

TEVA PHARMACEUTICAL INDUSTRIES LTD

Form 6-K

December 16, 2005

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FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16

under the Securities Exchange Act of 1934

For the month of December 2005

Commission File Number

TEVA PHARMACEUTICAL INDUSTRIES LIMITED

(Translation of registrant's name into English)

5 Basel Street, P.O. Box 3190

Petach Tikva 49131 Israel

(Address of principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also hereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If is marked, indicate below the file number assigned to the registrant in connection with Rule 12g(3)-2(b): 82-_____

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In connection with its pending acquisition of IVAX Corporation (Ivax), the registrant hereby files certain information regarding Ivax recent developments (as set forth on the following page) and the following financial information on this Form 6-K:

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Also included in this Form 6-K is the consent of Ernst & Young LLP, Ivax's independent registered public accounting firm, to the incorporation by reference of their report dated March 9, 2005 included in this Form 6-K into various registration statements of the registrant.

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IVAX Recent Developments

On November 23, 2005, IVAX entered into a credit facility in the aggregate amount of \$700 million (the Credit Facility) with Citicorp North America, Inc., as administrative agent, and the lenders party thereto. The Credit Facility is subject to customary terms and conditions, including certain covenants that, among other things, limit IVAX's ability to incur indebtedness; liquidate, merge or consolidate with others; sell assets; enter into certain transactions with affiliates; make certain accounting or organizational structure changes or change the nature of IVAX business. Amounts borrowed under the Credit Facility will be prepayable at any time, without penalty, and must be repaid, in full, on the earlier of the date which is three business days after the closing of the merger between IVAX and Teva, or May 23, 2006. The funds provided pursuant to the Credit Facility will be used to satisfy any amounts payable by IVAX in connection with the conversion and/or repurchase of its outstanding convertible notes.

On November 28, 2005, IVAX and U.S. Bank National Association (the Trustee) entered into supplemental indentures amending the indentures relating to IVAX 1.5% Convertible Senior Notes due 2024 (the 2024 Notes), its 1.875% Convertible Senior Notes due 2024 (the 1.875% Notes) and its 1.5% Convertible Senior Notes due 2025 (the 2025 Notes). Consent of the holders of the 2024 Notes, the 1.875% Notes, and 2025 Notes was not required to effect these amendments. The supplemental indentures remove the contingent conversion feature of the 2024 Notes and 2025 Notes and provide that they will be convertible at any time beginning after 12:01 A.M., New York City time, on December 1, 2005, at a rate of:

41.85925 shares of IVAX common stock per \$1,000 principal amount of 2024 Notes (which is equal to a conversion price of approximately \$23.89 per share), and

44.0009 shares of IVAX common stock per \$1,000 principal amount of 2025 Notes (which is equal to a conversion price of approximately \$22.73 per share).

The 1.875% Notes became convertible as of October 3, 2005 (through December 31, 2005) as their conversion trigger was satisfied as of such date and, pursuant to the supplemental indenture, will remain convertible following such date without regard to the contingent conversion feature. The 1.875% Notes are currently convertible at a rate of 48.1301 shares of IVAX common stock per \$1,000 principal amount of 1.875% notes (which is equal to a conversion price of approximately \$20.78 per share).

The conversion rates are subject to adjustment in the manner provided for in the applicable indentures.

Upon conversion, the holders of approximately \$1.1 billion aggregate principal amount of the 2024 Notes, 1.875% Notes and 2025 Notes will receive the conversion value of their respective notes, payable in cash up to the principal amount of such note. The amount of such note's conversion value in excess of such principal amount will be payable, if converted prior to the closing of IVAX pending acquisition by Teva, in shares of IVAX common stock.

In accordance with the provisions of the indenture governing the Company's 4.5% Convertible Senior Subordinated Notes due 2008 (the 2008 Notes), the approval of the merger by IVAX shareholders constituted a change of control. Accordingly, holders of the 2008 Notes have the right to cause IVAX to repurchase these notes at par on January 9, 2006.

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Through December 13, 2005 requests for conversion of approximately \$980 million in aggregate principal amount of all series of notes taken together were received. IVAX expects additional requests for conversion, however, it is not presently possible to predict the additional amount of 2024 Notes, 1.875% Notes, 2025 Notes, or 2008 Notes, if any, that may be converted following the date hereof, and as a result IVAX is not presently able to determine the amount of cash that IVAX may be required to pay to holders electing to convert or the number of shares of IVAX common stock that may be issued upon any such conversions.

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IVAX CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In thousands, except per share data)

September 30,