

TEVA PHARMACEUTICAL INDUSTRIES LTD
Form 424B5
June 15, 2010
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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-155927

The information in this supplement is not complete and may be changed. We may not deliver these securities until a final supplement is delivered. This preliminary prospectus supplement and the accompanying prospectus do not constitute an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, Dated June 15, 2010

PROSPECTUS SUPPLEMENT

(To Prospectus dated December 4, 2008)

\$

Teva Pharmaceutical Finance III, LLC

\$ Floating Rate Senior Notes due 2011

\$ % Senior Notes due 2012

Teva Pharmaceutical Finance II B.V.

\$ % Senior Notes due 2015

Payment of principal and interest unconditionally guaranteed by

Teva Pharmaceutical Industries Limited

This is an offering by

Teva Pharmaceutical Finance III, LLC (Teva Finance LLC) of \$ of its Floating Rate Senior Notes due 2011 (the 2011 notes) and \$ of its % Senior Notes due 2012 (the 2012 notes); and

Teva Pharmaceutical Finance II B.V. (Teva Finance BV) and, together with Teva Finance LLC, the issuers) of \$ of its % Senior Notes due 2015 (the 2015 notes).

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We have not authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectuses we have prepared. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus supplement and the accompanying prospectus is an offer to sell only the notes offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus supplement and the accompanying prospectus is current only as of the respective dates of such documents.

This prospectus supplement and accompanying prospectus are only being distributed to and are only directed at (1) persons who are outside the United Kingdom or (2) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order) or (iii) high net worth entities, and other persons to whom they may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as relevant persons). The notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this prospectus supplement or the accompanying prospectus.

In relation to each Member State of the European Economic Area (EEA) which has implemented the Prospectus Directive (each, a Relevant Member State) an offer to the public of any notes which are the subject of the offering contemplated by this prospectus may not be made in that Relevant Member State except for an offer to qualified investors in that Member State within the meaning of the Prospectus Directive, provided that no such offer of notes shall result in a requirement for the publication by the issuers or the book-running managers of a prospectus pursuant to Article 3 of the Prospectus Directive.

This prospectus has been prepared on the basis that any offer of notes in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for the offer of these notes. Accordingly any person making or intending to make any offer within the EEA of notes which are the subject of the offering contemplated in this prospectus may only do so in circumstances in which no obligation arises for the issuers, or any of the book-running managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither the issuers nor the book-running managers have authorized, nor do they authorize, the making of any offer (other than permitted public offers) of notes in circumstances in which an obligation arises for the issuers or the book-running managers to publish a prospectus for such offer.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any notes under, the offers contemplated in this prospectus will be deemed to have represented, warranted and agreed to and with each of the issuers and each book-running manager that:

it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and

in the case of any notes acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the notes acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the book-running managers has been given to the offer or resale; or (ii) where notes have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those notes to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of the above, the expression an offer to the public in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any notes to be offered so as to enable an investor to decide to purchase or

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subscribe for the notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

In connection with the issue of the notes, the book-running managers (or persons acting on behalf of any of the book-running managers) may over-allot notes or effect transactions with a view to supporting the market price of the notes at a level higher than that which might otherwise prevail. However, there is no assurance that the joint book-running managers (or persons acting on behalf of a book-running manager) will undertake stabilization action. Such stabilizing, if commenced, may be discontinued at any time and, if begun, must be brought to an end after a limited period. Any stabilization action or over-allotment must be conducted by the relevant book-running managers (or persons acting on behalf of any book-running manager) in accordance with all applicable laws and rules.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. This is not intended to be a complete description of the matters covered in this prospectus supplement and the accompanying prospectus and is subject to, and qualified in its entirety by, reference to the more detailed information and financial statements (including the notes thereto) included or incorporated by reference in this prospectus supplement and the accompanying prospectus. Unless otherwise indicated, all references to the Company, we, us, our or Teva refer to Teva Pharmaceutical Industries Limited and its subsidiaries. All references to Teva Finance LLC refer to Teva Pharmaceutical Finance III, LLC, an indirect subsidiary of Teva, to Teva Finance BV refer to Teva Pharmaceutical Finance II B.V., an indirect subsidiary of Teva, and to issuers refer to both Teva Finance LLC and Teva Finance BV.

The Company

We are a global pharmaceutical company that develops, produces and markets generic drugs covering all major treatment categories. We are the leading generic drug company in the world, as well as in the United States, in terms of both total and new prescriptions. We also have a significant and growing branded pharmaceutical portfolio, including Copaxone® for multiple sclerosis and Azilect® for Parkinson's disease, respiratory products and women's health products. Our active pharmaceutical ingredient (API) manufacturing capabilities provide significant vertical integration to our own pharmaceutical production.

Our global presence covers North America, Europe, Latin America, Asia and Israel. We currently have direct operations in more than 60 countries, including 38 finished dosage pharmaceutical manufacturing sites in 17 countries, 15 generic R&D centers operating mostly within certain manufacturing sites and 21 API manufacturing sites around the world. In 2009, we generated approximately 60% of our sales in North America (i.e., the United States and Canada only), approximately 25% in Europe (i.e., all European Union (EU) member states and other Western European countries) and approximately 15% in other regions (primarily Latin America, including Mexico, Israel and Central and Eastern European countries that are not members of the EU).

Teva was incorporated in Israel on February 13, 1944, and is the successor to a number of Israeli corporations, the oldest of which was established in 1901. Our executive offices are located at 5 Basel Street, P.O. Box 3190, Petach Tikva 49131 Israel, telephone number +972-3-926-7267.

Teva Finance LLC

Teva Finance LLC is a Delaware limited liability company that was formed on December 5, 2003 to issue debt securities pursuant to the accompanying prospectus. Its address is 1090 Horsham Road, North Wales, Pennsylvania 19454, telephone number (215) 591-3000.

Teva Finance BV

Teva Finance BV is a Netherlands Antilles private limited liability company that was formed on June 30, 2003 to issue debt securities pursuant to the accompanying prospectus. Its address is Schottgatweg Oost 29D, Curacao, Netherlands Antilles, telephone number +5999-736-6066.

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Recent Developments

Ratiopharm Acquisition.

As previously announced, on March 18, 2010, we entered into a definitive agreement to acquire Merckle-ratiopharm Group (Ratiopharm), Germany's second-largest generic drug company and the sixth-largest generic drug company worldwide, for an enterprise value of 3.625 billion (or approximately \$5 billion). The closing of the transaction is subject to various conditions, including approval by antitrust authorities in Europe and in Canada. We expect that the closing of the transaction will take place by the end of 2010.

The acquisition of Ratiopharm is part of our strategic objective of strengthening our position in key European markets, and is expected to position us as the leading generic pharmaceutical company in Europe in terms of sales. It will also substantially increase our sales in Germany, Canada, Russia and Ukraine.

New Credit Facilities.

In addition to our existing credit facilities, we recently executed commitment letters from three banks, with each agreeing to provide us with up to \$500 million, or the Euro equivalent, to be used to pay a portion of the purchase price for the Ratiopharm acquisition. The credit facilities are unsecured, provide for a floating LIBOR-based interest rate and have a term of up to one-year from the drawing of the loan. Consummation of these loans remains subject to various closing conditions.

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The Offering

Issuers	<p>Teva Pharmaceutical Finance III, LLC (Teva Finance LLC); and</p> <p>Teva Pharmaceutical Finance II B.V. (Teva Finance BV), each of which are indirect, wholly owned subsidiaries of Teva Pharmaceutical Industries Limited that have no assets or operations other than in connection with this offering.</p>
Securities Offered	<p>\$ million aggregate principal amount of Floating Rate Senior Notes due 2011 of Teva Finance LLC (the 2011 notes);</p> <p>\$ million aggregate principal amount of % Senior Notes due 2012 of Teva Finance LLC (the 2012 notes); and</p> <p>\$ aggregate principal amount of % Senior Notes due 2015 of Teva Finance BV (the 2015 notes).</p>
Guarantees	<p>Teva will irrevocably and unconditionally guarantee the punctual payment when due of the principal and interest, whether at maturity, upon redemption, by acceleration or otherwise (including any additional amounts in respect of taxes as described in Description of the Notes and the Guarantees Additional Tax Amounts), if any, on the notes of each series.</p>
Ranking	<p>As indebtedness of Teva, the guarantees will rank:</p> <p>senior to the rights of creditors under debt expressly subordinated to the notes;</p> <p>equally with other unsecured debt of Teva from time to time outstanding other than any that is subordinated to the notes;</p> <p>effectively junior to Teva s secured indebtedness up to the value of the collateral securing that indebtedness; and</p> <p>effectively junior to the indebtedness of Teva s subsidiaries.</p>
Maturity	<p>The 2011 notes will mature on , 2011, the 2012 notes will mature on , 2012 and the 2015 notes will mature on , 2015, unless earlier redeemed.</p>

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Interest Payment Dates

, , and of each year, beginning
, , and at maturity, with respect to the 2011 notes. and
, beginning , , and at maturity, with respect to the 2012
notes and the 2015 notes.

Interest Rate

A rate equal to three-month LIBOR (calculated as set forth in the Description of the
Notes and the Guarantees Payment of Interest and Principal Interest on the 2011 Notes)
plus % in the case of the 2011 notes.

% per year in the case of the 2012 notes; and

% per year in the case of the 2015 notes.

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Optional Redemptions by the Issuers	<p>The 2011 notes will not be subject to redemption at Teva Finance LLC's option (other than as set forth below in Description of the Notes and the Guarantees Tax Redemption). The applicable issuers may, however, redeem the 2012 notes or the 2015 notes, in whole or in part, at any time or from time to time, on at least 20 days , but not more than 60 days , prior notice. These notes will be redeemable at a redemption price equal to the greater of (1) 100% of the principal amount of the notes to be redeemed or (2) the sum of the present values of the Remaining Scheduled Payments (as defined under Description of the Notes and the Guarantees Optional Redemption by the Applicable Issuer) discounted, on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), at a rate equal to the sum of the Treasury Rate (as defined in Description of the Notes and the Guarantees Optional Redemption by the Applicable Issuer) and basis points in the case of the 2012 notes or basis points in the case of the 2015 notes, plus accrued and unpaid interest, if any, to the redemption date.</p>
Use of Proceeds	<p>Teva intends to use the proceeds from the offering to repay approximately \$800 million of the approximately \$1.5 billion outstanding under its unsecured credit facility assumed in connection with the acquisition of Barr in 2008, pay a portion of the purchase price for its pending acquisition of Ratiopharm and/or for general corporate purposes. See Use of Proceeds.</p>
Form, Denomination and Registration	<p>The notes will be issued only in fully registered form without coupons and in minimum denominations of \$2,000 principal amount and whole multiples of \$1,000 in excess of \$2,000. The notes will be evidenced by one or more global notes deposited with the trustee of the notes, as custodian for Depository Trust Company (DTC). Beneficial interests in the global notes will be shown on, and transfers will be effected through, records maintained by DTC and its direct and indirect participants.</p>
Absence of a Public Market for the Notes	<p>The notes are new securities for which no market currently exists. While one or more of the underwriters have informed us that they intend to make a market in the notes, they are under no obligation to do so and may discontinue such activities at any time without notice. The notes will not be listed on any securities exchange or included in any automated quotation system. We cannot assure you that any active or liquid market will develop in the notes.</p>

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The summary selected financial data set forth below for each of the years in the three-year period ended December 31, 2009 and at December 31, 2009 and 2008 are derived from Teva's audited consolidated financial statements and related notes incorporated by reference into this prospectus supplement, which have been prepared in accordance with accounting principles generally accepted in the United States, or U.S. GAAP. The selected financial data for each of the years in the two-year period ended December 31, 2006 and at December 31, 2007 are derived from other audited consolidated financial statements of Teva, which have been prepared in accordance with U.S. GAAP.

The summary selected unaudited financial data as of and for each of the three month periods ended March 31, 2010 and 2009 are derived from unaudited consolidated financial statements incorporated by reference into this prospectus supplement. Such financial statements include, in Teva's opinion, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the results for the unaudited periods. You should not rely on these interim results as being indicative of results Teva may expect for the full year or any other interim period.

The information set forth below is only a summary and is not necessarily indicative of the results of future operations of Teva, and you should read the summary selected historical financial data together with Teva's audited and unaudited consolidated financial statements and related notes and "Operating and Financial Review and Prospects" included in Teva's Annual Report on Form 20-F and Reports of Foreign Private Issuer on Form 6-K incorporated into this prospectus supplement by reference. See the section entitled "Where You Can Find More Information" for information on where you can obtain copies of these documents.

Operating Data

	For the three months ended		For the year ended December 31,				
	March 31, 2010	2009	2009	2008	2007	2006	2005
	(unaudited)						
	U.S. dollars in millions (except per share amounts)						
Net sales	3,653	3,147	13,899	11,085	9,408	8,408	5,250
Cost of sales	1,640	1,576	6,532	5,117	4,531	4,149	2,770
Gross profit	2,013	1,571	7,367	5,968	4,877	4,259	2,480
Research and development expenses - net	207	219	802	786	581	495	369
Selling and marketing expenses	752	604	2,676	1,842	1,264	1,024	533
General and administrative expenses	182	196	823	669	637	548	266
Legal settlements, acquisition and restructuring expenses and impairment	34	14	638	124		96	
Acquisition of research and development in process	4		23	1,402		1,295	
Operating income	834	538	2,405	1,145	2,395	801	1,312
Financial expenses - net	27	63	202	345*	91*	137*	4
Income before income taxes	807	475	2,203	800	2,304	664	1,308
Provision for income taxes	85	25	166	184*	386*	145*	236
	722	450	2,037	616	1,918	519	1,072

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	For the three months ended			For the year ended December 31,			
	March 31, 2010 (unaudited)	2009	2009	2008	2007	2006	2005
	U.S. dollars in millions (except per share amounts)						
Share in profit (losses) of associated companies net	(8)	1	(33)	(1)	(3)	(3)	2
Net income	714	451	2,004	615	1,915	516	1,074
Net income attributable to non-controlling interests	1	***	4	6**	1**	2**	2**
Net income attributable to Teva	713	451	2,000	609	1,914	514	1,072
Earnings per share attributable to Teva:							
Basic (\$)	0.80	0.53	2.29	0.78	2.49	0.68	1.73
Diluted (\$)	0.79	0.51	2.23	0.75	2.36	0.65	1.59
Weighted average number of shares (in millions):							
Basic (\$)	892	857	872	780	768	756	618
Diluted (\$)	921	894	896	820	830	805	681

* After giving retroactive effect to the adoption of an accounting pronouncement which requires issuers to account separately for the liability and equity components of convertible debt instruments that may be settled in cash (including partial cash settlement).

** After giving retroactive effect to non-controlling interests reclassification.

*** Represents an amount of less than \$0.5 million.

Balance Sheet Data

	As of March 31,		As of December 31,		
	2010 (unaudited)	2009	2009	2008	2007
	U.S. dollars in millions				
Working capital (current assets net of current liabilities)	4,268	2,570	4,539	2,945	4,492*
Total assets	34,051	32,243	33,810	32,920*	23,423*
Short-term debt, including current maturities:					
Short-term debt	1,974	3,356	1,301	2,906	1,837*
Long-term debt, net of current maturities:					
Convertible senior debentures	47	1,208	817	1,821*	1,345*
Senior notes and loans	3,416	3,855	3,494	3,654	1,914
Total long-term debt	3,463	5,063	4,311	5,475	3,259
Non-controlling interests	33	58	37	60	36
Total equity	19,683	16,137	19,259	16,438*	13,864*

* After giving retroactive effect to the adoption of an accounting pronouncement which requires issuers to account separately for the liability and equity components of convertible debt instruments that may be settled in cash (including partial cash settlement).

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RISK FACTORS

Before you invest in the notes, you should carefully consider the risks involved. Accordingly, you should carefully consider the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus, including the risk factors listed below and in the accompanying prospectus. See Forward-Looking Statements.

Risks Related to Our Business

Investment in our securities involve various risks. In making an investment decision, you should carefully consider the risks and uncertainties described under the heading Risk Factors in our Annual Report on Form 20-F for the year ended December 31, 2009, our Reports of Foreign Private Issuer on Form 6-K that are incorporated herein by reference and any future filings made by Teva pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), prior to the termination of this offering as well as the risk factors below.

Risks Related to the Notes

There may not be a liquid market for the notes, and you may not be able to sell your notes at attractive prices or at all.

The notes are a new issue of securities for which there is currently no trading market. Although one or more of the underwriters have advised us that they currently intend to make a market in the notes, they are not obligated to do so and may discontinue their market-making activities at any time without notice. We do not intend to apply for listing of the notes on any exchange or any automated quotation system. If an active market for the notes fails to develop or be sustained, the trading price of the notes could fall, and even if an active trading market were to develop, the notes could trade at prices that may be lower than the initial offering price. The trading price of the notes will depend on many factors, including:

prevailing interest rates and interest rate volatility;

the markets for similar securities;

our financial condition, results of operations and prospects;

the publication of earnings estimates or other research reports and speculation in the press or investment community;

changes in our industry and competition; and

general market and economic conditions.

As a result, we cannot assure you that you will be able to sell the notes at attractive prices or at all.

A downgrade, suspension or withdrawal of the rating assigned by a rating agency to the notes, if any, could cause the liquidity or market value of the notes to decline significantly.

We cannot assure you what rating, if any, will be assigned to the notes. In addition, we cannot assure you that any rating so assigned will remain for any given period of time or that the rating will not be lowered or withdrawn entirely by the rating agency if in that rating agency's judgment future circumstances relating to the basis of the rating, such as adverse changes in our business, so warrant.

We will significantly increase our total indebtedness as a result of the sale of the notes and our expected new credit facilities.

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As a result of the sales of the notes and our expected use of new credit facilities in connection with the Ratiopharm acquisition, net of the expected repayment of \$800 million of the Barr credit facility, we will incur

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an additional \$3.2 billion of indebtedness. As a result of this indebtedness, our principal and interest payment obligations will increase substantially. The degree to which we will be leveraged could affect our ability to obtain additional financing for working capital, acquisitions or other purposes and could make us more vulnerable to industry downturns and competitive pressures. Our ability to meet our debt service obligations will be dependent upon our future performance and access to financing, which will be subject to financial, business and other factors affecting our operations, many of which are beyond our control.

Because Teva and Teva Finance BV are foreign entities, you may have difficulties enforcing your rights under the guarantees and under the notes offered by Teva Finance BV.

Teva is an Israeli company. In addition, most of Teva's officers, directors or persons of equivalent position reside outside of the United States. As a result, service of process on them may be difficult or impossible to effect in the United States. Furthermore, due to the fact that a substantial portion of our assets are located outside of the United States, it may be difficult to enforce judgments obtained against us or any of our directors and officers in a United States Court.

An Israeli court may declare a judgment rendered by a foreign court in a civil matter, including judgments awarding monetary or other damages, enforceable if it finds that:

- (1) the judgment was rendered by a court which was, according to the foreign country's law, competent to render it;
- (2) the judgment is no longer appealable;
- (3) the judgment is enforceable according to the rules relating to the enforceability of judgments in Israel and the substance of the judgment is not contrary to public policy in Israel; and
- (4) the judgment can be executed in the state in which it was given.

A foreign judgment will not be declared enforceable by Israeli courts if it was given in a state, the laws of which do not provide for the enforcement of judgments of Israeli courts (subject to exceptional cases) or if its enforcement is likely to prejudice the sovereignty or security of Israel. An Israeli court also will not declare a foreign judgment enforceable if it is proved to the Israeli court that:

- (1) the judgment was obtained by fraud;
- (2) there was no due process;
- (3) the judgment was given by a court not competent to render it according to the laws of private international law in Israel;
- (4) the judgment is at conflict with another judgment that was given in the same matter between the same parties and which is still valid; or
- (5) at the time the action was brought to the foreign court a claim in the same matter and between the same parties was pending before a court or tribunal in Israel.

Teva Finance BV is organized under the laws of the Netherlands Antilles and its managing directors reside outside the United States, and all or a significant portion of the assets of such person may be, and substantially all of the assets of Teva Finance BV are, located outside the United

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States. As a result, it may not be possible to effect service of process within the United States upon Teva Finance BV or any such person or to enforce against Teva Finance BV or any such person judgments obtained in United States courts predicated upon the civil liability provisions of the federal securities laws of the United States.

The United States and the Netherlands Antilles do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States based on civil liability, whether or

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not predicated solely upon the federal securities laws of the United States, would not be directly enforceable in the Netherlands Antilles.

If the party in whose favor such a final judgment is rendered brings a new suit in a competent court in the Netherlands Antilles, that party may submit to the Netherlands Antilles court the final judgment that has been rendered in the United States. A foreign judgment would be enforceable in the Netherlands Antilles generally, without any re-examination of the merits of the original judgment provided that:

- (1) the judgment is final in the jurisdiction where rendered and was issued by a competent court;
- (2) the judgment is valid in the jurisdiction where rendered;
- (3) the judgment was issued following personal service of the summons upon the defendant or its agent and, in accordance with due process of law, an opportunity for the defendant to defend against the foreign action;
- (4) the judgment does not violate natural justice or any compulsory provisions of Netherlands Antilles law or principles of public policy;
- (5) the terms and conditions governing the indentures do not violate any compulsory provisions of Netherlands Antilles law or principles of public policy;
- (6) the judgment is not contrary to a prior or simultaneous judgment of a competent Netherlands Antilles court; and
- (7) the judgment has not been rendered in proceedings of a penal, revenue or other public law nature.

The notes will be subordinated to some of our existing and future indebtedness.

Teva will irrevocably and unconditionally guarantee the punctual payment when due of the principal of and interest, if any, on the notes. As indebtedness of Teva, the notes will be Teva's general, unsecured obligations and will rank equally in right of payment with all of Teva's existing and future unsubordinated, unsecured indebtedness. The notes will be effectively subordinated to any existing and future secured indebtedness Teva may have up to the value of the collateral securing that indebtedness and structurally subordinated to any existing and future liabilities and other indebtedness of our subsidiaries with respect to the assets of those subsidiaries. These liabilities may include debt securities, credit facilities, trade payables, guarantees, lease obligations, letter of credit obligations and other indebtedness. See Description of the Notes and the Guarantees Description of the Guarantees. The indenture does not restrict us or our subsidiaries from incurring debt in the future, nor does it limit the amount of indebtedness we can issue that is equal in right of payment. At March 31, 2010, Teva's subsidiaries, other than finance subsidiaries, had \$2,519 million of indebtedness outstanding.

Teva is, and may in the future be, subject to restrictions on receiving dividends and other payments from its subsidiaries.

Teva's income is derived in large part from its subsidiaries. Accordingly, Teva's ability to pay its obligations under the guarantees depends in part on the earnings of its subsidiaries and the payment of those earnings to Teva, whether in the form of dividends, loans or advances. Such payment by Teva's subsidiaries to Teva may be subject to restrictions. For example, the Barr credit facilities restrict the payment of dividends to Teva by the Barr subsidiaries covered under such agreement. The indenture does not restrict Teva or its subsidiaries from entering into additional agreements that contain similar restrictions.

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FORWARD LOOKING STATEMENTS

Our disclosure and analysis in this prospectus supplement contain or incorporate by reference some forward-looking statements.

Forward-looking statements describe our current expectations or forecasts of future events. You can identify these statements by the fact that they do not relate strictly to historical or current facts. Such statements may include words such as anticipate, estimate, expect, project, intend, plan, believe and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. In particular, these statements include, among other things, statements relating to:

our business strategy;

the development of our products;

our projected capital expenditures; and

our liquidity.

This prospectus supplement contains or incorporates by reference forward-looking statements which express the beliefs and expectations of management. Such statements 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 successfully develop and commercialize additional pharmaceutical products, the introduction of competing generic equivalents, the extent to which we may obtain U.S. market exclusivity for certain of our new generic products and regulatory changes that may prevent us from utilizing exclusivity periods, potential liability for sales of generic products prior to a final resolution of outstanding patent litigation, including that relating to the generic versions of Neurontin[®], Lotrel[®] and Protonix[®], current economic conditions, the extent to which any manufacturing or quality control problems damage our reputation for high quality production, the effects of competition on our innovative products, especially Copaxone[®] sales, dependence on the effectiveness of our patents and other protections for innovative products, especially Copaxone[®], the impact of consolidation of our distributors and customers, the impact of pharmaceutical industry regulation and pending legislation that could affect the pharmaceutical industry, our ability to achieve expected results through our innovative R&D efforts, the difficulty of predicting U.S. Food and Drug Administration, European Medicines Agency and other regulatory authority approvals, the uncertainty surrounding the legislative and regulatory pathway for the registration and approval of biotechnology-based products, the regulatory environment and changes in the health policies and structures of various countries, any failures to comply with the complex Medicare and Medicaid reporting and payment obligations, the effects of reforms in healthcare regulation, supply interruptions or delays that could result from the complex manufacturing of our products and our global supply chain, interruptions in our supply chain or problems with our information technology systems that adversely affect our complex manufacturing processes, potential tax liabilities that may arise should our agreements (including intercompany arrangements) be challenged successfully by tax authorities, our ability to successfully identify, consummate and integrate acquisitions and other business combinations (including our pending acquisition of Ratiopharm), the potential exposure to product liability claims to the extent not covered by insurance, our exposure to fluctuations in currency, exchange and interest rates, as well as to credit risk, significant operations worldwide that may be adversely affected by terrorism, political or economical instability or major hostilities, our ability to enter into patent litigation settlements and the increased government scrutiny of our agreements with brand companies in both the U.S. and Europe, the termination or expiration of governmental programs and tax benefits, impairment of intangible assets and goodwill, any failure to retain key personnel or to attract additional executive and managerial talent, environmental risks, and other factors that are discussed in this prospectus, our Annual Report on Form 20-F for the year ended December 31, 2009, and in our other filings with the SEC.

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Forward looking statements speak only as of the date on which they are made, and we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any additional disclosures we make in our Annual Reports on Form 20-F and our Reports of Foreign Private Issuer on Form 6-K that are filed with the SEC. Also note that we provide a cautionary discussion of risks and uncertainties under "Risk Factors" above and in the accompanying prospectus. These are factors that we think could cause our actual results to differ materially from expected results. Other factors besides those listed here or in the accompanying prospectus could also adversely affect us. This discussion is provided as permitted by the Private Securities Litigation Reform Act of 1995.

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RATIO OF EARNINGS TO FIXED CHARGES

Our ratio of earnings to fixed charges in accordance with U.S. GAAP for the periods presented are as follows:

	Three Months Ended March 31, 2010 (Unaudited)	Year Ended December 31,				
		2009	2008	2007	2006	2005
Ratio of earnings to fixed charges	16.9	9.4	4.5	9.5	4.1	30.4

The issuers did not have any operations for the relevant periods.

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The following table sets forth our capitalization as of March 31, 2010:

On a historical basis; and

On an as adjusted basis to give further effect to the issuance and sale of the notes and the application of the net proceeds to repay approximately \$800 million of the approximately \$1.5 billion outstanding under our unsecured credit facility assumed in connection with the acquisition of Barr in 2008 (but without giving effect to our expected use of \$1.5 billion in new credit facilities in connection with the Ratiopharm acquisition).

We or our affiliates expect to enter into swap agreements or related hedging transactions in connection with the sale of the notes offered hereby (1) to swap the fixed interest rate with respect to the 2012 notes to a floating rate and (2) to convert the dollar denominated 2015 notes to a Euro denomination.

You should read this table together with the unaudited consolidated financial statements and the notes thereto and our supplemental financial data incorporated by reference in this prospectus supplement.

	March 31, 2010 (Unaudited)	
	Actual	As adjusted
	U.S. Dollars in Millions	
Short-term debt, including current maturities excluding convertible debentures	\$ 613	\$ 613
0.25% Convertible Senior Debentures due 2026	575	575
1.75% Convertible Senior Debentures due 2026	786	786
Total short-term debt	1,974	1,974
0.50% Series A Convertible Senior Debentures due 2024(1)	6	6
0.25% Series B Convertible Senior Debentures due 2024(1)	41	41
5.550% Senior Notes due 2016	493	493
6.150% Senior Notes due 2036	987	987
Floating Rate Senior Notes due 2011		
% Senior Notes due 2012		
% Senior Notes due 2015		
Other long-term debt, net of current maturities	1,936	1,136
Total long-term debt	3,463	
Equity:		
Teva shareholders' equity:		
Ordinary shares of NIS 0.10 par value: authorized 1,500 million shares; issued and outstanding actual 931 million shares	49	49
Additional paid-in capital	13,035	13,035
Retained earnings	7,210	7,210
Accumulated other comprehensive income	280	280
Treasury shares 38 million ordinary shares	(924)	(924)
	19,650	19,650
Non-controlling interests	33	33

Total equity	19,683	19,683
Total capitalization	\$ 25,120	\$

- (1) See Note 11 of the notes to our consolidated financial statements for the year ended December 31, 2009 incorporated by reference in this prospectus supplement for a discussion of these securities.

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USE OF PROCEEDS

The issuers estimate that they will receive net proceeds of approximately \$. Teva intends to, either directly or through affiliates, on-lend the net proceeds from this offering to repay approximately \$800 million of the \$1.5 billion outstanding under Teva's unsecured credit facility assumed in connection with the Barr acquisition in 2008. Such facilities bear a floating rate of interest based on USD LIBOR plus 1.25%, and the portion that Teva will repay matures in October 2011. The balance of the proceeds is expected to be used to pay a portion of the purchase price of the acquisition of Ratiopharm, which we currently expect to consummate by the end of 2010. If we are unable to consummate the acquisition, we will use the balance of the net proceeds of this offering for general corporate purposes.

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DESCRIPTION OF THE NOTES AND THE GUARANTEES

Teva Finance LLC will issue the Floating Rate Senior Notes due 2011 (the 2011 notes) and the % Senior Notes due 2012 (the 2012 notes) under a senior indenture, to be dated as of June , 2010, by and among Teva Finance LLC, Teva and The Bank of New York Mellon, as trustee, as supplemented by a supplemental indenture to be dated as of June , 2010. Teva Finance BV will issue the % Senior Notes due 2015 (the 2015 notes) under a senior indenture, to be dated as of June , 2010, by and among Teva Finance BV, Teva and The Bank of New York Mellon, as trustee, as supplemented by a supplemental indenture to be dated as of June , 2010. The terms of the notes of each series include those provided in the applicable indenture. Teva will irrevocably and unconditionally guarantee the punctual payment by the applicable issuer of the principal of and interest, if any, on the notes of each series by the applicable issuer.

The following description is only a summary of the material provisions of the notes of each series and the related indentures and guarantees. We urge you to read these documents in their entirety because they, and not this description, define your rights as holders of the notes. You may request copies of these documents at our address set forth in the section titled Incorporation of Certain Documents by Reference.

When we refer to Teva in this section, we refer only to Teva Pharmaceutical Industries Limited. When we refer to Teva Finance LLC in this section, we refer to Teva Pharmaceutical Finance III, LLC, an indirect, wholly owned subsidiary of Teva organized under the laws of the State of Delaware. When we refer to Teva Finance BV in this section, we refer to Teva Pharmaceutical Finance II BV, an indirect, wholly owned subsidiary of Teva organized as a Netherlands Antilles private limited liability company.

We refer to each of the two indentures referenced in the first paragraph of this section, as supplemented, as an indenture; we refer to each of Teva Finance LLC and Teva Finance BV as an issuer, and together, the issuers; and we refer to the 2011 notes, the 2012 notes and the 2015 notes each, respectively, as a series of notes.

Brief Description of the Notes

The notes will:

be limited to:

\$ million aggregate principal amount with respect to the 2011 notes;

\$ million aggregate principal amount with respect to the 2012 notes; and

\$ million aggregate principal amount with respect to the 2015 notes,

subject to reopening of any series of notes at the discretion of its respective issuer; accrue interest:

at a rate equal to three-month LIBOR (calculated as set forth below under Payment of Interest and Principal Interest on the 2011 Notes) plus % on the 2011 notes, payable quarterly in arrears on the day of , , and , beginning , to the holders of record at the close of business on the fifteenth calendar day prior to the relevant quarterly interest payment date; and

at a rate of % on the 2012 notes and % on the 2015 notes, payable semiannually in arrears on and of each year, beginning , to the holders of record at the close of business on the preceding and , respectively.

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be general unsecured obligations of Teva Finance LLC in the case of the 2011 notes and the 2012 notes and general unsecured obligations of Teva Finance BV in the case of the 2015 notes;

in the case of the 2011 notes, not be subject to redemption at Teva Finance LLC's option (other than as set forth below under "Tax Redemption") and, in the case of the 2012 notes and the 2015 notes, be

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redeemable at the option of the applicable issuer at any time at the greater of (1) 100% of the principal amount of the notes to be redeemed or (2) the sum of the present values of the Remaining Scheduled Payments (as defined below) discounted, on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), at a rate equal to the sum of the Treasury Rate (as defined below) and basis points in the case of the 2012 notes or basis points in the case of the 2015 notes, plus accrued and unpaid interest, if any, to the date of redemption (in addition to being redeemable as set forth below under Tax Redemption); and

be due on:

, 2011 in the case of the 2011 notes;

, 2012 in the case of the 2012 notes; and

, 2015 in the case of the 2015 notes;

in each case unless earlier redeemed by the relevant issuer.

Each indenture restricts the issuer that it governs from paying dividends, repurchasing its or Teva's securities other than notes of the series it is issuing, or incurring other indebtedness except with respect to the issuance of additional securities that have the same ranking, interest rate and other terms as the notes it is issuing. The indentures do not, however, contain any financial covenants or restrictions on the amount of additional indebtedness that Teva or any of its other subsidiaries may incur except as described in Certain Covenants below. The indentures do not protect you in the event of a highly leveraged transaction or change of control of Teva or either issuer. The notes do not contain any sinking fund provisions.

You may present definitive notes for registration of transfer and exchange, without service charge, at our office or agency in New York City, which shall initially be the office or agency of the trustee in New York City. For information regarding registration of transfer and exchange of global notes, see Form, Denomination and Registration below.

Description of the Guarantees

Teva will irrevocably and unconditionally guarantee the punctual payment when due, whether at maturity, upon redemption, by acceleration or otherwise, of the principal of and interest (including any additional amounts in respect of taxes as provided herein), if any, on the notes of each series. The respective guarantees will be enforceable by the trustee, the holders and their successors, transferees and assigns, in each case of the applicable series of notes.

Each guarantee will be an unsecured senior obligation of Teva. As indebtedness of Teva, after giving effect to the offerings contemplated hereby, each guarantee will rank:

senior to the rights of creditors under debt expressly subordinated to the notes (at March 31, 2010, Teva had no subordinated debt outstanding);

equally with other unsecured debt of Teva from time to time outstanding other than any that is subordinated to the notes (at March 31, 2010, Teva had \$5,437 million of senior unsecured debt outstanding);

effectively junior to Teva's secured indebtedness up to the value of the collateral securing that indebtedness (at March 31, 2010, Teva had no secured debt outstanding); and

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effectively junior to the indebtedness of Teva's subsidiaries (at March 31, 2010, Teva's subsidiaries, other than finance subsidiaries, had \$2,519 million of indebtedness outstanding).

Except as described in "Certain Covenants" below, the indentures do not contain any financial covenants or restrictions on the amount of additional indebtedness that Teva or any of its subsidiaries (other than the applicable issuer) may incur.

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Payment of Interest and Principal

Interest on the 2011 Notes

The 2011 notes will bear interest from June , 2010, payable quarterly in arrears on the day of , and (each, a Quarterly Interest Payment Date) to the holders of record at the close of business on the calendar day prior to such payment date, whether or not a Business Day. However, interest payable on the maturity date or on a redemption date of a 2011 note will be paid to the person to whom principal is payable.

The initial Quarterly Interest Payment Date for the 2011 notes is , . The amount of interest payable on the 2011 notes will be computed on the basis of the actual number of days elapsed over a 360-day year. If any Quarterly Interest Payment Date (other than the maturity date or a redemption date) would otherwise be a day that is not a Business Day, the Quarterly Interest Payment Date will be the next succeeding Business Day. If the maturity date or a redemption date for the 2011 notes is not a Business Day, the principal and interest due on that date will be payable on the next succeeding Business Day, and no interest shall accrue for the intervening period.

The 2011 notes will bear interest for each quarterly Interest Period at a per annum rate determined by the Calculation Agent, subject to the maximum interest rate permitted by New York or other applicable state law, as such law may be modified by United States law of general application. The interest rate applicable to the 2011 notes during each quarterly Interest Period will be equal to LIBOR on the Interest Determination Date for such Interest Period plus %. Promptly upon such determination, the Calculation Agent will notify Teva Finance LLC and the trustee, if the trustee is not then serving as the Calculation Agent, of the interest rate for the new Interest Period. The interest rate determined by the Calculation Agent, absent manifest error, shall be binding and conclusive upon the beneficial owners and holders of the 2011 notes, Teva Finance LLC and the trustee.

Upon the request of a holder of the 2011 notes, the Calculation Agent will provide to such holder the interest rate in effect on the date of such request and, if determined, the interest rate for the next Interest Period.

The accrued interest for any period is calculated by multiplying the principal amount of a 2011 note by an accrued interest factor. The accrued interest factor is computed by adding the interest factor calculated for each day in the period for which accrued interest is being calculated. The interest factor (expressed as a decimal rounded upwards if necessary) is computed by dividing the interest rate (expressed as a decimal rounded upwards if necessary) applicable to such date by 360.

All percentages resulting from any calculation of the interest rate on the 2011 notes will be rounded, if necessary, to the nearest one-hundred thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards (e.g., 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655) and 9.876544% (or .09876544) being rounded to 9.87654% (or .0987654)), and all dollar amounts used in or resulting from such calculation will be rounded to the nearest cent (with one-half cent being rounded upwards).

Business Day means a day other than (i) a Saturday or Sunday, (ii) a day on which banks in New York, New York are authorized or obligated by law or executive order to remain closed, or (iii) a day on which the trustee's corporate trust office is closed for business.

Calculation Agent means The Bank of New York Mellon, or its successor appointed by Teva Finance LLC, acting as calculation agent.

Interest Determination Date means the second London Business Day immediately preceding the first day of the relevant Interest Period.

Interest Period means the period commencing on a Quarterly Interest Payment Date for the 2011 notes (or, with respect to the initial Interest Period only, commencing on the issue date for the 2011 notes) and ending on the day before the next succeeding Quarterly Interest Payment Date for the 2011 notes.

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LIBOR means, with respect to any Interest Period, the rate (expressed as a percentage per annum) for deposits in U.S. dollars for a three-month period commencing on the first day of that Interest Period and ending on the next Quarterly Interest Payment Date that appears on Reuters LIBOR01 Page as of 11:00 a.m. (London time) on the Interest Determination Date for that Interest Period. If such rate does not appear on the Reuters LIBOR01 Page as of 11:00 a.m. (London time) on the Interest Determination Date for that Interest Period, LIBOR will be determined on the basis of the rates at which deposits in U.S. dollars for the Interest Period and in a principal amount of not less than \$1,000,000 are offered to prime banks in the London interbank market by four major banks in the London interbank market, which may include affiliates of one or more of the underwriters, selected by Teva Finance LLC, at approximately 11:00 a.m., London time, on the Interest Determination Date for that Interest Period. Teva Finance LLC will request the principal London office of each such bank to provide a quotation of its rate. If at least two quotations are provided, LIBOR with respect to that Interest Period will be the arithmetic mean of such quotations. If fewer than two quotations are provided, LIBOR with respect to that Interest Period will be the arithmetic mean of the rates quoted by three major banks in New York City, which may include affiliates of one or more of the underwriters, selected by Teva Finance LLC, at approximately 11:00 a.m., New York City time, on the first day of that Interest Period for loans in U.S. dollars to leading European banks for that Interest Period and in a principal amount of not less than \$1,000,000. However, if fewer than three banks selected by Teva Finance LLC to provide quotations are quoting as described above, LIBOR for that Interest Period will be the same as LIBOR as determined for the previous Interest Period.

London Business Day means a day that is a Business Day and a day on which dealings in deposits in U.S. dollars are transacted, or with respect to any future date are expected to be transacted, in the London interbank market.

Reuters LIBOR01 Page means the display designated as Reuters LIBOR01 on the Reuters 3000 Xtra (or such other page as may replace the Reuters LIBOR01 Page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying rates or prices comparable to the London Interbank Offered Rate for U.S. dollar deposits).

Interest on the 2012 Notes and the 2015 Notes

The 2012 notes and the 2015 notes will bear interest at the rate of % per year and % per year, respectively, payable semiannually in arrears on and of each year, beginning , to the holders of record at the close of business on the preceding and , respectively, whether or not a Business Day. If an interest payment date for the 2012 notes or the 2015 notes falls on a day that is not a Business Day (as defined below), interest will be payable on the next succeeding Business Day with the same force and effect as if made on such interest payment date. Interest on the 2012 notes and the 2015 notes generally will be computed on the basis of a 360-day year comprised of twelve 30-day months, and will accrue from June , 2010 or from the most recent interest payment date to which interest has been paid.

Mechanics of Payment

Except as provided below, the applicable issuer will pay interest on:

the global notes to DTC in immediately available funds;

any definitive notes having an aggregate principal amount of \$5,000,000 or less by check mailed to the holders of these notes; and

any definitive notes having an aggregate principal amount of more than \$5,000,000 by wire transfer in immediately available funds at the election of the holders of these notes.

At maturity, the applicable issuer will pay interest on the definitive notes at our office or agency in New York City, which initially will be the office or agency of the trustee in New York City.

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The applicable issuer will pay principal on:

the global notes to DTC in immediately available funds; and

any definitive notes at our office or agency in New York City, which initially will be the office or agency of the trustee in New York City.

Reference to payments of interest in this section, unless the context otherwise requires, refer to the payment of interest and additional amounts in respect to taxes, if any.

Optional Redemption by the Applicable Issuer

The 2011 notes will not be subject to redemption at Teva Finance LLC's option (other than as set forth below under "Tax Redemption"). The applicable issuer may, however, redeem the 2012 notes or the 2015 notes, in whole or in part, at any time or from time to time, on at least 20 days, but not more than 60 days, prior notice mailed to the registered address of each holder of the relevant series of notes. The redemption prices will be equal to the greater of (1) 100% of the principal amount of the notes to be redeemed or (2) the sum of the present values of the Remaining Scheduled Payments (as defined below) discounted, on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), at a rate equal to the sum of the Treasury Rate (as defined below) and basis points in the case of the 2012 notes or basis points in the case of the 2015 notes, plus accrued and unpaid interest, if any, to the redemption date.

Comparable Treasury Issue means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the relevant series of notes.

Comparable Treasury Price means, with respect to any redemption date, (1) the average of the Reference Treasury Dealer Quotations for such redemption date after excluding the highest and lowest of such Reference Treasury Dealer Quotations or (2) if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

Independent Investment Banker means one of the Reference Treasury Dealers appointed by us.

Reference Treasury Dealer means each of Credit Suisse Securities (USA) LLC, Goldman, Sachs & Co. and Morgan Stanley & Co. Incorporated and their respective successors and two other primary U.S. Government securities dealers (each a Primary Treasury Dealer) selected by us. If any of the foregoing shall cease to be a Primary Treasury Dealer, we will substitute another nationally recognized investment banking firm that is a Primary Treasury Dealer.

Reference Treasury Dealer Quotations means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the third Business Day preceding such redemption date.

Remaining Scheduled Payments means, with respect to each note to be redeemed, the remaining scheduled payments of principal of and interest on such note that would be due after the related redemption date but for such redemption. If such redemption date is not an interest payment date with respect to such note, the amount of the next succeeding scheduled interest payment on such note will be reduced by the amount of interest accrued on such note to such redemption date.

Treasury Rate means, with respect to any redemption date, the rate per year equal to the semi-annual equivalent yield to maturity (computed as of the second Business Day immediately preceding such redemption

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date) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

On and after the redemption date, interest will cease to accrue on the relevant series of notes or any portion of such series of notes as is called for redemption (unless we default in the payment of the redemption price and accrued interest). On or before the redemption date, we will deposit with a paying agent (or the trustee) money sufficient to pay the redemption price of and accrued interest on the notes to be redeemed on such date. If less than all of the relevant series of notes are to be redeemed, the notes to be redeemed shall be selected by the trustee on a pro rata basis, by lot or by such method as the trustee shall deem fair and appropriate.

The terms of the notes do not prevent us from purchasing notes on the open market.

Certain Covenants

Limitations on Secured Debt. If Teva or any of its subsidiaries creates, incurs, assumes or suffers to exist any lien on any of its property (including a subsidiary's stock or debt), Teva will secure the notes on the same basis, unless, after giving effect to such lien, the aggregate amount of the secured debt then outstanding (not including debt secured by liens permitted below) plus the value of all sale and leaseback transactions described in paragraph (3) of *Limitations on Sales and Leasebacks* below would not exceed 10% of Teva's consolidated net worth. The restrictions do not apply to the following liens:

liens existing as of the date when the applicable issuer first issued notes pursuant to the applicable indenture;

liens on property created prior to, at the time of or within 120 days after the date of acquisition, completion of construction or completion of improvement of such property to secure all or part of the cost of acquiring, constructing or improving all or any part of such property;

landlord's, material men's, carriers', workmen's, repairmen's or other like liens which are not overdue or which are being contested in good faith in appropriate proceedings;

liens existing on any property of a corporation or other entity at the time it became or becomes a subsidiary of Teva (provided that the lien has not been created or assumed in contemplation of that corporation or other entity becoming a subsidiary of Teva);

liens securing debt owing by a subsidiary to Teva or to one or more of its subsidiaries;

liens in favor of any governmental authority of any jurisdiction securing the obligation of Teva or any of its subsidiaries pursuant to any contract or payment owed to that entity pursuant to applicable laws, regulations or statutes; and

any extension, renewal, substitution or replacement of the foregoing, provided that the principal amount is not increased and that such lien is not extended to other property.

Limitations on Sales and Leasebacks. Teva will not, and will not permit any subsidiary to, enter into any sale and leaseback transaction covering any property after the date when we first issue notes pursuant to the applicable indenture unless:

1. the sale and leaseback transaction:

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- A. involves a lease for a period, including renewals, of not more than five years;
- B. occurs within 270 days after the date of acquisition, completion of construction or completion of improvement of such property; or
- C. is with Teva or one of its subsidiaries; or

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2. Teva or any subsidiary, within 270 days after the sale and leaseback transaction shall have occurred, applies or causes to be applied an amount equal to the value of the property so sold and leased back at the time of entering into such arrangement to the prepayment, repayment, redemption, reduction or retirement of any indebtedness of Teva or any subsidiary that is not subordinated to the notes and that has a stated maturity of more than twelve months; or
3. Teva or any subsidiary would be entitled pursuant to the exceptions under **Limitations on Secured Debt** above to create, incur, issue or assume indebtedness secured by a lien in the property without equally and ratably securing the notes.

Certain Other Covenants

Each indenture will contain certain other covenants regarding, among other matters, corporate existence and reports to holders of notes.

Additional Tax Amounts

Neither of the issuers of the notes, as the issuer, nor Teva, as the guarantor, will withhold or deduct from payments made with respect to the notes of any series on account of any present or future taxes, duties, assessments or governmental charges imposed by or on behalf of any Relevant Jurisdiction taxing authority unless such withholding or deduction is required by law. In the event that the applicable issuer or Teva is required to withhold or deduct on account of any such taxes from any payment made under or with respect to the notes of any series, that issuer or Teva, as the case may be, will pay such additional tax amounts so that the net amount received by each holder of notes of that series, including those additional tax amounts, will equal the amount that such holder would have received if such taxes had not been required to be withheld or deducted. The term **Relevant Jurisdiction** as used herein means, with respect to the 2011 notes and the 2012 notes, the United States, Israel or any jurisdiction where a successor to Teva Finance LLC or Teva is incorporated or organized or considered to be a resident, if other than the United States or Israel, respectively, and with respect to the 2015 notes, the Netherlands Antilles, Israel or any jurisdiction where a successor to Teva Finance BV or Teva is incorporated or organized or considered to be a resident, if other than the Netherlands Antilles or Israel, respectively.

Notwithstanding the preceding paragraph, additional tax amounts will not be payable with respect to a payment made to a holder of notes to the extent:

- (1) the holder is:

able to avoid such withholding or deduction by making a declaration of non-residence or other claim for exemption to the tax authority, or

liable for such taxes, duties, assessments or governmental charges in respect of the notes by reason of its having some connection with the taxing jurisdiction other than merely by the holding of the notes:

- (2) of any estate, inheritance, gift, sales, transfer or personal property taxes imposed with respect to the notes, except as otherwise provided in the applicable indenture; or
- (3) that any such taxes would not have been imposed but for the presentation of such notes, where presentation is required, for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever is later, except to the extent that the holder would have been entitled to additional tax amounts had the notes been presented for payment on any date during such 30-day period.

The applicable issuer, as the issuer, and Teva, as the guarantor, will pay any present or future stamp, court or documentary taxes or any other excise or property taxes, charges or similar levies that arise from the execution, delivery, enforcement or registration of the notes of any series or any other document or instrument in relation thereto.

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Tax Redemption

The notes of each series may be redeemed as a whole but not in part, at the option the applicable issuer at any time prior to maturity, upon the giving of a notice of tax redemption to the holders, if the applicable issuer determines that, as a result of:

any change in or amendment to the laws, or any regulations or rulings promulgated under the laws of the Relevant Jurisdiction or any political subdivision or taxing authority of or in the Relevant Jurisdiction affecting taxation, or

any change in official position regarding the application or interpretation of the laws, regulations or rulings referred to above, which change or amendment becomes effective or, in the case of a change in official position, is announced on or after the issuance of the notes, the applicable issuer, Teva or any successor to the applicable issuer or Teva, as the case may be, is or will become obligated to pay additional tax amounts with respect to the notes of that series, as described above under **Payment of Additional Tax Amounts** ; provided that the applicable issuer (or its successor), in its business judgment, determines that such obligation cannot be avoided by the applicable issuer, Teva or any successor, as the case may be, taking reasonable measures available to it.

The redemption price will be equal to 100% of the principal amount of the notes plus accrued and unpaid interest to the date fixed for redemption. The date and the applicable redemption price will be specified in the notice of tax redemption, which such notice will be given not earlier than 90 days prior to the earliest date on which the applicable issuer (or its successor) or, as the case may be, Teva (or its successor) would be obligated to pay such additional tax amounts if a payment in respect of the notes were actually due on such date and, at the time such notification of redemption is given, such obligation to pay such additional tax amounts remains in effect.

Prior to giving the notice of a tax redemption, the applicable issuer (or its successor) will deliver to the trustee:

a certificate signed by a duly authorized officer stating that the applicable issuer is entitled to effect the redemption and setting forth a statement of facts showing that the conditions precedent to the right of the applicable issuer to so redeem have occurred; and

an opinion of independent legal counsel of recognized standing to that effect based on the statement of facts.

Events of Default

Each of the following constitutes an event of default under each indenture:

- (1) The applicable issuer's failure to pay when due the principal of any of the notes issued under that indenture at maturity or upon redemption;
- (2) The applicable issuer's failure to pay an installment of interest on any of the notes issued under that indenture for 30 days after the date when due;
- (3) Teva's failure to perform its obligations under its guarantee under that indenture;
- (4) Except as permitted by the applicable indenture, the related guarantee by Teva shall be held in any final, nonappealable judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect or Teva, or any person acting on behalf of the Teva, shall deny or disaffirm its obligations under that guarantee;

- (5) Teva's or the applicable issuer's failure to perform or observe any other term, covenant or agreement contained in the applicable indenture or the notes issued under it for a period of 60 days after written

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notice of such failure, requiring Teva or the applicable issuer, as the case may be, to remedy the same, shall have been given to the applicable issuer by the trustee or to the applicable issuer and the trustee by the holders of at least 25% in aggregate principal amount of the notes of the relevant series then outstanding;

- (6) Teva or the applicable issuer's default under any Indebtedness (as defined below) for money borrowed by it, the aggregate outstanding principal amount of which is in an amount in excess of \$100 million, for a period of 30 days after written notice to the applicable issuer by the trustee or to the applicable issuer and the trustee by holders of at least 25% in aggregate principal amount of the notes of the relevant series then outstanding, which default:

is caused by Teva or the applicable issuer's, as the case may be, failure to pay when due principal or interest on such Indebtedness by the end of the applicable grace period, if any, unless such Indebtedness is discharged; or

results in the acceleration of such Indebtedness, unless such acceleration is waived, cured, rescinded or annulled; and

- (7) Teva or the applicable issuer's, bankruptcy, insolvency or reorganization.

Each indenture will provide that the trustee shall (other than in the case of (6) above, which shall result in the notes becoming immediately due and payable), within 90 days of the occurrence of a default, give to the registered holders of the notes notice of all uncured defaults known to it, but the trustee shall be protected in withholding such notice if it, in good faith, determines that the withholding of such notice is in the best interest of such registered holders, except in the case of a default in the payment of the principal of or interest on, any of the notes when due or in the payment of any redemption or repurchase obligation.

If an event of default shall occur and be continuing, the trustee or the holders of at least 25% in aggregate principal amount of a series of notes affected then outstanding may declare the principal amount of the notes of that series due and payable together with accrued interest, and then the trustee may, at its discretion, proceed to protect and enforce the rights of the holders of notes of that series by appropriate judicial proceedings. Such declaration may be rescinded or annulled with the written consent of the holders of a majority in aggregate principal amount of the notes of the relevant series then outstanding.

Each indenture contains a provision entitling the trustee, subject to the duty of the trustee during default to act with the required standard of care, to be indemnified by the holders of a given series of notes before proceeding to exercise any right or power under that indenture at the request of such holders. Each indenture provides that the holders of a majority in aggregate principal amount of the notes of each series then outstanding through their written consent, or the holders of a majority in aggregate principal amount of the notes of each series then outstanding represented at a meeting at which a quorum is present by a written resolution, may direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred upon the trustee.

Each issuer will be required to furnish annually to the trustee a statement as to the fulfillment of its obligations under the applicable indenture.

Indebtedness means, with respect to any person:

- (1) any liability for borrowed money, or evidenced by an instrument for the payment of money, or incurred in connection with the acquisition of any property, services or assets (including securities), or relating to a capitalized lease obligation, other than accounts payable or any other indebtedness to trade creditors created or assumed such person in the ordinary course of business in connection with the obtaining of materials or services;
- (2) obligations under exchange rate contracts or interest rate protection agreements;
- (3)

any obligations to reimburse the issuer of any letter of credit, surety bond, performance bond or other guarantee of contractual performance;

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- (4) any liability of another person of the type referred to in clause (1), (2) or (3) which has been assumed or guaranteed by such person; and
- (5) any obligations described in clauses (1) through (3) secured by any mortgage, pledge, lien or other encumbrance existing on property which is owned or held by such person, regardless of whether the indebtedness or other obligation secured thereby shall have been assumed by such person.

Consolidation, Merger or Assumption

An issuer may, without the consent of the holders of the notes that it issues, consolidate with, merge into or transfer all or substantially all of its respective assets to any other corporation, limited liability company, partnership or trust organized under the laws of the United States, any state thereof and the District of Columbia in the case of Teva Finance LLC, or the laws of the Netherlands Antilles in the case of Teva Finance BV, provided that:

the successor entity assumes all of the obligations of the applicable issuer under the applicable indenture and the notes that issuer has issued; and

at the time of such transaction, no event of default, and no event which, after notice or lapse of time, would become an event of default, shall have happened and be continuing.

Under the terms of each indenture, Teva may, without the consent of the holders of notes, consolidate with, merge into or transfer all or substantially all of its respective assets to any other corporation provided that:

the successor corporation assumes all of the obligations of Teva under that indenture and the notes issued pursuant to it; and

at the time of such transaction, no event of default, and no event which, after notice or lapse of time, would become an event of default, shall have happened and be continuing.

Each indenture provides that so long as any notes issued under it are outstanding, all of the applicable issuer's membership interests will be owned directly or indirectly by Teva or its successor.

Modifications and Amendments

Changes Requiring Approval of Each Affected Holder

Each indenture provides that it cannot be modified or amended without the written consent or the affirmative vote of the holder of each note affected by such change to:

change the maturity of the principal of or any installment of interest on that note;

reduce the principal amount of or interest on that note;

change the currency of payment of that note or interest thereon;

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impair the right to institute suit for the enforcement of any payment on or with respect to that note;

modify the applicable issuer's obligations to maintain an office or agency in New York City;

modify Teva's obligation to own, directly or indirectly, all of the applicable issuer's outstanding membership interests;

modify the redemption provisions of that indenture in a manner adverse to the holders of notes of that series;

modify the applicable guarantee in a manner adverse to the holders of the notes of that series;

reduce the percentage in aggregate principal amount of outstanding notes of that series necessary to modify or amend the indenture or to waive any past default; or

reduce the percentage in aggregate principal amount of notes of that series outstanding required for the adoption of a resolution.

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Changes Requiring Majority Approval

Except as described above, the indenture may be modified or amended with the written consent of the holders of at least a majority in aggregate principal amount of each series of notes affected at the time outstanding.

Changes Requiring No Approval

Each indenture may be modified or amended by the applicable issuer, Teva and the trustee, without the consent of the holder of any note of a given series, for the purposes of, among other things:

adding to Teva or the applicable issuer's covenants for the benefit of the holders of notes of that series;

surrendering any right or power conferred upon Teva or the applicable issuer;

providing for the assumption of Teva or the applicable issuer's obligations to the holders of notes of that series in the case of a merger, consolidation, conveyance, transfer or lease;

complying with the requirements of the SEC in order to effect or maintain the qualification of that indenture under the Trust Indenture Act;

curing any ambiguity, supplying any omission or correcting any defective provision contained in that indenture; provided that such modification or amendment does not, in the good faith opinion of the applicable issuer's board of directors, adversely affect the interests of the holders of notes of that series in any material respect; provided, further, that any amendment made solely to conform the provisions of that indenture to the description of the notes issued under that indenture contained in this prospectus supplement will not be deemed to adversely affect the interests of the holders of the notes of any series; or

adding or modifying any other provisions which the applicable issuer and the trustee may deem necessary or desirable and which will not adversely affect the interests of the holders of notes of that series.

Satisfaction and Discharge

The applicable issuer and Teva may satisfy and discharge their obligations under an indenture while notes issued under that indenture remain outstanding if:

all outstanding notes issued under that indenture have become due and payable at their scheduled maturity; or

all outstanding notes issued under that indenture have been called for redemption, and, in either case, the applicable issuer has deposited with the trustee an amount sufficient to pay and discharge all outstanding notes issued under that indenture on the date of their scheduled maturity or the scheduled date of redemption.

Governing Law

Each indenture and the notes of each series will be governed by, and construed in accordance with, the law of the State of New York.

Information Concerning the Trustee and Paying Agent

The Bank of New York Mellon, as trustee under each indenture, has been appointed by us as paying agent, registrar and custodian with regard to the notes of each series, as well as Calculation Agent with respect to the 2011 notes. The Bank of New York Mellon, 101 Barclay Street, New York, New York, 10286, is also the depositary for Teva's ADSs. The trustee or its affiliates may from time to time in the future provide banking and other services to us in the ordinary course of their business.

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Form, Denomination and Registration

Denomination and Registration. The notes will be issued in fully registered form, without coupons, in denominations of \$2,000 principal amount and whole multiples of \$1,000 in excess of \$2,000.

Global Notes; Book-Entry Form. The notes of each series will be represented by permanent global notes in definitive, fully registered form without interest coupons. The global notes will be deposited with the trustee as custodian for DTC and registered in the name of a nominee of DTC in New York, New York for the accounts of participants in DTC.

Except as set forth below, the global notes will be transferable, in whole or in part, only to another nominee of DTC or to a successor of DTC or its nominee.

DTC has advised us that it is:

a limited purpose trust company organized under the laws of the State of New York;

a member of the Federal Reserve System;

a clearing corporation within the meaning of the New York Uniform Commercial Code; and

a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC was created to hold securities of institutions that have accounts with DTC and to facilitate the clearance and settlement of securities transactions among its participants in securities through electronic book-entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. DTC's participants include:

securities brokers and dealers;

banks;

trust companies; and

clearing corporations.

Access to DTC's book-entry system is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant whether directly or indirectly.

Upon the issuance of the global notes, DTC credited, on its book-entry registration and transfer system, the respective principal amounts of the individual beneficial interests represented by the global notes to the accounts of participants. The accounts credited were designated by the underwriters of the beneficial interests. Ownership of beneficial interests in the global notes is limited to participants or persons that may hold interests through participants. Ownership of beneficial interests in the global notes is shown on, and the transfer of those ownership interests will be effected only through, records maintained by DTC (with respect to participants' interests) and the participants (with respect to the owners of beneficial interests in the global notes other than participants).

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So long as DTC or its nominee is the registered holder and owner of the global notes, DTC or its nominee, as the case may be, will be considered the sole legal owner of the notes represented by the global notes for all purposes under the applicable indenture and the notes. Except as set forth below, owners of beneficial interests in the global notes will not be entitled to receive definitive notes and will not be considered to be the owners or holders of any notes under the global notes. The issuers understand that under existing industry practice, in the event an owner of a beneficial interest in the global notes desires to take any action that DTC, as the holder of the global notes, is entitled to take, DTC would authorize the participants to take the action, and that participants would authorize beneficial owners owning through the participants to take the action or would otherwise act upon the instructions of beneficial owners owning through them. No beneficial owner of an interest in the global notes will be able to transfer the interest except in accordance with DTC's applicable procedures, in addition to those provided for under the indenture and, if applicable, those of Euroclear and Clearstream.

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The applicable issuer will make payments of the principal and interest on the notes represented by the global notes registered in the name of and held by DTC or its nominee to DTC or its nominee, as the case may be, as the registered owner and holder of the global notes.

The issuers expect that DTC or its nominee, upon receipt of any payment of principal or interest in respect of the global notes, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the global notes as shown on the records of DTC or its nominee. The issuers also expect that payments by participants and indirect participants to owners of beneficial interests in the global notes held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for accounts of customers registered in the names of nominees for these customers. The payments, however, will be the responsibility of the participants and indirect participants, and none of the applicable issuer, Teva, the trustee or any paying agent will have any responsibility or liability for:

any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the global notes;

maintaining, supervising or reviewing any records relating to the beneficial ownership interests;

any other aspect of the relationship between DTC and its participants; or

the relationship between the participants and indirect participants and the owners of beneficial interests in the global notes.

Unless and until they are exchanged in whole or in part for definitive notes, the global notes may not be transferred except as a whole by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC.

Participants in DTC will effect transfers with other participants in the ordinary way in accordance with DTC rules and will settle transfers in same-day funds. Participants in Euroclear and Clearstream will effect transfers with other participants in the ordinary way in accordance with the rules and operating procedures of Euroclear and Clearstream, as applicable. If a holder requires physical delivery of a definitive note for any reason, including to sell notes to persons in jurisdictions which require physical delivery or to pledge notes, the holder must transfer its interest in the global notes in accordance with the normal procedures of DTC and the procedures set forth in the indenture.

Cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream participants, on the other, will be effected in DTC in accordance with DTC rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depository; however, these cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in the system in accordance with its rules and procedures and within its established deadlines (Brussels time). Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf by delivering or receiving interests in the global notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in the global notes from a DTC participant will be credited during the securities settlement processing day immediately following the DTC settlement date, and the credit of any transactions interests in the global notes settled during the processing day will be reported to the relevant Euroclear or Clearstream participant on that day. Cash received in Euroclear or Clearstream as a result of sales of interests in the global notes by or through a Euroclear or Clearstream participant to a DTC participant will be received with value on the DTC settlement date, but will be available in the relevant Euroclear or Clearstream cash account only as of the business day following settlement in DTC.

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The issuers expect that DTC will take any action permitted to be taken by a holder of notes only at the direction of one or more participants to whose accounts at DTC interests in the global notes are credited and only in respect of the portion of the aggregate principal amount of the notes as to which the participant or participants has or have given direction. However, if there is an event of default under the notes, DTC will exchange the global notes for definitive notes, which it will distribute to its participants.

Although the issuers expect that DTC, Euroclear and Clearstream will agree to the foregoing procedures in order to facilitate transfers of interests in the global notes among participants of DTC, Euroclear and Clearstream, DTC, Euroclear and Clearstream are under no obligation to perform or continue to perform these procedures, and these procedures may be discontinued at any time. None of the applicable issuer, Teva or the trustee have any responsibility for the performance by DTC, Euroclear or Clearstream or their participants or indirect participants of their obligations under the rules and procedures governing their operations.

If DTC is at any time unwilling or unable to continue as a depository for the global notes of any series or ceases to be a clearing agency registered under the Exchange Act and the applicable issuer does not appoint a successor depository within 90 days, the applicable issuer will issue definitive notes in exchange for the global notes of the affected series.

Definitive Notes. Definitive notes may be issued in exchange for notes of any series represented by global notes if the applicable issuer does not appoint a successor depository as set forth above under Global Notes; Book-Entry Form or in other circumstances set forth in the applicable indenture.

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UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Willkie Farr & Gallagher LLP, the following are the material U.S. federal tax consequences of ownership and disposition of the notes. This discussion only applies to notes that meet all of the following conditions:

they are purchased by those initial holders who purchase notes at the issue price, which will equal the first price to the public (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) at which a substantial amount of the notes is sold for money; and

they are held as capital assets.

This discussion does not describe all of the tax consequences that may be relevant to holders in light of their particular circumstances or to holders subject to special rules, such as:

certain financial institutions;

insurance companies;

dealers in securities or foreign currencies;

persons holding notes as part of a hedge or other integrated transaction;

U.S. Holders (as defined below) whose functional currency is not the U.S. dollar;

partnerships or other entities classified as partnerships for U.S. federal income tax purposes; and

persons subject to the alternative minimum tax.

This summary is based on the Internal Revenue Code of 1986, as amended to the date hereof, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury Regulations, changes to any of which subsequent to the date of this prospectus supplement may affect the tax consequences described herein. Persons considering the purchase of notes are urged to consult their tax advisers with regard to the application of the U.S. federal income tax laws to their particular situations as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

Tax Consequences to U.S. Holders

As used herein, the term "U.S. Holder" means a beneficial owner of a note that is for U.S. federal income tax purposes:

a citizen or resident of the United States;

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a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States or of any political subdivision thereof; or

an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source;
The term U.S. Holder also includes certain former citizens and residents of the United States.

Payments of Interest

It is expected (and this discussion assumes) that the notes will be issued without original issue discount for U.S. federal income tax purposes. Accordingly, interest paid on a note will be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is received in accordance with the Holder's method of accounting for federal income tax purposes.

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Interest income earned by a U.S. Holder will constitute U.S. source income for U.S. federal income tax purposes with respect to the 2011 notes and the 2012 notes and will constitute foreign source income for U.S. federal income tax purposes with respect to the 2015 notes, which may be relevant to a U.S. Holder in calculating the holder's foreign tax credit limitation. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. The rules governing foreign tax credits are complex and, therefore, U.S. Holders should consult their own tax advisors regarding the availability of foreign tax credits in their particular circumstances.

Sale, Exchange or Retirement of the Notes

Upon the sale, exchange or retirement of a note, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and the Holder's adjusted tax basis in the note. A U.S. Holder's adjusted tax basis in a note generally will equal its initial investment in that note. For these purposes, the amount realized does not include any amount attributable to accrued interest. Amounts attributable to accrued interest are treated as interest as described under "Payments of Interest" above.

Gain or loss realized on the sale, exchange or retirement of a note will generally be U.S. source capital gain or loss and will be long-term capital gain or loss if at the time of sale, exchange or retirement the note has been held for more than one year.

Backup Withholding and Information Reporting

Information returns will be filed with the Internal Revenue Service in connection with payments on the notes and the proceeds from a sale or other disposition of the notes. A U.S. Holder will be subject to U.S. backup withholding tax on these payments if the U.S. Holder fails to provide its taxpayer identification number to the paying agent and comply with certain certification procedures or does not otherwise establish an exemption from backup withholding. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is furnished to the Internal Revenue Service.

Tax Consequences to Non-U.S. Holders

As used herein, the term "Non-U.S. Holder" means a beneficial owner of a note that is, for U.S. federal income tax purposes:

an individual who is classified as a nonresident for U.S. federal income tax purposes;

a foreign corporation; or

a foreign estate or trust.

"Non-U.S. Holder" does not include a Holder who is an individual present in the United States for 183 days or more in the taxable year of disposition and who is not otherwise a resident of the United States for U.S. federal income tax purposes. Such a Holder is urged to consult his or her own tax advisor regarding the U.S. federal income tax consequences of the sale, exchange or other disposition of a note.

Subject to the last paragraph under "Certification Requirement" below, there generally should not be any material U.S. federal income tax consequences to a Non-U.S. Holder of the 2015 notes.

Subject to the discussion below concerning backup withholding, payments of principal, interest and premium on the 2011 notes and the 2012 notes or any paying agent to any Non-U.S. Holder will not be subject to U.S. federal withholding tax, provided that, in the case of interest,

the Non-U.S. Holder does not own, actually or constructively, 10 percent or more of the total combined voting power of all classes of stock of Teva Finance LLC or Teva Pharmaceuticals USA, Inc. ("Teva

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USA) entitled to vote and is not a controlled foreign corporation related, directly or indirectly, to Teva Finance LLC or Teva USA through stock ownership; and

the certification requirement described below has been fulfilled with respect to the beneficial owner, as discussed below; Subject to the discussion below concerning backup withholding, a Non-U.S. Holder of the 2011 notes and the 2012 notes will not be subject to U.S. federal income tax on gain realized on the sale, exchange or other disposition of such note, unless the gain is effectively connected with the conduct by the holder of a trade or business in the United States (and if an income tax treaty applies, to a permanent establishment in the United States).

Certification Requirement

Interest on the 2011 notes and the 2012 notes will not be exempt from withholding tax unless the beneficial owner of that note certifies on Internal Revenue Service Form W-8BEN, under penalties of perjury, that it is not a U.S. person. If the beneficial owner of such a note fails to make this certification, payments of interest on that note will be subject to U.S. federal withholding tax at a rate of 30%.

If a Non-U.S. Holder of a note is engaged in a trade or business in the United States, and if interest on the note is effectively connected with the conduct of this trade or business (and, if an income tax treaty applies, is attributable to a permanent establishment or fixed base maintained by the Non-U.S. Holder in the United States), the Non-U.S. Holder, although exempt from the withholding tax discussed in the preceding paragraph, will generally be taxed in the same manner as a U.S. Holder (see Tax Consequences to U.S. Holders above), except that, in the case of the 2011 notes and the 2012 notes, the Holder will be required to provide to Teva Finance LLC a properly executed Internal Revenue Service Form W-8ECI in order to claim an exemption from withholding tax. These holders should consult their own tax advisors with respect to other U.S. tax consequences of the ownership and disposition of notes, including the possible imposition of a 30% branch profits tax.

Backup Withholding and Information Reporting

With respect to the 2011 notes and 2012 notes, information returns will be filed with the U.S. Internal Revenue Service in connection with payments on such notes. Unless the Non-U.S. Holder complies with certification procedures to establish that it is not a U.S. person, information returns may be filed with the U.S. Internal Revenue Service in connection with the proceeds from a sale or other disposition and the Non-U.S. Holder may be subject to U.S. backup withholding tax on payments on such notes or on the proceeds from a sale or other disposition of such notes. The certification procedures required to claim the exemption from withholding tax on interest described above will satisfy the certification requirements necessary to avoid the backup withholding tax as well. The amount of any backup withholding from a payment to a Non-U.S. Holder will be allowed as a credit against the Non-U.S. Holder's U.S. federal income tax liability and may entitle the Non-U.S. Holder to a refund, provided that the required information is furnished to the Internal Revenue Service.

With respect to the 2015 notes, U.S. information reporting and backup withholding will generally not apply to payments made on such notes held through a non-U.S. bank or other non-U.S. financial institution that is a participant in Euroclear, Clearstream or The Depository Trust Company. In certain situations, however, information reporting and backup withholding may apply to these payments if a Non-U.S. Holder does not comply with applicable certification procedures to establish that it is not a U.S. person. Payments of sale proceeds made within the United States or through certain U.S.-related financial institutions may be subject to information reporting and backup withholding unless the Non-U.S. Holder complies with applicable certification procedures to establish that it is not a U.S. person.

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ISRAELI TAX ISSUES

The following is a summary of certain material Israeli tax considerations relating to the purchase, ownership and disposition of the notes by persons who are not residents of the State of Israel. It is not, however, a complete analysis of all the potential tax considerations that may be applicable to all potential investors.

The following discussion is for general information only. Investors considering the purchase of the notes should consult their own tax advisors with respect to the application of Israeli income tax laws to their particular situations as well as any tax consequences arising under any non-Israeli taxing jurisdiction or under any applicable tax treaty.

Withholding Taxes on Interest Payable by Teva to Non-Israeli Residents

An Israeli company paying interest on a note nominated in a foreign currency to an individual that is a non-Israeli resident is subject to a 20% withholding tax, except for interest paid to material shareholders, who are subject to tax according to their marginal tax rate. Material shareholders for these purposes are shareholders who hold directly or indirectly, including with others, at least 10% of any means of control in the company. Taxes to be withheld from non-Israeli residents with respect to interest received from an Israeli company may be reduced under an applicable tax treaty.

An Israeli company paying interest on a similar note to a corporate entity will be subject to withholding tax in accordance with the applicable corporate tax rate for the year in which the interest is paid, such rates being 25% in 2010, 24% in 2011, 23% in 2012, 22% in 2013, 21% in 2014 and 20% in 2015.

The aforementioned might only apply if Teva as a guarantor pays interest on the notes.

In the event that interest is paid by Teva as a guarantor to a United States resident entitled to the reduced tax rate under the U.S.-Israel tax treaty, then the tax rate on such gross interest amounts shall not exceed 17.5%.

Teva and the issuers have agreed to pay certain additional amounts in connection with withholding taxes or deductions that may be imposed by Israeli or United States authorities. See Description of the Notes and the Guarantees Additional Tax Amounts.

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We have entered into underwriting agreements with Credit Suisse Securities (USA) LLC, Goldman, Sachs & Co. and Morgan Stanley & Co. Incorporated as representatives of the underwriters, pursuant to which, and subject to the terms and conditions of which, we have agreed to sell to the underwriters and the underwriters have severally agreed to purchase from us the principal amount of notes set forth in the following table.

Underwriters	Principal Amount of the 2011 Notes	Principal Amount of the 2012 Notes	Principal Amount of the 2015 Notes
Credit Suisse Securities (USA) LLC	\$	\$	\$
Goldman, Sachs & Co.			
Morgan Stanley & Co. Incorporated			
Barclays Capital Inc.			
Citigroup Global Markets Inc.			
Total	\$	\$	\$

The underwriting agreements provide that the underwriters' obligations to purchase the notes depends on the satisfaction of certain customary conditions contained in the underwriting agreement.

The underwriters have advised us that they intend to offer the notes of each series initially at the applicable offering price shown on the cover page of this prospectus supplement and to certain dealers at the offering price less a selling concession in each issue not to exceed \$ per \$1,000 aggregate principal amount with respect to the 2011 notes, \$ per \$1,000 aggregate principal amount with respect to the 2012 notes and \$ per \$1,000 aggregate principal amount with respect to the 2015 notes. The underwriters may allow, and dealers may reallow, a concession on sales to other dealers not to exceed \$ per \$1,000 in aggregate principal amount with respect to the 2011 notes, \$ per \$1,000 in aggregate principal amount with respect to the 2012 notes and \$ per \$1,000 in aggregate principal amount with respect to the 2015 notes. After the initial offering of the notes, the underwriters may change the public offering price and the concession to selected dealers. The offering of the notes by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

Commission and Expenses

The following table shows the underwriting fees to be paid to the underwriters by us in connection with this offering. The underwriting discounts and commissions are equal to % of the public offering price for the 2011 notes, % of the public offering price for the 2012 notes and % of the public offering price for the 2015 notes.

	Per Note	Total
2011 Notes	\$	\$
2012 Notes		
2015 Notes		
Total	\$	\$

The expenses of the offering that are payable by us, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding underwriting discounts and commissions, will be approximately \$ million.

Prior to this offering, there has been no public market for the notes. Certain underwriters have advised us that they presently intend to make a market in the notes as permitted by applicable laws and regulations. The underwriters are not obligated, however, to make a market in the notes, and they may discontinue this market making at any time in their sole discretion. Accordingly, we cannot assure investors that there will be adequate liquidity or adequate trading market for the notes.

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Price Stabilization and Short Positions

The underwriters may engage in over-allotment and stabilizing transactions or purchases and passive market making for the purpose of pegging, fixing or maintaining the price of the notes in accordance with Regulation M under the Exchange Act:

over-allotment involves sales by the underwriters of notes in excess of the number of notes the underwriter is obligated to purchase, which creates a short position. Since the underwriters in this offering do not have an over-allotment option to purchase additional securities, their short position will be a naked short position. A naked short position can only be closed out by buying notes in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the notes in the open market after pricing that could adversely affect investors who purchase in the offering; and

stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. These stabilizing transactions as well as other purchases made by the underwriters for their own accounts may have the effect of raising or maintaining the market price of the notes or preventing or retarding a decline in the market price of the notes. As a result, the price of the notes may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the Nasdaq National Market or otherwise, and, if commenced, may be discontinued at any time. The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased notes sold by or for the account of such underwriter in stabilizing or short covering transactions.

Neither we nor the underwriters make any representations or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the notes. In addition, neither we nor the underwriters make representations that the representatives will engage in these stabilizing transactions or that any transaction, once commenced, will not be discontinued without notice.

Electronic Distributions

This prospectus supplement and the accompanying prospectus in electronic format may be made available on the Internet sites or through other online services maintained by one or more of the underwriters or by their affiliates. In these cases, prospective investors may view offering terms online and, depending upon the underwriter, prospective investors may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of notes for sale to online brokerage account holders. Any such allocation for online distributions will be made by the underwriters on the same basis as other allocations.

Other than this prospectus supplement and the accompanying prospectus in electronic format, the information on any underwriter's web site and any information contained in any other web site maintained by any underwriter is not a part of this prospectus supplement and the attached prospectus, has not been approved and/or endorsed by us or the underwriters in their capacity as underwriters and should not be relied upon by investors.

Lock-up Agreements

The issuers and Teva have agreed with the underwriters that, unless we receive the prior written consent of the representatives of Credit Suisse Securities (USA) LLC, Goldman, Sachs & Co. and Morgan Stanley & Co. Incorporated, which we refer to as the representatives, we may not, subject to certain customary exceptions, from the date of the underwriting agreements to the closing date of this offering, directly or indirectly, offer, sell, or contract to sell, or otherwise dispose of any debt securities issued or guaranteed by the issuers or Teva.

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Indemnification

We have agreed to indemnify the several underwriters against liabilities relating to the offering, including liabilities under the Securities Act of 1933, as amended, and liabilities arising from breaches of certain representations and warranties contained in the underwriting agreement, and to contribute to payments that the underwriters may be required to make for these liabilities.

Stamp Taxes

Purchasers of the notes offered by this prospectus supplement may be required to pay stamp taxes and other charges under the laws and practices of the country of purchase, in addition to the offering price listed on the cover page of this prospectus supplement. Accordingly, we urge you to consult a tax advisor with respect to whether you may be required to pay taxes or charges, as well as any other consequences that may arise under the laws of the country of purchase.

Israeli Legal Matters

This prospectus supplement and the accompanying prospectus are not, and under no circumstances are to be construed as, an advertisement or a public offering of securities in Israel. Any public offer or sale of notes in Israel may be made only in accordance with the Israeli Securities Act-1968 (which requires, inter alia, the filing of a prospectus in Israel).

United Kingdom Legal Matters

Each underwriter has represented and agreed that:

it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to the issuers or Teva;

and it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

European Economic Area Legal Matters