



**Barclays Capital Global Healthcare Conference**  
**Jon Congleton, SVP & General Manager, Teva Neuroscience**  
**March 16, 2011**

# Forward-looking statements



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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 OUR 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: OUR ABILITY TO SUCCESSFULLY DEVELOP AND COMMERCIALIZE ADDITIONAL PHARMACEUTICAL PRODUCTS, THE INTRODUCTION OF COMPETING GENERIC EQUIVALENTS, THE EXTENT TO WHICH WE MAY OBTAIN U.S. MARKET EXCLUSIVITY FOR CERTAIN OF OUR NEW GENERIC PRODUCTS AND REGULATORY CHANGES THAT MAY PREVENT US FROM UTILIZING EXCLUSIVITY PERIODS, 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®, PROTONIX® AND GEMZAR®, CURRENT ECONOMIC CONDITIONS, THE EXTENT TO WHICH ANY MANUFACTURING OR QUALITY CONTROL PROBLEMS DAMAGE OUR REPUTATION FOR HIGH QUALITY PRODUCTION, THE EFFECTS OF COMPETITION ON OUR INNOVATIVE PRODUCTS, ESPECIALLY COPAXONE® SALES, DEPENDENCE ON THE EFFECTIVENESS OF OUR PATENTS AND OTHER PROTECTIONS FOR INNOVATIVE PRODUCTS, ESPECIALLY COPAXONE®, THE IMPACT OF CONSOLIDATION OF OUR DISTRIBUTORS AND CUSTOMERS, THE IMPACT OF PHARMACEUTICAL INDUSTRY REGULATION AND PENDING LEGISLATION THAT COULD AFFECT THE PHARMACEUTICAL INDUSTRY, OUR ABILITY TO ACHIEVE EXPECTED RESULTS THROUGH OUR INNOVATIVE R&D EFFORTS, THE DIFFICULTY OF PREDICTING U.S. FOOD AND DRUG ADMINISTRATION, EUROPEAN MEDICINES AGENCY AND OTHER REGULATORY AUTHORITY APPROVALS, THE UNCERTAINTY SURROUNDING THE LEGISLATIVE AND REGULATORY PATHWAY FOR THE REGISTRATION AND APPROVAL OF BIOTECHNOLOGY-BASED PRODUCTS, THE REGULATORY ENVIRONMENT AND CHANGES IN THE HEALTH POLICIES AND STRUCTURES OF VARIOUS COUNTRIES, ANY FAILURES TO COMPLY WITH THE COMPLEX MEDICARE AND MEDICAID REPORTING AND PAYMENT OBLIGATIONS, THE EFFECTS OF REFORMS IN HEALTHCARE REGULATION, SUPPLY INTERRUPTIONS OR DELAYS THAT COULD RESULT FROM THE COMPLEX MANUFACTURING OF OUR PRODUCTS AND OUR GLOBAL SUPPLY CHAIN, INTERRUPTIONS IN OUR SUPPLY CHAIN OR PROBLEMS WITH OUR INFORMATION TECHNOLOGY SYSTEMS THAT ADVERSELY AFFECT OUR COMPLEX MANUFACTURING PROCESSES, POTENTIAL TAX LIABILITIES THAT MAY ARISE SHOULD OUR AGREEMENTS (INCLUDING INTERCOMPANY ARRANGEMENTS), BE CHALLENGED SUCCESSFULLY BY TAX AUTHORITIES, OUR ABILITY TO SUCCESSFULLY IDENTIFY, CONSUMMATE AND INTEGRATE ACQUISITIONS AND OTHER BUSINESS COMBINATIONS (INCLUDING OUR PENDING ACQUISITION OF RATIOPHARM), THE POTENTIAL EXPOSURE TO PRODUCT LIABILITY CLAIMS TO THE EXTENT NOT COVERED BY INSURANCE, OUR EXPOSURE TO FLUCTUATIONS IN CURRENCY, EXCHANGE AND INTEREST RATES, AS WELL AS TO CREDIT RISK, SIGNIFICANT OPERATIONS WORLDWIDE THAT MAY BE ADVERSELY AFFECTED BY TERRORISM, POLITICAL OR ECONOMICAL INSTABILITY OR MAJOR HOSTILITIES, OUR ABILITY TO ENTER INTO PATENT LITIGATION SETTLEMENTS AND THE INCREASED GOVERNMENT SCRUTINY OF OUR AGREEMENTS WITH BRAND COMPANIES IN BOTH THE U.S. AND EUROPE, THE TERMINATION OR EXPIRATION OF GOVERNMENTAL PROGRAMS AND TAX BENEFITS, IMPAIRMENT OF INTANGIBLE ASSETS AND GOODWILL, ANY FAILURE TO RETAIN KEY PERSONNEL OR TO ATTRACT ADDITIONAL EXECUTIVE AND MANAGERIAL TALENT, ENVIRONMENTAL RISKS, AND OTHER FACTORS THAT ARE DISCUSSED IN OUR ANNUAL REPORT ON FORM 20-F FOR THE YEAR ENDED DECEMBER 31, 2009, IN THIS REPORT AND IN OUR OTHER FILINGS WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION ("SEC").

# Teva and Neuroscience



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- 1970's began work with copolymer-1
- 1995: Joint venture between Teva and Marion Merrell Dow established.
- 1997: Launched Copaxone in the U.S.
- 2001: Teva buys out JV.
- 2006: Launched Azilect in the U.S.
- Staff:
  - “Big Pharma” talent throughout and deep knowledge of the MS and PD space
  - Number one rated sales force, by neurologists, in MS
  - Constant innovation of patient support (Shared Solutions)
  - Best managed care access in the MS space



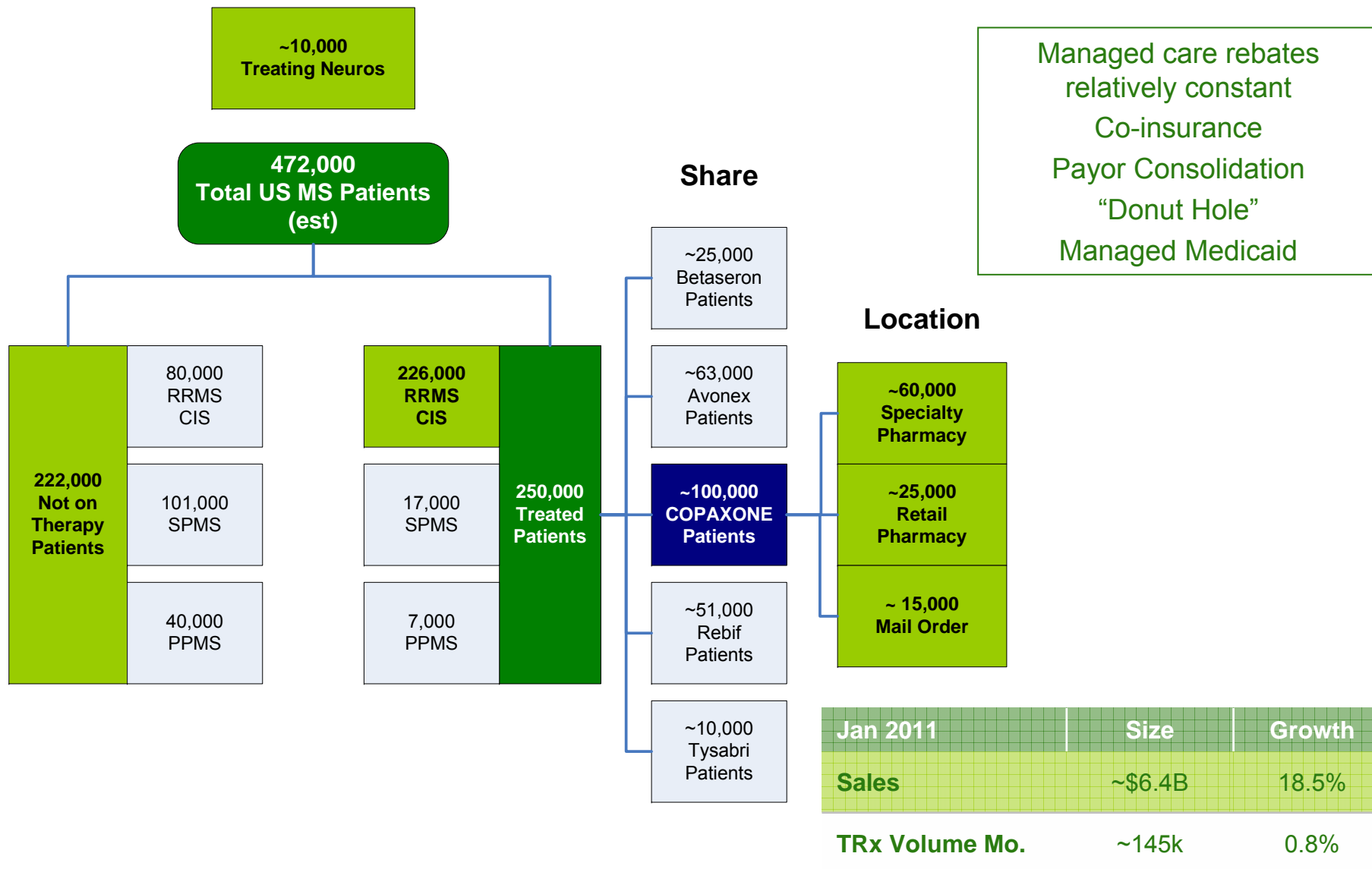
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COPAXONE

# MS Market Space in the U.S.



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Source: IMS January 2011

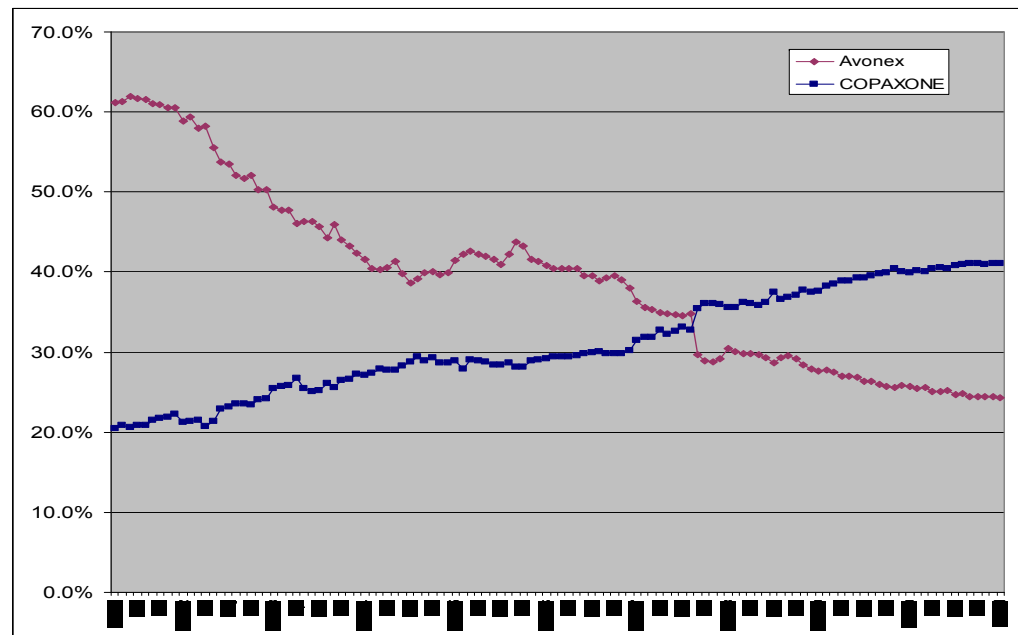
# MS Situation Analysis

Competitive pressure in MS Market is Increasing



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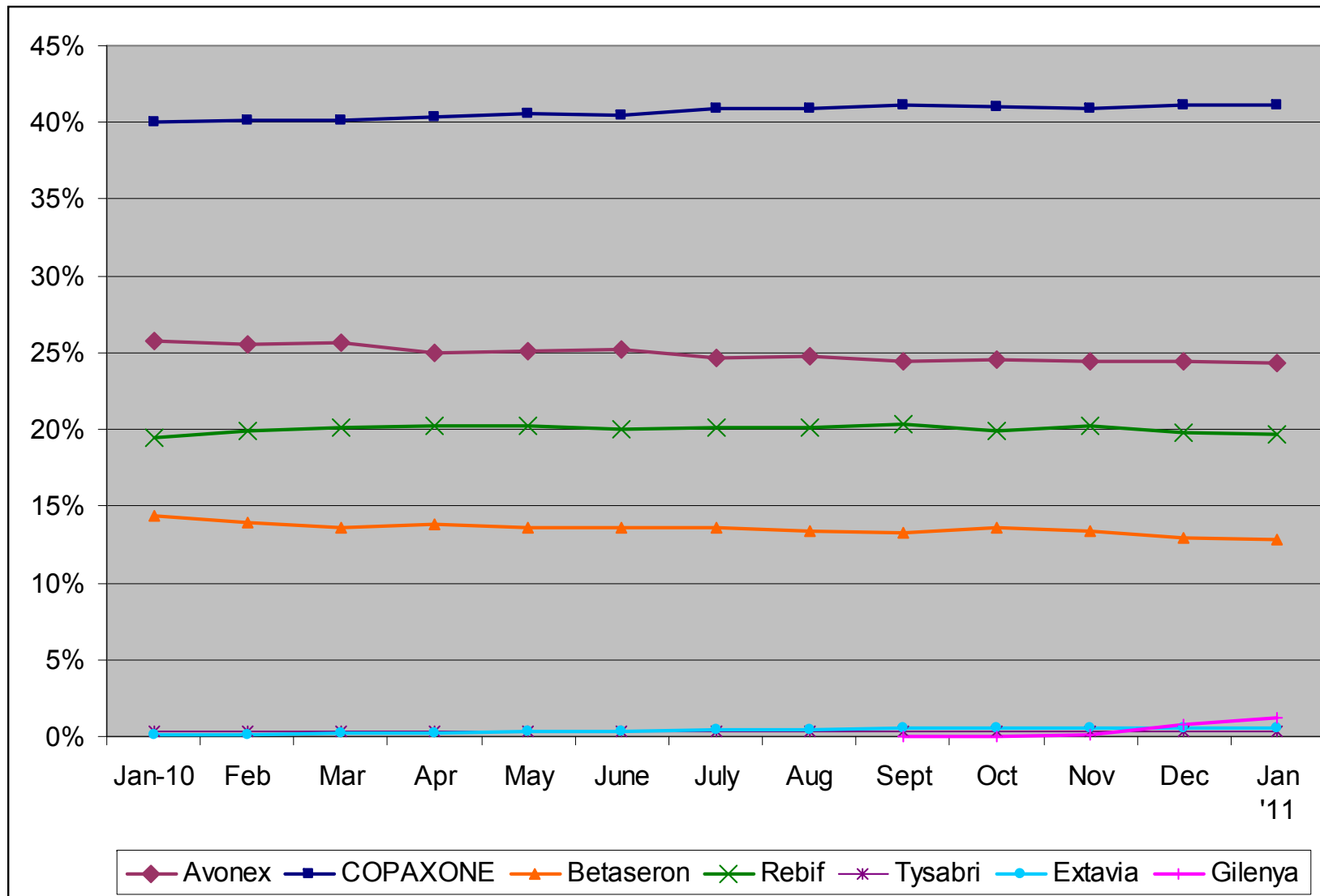
- **Branded competitors may double over five years**
- **COPAXONE strengths to defend leadership position include:**
  - Teva reputation, Patient database asset, Established access and support systems, Proven long-term efficacy and safety with a unique MOA
- **Potential of COPAXONE plus laquinimod in the market place is significant**



# IMS TRx Market Share 2010



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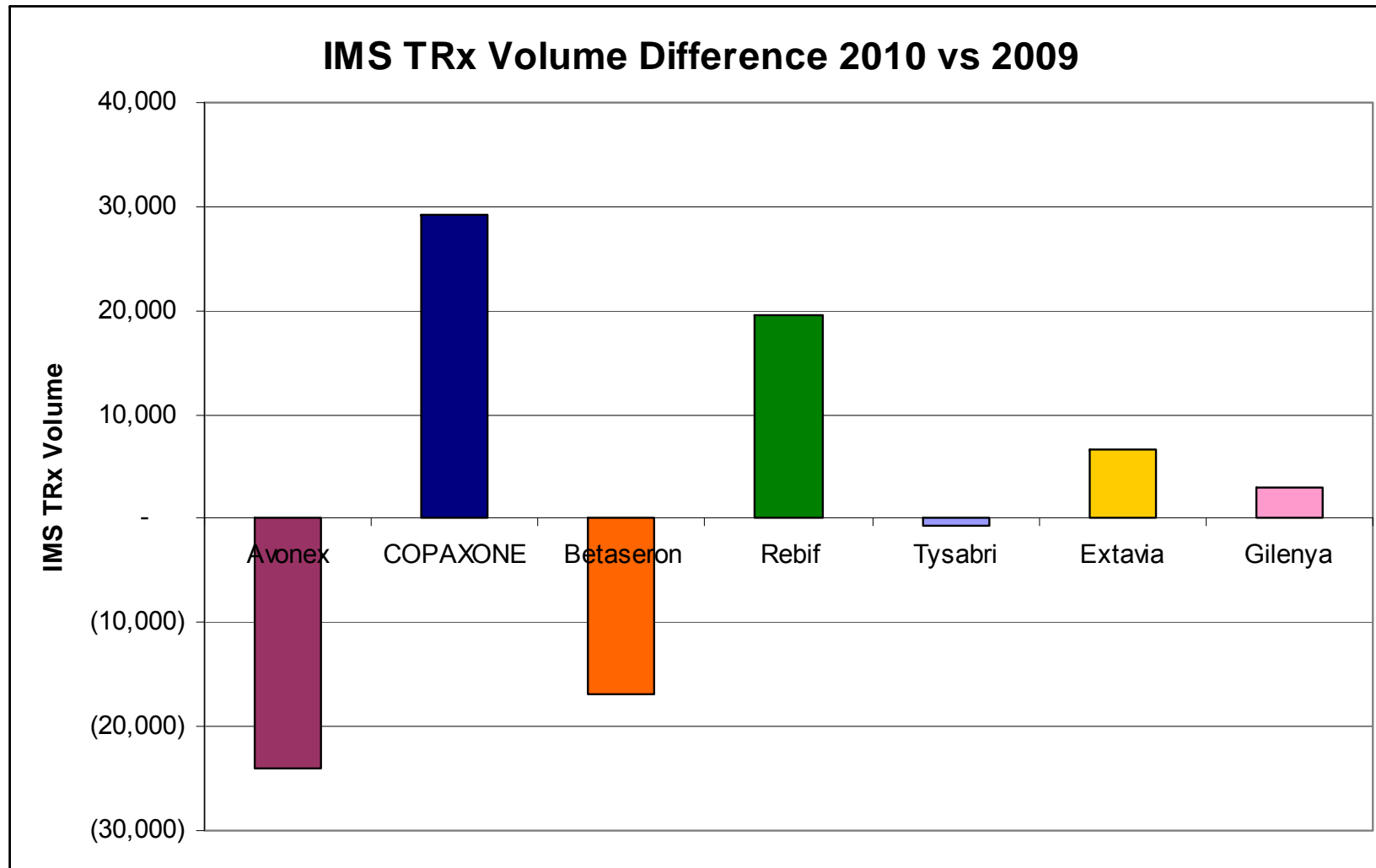
IMS Monthly MS Topline Report, January 2011

We make quality healthcare accessible around the world

# IMS TRx MS Volume 2010 vs 2009



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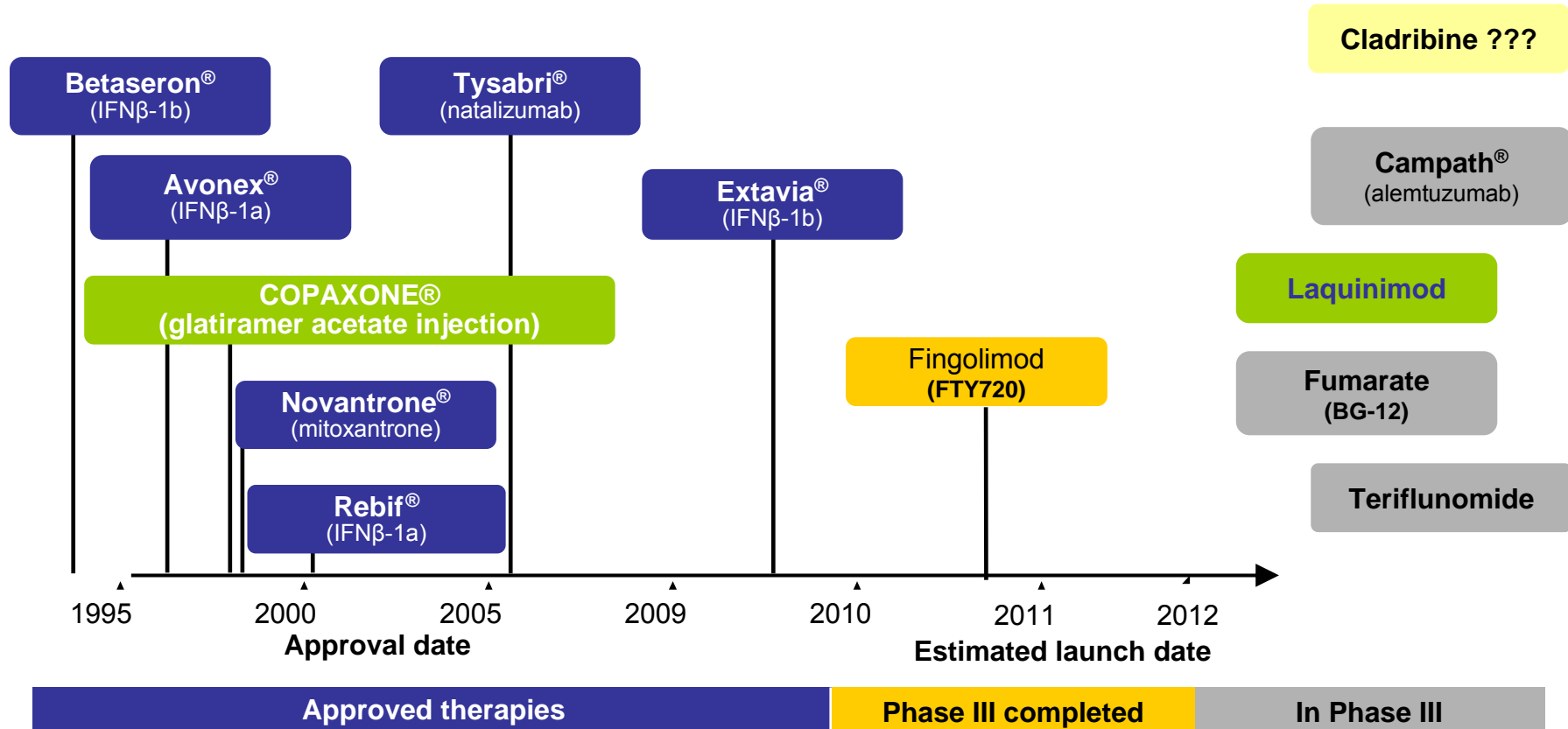


# Evolving MS Market Dynamics



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COPAXONE and Laquinimod will Compete in a More Complex Environment





## **GALA**

- Three times a week Copaxone
- Rapid trial enrollment
- Anticipate closure of trial and data mid-2012
- Potential market entry mid to late 2013

## **Copaxone 0.5ml**

- Feedback received from FDA on initial filing
- Need for clinical data requested from the agency
- Dialogue with the FDA in the ensuing months
- Decision on next steps pending those dialogues



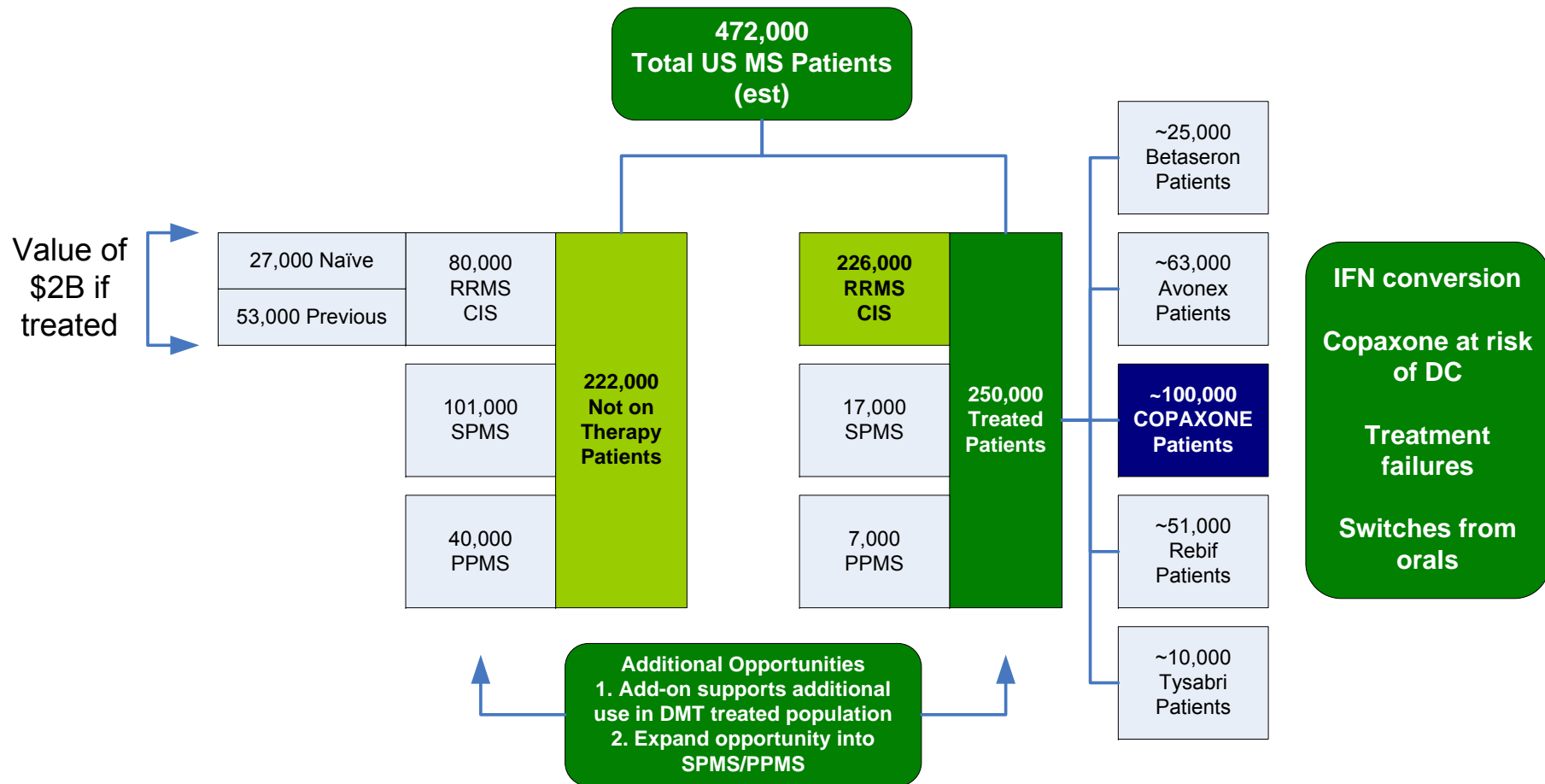
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Laquinimod

# Laquinimod Market Opportunity



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# Laquinimod



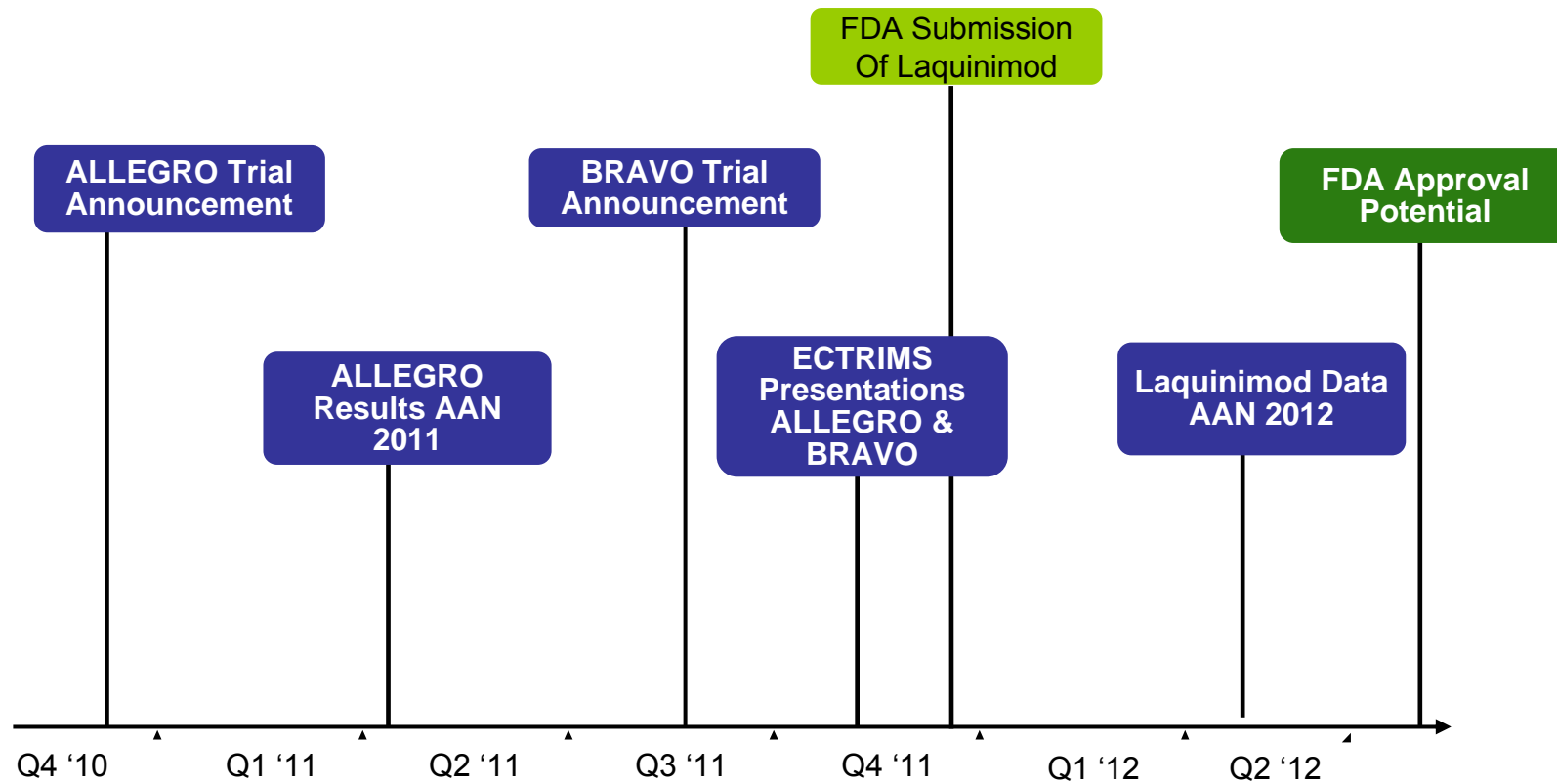
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- Laquinimod is a novel and promising oral, once-daily, small molecule immunomodulator (SMI) with a differentiated mechanism of action
- In ALLEGRO, laquinimod achieved primary and secondary endpoints, demonstrating a significant positive impact on disease activity, neurodegeneration and disability progression
- Laquinimod continued to be safe and well-tolerated with no immunosuppressive effects, or treatment-related deaths
- Laquinimod stands to be the first oral disease-modifying treatment that effectively addresses the irreversible pathological processes of MS without inducing immunodeficiency
- The second Phase III study, BRAVO, is still ongoing with results anticipated in the third quarter of 2011

# Laquinimod Timeline



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Azilect



- **Top attributes for selecting a PD therapy are:**
  - Slows progression , Effective for motor symptoms, Improves ADL, Safe & Convenient
- **Competitive PD brands promotional presence has diminished**
  - PD Rx volume is 85% generic
  - Mirapex, Requip, Stalevo and Comtan become multi-source
- **PD market is 77% monotherapy**
  - 70% of Azilect use is adjunctive
- **PD prescriber base is broad (120K+) and relatively flat**



- Indicated as initial therapy and as adjunctive at first signs of wearing “off” with other PD therapies
- Extensive clinical profile
- Potential for disease modification as seen in TEMPO and ADAGIO
- Safe, well tolerated and convenient

