



TEVA PHARMACEUTICAL INDUSTRIES LTD.

Teva Pharmaceutical Industries Ltd.

**Chaim Hurvitz
Group VP - International**

October 15 , 2007



The International Markets

Israel, Mediterranean Africa & Turkey:

- ▶ Israel ▶ Turkey
- ▶ South Africa ▶ Kenya
- ▶ Nigeria ▶ Cyprus ▶ Malta
- ▶ other African countries

Central & Eastern Europe:

- ▶ Bulgaria ▶ Czech Republic
- ▶ Estonia ▶ Kazakhstan
- ▶ Latvia ▶ Lithuania ▶ Poland
- ▶ Romania ▶ Russia
- ▶ Slovakia ▶ Ukraine
- ▶ Uzbekistan

Latin America:

- ▶ Argentina ▶ Brazil ▶ Chile
- ▶ Curacao ▶ Mexico ▶ Peru
- ▶ Uruguay ▶ Venezuela

Asia:

- ▶ China ▶ India ▶ Japan
- ▶ S. Korea ▶ Singapore
- ▶ Taiwan

- ▶ Number of employees: **7,700**

Areas of expertise:

- ▶ Teva International businesses are involved in **registration, sales, marketing & distribution** of Teva's generic & innovative products across local markets.



What do we have in The Americas?

(Pharmaceutical Activity Only)

Company	Market (Country)	Market Position
Lab Chile	Chile	No. 1 in total market
Elmor	Venezuela	No. 1 in total market
Teva Mexico	Mexico	No. 4 in total market
Ivax Argentina	Argentina	No. 3 in total market
Medco	Peru	No. 5 in total market



What do we have in Central East Europe?

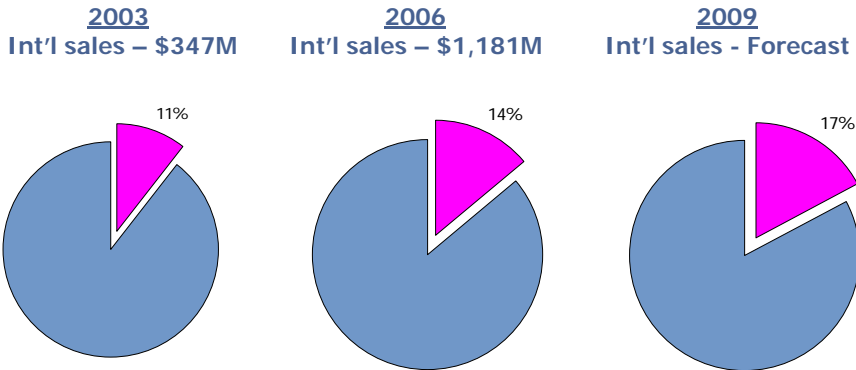
(Pharmaceutical Activity Only)

Company	Market (Country)	Market Position
Polfa Kutno	Poland	Top Tier in generics
Slovakia	Slovakia	No.2 in generics
Teva Czech (IVAX Pharmaceuticals)	Czech Rep.	No.2 in generics



International - Growing Importance for Teva

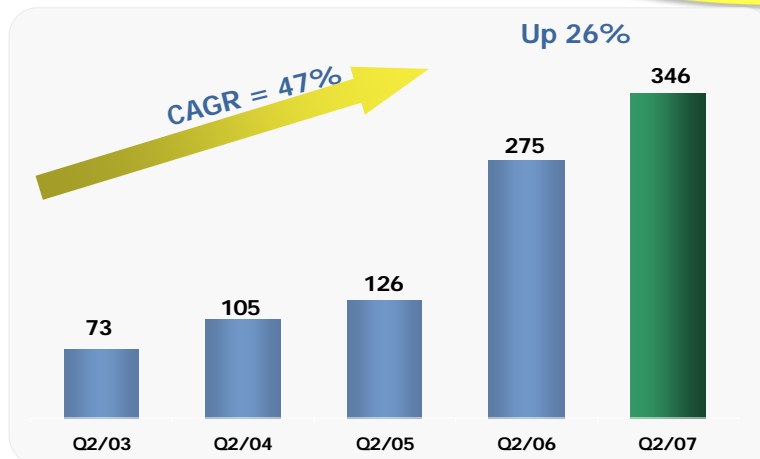
The International Group Share from Teva's Total Revenues



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Q2/2007 – International (ROW) Pharmaceutical Sales

(\$ Millions)



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Current Markets Characteristics

General

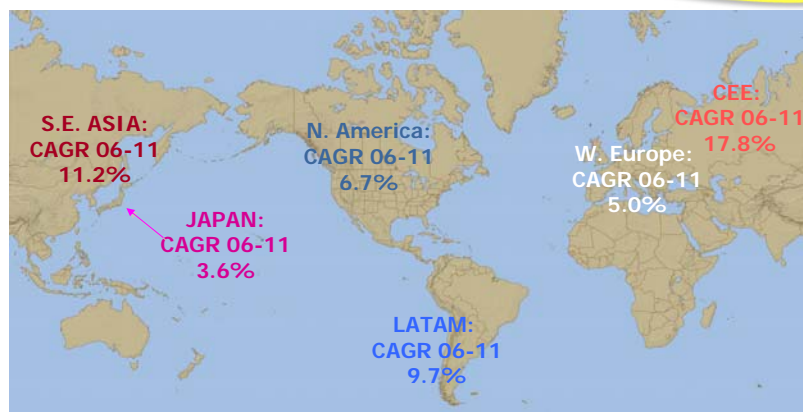
1. Branded Markets
2. Governmental budget constrains
3. Reimbursement products list – Russia, Poland and Czech
4. Tenders – Popular way to sell to the governments

Local

1. Mexico - Government announced program (“Popular Insurance”), to cover 50M uninsured population.
2. Russia - Government effort to increase public welfare followed by introduction of new reimbursement system. (Rapid economic development and GDP growth).
3. Venezuela - Political instability



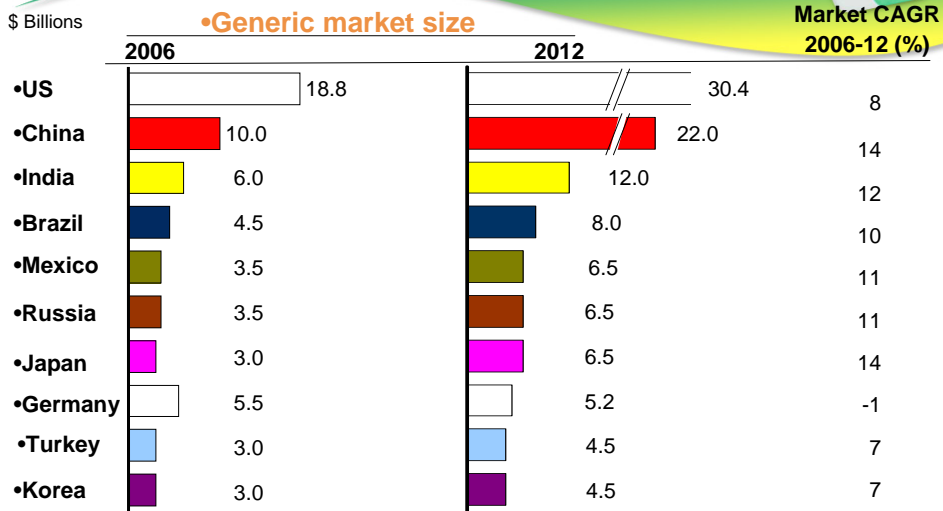
Growth in the World Pharmaceutical Market by Region



CEE, LATAM & S.E. ASIA are growing significantly faster than other regions



8 of World's Top 10 Generic Markets Are "INTERNATIONAL"

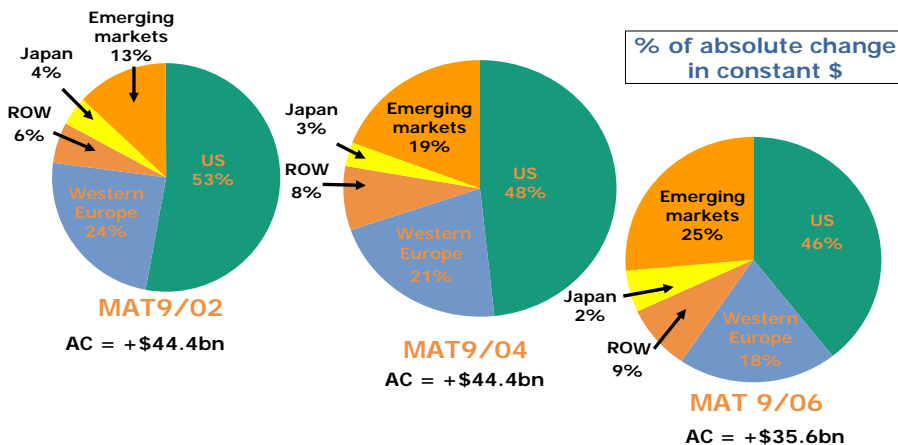


Source: IMS, Teva/Shaldor estimates, McKinsey estimates

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Emerging Markets Contribution to World Sales Growth Increase to 25% in 2006

Top emerging markets: Turkey, Russia, China, Brazil, Mexico, India



Source: IMS Health: MIDAS, MAT Sep 2006 ; Market Insights definition of emerging markets

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Future Markets Characteristics

- Unregulated markets → more regulated
- IP, national drug lists coverage, reimbursement lists
- Branded generic → generic
- Preventive medicines ↑
- Rx → OTC



Future Markets Where Teva expects to become more active

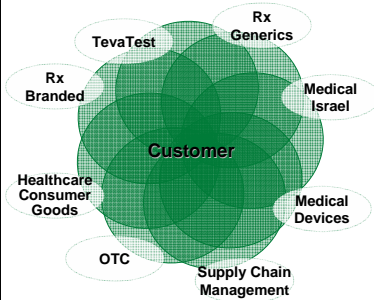
- Brazil
- Japan
- India
- China
- Turkey
- S. Korea



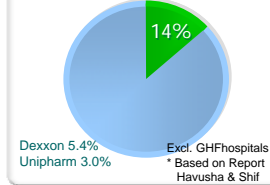
Israel - Combination of Synergetic Businesses with Market Leadership

The successful execution of strategy is dependant on managing three dimensions:

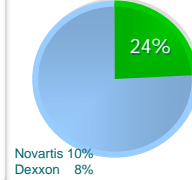
- Focus on products and services
- Focus on customers
- Focus on integrative opportunities



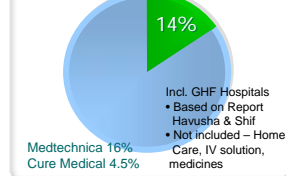
Pharmaceuticals & Health Funds
Total Market 800M\$*



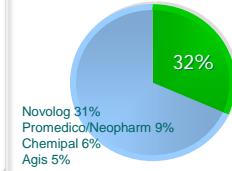
OTC Private Pharmacies & Chains
Total Market 60M\$



Teva Medical Hospital Supplies
Total Market 350M\$*



Logistics & Distribution Services Pharmaceuticals
Total Market 800M\$



Israel

Mission

Expand our position as the leading provider of professional healthcare products & services in the Israeli market

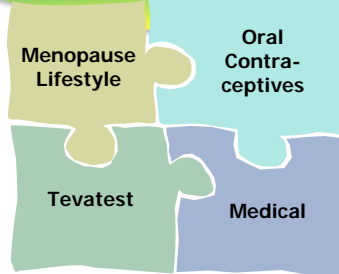
Strategy

- Continuously grow our broad basket of synergetic products and services through strategic partnership with our licensors
- Penetrate emerging market needs and leading-edge solutions with potential for future growth
- Strive for close collaboration with our customers and expand towards overall solutions aligned with their needs
- Alignment with Teva brand and values, while leveraging our global assets and fulfilling the role of an incubator for new initiatives within Teva

Israel- Focus upon Integrative Opportunity

Example

Women's Healthcare



SIGNATURE GENOMIC LABORATORIES



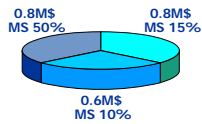
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Israel - Focus upon Integrative Opportunity Ophthalmic – Israeli Market (61- 66 M\$*)

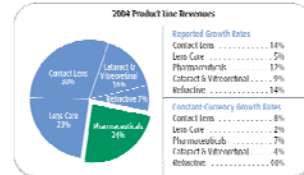
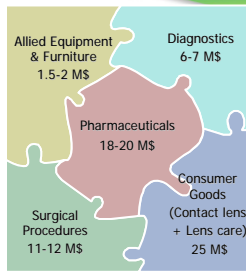
Example



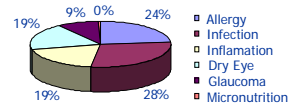
Teva Medical
Dagil opportunity - Sales by segment



- Diagnostics
- Instruments
- Equipment & Furniture



Pharmaceutical Market Sales by segment



25% Market share potential at peak year



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Thank You!

