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For Immediate Release

LAQUINIMOD IMMUNOMODULATORY ACTION CONFERS BOTH NEUROPROTECTIVE AND ANTI-INFLAMMATORY PROPERTIES

Results Presented at 25th Congress of the European Committee for Treatment and Research in Multiple Sclerosis (ECTRIMS)

Jerusalem, Israel and Lund, Sweden, September 11, 2009 – Teva Pharmaceutical Industries Ltd. (NASDAQ: TEVA) and Active Biotech (NASDAQ OMX NORDIC: ACTI) today presented data further illuminating the novel, dual mechanism of action (MOA) of investigational oral, once-daily, laquinimod for the treatment of relapsing-remitting multiple sclerosis (RRMS), conferring neuroprotective and anti-inflammatory properties. Results from several preclinical studies suggest that laquinimod elicits a protective therapeutic effect by reducing demyelination and inducing axonal protection.

These studies expand upon a growing body of data suggesting the mechanism of oral laquinimod in RRMS patients is targeted immunomodulation, and may help contribute to the favorable benefit-to-risk profile associated with this compound.

"MS patients, and the physicians who treat them, await the availability of an oral agent with an efficacy and safety profile required to address the chronic, lifelong nature of the disease," explains Prof. Wolfgang Brück, head of the Neuropathology Dept., the Georg-August-Universität, Göttingen, Germany. "The seemingly targeted immunomodulation that appears to be associated with the dual MOA of laquinimod and the favorable benefit-to-risk profile seen in patients studied for up to 3.5 years, make the drug a potential candidate to address this unmet need for an oral therapy."

Laquinimod received Fast Track designation from the U.S. Food and Drug Administration (FDA) in February 2009. Two global Phase III clinical trials, BRAVO and ALLEGRO, have completed enrollment and are currently ongoing.

ABOUT THE STUDIES

The studies evaluating the properties of laquinimod being presented at ECTRIMS include:

- **Laquinimod induces up-regulation of neurotrophins in serum of patients with relapsing-remitting multiple sclerosis (P 783, 15:30 - 17:00 Immunomodulation – 2, September 11, 2009)**

R. Linker, J. Thöne, G. Comi, R. Gold (Bochum, DE; Rome, IT)

596 serum samples from RRMS patients participating in the LAQ/5062 trial were tested for the presence of neurotrophic factors, including neurotrophin (NT)-3, NT-4 and brain derived neurotrophic factor (BDNF). Data on the expression of neurotrophic factors were correlated with their functional activity in a neuronal survival assay. Treatment with 0.6 mg of laquinimod resulted in a significant and specific, up to 11-fold increase in BDNF serum levels as compared to baseline, as well as to placebo treatment after 3 months. Besides an immunomodulatory mechanism of action, laquinimod has the ability to increase levels of neurotrophic factors in vivo possibly contributing to neuroprotection in MS patients.

- **Anti-inflammatory pathways activated by laquinimod in CD4+, CD8+, CD14+, CD19+ and NK peripheral blood cells subtypes of relapsing-remitting multiple sclerosis patients (P 264, 15:30-17:00 Immunomodulation – 2, September 10, 2009)**

M. Gurevich, B. Timan, L. Hayardeny, A. Achiron (Ramat Gan, Netanya, IL)

High throughput gene expression analysis of in-vitro incubation of peripheral blood mononuclear cells from RRMS patients with laquinimod demonstrated that laquinimod induced in-vitro immunomodulatory effects that are characterized by activation of anti-inflammatory IL-4 pathway in CD4+ cells, promotion of apoptosis in CD8+ and B cells and suppression of metabolic activity of CD14+ and NK cells.

- **Reduced inflammation, demyelination and axonal damage after therapeutic laquinimod treatment in experimental autoimmune encephalomyelitis (P 441, 15:30 - 17:30 Immunomodulation – 1, September 11, 2009)**

C. Wegner, C. Stadelmann, W. Brück (Göttingen, DE)

In animal models of MS, laquinimod inhibits the development of acute and chronic experimental autoimmune encephalomyelitis (EAE). Laquinimod modulates the cytokine balance in favour of anti-inflammatory Th2/Th3 cytokines. Therapeutic treatment with laquinimod is effective in ameliorating the extent of macrophage and T cell infiltration, demyelination and axonal damage. Findings indicate that laquinimod might have an axon-protective effect in addition to its anti-inflammatory properties.

- **The effect of laquinimod on the distribution of monocyte subsets (P 808, 15:30 - 17:00 Immunomodulation – 2, September 11, 2009)**

T. Birnberg, S. Jung (Rehovot, IL)

Monocytes are circulating blood leukocytes that play important roles in inflammatory responses. In mice, monocytes originate in the bone-marrow from Macrophages and Dendritic cells precursor. Murine blood monocytes encompass two main Ly6Chi and Ly6Clow subsets. Recent evidence suggests that the ratio of the two monocyte subsets can have effects on the susceptibility of the organism to various disorders, including experimental autoimmune encephalomyelitis (EAE) lesions. These cells are accumulating in the blood and CNS immediately prior to EAE clinical episodes. The results indicate that the effect by which laquinimod exerts its clinical efficacy in autoimmune diseases may be due to its impact on the myeloid precursor cells.

ABOUT MULTIPLE SCLEROSIS

Multiple sclerosis (MS) is the leading cause of neurological disability in young adults. It is estimated that more than 400,000 people in the United States are affected by the disease and that two million people may be affected worldwide. MS is a progressive, demyelinating disease of the central nervous system affecting the brain, spinal cord and optic nerves. Demyelination is the destructive breakdown of the fatty tissue that protects nerve endings.

ABOUT LAQUINIMOD

Laquinimod is a novel once-daily, orally administered immunomodulatory compound that is being developed as a disease-modifying treatment for RRMS. Active Biotech developed laquinimod and licensed it to Teva Pharmaceutical Industries, Ltd. in June 2004. A Phase IIb study in 306 patients was published in *The Lancet* and demonstrated that an oral 0.6 mg dose of laquinimod, administered daily, significantly reduced MRI disease activity by a median of 60 percent versus placebo in RRMS patients. In addition, the study showed a favorable trend toward reducing annual relapse rates and the number of relapse-free patients compared with placebo. Treatment was well tolerated, with only some transient and dose-dependent increases in liver enzymes reported. Over 1,000 MS patients have received laquinimod in various clinical trials.

In addition to the efficacy that laquinimod has shown in Phase II RRMS clinical trials, laquinimod has demonstrated potent therapeutic efficacy in preclinical models of other autoimmune diseases such as rheumatoid arthritis, insulin-dependent diabetes mellitus, Guillain Barré Syndrome, lupus and Inflammatory Bowel Disease. The broad profile of efficacy in animal models of inflammatory diseases suggests that laquinimod affects a pivotal pathway of inflammation and autoimmunity. Laquinimod is currently in Phase II development for Crohn's disease and Teva expects to initiate the clinical development of the compound for Lupus Nephritis in the near future.

ABOUT TEVA

Teva Pharmaceutical Industries Ltd., headquartered in Israel, is among the top 20 pharmaceutical companies in the world and is the world's leading generic pharmaceutical company. The Company develops, manufactures and markets generic and innovative human pharmaceuticals and active pharmaceutical ingredients, as well as animal health pharmaceutical products. Over 80 percent of Teva's sales are in North America and Europe.

ABOUT ACTIVE BIOTECH

Active Biotech AB (NASDAQ OMX NORDIC: ACTI), headquartered in Sweden, is a biotechnology company with R&D focus on autoimmune/inflammatory diseases and cancer. Projects in pivotal phase are laquinimod, an orally administered small molecule with unique immunomodulatory properties for the treatment of multiple sclerosis, as well as ANYARA for use in cancer targeted therapy, primarily renal cancer. Further key projects in clinical development comprise the three orally administered compounds TASQ for prostate cancer, 57-57 for SLE and RhuDex™ for RA. Please visit www.activebiotech.com for more information.

Teva's Safe Harbor Statement under the U.S. Private Securities Litigation Reform Act of 1995:

This release contains forward-looking statements, which express the current 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®, the current economic conditions, competition from brand-name companies that are under increased pressure to counter generic products, or competitors that seek to delay the introduction of generic products, the effects of competition on our innovative products, especially Copaxone® sales, dependence on the effectiveness of our patents and other protections for innovative products, 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, supply interruptions or delays that could result from the complex manufacturing of our products and our global supply chain, our ability to successfully identify, consummate and integrate acquisitions, including the integration of Barr Pharmaceuticals, Inc., the potential exposure to product liability claims to the extent not covered by insurance, our exposure to fluctuations in currency, exchange and interest rates, 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 intensified scrutiny by the U.S. government, the termination or expiration of governmental programs and tax benefits, impairment of intangible assets and goodwill, environmental risks, and other factors that are discussed in this report and in our other filings with the U.S. Securities and Exchange Commission ("SEC").

Active Biotech's Safe Harbor Statement in Accordance with the Swedish Securities Market Act:

This press release contains certain forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the company, or industry results, to differ materially from any future results, performance or achievement implied by the forward-looking statements. The company does not undertake any obligation to update or publicly release any revisions to forward-looking statements to reflect events, circumstances or changes in expectations after the date of this press release.

Active Biotech is obligated to publish the information contained in this press release in accordance with the Swedish Securities Market Act. Active Biotech is obligated to publish the information contained in this press release in accordance with the Swedish Securities Market Act. The information was submitted for publication at 3:30 pm CET on September 11, 2009.

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