

TEVA PHARMACEUTICAL FINANCE II, LLC

0.25% Series B Convertible Senior Debentures due 2024

Notice of Adjustment of Conversion Price

TEVA PHARMACEUTICAL FINANCE II, LLC (the “Company”) refers to the Senior Indenture, dated as of January 27, 2004, as supplemented by the First Supplemental Senior Indenture, dated as of January 27, 2004 (the “First Supplemental Indenture” and such Senior Indenture, as so supplemented, the “Indenture”), among the Company, Teva Pharmaceutical Industries Limited (the “Guarantor”) and The Bank of New York, as trustee, and to the 0.25% Series B Convertible Senior Debentures due 2024 issued pursuant to the Indenture (the “Debentures”).

The Company hereby gives notice, pursuant to Section 9.5 of the First Supplemental Indenture, to the Holder of the Debentures that, as a result of the payment of cash dividends by the Guarantor with record dates through May 16, 2007, the Conversion Price of the Debentures has been adjusted, as a result of adjustment of the Conversion Rate pursuant to Section 9.4(e) of the First Supplemental Indenture, such that the Conversion Price is, effective as of the close of business on May 16, 2007, \$34.89. Schedule I to this notice further sets forth the Conversion Price as it was adjusted and effective as of the close of business on each of the prior dates specified on such Schedule as a result of the payment of such cash dividends by the Guarantor.

Terms used in this notice that are defined in the Indenture or the First Supplemental Indenture are used herein as so defined.

TEVA PHARMACEUTICAL FINANCE II, LLC

Dated: September 18, 2007

Schedule I

<u>Effective Date of Adjustment</u>	<u>Adjusted Conversion Price</u>
2/25/05	\$35.17
5/9/06	35.07
5/16/07	34.89