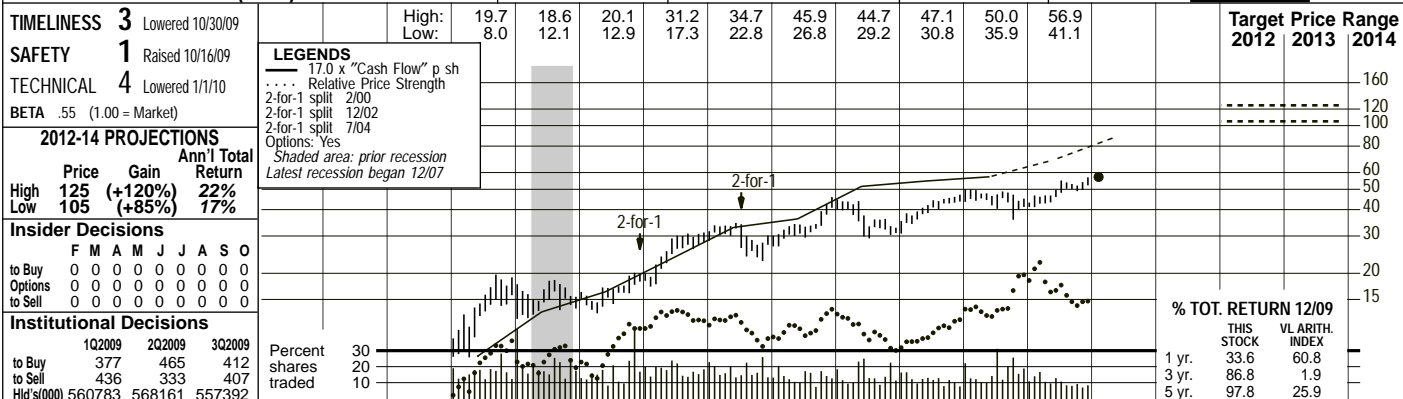


TEVA PHARM. (ADR) NDQ-TEVA^A			RECENT PRICE	57.06	P/E RATIO	14.6 (Trailing: 17.9 Median: NMF)	RELATIVE P/E RATIO	0.85	DIV'D YLD	1.1%	VALUE LINE
---	--	--	--------------	-------	-----------	-----------------------------------	--------------------	------	-----------	------	------------



1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	© VALUE LINE PUB., INC.	12-14
--	--	--	--	--	--	--	3.42	4.13	4.87	5.99	7.85	8.49	11.09	12.25	13.03	15.70	18.05	Sales per sh	23.10
--	--	--	--	--	--	--	.48	.77	.96	1.36	1.94	2.13	3.03	3.22	3.37	4.05	5.25	"Cash Flow" per sh	6.40
--	--	--	--	--	--	--	.29	.53	.76	1.07	1.42	1.59	2.30	2.38	2.86	3.35	4.50	Earnings per sh ^B	5.50
--	--	--	--	--	--	--	.06	.07	.10	.16	.20	.27	.31	.39	.49	.60	.63	Div'ds Decl'd per sh ^C	.68
--	--	--	--	--	--	--	.17	.23	.31	.38	.51	.50	.51	.71	.80	.85	.85	Cap'l Spending per sh	.90
--	--	--	--	--	--	--	2.25	2.74	3.54	6.02	8.81	9.77	14.70	17.87	19.15	21.45	25.40	Book Value per sh ^D	38.75
--	--	--	--	--	--	--	511.67	503.40	517.20	546.80	611.40	618.60	758.00	768.00	851.00	886.00	886.00	Common Shs Outst'g ^E	865.00
--	--	--	--	--	--	--	46.5	28.9	21.4	23.7	21.1	21.0	15.9	17.1	15.8	14.4		Avg Ann'l P/E Ratio	21.0
--	--	--	--	--	--	--	3.02	1.48	1.17	1.35	1.11	1.12	.86	.91	.95	.95		Relative P/E Ratio	1.40
--	--	--	--	--	--	--	.4%	.5%	.6%	.6%	.7%	.8%	.9%	1.0%	1.1%	1.2%		Avg Ann'l Div'd Yield	.6%

CAPITAL STRUCTURE as of 9/30/09							--	1749.9	2077.4	2518.6	3276.4	4798.9	5250.4	8408.0	9408	11085	13900	16000	Sales (\$mill)	20000
Total Debt \$5,778 mill. Due in 5 Yrs \$5,060 mill.							--	19.4%	23.4%	24.3%	27.9%	30.0%	29.6%	32.4%	31.0%	28.6%	31.0%	34.5%	Operating Margin	33.0%
LT Debt \$4,302 mill. LT Interest \$200.0 mill.							--	95.0	109.1	86.8	127.7	220.4	242.5	431.0	521.0	493.0	520	540	Depreciation (\$mill)	600
(18% of Cap'l)							--	148.4	278.2	410.3	617.8	964.6	1072.3	1867.0	1952.0	2374.0	3050	4115	Net Profit (\$mill)	4950
Leases, Uncapitalized Annual rentals \$69.0 mill.							--	28.6%	18.7%	17.0%	20.0%	22.2%	18.0%	14.9%	16.9%	9.6%	16.0%	17.0%	Income Tax Rate	17.0%
No Defined Benefit Pension Plan							--	8.5%	13.4%	16.3%	18.9%	20.1%	20.4%	22.2%	20.7%	21.4%	21.9%	25.7%	Net Profit Margin	24.8%
Pfd Stock None							--	825.1	1439.8	1377.2	2021.5	1997.6	3245.2	3569.0	4488.0	2945.0	4200	7200	Working Cap'l (\$mill)	16600
Common Stock 886,000,000 shs.							--	813.9	1246.9	1152.2	815.4	1728.4	1773.3	4585.0	3347.0	5537.0	4300	4100	Long-Term Debt (\$mill)	3300
(each ADR is equivalent to one common share)							--	1151.3	1380.7	1829.4	3289.4	5388.9	6042.3	11142	13724	16300	19000	22500	Shr. Equity (\$mill)	33500

MARKET CAP: \$50.6 billion (Large Cap)							--	8.6%	11.4%	14.6%	15.5%	13.8%	13.9%	12.3%	11.8%	11.3%	13.5%	15.5%	Return on Total Cap'l	13.5%
CURRENT POSITION 2007 2008 9/30/09							--	12.9%	20.2%	22.4%	18.8%	17.9%	17.7%	16.8%	14.2%	14.6%	16.0%	18.5%	Return on Shr. Equity	15.0%
(\$MILL.)							--	10.5%	17.8%	19.9%	16.5%	15.7%	15.1%	14.7%	12.0%	12.2%	13.5%	16.0%	Retained to Com Eq	13.0%
Cash Assets							--	19%	12%	11%	12%	13%	15%	12%	15%	16%	17%	14%	All Div'ds to Net Prof	12%
Receivables																				
Inventory (Avg Cst)																				
Other																				
Current Assets																				
Accts Payable																				
Debt Due																				
Other																				
Current Liab.																				

ANNUAL RATES Past Past Est'd '06-'08							BUSINESS: Teva Pharmaceutical Industries Limited, based in Israel, is a global pharmaceutical company that develops, manufactures, and markets generic and proprietary branded drugs and active pharmaceutical ingredients. About 85% of sales are derived from North America and Europe. Teva's largest proprietary branded products incl. <i>Copaxone</i> (used to treat multiple sclerosis) and <i>Azilect</i> (for Parkinson's disease). Acq'd Sico in 1/04; IVAX, 1/06; Barr, 12/08. Has about 38,300 empls. worldwide. Off. and dir. own approx. 4.6% of common (2008 20-F). Chairman: Eli Hurvitz. Pres./CEO: Shlomo Yanai. Inc.: Israel. Address: 5 Basel Street, P.O. Box 3190, Petach Tikva 49131 Israel. Tel. (Israel): 972-3-926-7267. Tel. (U.S.): 215-591-8912. Internet: www.tevapharm.com.												
of change (per sh)																			
10 Yrs.																			
5 Yrs.																			
to '12-'14																			
Sales																			
"Cash Flow"																			
Earnings																			
Dividends																			
Book Value																			

QUARTERLY SALES (\$ mill.)							Teva Pharmaceutical likely delivered a share-net increase of 17% for 2009.												
Cal-endar							Despite lighter-than-expected sales in the third quarter, share profit managed to advance nicely. That was made possible by a lower tax rate, which offset a negative foreign exchange impact and higher expenses. And we believe Teva had a solid finish to the year, as it likely continued to benefit from record-level <i>Copaxone</i> sales, strength of other core drugs, and global expansion. Contributions from Barr and generic launches of branded drugs, including <i>Ortho Tri-Cyclen Lo</i> (birth control) and <i>Eloxatin</i> (cancer treatment), among the latest, probably lent support too.												
Mar.31 Jun.30 Sep.30 Dec.31							We anticipate strong bottom-line growth for 2010. Our expectation is partly predicated on continued strength of <i>Copaxone</i> sales and ongoing global market-share gains. Generic launches of key branded products, including anti-depressant <i>Effexor XR</i> and chemotherapy drug <i>Gemzar</i> , should drive sales as well in the new year. Notably, generic drug growth opportunities are plentiful. At the end of October, Teva had 210 product applications pending FDA approval, with the branded versions generating over \$113 billion in combined annual sales. On the expense side, Teva ought to be helped by the fact that it will soon stop paying a royalty to Sanofi for U.S. <i>Copaxone</i> sales. Cost synergies from the Barr acquisition (expected to total \$500 million by 2011) should also aid margins. In all, we think share net in 2010 will rise 34%.												
2006							The expansion potential seems vast, auguring well for the long haul. With the Barr acquisition, Teva now has a larger presence in the U.S. and in key markets around the world, namely Central and Eastern Europe. It also boasts a more diverse and extensive drug portfolio and pipeline. Going forward, we think biologics will be one area of particular focus. In fact, Teva is currently seeking FDA approval on a similar version of Amgen's biotech drug, <i>Neupogen</i> , which boosts white blood cells in cancer patients.												
2007							At this juncture, Teva shares are most appealing as a long-term holding. The issue offers substantial capital gains potential, based on the sturdy earnings advances we envision three to five years out.												
2008							<i>J. Susan Ferrara</i>												
2009							<i>January 15, 2010</i>												
2010																			

EARNINGS PER SHARE ^B					Full Year
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	
2006	.37	.66	.74	.53	2.30
2007	.42	.63	.64	.69	2.38
2008	.70	.68	.72	.76	2.86
2009	.71	.83	.89	.92	3.35
2010	1.00	1.10	1.15	1.25	4.50
QUARTERLY DIVIDENDS PAID ^C					Full Year
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	
2006	.072	.074	.077	.078	.30
2007	.094	.099	.095	.101	.39
2008	.122	.135	.125	.111	.49
2009	.14	.15	.156	.157	.60
2010					

Eloxatin (cancer treatment), among the latest, probably lent support too.

We anticipate strong bottom-line growth for 2010. Our expectation is partly predicated on continued strength of *Copaxone* sales and ongoing global market-share gains. Generic launches of key branded products, including antidepressant *Effexor XR* and chemotherapy drug *Gemzar*, should drive sales as well in the new year. **Notably, generic drug growth opportunities are plentiful.** At the end of October, Teva had 210 product applications pending FDA approval, with

and Eastern Europe. It also boasts a more diverse and extensive drug portfolio and pipeline. Going forward, we think biologics will be one area of particular focus. In fact, Teva is currently seeking FDA approval on a similar version of Amgen's biotech drug, *Neupogen*, which boosts white blood cells in cancer patients.

At this juncture, Teva shares are most appealing as a long-term holding. The issue offers substantial capital gains potential, based on the sturdy earnings advances we envision three to five years out.

J. Susan Ferrara *January 15, 2010*