



Bank of America Merrill Lynch 2010 Health Care Conference

Shlomo Yanai

President & CEO

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Q1 2010 - Solid start for 2010



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	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

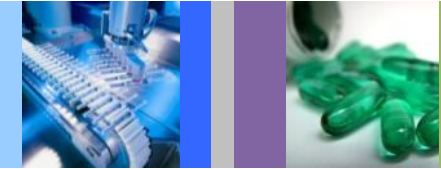


Revenues **\$31 bn**

Net income **\$6.8 bn**

Net profitability **22%**

Growth through market share



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



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**

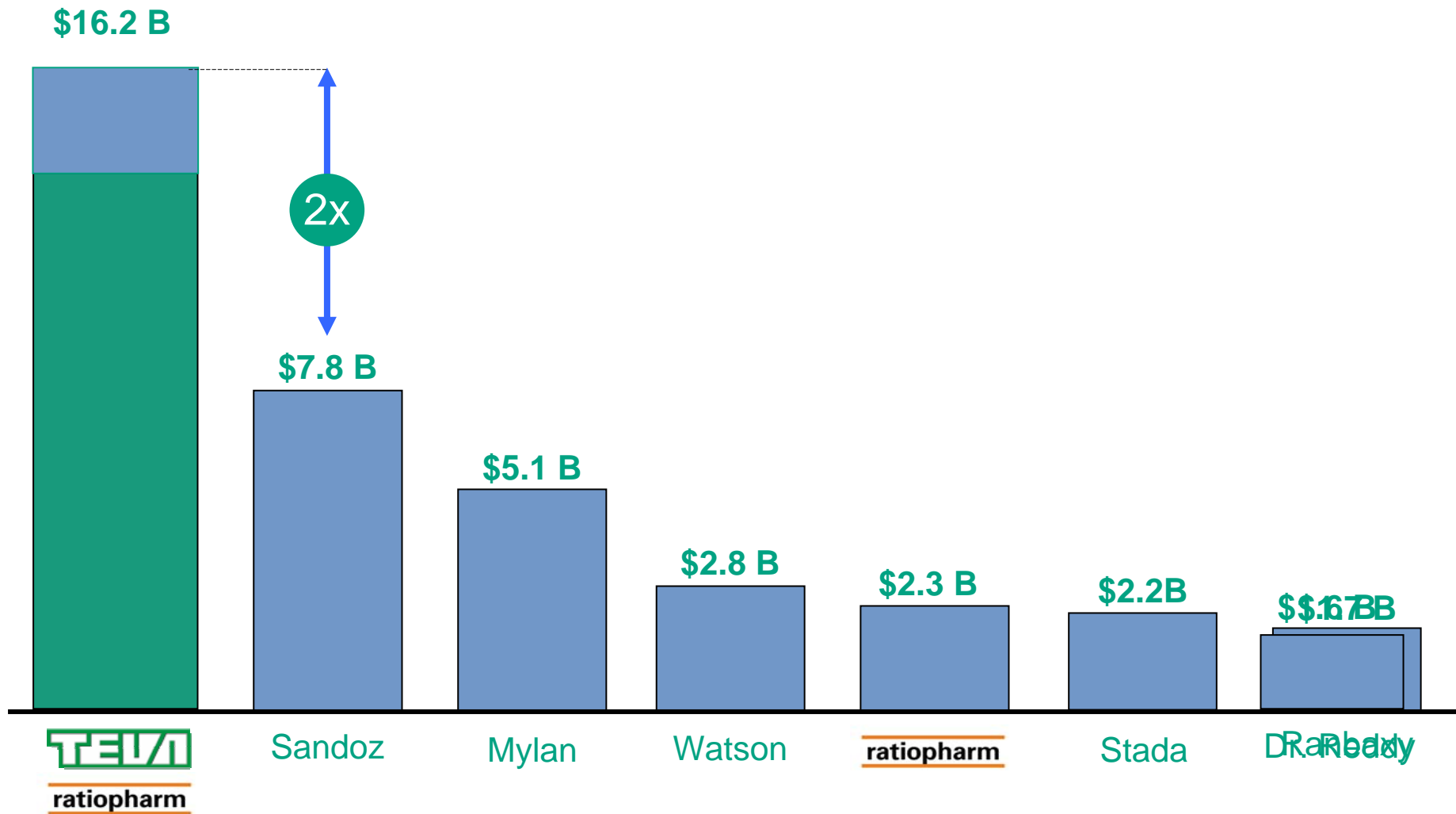
Attractive economics

- **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!



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\$135-150 bn in 2015

GROWTH

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

GROWTH

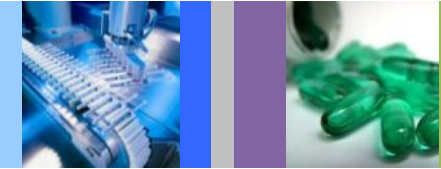
Healthcare **reforms** and cost saving initiatives

GROWTH

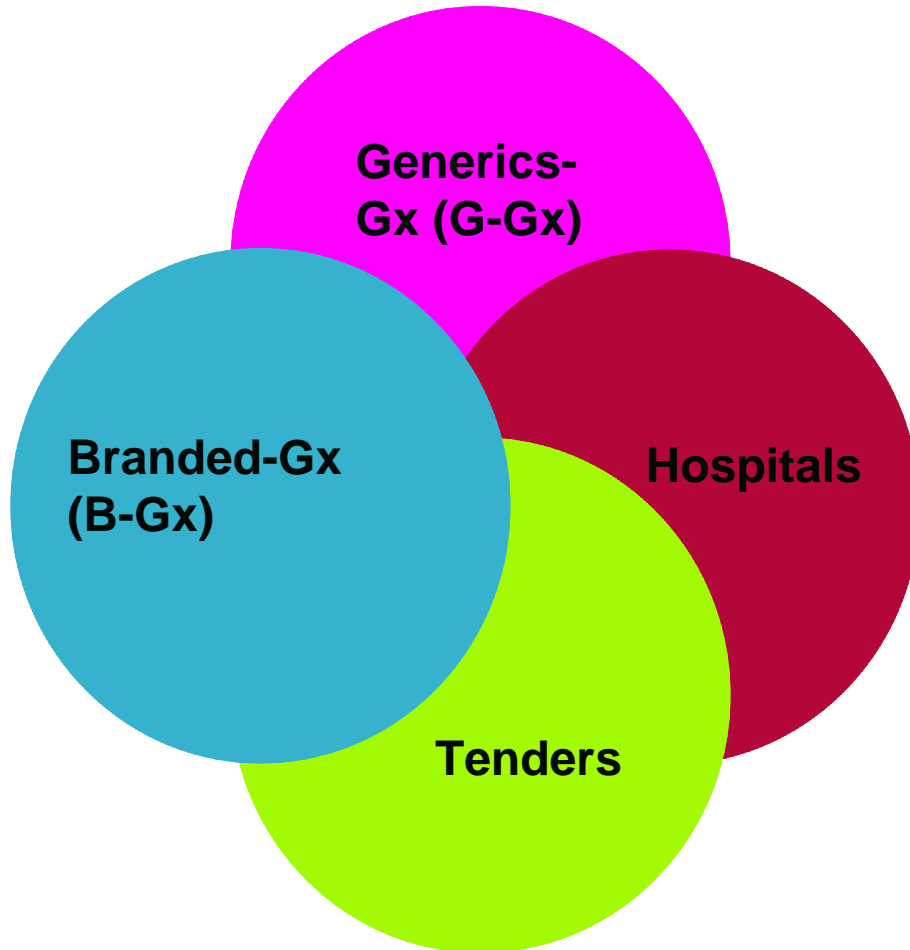
Increasing opportunities in **emerging generics** markets

GROWTH

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



Multiple Generics Models



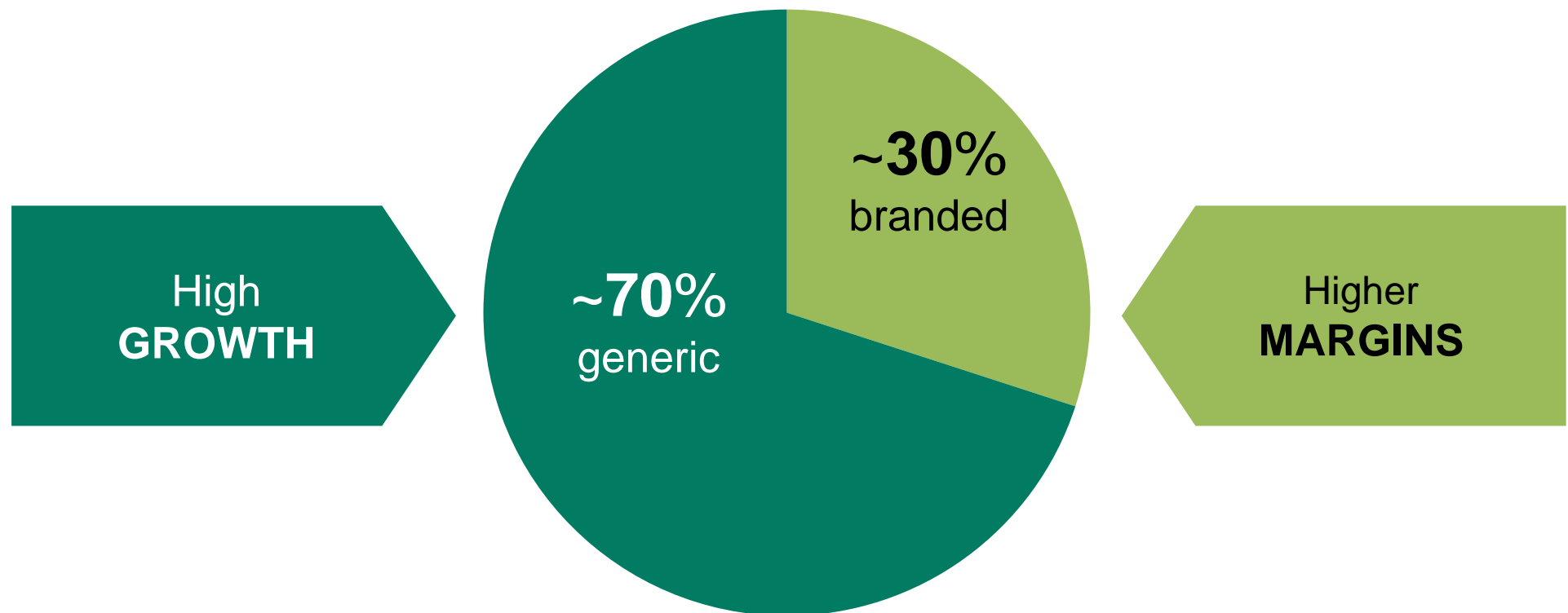
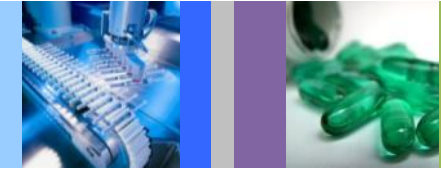
Teva's Advantage

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

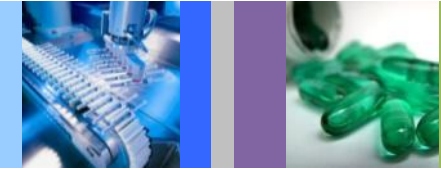





Balance between high-growth generics & higher-margin branded business




Diversity across: BUSINESS UNITS, PRODUCTS, GEOGRAPHIES



 Growth

 High profitability

 Sustainable,
balanced
business model

 Financial
strength



Thank you