FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer
Pursuant to Rule 13a - 16 or 15d - 16 of
the Securities Exchange Act of 1934

For the month of February, 2005

Taro Pharmaceutical Industries Ltd.

(Translation of registrant's name into English)

14 Hakitor Street, Haifa Bay 26110, Israel
(Address of principal executive office)

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 X Form 40-F

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

Yes..... No X

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- .....)

Taro Reports 4th Quarter and Full Year 2004 Results

HAWTHORNE, N.Y.--(BUSINESS WIRE)--Feb. 24, 2005--Taro Pharmaceutical Industries Ltd. ("Taro," the "Company," NASDAQ: TARO) today reported fourth quarter and full year results for 2004.

Fourth Quarter 2004 Results

Taro's fourth quarter sales were $77.7 million, compared with $88.6 million for the fourth quarter of 2003. Gross profit for the quarter was $42.3 million, compared with $62.1 million for the fourth quarter of 2003.

Selling, general and administrative ("SGA") expenses were $29.0 million, compared with $32.1 million for the year-ago quarter. R&D expenses were $9.2 million, compared with $11.1 million for the fourth quarter of 2003.

Net income for the quarter was $4.8 million, or $0.16 per diluted share, compared with $16.6 million, or $0.56 per diluted share, for the fourth quarter of 2003.

Sales in the United States continued to increase sequentially in the fourth quarter compared with the third and second quarters of 2004. Gross margin in the fourth quarter was affected by higher unit costs as the Company decreased production in line with the inventory reduction program initiated in the third quarter, and by price erosion, which is inherent in the generic pharmaceutical industry. Cost of goods was increased by several additional factors, including the decrease in value of the U.S. dollar, the cost of transferring production from the Company's Long Island, NY facility to its Toronto facility, and costs related to a reduction in manufacturing personnel.

The decrease in SGA expenses compared with the year-ago quarter and the third quarter of 2004 primarily reflects the cost reduction measures implemented by Taro in 2004. The decrease in net income compared with the year-ago quarter primarily results from the decrease in revenues, the increase in unit costs, changes in product mix, and price erosion.

Full Year 2004 Results

Taro's sales were $284.1 million for the year ended December 31, 2004, compared with sales of $315.5 million for 2003. Gross profit for 2004 was $164.7 million, compared with $213.0 million for 2003.

SGA expenses for the year were $123.4 million, compared with $97.7

million for 2003. R&D expenses were $41.9 million, compared with $40.6 million for 2003.

Net income for 2004 was $11.1 million, or $0.37 per diluted share, compared with $61.2 million, or $2.06 per diluted share, for 2003.

"Taro's performance in the second half improved compared to the first half of the year. Beginning in the first half of the year, Taro experienced an unexpected shortfall in U.S. sales at a time when the Company was undertaking a major initiative in the marketing of proprietary consumer products. These factors, combined with our continuing commitment to research, led to the decline in profits," said Barrie Levitt, M.D., Chairman of the Company. "Nevertheless, the improvement we witnessed in the second half came primarily from the corrective actions we took. Long-term, we continue to focus on the Company's prescription pharmaceutical business. We believe that our research and marketing initiatives, combined with our cost reduction measures, will return Taro to meaningful, sustainable and profitable growth."

Prescriptions for Taro products grew more than 19 percent in the United States in 2004, according to industry sources.

Balance Sheet

At December 31, 2004, Taro's total assets were $695.0 million, an increase of $78.5 million, compared with $616.5 million at December 31, 2003. Included in Deferred Taxes and Other Assets is the value of the Company's product acquisitions. Total liabilities were $326.2 million, an increase of $58.8 million, compared with $267.4 million at the end of 2003.

Shareholders' equity was $368.1 million at December 31, 2004, an increase of $20.7 million, compared with $347.4 million at the end of 2003.

Proprietary Research

T2000 is the first compound in a group of long-acting, non-sedating barbiturates under development at Taro. The Company is refining the study design for its Canadian Phase III trial of T2000 in essential tremor. There can be no assurance that T2000, or any members of its class, will be successful in any current or future clinical trials, or will be commercialized for any indication.

4th Quarter FDA Approvals and Generic Elocon(R) Supply Agreement

In the fourth quarter, Taro received final Abbreviated New Drug Application ("ANDA") approvals for five topical products: betamethasone dipropionate ointment (augmented), 0.05%, a generic version of Schering-Plough's Diprolene(R) ointment; halobetasol propionate ointment, 0.05%, a generic version of Bristol-Myers Squibb's Ultravate(R) ointment; hydrocortisone butyrate ointment, 0.1%, a generic version of Ferndale Laboratories' Locoid(R) ointment; and, mometasone furoate ointment, 0.1% and mometasone furoate cream, 0.1%, generic versions of Schering-Plough's Elocon(R) ointment and cream, respectively.

In December 2004, Taro entered into a supply agreement with Agis Industries (1983) Ltd. ("Agis") regarding the generic Elocon(R) cream product. As part of the agreement with Taro, Agis relinquished its right to 180-day generic exclusivity, permitting the FDA to grant final approval for Taro's ANDA. Under the agreement, Taro is supplying the product to Agis. An Agis subsidiary, Clay Park Labs, Inc., is distributing the product in the U.S.

U.S. FDA Filings

During 2004, Taro filed 10 ANDAs and received approvals for 15 ANDAs and one New Drug Application. Six of the ANDA approvals were for first-to-market generics. Taro currently has 27 filings submitted to the FDA: 26 ANDAs, including two tentative approvals, plus one NDA for a NonSpil(TM)-related product. Fourteen of the filings are for topical products and 13 are for products in oral and other dosage forms. The ANDAs address markets with annual U.S. sales of more than one billion dollars. In addition, Taro has regulatory filings in Canada, Israel and other countries.

Acquisition of New York Facility

In February 2005, Taro completed the acquisition of 3 Skyline Drive, the 124,000 square foot building in which the Company had initially acquired a 32% interest in 2002. The Company is consolidating its New York operations into this laboratory and office building.

Conference Call

The Company will conduct a conference call to discuss fourth quarter and year-end results on Thursday, February 24, 2005 at 11:00 a.m. Eastern Time (8:00 a.m. Pacific Time).

The call will be available live via the Internet by accessing www.taro.com.

Online and telephone replays of the call will be available from approximately 1:00 p.m. on February 24th through March 3, 2005. The online replay can be accessed at www.taro.com. The telephone replay can be heard by dialing 888-286-8010 (domestic U.S.) or +617-801-6888 (international) and providing the passcode 77052125 when prompted.

Taro 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 STATEMENT

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 the Company "believes" may happen. Although Taro Pharmaceutical Industries Ltd. 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 general economic conditions, industry and market conditions, slower than anticipated penetration of new markets, changes in the Company's financial position, regulatory actions and legislative actions in the countries in which Taro operates, future demand and market size for products under development, marketplace acceptance of new or existing products, either generic or proprietary, and other risks detailed from time to time in the Company'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. The Company 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.

TARO PHARMACEUTICAL INDUSTRIES LTD.
SUMMARY CONSOLIDATED BALANCE SHEETS
(US dollars in thousands)

	DECEMBER 31, 2004	DECEMBER 31, 2003
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 98,630	$ 159,121
Restricted short-term bank deposits	6,598	2,518
Accounts Receivable - Trade	122,847	120,522
Accounts Receivable - Other and prepaid expenses	16,621	17,046
Inventories	86,591	84,486
Total Current Assets	331,287	383,693
Long Term Investments	19,836	2,888
Property, Plant and Equipment, net	241,966	182,306
Deferred Taxes and Other Assets	101,930	47,636
TOTAL ASSETS	$ 695,019	$ 616,523
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Short-Term Bank Credits	$ 64,961	$ 19,124
Current Maturities of Long-Term Liabilities	16,944	24,420
Accounts Payable and Accrued Expenses	47,796	60,194
Total Current Liabilities	129,701	103,738
Long-Term Liabilities	187,346	156,937

Other Liabilities	9,159	6,737
TOTAL LIABILITIES	326,206	267,412
Minority Interest	694	1,711
Shareholders' Equity	368,119	347,400
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 695,019	$ 616,523

TARO PHARMACEUTICAL INDUSTRIES LTD.
SUMMARY CONSOLIDATED STATEMENTS OF INCOME
(US dollars in thousands, except per share data)

	Three Months Ended December 31,		Year Ended December 31,	
	2004	2003	2004	2003
SALES	$ 77,668	$ 88,621	$ 284,130	$ 315,458
Cost of Sales	35,334	26,561	119,404	102,454
Gross Profit	42,334	62,060	164,726	213,004
Operating Expenses:				
Selling and Administrative	29,036	32,097	123,387	97,718
Operating Income before Research and Development	13,298	29,963	41,339	115,286
Research and Development	9,211	11,062	41,943	40,601
Operating Income (loss)	4,087	18,901	(604)	74,685
Financial and Other Expenses - net	684	561	6,329	1,729
	3,403	18,340	(6,933)	72,956
Taxes on Income	(1,340)	1,730	(16,991)	11,475
	4,743	16,610	10,058	61,481
Minority Share in Profit (Loss) of Subsidiary	(43)	(3)	(1,017)	326
NET INCOME	$ 4,786	$ 16,613	$ 11,075	$ 61,155
Earnings per Ordinary Share	$ 0.16	$ 0.57	$ 0.38	$ 2.12
Diluted Earnings per Ordinary Share	$ 0.16	$ 0.56	$ 0.37	$ 2.06
Weighted Average Number of Shares				
BASIC EPS	29,146,349	28,934,811	29,057,564	28,872,839
DILUTED EPS	29,618,811	29,817,095	29,657,486	29,674,148

CONTACT: Taro Pharmaceutical Industries Ltd.
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or
Kevin Connelly, 914-345-9000 ext. 6338

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 24, 2005

Taro Pharmaceutical Industries Ltd.

By: /s/ Kevin Connelly

Name: Kevin Connelly
Title: Senior Vice President
Chief Financial Officer