



TEVA PHARMACEUTICAL INDUSTRIES LTD.



Investor Luncheon

May 2, 2007




Forward-Looking Statements

TODAY'S PRESENTATION CONTAINS FORWARD LOOKING STATEMENTS WHICH EXPRESS THE CURRENT BELIEFS AND EXPECTATIONS OF MANAGEMENT. SUCH STATEMENTS ARE BASED ON CURRENT EXPECTATIONS AND 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 TEVA'S ABILITY TO SUCCESSFULLY DEVELOP AND COMMERCIALIZE ADDITIONAL PHARMACEUTICAL PRODUCTS, THE INTRODUCTION OF COMPETITIVE GENERIC PRODUCTS, THE IMPACT OF COMPETITION FROM BRAND-NAME COMPANIES THAT SELL THEIR OWN GENERIC PRODUCTS OR SUCCESSFULLY EXTEND THE EXCLUSIVITY PERIOD OF THEIR BRANDED PRODUCT, TEVA'S ABILITY TO RAPIDLY INTEGRATE THE OPERATIONS OF ACQUIRED BUSINESSES, THE AVAILABILITY OF PRODUCT LIABILITY COVERGE IN THE CURRENT INSURANCE MARKET, THE IMPACT OF PHARMACEUTICAL INDUSTRY REGULATION AND PENDING LEGISLATION THAT COULD AFFECT THE PHARMACEUTICAL INDUSTRY, THE DIFFICULTY OF PREDICTING U.S. FOOD AND DRUGS ADMINISTRATION ("FDA") AND OTHER REGULATORY AUTHORITY APPROVALS, THE REGULATORY ENVIRONMENT AND CHANGES IN THE HEALTH POLICIES AND STRUCTURE OF VARIOUS COUNTRIES, ACCEPTANCE AND DEMAND FOR NEW PHARMACEUTICAL PRODUCTS AND NEW THERAPIES, UNCERTAINTIES REGARDING MARKET ACCEPTANCE OF INNOVATIVE PRODUCTS NEWLY LAUNCHED, CURRENTLY BEING SOLD OR IN DEVELOPMENT, THE IMPACT OF RESTRUCTURING OF CLIENTS, RELIANCE ON STRATEGIC ALLIANCES, EXPOSURE TO PRODUCT LIABILITY CLAIMS, DEPENDENCE ON PATENT AND OTHER PROTECTIONS FOR INNOVATIVE PRODUCTS, FLUCTUATIONS IN CURRENCY, EXCHANGE AND INTEREST RATES, OPERATING RESULTS, 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 ("SEC"). FORWARD LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE ON WHICH THEY ARE MADE, AND THE COMPANY UNDERTAKES NO OBLIGATION TO UPDATE PUBLICLY OR REVISE ANY FORWARD LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE DEVELOPMENTS OR OTHERWISE.



Strong Q1 2007 Performance

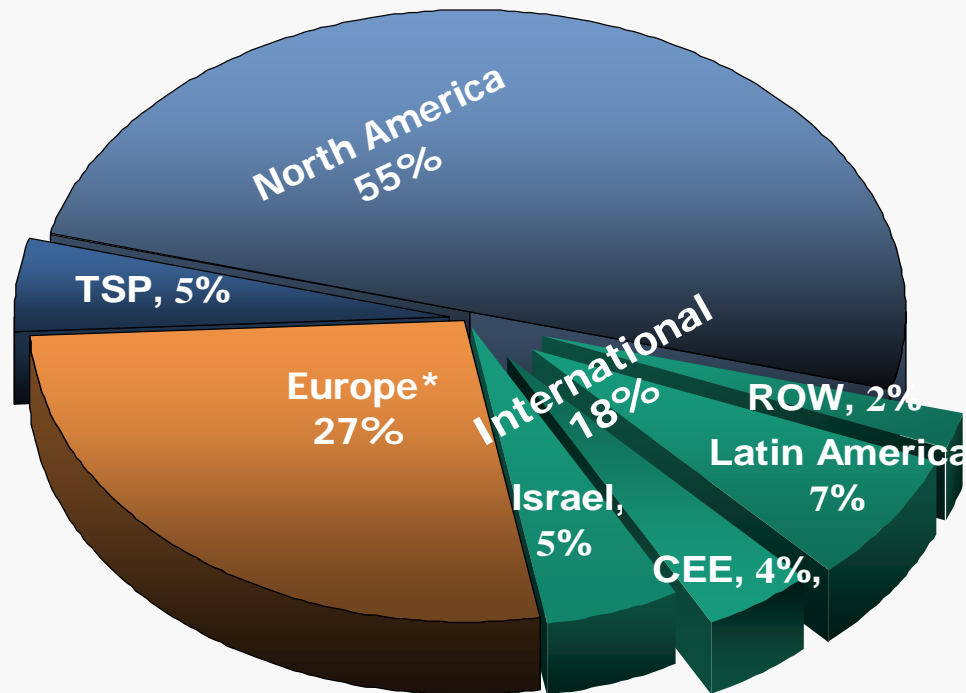


	Q1/2007	Q1/2006	%Change
Sales (\$ Millions)	2,080	1,673	24%
Net Income (\$ Millions)	342	286	20%
Earnings per Share (diluted \$)	0.42	0.37	14%
Cash Flow from Operations	\$499M	\$288M	
P/E Ratio 2007 (F.C. Consensus \$2.12)		18	
Market Capitalization (as of May 1, 2007: \$38.95)		\$32B	



Q1/2007 – Sales By Region

Q1/07: \$2,080 Million



* Western Europe and Hungary



Exchange Rates* (Quarterly Average)

	Q1/07	Q4/06	Q1/06
USD:NIS	90% (4.21)	91% (4.26)	100% (4.67)
USD:EURO	92% (0.76)	92% (0.76)	100% (0.83)
USD:HUF	91% (192.29)	95% (201.37)	100% (211.64)
USD:CAD	102% (1.17)	99% (1.14)	100% (1.15)
USD:GBP	90% (0.51)	91% (0.52)	100% (0.57)

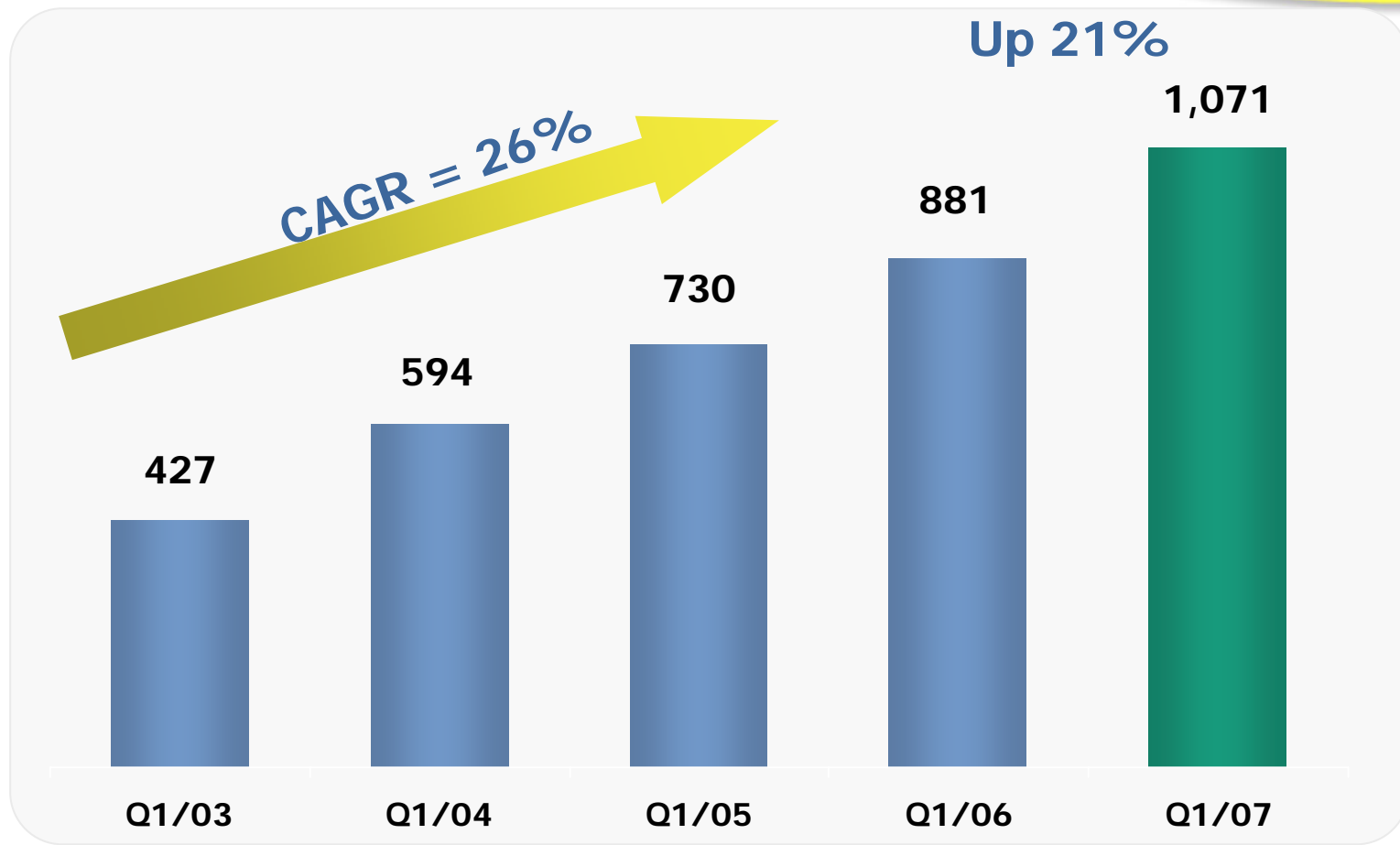


*Q106= 100%



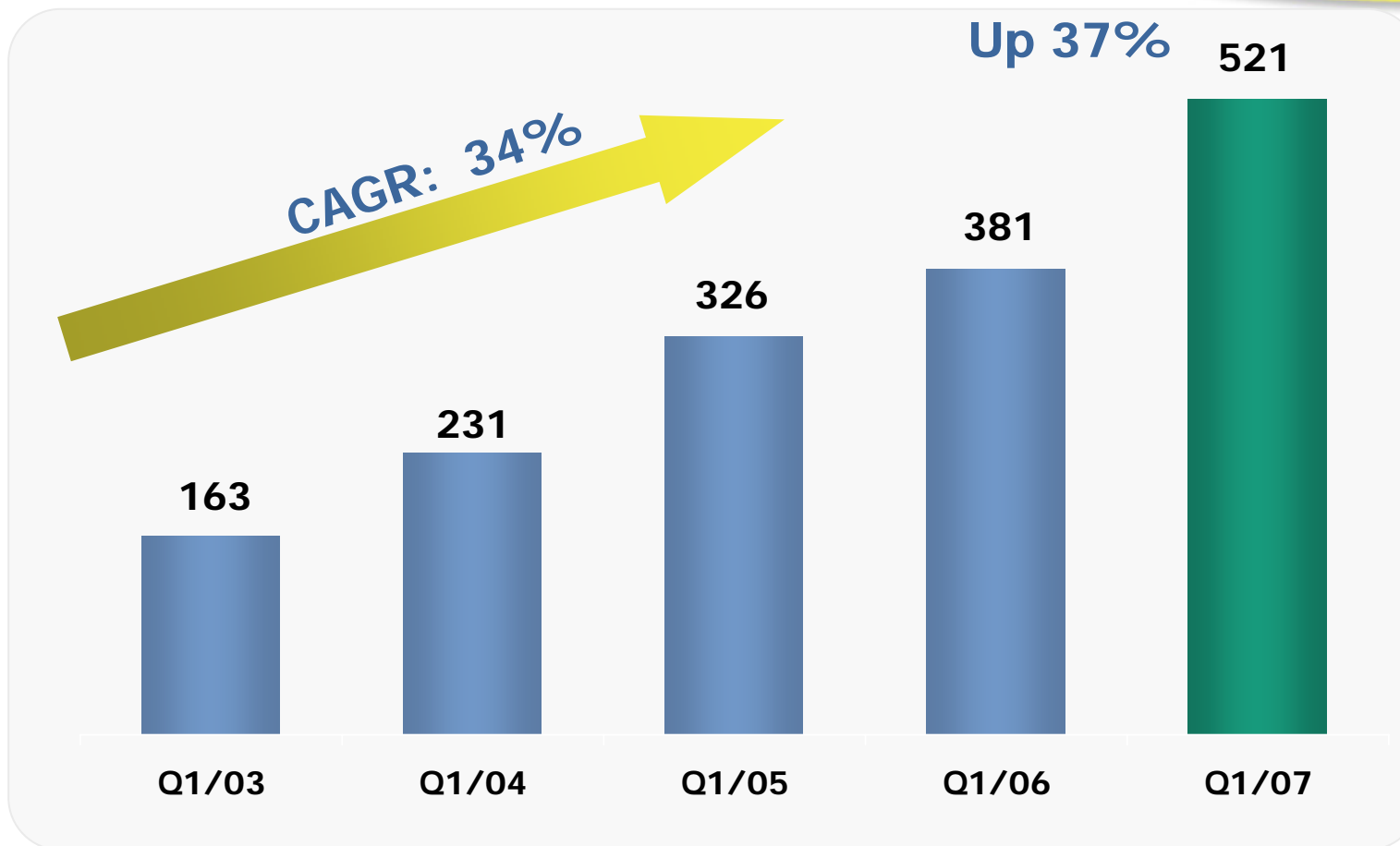
Q1/2007 – North America Pharmaceutical Sales

(\$ Millions)



Q1/2007 – Europe* Pharmaceutical Sales

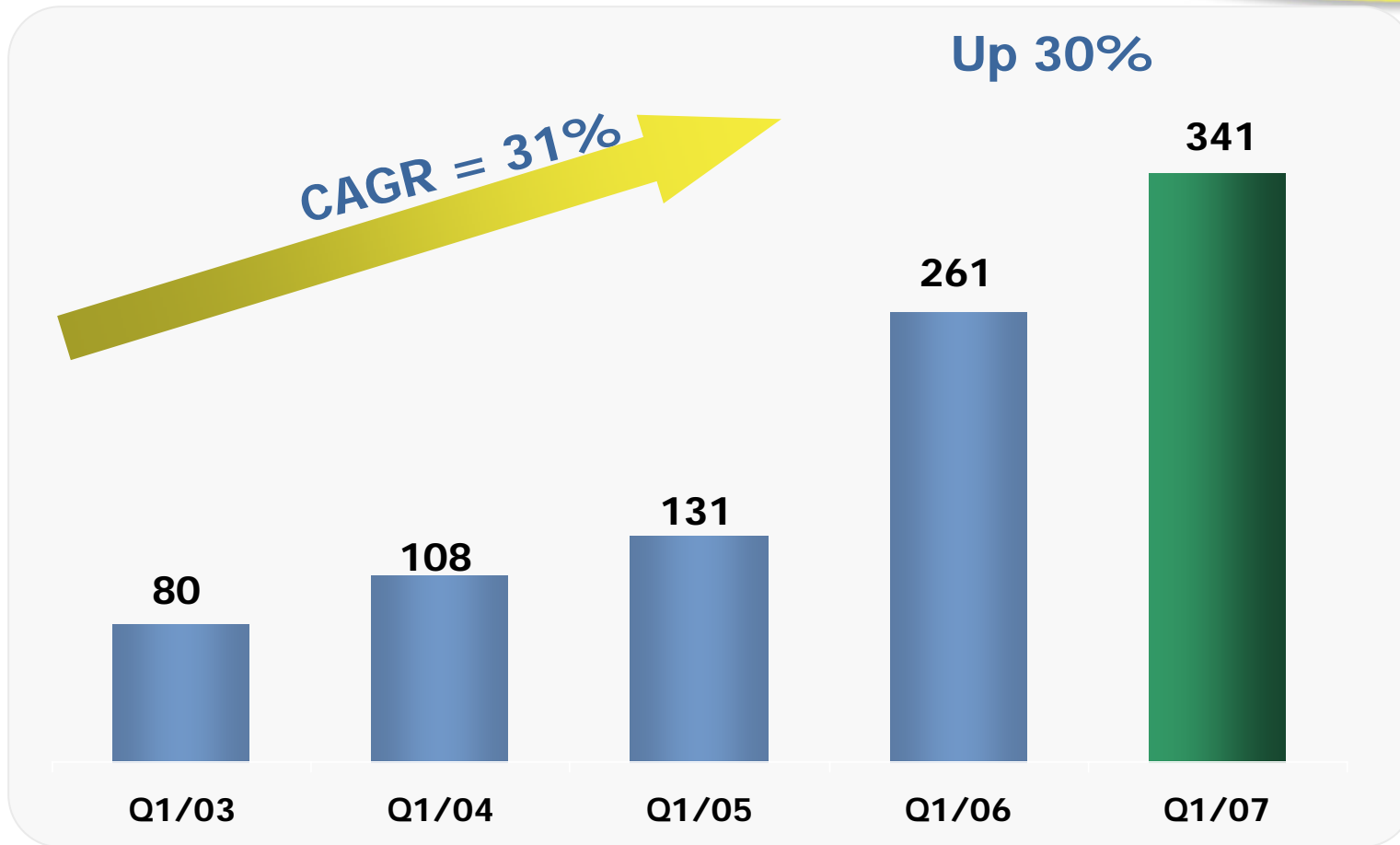
(\$ Millions)



* Western Europe and Hungary



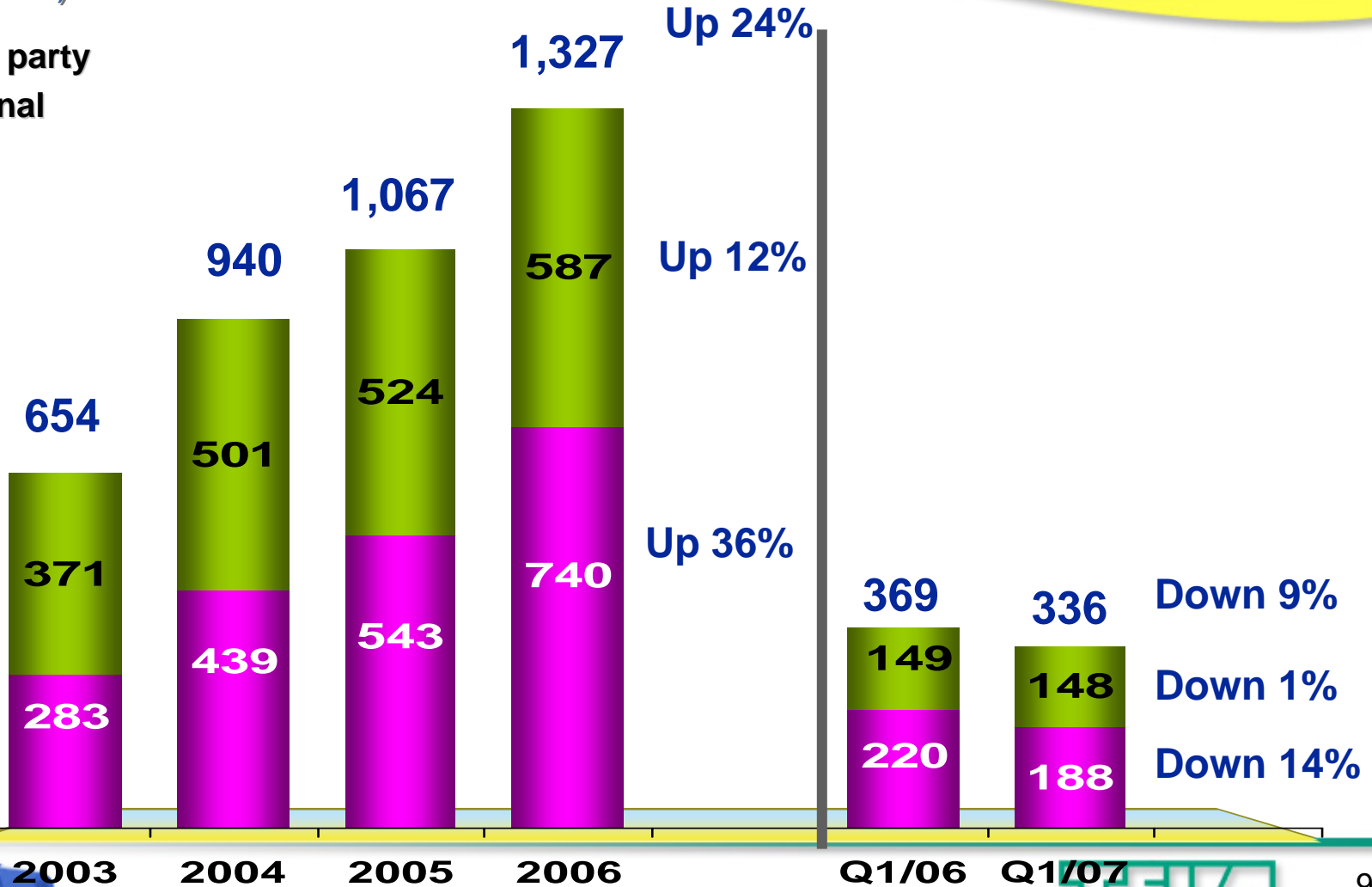
Q1/2007 – International (ROW) Pharmaceutical Sales (\$ Millions)



API - Internal / Third Party Sales

(\$ Millions)

- third party
- internal



Q1/2007 – Consolidated Statements of Income

(\$ Millions)

	Q1/07	Q1/06(*)	% Change	% of Sales	
				Q1/07	Q1/06*
Sales	2,080	1,673	24.3%	100%	100%
Gross profit	1,037	787	31.8%	49.9%	47.0%
R&D – net	135	103	31.1%	6.5%	6.2%
SG&A expenses	456	316	44.3%	21.9%	18.9%
Operating income	446	368	21.2%	21.4%	22.0%
Financial (expense)	(28)	(14)	100%	1.3%	0.8%
Income before taxes	418	354	18.1%	20.1%	21.2%
Net income	342	286	19.6%	16.4%	17.1%
Earning per share (diluted)	0.42	0.37	13.5%		
Tax rate	18%	19%			

* Before non-recurring items, after tax : Q1/2006- \$1.29B

Q1/2007 – Cash Flow Highlights

(\$ Millions)



	Q1/07	Q4/06	Q3/06	Q2/06	Q1/06	Yr 2006	Yr 2005
Net Income (loss)	342	460	606	488	(1,009)	546	1,072
Cash flow from operating activities	499	765	793	212	288	2,058	1,370
Acquisition of companies	-	5	2	24	3,556	3,587	11
Purchase of fixed assets (net of proceeds from sale)	149	130	75	90	71	390	307
Dividends*	72	60	59	57	55	229	162
Free cash flow**	278	575	659	65	162	1,463	901

* Actually distributed

** Net cash provided by operating activities less purchase of property, plant and equipment (net), and dividends paid



Q1/2007 – Consolidated Balance Sheet

(\$ Millions)

	Mar, 31 2007	Dec 31, 2006	% Change	Mar, 31 2006
Current Assets	8,021	7,640	5%	5,862
of which: Inventory	2,084	1,879	11%	1,689
Investments And Other Assets	686	613	12%	633
Property, Plant & Eqmt-net	2,288	2,193	4%	2,063
Intangible Assets	1,958	1,987	-1%	2,056
Goodwill	8,074	8,038	0%	7,749
Total Assets	21,027	20,471	3%	18,363
Current Liabilities	4,641	4,071	14%	3,681
of which: Short Term Debt	1,521	742	105%	1,062
Long Term Liabilities	3,079	2,765	11%	2,853
Minority Interests	36	35	3%	21
Convertible Senior Debentures	1,883	2,458	-23%	2,590
Shareholders' Equity	11,388	11,142	2%	9,218
Total Liabilities & Equity	21,027	20,471	3%	18,363



Q1/2007 – Financial Strength

(\$ Billions)

	Mar 31, 2007	Dec 31, 2006
Total Equity	11.39B	11.14B
Total Debt	5.53B	5.33B
of which:		
short-term	1.52B	0.74B
long-term	4.01B*	4.59B*
Leverage**	0.33	0.32

* Includes both converts of \$1.4 bn and straight debt of \$1.5 mn issued on Q1/06

** [DEBT/(Debt+Equity)]



TEVA PHARMACEUTICAL INDUSTRIES LTD.

NASDAQ Top 20 Companies

April 27, 2007

1	MSFT	Microsoft Corporation	\$294,944,497,680
2	CSCO	Cisco Systems, Inc.	\$163,262,119,020
3	INTC	Intel Corporation	\$126,445,363,470
4	GOOG	Google Inc.	\$110,218,763,970
5	ORCL	Oracle Corporation	\$ 98,190,483,300
6	AAPL	Apple Inc.	\$ 86,118,550,000
7	QCOM	QUALCOMM Incorporated	\$ 73,930,398,340
8	AMGN	Amgen Inc.	\$ 73,843,239,510
9	DELL	Dell Inc.	\$ 57,312,821,220
10	ERIC	LM Ericsson Telephone Company	\$ 57,055,567,861
11	CMCSA	Comcast Corporation	\$ 55,694,660,110
12	EBAY	eBay Inc.	\$ 46,777,841,580
13	YHOO	Yahoo! Inc.	\$ 38,448,413,220
14	GILD	Gilead Sciences, Inc.	\$ 38,079,552,940
15	TEVA	Teva Pharmaceutical Industries Limited	\$ 30,924,246,877*
16	INFY	Infosys Technologies Limited	\$ 29,811,461,640
17	SHLD	Sears Holdings Corporation	\$ 29,520,753,300
18	AMAT	Applied Materials, Inc.	\$ 26,956,174,900
19	AMZN	Amazon.com, Inc.	\$ 25,959,320,079
20	ADBE	Adobe Systems Incorporated	\$ 25,219,405,780



* Share Price: \$39.01

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TEVA PHARMACEUTICAL INDUSTRIES LTD.

Top U.S. Companies

(ranked by # of retail prescriptions)*

Top U.S. Generic Companies

(ranked by # of retail prescriptions)*

(000's)

Total Rx's

1	Teva USA	430,019
2	Pfizer	290,147
3	Novartis	278,406
4	Mylan	261,507
5	Watson	214,257
6	Barr	135,701
7	Merck	124,783
8	AstraZeneca	118,029
9	GlaxoSmithKline	115,618
10	Mallinkrodt	108,337

(000's)

Total Rx's

1	Teva USA	422,872
2	Mylan	259,420
3	Watson	214,254
4	Sandoz	198,076
5	Barr	135,590
6	Mallinckrodt	108,337
7	Actavis	88,755
8	Qualitest	75,357
9	Par	71,674
10	Greenstone	64,858



Source: IMS Health March 2007 NPA

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TEVA

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Teva... The Leader in Generic Growth...



	TRX MAT/3 /07 (000s)	TRx Vol Chg MAT 1Q06 vs MAT 1Q07	TRX MAT/3 /07 % Chg	TRX Qtr/3/ 07 (000s)	TRx Vol Chg 4Q06 vs 1Q07	TRX Qtr/3/ 07 % Chg
GENERIC MARKET	2,242,971	246,401	12.3%	591,891	15,045	2.6%
TEVA	422,872	48,613	13.0%	110,055	3,837	3.6%

Teva's volume change for the quarter represents
25.5% of the generic TRx growth



Competitive Generic TRX share*

Simvastatin # of ANDA's: 8

Teva	52.1%
Dr. Reddy – AG	24.4%
Ranbaxy	8.3%
Aurobindo	5.8%
Mallinckrodt	4.3%
Zydus	2.4%
Other	2.7%

Pravastatin 10/20/40 # of ANDA's: 9

Teva	46.7%
Apotex	24.9%
Watson – AG	13.7%
Dr Reddy	9.0%
Sandoz	4.5%
Par	1.0%
Other	0.3%

Sertraline # of ANDA's: 18

Greenstone – AG	51.5%
Teva	39.5%
Apotex	4.7%
Lupin	2.1%
Aurobindo	1.4%
Actavis	0.3%
Cobolt	0.3%
Ranbaxy	0.1%
Other	0.1%

Zolpidem # of ANDA's: 13

Teva	35%
Mylan	15%
Watson	10%
Prasco - AG	10%
Caraco	6%
Sandoz	6%
Dr Reddy	5%
Other	13%



*Week of April 13, 2007

U.S. Generic Industry's Largest Pipeline



151 ANDAs – over \$90 billion in total sales

78 Paragraph IV Filings

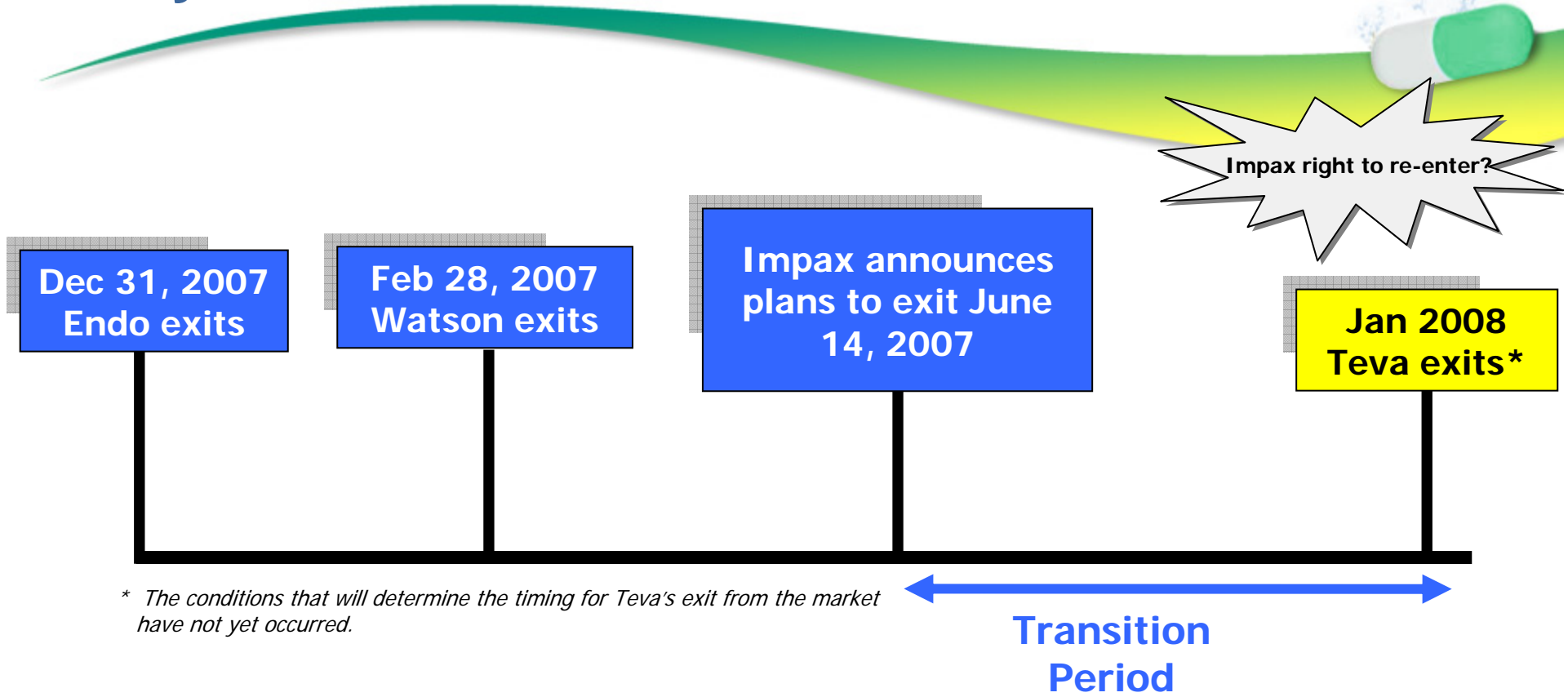
42 First-to-File – over \$35 billion in total sales

(As of April 23, 2007)

* Including products under the agreement with Andrx and Impax



Oxycodone

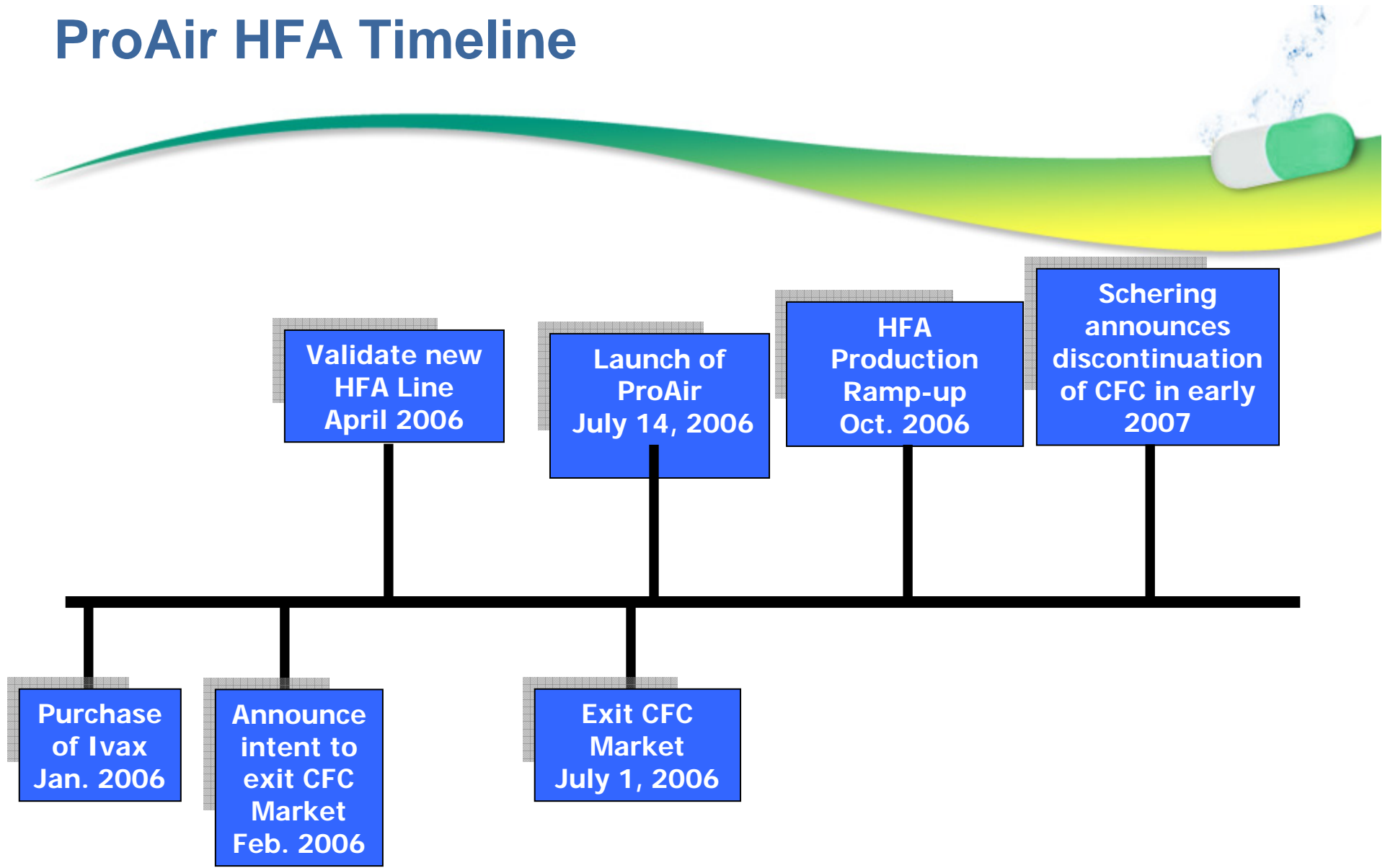


* The conditions that will determine the timing for Teva's exit from the market have not yet occurred.

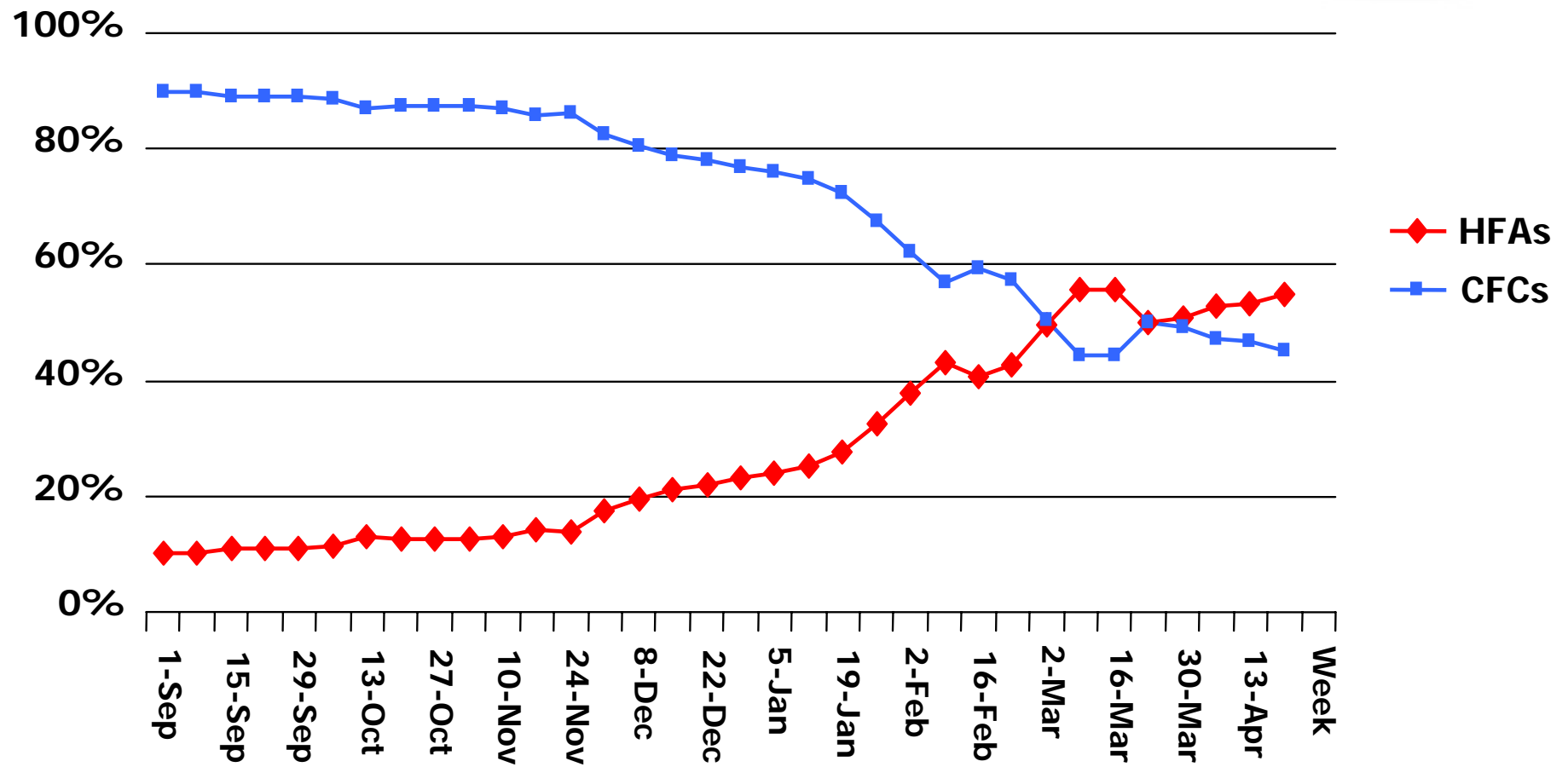
- Maximization of opportunity will require additional DEA quota
- Plan calls for sales of product at least until the end of 2007



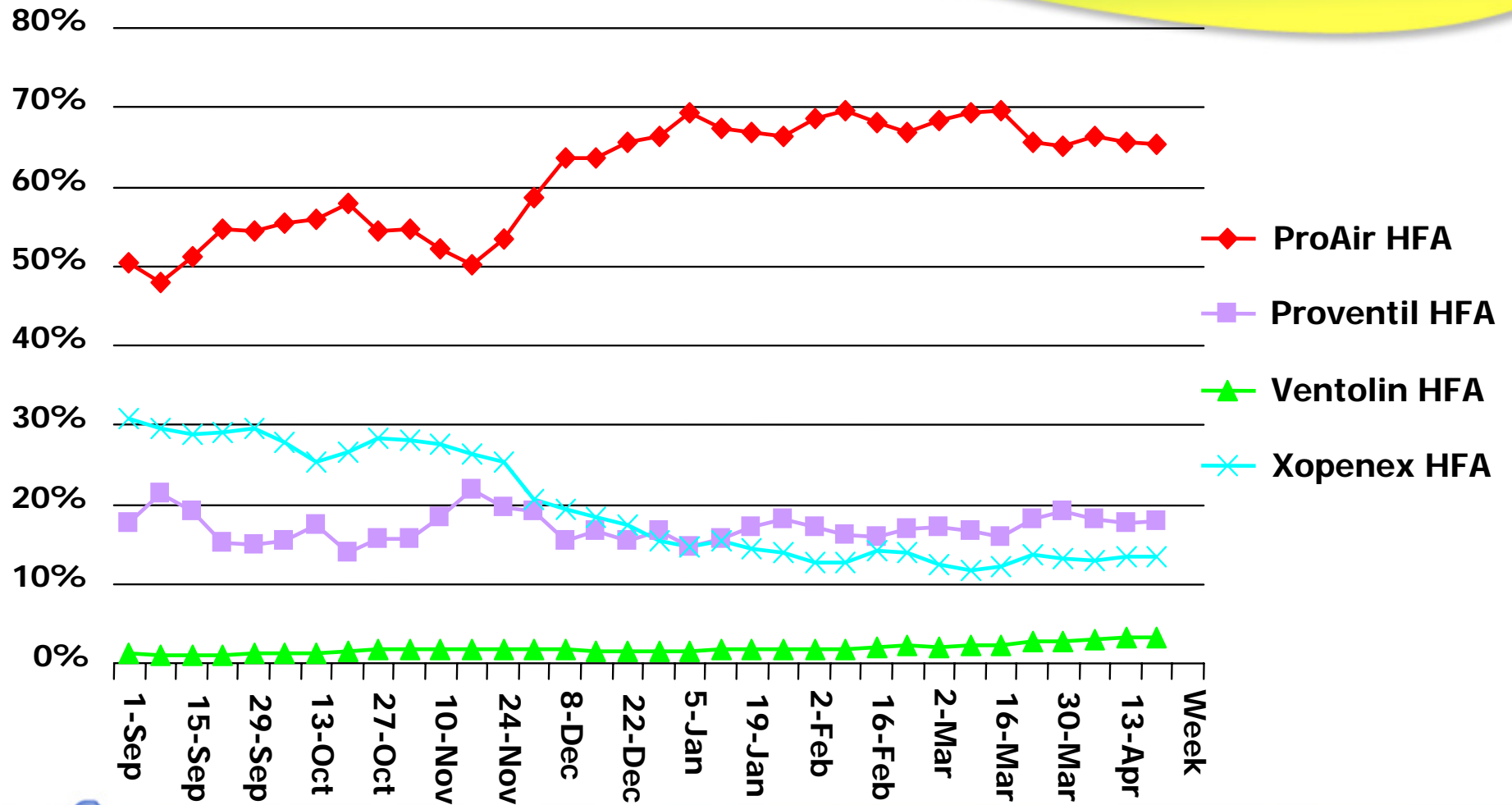
ProAir HFA Timeline



SABA Market Weekly TRx (Share)



SAVA-HFA TRx Market (Share)

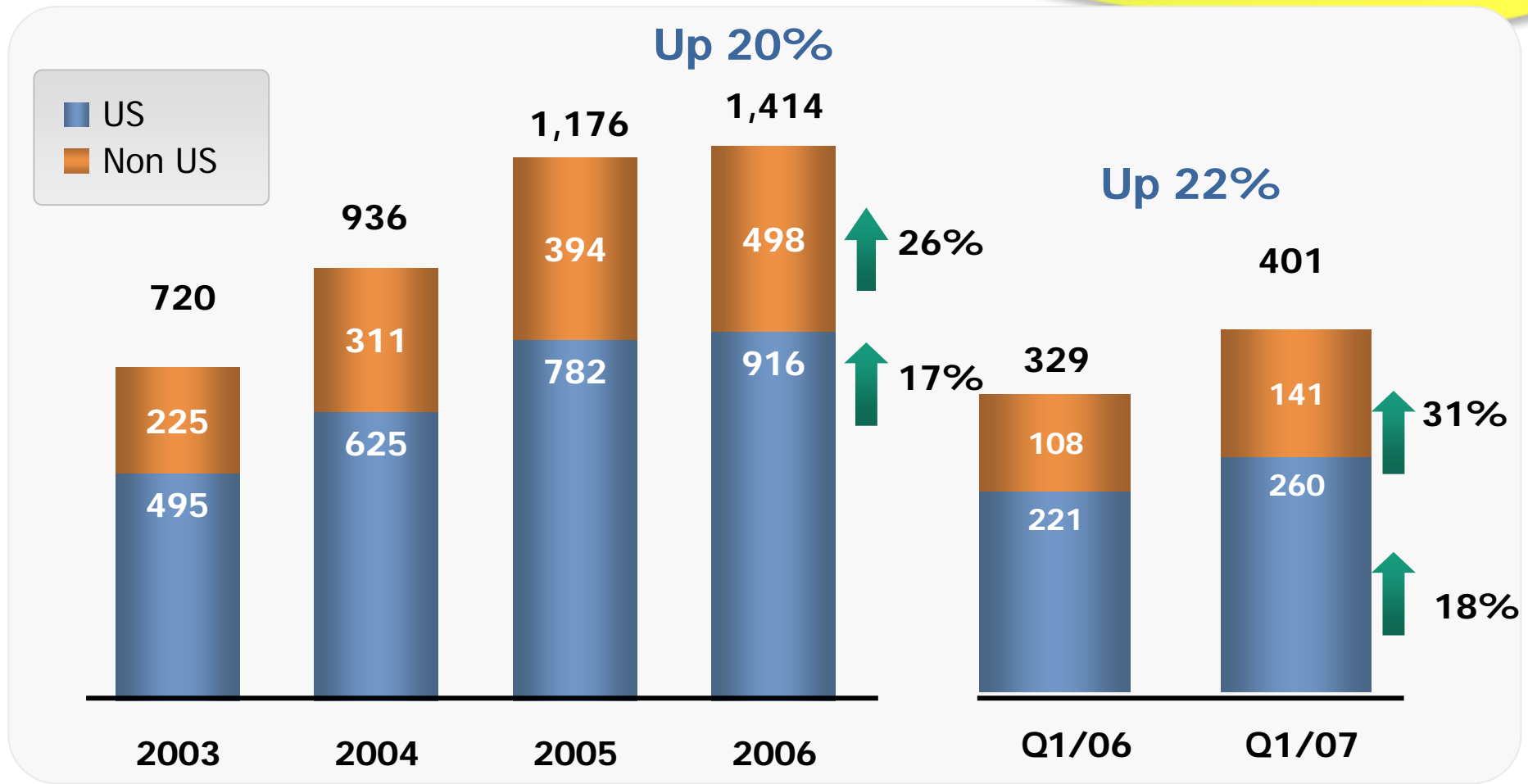


IMS NPA 4/20/07



Q1/2007 – Copaxone® In-Market Global Sales

(\$ Millions)



Copaxone® 40 mg



- Copaxone®, at a 40 mg/day dose, has the potential to provide better efficacy compared to all approved first-line treatments
- Results of 9-month Phase II study, which compared to Copaxone® 20 mg/day, recently published in *Neurology*
 - Patients taking the higher dose showed a 38% greater reduction in inflammatory disease activity as measured by MRI
 - Reduced mean on-trial relapse rate of 77% vs. 62%
- Phase III study (“FORTE”) initiated in July 2006; Recruitment of approximately 1,000 patients is expected to be completed in May 2007

**Next Milestone:
Submission To FDA - 2008**



Laquinimod



- A novel, oral product for relapsing MS
- Licensed from Sweden's Active Biotech
- Results of Phase IIb study presented at this week's Annual Meeting of the American Academy of Neurology (AAN)
 - Demonstrated that an oral 0.6 mg dose of laquinimod given daily significantly reduced MRI disease activity by 38 percent in RRMS patients
 - Favorable trend towards reducing annual relapse rates, the number of relapse-free patients and time to first relapse compared with placebo.
 - Confirmed favorable safety profile
- Phase III studies planned to start in the second half of 2007



Azilect® for Parkinson's



- First once-daily medication for PD; Only MAO-B inhibitor with an indication for both monotherapy and adjunct therapy
- Launched in 26 countries since initial launch in Israel in early 2005
- AZILECT TRx in March grew significantly faster than the PD market
- Patients are responding positively to the convenient once daily dosing and the good tolerability
- Continue to study AZILECT as a symptomatic therapy (LEGATO) and as a possible disease modifying therapy (ADAGIO) study





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