Teva Pharmaceutical Industries

Second Quarter 2016 Results

August 4, 2016

Safe Harbor Statement under the U.S. Private Securities Litigation Reform Act of 1995:

This presentation contains forward-looking statements, which are based on management's current beliefs and expectations and 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 develop and commercialize additional pharmaceutical products; competition for our specialty products, especially Copaxone® (which faces competition from orally-administered alternatives and a generic version); our ability to integrate the acquisition of Allergan plc's worldwide generic pharmaceuticals business ("Actavis Generics") and to realize the anticipated benefits of such acquisition (and the timing of realizing such benefits); the fact that following the consummation of the Actavis Generics acquisition, we are dependent to a much larger extent than previously on our generic pharmaceutical business; potential restrictions on our ability to engage in additional transactions or incur additional indebtedness as a result of the substantial amount of debt incurred to finance the Actavis Generics acquisition; the fact that for a period of time following the consummation of the Actavis Generics acquisition, we will have significantly less cash on hand than previously, which could adversely affect our ability to grow; ; the possibility of material fines, penalties and other sanctions and other adverse consequences arising out of our ongoing FCPA investigations and related matters; our ability to achieve expected results from investments in our pipeline of specialty and other products; our ability to identify and successfully bid for suitable acquisition targets or licensing opportunities, or to consummate and integrate acquisitions; the extent to which any manufacturing or quality control problems damage our reputation for quality production and require costly remediation; increased government scrutiny in both the U.S. and Europe of our patent settlement agreements; our exposure to currency fluctuations and restrictions as well as credit risks; the effectiveness of our patents, confidentiality agreements and other measures to protect the intellectual property rights of our specialty medicines; the effects of reforms in healthcare regulation and pharmaceutical pricing, reimbursement and coverage; competition for our generic products, both from other pharmaceutical companies and as a result of increased governmental pricing pressures; governmental investigations into sales and marketing practices, particularly for our specialty pharmaceutical products; adverse effects of political or economic instability, major hostilities or acts of terrorism on our significant worldwide operations; interruptions in our supply chain or problems with internal or third-party information technology systems that adversely affect our complex manufacturing processes; significant disruptions of our information technology systems or breaches of our data security; competition for our specialty pharmaceutical businesses from companies with greater resources and capabilities; the impact of continuing consolidation of our distributors and customers; decreased opportunities to obtain U.S. market exclusivity for significant new generic products; potential liability in the U.S., Europe and other markets for sales of generic products prior to a final resolution of outstanding patent litigation; our potential exposure to product liability claims that are not covered by insurance; any failure to recruit or retain key personnel, or to attract additional executive and managerial talent; any failures to comply with complex Medicare and Medicaid reporting and payment obligations; significant impairment charges relating to intangible assets, goodwill and property, plant and equipment; the effects of increased leverage and our resulting reliance on access to the capital markets; potentially significant increases in tax liabilities; the effect on our overall effective tax rate of the termination or expiration of governmental programs or tax benefits, or of a change in our business; variations in patent laws that may adversely affect our ability to manufacture our products in the most efficient manner; environmental risks; and other factors that are discussed in our Annual Report on Form 20-F for the year ended December 31, 2015 and in our other filings with the U.S. Securities and Exchange Commission (the "SEC"). Forward-looking statements speak only as of the date on which they are made and we assume no obligation to update or revise any forward-looking statements or other information, whether as a result of new information, future events or otherwise.

Erez Vigodman

President & CEO

H1 2016 Key Achievements

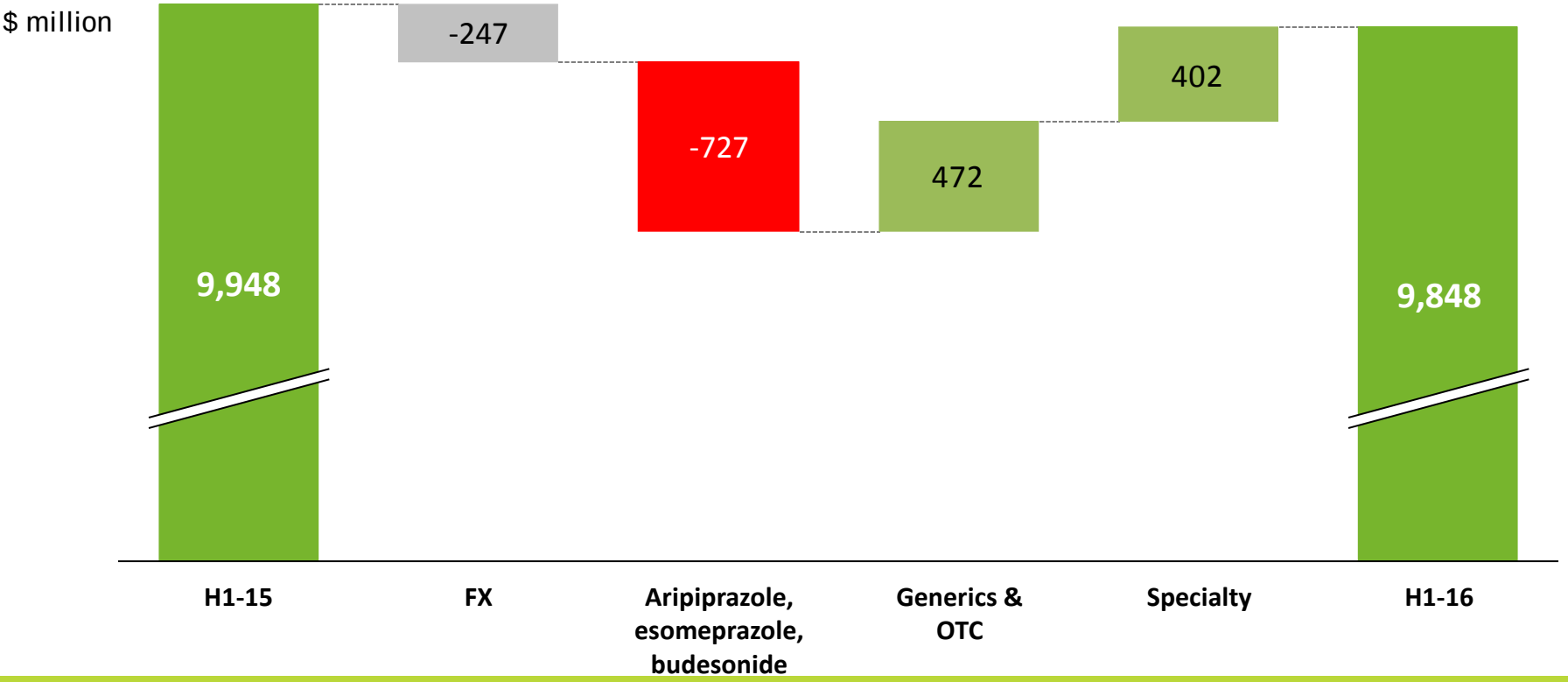
- **Closed the Actavis Generics deal; extremely successful equity and debt financing**
- **Closed the Teva-Takeda JV (Japan) and Rimsa (Mexico) deals**
- **Announced the acquisition of Anda**
- **Received a favorable district court ruling on the Treanda® IP litigation**
- **Achieved key clinical and commercial milestones in our specialty pipeline in respiratory, migraine and pain**
- **Continued the transformation and optimization of our operational network, and the deployment of cost control and efficiency measures**

H1 2016 Financial Performance

$ million, except EPS	H1 2016 Non-GAAP	H1 2015 Non-GAAP	Change
Revenues	9,848	9,948	(1%)
Operating Income	3,109 (31.6%)	3,143 (31.6%)	(1%)
EBITDA	3,328	3,362	(1%)
Net Income	2,400	2,395	--
EPS	2.45 (981M shares)	N/A	
EPS adjusted to exclude the impact of the December 2015 equity offerings	2.78 (863M shares)	2.79 (859M shares)	--

H1 2016 Revenues Bridge

Strong manifestation of Teva's balanced business model: Solid performance YoY even w/o major Gx launches



All data, except FX, are net of the impact of foreign exchange fluctuations.

Teva + Actavis Generics Deal Closed

A compelling transaction in one of the most attractive industries globally

STRONG STRATEGIC FIT

- **Transform the generics space** by combining two of the industry's best generics companies
- Cement and broaden **our R&D capabilities** and **expansive pipeline**
- **Enhance Teva's leadership** in an evolving customer landscape
- Open **new possibilities** for the company in generics and specialty
- **Accelerate the creation** of our new business model

COMPELLING ECONOMICS

- **Highly synergistic** transaction: $1.4b in cost synergies and tax savings by the end of 2019
- **Significantly accretive to non-GAAP EPS**, including ~14% accretion in 2017 and ~19% in 2019
- **Strong free cash flow**, with cumulatively more than $25b from closing of the deal to 2019 (including divestitures)
- **ROIC of 9.3%** by 2019

Successful Bond Offering To Finance The Actavis Generics Deal

Strong Demand

Demand was multiple times the size of the offering

Strong Trust in Teva

Bonds' rating is BBB, but the rates are A- equivalent

$20.4 billion in three currencies across 14 trenches ranging from 2-30 years
Blended rate ~2.17%

US dollar bonds:
$15b @ 2.65%

Euro bonds:
$4.4b @ ~0.89%

Swiss Franc bonds:
~$1b @ ~0.56%

Teva to Acquire Anda

A Natural Fit Into Teva's Business Model

ANDA INCORPORATED

Anda

- Retail
- Mail Service
- Long Term Care
- Specialty Pharmacy
- Government
- Out-Patient Hospital

Anda MEDS

Physician & Specialty Distribution

- Physician
- Clinic
- In-Patient Hospital

- 4th largest distributor of generics in the U.S.
- Purchases and distributes products from 350+ manufacturers, to 60,000 accounts+
- Shipping to more than 85% of the pharmacies in the U.S.
- Premier distributor for new to market launches to the chains

We Are Building a New Teva

Solidified foundation unlocking value from existing assets

Significantly enhanced financial profile

Diversified net revenues and profit streams

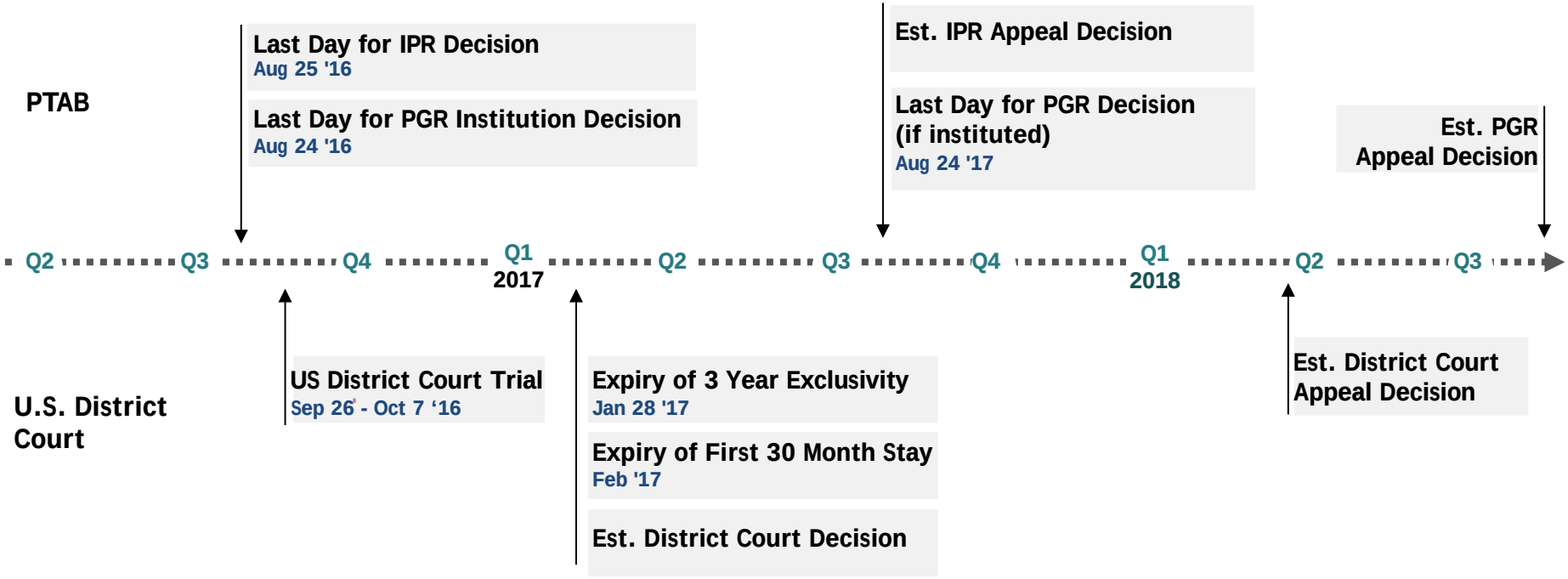
Promising specialty pipeline

Continue the transformation of our business model

Copaxone Litigation Summary

- Five Orange Book patents covering 40mg glatiramer acetate (‘250, ‘413, ‘302, ‘776, ‘874)
- Generics filers pursuing two parallel pathways to challenge the patents:
  - Patent trial and appeal board (PTAB)
  - U.S. District Court in Delaware
- Any generic launch prior to a final non-appealable court ruling on all five patents (**not expected before second half of 2018**) would be at risk
- No FDA-approved generics for the 40mg glatiramer acetate to date; only one FDA-approved product for the 20mg glatiramer acetate

Copaxone Litigation Estimated Timeline



Specialty Pipeline Update

Upcoming Key Milestones in Q3 2016

MS, Movement Disorders and Neurodegeneration

- **SD-809 for Huntington Disease (HD)**
  Full response to the CRL is targeted for end September 2016 with up to 6 months for FDA review (target approval end March 2017)
- **SD-809 for Tardive Dyskinesia**
  Additional data from Phase 3 clinical study AIM-TD
- **TV-7820 (Pridopidine) for Huntington Disease**
  Phase 2 clinical study results

Pain

- **Vantrela® ER (Hydrocodone ER)**
  US NDA approval
- **TV-46763 (Hydrocodone APAP IR AD)**
  Phase 3 clinical study results

Respiratory

- **CEP-38072 (Reslizumab-IV)**
  For severe eosinophilic asthma – EU MAA approval
- **TV-44664 (Fluticasone Salmeterol Spiromax)**
  For asthma and chronic obstructive pulmonary disease – EU MAA approval

Priorities for the Remainder of 2016

Strong focus on execution

Integration and extraction of synergies while delivering on our operational and financial targets

Specialty medicines

Achieve the key milestones in our specialty medicines pipeline

Selective BD deals

Mainly in specialty assets in our core TAs, biosimilars and growth markets

Business Updates

- September: Generic medicines business overview
- End-of-Year: Specialty medicines R&D day
- Beginning of 2017: Detailed 2017 financial outlook

Eyal Desheh

EVP, Chief Financial Officer

Q2 2016 Results

Q2 2016 Non-GAAP P&L Highlights

$ million, except EPS	Q2 2016	Q2 2015	Change	Q2 Outlook (July)
Revenues	**5,038**	4,966	+1%	4.9-5.0
Operating Income	**1,583** **(31.4%)**	1,610 (32.4%)	(2%)	
EBITDA	**1,694**	1,719	(1%)	
Net Income attributable to Teva	**1,228**	1,230	-	
EPS	**1.25** **(979M shares)**			1.19-1.22 (980M shares)
EPS adjusted to exclude the impact of the December 2015 equity offerings	**1.43** **(860M shares)**	1.43 (859M shares)	-	1.35-1.38 (861M Shares)
Cash flow from Operations $ billions	**1.0**	1.5	(35%)	1.0-1.1
Free cash flow $ billions	**0.8**	1.3	(40%)	

Operating Income, Net Income, EPS and EBITDA are presented on a non-GAAP basis

Q2 2016 GAAP P&L Highlights

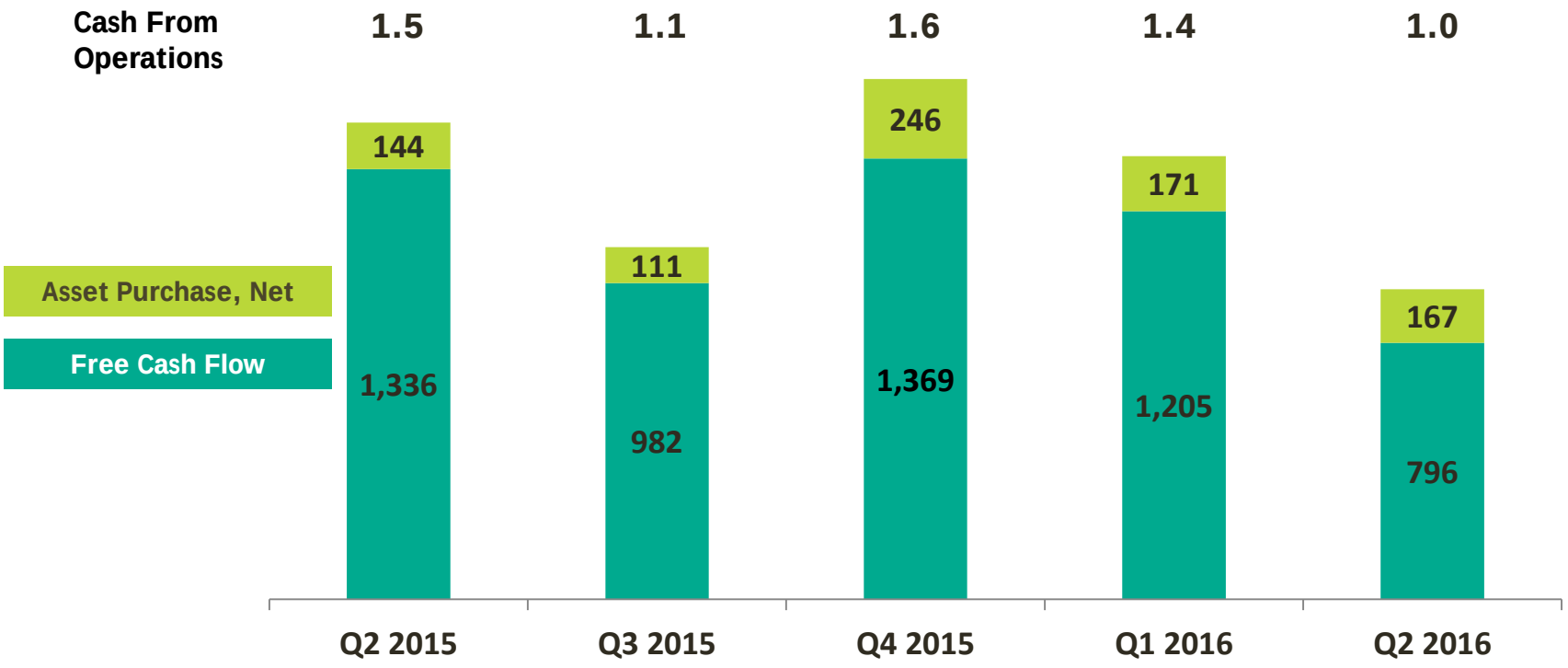
$ million, except EPS	Q2 2016	Q2 2015	Change
Revenues	**5,038**	4,966	+1%
Operating Income	**361** **(7.2%)**	662 (13.3%)	(45%)
Net Income	**254**	539	(53%)
EPS	**0.20** **(920M shares)**	0.63 (859M shares)	(68%)

Non-GAAP adjustments for the quarter were $974 million, mainly adjustments of $546 million for:

- Adjustments related to the voluntary suspension of Zecuity® of $189 million
- An impairment of $357 million following a decision to exercise our contractual right to terminate Teva's involvement with Mesoblast Ltd. in the ongoing phase 3 trial of Revascor®

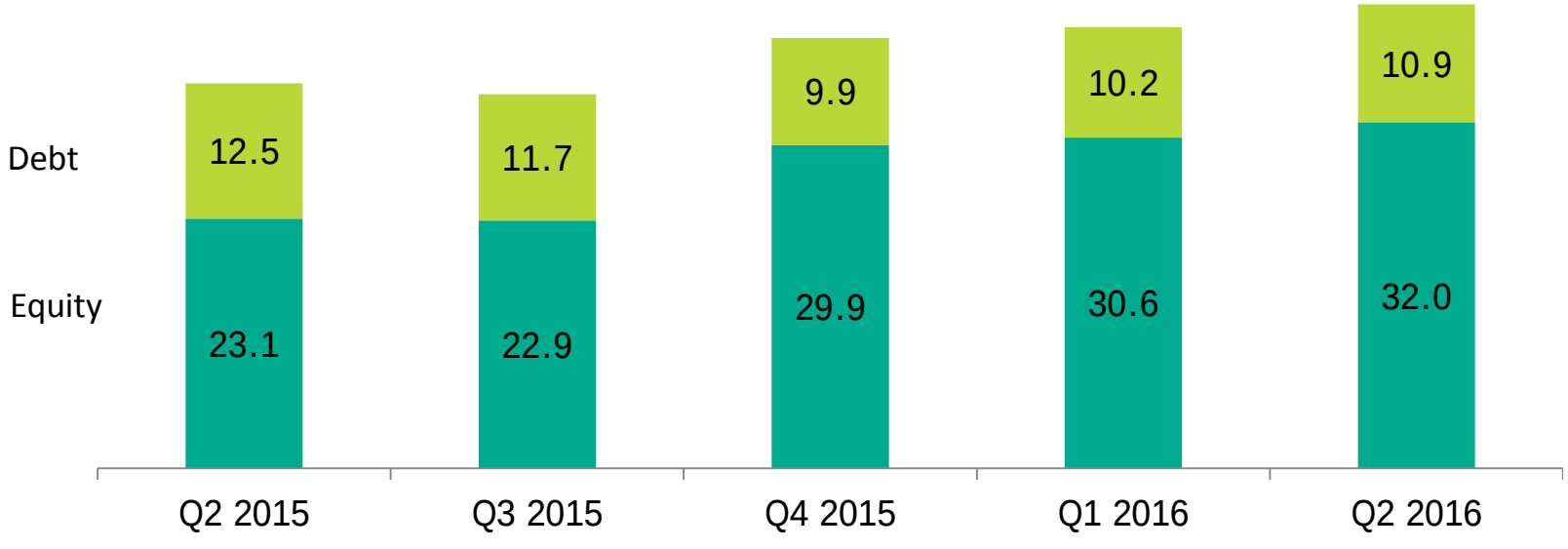
Cash Flow Trends

$ billion



Liquidity Trends

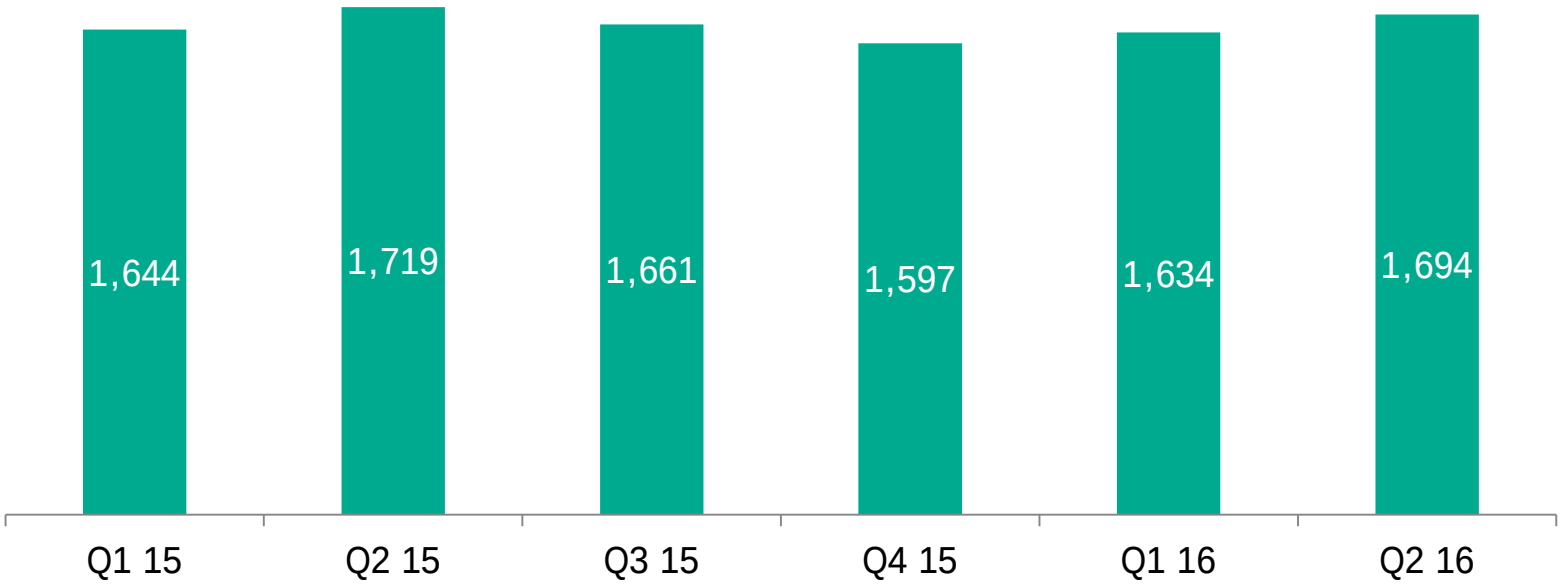
$ billion



	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016
Leverage	**35%**	**34%**	**25%**	**25%**	**25%**
Debt/EBITDA	**1.90**	**1.76**	**1.50**	**1.54**	**1.66**

EBITDA

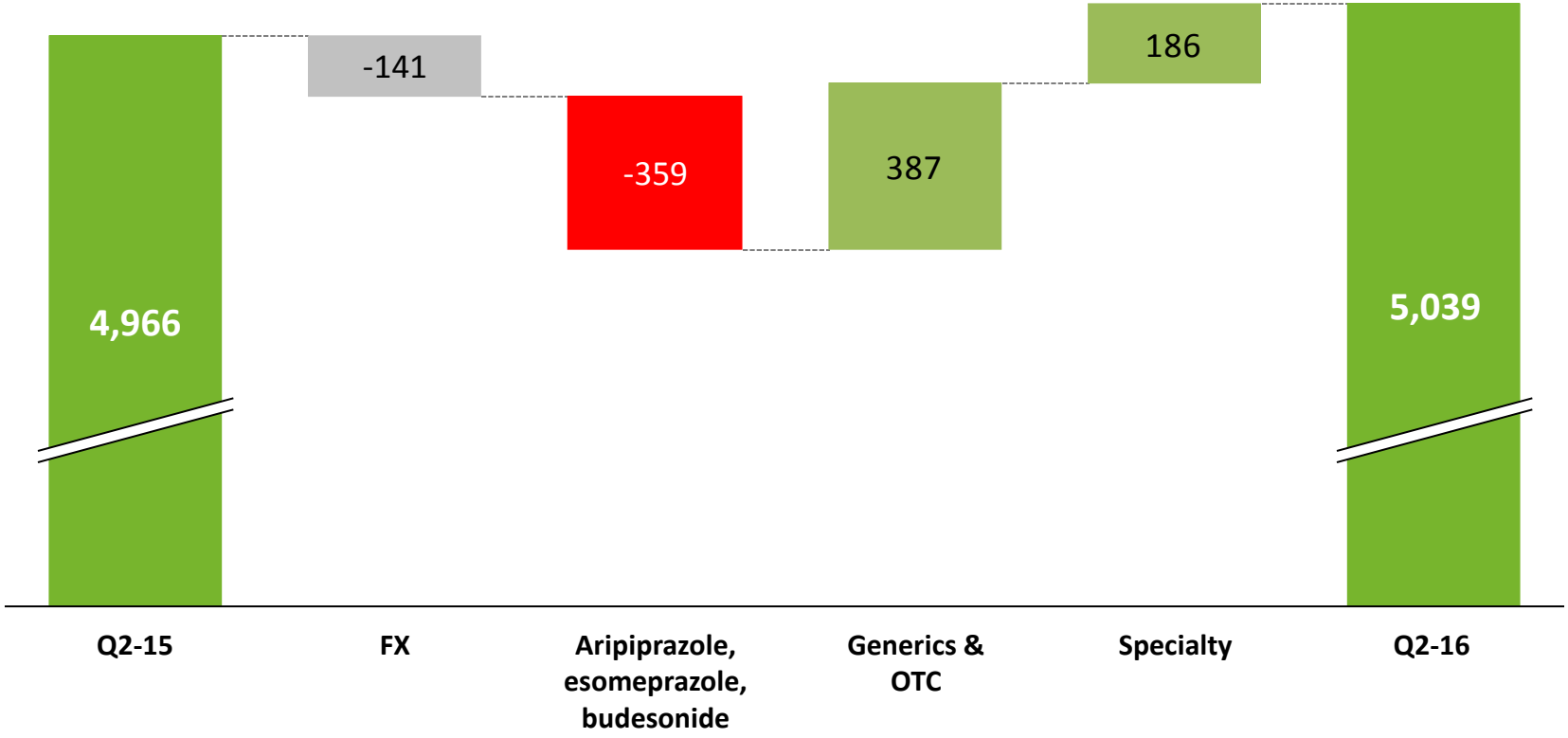
$ million



EBITDA is based on non-GAAP operating income, which excludes amortization and certain other items, and excluding depreciation expenses for the period

Quarterly Revenues

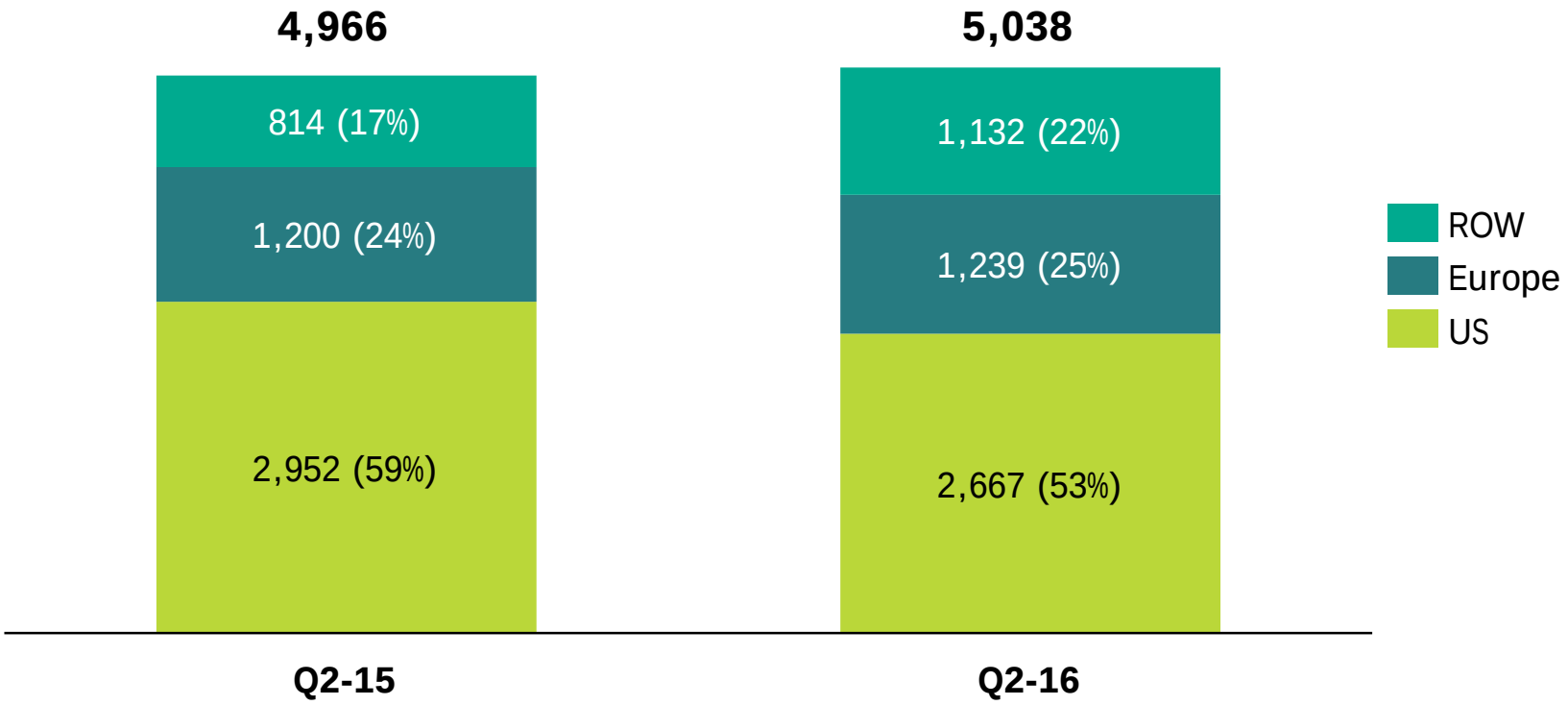
$ million



All data, except FX, are net of the impact of foreign exchange fluctuations.

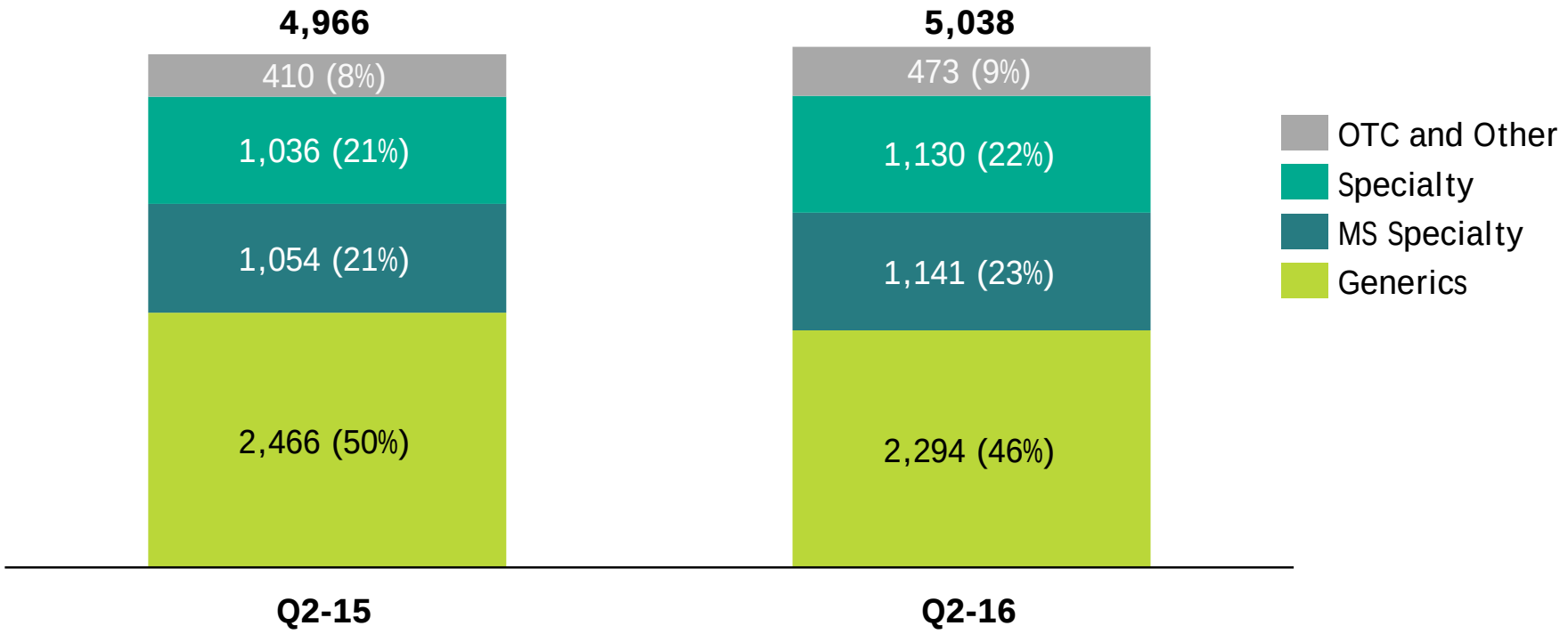
Quarterly Revenue Breakdown by Region

$ million



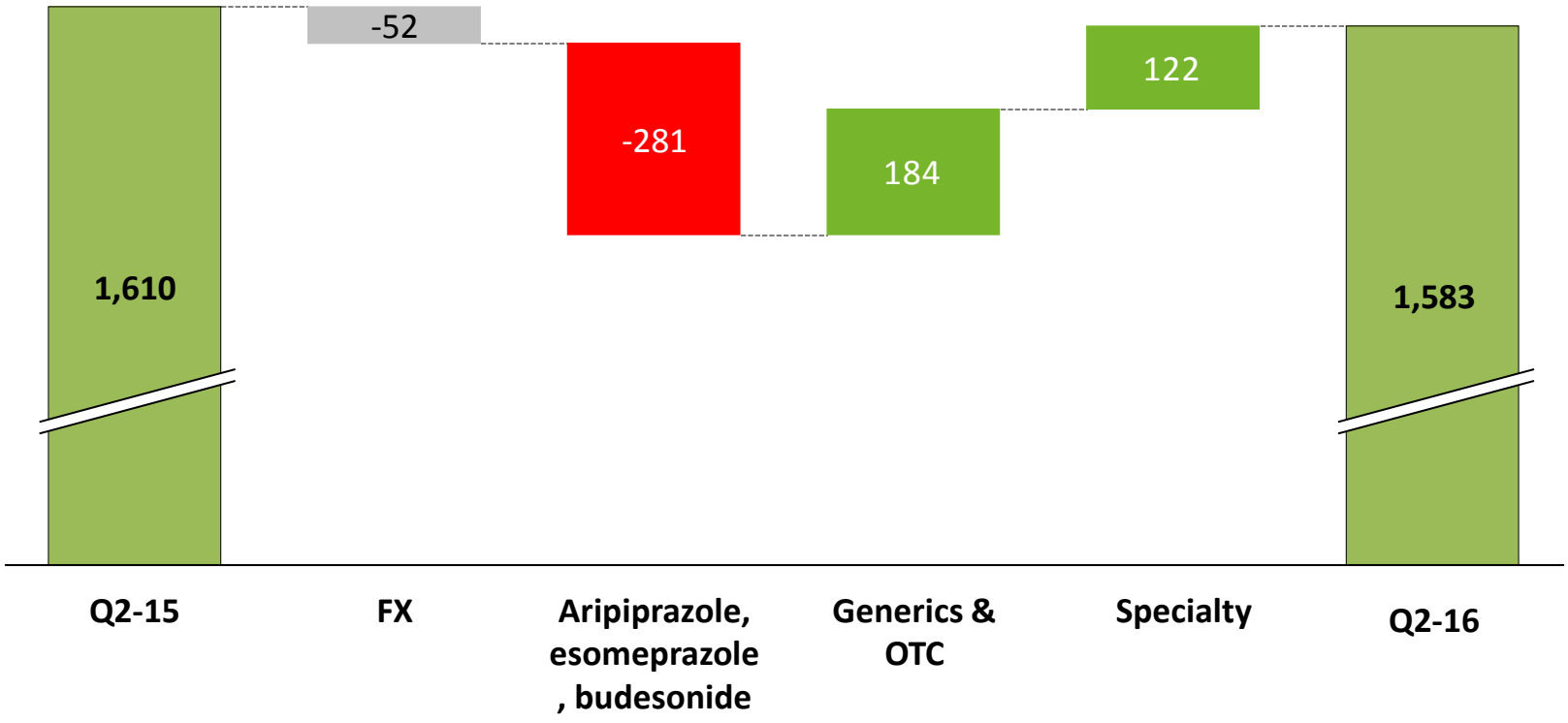
Quarterly Revenue Breakdown by Business Lines

$ million



Quarterly Operating Profit

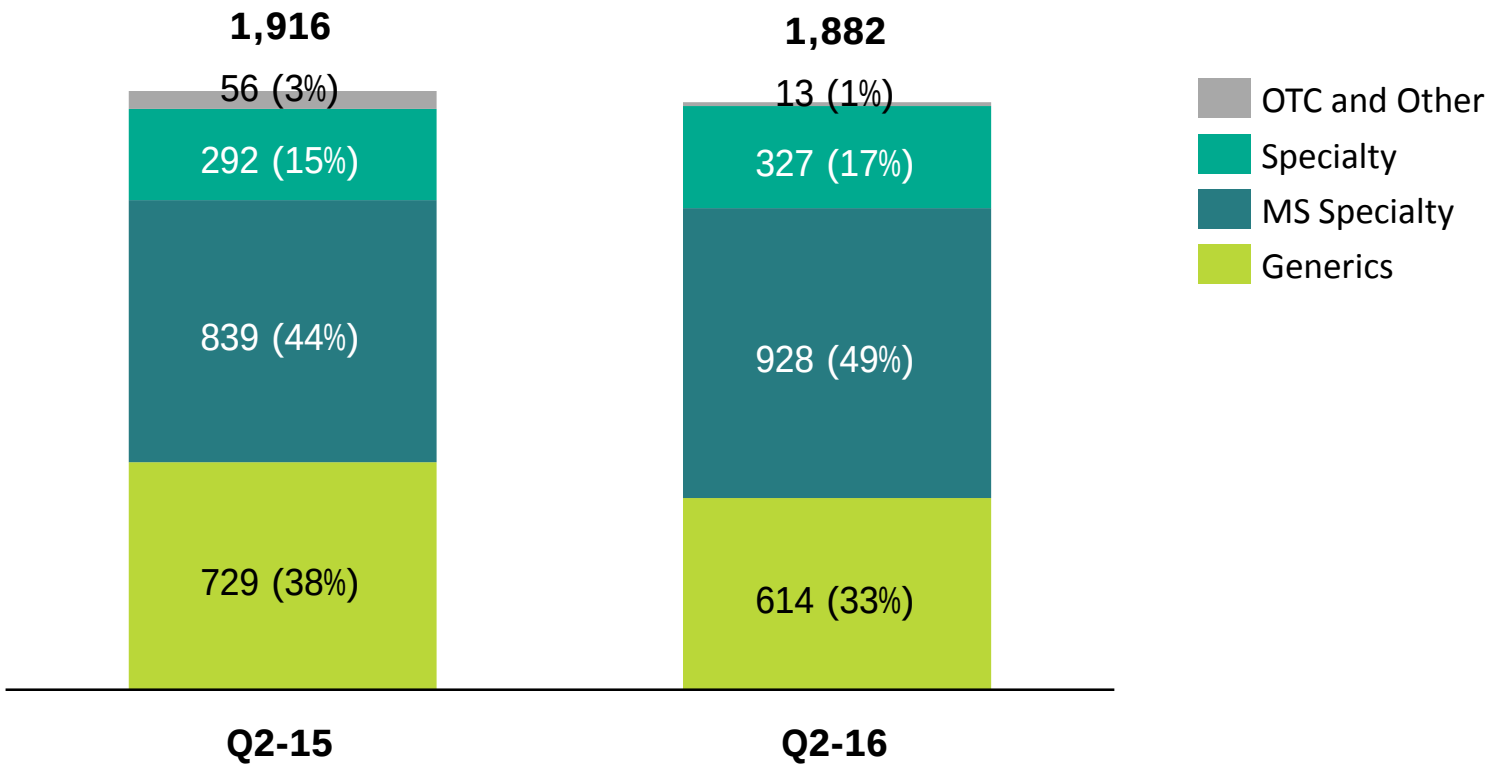
$ million



Operating Profit is presented on a non-GAAP basis.
Segment and business line profit consists of gross profit, less S&M and R&D expenses related to the segment or business line, but excludes G&A expenses, and certain other items.

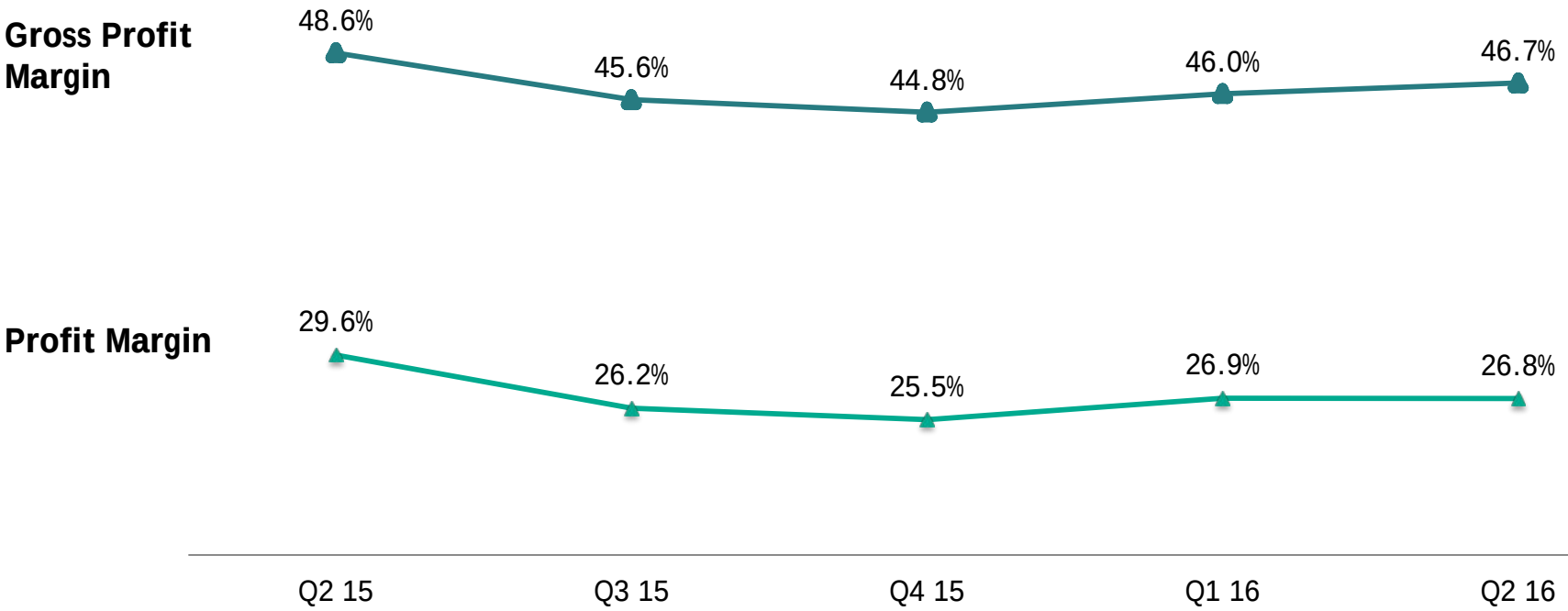
Quarterly Business Line Profit

$ million



Segment and business line profit consists of gross profit, less S&M and R&D expenses related to the segment or business line, but excludes G&A expenses, and certain other items.

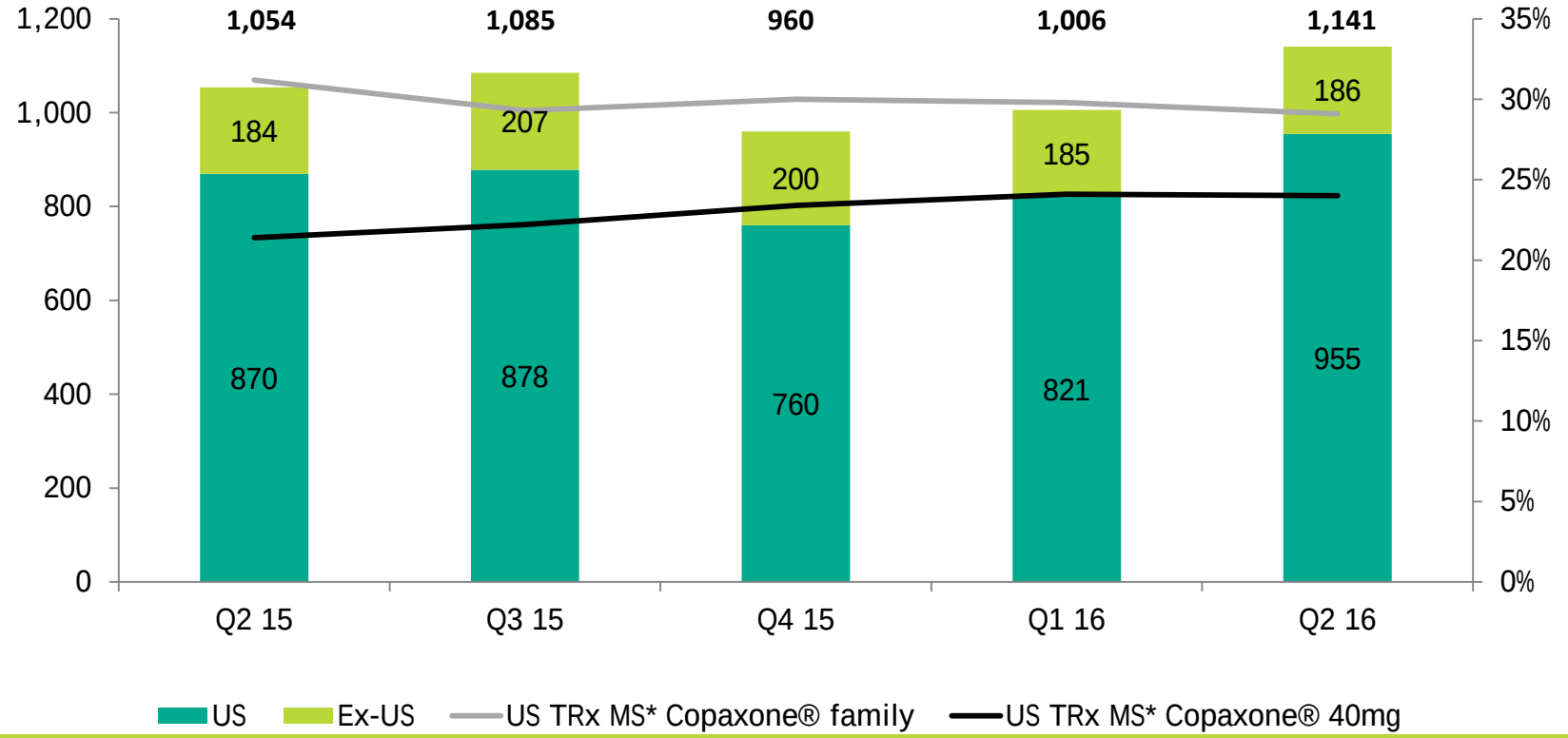
Generics Segment Gross Profit and Profit* Margin Evolution



* Segment profit consists of gross profit, less S&M and R&D expenses related to the segment. Segment profit does not include G&A expenses, amortization, expenses related to equity compensation and certain other items.

Copaxone® revenues and US market shares

$ million



- Market share data is from IMS.

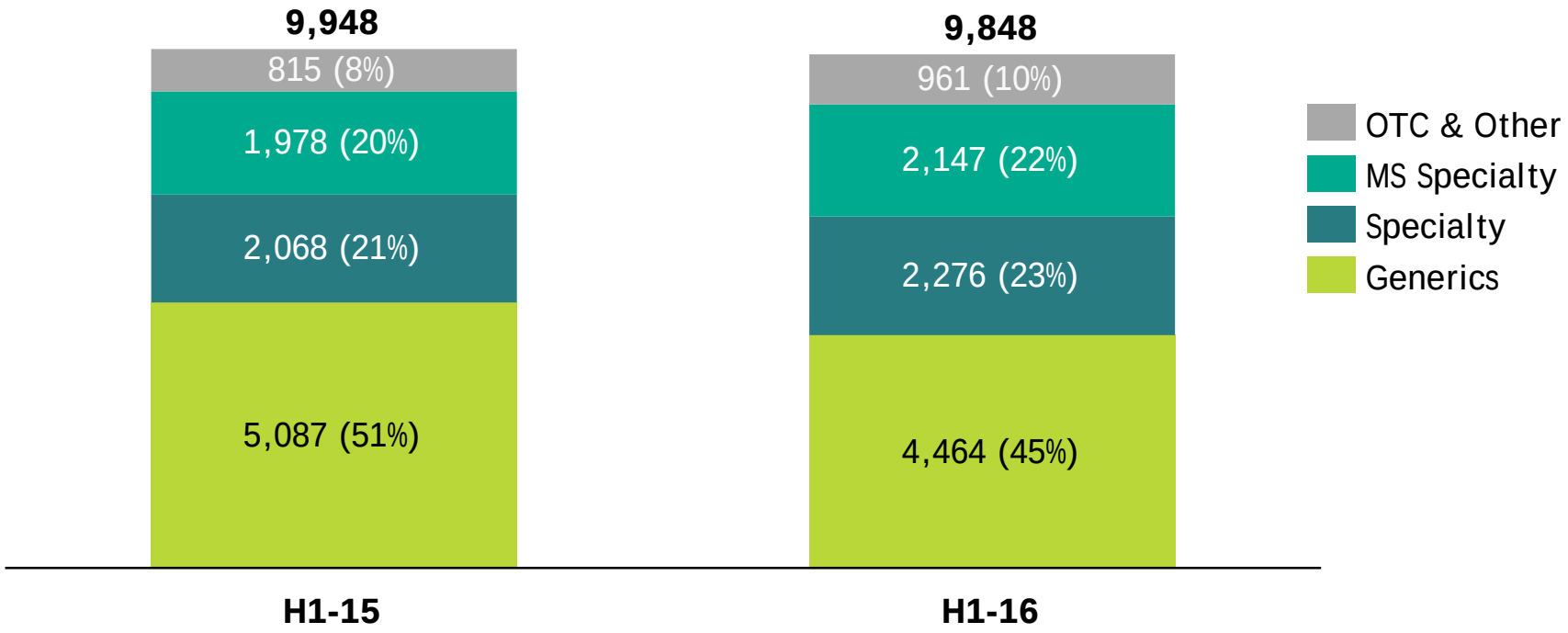
First Half 2016 Results

H1 2016 P&L Highlights

$ million, except EPS	H1 2016 Non-GAAP	H1 2015 Non-GAAP	Change	H1 2016 GAAP	H1 2015 GAAP	Change
Revenues	9,848	9,948	(1%)	9,848	9,948	(1%)
Operating Income	3,109 (31.6%)	3,143 (31.6%)	(1%)	1,526 (15.5%)	1,411 (14.2%)	8%
EBITDA	3,328	3,362	(1%)	2,127	2,066	3%
Net Income	2,400	2,395	--	890	985	(10%)
EPS	2.45 (981M shares)	N/A		0.82 (922M shares)	1.15 (859M shares)	(28%)
EPS adjusted to exclude the impact of the December 2015 equity offerings	2.78 (863M shares)	2.79 (859M shares)	--			

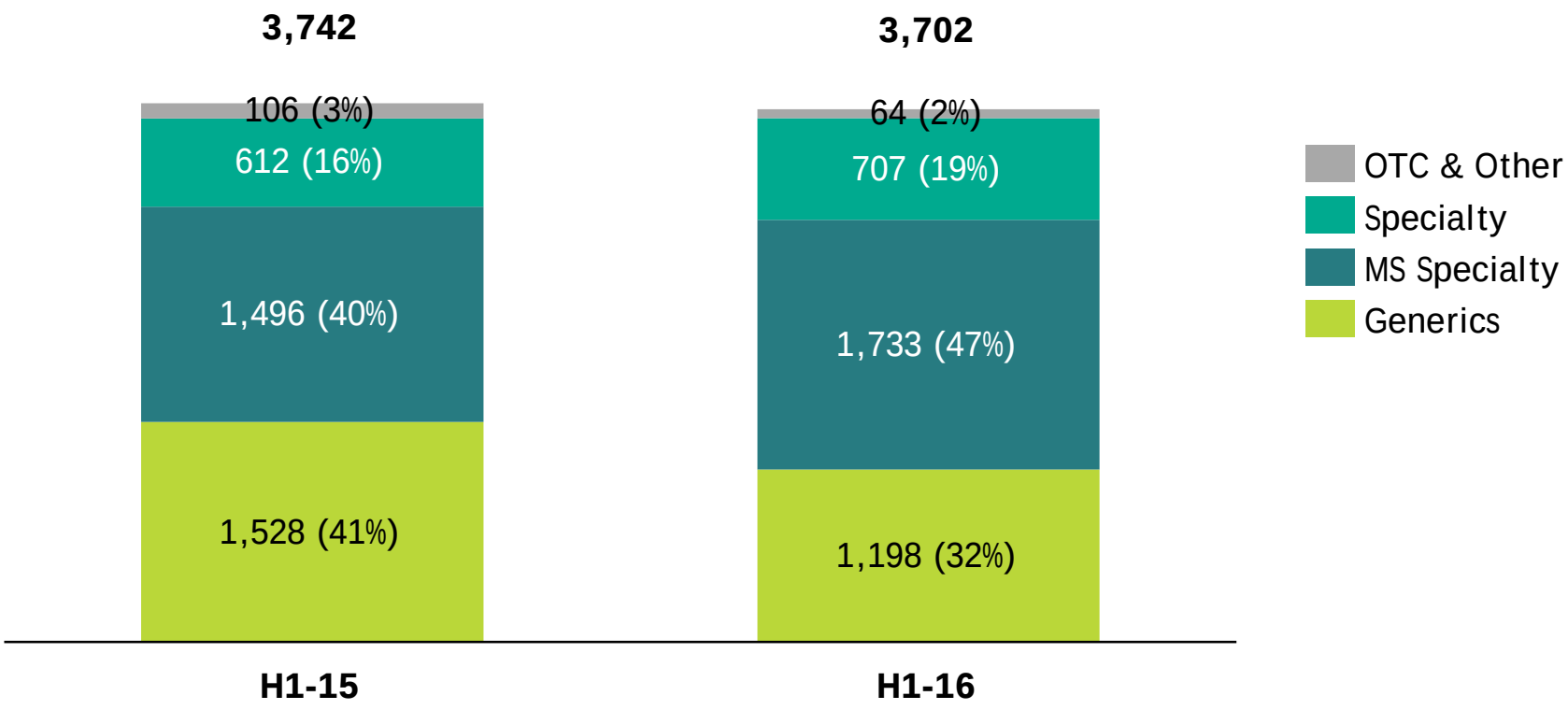
First Half 2016 Revenue Breakdown by Business Lines

$ million



First Half 2016 Business Line Profit

$ million

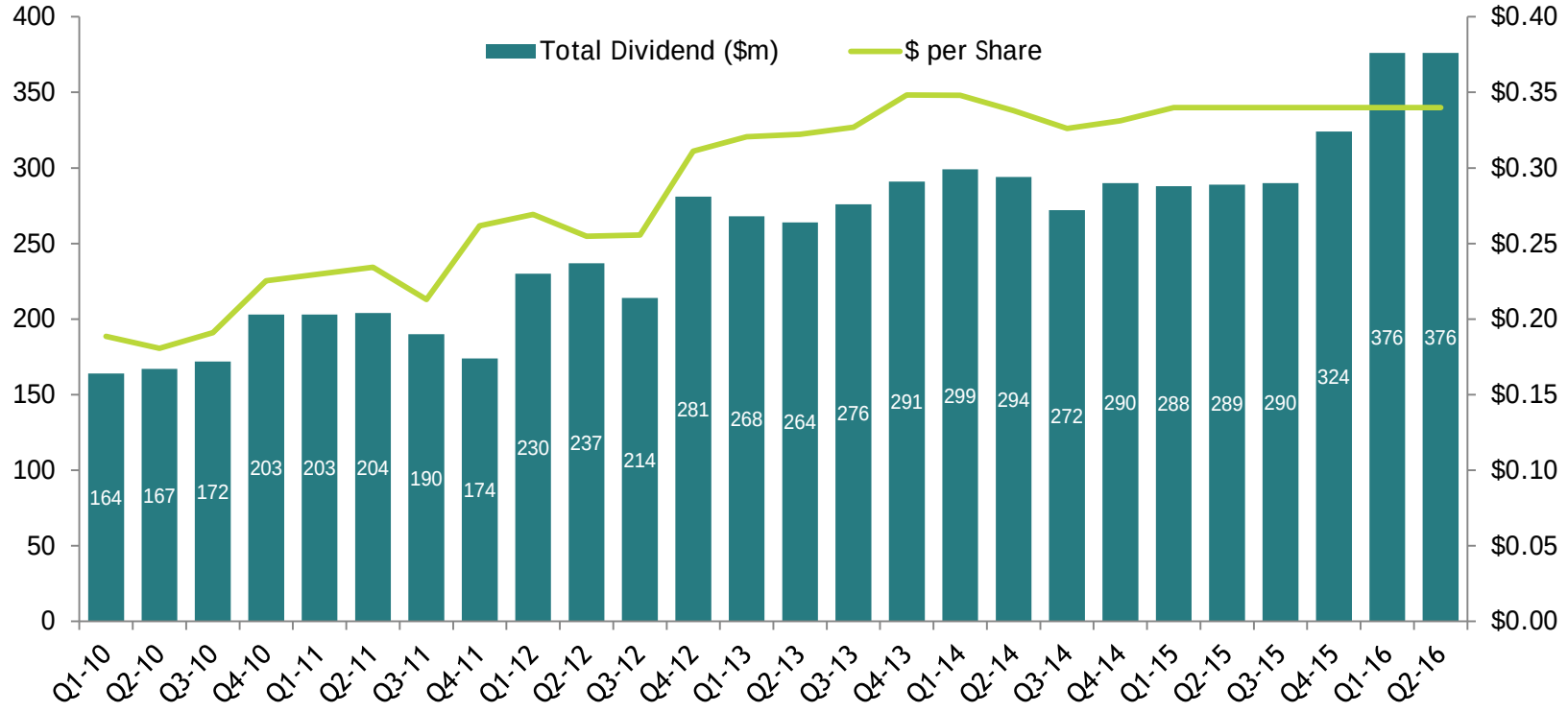


Segment and business line profit consists of gross profit, less S&M and R&D expenses related to the segment or business line, but excludes G&A expenses, and certain other items.

Quarterly Dividend

Teva's Dividend History

Q2 2016 dividend per ordinary share of $0.34; dividend per MCPS of $17.50



Total dividends represent payment of the dividend declared for the quarter. Current quarter data is an estimate.
From Q4 15, dividends includes dividends accrued to holders of our Mandatory Convertible Preferred Shares ("MCPS").

Financial Outlook

FY 2016 Financial Outlook Reiterated

	FY 2016 Outlook
Revenues $ billions	22.0-22.5
Non GAAP EPS $	5.20-5.40
Weighted average number of shares, in millions	1,021
Cash flow from Operations $ billions	5.7-6.1

Q&A

Additional Information

Q2 2016 GAAP Income Data

$ million Except EPS	Q2-16	Q2 2016 Margins	Q2-15	Q2 2015 Margins	Change
Revenues	**5,038**		**4,966**		**+1%**
COGS	2,161	42.9%	2,064	41.6%	+5%
Gross Profit	**2,877**	**57.1%**	**2,902**	**58.4%**	**(1%)**
R&D	375	7.4%	386	7.8%	(3%)
S&M	952	18.9%	860	17.3%	+11%
G&A	311	6.2%	325	6.5%	(4%)
Legal settlements and loss contingencies	166	3.3%	384	7.7%	(57%)
Impairments, restructuring and others	712	14.1%	285	5.7%	+150%
Operating Income	**361**	**7.2%**	**662**	**13.3%**	**(45%)**
Finance exp.	105	2.1%	41	0.8%	+156%
Tax	29	11.3%	88	14.2%	(67%)
Minority and Share in profit	(27)	(0.5%)	(6)	(0.1%)	+350%
Net Income	**254**	**5.0%**	**539**	**10.8%**	**(53%)**
# of Shares (diluted, millions)	920		859		
EPS	**0.20**		**0.63**		

Q2 2016 Non GAAP Income Data

$ million Except EPS	Q2 2016	Q2 16 margins	Q2 2015 Act	Q2 15 margins	Change
Revenues	**5,038**		**4,966**		**+1%**
COGS	1,888	37.5%	1,846	37.2%	+2%
Gross Profit	**3,150**	**62.5%**	**3,120**	**62.8%**	**+1%**
R&D	370	7.3%	357	7.2%	+4%
S&M Royalties S&M (w/o Royalties)	49 849	17.8%	74 772	17.0%	+6%
G&A	299	5.9%	307	6.2%	(3%)
Operating Income	**1,583**	**31.4%**	**1,610**	**32.4%**	**(2%)**
Finance exp.	6		41		(85%)
Tax	333	21.1%	345	22.0%	(3%)
Net Income	**1,228**	**24.4%**	**1,230**	**24.8%**	**-**
# of Shares (diluted, millions)	979				
EPS ($)	**1.25**				
# of Shares (diluted, millions), adjusted	860		859		
EPS adjusted to exclude Dec 15 equity offerings ($)	**1.43**		**1.43**		**-**

H1 2016 GAAP Income Data

$ million Except EPS	H1-16	H1 2016 Margins	H1-15	H1 2015 Margins	Change
Revenues	**9,848**		**9,948**		**(1%)**
COGS	4,180	42.4%	4,210	42.3%	(1%)
Gross Profit	**5,668**	**57.6%**	**5,738**	**57.7%**	**(1%)**
R&D	764	7.8%	718	7.2%	+6%
S&M	1,791	18.2%	1,782	17.9%	+1%
G&A	615	6.2%	632	6.3%	(3%)
Legal settlements and loss contingencies	141	1.4%	611	6.1%	(77%)
Impairments, restructuring and others	831	8.4%	584	5.9%	+42%
Operating Income	**1,526**	**15.5%**	**1,411**	**14.2%**	**+8%**
Finance exp.	403	4.1%	233	2.3%	+73%
Tax	257	22.9%	192	20.8%	+16%
Minority and Share in profit	(24)	(0.2%)	1	0.0%	(4,715%)
Net Income	**890**	**9.0%**	**985**	**9.9%**	**(10%)**
# of Shares (diluted, millions)	922		859		
EPS ($)	**0.82**		**1.15**		**(28%)**

H1 2016 GAAP Income Data

$ million Except EPS	H1 2016	H1 16 margins	H1 2015 Act	H1 15 margins	Change
Revenues	**9,848**		**9,948**		**(1%)**
COGS	3,682	37.4%	3,766	37.9%	(2%)
Gross Profit	**6,166**	**62.6%**	**6,182**	**62.1%**	**-**
R&D	745	7.6%	685	6.9%	+9%
S&M Royalties	71	17.5%	185	17.6%	(2%)
S&M (w/o Royalties)	1,648		1,569		
G&A	593	6.0%	600	6.0%	(1%)
Operating Income	**3,109**	**31.6%**	**3,143**	**31.6%**	**(1%)**
Finance exp.	58		90		(36%)
Tax	635	20.8%	657	21.5%	(3%)
Net Income	**2,400**	**24.4%**	**2,395**	**24.1%**	**-**
# of Shares (diluted, millions)	981				
EPS ($)	**2.45**				
# of Shares (diluted, millions) adjusted	863		859		
EPS adjusted to exclude Dec 15 equity offerings ($)	**2.78**		**2.79**		**-**