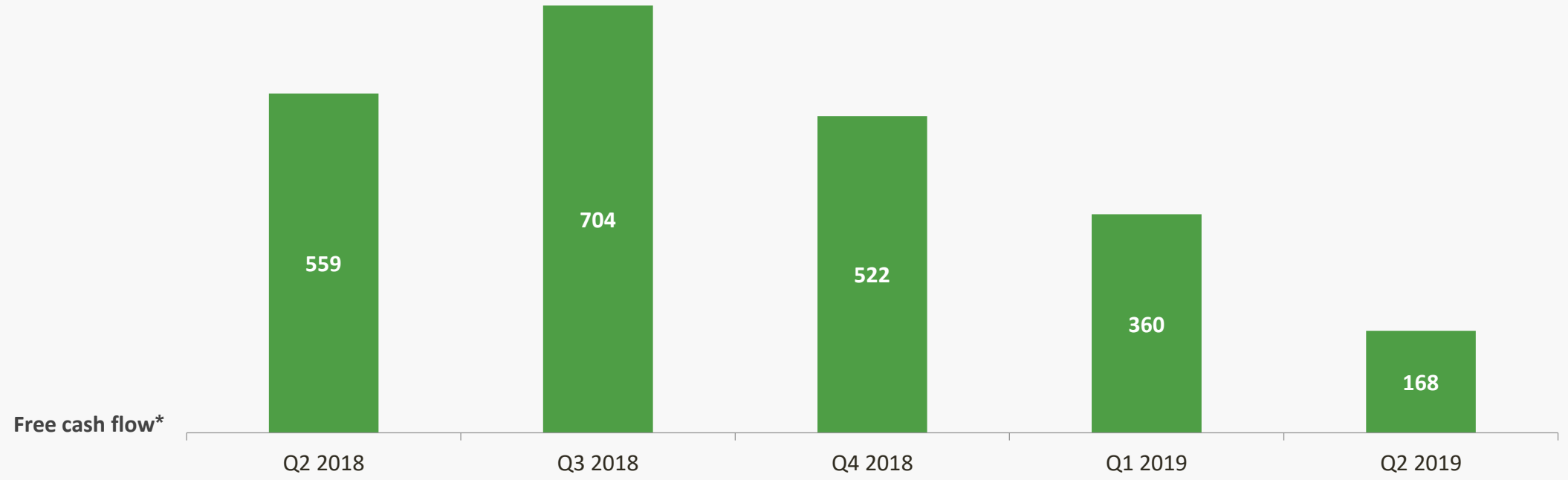
Revenues by Activity and Geographical Area

$ millions	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19
North America Segment	**2,263**	**2,265**	**2,238**	**2,047**	**2,071**
Generic Medicines	947	922	1,099	966	946
COPAXONE	464	463	356	208	274
AJOVY	-	-	3	20	23
TREANDA and BENDEKA	160	161	140	113	115
ProAir*	115	107	45	59	65
QVAR	30	36	9	64	60
AUSTEDO	44	62	68	74	96
Distribution	320	333	363	379	351
Other	183	181	154	164	141
Europe Segment	**1,328**	**1,212**	**1,204**	**1,264**	**1,183**
Generic Medicines	907	845	844	919	844
COPAXONE	140	124	118	114	107
Respiratory products	106	93	90	91	89
Other	175	150	152	140	143
International Markets Segment	**789**	**726**	**740**	**668**	**741**
Generic Medicines	537	498	499	441	489
COPAXONE	22	14	20	13	13
Distribution	154	149	146	151	164
Other	76	65	75	62	75
Other	**321**	**326**	**377**	**317**	**342**
Total Teva	**4,701**	**4,529**	**4,559**	**4,295**	**4,337**

* Excluding ProAir AG

Free Cash Flow

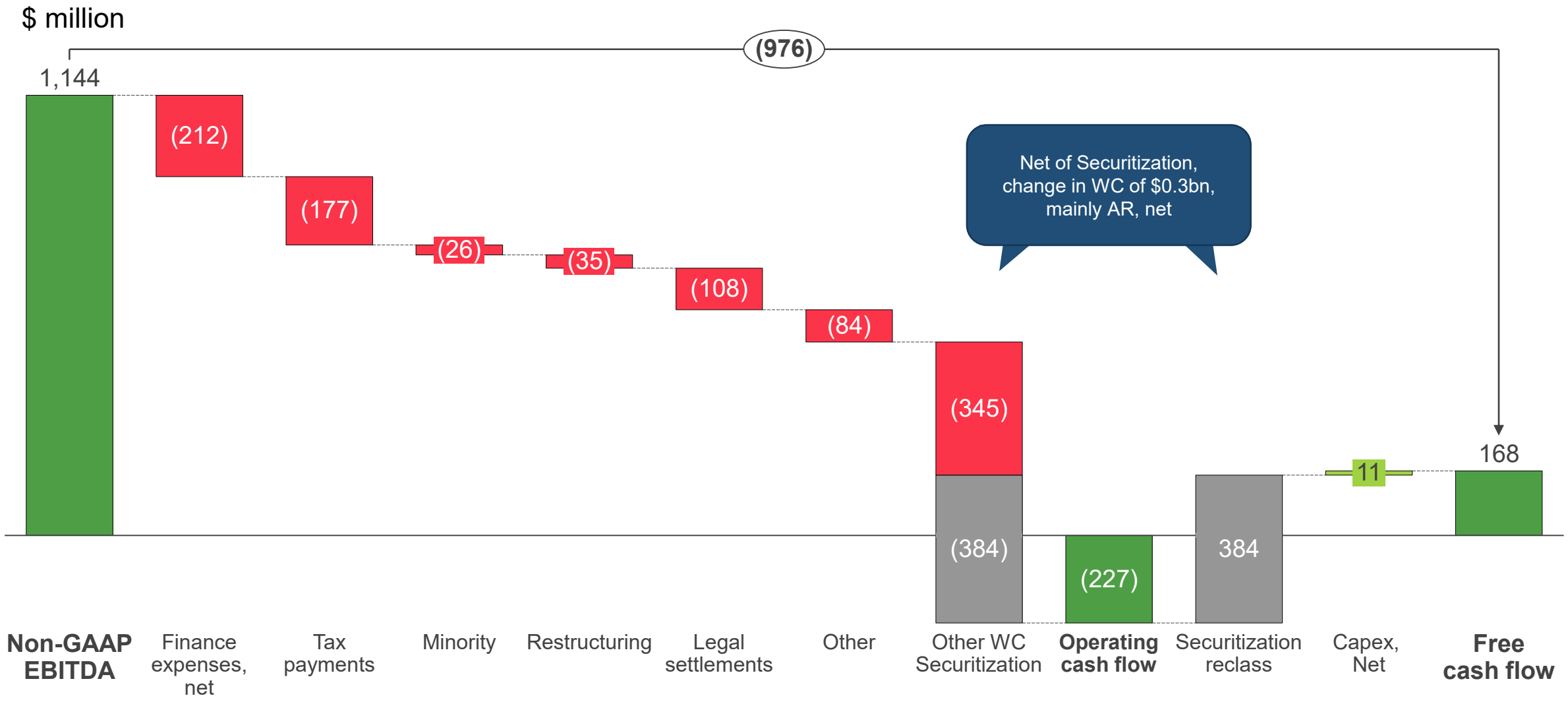
$ millions



	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019
CAPEX, Net**	(129)	(119)	(208)	(114)	11
Securitization re-class	526	402	363	362	384
Operating cash flow	162	421	367	112	(227)

* Free Cash Flow includes cash flow generated from operating activities net of capital expenditures and deferred purchase price cash component collected for securitized trade receivables.
** Capex, net – gross capital expenditure, net of assets sales.

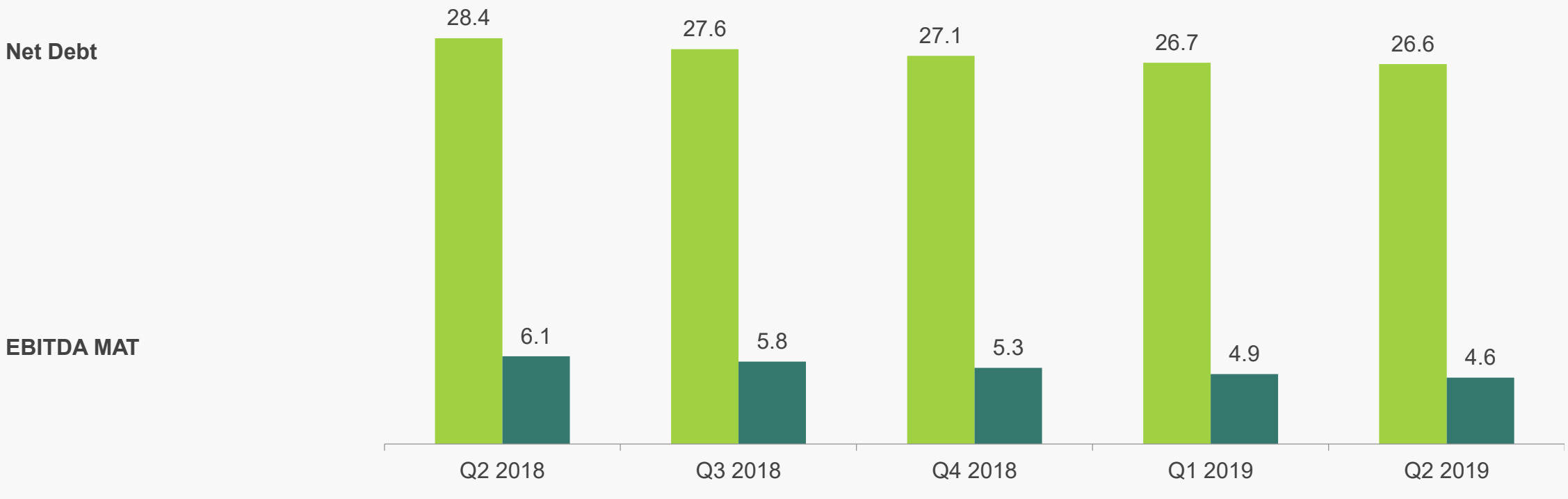
Q2 2019 EBITDA to Free Cash Flow



Free Cash Flow includes cash flow generated from operating activities net of capital expenditures and deferred purchase price cash component collected for securitized trade receivables.

Liquidity

$ billions



	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019
Net Debt / EBITDA MAT	4.63	4.79	5.10	5.45	5.72
Leverage	61%	61%	65%	64%	65%

* According to Teva's credit agreement covenant ratio - adjusted ratio excludes EBITDA contribution of the divested women's heath business for the relevant test period; Teva's Net Debt/EBITDA covenants were amended to 6.25x for Q1-Q4 2019.

Reaffirming 2019 Non-GAAP Outlook

$ billions, except EPS	2019 Outlook	FY 2018
Revenues	17.0-17.4	18.9
Operating Income	3.8 – 4.2	4.7
EBITDA	4.4 – 4.8	5.3
EPS ($)	2.20-2.50 1,096M shares	2.92 1,024M shares
Free Cash Flow*	1.6-2.0	3.7

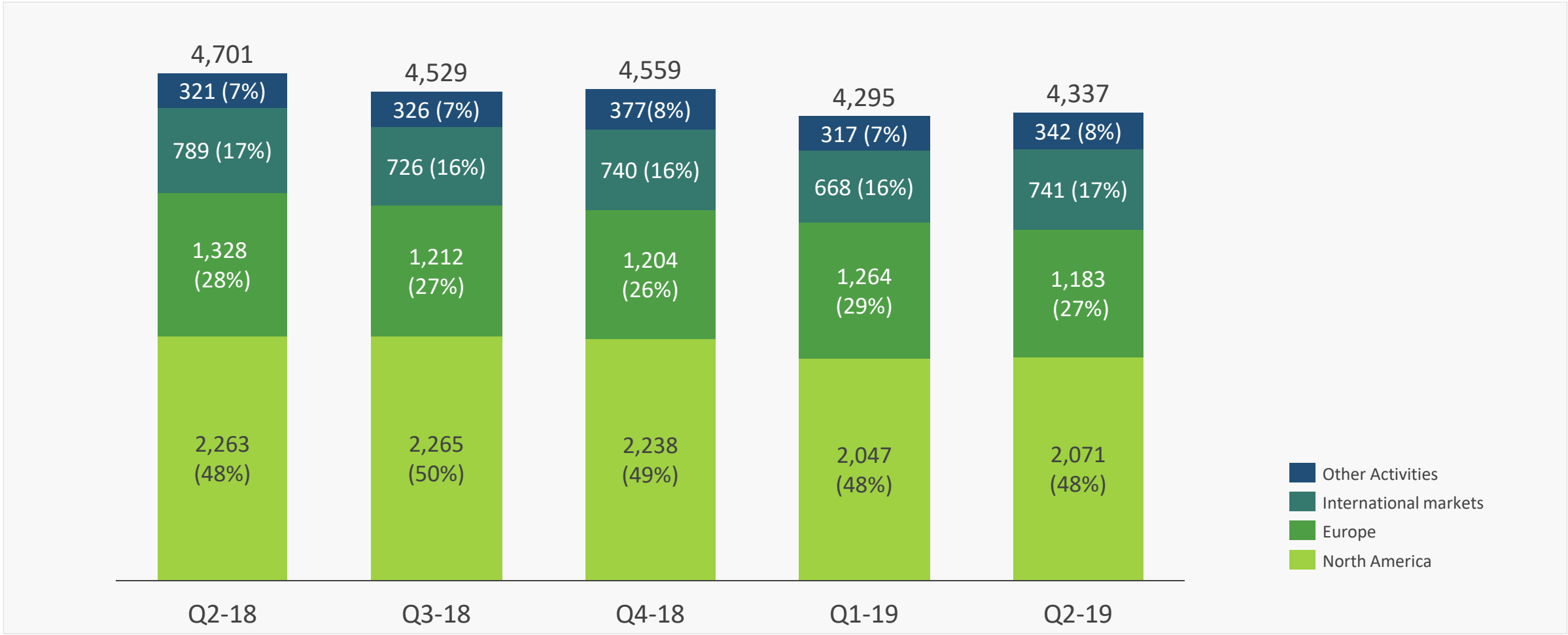
* Free Cash Flow includes cash flow generated from operating activities net of capital expenditures and deferred purchase price cash component collected for securitized trade receivables

Q&A

Additional Information

Q2 2019 Revenues Trend

$ millions

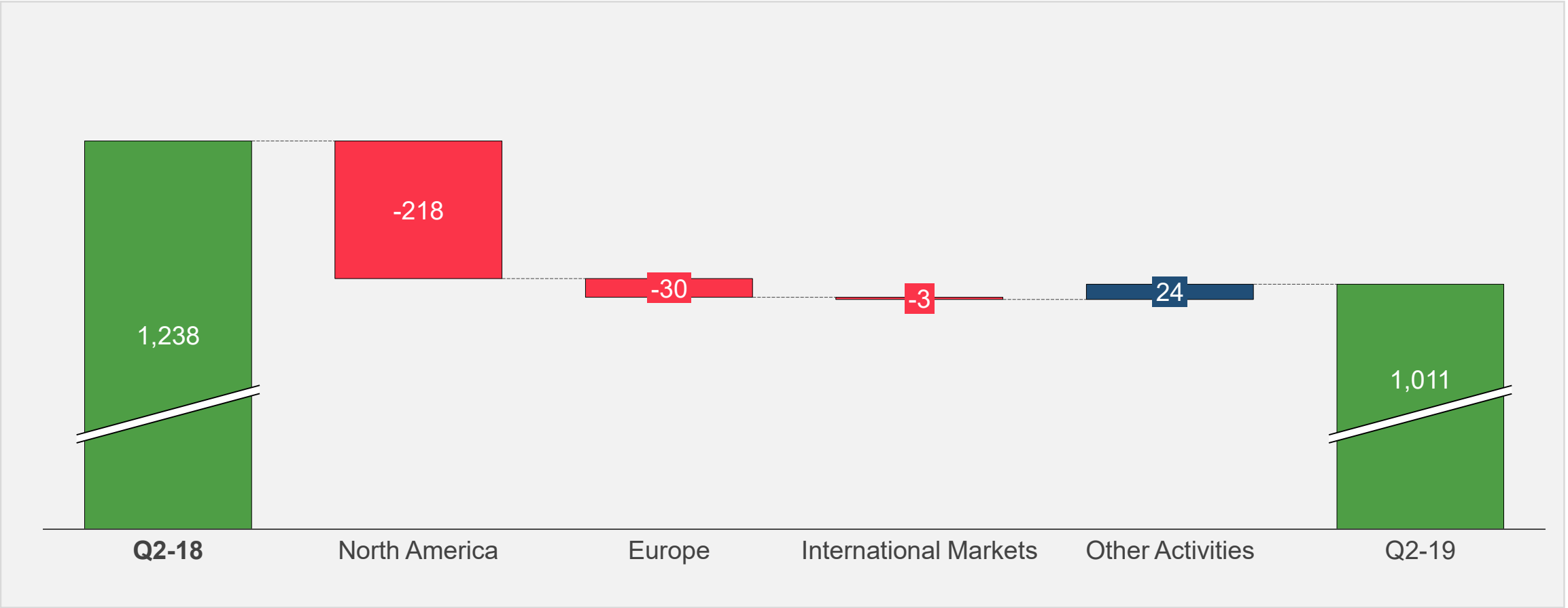


Spend Base Trend (Non-GAAP)

$ millions	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019
COGS	2,362	2,268	2,231	2,145	2,149
S&M	634	634	768	602	621
R&D	281	243	289	255	271
G&A	292	284	330	280	286
Other income	(106)	(4)	(5)	(6)	(0)
Total	**3,463**	**3,425**	**3,613**	**3,277**	**3,326**

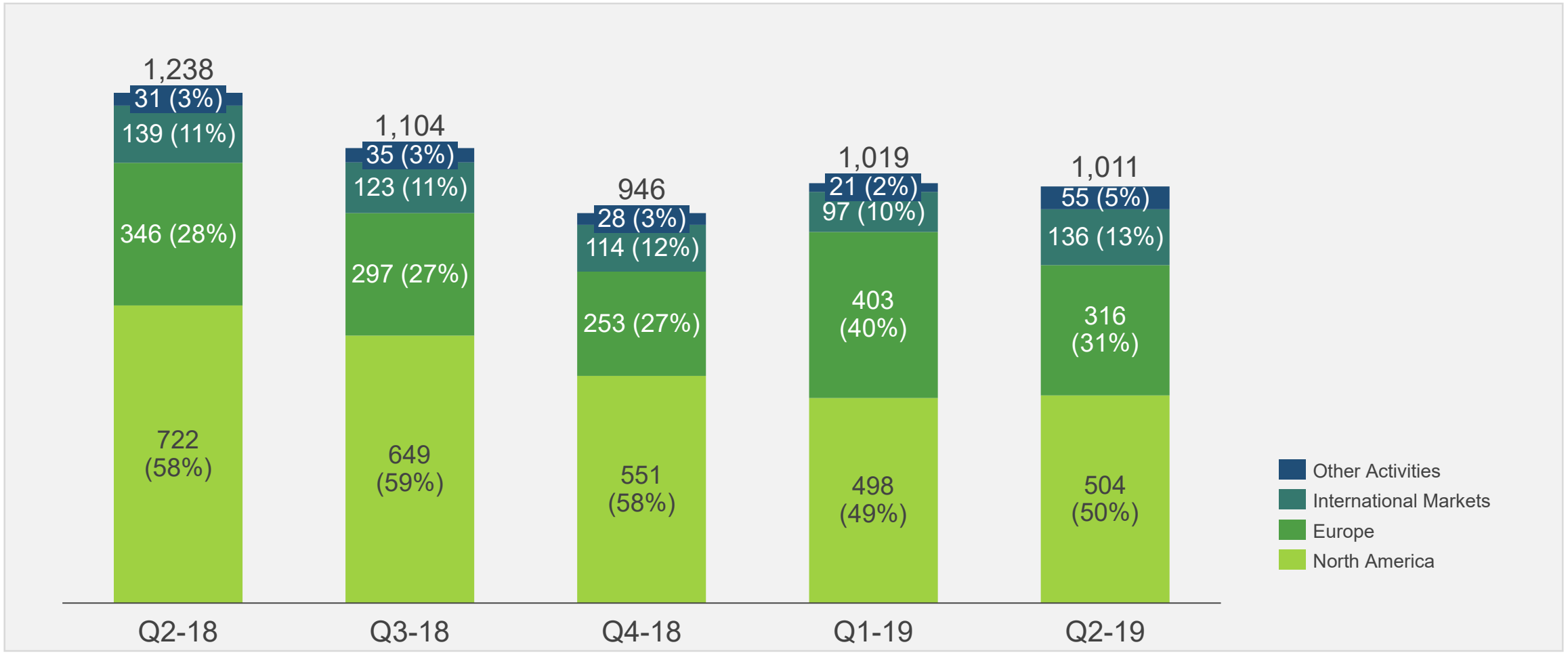
Quarterly Non-GAAP Operating Income

$ millions



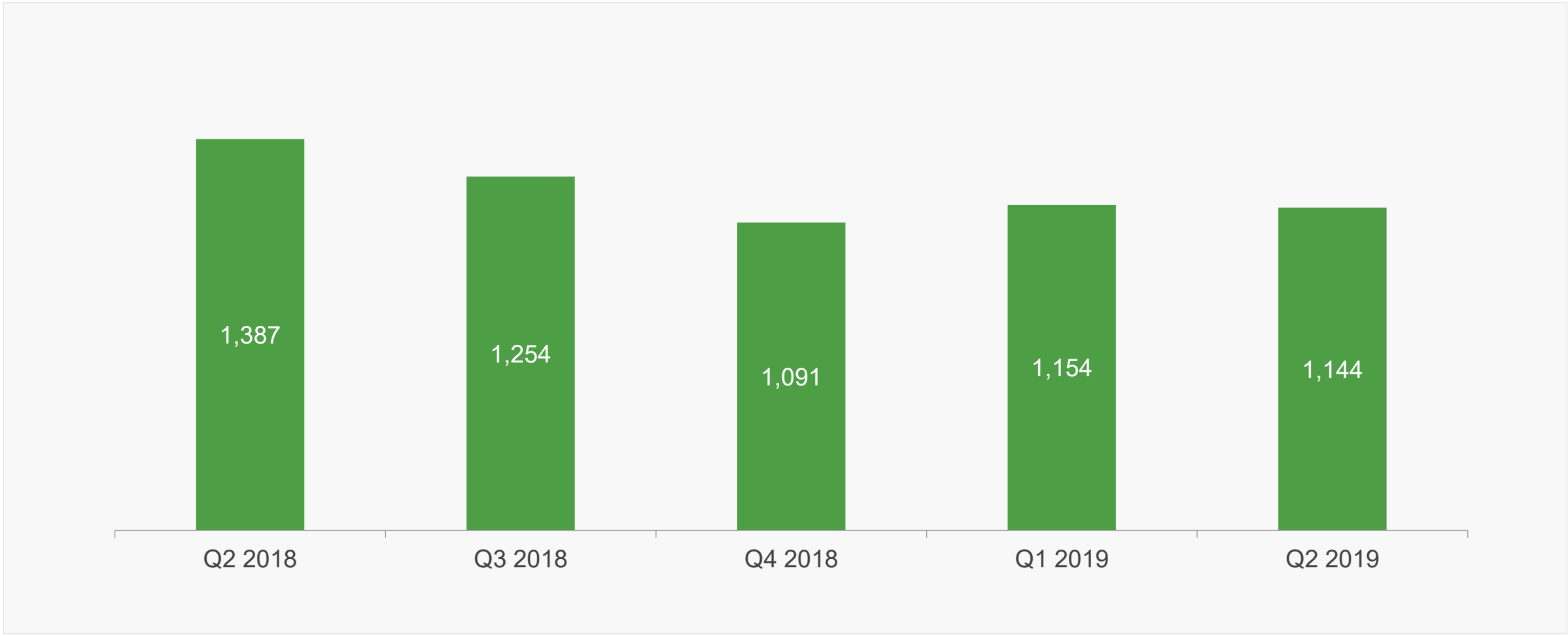
Quarterly Non-GAAP Operating Income

$ millions



Quarterly EBITDA

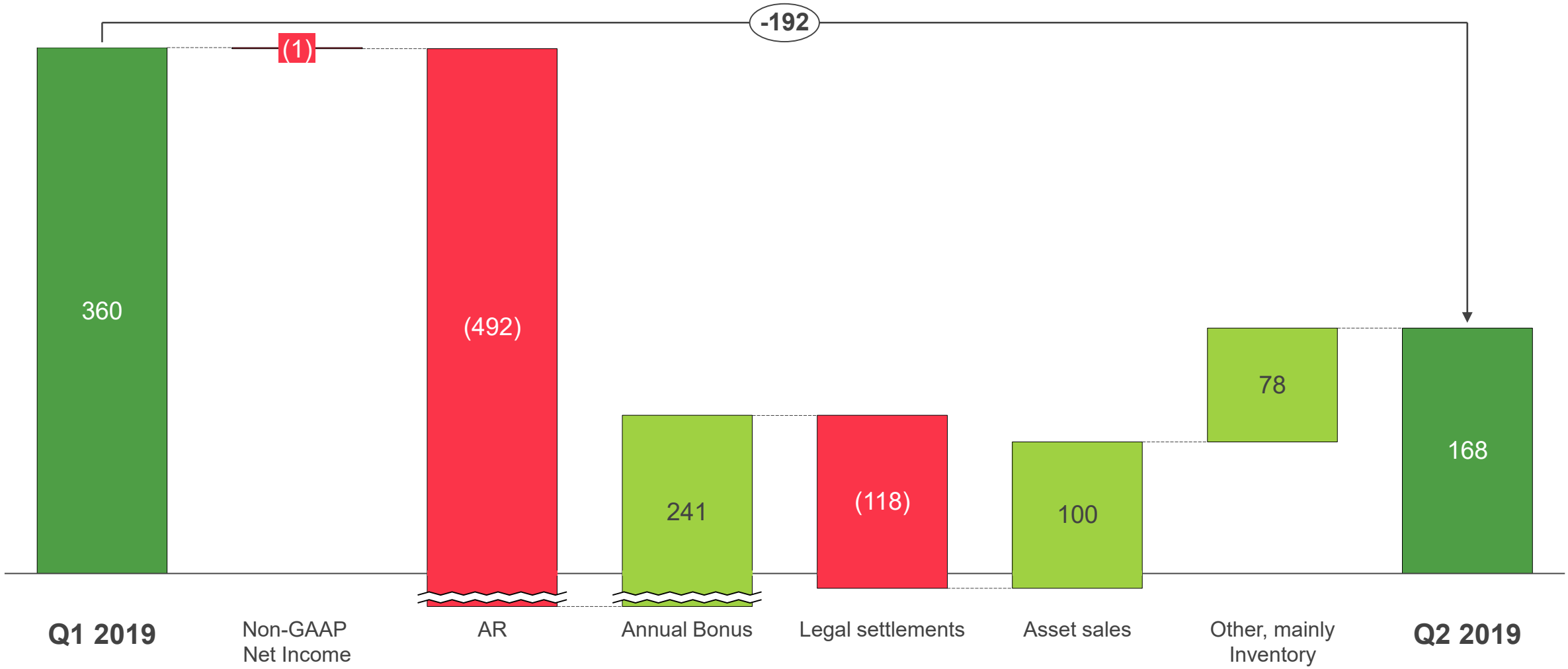
$ millions



EBITDA is based on non-GAAP operating income (which excludes amortization and certain other items) and excludes depreciation expenses

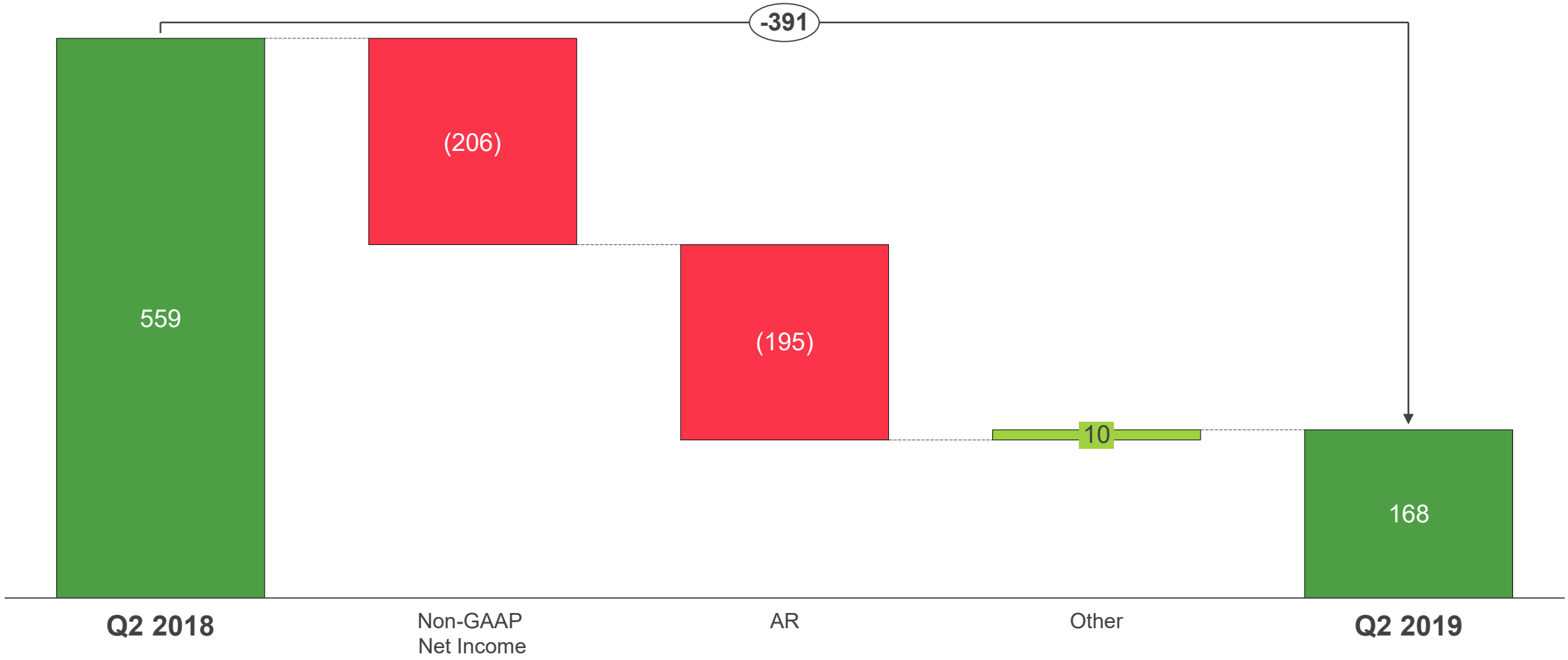
Quarterly Free Cash Flow vs. Q1 2019

$ millions



Quarterly Free Cash Flow vs. Q2 2018

$ millions



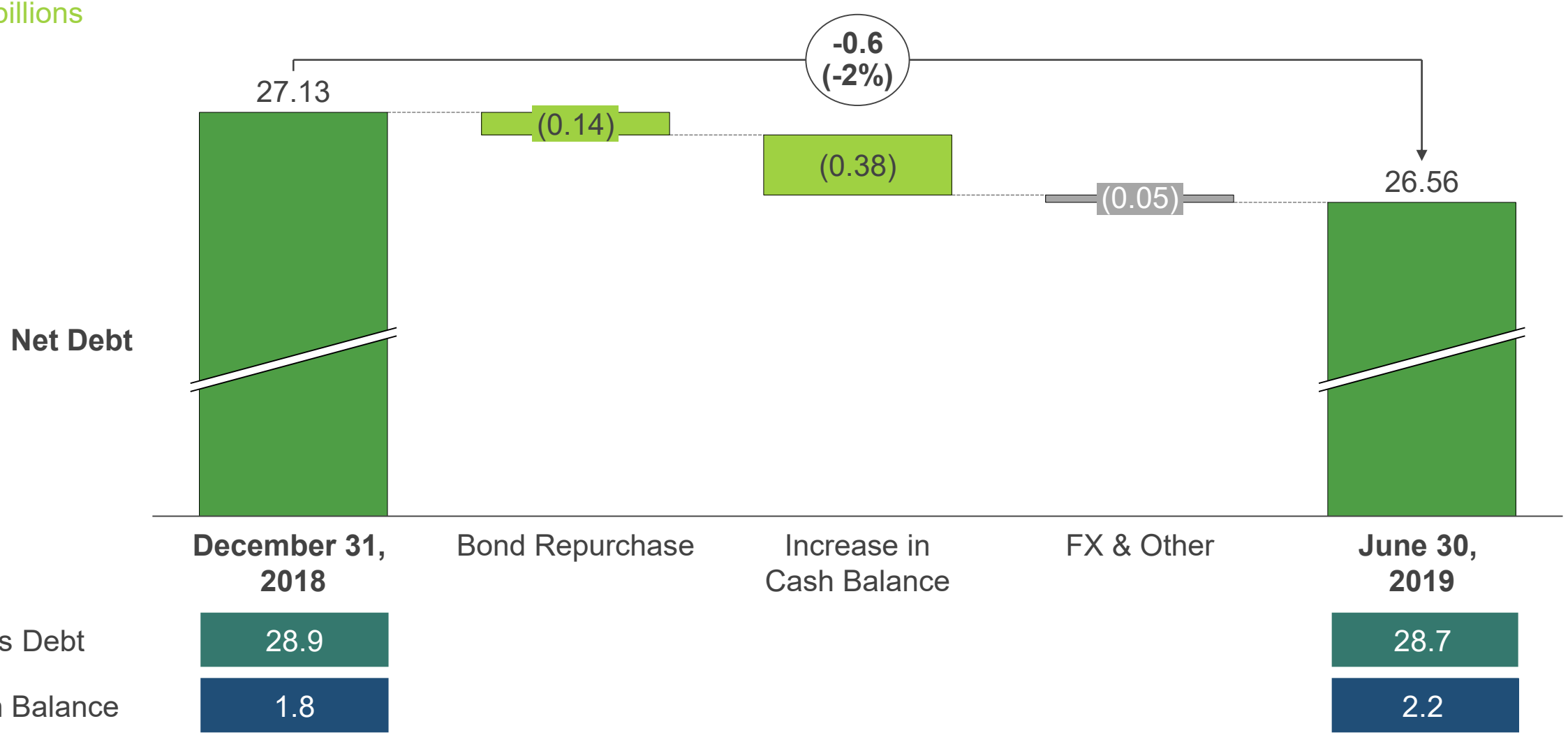
Consolidated Balance Sheet

$ billions	Jun 30, 2019	Dec 31, 2018	Diff
Cash and Cash Equivalents	2.2	1.8	*0.4*
AR Trade	5.3	5.8	*(0.6)*
Pre-paid Expenses and Other Current Assets	2.0	1.5	*0.6*
Inventory	4.8	4.7	*0.1*
Fixed Assets	6.7	6.9	*(0.1)*
Intangible Assets	12.4	14.0	*(1.6)*
Goodwill	24.9	24.9	*(0.0)*
Other Long Term Assets	1.0	1.1	*(0.1)*
Total Assets	**59.4**	**60.7**	***(1.3)***
AP Trade	1.8	1.9	*(0.0)*
SR&A	6.1	6.7	*(0.7)*
AP Other	3.8	3.5	*0.3*
Total Debt (ST+LT)	28.7	28.9	*(0.2)*
Other Long Term Liabilities	3.8	3.9	*(0.1)*
Minority	1.1	1.1	*0.0*
Teva Shareholders' Equity	14.1	14.7	*(0.6)*
Total Liabilities & Equity	**59.4**	**60.7**	***(1.3)***

Some amounts may not sum due to rounding

YTD 2019 Net Debt Movements

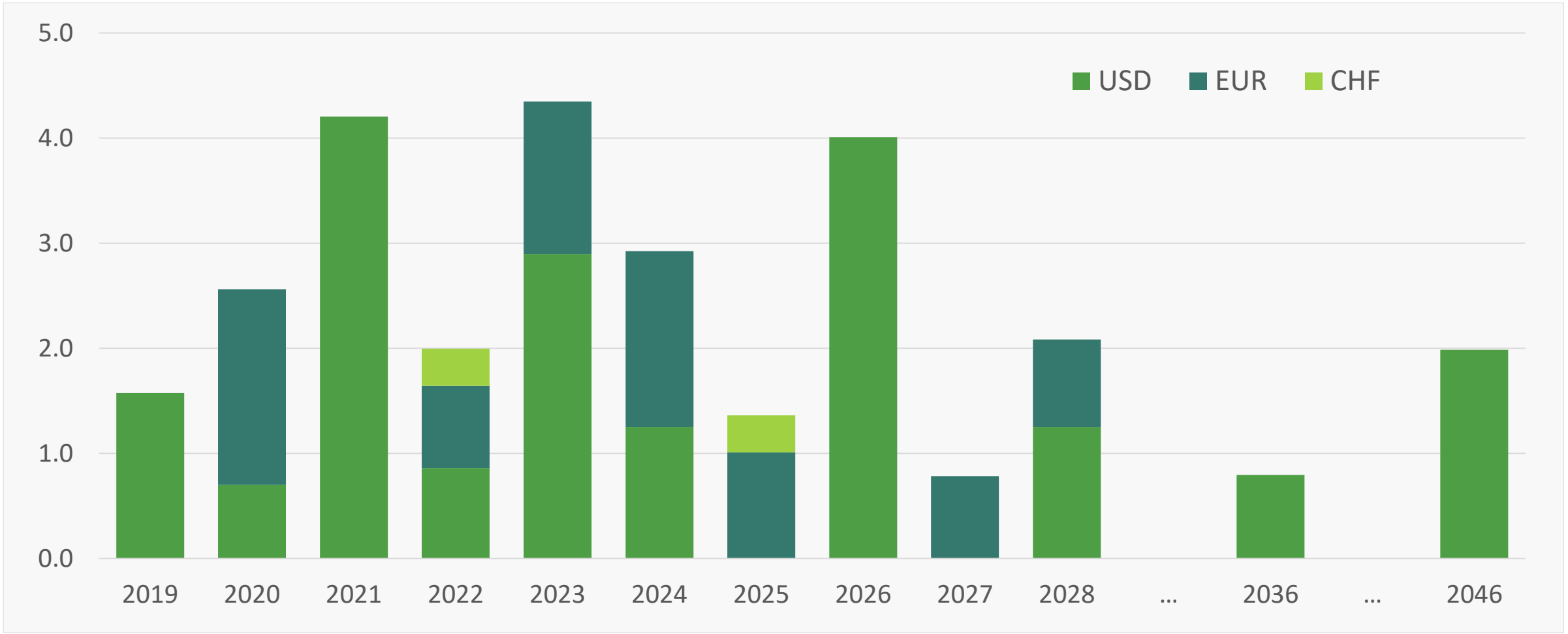
$ billions



* Net Debt = Gross Debt – Cash Balance

Current Debt Structure (as of June 30, 2019)

$ billions



Quarterly GAAP Income Statement

$ millions, except EPS	Q2-19	Q2-19 Margins	Q2-18	Q2-18 Margins	Change
Revenues	**4,337**		**4,701**		***(8%)***
COGS	2,443	56.3%	2,668	56.8%	*(8%)*
Gross profit	**1,893**	**43.7%**	**2,033**	**43.2%**	**(7%)**
R&D	276	6.4%	290	6.2%	*(5%)*
S&M	666	15.4%	682	14.5%	*(2%)*
G&A	296	6.8%	316	6.7%	*(6%)*
Legal settlements and loss contingencies	646	14.9%	20	0.4%	*n/a*
Impairments, restructuring and others	662	15.3%	835	17.8%	*(21%)*
Other income	(9)	(0.2%)	(96)	(2.0%)	*(90%)*
Operating income	**(644)**	**(14.8%)**	**(14)**	**(0.3%)**	**n/a**
Finance exp.	206	4.8%	236	5.0%	*(13%)*
Tax	(179)	21.0%	(76)	30.4%	*135%*
Minority and share in profit (loss)	18	0.4%	2	0.0%	*803%*
Net income attributable to Teva	**(689)**	**(15.9%)**	**(176)**	**(3.7%)**	**292%**
Dividends on preferred shares	-		65		
Net income attributable to ordinary shareholders	**(689)**		**(241)**		
# of shares (diluted, millions)	1,092		1,018		
Earnings (loss) per share ($)	**-0.63**		**-0.24**		**167%**

Some amounts may not sum due to rounding

YTD GAAP Income Statement

$ millions, except EPS	H1-19	H1-19 Margins	H1-18	H1-18 Margins	Change
Revenues	**8,632**		**9,766**		***(12%)***
COGS	4,883	56.6%	5,418	55.5%	*(10%)*
Gross profit	**3,749**	**43.4%**	**4,348**	**44.5%**	**(14%)**
R&D	537	6.2%	607	6.2%	*(12%)*
S&M	1,313	15.2%	1,420	14.5%	*(7%)*
G&A	589	6.8%	645	6.6%	*(9%)*
Legal settlements and loss contingencies	703	8.1%	(1,258)	(12.9%)	*(156%)*
Impairments, restructuring and others	1,132	13.1%	1,722	17.6%	*(34%)*
Other income	(15)	(0.2%)	(299)	(3.1%)	*(95%)*
Operating income	**(510)**	**(5.9%)**	**1,511**	**15.5%**	**(134%)**
Finance exp.	425	4.9%	507	5.2%	*(16%)*
Tax	(170)	18.2%	(30)	(3.0%)	*466%*
Minority and share in profit (loss)	30	0.3%	90	0.9%	*(67%)*
Net income attributable to Teva	**(794)**	**(9.2%)**	**944**	**9.7%**	**(184%)**
Dividends on preferred shares	-		130		
Net income attributable to ordinary shareholders	**(794)**		**814**		
# of shares (diluted, millions)	1,091		1,020		
Earnings (loss) per share ($)	**-0.73**		**0.80**		**(191%)**

Some amounts may not sum due to rounding

YTD 2019 Non-GAAP Adjustments

$ millions	H1 2019	Highlights
Impairment items*	972	Mainly U.S. intangible assets and product rights ($808M)
Legal settlements	703	Mainly related to opioids reserve
Amortization	568	Quarterly run-rate
Restructuring	79	
Equity compensation plans	69	
Contingent consideration*	54	Mainly BENDEKA exclusivity extension
Lenalidomide	24	Intangibles impairment net of change in contingent consideration
Other items	76	
Minority	(16)	
Tax items effect	(429)	
Total adjustments	**2,101**	

* Excluding Lenalidomide