Teva Pharmaceutical Industries Ltd.

Fourth Quarter and Full Year 2016 Results

February 13, 2017

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 realize the anticipated benefits of the acquisition of Allergan plc's worldwide generic pharmaceuticals business ("Actavis Generics"), and the timing of realizing such benefits; our ability to fully and efficiently integrate Actavis Generics and to achieve the anticipated cost savings, synergies, business opportunities and growth prospects from the combination; the fact that we are now dependent to a much larger extent than previously on our generic pharmaceutical business; our ability to develop and launch new generic products from the Actavis Generics pipeline on the anticipated timelines; potential restrictions on our ability to engage in additional transactions or incur additional indebtedness as a result of the substantial amount of debt we have incurred to finance the Actavis Generics acquisition; the fact that we will have significantly less cash on hand than prior to the consummation of the Actavis Generics acquisition, which could adversely affect our ability to grow; 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, including, in particular, former Actavis Generics personnel who have transitioned to Teva 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; the possibility of additional adverse consequences arising from our recent FCPA-related settlement with the U.S. government, including limitations on our conduct of business in various countries, adverse judgments in shareholder lawsuits and fines, penalties or other sanctions imposed by government authorities in other countries; 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.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures as defined by SEC rules. Please see our Annual Report on Form 20-F for the year ended December 31, 2015 and our Report on Form 6-K relating to the three months ended September 30, 2016 (filed with the SEC on November 15, 2016) for a reconciliation of those historical measures to the most directly comparable GAAP measures. The estimates contained in this presentation are non-GAAP financial measures, which exclude the amortization of purchased intangible assets, costs related to certain regulatory actions, inventory step-up, legal settlements and reserves, impairments and other costs and related tax effects. The non-GAAP data presented by Teva are the results used by Teva's management and board of directors to evaluate the operational performance of the company, to compare against the company's work plans and budgets, and ultimately to evaluate the performance of management. Teva provides such non-GAAP data to investors as supplemental data and not in substitution or replacement for GAAP measure, because management believes such data provides useful information to investors. A reconciliation of such forward-looking non-GAAP estimates to the corresponding GAAP measures is not being provided, due to the unreasonable efforts required to prepare it.

Dr. Sol J. Barer

Chairman of the Board

Dr. Yitzhak Peterburg

Interim President & CEO

Eyal Desheh

EVP, Chief Financial Officer

Q4 2016 Results

Q4 2016 P&L Highlights

$ millions, except EPS	Q4 2016	Q4 2015	Q4 2016	Q4 2015
	GAAP		Non-GAAP	
Revenues	6,492	4,881	6,492	4,881
Operating income (loss)	(137) (2.1%)	931 19.1%	1,944 29.9%	1,481 30.3%
Net income (loss)	(973)	500	1,480	1,136
EPS ($)	(1.10) 1,015M shares	0.55 875M shares	1.38 1,076M shares	1.28 888M shares

Q4 2016 Non-GAAP P&L Highlights

$ billions, except EPS	Q4 2016	Q4 2015	Change
Revenues	6.5	4.9	+33%
Operating income	1.9 29.9%	1.5 30.3%	+31%
EBITDA	2.1	1.6	+31%
Net income	1.5	1.1	+30%
EPS ($)	1.38 1,076M shares	1.28 888M shares	+8%
Cash flow from operations	1.4	1.6	(12%)
Free cash flow	1.1	1.4	(19%)
Net cash flow	0.7	1.1	(35%)

Operating income, EBITDA, net income and EPS and are presented on a non-GAAP basis.

Q4 2016 Non-GAAP Adjustments

$ millions	Q4 2016	Details
Impairments	1,032	Rimsa goodwill of $900M
Financial expenses	544	Venezuela monetary assets $500M, Mylan shares $43M
Legal settlements	225	Ciprofloxacin settlement
Amortization	182	Teva (~$190M), Actavis (~$170m), Actavis & Rimsa PPA adjustment (~+$145m), one time items (~+$35m)
R&D	161	Celltrion upfront of $160M
Inventory step-up	140	Mainly related to the Actavis acquisition
Restructuring	91	
Acquisition and integration	75	
Venezuela inventory	133	Venezuela inventory devaluation
Related tax effect	(161)	
Total adjustments	2,453	

Q4 2016 Foreign Exchange & Venezuela Impact

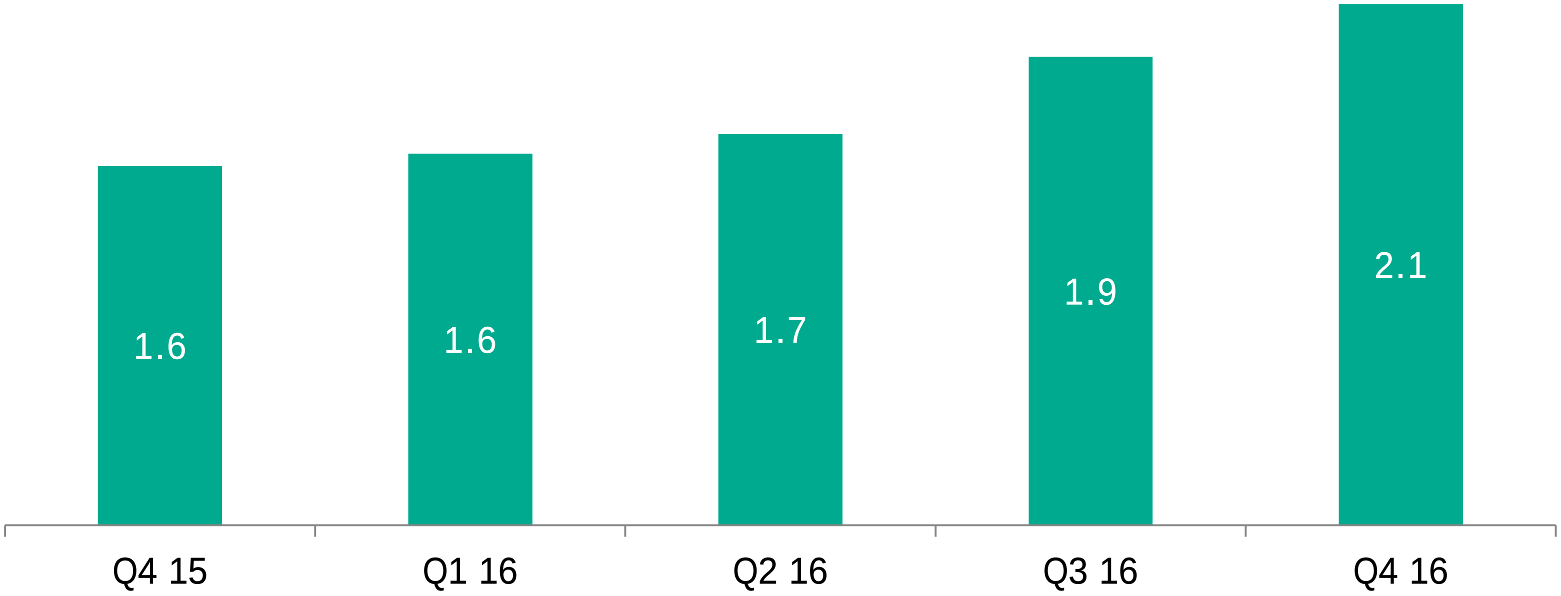
$ millions	Q4 2016	Q4 2015	Diff	Fx Effect	Venezuela
Revenues	6,492	4,881	1,611	(41)	184
Operating income (loss) GAAP	(137)	931	(1,068)	(14)	(34)
Operating income Non-GAAP	1,944	1,481	463	(9)	75

In light of the economic conditions in Venezuela, we exclude the 2016 increases in revenues and operating profit in the country in any discussion of currency effects.

Quarterly EBITDA

$ billion

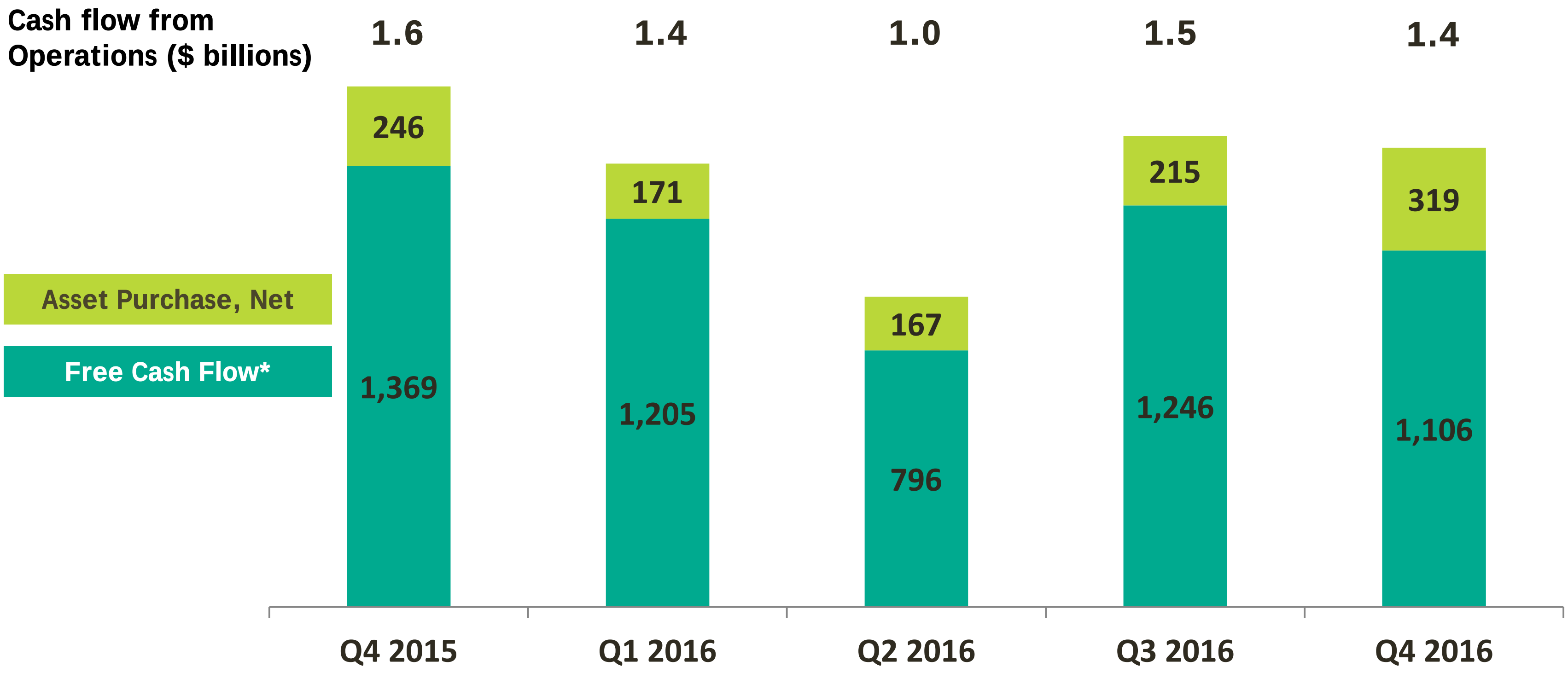
2016 EBITDA $7.3 billion



Adjusted EBITDA is based on non-GAAP operating income, which excludes amortization and certain other items, and excludes depreciation expenses.

Cash Flow Trends

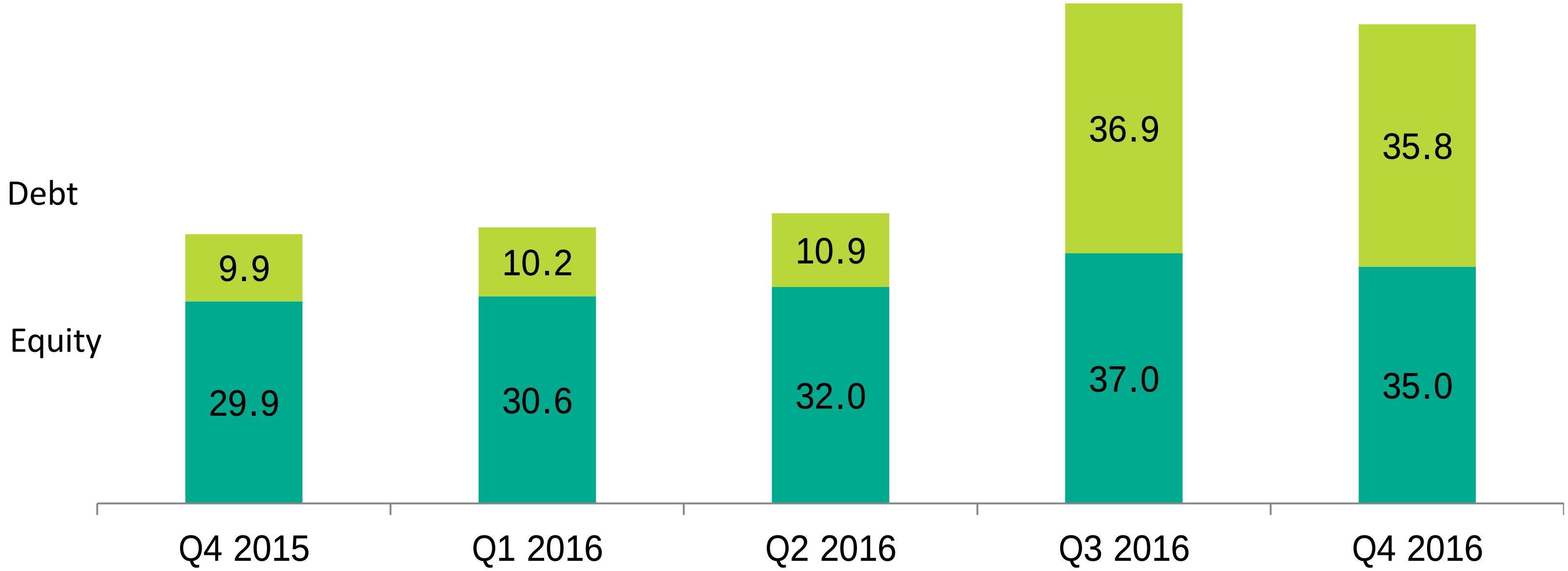
$ millions



* Free cash flow excludes proceeds from divestitures related to Actavis Generics of $1,724 million in Q3 2016.

Liquidity Trends

$ billions



	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Leverage	25%	25%	25%	50%	51%
Debt/EBITDA	1.50	1.54	1.66	5.38	4.87
Net Debt/EBITDA	0.44	0.63	0.58	5.13	4.72

Adjusted EBITDA is based on non-GAAP operating income, which excludes amortization and certain other items, and excludes depreciation expenses.

Updated Segmentation

We operate our business in two segments:

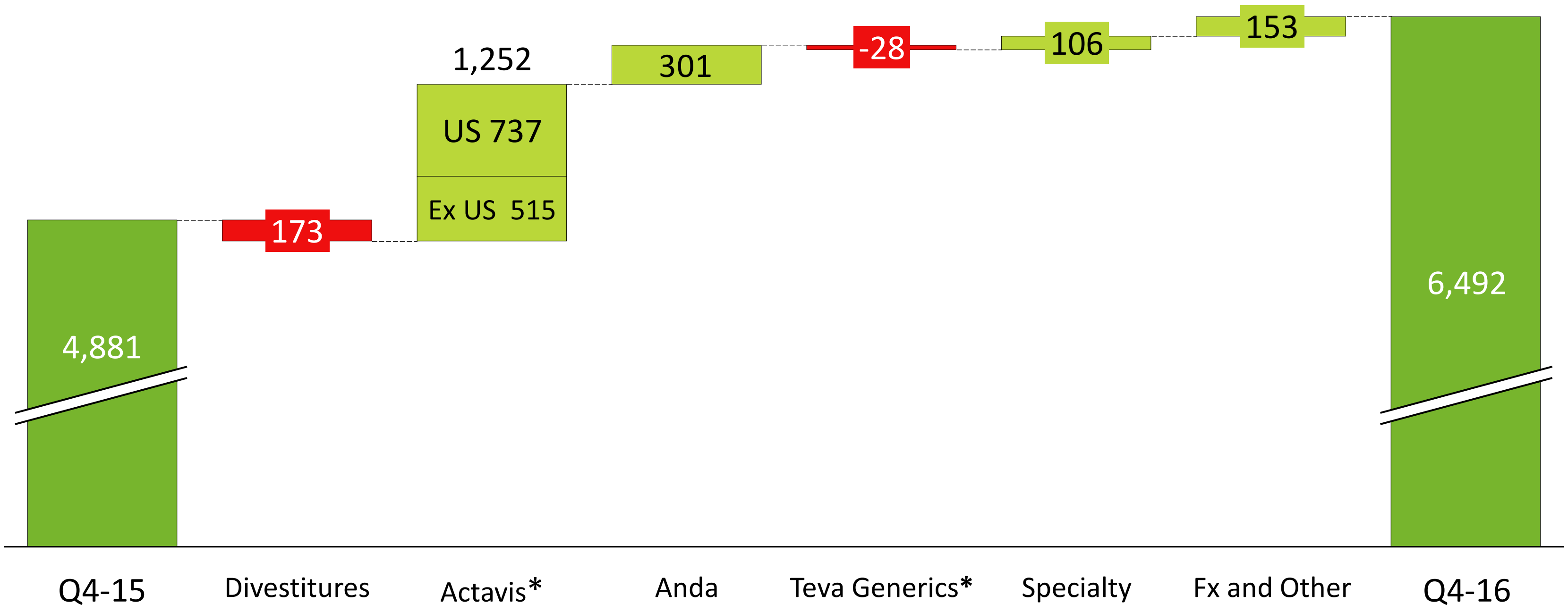
- **Generic medicines**, which are chemical and therapeutic equivalents of originator medicines in a variety of dosage forms. This segment also includes
  - our OTC business, and
  - our API manufacturing business

- **Specialty medicines**

In addition to these two segments, we have other activities, primarily sales of third-party products for which we act as distributor in the United States (via Anda), Israel and Hungary.

Quarterly Revenues

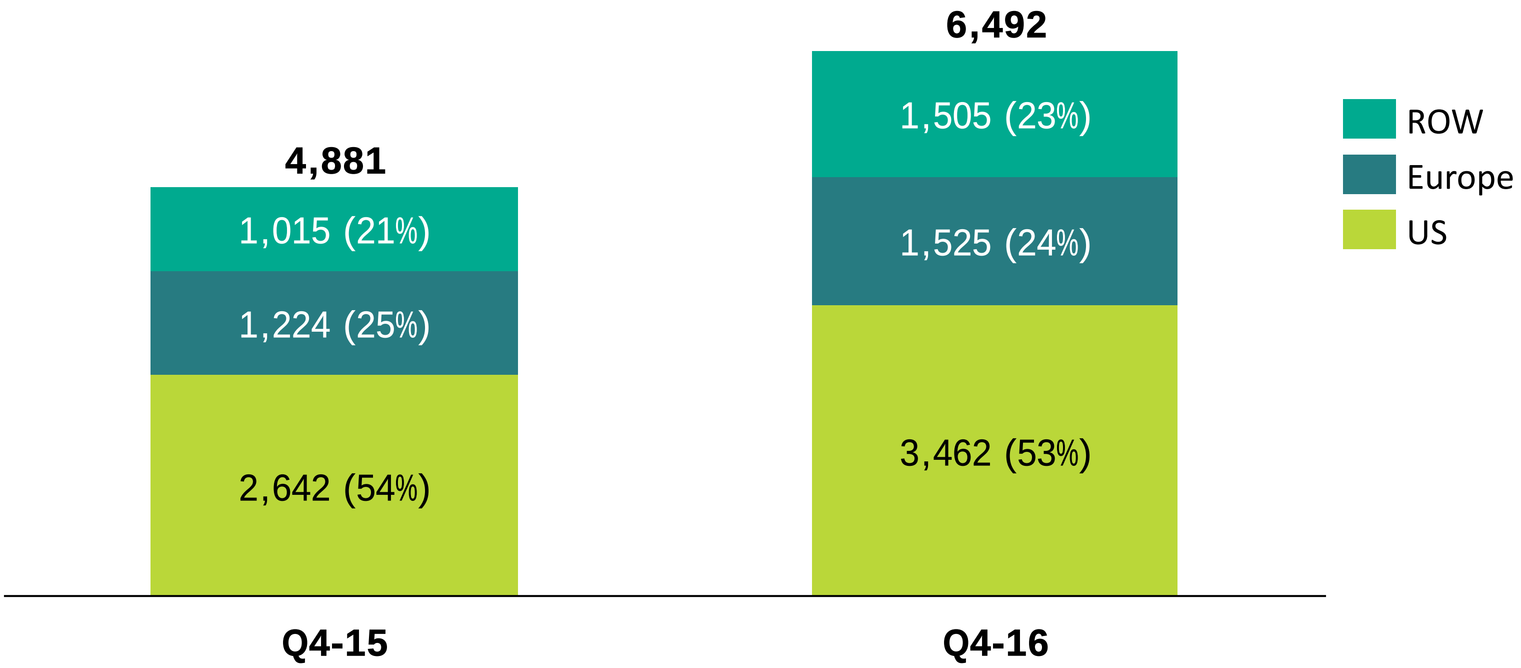
$ millions



* Including divestitures and revenues from manufacturing services related to divested products.
All data, except Fx, are net of the impact of foreign exchange fluctuations.

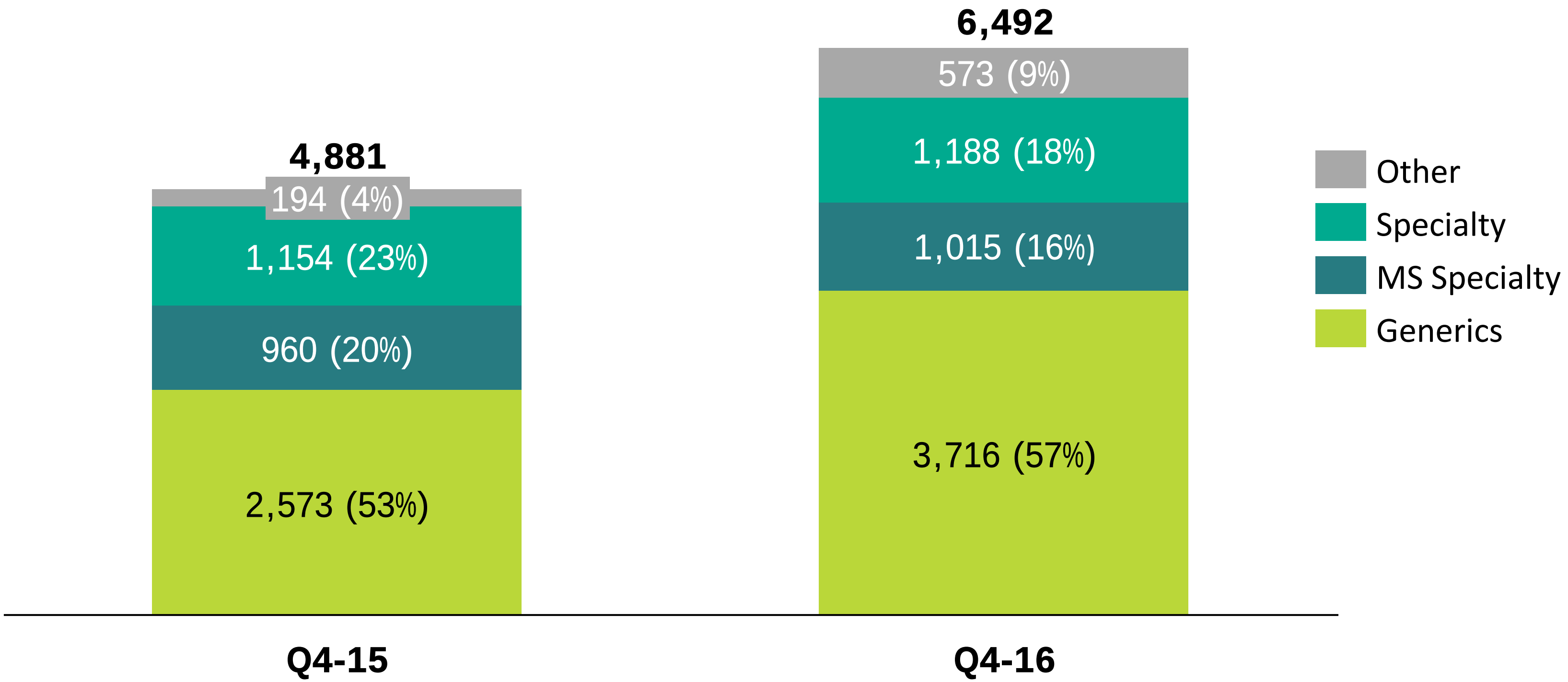
Quarterly Revenue Breakdown by Region

$ millions



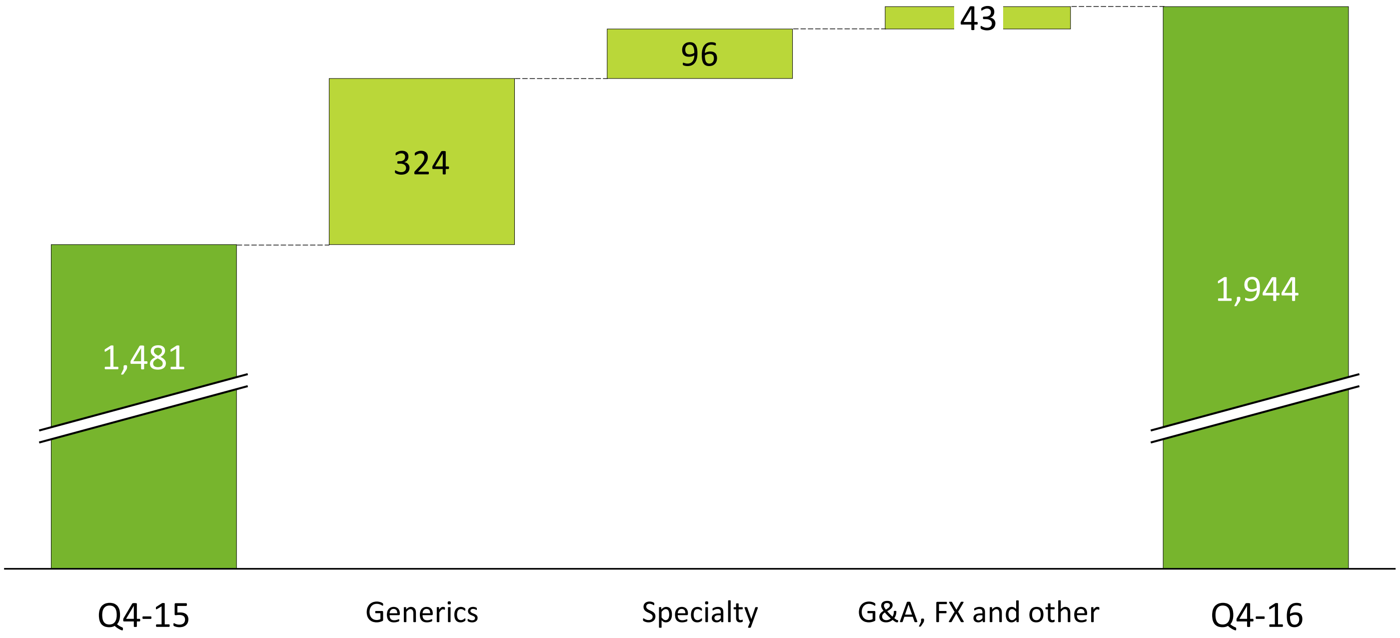
Quarterly Revenue Breakdown by Business Line

$ millions



Quarterly Non-GAAP Operating Profit

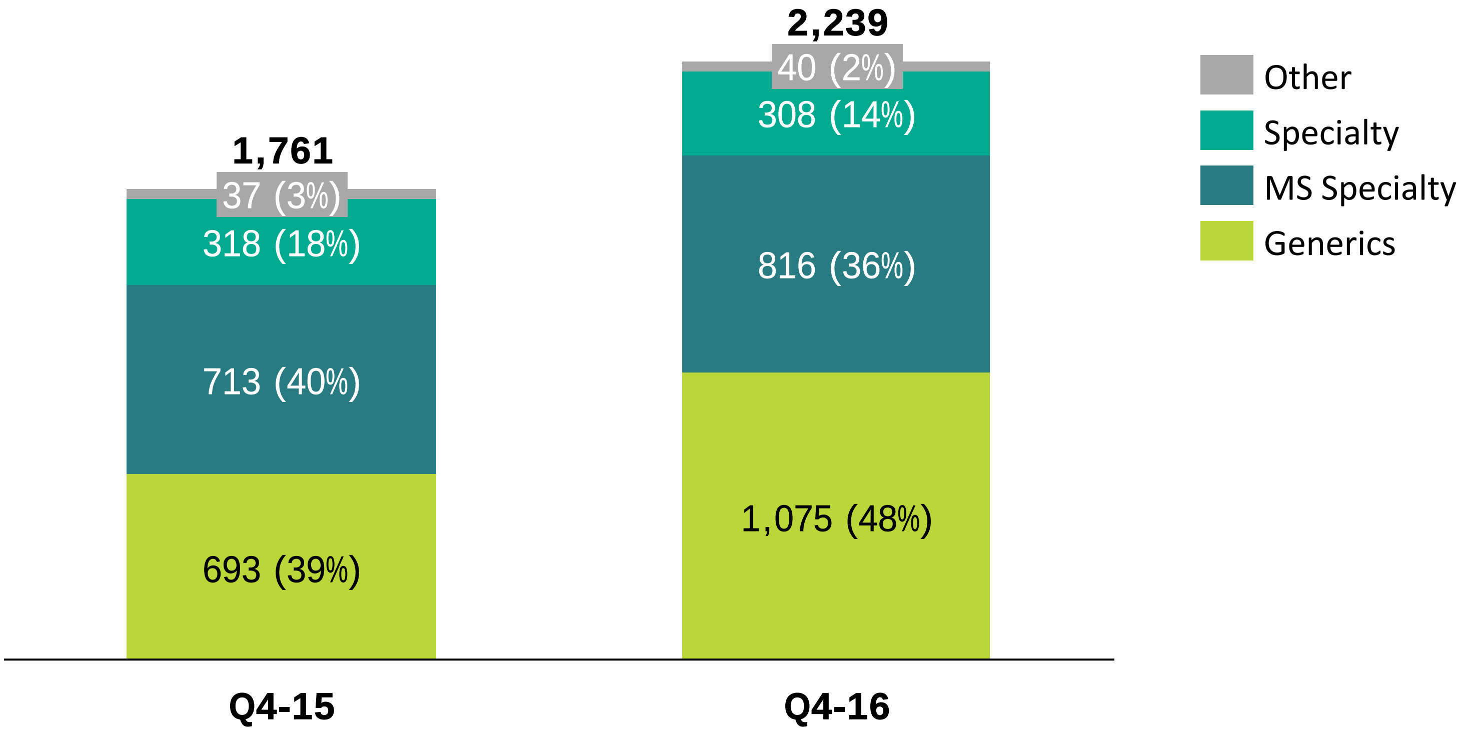
$ millions



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

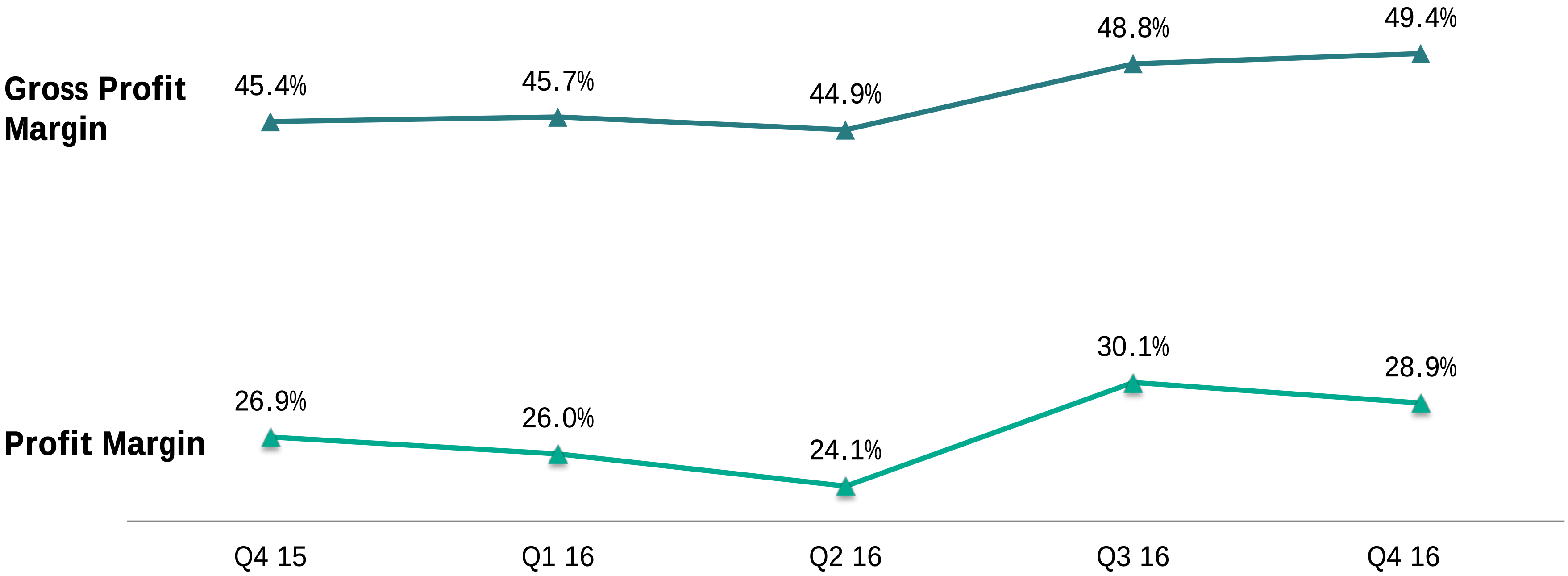
Quarterly Business Line Profit

$ millions



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, amortization and certain other items.

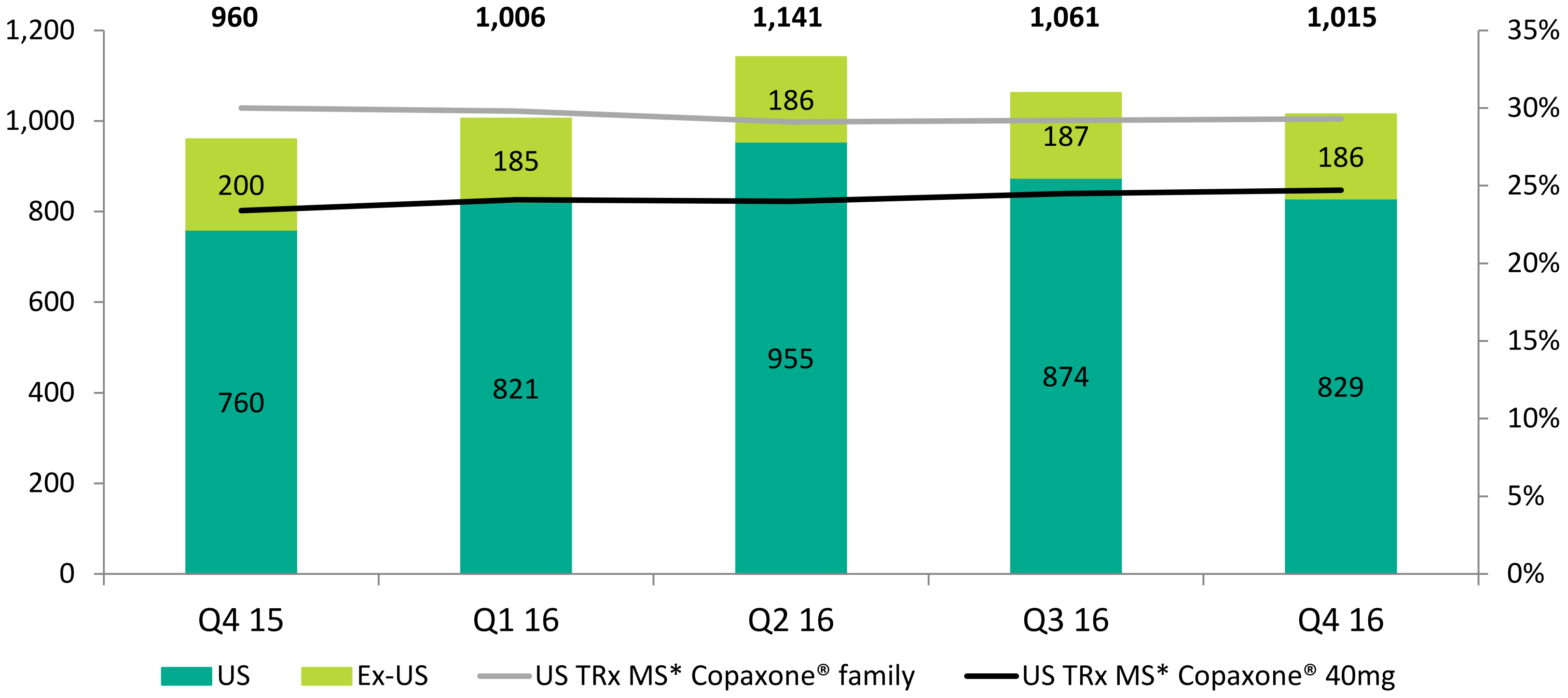
Generics Segment Gross Profit and Profit Margin Evolution



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

Copaxone® revenues and US market shares

$ millions / % market share



Market share data is provided by IMS.

2016 Results

2016 P&L Highlights

$ millions, except EPS	2016	2015	Diff	2016	2015	Diff
	GAAP			Non-GAAP		
Revenues	21,903	19,652	+11%	21,903	19,652	+11%
Operating income	2,154 9.8%	3,352 17.1%	(36%)	6,847 31.3%	6,174 31.4%	+11%
Net income	329	1,588	(79%)	5,244	4,696	+12%
EPS	0.07 961M shares	1.82 864M shares	(96%)	5.14 1,020M shares	5.42 867M shares	(5%)
Free cash flow excluding divestments*	4,353	4,900	(11%)			

* Free cash flow excludes proceeds from divestitures related to Actavis Generics of $1,724 millions in Q3 2016.

2016 Non-GAAP P&L Highlights

$ billions, except EPS	2016	2015	Change
Revenues	21.9	19.7	+11%
Operating income	6.8 31.3%	6.2 31.4%	+11%
EBITDA	7.3	6.6	+11%
Net income	5.2	4.7	+12%
EPS ($)	5.14 1,020M shares	5.42 867M shares	(5%)
Cash flow from operations	5.2	5.5	(6%)
Free cash flow excluding divestments*	4.4	4.9	(11%)
Net cash flow*	2.8	3.7	(25%)

* Free cash flow and net cash flow exclude proceeds from divestitures related to Actavis Generics of $1,724 million in Q3 2016. Operating income, EBITDA, net income and EPS are presented on a non-GAAP basis.

2016 Non-GAAP Adjustments

$ millions	2016	Details
Impairments	1,646	Rimsa $900M, Zecuity® $248M, Revascor® $258M
Amortization	993	$881M in COGS
Legal settlements	899	FCPA $521M, Ciprofloxacin $225M
Financial expenses	888	Venezuela $746M, Mesoblast $99M
R&D	423	Regeneron $250M, Celltrion $160M
Inventory step-up	383	Mainly related to the Actavis acquisition
Acquisition and integration	261	
Restructuring	245	
Venezuela inventory	133	Venezuela inventory devaluation
Actavis divestitures	(693)	Income from the Actavis divestitures
Related tax effect	(593)	
Total adjustments	4,915	

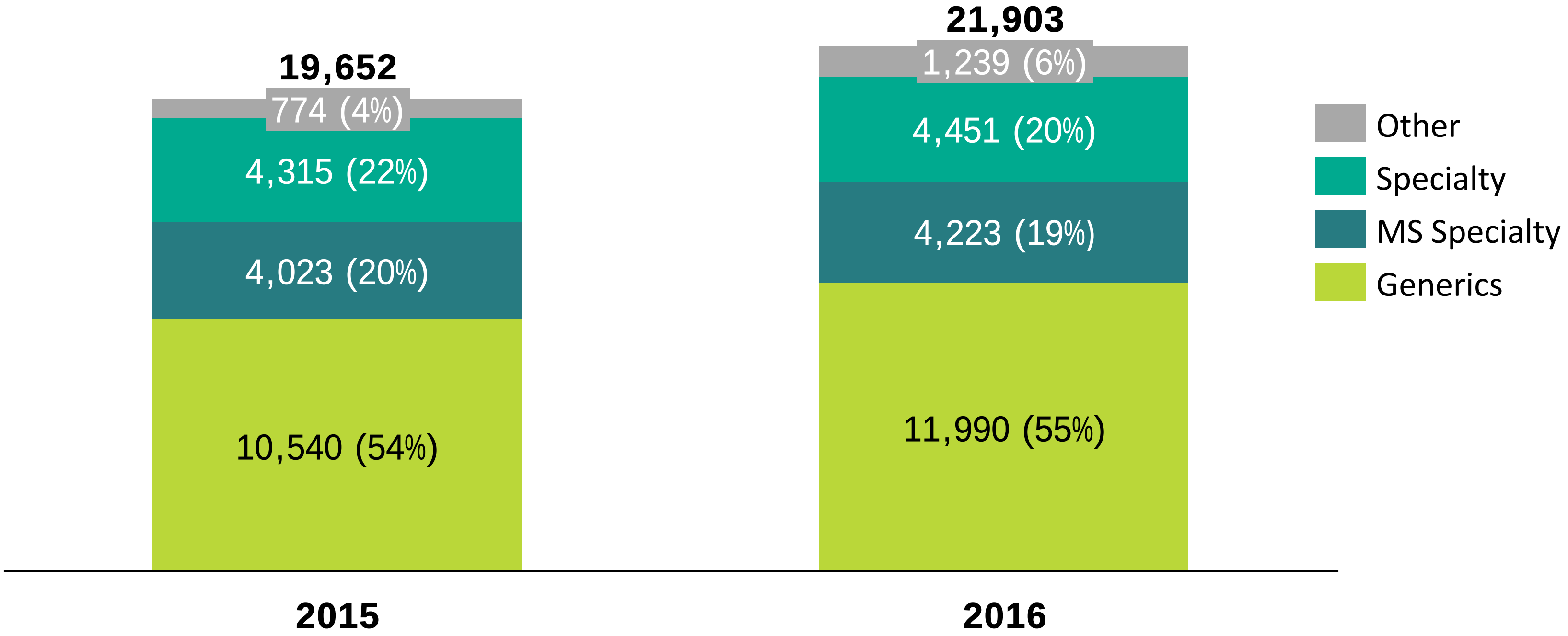
2016 Foreign Exchange & Venezuela Impact

$ millions	2016	2015	Diff	Fx Effect	Venezuela
Revenues	21,903	19,652	2,251	(174)	526
Operating income GAAP	2,154	3,352	(1,198)	(81)	23
Operating income Non-GAAP	6,847	6,174	673	(55)	133

In light of the economic conditions in Venezuela, we exclude the 2016 increases in revenues and operating profit in the country in any discussion of currency effects.

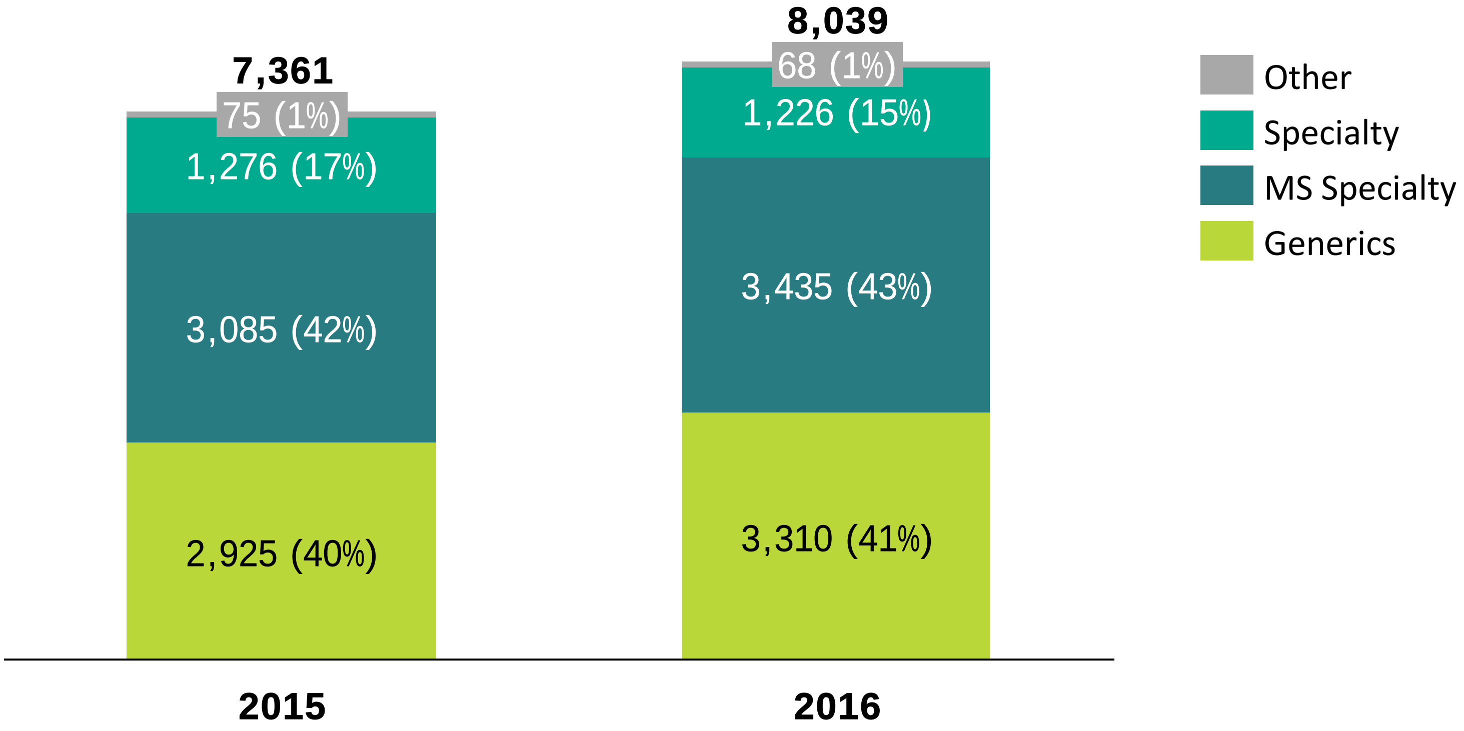
2016 Revenue Breakdown by Business Line

$ millions



2016 Business Line Profit

$ millions



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, amortization and certain other items.

Balance Sheet

$ billions	Dec 31, 2016	Dec 31, 2015	Diff
Cash and Cash Equivalents	1.0	6.9	*-5.9*
Other Financial assets	1.0	1.5	*-0.5*
AR Trade	7.5	5.4	*2.1*
Pre-paid Expenses and Other Current Assets	2.8	2.2	*0.6*
Inventory	5.0	4.0	*1.0*
Fixed Assets	8.1	6.5	*1.6*
Goodwill	44.4	19.0	*25.4*
Intangible Assets	21.5	7.7	*13.8*
Other Long Term Assets	1.6	1.1	*0.5*
Total Assets	**92.9**	**54.3**	***38.6***
AP Trade	2.2	1.9	*0.3*
SR&A	7.8	6.6	*1.2*
AP Other	5.2	3.0	*2.2*
Total Debt (ST+LT)	35.8	9.9	*25.9*
Other Long Term liabilities	6.9	2.9	*4.0*
Minority	1.7	0.2	*1.5*
Teva Shareholders' Equity	33.3	29.8	*3.5*
Total Liabilities & Equity	**92.9**	**54.3**	***38.6***

2017 Guidance

FY 2017 Financial Outlook Reaffirmed

	FY 2017 Outlook
Revenues $ billions	23.8 - 24.5
Non-GAAP EPS $	4.90 - 5.30

This includes Copaxone® revenues of $3.8 - $3.9 billion, comprised of:

- U.S. revenues of $3.1- $3.2 billion
- Non-U.S. revenues of $0.7- $0.9 billion

And assumes no launch of AB-rated generic competitor(s) to Copaxone® 40 mg in the U.S. during 2017.

Copaxone® Updated Downside Case

- Potential impact of 1-2 generic competitors to Copaxone® 40 mg launching in Feb 17 in the U.S. :
  - Revenues decrease **$1.0 - $1.3 billion**
  - Maintaining a relatively high level of expenses to support sales
  - EPS decrease **$0.75 - $0.95**

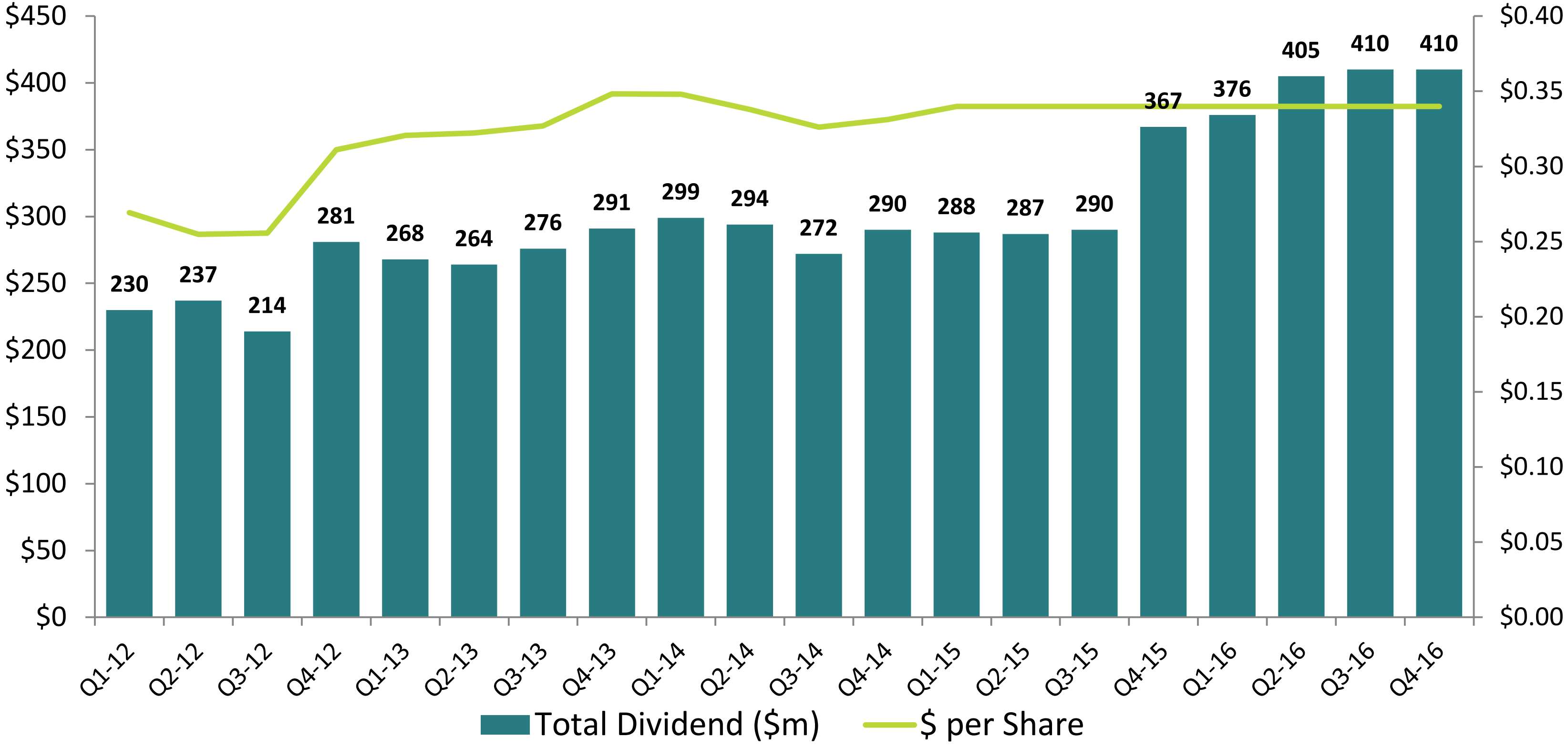
FY 2017 Quarterly Progression

- Q1 will be the lowest of the four quarters
- 40% of our 2017 EPS will be generated in Q1-Q2; 60% in Q3-Q4
- Majority of U.S. Gx launches expected only in the second half of 2017

Quarterly Dividend

Teva's Dividend History

Q4 2016 dividend per ordinary share / ADS 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").

Q&A

Additional Information

Q4 2016 GAAP Income Data

$ millions, except EPS	Q4-16	Q4-16 Margins	Q4-15	Q4-15 Margins	Diff
Revenues	**6,492**		**4,881**		**+33%**
COGS	**3,102**	47.8%	**2,034**	41.7%	+52%
Gross profit	**3,390**	**52.2%**	**2,847**	**58.3%**	**+19%**
R&D	**684**	10.5%	**446**	9.1%	+53%
S&M	**1,129**	17.4%	**916**	18.8%	+23%
G&A	**311**	4.8%	**291**	6.0%	+7%
Legal settlements and loss contingencies	**225**	3.5%	**100**	2.0%	+125%
Impairments, restructuring and others	**1,178**	18.1%	**163**	3.3%	+623%
Operating income (loss)	**(137)**	**(2.1%)**	**931**	**19.1%**	**(115%)**
Finance exp.	**777**	12.0%	**70**	1.4%	+1,014%
Tax	**57**	(6.2%)	**249**	28.9%	(77%)
Minority and share in profit	**2**	0.0%	**112**	2.3%	(98%)
Net income (loss)	**(973)**	**(15.0%)**	**500**	**10.2%**	**(295%)**
Dividends on preferred shares	**65**		**15**		
Net income (loss) attributable to ordinary shareholders	**(1,038)**		**485**		
# of shares (diluted, millions)	**1,015**		**875**		
EPS ($)	**(1.10)**		**0.55**		**(299%)**

Q4 2016 Non-GAAP Income Data

$ millions, except EPS	Q4-16	Q4-16 Margins	Q4-15	Q4-15 Margins	Diff
Revenues	**6,492**		**4,881**		**+33%**
COGS	2,633	40.6%	1,827	37.4%	+44%
Gross profit	**3,859**	**59.4%**	**3,054**	**62.6%**	**+26%**
R&D	514	7.9%	395	8.1%	+30%
S&M	1,106	17.0%	898	18.4%	+23%
G&A	295	4.5%	280	5.7%	+5%
Operating income	**1,944**	**30.0%**	**1,481**	**30.3%**	**+31%**
Finance exp.	233		68		+243%
Tax	218	12.7%	289	20.5%	(25%)
Net Income	**1,480**	**22.8%**	**1,136**	**23.3%**	**+30%**
# of shares (diluted, millions)	1,076		888		
EPS ($)	**1.38**		**1.28**		**+8%**

2016 GAAP Income Data

$ millions, except EPS	2016	2016 Margins	2015	2015 Margins	Diff
Revenues	**21,903**		**19,652**		**+11%**
COGS	**10,044**	45.9%	**8,296**	42.2%	+21%
Gross profit	**11,859**	**54.1%**	**11,356**	**57.8%**	**+4%**
R&D	**2,111**	9.6%	**1,525**	7.8%	+38%
S&M	**3,860**	17.6%	**3,478**	17.7%	+11%
G&A	**1,236**	5.6%	**1,239**	6.3%	-
Legal settlements and loss contingencies	**899**	4.1%	**631**	3.2%	+42%
Impairments, restructuring and others	**1,599**	7.3%	**1,131**	5.8%	+41%
Operating income	**2,154**	**9.8%**	**3,352**	**17.1%**	**(36%)**
Finance exp.	**1,330**	6.1%	**1,000**	5.1%	+33%
Tax	**521**	63.2%	**634**	27.0%	(18%)
Minority and share in profit (loss)	**(26)**	(0.1%)	**130**	0.7%	(120%)
Net income	**329**	**1.5%**	**1,588**	**8.1%**	**(79%)**
Dividends on preferred shares	**261**		**15**		
Net income attributable to ordinary shareholders	**68**		**1,573**		
# of shares (diluted, millions)	**961**		**864**		
EPS ($)	**0.07**		**1.82**		**(96%)**

2016 Non-GAAP Income Data

$ millions, except EPS	2016	2016 Margins	2015	2015 Margins	Diff
Revenues	**21,903**		**19,652**		**+11%**
COGS	8,485	38.7%	7,437	37.8%	+14%
Gross profit	**13,418**	**61.3%**	**12,215**	**61.9%**	**+10%**
R&D	1,665	7.6%	1,436	7.3%	+16%
S&M	3,714	17.0%	3,418	17.4%	+9%
G&A	1,192	5.4%	1,187	6.0%	-
Operating income	**6,847**	**31.3%**	**6,174**	**31.4%**	**+11%**
Finance exp.	442		223		+98%
Tax	1,114	17.4%	1,265	21.3%	(12%)
Net income	**5,244**	**23.9%**	**4,696**	**23.9%**	**+12%**
# of shares (diluted, millions)	1,020		867		
EPS ($)	**5.14**		**5.42**		**(5%)**