

March 16, 2016

Divalproex Supply in Canada

At Teva Canada, we recognize the impact of the ongoing supply disruption of Divalproex in Canada and are acutely aware of the tremendous anxiety this creates for patients who depend on this medication to manage their medical conditions. We take our responsibility seriously as a manufacturer and have prepared the following information in the hopes we can help alleviate any concern that this shortage has been causing.

Managing the Shortage

The current supply issue arose as a result of Apotex Inc.'s production issues and subsequent inability to meet patient demand. As Apotex Inc. produced the majority of Divalproex sold in Canada, this resulted in an unanticipated 400% increase in demand for Teva Canada's product (Teva-Divalproex), which challenged our inventory levels. Accommodating an unforeseen increase in demand is very challenging for any drug manufacturer.

To react to this market challenge, Teva Canada has taken an active role by:

1. Triggering increased production
2. Assessing dispensing data and usage across Canada to disperse the inventory to cover the needs
3. Expediting all activities related to getting inventory available throughout the Canadian pharmaceutical distribution channel.

Our goal is to ensure Divalproex reaches pharmacists and their patients in the most expeditious manner possible with little to no disruption in supply – so patients have the medications they need, when they need it.

Inventory Update

Over the past several months, we have applied significant resources, in cooperation with both our manufacturing partners and Teva's global network, to increase our production volumes to fill the market gap and meet the unexpected patient demand. We expect to release the following products over the next three weeks:

- **250 MG 100 count:** Week ending March 11, 2016 (released), and week ending April 1, 2016.
Approximately 34,500 bottles (7 weeks of supply based on historical usage patterns)
- **250 MG 500 count:** Week ending March 18, 2016, and week ending April 1, 2016.
Approximately 4,600 bottles (6 weeks of supply based on historical usage patterns)
- **500 MG 100 count:** Week ending March 18, 2016, and week ending April 1, 2016.
Approximately 17,400 bottles (2.3 weeks of supply based on historical usage patterns)
- **500 MG 500 count:** Week ending April 1, 2016.
Approximately 1,150 bottles (3.4 weeks of supply based on historical usage patterns)

At this time, we do not have an anticipated release schedule for the **125MG 100 count** product. We will continue our efforts to make it available as soon as possible.

Additional Supply Options

Teva Canada Limited will continue to expedite production and will transparently share additional supply plans and dates as they become available. We will also look extensively for any and all options to meet patient demand. This includes working with Health Canada to coordinate the potential availability of alternate supply sources (such as product manufactured for other international markets) on an "as needed" basis with appropriate regulatory oversight from Health Canada to ensure the safety, quality and appropriate labeling of any additional product sold in Canada.

Allocation of Divalproex

Until the supply situation for Divalproex is stabilized, it is imperative that all levels of the pharmacy supply chain (manufacturers, distributors and retailers) manage their allocation of existing supply strategically. We must ensure that new product inventory flows to where it is needed most and that there is enough flexibility in the system to cover emergency patient situations as they develop. To this end, we are working closely with wholesalers to implement appropriate allocation strategies for Divalproex.

Emergency Supply

Patients and health care providers requiring access to specific Divalproex products on an emergency basis should contact their pharmacist / pharmacy to request the reallocation of product from other pharmacy locations or warehouses.

Teva is Committed to Being Transparent About Our Drug Supply

Throughout this and other periods of industry disruption, we aim to be as transparent and realistic as possible. We update DrugShortages.ca regularly, and we publish realistic dates for when we expect to return to full supply levels of all of our products.

At Teva Canada, we are committed to ensuring a safe, reliable supply of medications to every one of the Canadian patients who rely on our products. We consistently provide service levels that are among the highest in Canada - in 2015 our services levels increased to lead the industry in spite of country-wide disruptions. We are keenly aware of our responsibility to our customers and the patients that rely on our medications, and we are doing everything we can to restore a stable level of stock for Divalproex.

Thank you for your ongoing trust and patience as we partner with you to manage this situation.