TEVA PHARMACEUTICAL INDUSTRIES LTD.





Introducing the world leader in generic pharmaceuticals

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Presentation at the 27th Annual Healthcare Conference

Monday, January 12, 2009

Forward looking statements





TODAY'S PRESENTATION CONTAINS FORWARD-LOOKING STATEMENTS, WHICH EXPRESS THE CURRENT BELIEFS AND EXPECTATIONS OF MANAGEMENT. SUCH STATEMENTS 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 RISKS RELATING TO: TEVA'S ABILITY TO ACCURATELY PREDICT FUTURE MARKET CONDITIONS, TEVA'S ABILITY TO SUCCESSFULLY DEVELOP AND COMMERCIALIZE ADDITIONAL PHARMACEUTICAL PRODUCTS, THE INTRODUCTION OF COMPETING GENERIC EQUIVALENTS, THE EXTENT TO WHICH TEVA MAY OBTAIN U.S. MARKET EXCLUSIVITY FOR CERTAIN OF ITS NEW GENERIC PRODUCTS AND REGULATORY CHANGES THAT MAY PREVENT TEVA FROM UTILIZING EXCLUSIVITY PERIODS, COMPETITION FROM BRAND-NAME COMPANIES THAT ARE UNDER INCREASED PRESSURE TO COUNTER GENERIC PRODUCTS, OR COMPETITORS THAT SEEK TO DELAY THE INTRODUCTION OF GENERIC PRODUCTS, POTENTIAL LIABILITY FOR SALES OF GENERIC PRODUCTS PRIOR TO A FINAL RESOLUTION OF OUTSTANDING PATENT LITIGATION, INCLUDING THAT RELATING TO THE GENERIC VERSIONS OF NEURONTIN®, LOTREL®, FAMVIR®, AND PROTONIX®, THE IMPACT OF CONSOLIDATION OF OUR DISTRIBUTORS AND CUSTOMERS, THE EFFECTS OF COMPETITION ON OUR INNOVATIVE PRODUCTS, ESPECIALLY COPAXONE® SALES, THE IMPACT OF PHARMACEUTICAL INDUSTRY REGULATION AND PENDING LEGISLATION THAT COULD AFFECT THE PHARMACEUTICAL INDUSTRY, THE DIFFICULTY OF PREDICTING U.S. FOOD AND DRUG ADMINISTRATION, EUROPEAN MEDICINES AGENCY AND OTHER REGULATORY AUTHORITY APPROVALS, THE REGULATORY ENVIRONMENT AND CHANGES IN THE HEALTH POLICIES AND STRUCTURES OF VARIOUS COUNTRIES, OUR ABILITY TO ACHIEVE EXPECTED RESULTS THOUGH OUR INNOVATIVE R&D EFFORTS, TEVA'S ABILITY TO SUCCESSFULLY IDENTIFY, CONSUMMATE AND INTEGRATE ACQUISITIONS, POTENTIAL EXPOSURE TO PRODUCT LIABILITY CLAIMS TO THE EXTENT NOT COVERED BY INSURANCE, DEPENDENCE ON THE EFFECTIVENESS OF OUR PATENTS AND OTHER PROTECTIONS FOR INNOVATIVE PRODUCTS, SIGNIFICANT OPERATIONS WORLDWIDE THAT MAY BE ADVERSELY AFFECTED BY TERRORISM, POLITICAL OR ECONOMICAL INSTABILITY OR MAJOR HOSTILITIES, SUPPLY INTERRUPTIONS OR DELAYS THAT COULD RESULT FROM THE COMPLEX MANUFACTURING OF OUR PRODUCTS AND OUR GLOBAL SUPPLY CHAIN, ENVIRONMENTAL RISKS, FLUCTUATIONS IN CURRENCY, EXCHANGE AND INTEREST RATES, AND 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. FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE ON WHICH THEY ARE MADE AND THE COMPANY UNDERTAKES NO OBLIGATION TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENT, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

Today's discussion





Introducing Teva

Financial and strategy update

Q&A

Introducing Teva



Established 1901

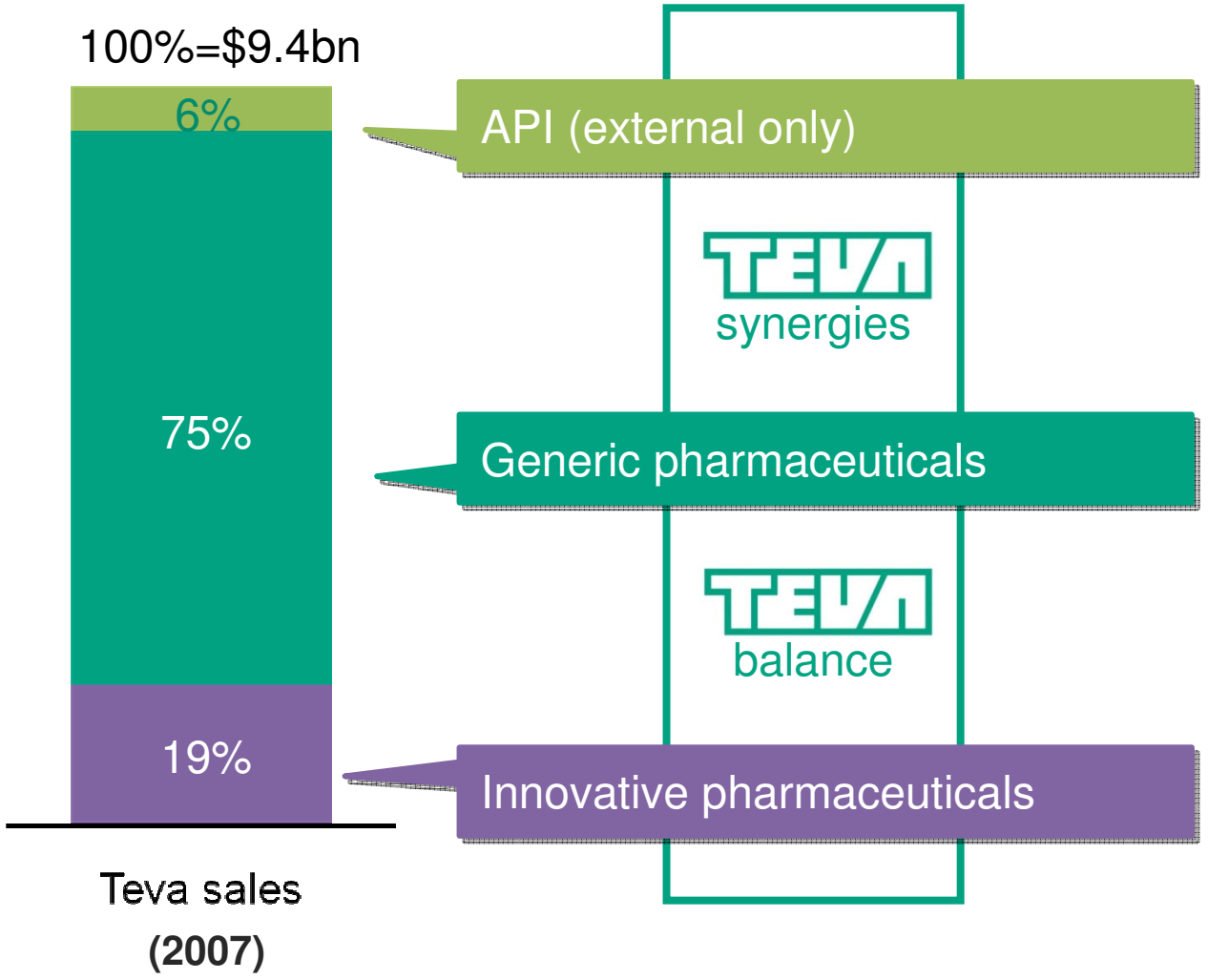
2007 sales $9.4B

2008 proforma with Barr ~$14B

~65 countries

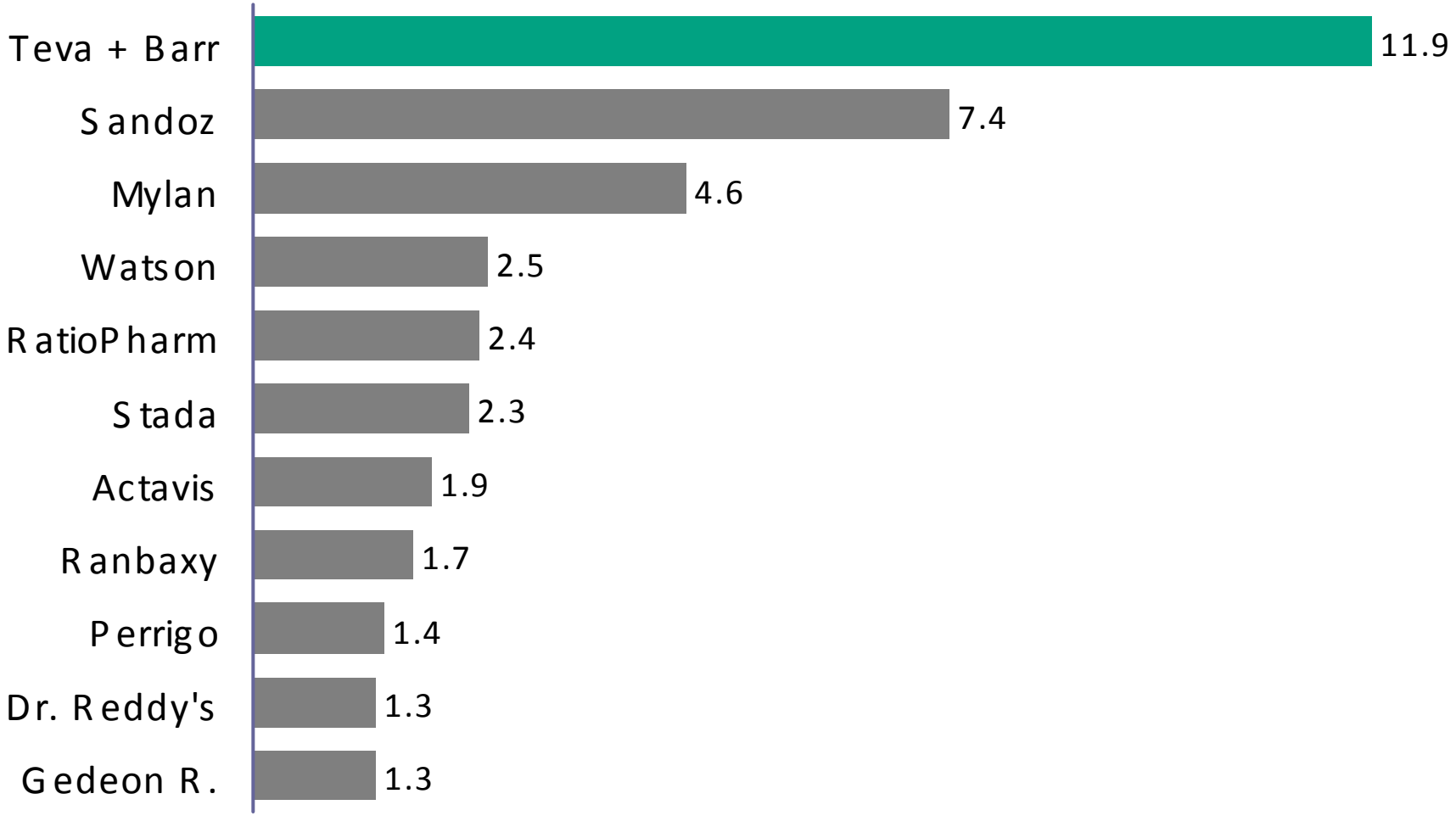
~37,000 employees

Three lines of business



The world's number 1 generics player

Revenues, $ bn, 2007



Source: company publications

With 4 strong branded operations

Multiple sclerosis



Parkinson's



Respiratory & Women's health



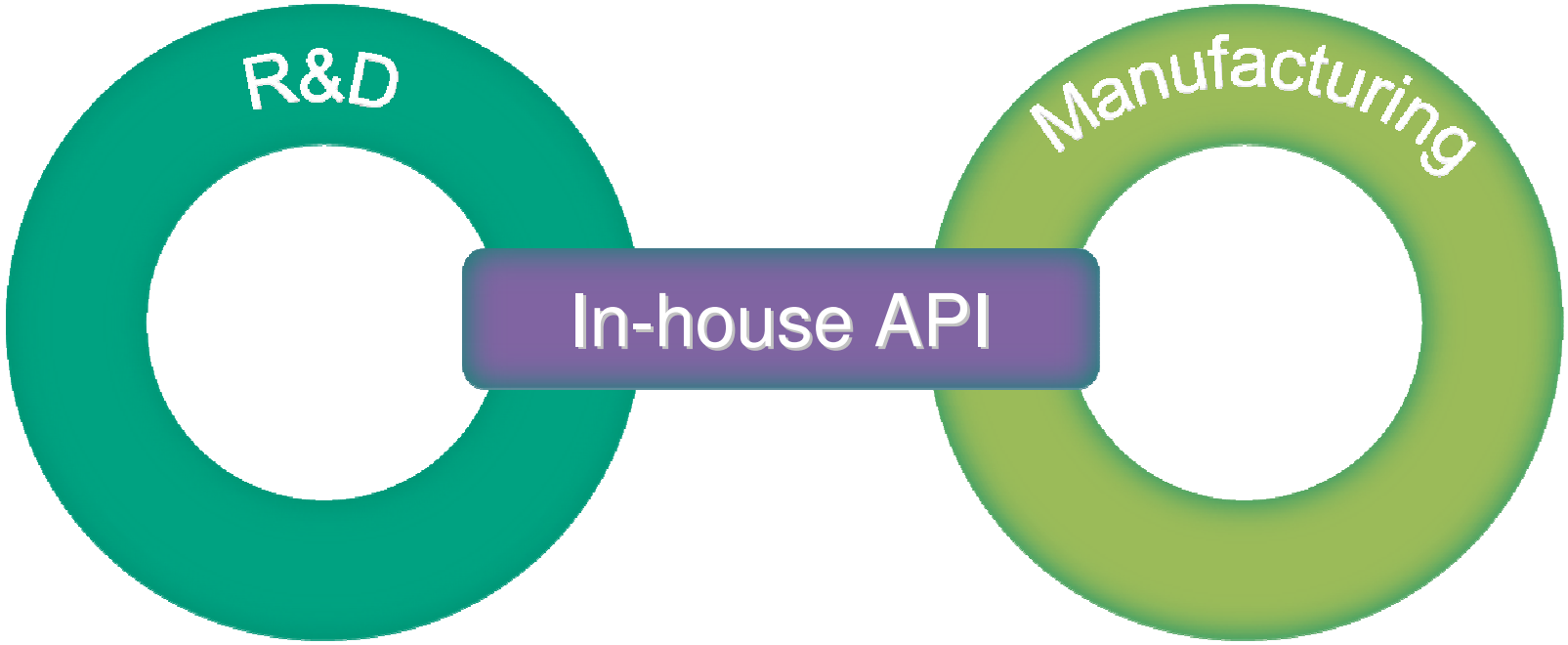


Supports balanced business model

Marketing/branding skills for branded generics

Highly profitable business

Vertical integration through in-house Teva API

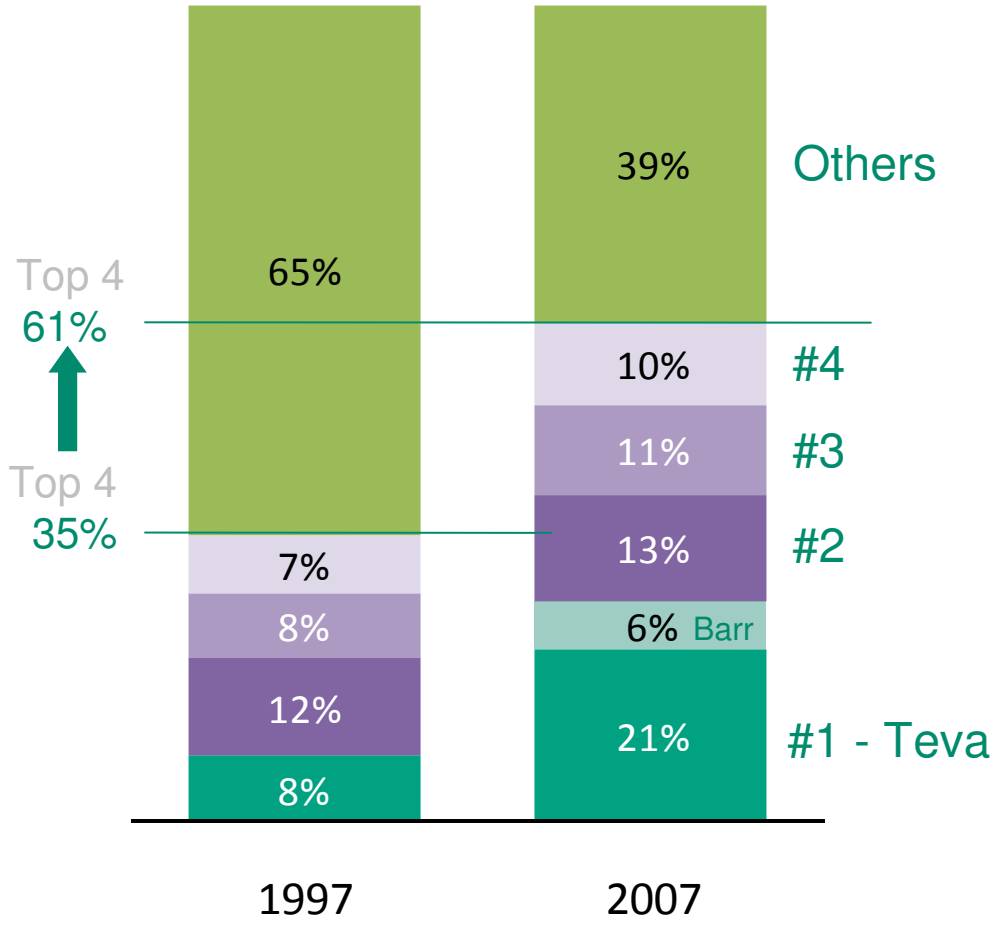


Generic & API R&D to maximizes first-to-file pipeline

Guaranteed quality ingredient supply for generics business

Generics is all about scale – Teva is #1

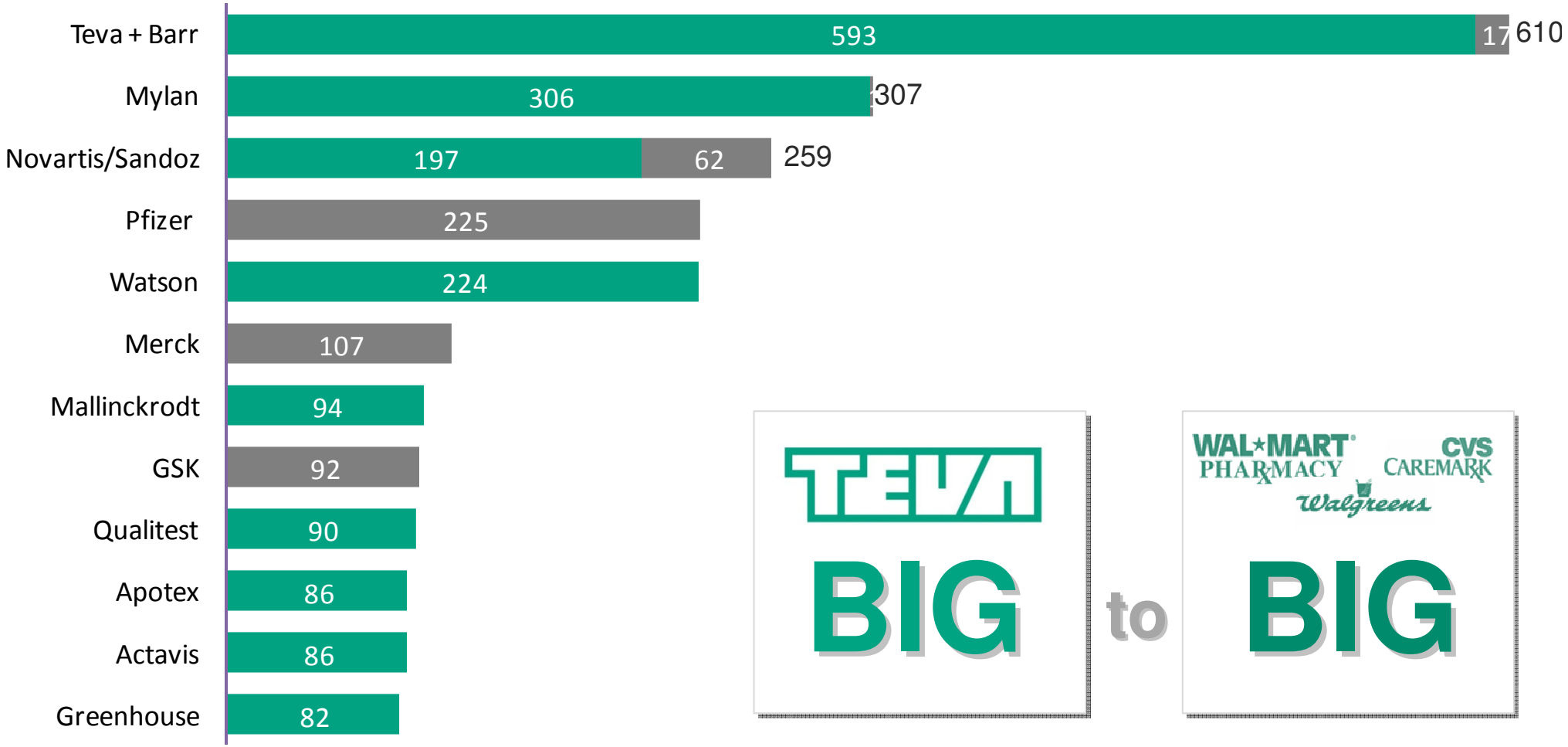
IMS TRx MAT June, % of total





Big gets bigger – with Barr

Ranking of prescription volume, total Rx's, millions, U.S. market



TEVA BIG to WAL★MART PHARMACY CVS CAREMARK Walgreens BIG

Source: IMS Health, September 2008, NPA

R&D to feed the industry's largest pipeline





U.S., 28 October 2008

$96bn
brand sales

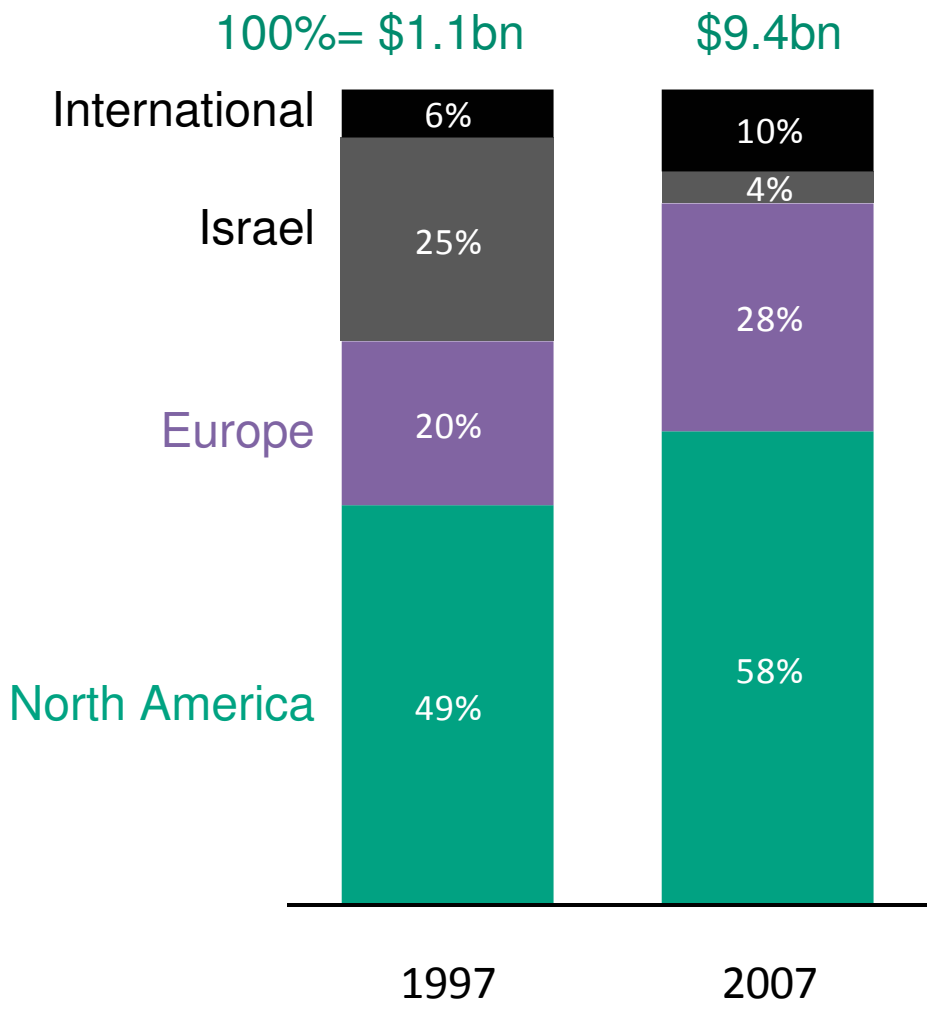
145ANDAs
86Paragraph IV
58first-to-file

$42bn
brand sales

Globally diversified business



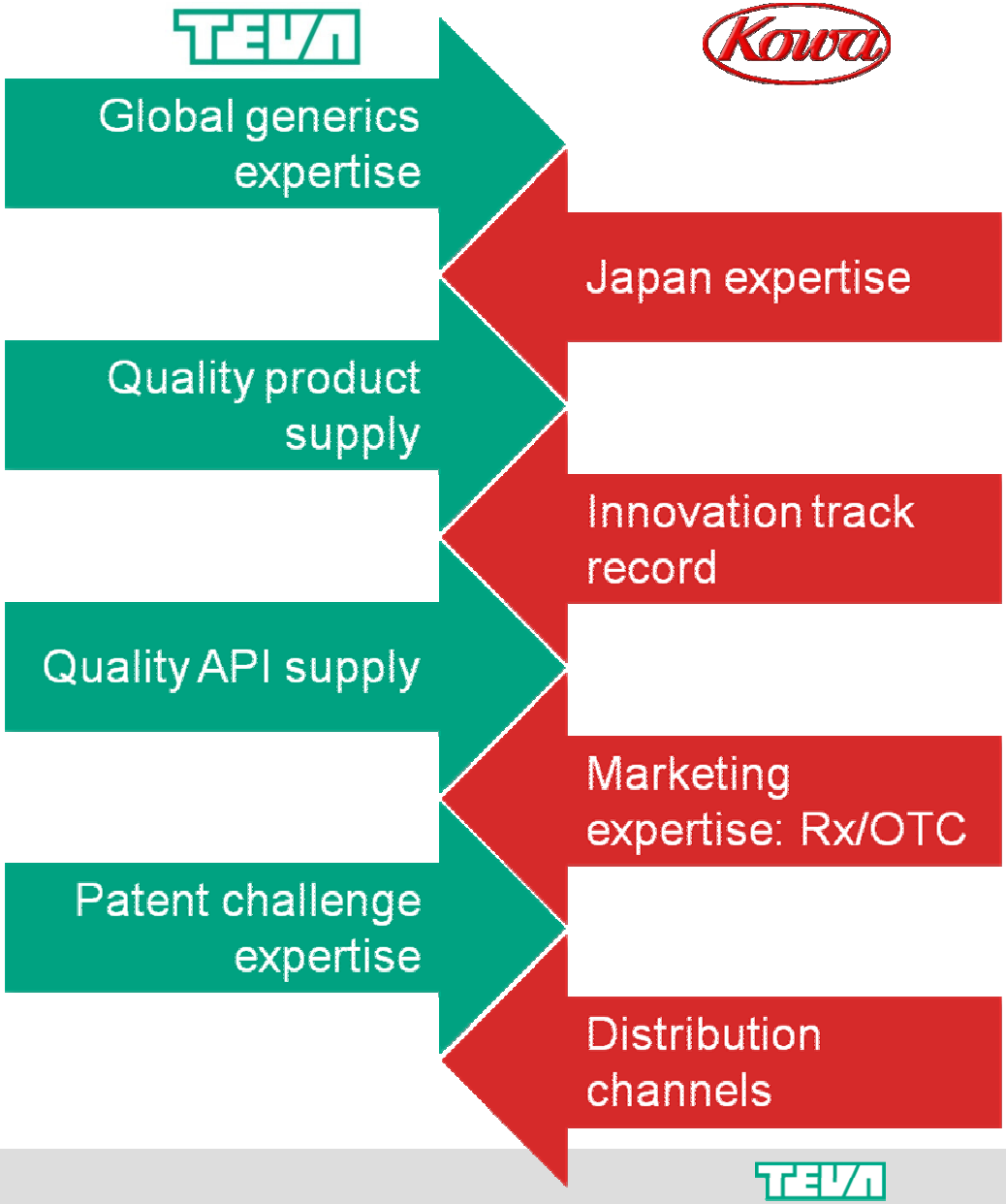




A platform for growth in Japan

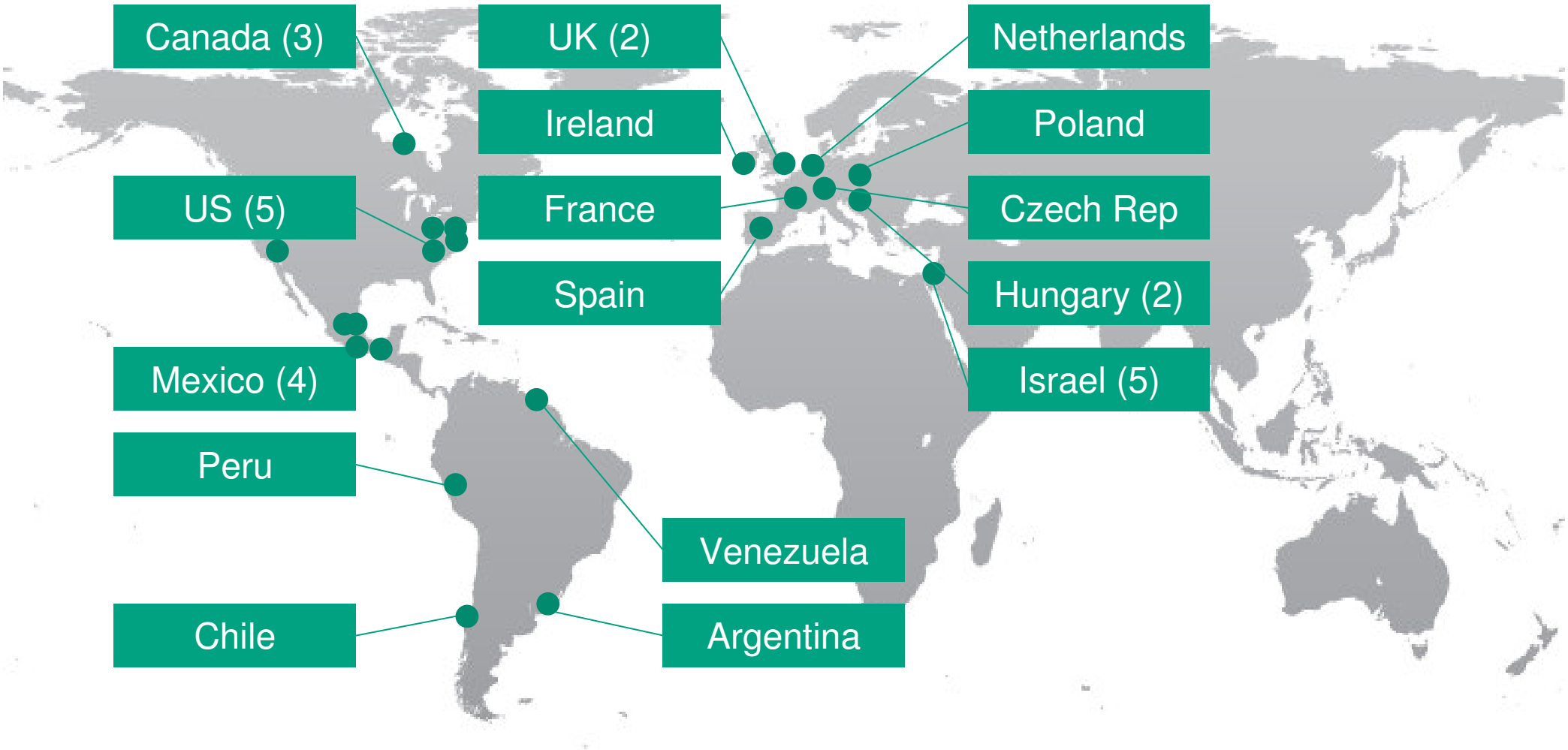


- The world's 2nd pharmaceutical market
- A relatively low generics share
- Government aims to double generics use in 5 years
- 50/50 JV with Kowa aims for **$1bn sales in 2015**



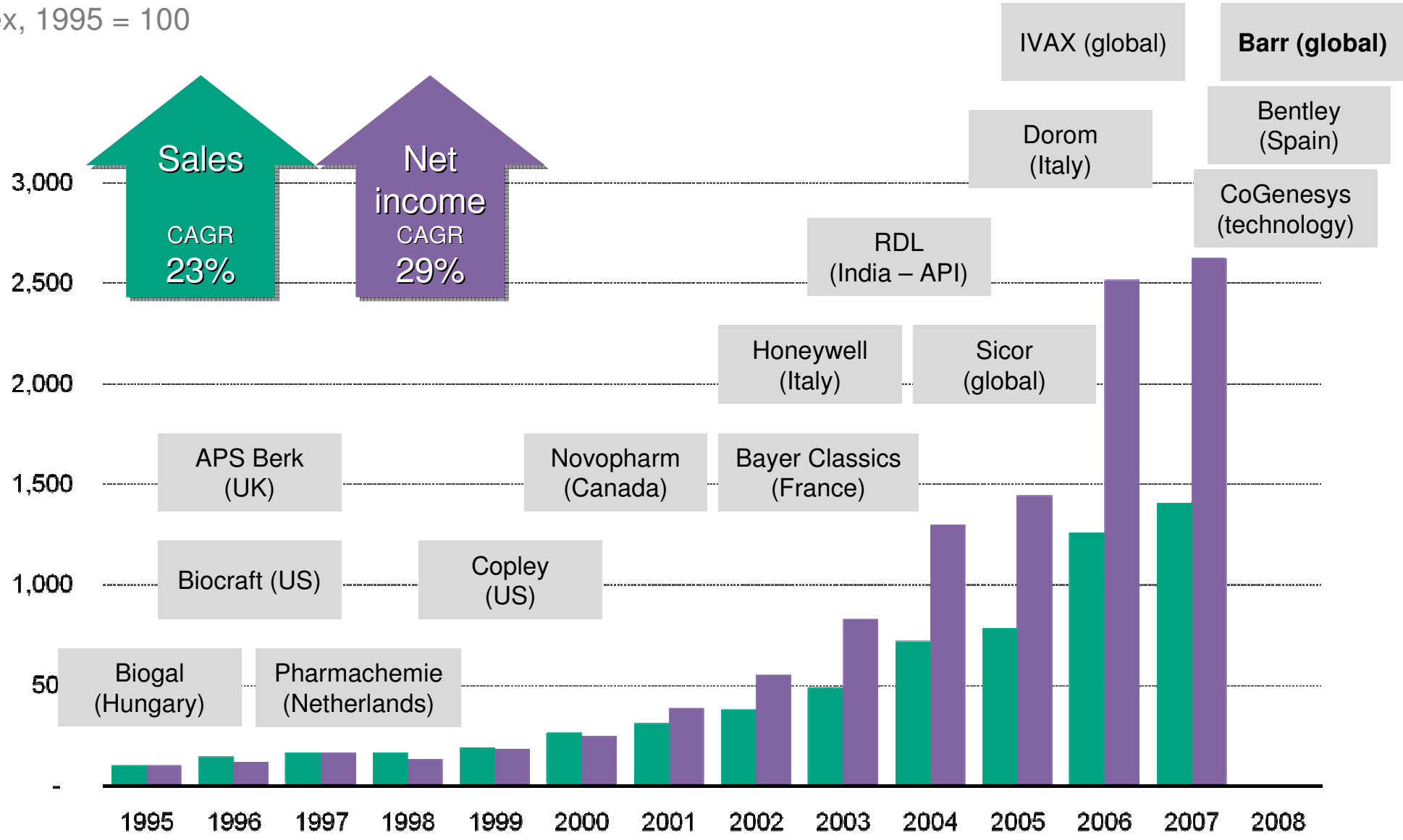
Global pharmaceutical supply chain

31 pharma facilities in 16 countries
Barr adds 8 facilities in 3 countries
Capacity with Barr ~60 billion tablets



Successful M&A track record

Index, 1995 = 100



2012 target

REACH

$20

billion

sales



EXCEED

20%

net income

margin

Pioneering biogenerics beyond 2012

Attractive market

- > $200bn by 2015
- Patent expirations – 40% of total value
- R&D, marketing investments limit number of competitors



Unique Teva assets

- Israeli and CoGenesys R&D capabilities
- Financial resources
- Early on ex-US activities (biosimilar GCS-F - TevaGrastim®)

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Overall results for 9 months 2008



	9M 2007	9M 2008*	Change
Sales $m	6,832	8,237	+17%
Net income $m	1,382	1,740	+21%
EPS $	1.69	2.10	+20%

* Net income and EPS are non GAAP results

Sources of sales growth



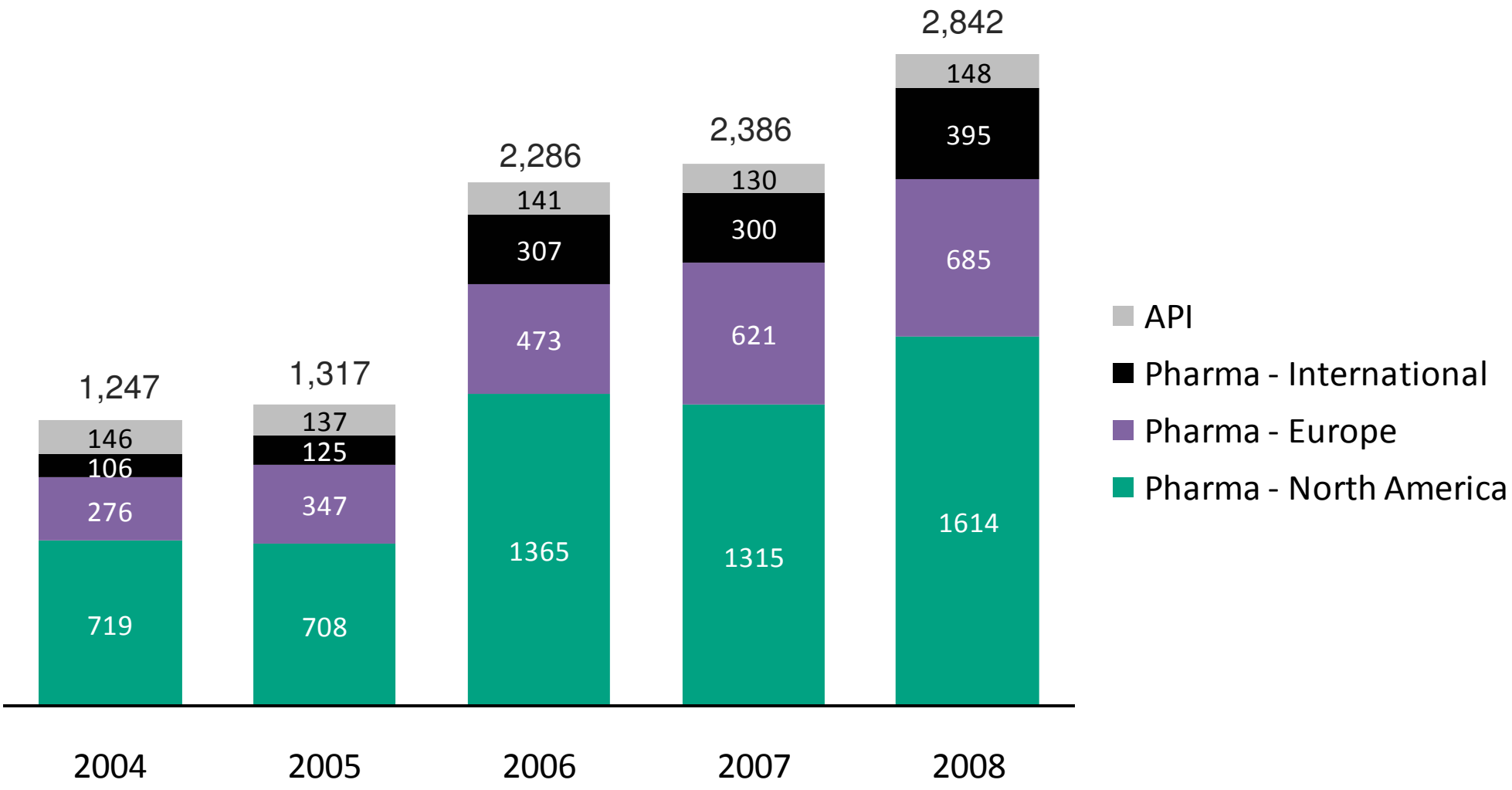


Q3 sales, $ million

	2007	2008	Change
North America - pharma	1,315	1,614	23%
Europe - pharma	621	685	10%
International - pharma	300	395	32%
Total - pharma	**2,366**	**2,694**	20%
API (external sales)	**130**	**148**	14%
Total	**2,366**	**2,842**	20%

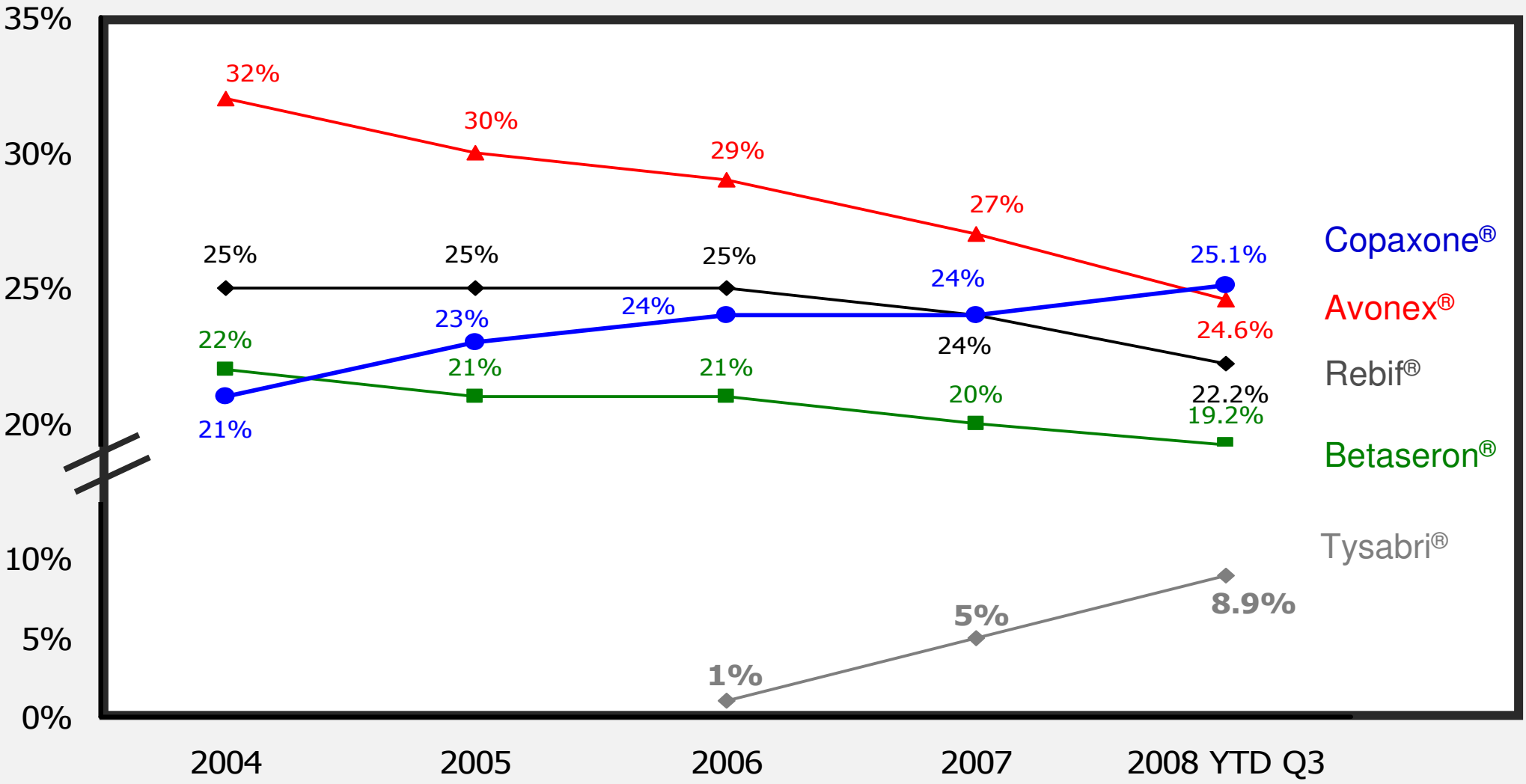
Continued track record of growth – Q3

Q3 sales, $ million



Copaxone® is the MS therapy market leader

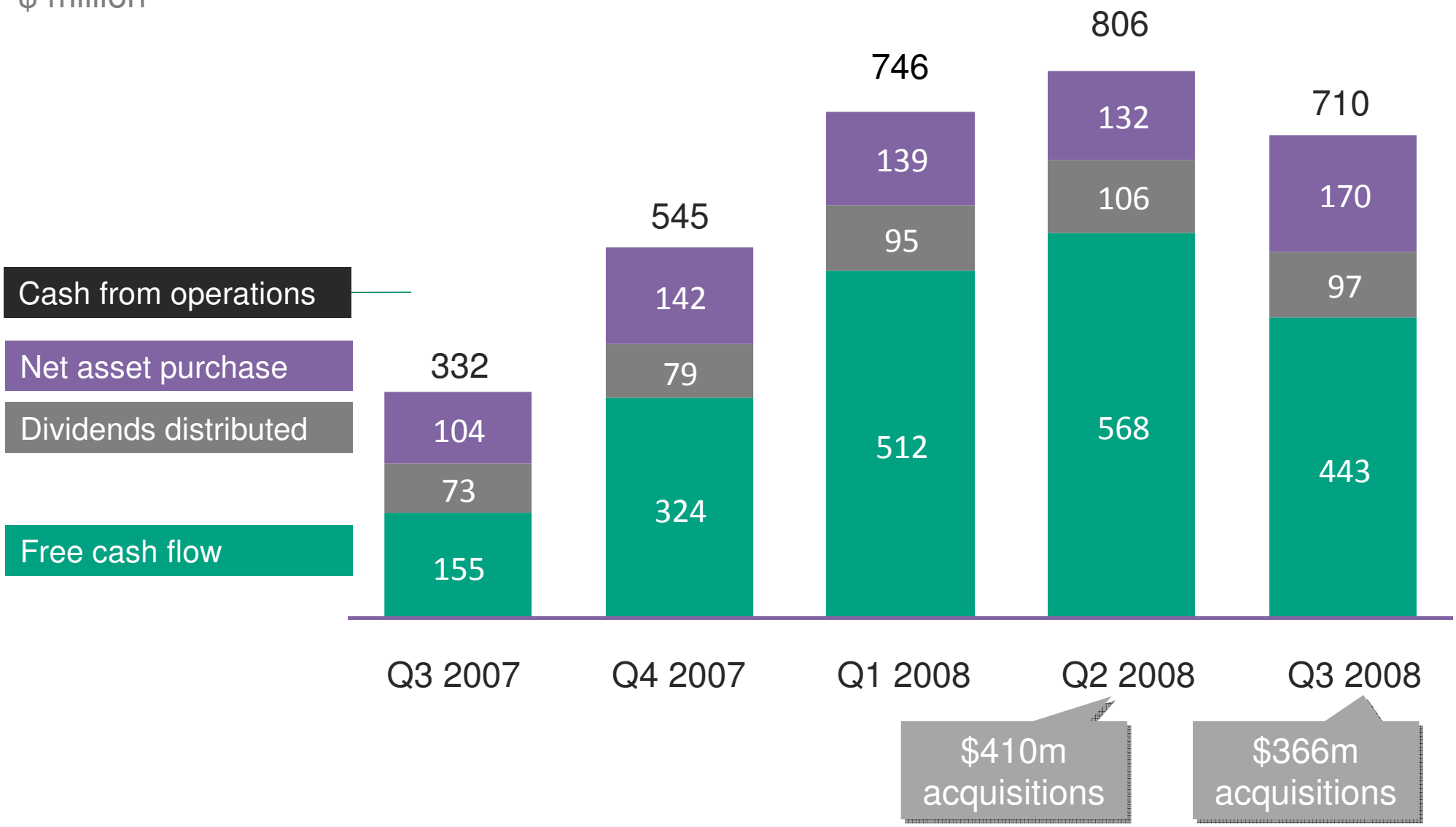
U.S. Market share, value, %



Note: based on Q3'08 releases of all companies

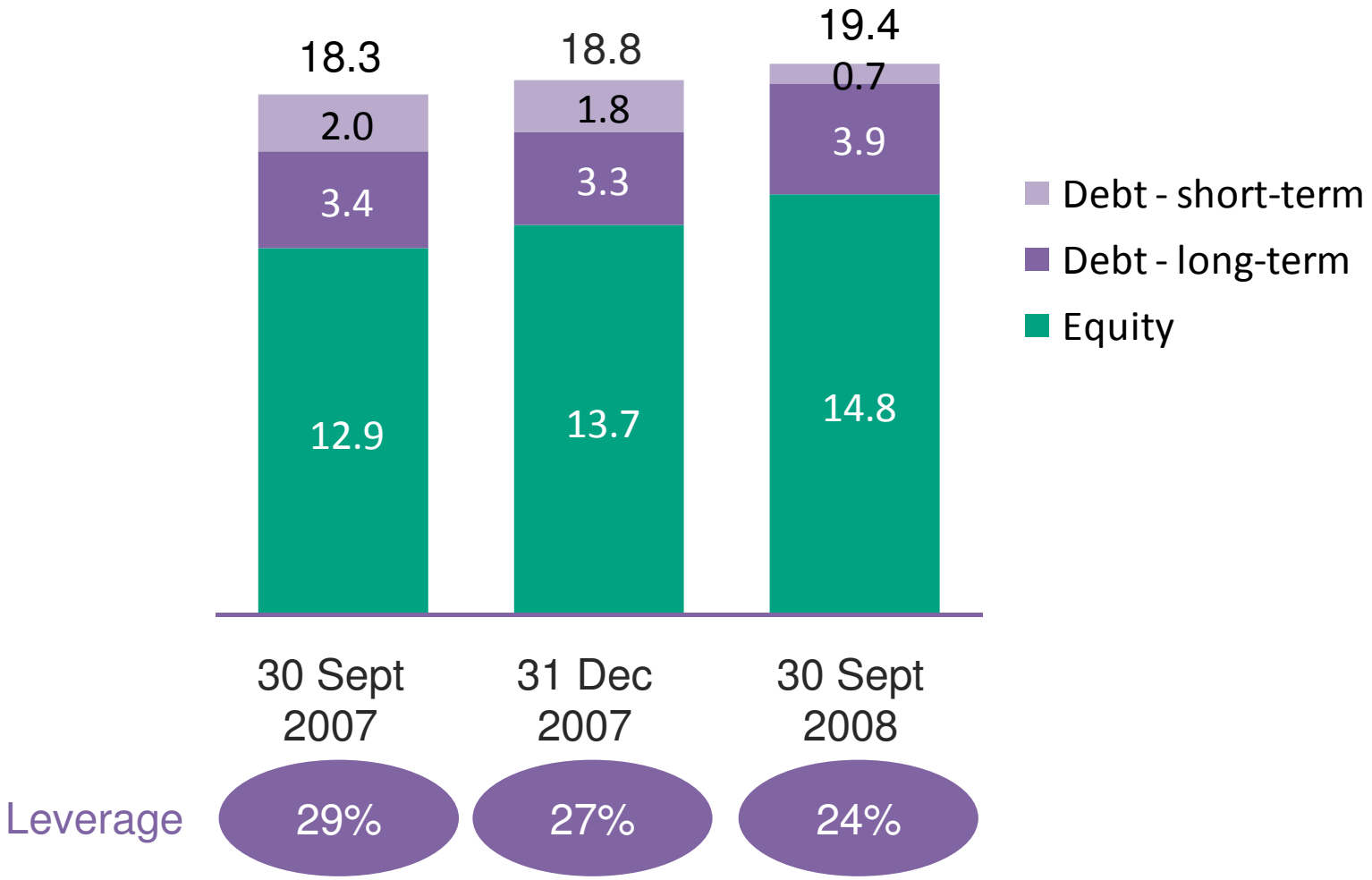
Cash generation

$ million



Leverage going down

Selected balance sheet items, $ billion



2008: an exciting year





Copaxone®	Global #1 Record sales: run rate > $2bn
Azilect®	Positive results of ADAGIO Tyramine study successful
Submissions and launches	Record Para IV launches in U.S. (7) Record generic submissions (150, Europe doubled) Tevagrastim®, first biogeneric launch in Europe
International markets	Exceptional growth and record sales performance



2008: an exciting year





Acquisitions and global expansion	Barr / PLIVA CoGenesys Bentley (Spain) Kowa JV (Japan)
Infra-structure expansion	Capacity: 41->51bn tablets (before Barr) Generic R&D and IP Biologics (CoGenesys)
Focus, divestments	Abic Veterinary (Israel) Ivax Diagnostics (U.S.) Human Blood Business (Hungary) Gelkaps (Germany)



Summary





Scale	Teva is the world's largest generic company and is widening the gap
Balance	Vertically integrated, balanced business model combines Generic, Innovative and Specialty products
Global	Teva is a true global company, focusing on the large and growing pharmaceuticals markets
Growth	Continued expansion through a combination of organic growth and acquisitions
Core Competency	Creating value and growth by integration efficiency and effectiveness
Core competency	It is all about long term strategic thinking and execution capabilities

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