

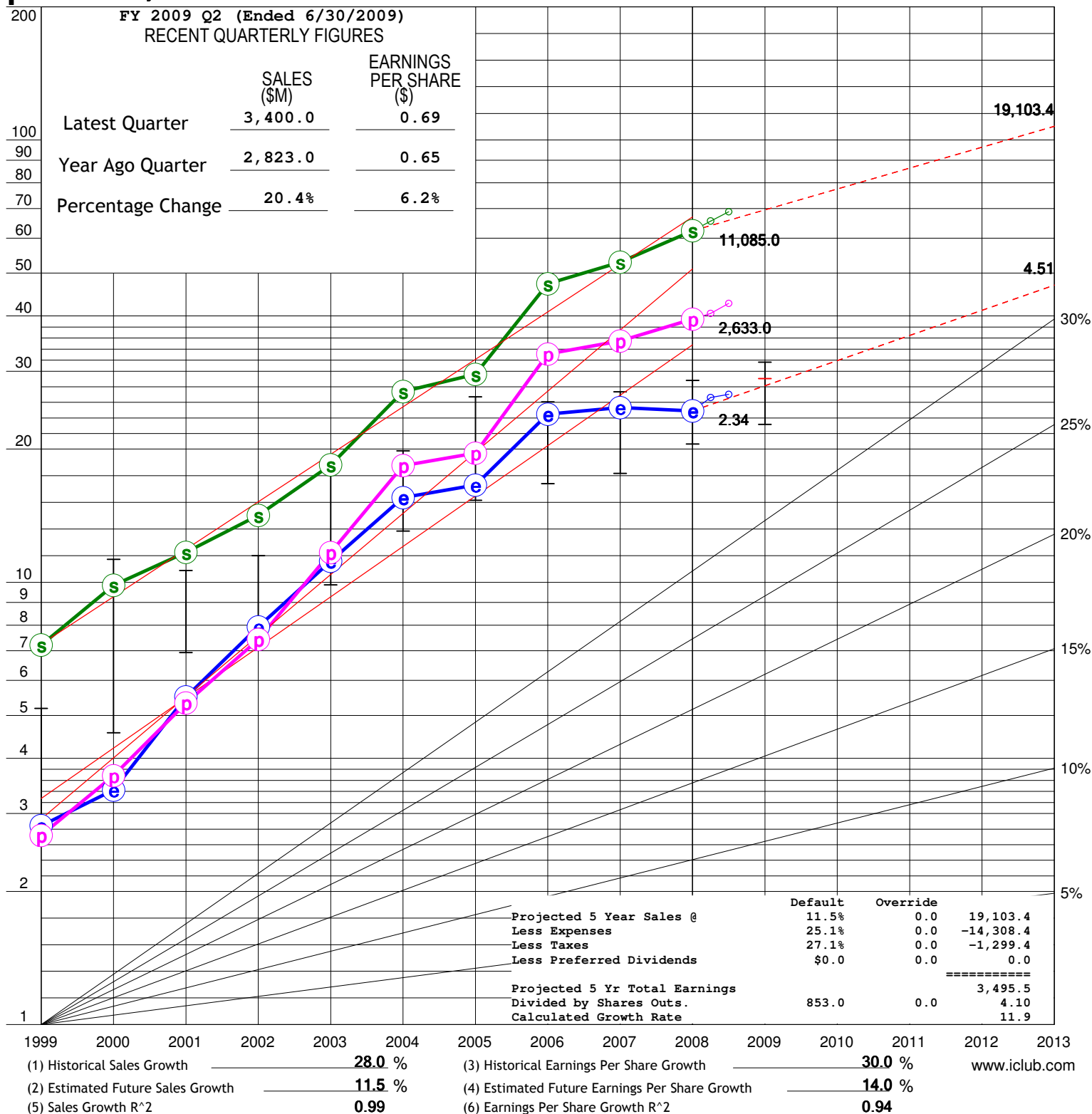


# Stock Study

Company	TEVA StockWatchNov200..	Price Date	10/30/09
Study by	Triveni	Data Date	10/30/09
Sector	Healthcare	Data Source	NAIC Data
Industry	Pharmaceuticals	Reference	
Preferred(\$M)	0.0		
Common(M Shares)	853.0	% Insiders	0.0
Debt(\$M)	6,746.0	% Institutions	0.0
% to Tot.Cap.	29.2	Quality	(S&P)

## 1 Growth Analysis

NASDAQ TEVA



## 2 QUALITY ANALYSIS

Company **TEVA StockWatchNov2009**

(TEVA)

10/30/09

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	5 YEAR AVG.	TREND UP / DOWN
<b>A</b> % Pre-tax Profit on Sales	14.0	14.0	17.2	19.7	23.8	25.6	25.0	26.1	25.0	23.8	25.1	DOWN
<b>B</b> % ROE (Beginning Yr)	<del>14.0</del>	21.9	23.1	27.7	30.3	24.8	18.0	23.5	16.2	13.1	19.1	DOWN
<b>C</b> % Debt to Equity	NMF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	EVEN

## 3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE **50.480** 52-WEEK HIGH **54.950** 52-WEEK LOW **39.750**

	Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1	2004	34.7	22.8	1.49	23.3	15.3	0.198	13.3	0.9
2	2005	45.9	26.8	1.59	28.9	16.9	0.266	16.7	1.0
3	2006	44.7	29.2	2.30	19.4	12.7	0.302	13.1	1.0
4	2007	47.1	30.8	2.38	19.8	12.9	0.389	16.3	1.3
5	2008	50.0	35.9	2.34	21.4	15.3	0.493	21.1	1.4
6	AVERAGE		29.1		22.6	14.6		16.1	
AVERAGE P/E RATIO		18.6	PROJECTED P/E RATIO		17.4	TTM EPS		2.55	
CURRENT P/E RATIO		19.8	PEG RATIO		1.2	FTM EPS		2.91	
RELATIVE VALUE		106.5%	PROJ. RELATIVE VALUE		93.4%				

## 4 EVALUATING REWARD and RISK over the next 5 years

### A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E **22.6** X Estimated High Earnings/Share **4.51** = Forecast High Price \$ **101.9**

### B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Avg. Low P/E **14.6** X Estimated Low Earnings/Share **2.34** = \$ **34.2**  
(as adj.)

(b) Average 5-Year Low Price = **29.1**

(c) Recent Severe Low Price = **30.8**

(d) Price Dividend Will Support = Present Divd. ÷ High Yield = **0.558 ÷ 0.014 = 40.6**

Selected Estimated Low Price = \$ **29.1**

### C PRICE RANGES

Forecast High Price **101.9** - Estimated Low Price **29.1** = Range **72.8** 25% of Range = **18.2**

BUY (Lower 25% of Range) = **29.1** to **47.3**

MAYBE (Middle 50% of Range) = **47.3** to **83.7**

SELL (Upper 25% of Range) = **83.7** to **101.9**

Current Price **50.480** is in the **Hold** Range

### D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price **101.9** - Current Price **50.480**) ÷ (Current Price **50.480** - Estimated Low Price **29.1**) = **2.4** To 1

## 5 TOTAL RETURN ANALYSIS

### A CURRENT YIELD

Present Full Year's Dividend \$ **0.558** ÷ Current Price of Stock \$ **50.480** = **1.1 %** Present Yield or % Returned on Purchase Price

### B AVERAGE YIELD OVER NEXT 5 YEARS

(Avg. EPS Next 5 Years **3.47** X Avg. % Payout **16.1** 16.1) ÷ Current Price \$ **50.480** = **1.1 %**

### C % COMPOUND ANNUAL TOTAL RETURN

Average Yield **0.7 %** + Annual Appreciation **15.1 %** = Compound Annual Total Return **15.8 %**

### D % PROJECTED AVERAGE RETURN

Average Yield **0.9 %** + Annual Appreciation **10.7 %** = Projected Average Total Return **11.6 %**