



TARO Pharmaceutical Industries Ltd

Sun Pharma Proposes to Acquire Taro Shares

October 19, 2011

Offer of \$24.50 per Share for Remaining Outstanding Shares

HAWTHORNE, N.Y., Oct 19, 2011 (BUSINESS WIRE) --

Taro Pharmaceutical Industries Ltd. ("Taro," Pink Sheets: TAROF) confirmed that Taro's Board of Directors received yesterday a letter from Sun Pharmaceutical Industries Ltd. (Reuters: SUN.BO, Bloomberg: SUNP IN, NSE: SUNPHARMA, BSE: 524715) (together with its subsidiaries and affiliates, "Sun Pharma") making a non-binding proposal for the acquisition of all of the issued and outstanding shares of Taro, not currently held by Sun Pharma, at a price of \$24.50 per share, in cash. Sun Pharma's letter states, in part, that the proposal represents a valuation of approximately \$1.09 billion for Taro and the proposed purchase price represents a 25.96% premium over Taro's closing price on October 17, 2011 and a 23.80% premium over Taro's closing price in the last 60 days. According to its Schedule 13D filings, Sun Pharma presently holds 29,497,813, or 66.3%, of Taro's 44,535,832 ordinary shares outstanding.

Taro anticipates that an independent committee of Taro's Board of Directors will review Sun Pharma's proposal in due course.

About Taro

Taro Pharmaceutical Industries Ltd. is a multinational, science-based pharmaceutical company, dedicated to meeting the needs of its customers through the discovery, development, manufacturing and marketing of the highest quality healthcare products. For further information on Taro Pharmaceutical Industries Ltd., please visit the Company's website at www.taro.com.

SAFE HARBOR STATEMENTS

Certain statements in this release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, statements that do not describe historical facts and statements that refer or relate to events or circumstances Taro "estimates," "believes," or "expects" to happen or similar language. Although Taro believes the expectations reflected in such forward-looking statements to be based on reasonable assumptions, it can give no assurances that its expectations will be attained. Factors that could cause actual results to differ include the offer evaluated by Taro's Board of Directors, acceptance of the offer by Taro Shareholders, approval, if any required, by regulatory authorities, general domestic and international economic conditions, industry and market conditions, changes in Taro's financial position, litigation brought by any party in any court in Israel, the United States, or any country in which Taro operates, regulatory actions and legislative actions in the countries in which Taro operates, and other risks detailed from time to time in Taro's SEC reports, including its Annual Reports on Form 20-F. Forward-looking statements speak only as of the date on which they are made. Taro undertakes no obligations to update, change or revise any forward-looking statement, whether as a result of new information, additional or subsequent developments or otherwise.

SOURCE: Taro Pharmaceutical Industries Ltd.

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