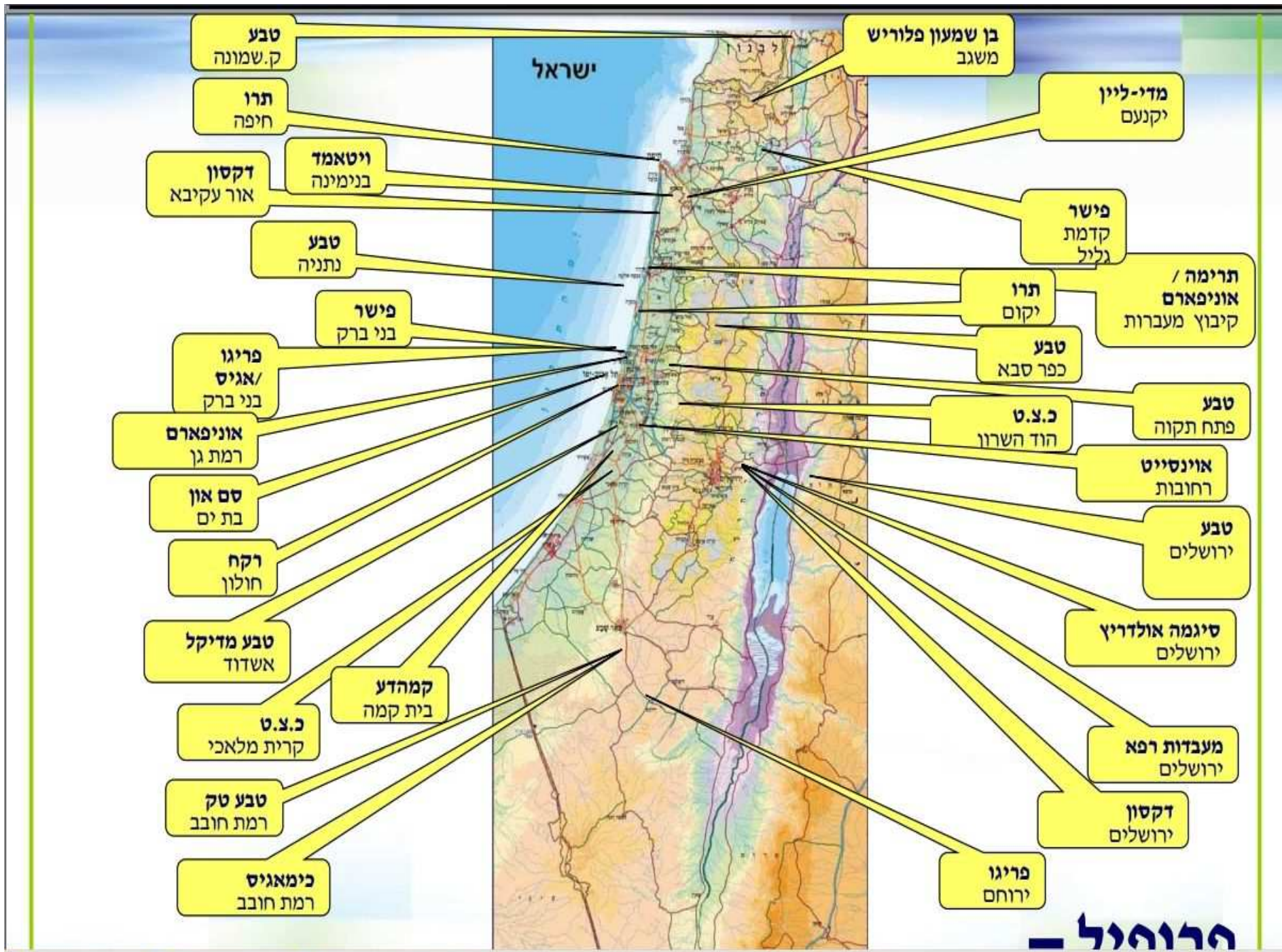


ISRAEL PHARMA

General



טבע
ק. שמונה

תרו
חיפה

דקסון
אור עקיבא

ויטאמד
בנימינה

טבע
נתניה

פישר
בני ברק

פריגו
אגיס
בני ברק

אוניפארם
רמת גן

סם און
בת ים

רקח
חולון

טבע מדיקל
אשדוד

קמהדע
בית קמה

כ.צ.ט
קרית מלאכי

טבע טק
רמת חובב

כימאגיס
רמת חובב

בן שמעון פלוריש
משגב

מדי-ליין
יקנעם

פישר
קדמת גליל

תרימה /
אוניפארם
קיבוץ מעברות

תרו
יקום

טבע
כפר סבא

כ.צ.ט
הוד השרון

טבע
פתח תקוה

אוניסייט
רחובות

טבע
ירושלים

סיגמה אולדריץ
ירושלים

מעבדות רפא
ירושלים

דקסון
ירושלים

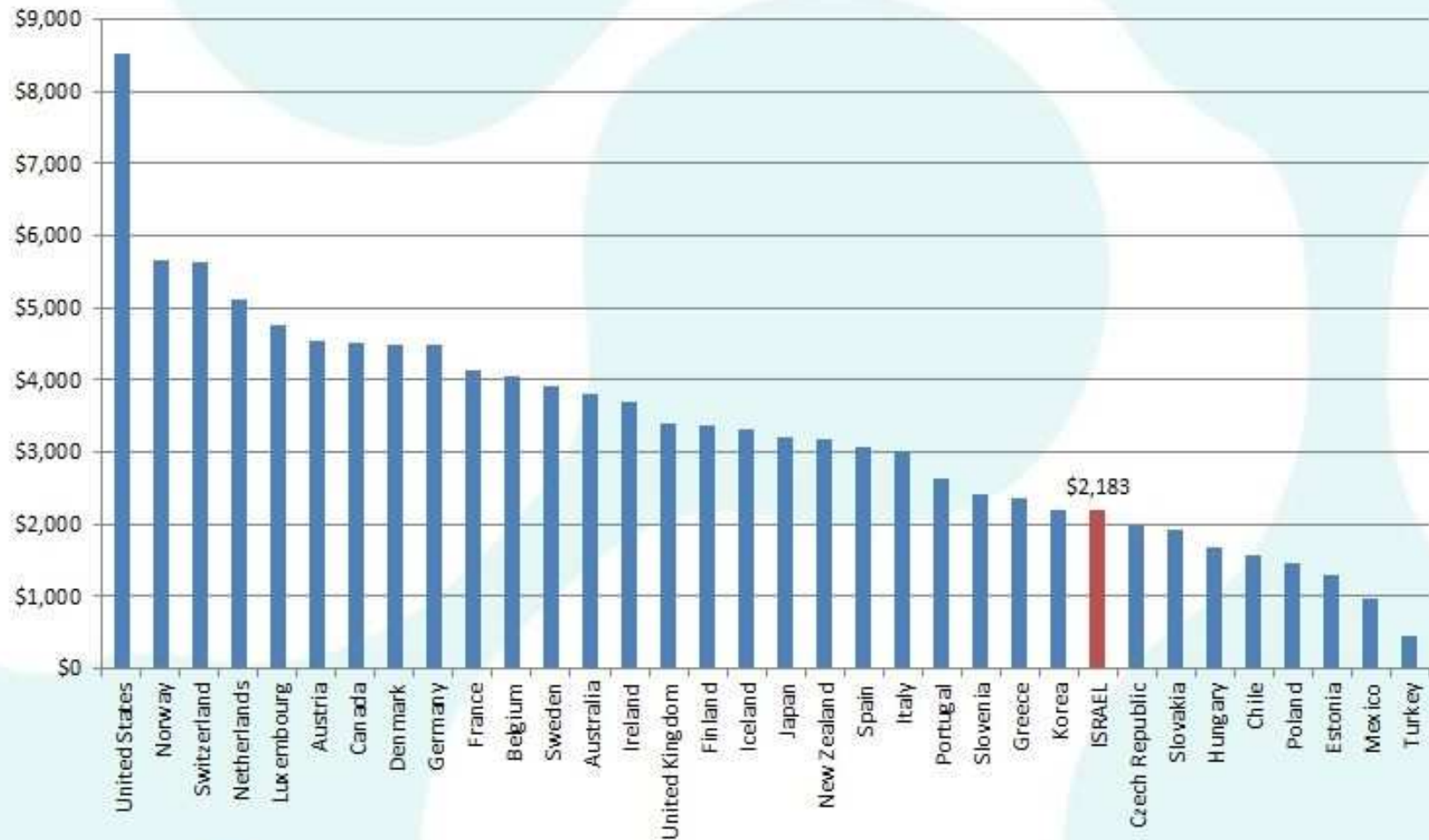
פריגו
ירוחם

הרוחל

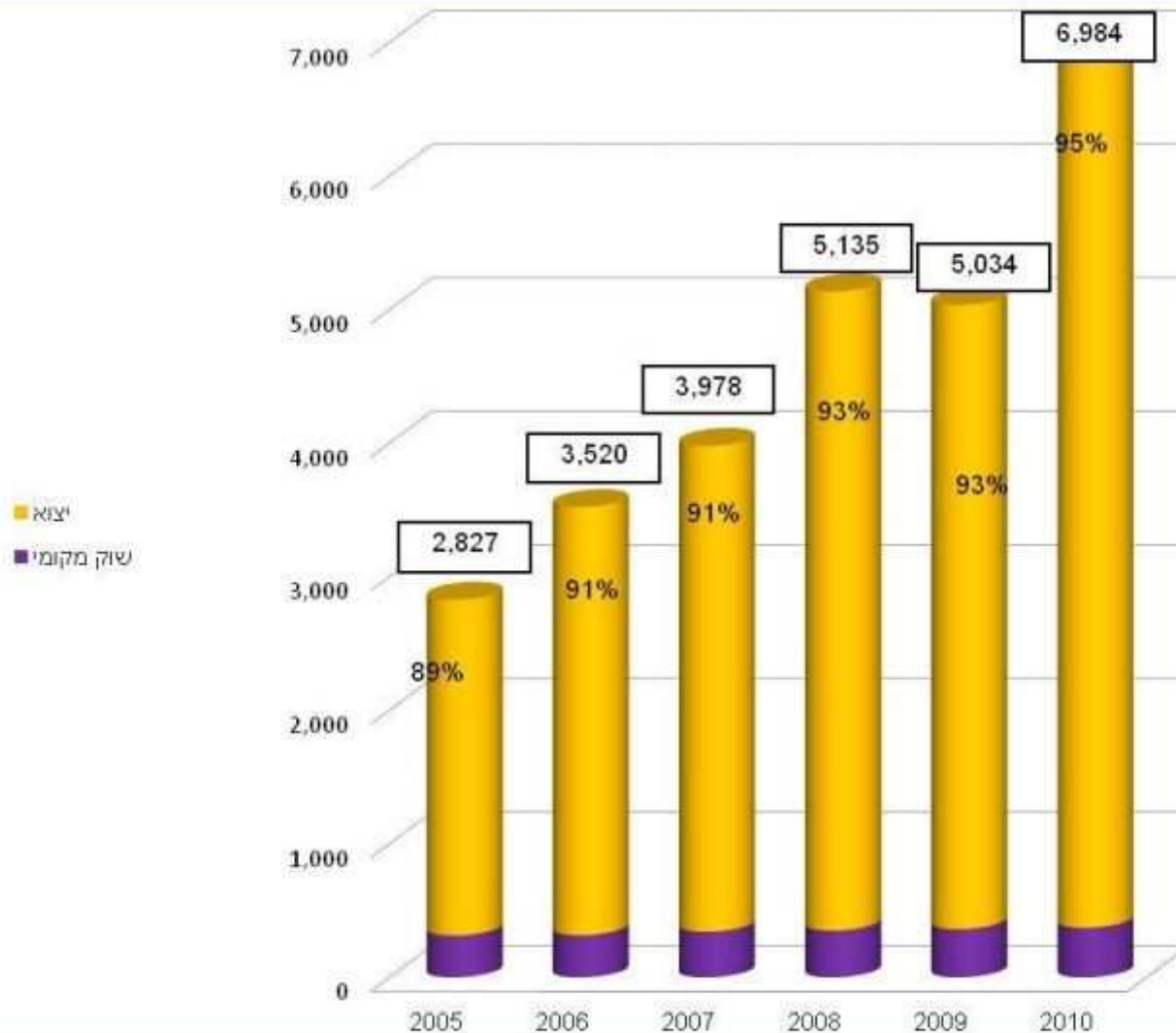
גרף 2: שיעור ההוצאה הלאומית לבריאות בישראל



2011: National Expenditure on Health (\$) - Expenditure per capita, PPP



מכירות ענף הפרמצבטיקה הישראלית (במיליוני \$) 2005-2010



תעשיית הפרמצבטיקה בישראל - עובדות ומספרים

2009-2010 (מיליוני \$)

2010 2009

6,984 5,034 סך מכירות התעשייה המקומית

6,612 4,673 מתוכן ליצוא

372 361 מתוכן לשוק המקומי

1,450 1,409 שוק התרופות ההומניות בישראל (כולל יבוא)

251 244 מכירות תרופות הומניות מייצור מקומי לשוק מקומי

1,199 1,164 יבוא תרופות הומניות*

חלקו היחסי של יבוא תרופות הומניות

83% בשוק המקומי

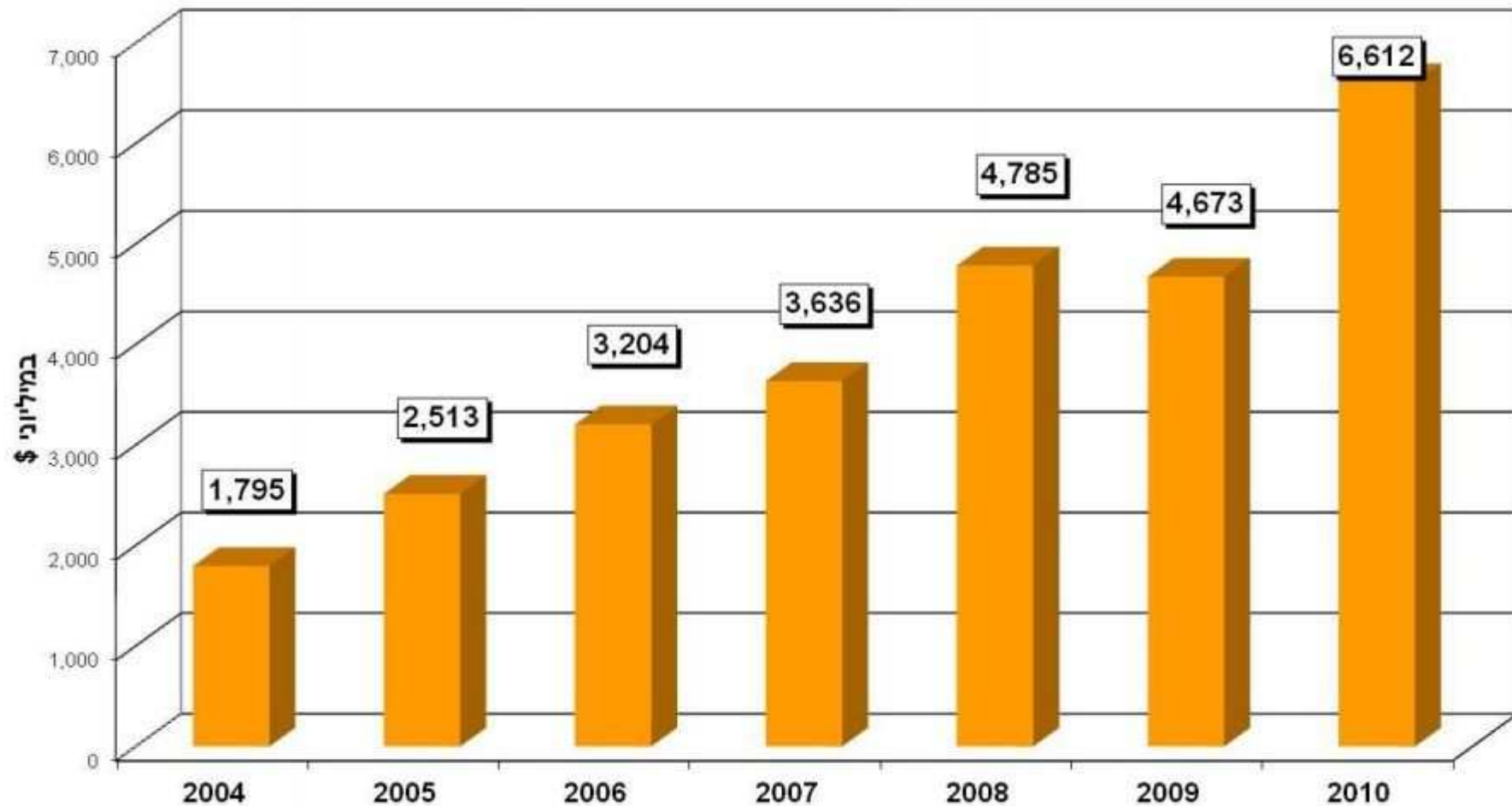
מעל 9,000 מספר המועסקים

3% חלקה של תעשיית התרופות התמ"ג בשנת 2010

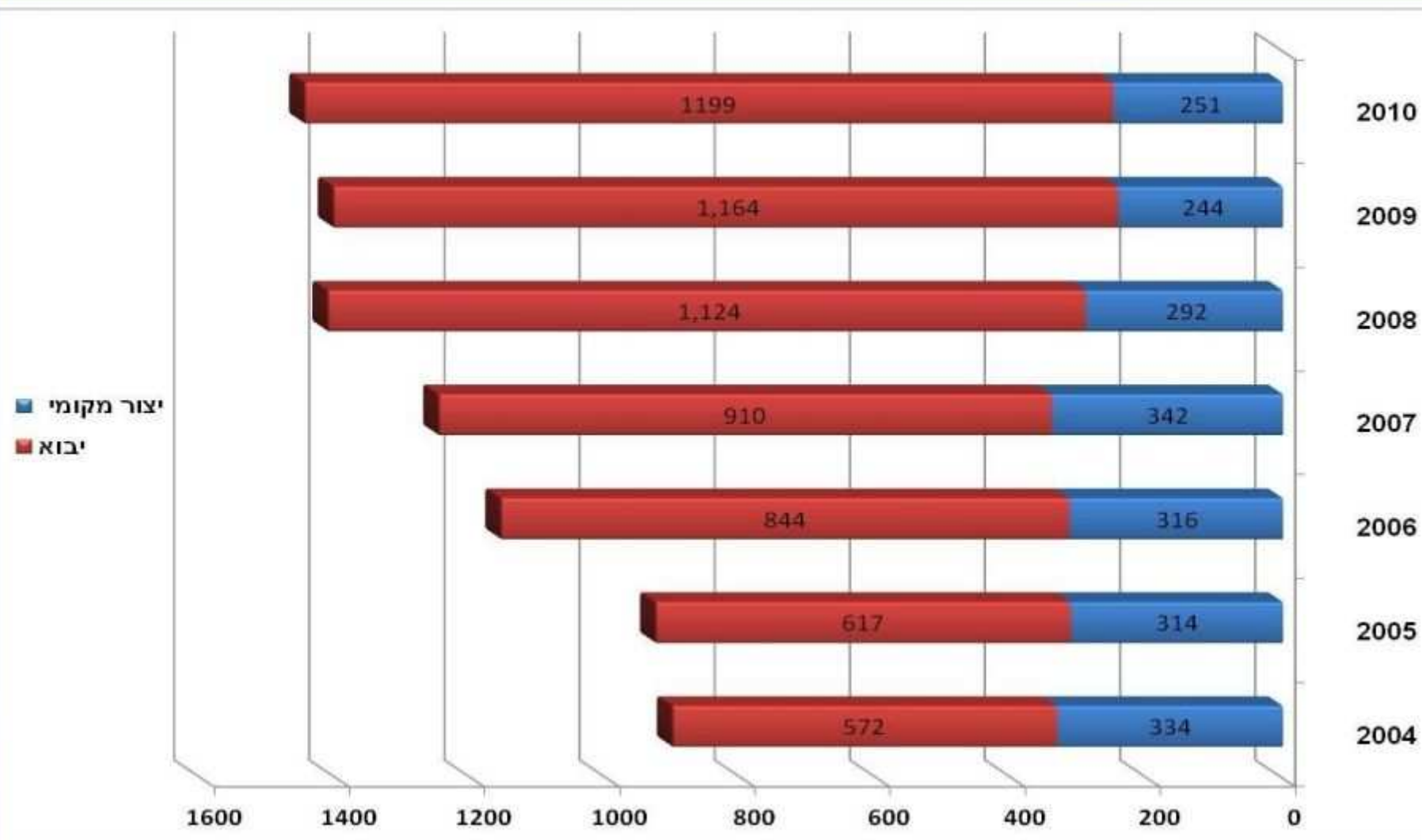
מקור: למ"ס, דו"ח מל"מ וסקר החברות

*בפועל יתכן
והמספרים
גבוהים יותר

יצוא ענף הפרמצבטיקה הישראלית (במיליוני \$) 2004-2010

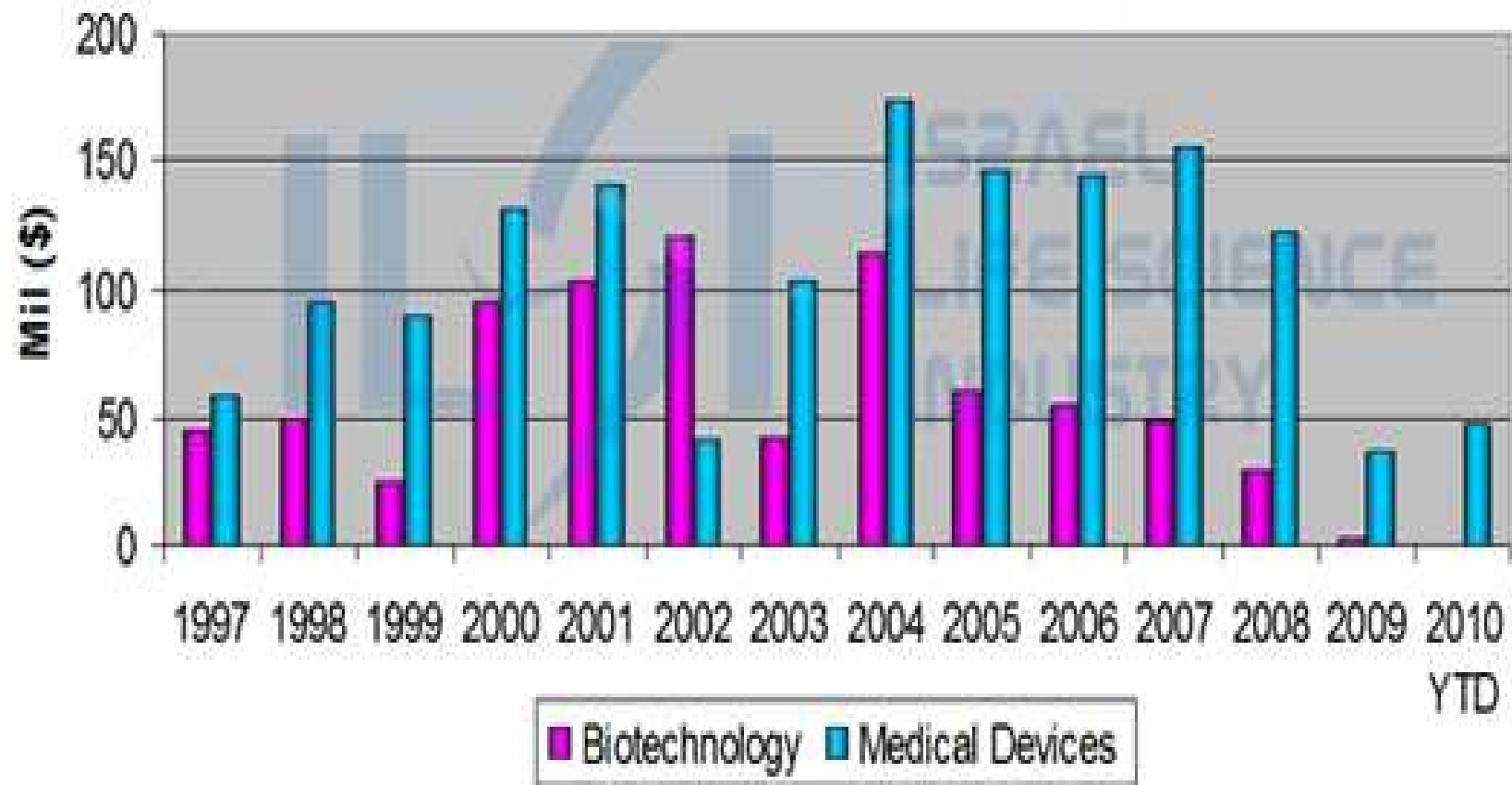


שוק התרופות ההומאניות בישראל בחלוקה לייצור מקומי וליבוא (במיליוני \$) 2004-2010



MEDICAL DEVICES

Amount Invested in Life Science Sector in Israel



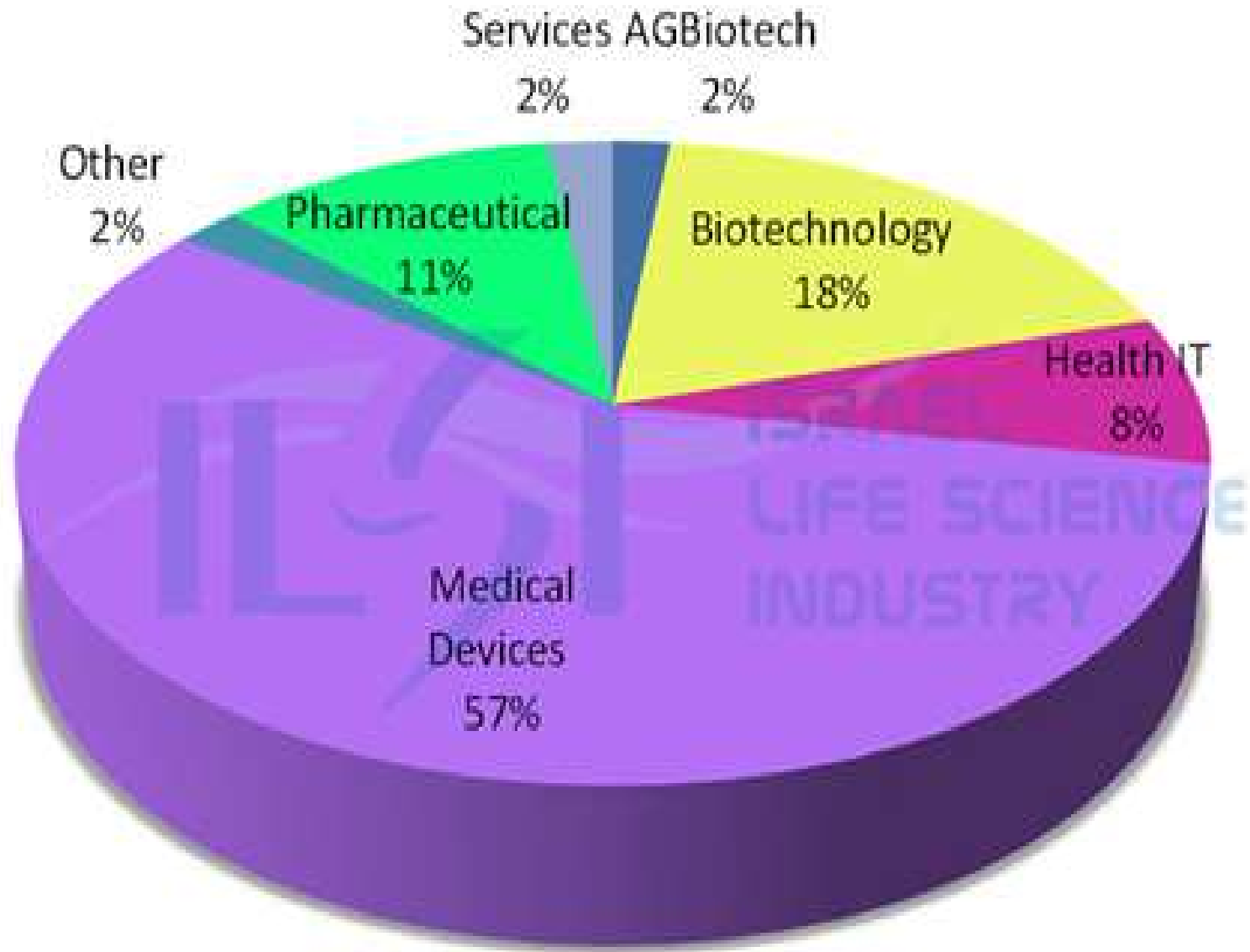
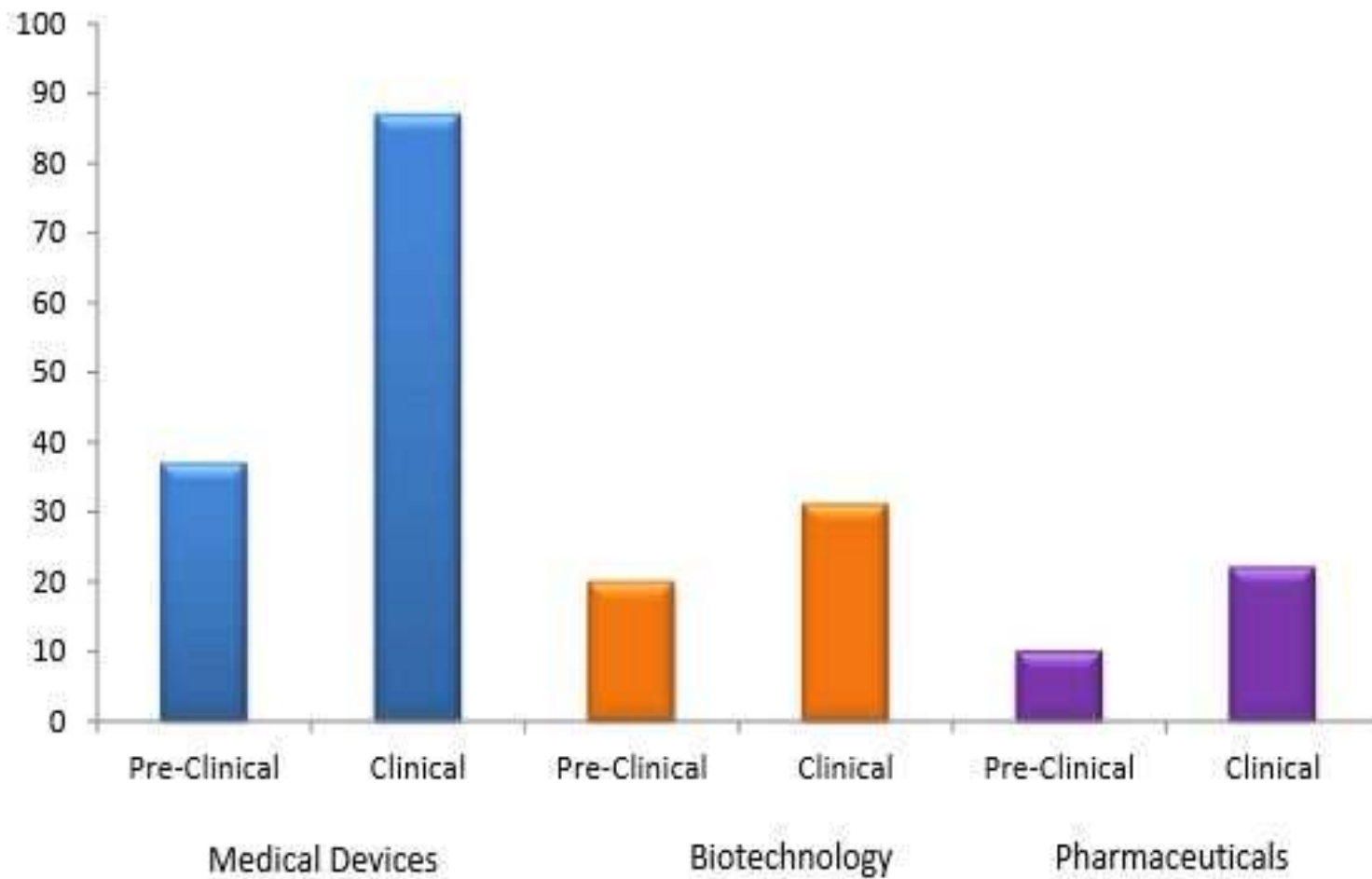
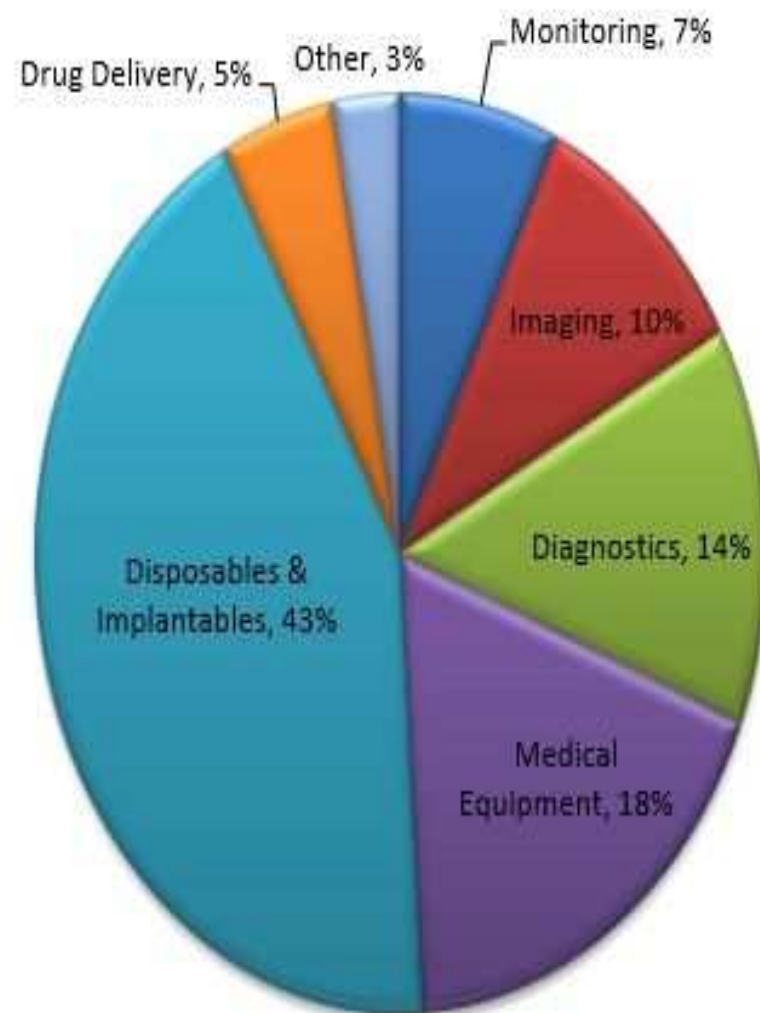


Figure 15. Companies in Clinical and Pre-Clinical Stages of Various Sub-sectors, 2010.



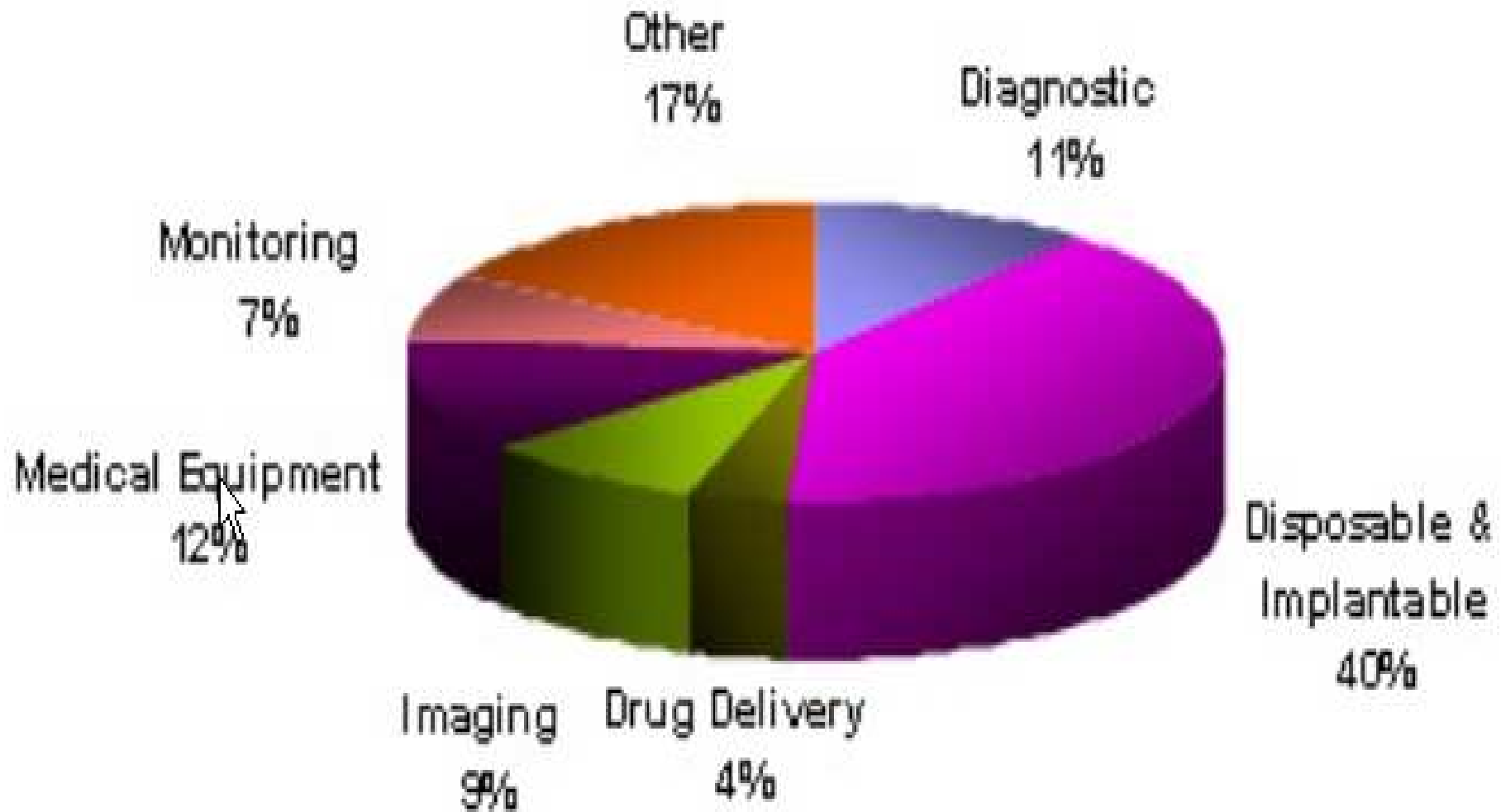
Source: ILSI Database, 2010



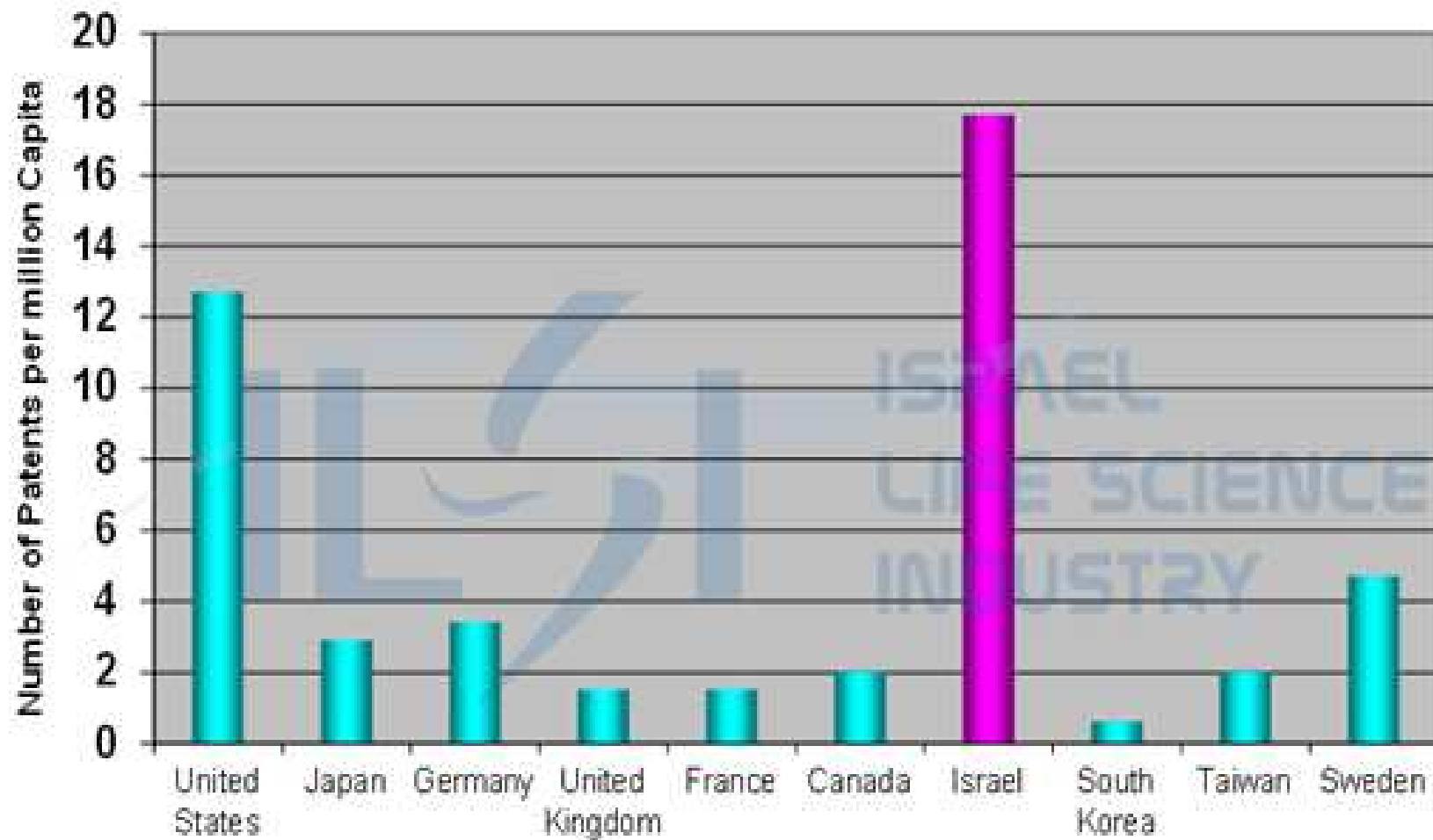
Source: ILSI Database, 2010

Figure 2

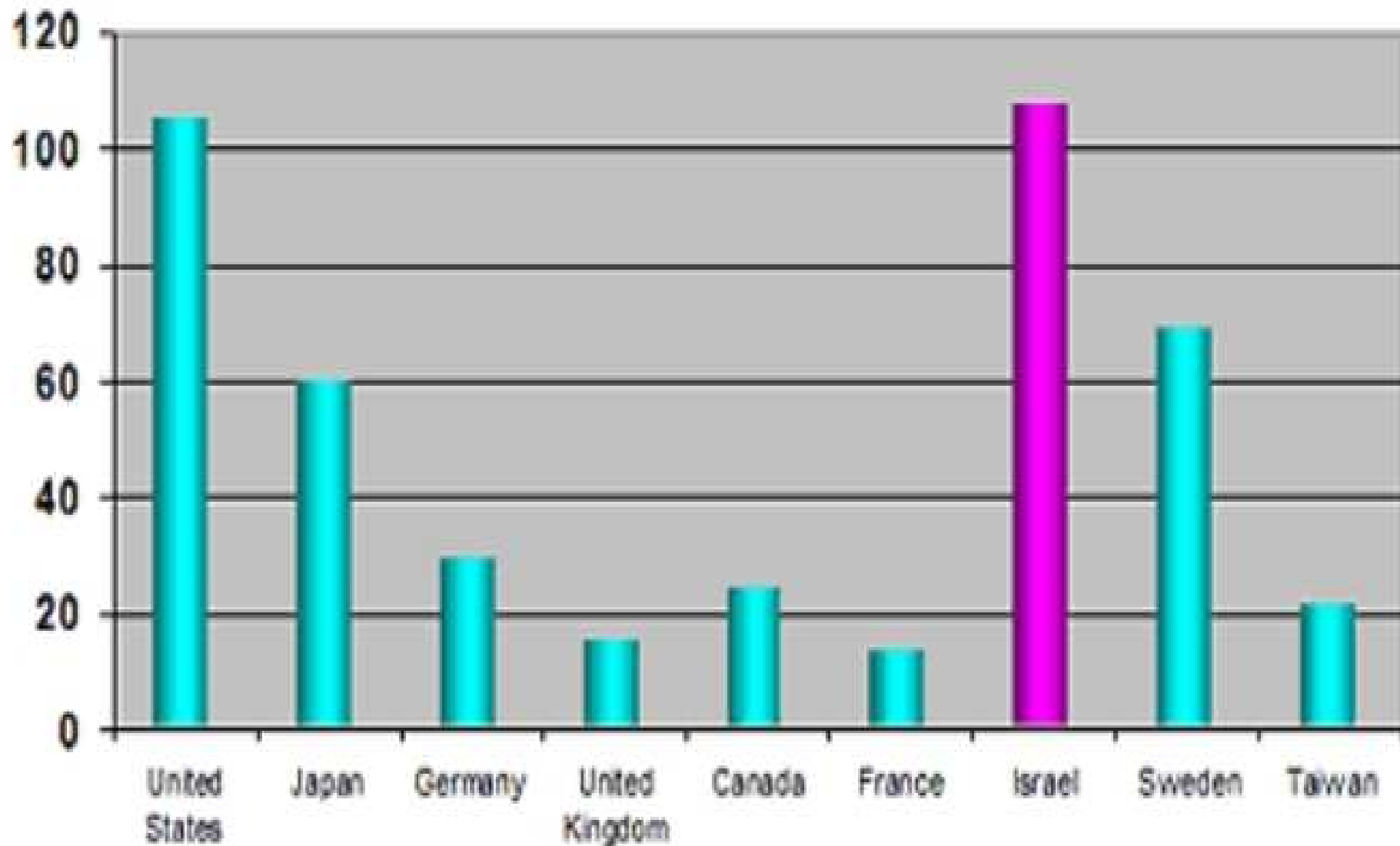
Israel's Medical Device Companies - Subsectors



Medical Device Patents per million Capita



Medical Devices Patents per Million Capita



Source: www.uspto.gov, Analysis: ILSI ©

MEDICINAL PHARMA

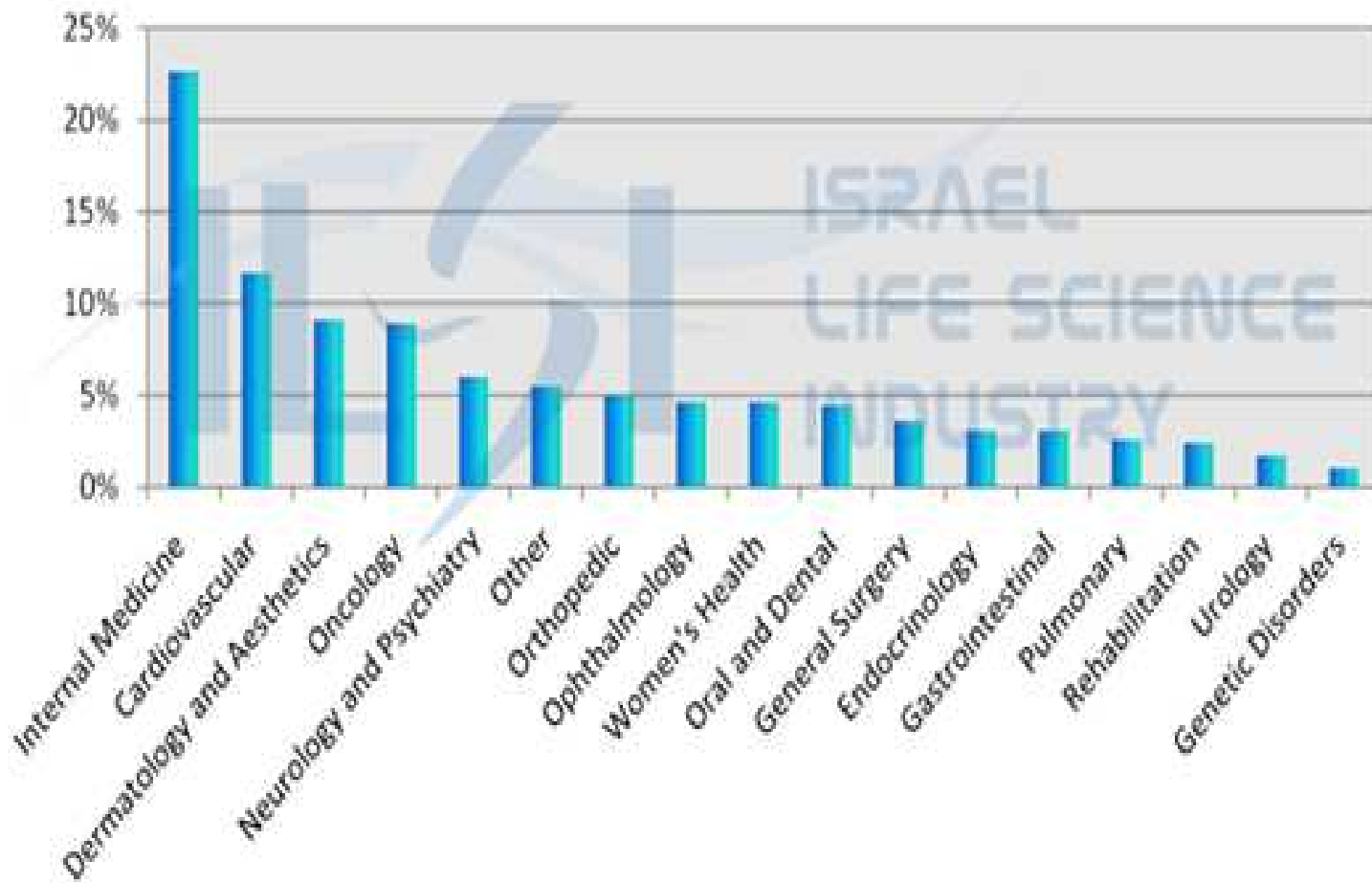
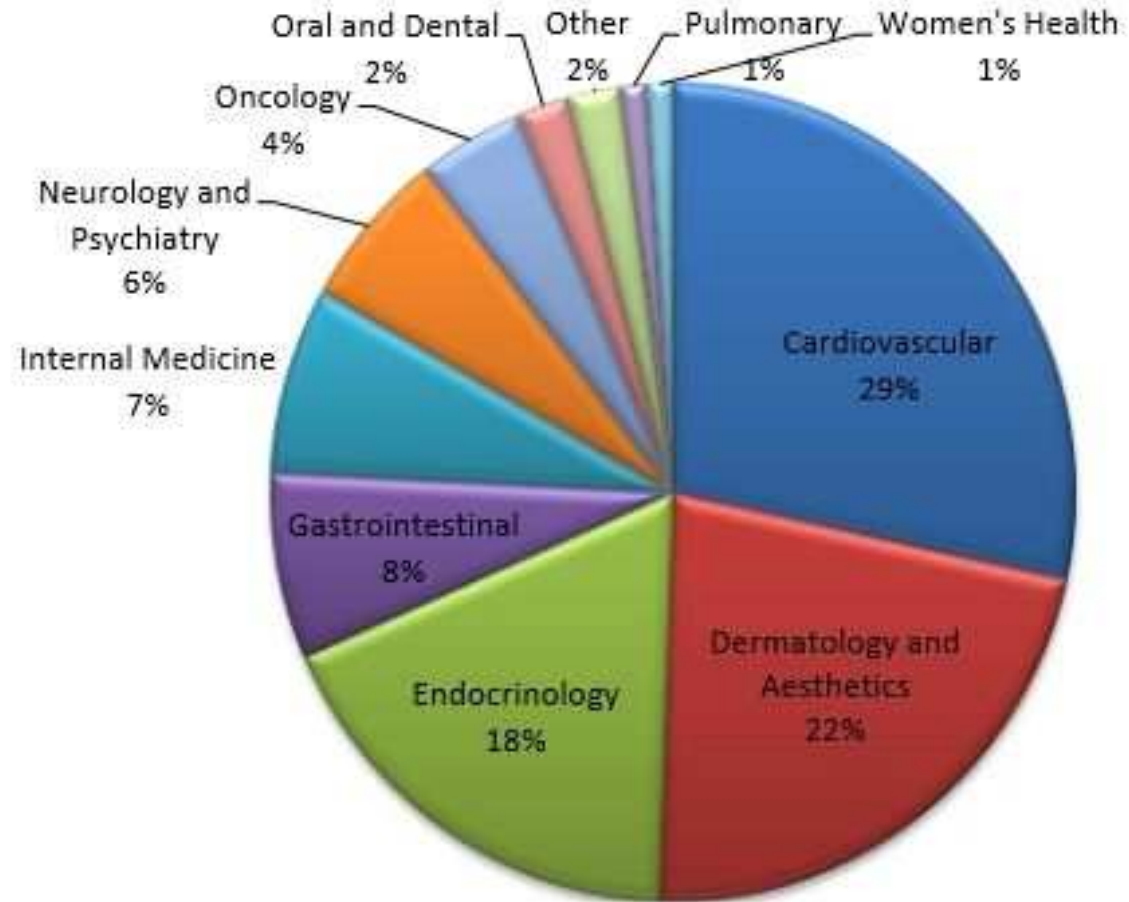
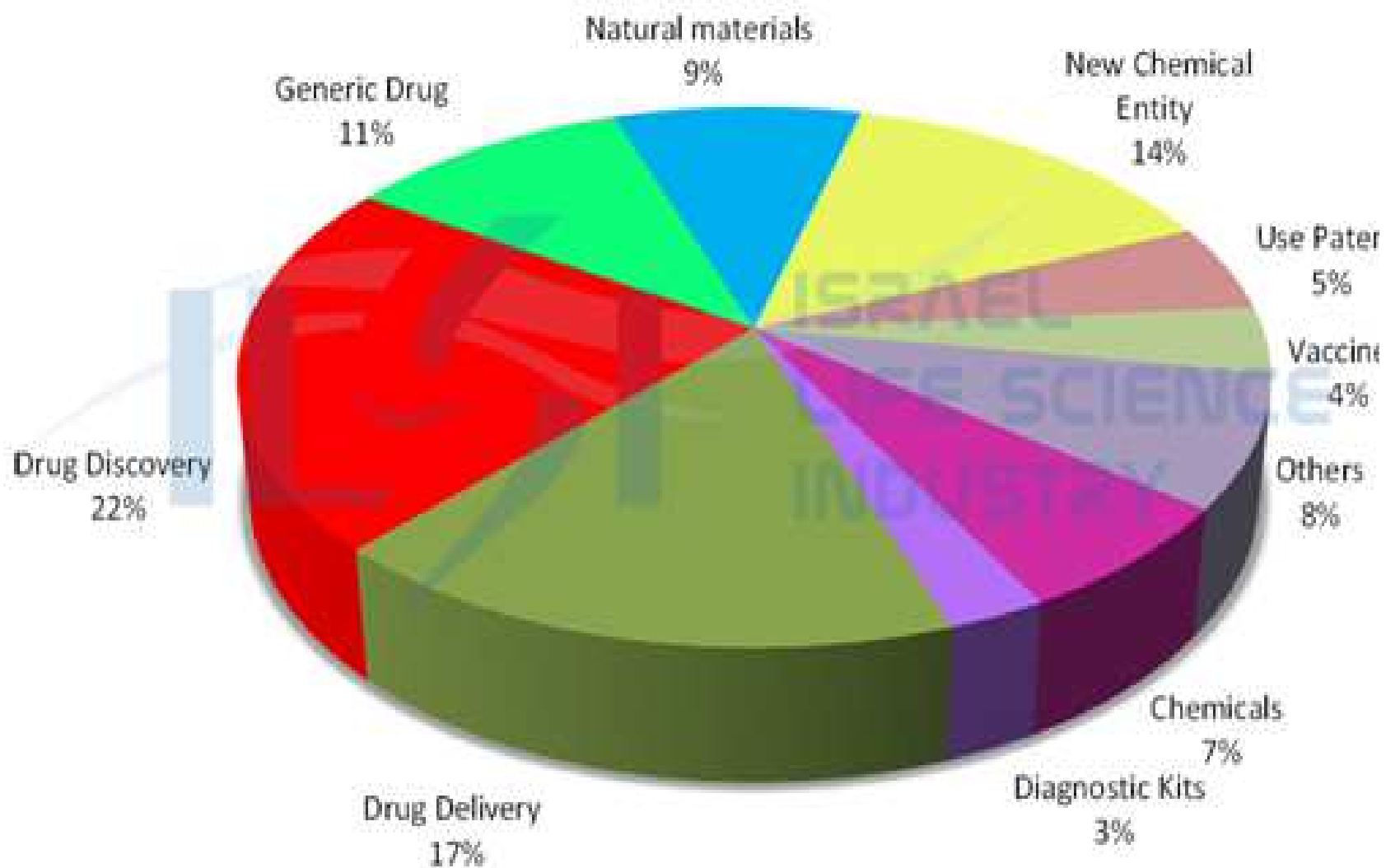
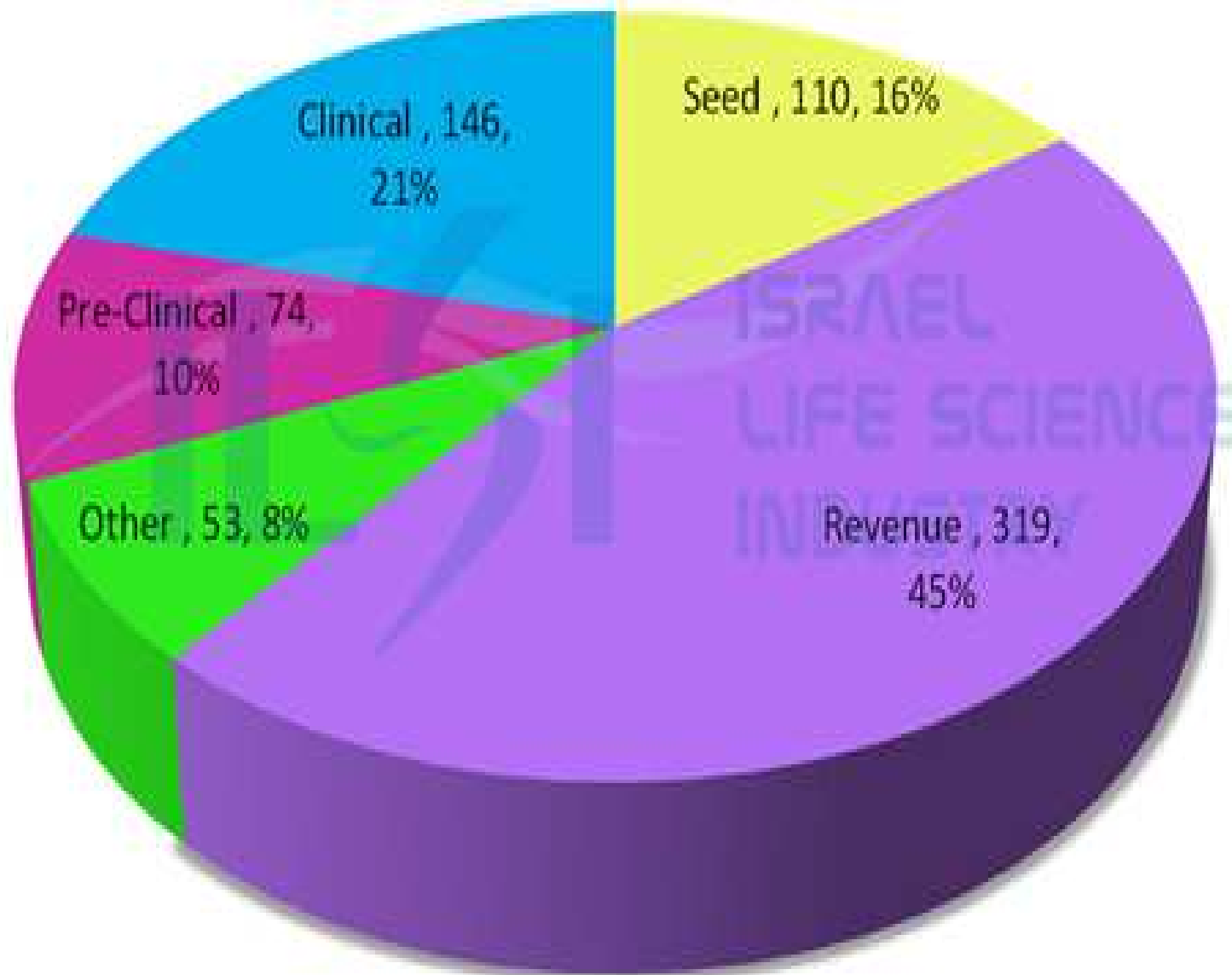


Figure 22. Pharmaceuticals—medical field focus, 2010



Source: ILSI Database, 2010





Israeli Bio & Pharma technology

Jan 2005

466 companies

25,000 employees

(10,000 of whom -in Teva)

4 large companies were active in 2000

Only one of those survived (Teva)

52% of the companies were started in 2000 or later

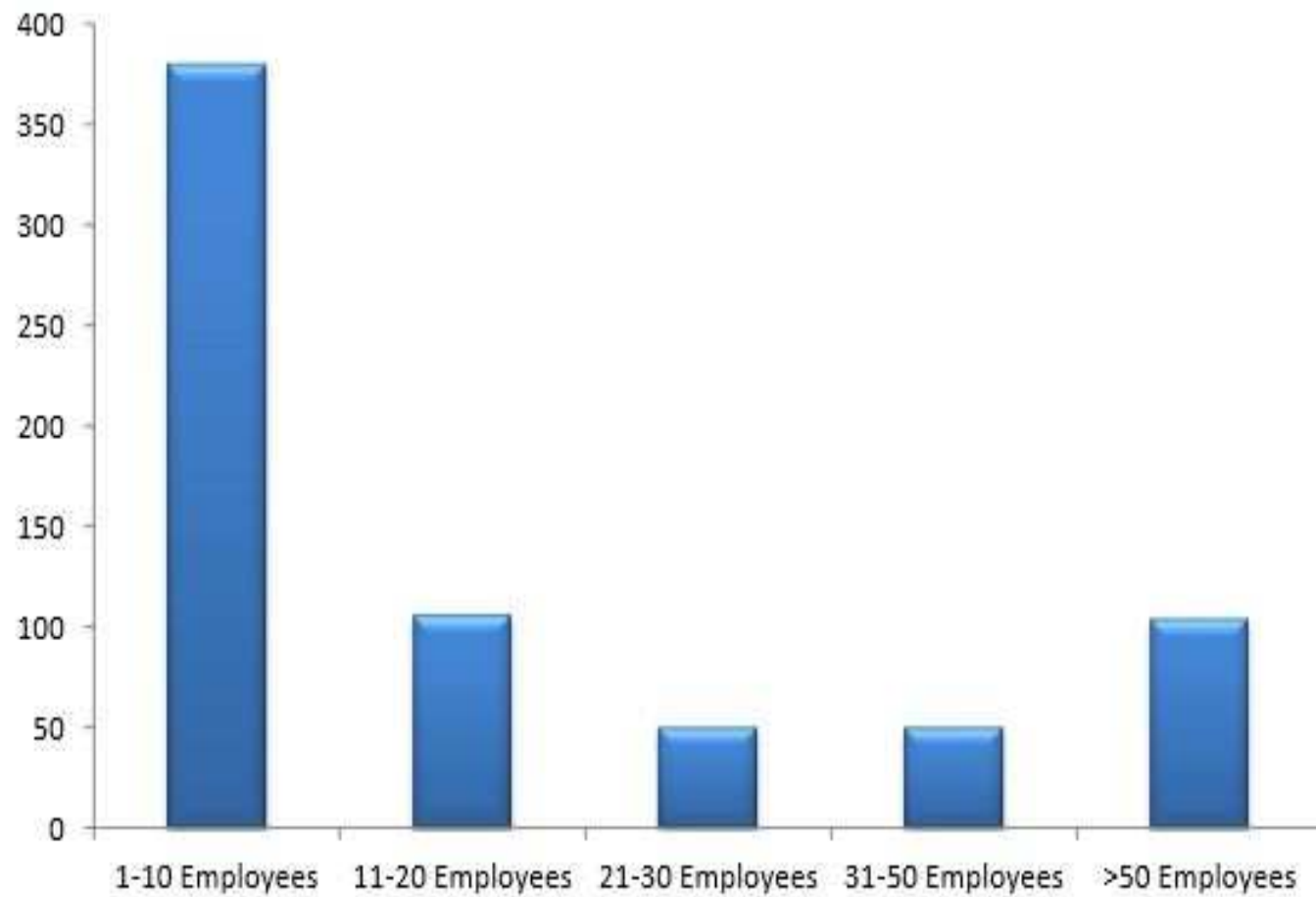
54% are engaged in medical instrumentation

21% are engaged in new medicines

15% are engaged in genetic research

10% are engaged in oncology

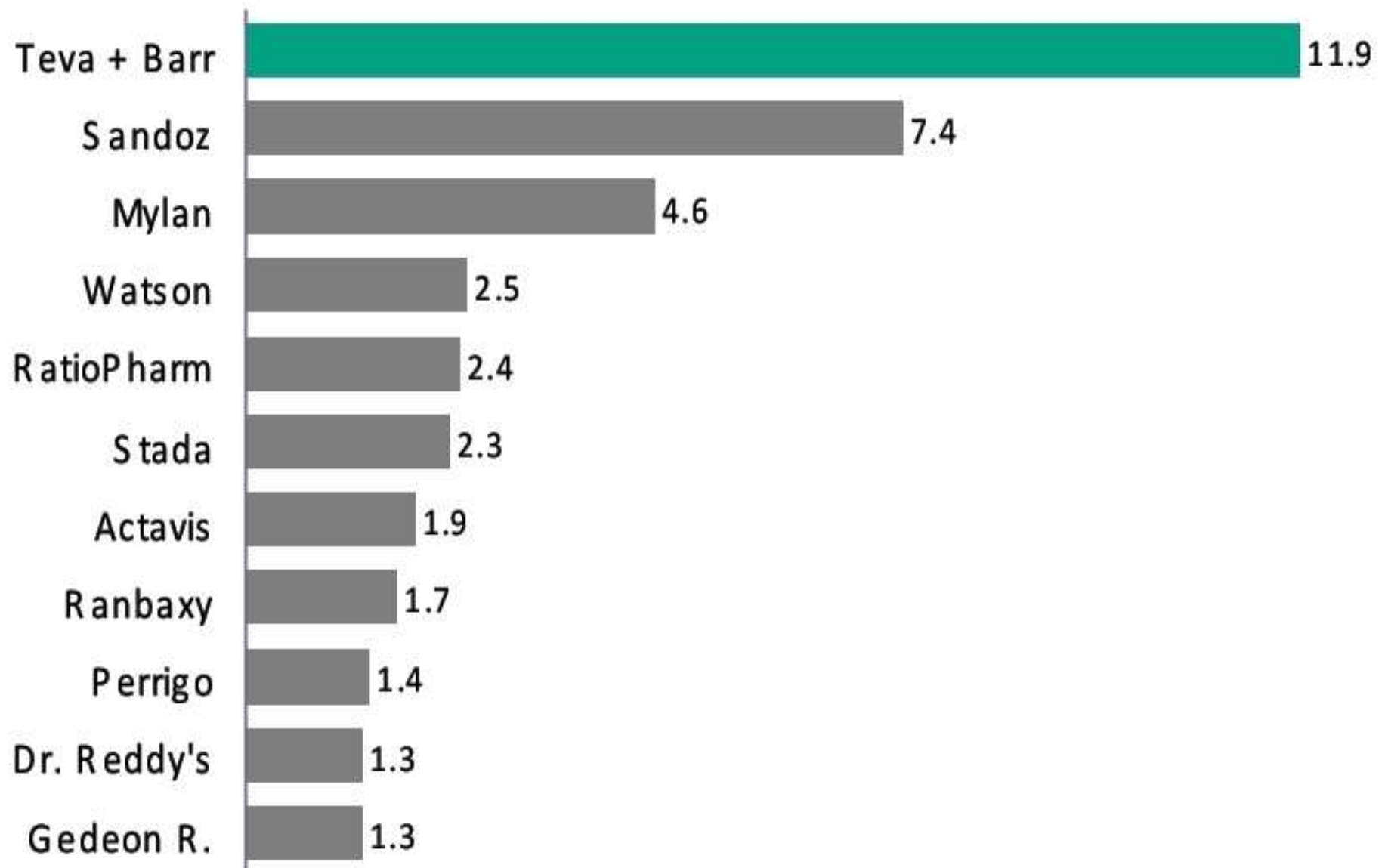
Figure 13. Number of Israeli life science companies and their respective size, 2010.



Source: Israel Life Sciences Industry (ILSI) Database, 2010.

Generic companies

Revenues, \$ bn, 2007



Generic Drug

« 1 - 9 » out of 9 items.

[Teva Pharmaceutical Industries Ltd.](#)

★ IATI MEMBER

Teva Pharmaceutical Industries Ltd. (NYSE: TEVA) is a leading global pharmaceutical company, committed to increasing access to high-quality healthcare...

[Dexcel Pharma](#)

Dexcel Pharma is a private international specialty pharmaceutical company, with over 1,000 employees and a presence in more than 30 countries...

[Fischer Pharmaceuticals](#)

Fischer Pharmaceuticals is a world leader in the development and manufacture of advanced health care preparations in the fields of dermatology,...

[Mediline Ltd](#)

Mediabrand Inc. was established by the Mediline Group with the purpose of manufacturing and marketing Dermatological, Pediatric, and dental...

[Rafa Laboratories Ltd.](#)

Rafa Laboratories Ltd. was founded by the Levin family in 1937 and today is part of the international Mundipharma-Purdue-Napp independent...

[Rekah Group](#)

Rekah Pharmaceutical Industry Ltd. develops, manufactures, markets and distributes pharmaceuticals, nutraceuticals, vitamins...

[Taro Pharmaceutical Industries Ltd.](#)

Taro Pharmaceutical Industries Ltd. is one of the leading pharmaceutical companies in Israel, established in 1950. Taro develops, manufactures,...

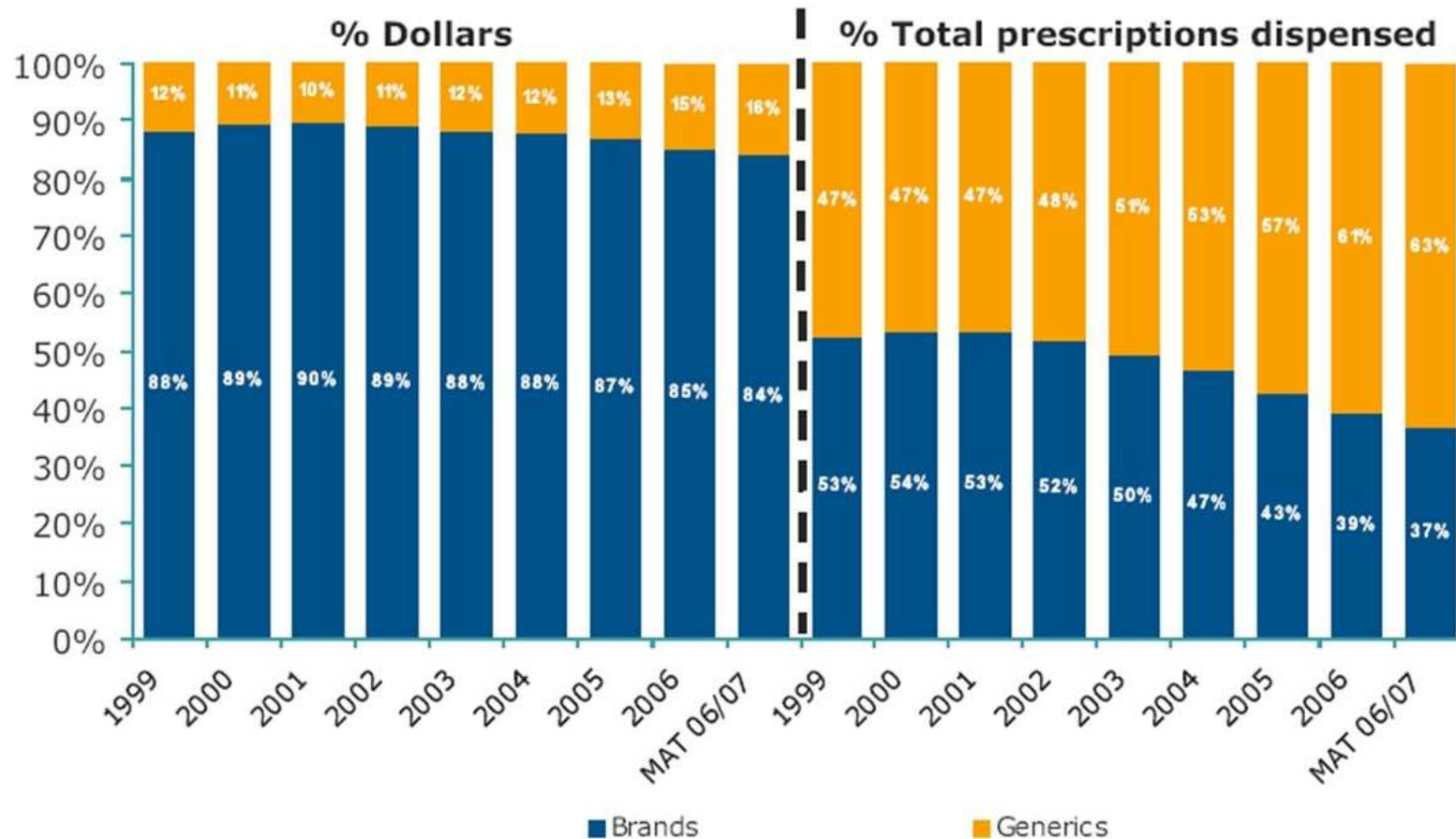
[Trima Ltd](#)

Trima is an experienced player in the field of Pharmaceutical generics. For over 40 years Trima has developed and refined its expertise...

[Vitamed Pharmaceutical Industries Ltd.](#)

Vitamed Pharmaceutical Industries Ltd. is one of the largest Israeli pharmaceutical companies, manufacturing, developing and distributing...

Generic TRx continue to gain traction



Source: IMS Health, National Prescription Audit Plus, National Sales Perspectives, Jun 2007



Top U.S. Pharmaceutical Companies

(In thousands)

Generic companies only

Total Rx's

1	Teva USA	431,054
2	Mylan	276,753
3	Watson	223,671
4	Sandoz	192,609
5	Barr	137,581
6	Mallinckrodt	97,291
7	Actavis	84,689
8	Qualitest	81,167
9	Greenstone	77,598
10	Par	71,370

All pharmaceutical companies

Total Rx's

1	Teva USA	443,824
2	Mylan	278,627
3	Pfizer	269,682
4	Novartis	267,918
5	Watson	223,674
6	Barr	137,671
7	Merck	120,555
8	AstraZeneca	111,617
9	GlaxoSmithKline	109,903
10	Mallinckrodt	97,291

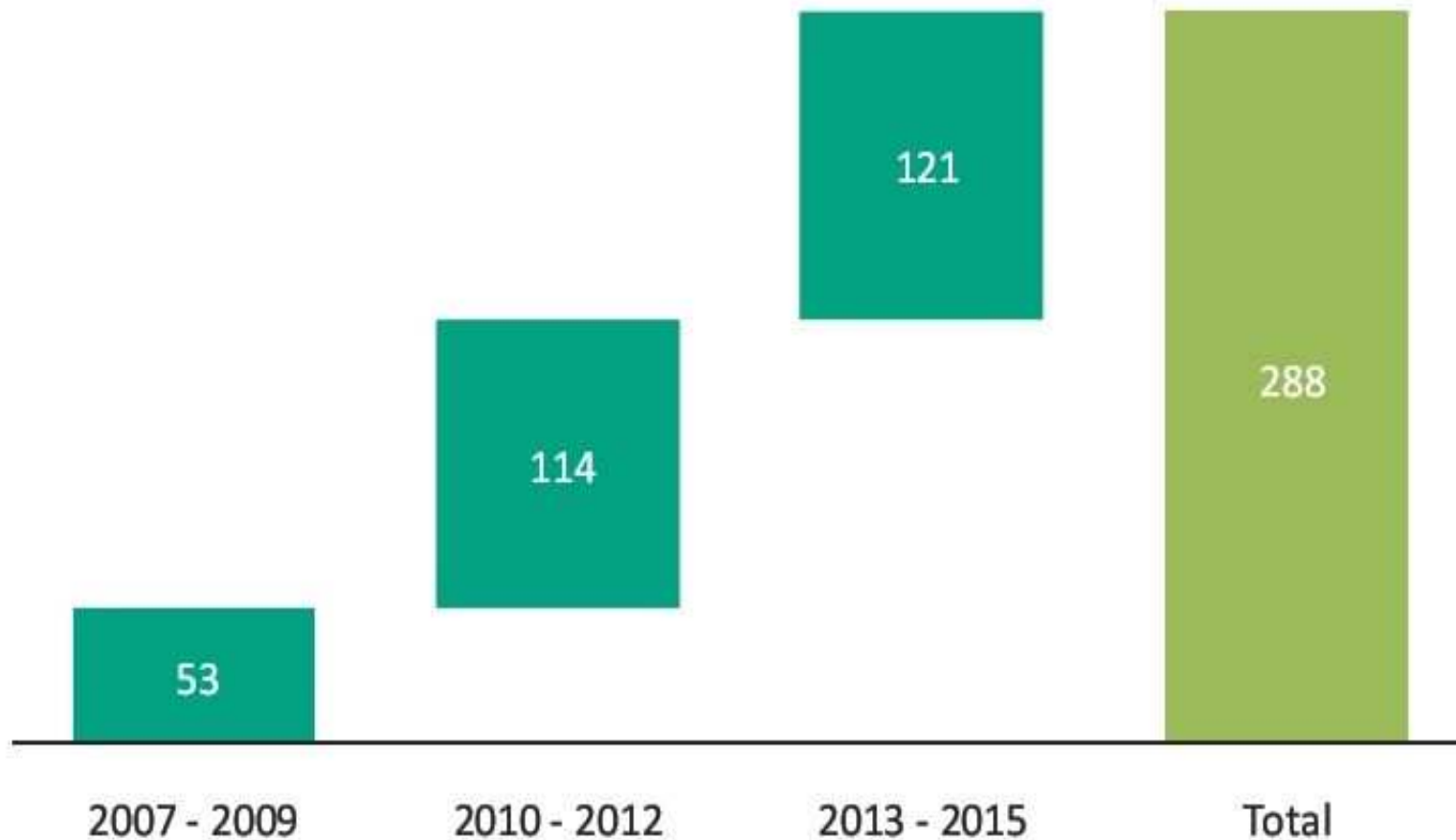
*Increase over MAT 09/2006

Source: IMS Health September 2007 NPA

Generics Growth Driven By Patent Expirations



Sales by patent expiration, \$ bn



TEVA

The Largest Israeli company

As of Nov. 17, 2007

NASDAQ Top 20 Companies

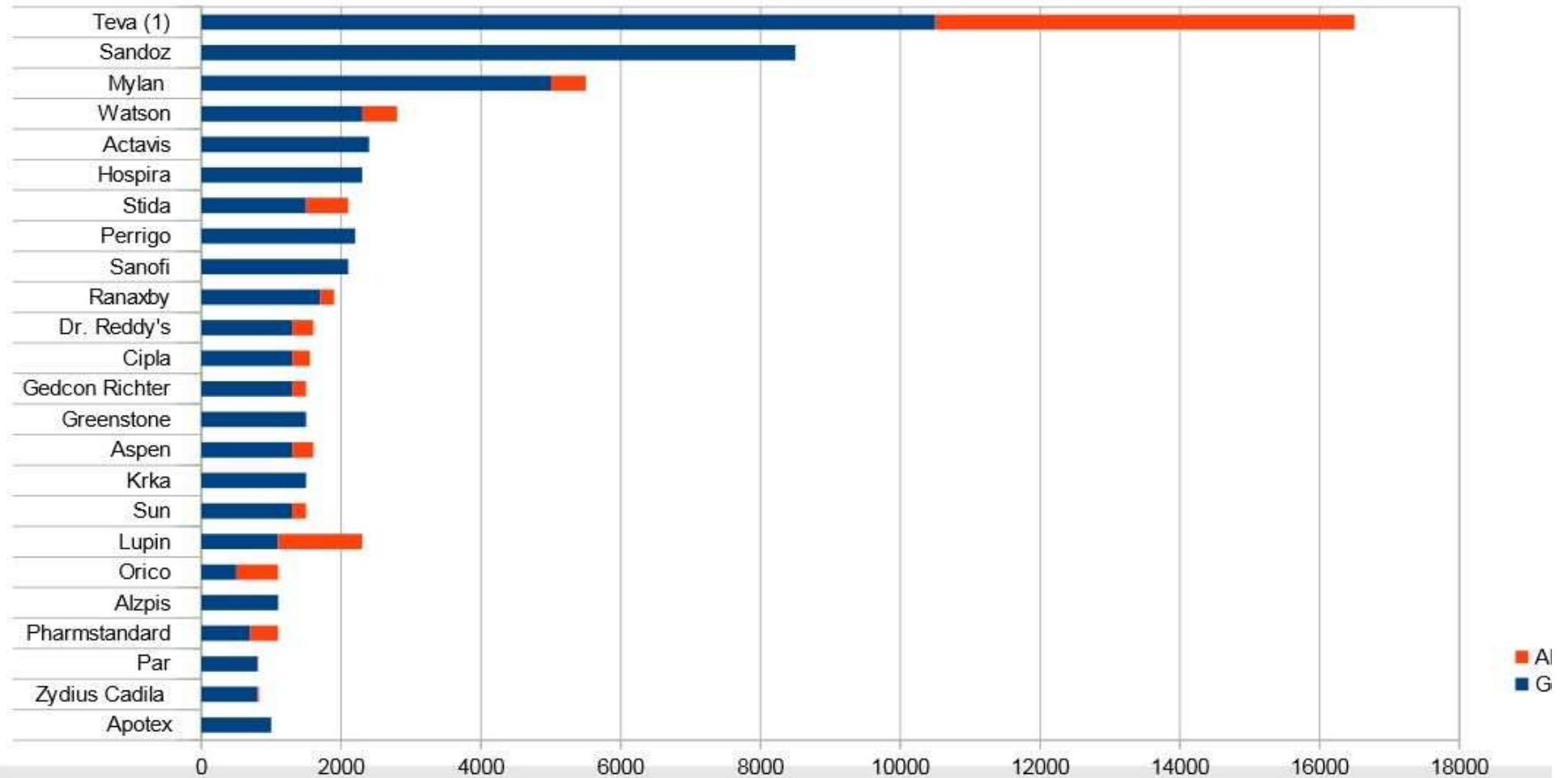
1	MSFT	Microsoft Corporation	\$ 318,926,915,510
2	CSCO	Cisco Systems, Inc.	\$ 182,609,658,780
3	INTC	Intel Corporation	\$ 148,978,400,000
4	GOOG	Google Inc.	\$ 147,573,060,630
5	AAPL	Apple Inc.	\$ 145,146,822,310
6	ORCL	Oracle Corporation	\$ 106,523,248,000
7	QCOM	QUALCOMM Incorporated	\$ 69,246,276,880
8	AMGN	Amgen Inc.	\$ 60,303,313,580
9	RIMM	Research in Motion Limited	\$ 60,219,837,400
10	DELL	Dell Inc.	\$ 60,167,180,970
11	EBAY	eBay Inc.	\$ 44,314,539,460
12	ERIC	LM Ericsson Telephone Company	\$ 42,943,616,548
13	GILD	Gilead Sciences, Inc.	\$ 41,352,665,760
14	CMCSA	Comcast Corporation	\$ 41,327,998,920
15	YHOO	Yahoo! Inc.	\$ 36,131,313,960
16	TEVA	Teva Pharmaceutical Industries Limit	\$ 35,905,704,005 *
17	AMZN	Amazon.com, Inc.	\$ 32,632,912,200
18	COST	Costco Wholesale Corporation	\$ 28,996,811,200
19	AMAT	Applied Materials, Inc.	\$ 25,563,847,750
20	CELG	Celgene Corporation	\$ 24,839,177,000

* Share Price: \$44.62

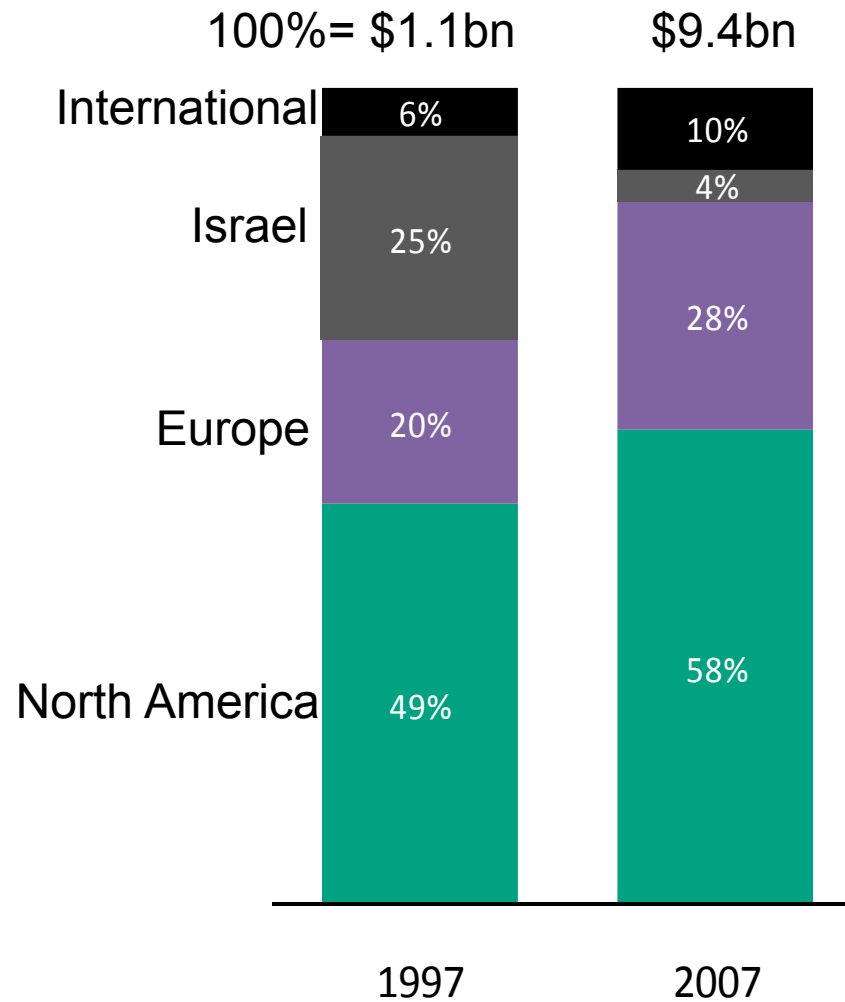
TOP PHARMA

2013	2012	TOP PHARMA			
#	Company	2013 (\$m)	2012 (\$m)	Growth (\$m)	Growth (%)
1	Pfizer	47878	51214	-3336	-7
2	Novartis	47468	46732	736	2
3	Roche	39163	38006	1156	3
4	Merck & Co.	37437	40601	-3164	-8
5	Sanofi	37124	39511	-2387	-6
6	GlaxoSmithKline	33330	33335	-5	0
7	Johnson & Johnson	28125	25351	2774	10
8	AstraZeneca	25711	27925	-2214	-9
9	Lilly	20962	20567	395	2
10	AbbVie	18790	18380	410	2
11	Teva	18308	18535	-227	-1
12	Amgen	18192	16639	1553	9
13	Takeda	17408	17562	-154	-1
14	Bristol-Myers Squibb	16385	17621	-1236	-8
15	Boehringer Ingelheim	15789	14655	1134	7
16	Novo Nordisk	14877	13890	987	7
17	Bayer	14854	14343	511	3
18	Astellas	13131	12599	532	4
19	Daiichi Sankyo	12067	11912	155	1
20	Otsuka	11226	10661	565	5
21	Gilead Sciences	10804	9398	1405	13
22	Baxter	10461	9976	485	5
23	Merck KGaA	8399	8504	-106	-1
24	Eisai	6783	6923	-140	-2
25	Biogen Idec	6668	5304	1364	20

Leading Companies in the Generic Industry



Globally diversified business



Teva 2001-2006

	2006	2005	2004	2003	2002	2001
Revenues (\$m)	8,408	5,250.4	4,798.9	3,276.4	2,518.6	2,077.4
Gross Profit (\$m)	4,259	2,480.6	2,239.3	1,518.9	1,095.4	847.3
Gross Margins	51%	47%	47%	46%	43%	41%
Operating Income (\$m)	801	1,312.9	577.8	784.8	524.0	382.0
Financial Income (\$m)*	(95)	4.3	(25.9)	(5.0)	(24.6)	26.0
Pretax Income (\$m)*	706	1,308	779.8		499.4	350.0
Net Income (\$m)*	546	1,072.3	331.8	617.8	410.3	287.9

•Before non-recurring items (net, after tax): 2004 1-6/04 -\$632.8 million; 2003 +\$73.2 million; 1-6/03 -\$73.1 million; 2001 -\$9.7 million.

Business Summary	2003	Balance Sheet Data (\$m)	6/30/04	12/31/03
	Revenues	Cash & Equivalents	711.7	1,057.3
Pharmaceuticals	88.1%	Working Capital	1,762.2	2,021.5
Active Pharm. Ingredients	11.3%	Total Assets	8,774.9	5,915.9
Other	0.6%	Shareholders' Equity	4,506.4	3,289.4

Key Financial Ratios	12/31/05	6/30/04	12/31/03
Current Ratio		1.8	2.2
L-T Debt/Equity	0.72	0.41	0.25

	For the year ended December 31,				
	2012	2011	2010	2009	2008
	U.S. dollars in millions (except per share amounts)				
Net revenues	20,317	18,312	16,121	13,899	11,085
Cost of sales	9,665	8,797	7,056	6,532	5,117
Gross profit	10,652	9,515	9,065	7,367	5,968
Research and development expenses—net	1,283	1,080	933	802	786
Selling and marketing expenses	3,879	3,478	2,968	2,676	1,842
General and administrative expenses	1,238	932	865	823	669
Impairments, loss contingencies, restructuring and others—net	1,974	901	410	638	124
Purchase of research and development in process	73	15	18	23	1,402
Operating income	2,205	3,109	3,871	2,405	1,145
Financial expenses—net	386	153	225	202	345
Income before income taxes	1,819	2,956	3,646	2,203	800
Provision for income taxes	(137)	127	283	166	184
Share in losses of associated companies—net	46	61	24	33	1
Net income	1,910	2,768	3,339	2,004	615
Net income (loss) attributable to non-controlling interests	(53)	9	8	4	6
Net income attributable to Teva	1,963	2,759	3,331	2,000	609

Earnings per share attributable to Teva:

TEVA

For the year ended December 31,

	2013	2012	2011	2010	2009
	U.S. dollars in millions (except per share amounts)				
Net revenues	20,314	20,317	18,312	16,121	13,899
Cost of sales	9,607	9,665	8,797	7,056	6,532
Gross profit	10,707	10,652	9,515	9,065	7,367
Research and development expenses	1,427	1,356	1,095	951	825
Selling and marketing expenses	4,080	3,879	3,478	2,968	2,676
General and administrative expenses	1,239	1,238	932	865	823
Legal settlements and loss contingencies	1,524	715	471	2	434
Impairments, restructuring and others	788	1,259	430	408	204
Operating income	1,649	2,205	3,109	3,871	2,405
Financial expenses—net	399	386	153	225	202
Income before income taxes	1,250	1,819	2,956	3,646	2,203
Income taxes	(43)	(137)	127	283	166
Share in losses of associated companies—net	40	46	61	24	33
Net income	1,253	1,910	2,768	3,339	2,004
Net income (loss) attributable to non-controlling interests	(16)	(53)	9	8	4
Net income attributable to Teva	1,269	1,963	2,759	3,331	2,000

Financial Highlights

Amounts in millions of U.S. dollars except per share amounts	2013	2012	2011	2010	2009
Net revenues	20,314	20,317	18,312	16,121	13,899
Gross profit – GAAP	10,707	10,652	9,515	9,065	7,367
Gross profit – NON GAAP*	11,895	12,071	10,705	9,669	8,119
Operating income - GAAP	1,649	2,205	3,109	3,871	2,405
Operating income - NON GAAP*	5,198	5,715	5,253	4,933	3,853
Net income attributable to Teva - GAAP	1,269	1,963	2,759	3,331	2,000
Net income attributable to Teva - NON GAAP*	4,255	4,671	4,438	4,134	3,029
Earnings per share attributable to Teva - GAAP Diluted (\$)	1.49	2.25	3.09	3.67	2.23
Earnings per share attributable to Teva - NON GAAP* Diluted (\$)	5.01	5.35	4.97	4.54	3.37

	2014*	2013*	Change
Revenues \$m	20,272	20,314	--
Operating Income \$m	5,732 (28.3%)	5,198 (25.6%)	+10%
EPS \$	5.07	5.01	+1%
Cash flow from Operations \$m	5,127	3,237	+58%

Revenues were negatively affected by Fx (\$346 million) and sale of U.S. OTC plants (\$134 million)

Excluding these negative ,effects revenues were up 2%

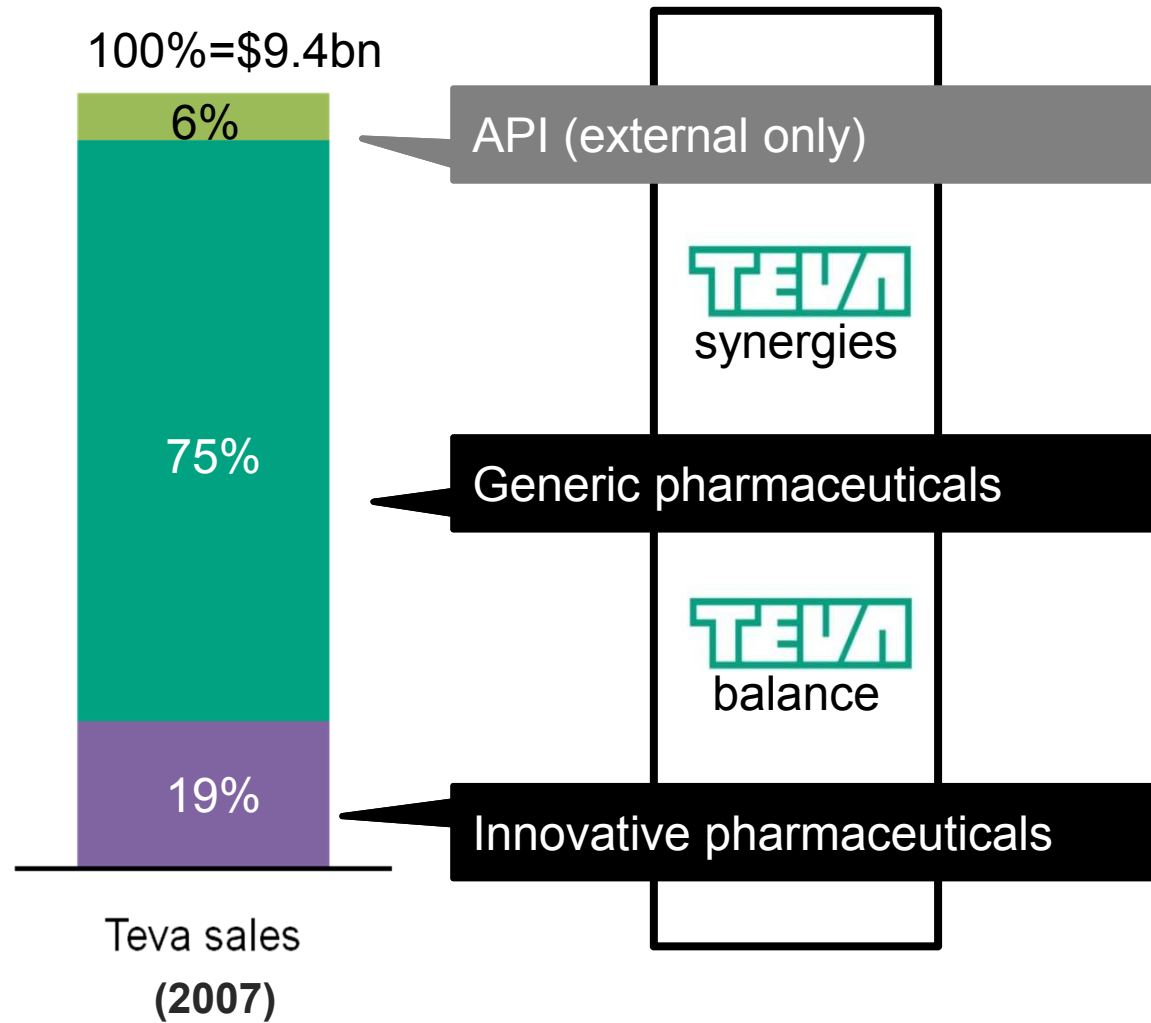
Net cost savings for the year of \$0.6 billion, \$0.3 billion in COGS and \$0.3 billion in SG&A

	<u>Year Ended December 31,</u>				Percentage	Percentage	
	<u>2013</u>	<u>2012</u>	<u>% of 2013</u>	<u>% of 2012</u>	Change	Change	
	U.S. \$ in millions				2013-2012	2013 from	
					2012		
					in local		
					currencies		
Generic Medicines							
United States.....	4,181	\$ 4,381	21%	22%	(5%)	(5%)	
Europe*.....	3,485	3,482	17%	17%	§	(2%)	
Rest of the World..	2,240	2,522	11%	12%	(11%)	(1%)	
Total Generic Medicines.....	9,906	10,385	49%	51%	(5%)	(3%)	
Specialty Medicines							
United States.....	6,026	5,857	30%	29%	3%	3%	
Europe*.....	1,706	1,575	8%	8%	8%	6%	
Rest of the World..	670	718	3%	3%	(7%)	(3%)	
Total Specialty.....	8,402	8,150	41%	40%	3%	3%	
Other Revenues							
United States.....	254	200	1%	1%	27%	27%	
Europe*.....	797	741	4%	4%	8%	6%	
Rest of the World..	955	841	5%	4%	14%	16%	
Total Other Revenues.....	2,006	1,782	10%	9%	13%	12%	
Total Revenues.....	20,314	20,317	100%	100%	§	1%	

* All members of the European Union, Switzerland, Norway, Albania and the countries of former Yugoslavia.

§ Less than 0.5%.

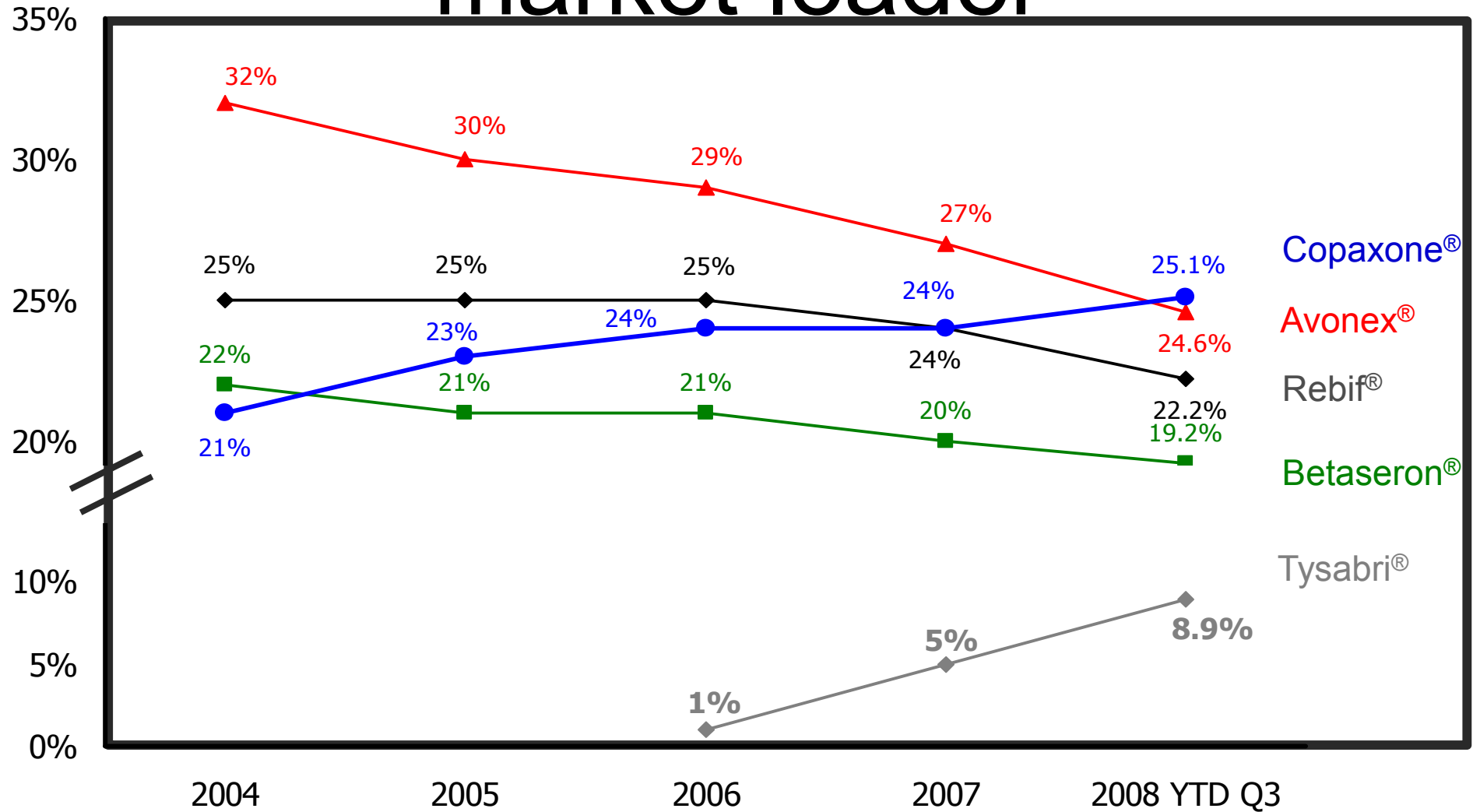
Three lines of business



Copaxone® is the U.S.

Market share, value, %

market leader



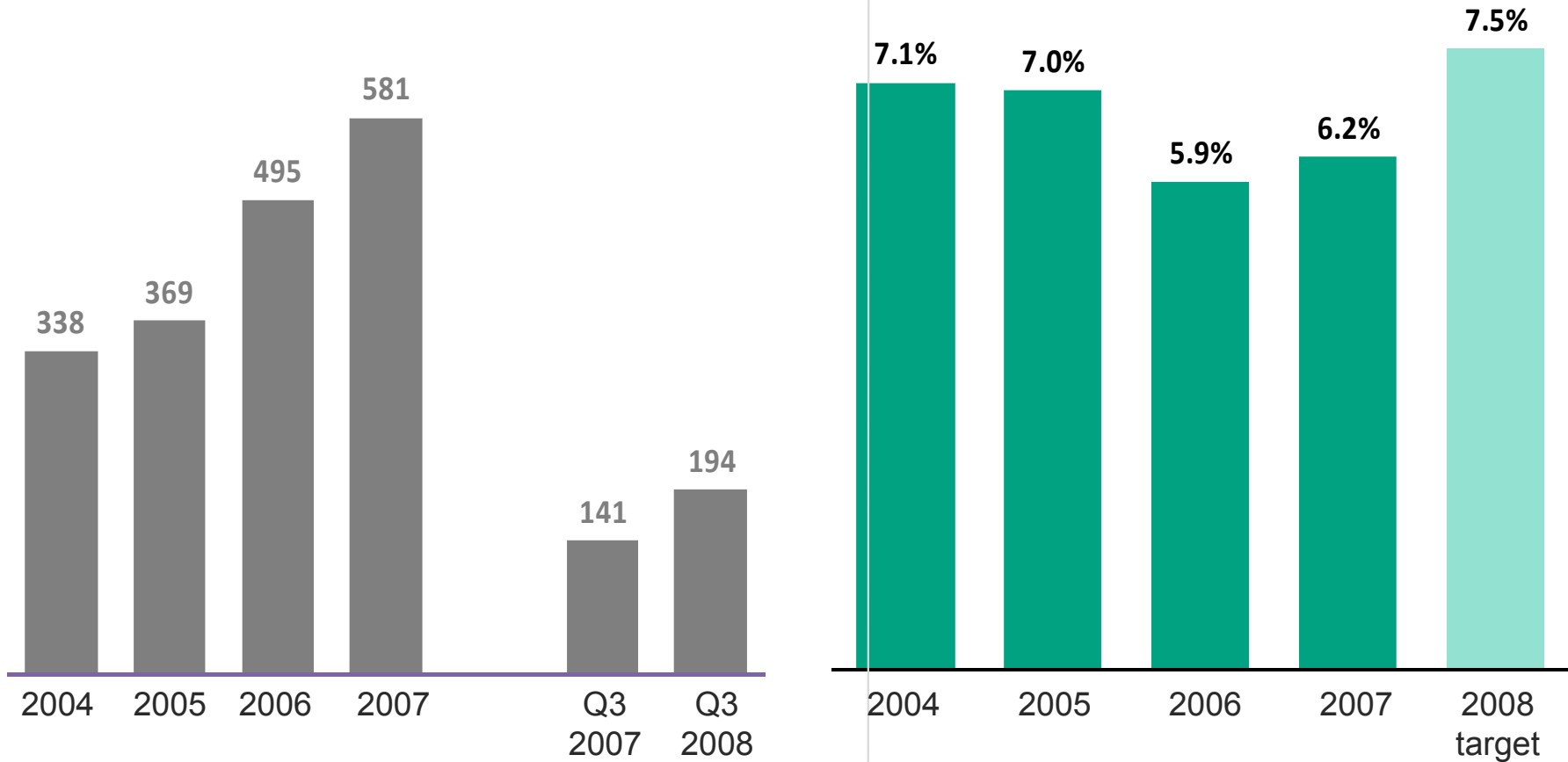
Note: based on Q3'08 releases of all companies

	Marketed	End phase III 2009-2012	End phase III 2012-2015
Innovative	Copaxone® Multiple Sclerosis	Laquinimod – Oral Multiple Sclerosis (Phase III)	TV-1101 (OGX-011) Solid Tumors (Phase III)
	Azilect® Parkinson's	StemEx® – Hemato-oncological (Phase III)	DiaPep-277 – Type I Diabetes (Phase III)
Respiratory	QVAR® Inhaled Steroid	Debrase – Burns (Phase III)	Talampanel – Glioblastoma (Phase II)
	ProAir™ Inhaled short acting beta-mimetic	Pagoclone – Stuttering (Phase II)	Laquinimod – Crohn's disease (Phase II)
	Easi-Breathe products Asthma & COPD	Talampanel – ALS (Phase II)	CT-011 – Hemato-Oncological (Phase II)
Women's health	Seasonique® / LoSeasonique™ Contraception	2 Respiratory projects (undisclosed)	CT-011 – Solid Tumor Oncology (Phase II)
	Plan B® One-Step Emergency Contraception	BDP HFA Nasal – Respiratory (Phase III)	Laquinimod – Lupus (Phase I)
	ParaGard® Intrauterine Contraception	DR-103 – Contraception (Phase III)	TV-1390 – Multiple Sclerosis (Phase I)
	Enjuvia™ Hormone Therapy	Oxybutynin Vaginal Ring – Overactive Bladder (Phase III)	2 Respiratory projects (undisclosed)
Biologics	TEV-TROPIN® Growth Hormone Deficiency	Progesterone Vaginal Ring - Infertility (Phase III)	DR-1021 – Contraception (Phase III)
	TevaGrastim® Hematology	Neugranin – Hematology (Phase II)	2 MAbs (undisclosed)

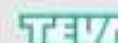
Increasing R&D spend

R&D, in \$ millions

R&D, as % of sales

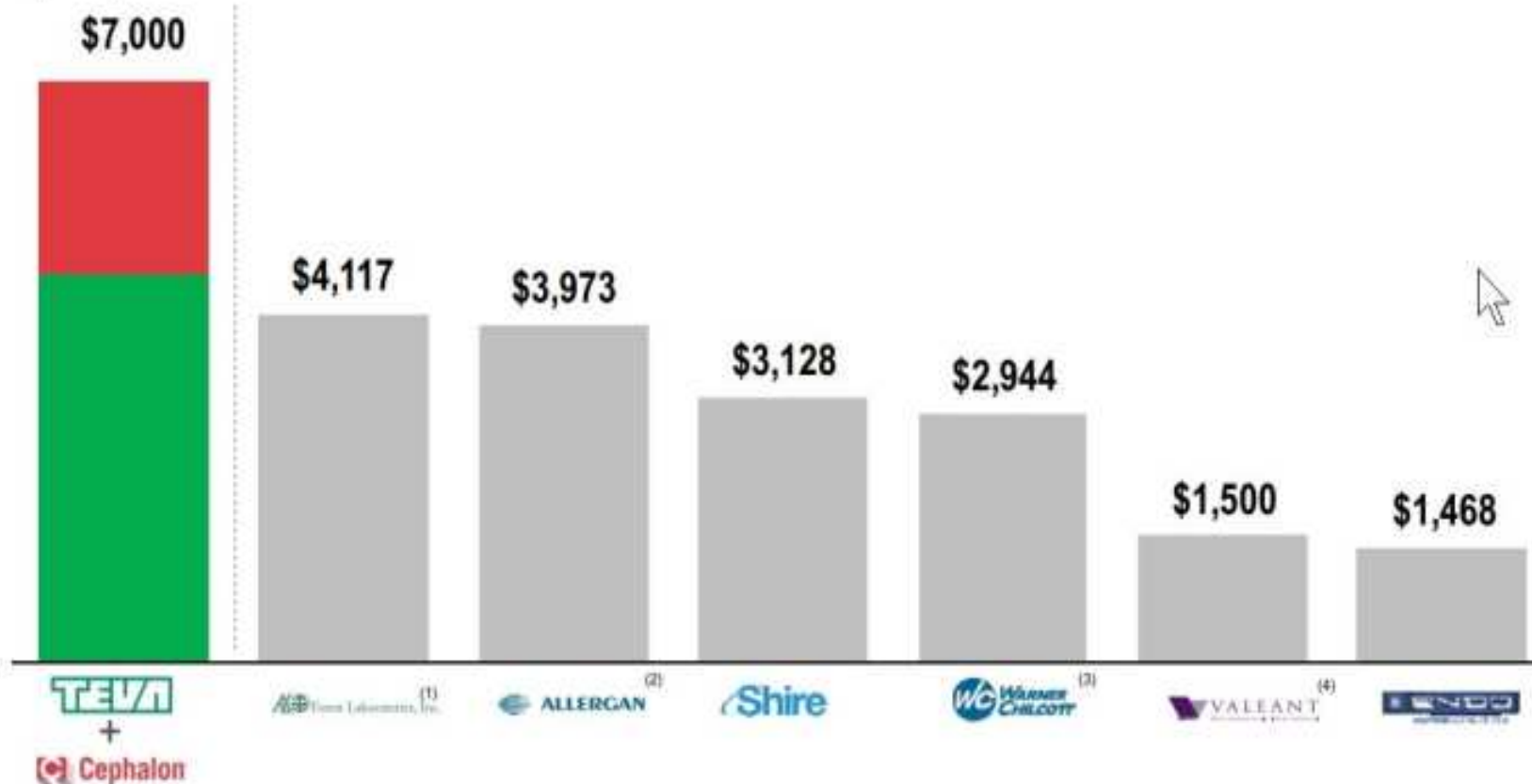


Teva + Cephalon: Continued Leadership in Specialty Pharma



2010A Worldwide Net Specialty Pharma Sales

(\$mm)



Source: Company filings.

Note: Excludes generics and branded generics.

(1) Represents CY2010A revenues. Excludes contract revenue, interest income and other income.

(2) Excludes medical device revenues.

(3) Excludes contract manufacturing product sales and other revenue.

(4) Pro forma for Biovail merger.

The Recent Teva deals

2012- Watson, a medium sized US drug company bought Actavis, a Swiss drug company, for \$4.23 billion Euro and changed the company name from Watson to Actavis.

2013- Actavis acquired Warner Chilcott for \$8.5 billion.

2014- Actavis acquired Forest Laboratories for \$25 billion.

2014- Actavis bought Allergan for \$70.5 billion.

2015- Actavis sold most of Allergan's generic operations to Teva for \$40.5 billion.

2015- Teva bought a non-generic pharma company - Auspex, which had loses of \$60 million in 2014, for \$3.2 billion.

2015- Teva bought a Mexican drug company, Rimsa, fo \$2.3 billion.

Other Israeli Pharma companies

Agis 2001-2003

	2003#	2003	2002*	2001*
Revenues (\$m)	376.1	386.3	316.4	279.8
Gross Profit (\$m)	136.3	145.7	114.5	93.6
Gross Margins	36%	38%	36%	33%
Operating Income(\$m)	33.3	42.2	18.5	6.2
Financial Income (\$m)	1.7	1.4	-2.3	0.1
Pretax Income (\$m)	35.0	38.2	16.3	6.5
Net Income (\$m)	28.9	31.3	14.1	5.1

net of non-recurring events. *adjusted to 12/31.03

Business Summary	2003	Balance Sheet Data (\$m)	12/31/03
	Revenues	Cash & Equivalents	69.8
Pharaoceulicals/International	45%	Working Capital	174.7
Pharmaceuticals/Israel	19%	Total Assets	435.4
Consumer products	17%	Shareholders Equity	253.1

Major Shareholders		Key Financial Ratios	12/31/03
The Arkin family	45%	Current Ratio	2.6
Institutional holdings	10%	L-T Debt/Equity	0.3

Agis was sold to Perigo in 2004

PERRIGO (AGIS)	2006	Chg	2005	Chg	2004	Chg	2003
Revenues (\$m)	1366.8	33%	1024.1	14%	898.2	8%	834.1
Gross Profit (\$m)	397.7	53%	260.4	-3%	268.0	13%	238.0
Gross Margins	29%	-	25%	-	30%	-	29%
Operating Income (\$m)	111.3	-	-330.5	-	102.9	21%	85.2
Financial Income, net (\$m)	5.4	-	0.2	-	-3.1	-	-1.1
Pretax Income (\$m)	105.9	-	-330.7	-	106.0	23%	86.3
Net Income (\$m)	71.4	-	-353.0	-	80.6	49%	54.0

Data for fiscal years ended June

Business Summary

FY 2006

	Revenues
Consumer healthcare	73%
Rx Pharmaceuticals	9%
API	8%
Other	10%

Main Shareholders

Moshe Arkin	10.7%
Royce & Associates	10.1%

Balance Sheet Data (\$m) 7/1/06

Cash & Equivalents	19.0
Working Capital	285.7
Total Assets	1750.6
Shareholders' Equity	640.7

Key Financial Ratios 7/1/06

Current Ratio	1.8
L-T Debt/Equity	1.0

	Fiscal Year				
	2010 ⁽¹⁾⁽²⁾	2009 ⁽¹⁾⁽³⁾	2008 ⁽¹⁾⁽⁴⁾	2007 ⁽⁵⁾	2006
Statement of Income Data					
Net sales	\$ 2,268,870	\$ 2,006,862	\$ 1,729,921	\$ 1,368,351	\$ 1,294,160
Cost of sales	1,522,854	1,410,865	1,212,193	1,001,167	924,785
Gross profit	746,016	595,997	517,728	367,184	369,375
Operating expenses					
Distribution	28,388	24,203	25,152	23,478	22,454
Research and development	82,509	77,922	72,191	66,480	52,293
Selling and administration	270,701	231,639	220,429	170,124	174,115
Subtotal	381,598	333,764	317,772	260,082	248,862
Write-off of in-process research and development	19,000	279	2,786	8,252	-
Restructuring	9,523	14,647	2,312	879	8,846
Total	410,121	348,690	322,870	269,213	257,708
Operating income	335,895	247,307	194,858	97,971	111,667
Interest, net	28,778	27,154	17,415	16,110	15,366
Other expense (income), net	(1,069)	1,269	(503)	(5,271)	(6,333)
Investment impairment	-	15,104	-	-	-
Income from continuing operations before income taxes	308,186	203,780	177,946	87,132	102,634
Income tax expense	84,089	62,682	37,749	14,298	34,172
Income from continuing operations	224,097	141,098	140,197	72,834	68,462
Income (loss) from discontinued operations, net of tax	(1,551)	2,951	(4,424)	963	2,938
Net income	\$ 222,546	\$ 144,049	\$ 135,773	\$ 73,797	\$ 71,400

PERRIGO

Financial Results – Reported (GAAP)⁽¹⁾

		Year Ended		
		June 25, 2011 ⁽²⁾	June 30, 2012 ⁽²⁾	% Change
In millions, except shares and per share amounts	Net Sales	\$2,755.0	\$3,173.2	15
	Operating Income	\$ 490.2	\$ 569.2	16
	Income from Continuing Operations	\$ 340.6	\$ 393.0	15
	Diluted Earnings Per Share from Continuing Operations	\$ 3.64	\$ 4.18	15
	Average Diluted Shares Outstanding (000s)	93,529	94,052	

Financial Results – Adjusted (Non-GAAP)⁽¹⁾

		Year Ended		
		June 25, 2011 ⁽³⁾	June 30, 2012 ⁽³⁾	% Change
In millions, except shares and per share amounts (unaudited)	Net Sales	\$2,755.0	\$3,173.2	15
	Operating Income	\$ 541.3	\$ 686.6	27
	Income from Continuing Operations	\$ 375.4	\$ 469.4	25
	Diluted Earnings Per Share from Continuing Operations	\$ 4.01	\$ 4.99	24
	Average Diluted Shares Outstanding (000s)	93,529	94,052	

Perrigo Company plc
(in millions, except per share amounts)
(see the attached Table I for reconciliation to GAAP numbers)
(YoY % Change may not calculate due to rounding)

	Fiscal 2014 Year Ended	Fiscal 2013 Year Ended	YoY % Change
	<u>6/28/2014</u>	<u>6/29/2013</u>	
Net Sales	\$4,060.8	\$3,539.8	15%
Reported Net Income	\$205.3	\$441.9	-54%
Adjusted Net Income	\$739.5	\$529.7	40%
Reported Diluted EPS	\$1.77	\$4.68	-62%
Adjusted Diluted EPS	\$6.39	\$5.61	14%
Diluted Shares	115.6	94.5	22%



Year Ended December 31,

	2010	2009(*)	2008(*)	2007(*)	2006(*)
--	------	---------	---------	---------	---------

U.S. dollars and shares in thousands (except per share data)

Consolidated Statements of Operations Data:

Sales, net	\$ 392,535	\$ 355,936	\$ 327,351	\$ 318,548	\$ 252,269
Cost of sales	159,045	146,920	139,483	128,130	123,516
Impairment	113	171	27	170	25,862
Gross profit	233,377	208,845	187,841	190,248	102,891
Operating expenses:					
Research and development, net	36,393	33,303	33,681	27,774	34,911
Selling, marketing, general and administrative	107,902	100,344	97,125	94,823	106,949
Impairment	2,617	3,363	2,820	-	27,923
Total operating expenses	146,912	137,010	133,626	122,597	169,783
Operating income (loss)	86,465	71,835	54,215	67,651	(66,892)
Financial expenses (income), net	11,840	13,575	(1,754)	20,725	11,620
Other gain, net	755	548	469	579	158
Income (loss) before income taxes	75,380	58,808	56,438	47,505	(78,354)
Tax expense (benefit)	10,477	(69,657)	13,541	5,511	872
Net income (loss) from continuing operations	64,903	128,465	42,897	41,994	(79,226)
Net loss from discontinued operations	(352)	(11,714)	(12,376)	(7,658)	(3,453)
Net income (loss)	64,551	116,751	30,521	34,336	(82,679)
Net income attributable to non-controlling interest	473	2,728	-	-	-
Net income (loss) attributable to Taro	\$ 64,078	\$ 114,023	\$ 30,521	\$ 34,336	\$ (82,679)
Net income (loss) from continuing operations attributable to Taro	64,430	125,737	42,897	41,994	(79,226)
Net loss from discontinued operations attributable to Taro	(352)	(11,714)	(12,376)	(7,658)	(3,453)
Net income (loss) attributable to Taro	\$ 64,078	\$ 114,023	\$ 30,521	\$ 34,336	\$ (82,679)

SUMMARY CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(U.S. dollars in thousands, except share data)

	Quarter Ended December 31,		Year to Date December 31,	
	2012	2011	2012	2011
Sales, net	\$ 185,695	\$ 148,105	\$ 505,821	\$ 397,941
Cost of sales	45,769	42,056	130,470	131,526
Gross Profit	139,926	106,049	375,351	266,415
<i>Operating Expenses:</i>				
Research and development, net	11,838	8,867	34,306	23,609
Selling, marketing, general and administrative	24,053	21,930	75,612	71,458
Impairment	-	784	-	784
Operating income	104,035	74,468	265,433	170,564
<i>Financial Expenses, net:</i>				
Interest and other financial (income) expenses, net	(581)	315	(440)	2,445
Foreign exchange (income) expense	(1,992)	6,312	(1,736)	(7,329)
Other income (loss), net	1,359	(565)	1,952	358
Income before income taxes	107,967	67,276	269,561	175,806
Tax expense	18,779	4,584	51,713	18,183
Income from continuing operations	89,188	62,692	217,848	157,623
Net loss from discontinued operations	(37)	(344)	(44)	(298)
Net income	89,151	62,348	217,804	157,325
Net income (loss) attributable to non-controlling interest	374	(52)	765	303
Net income attributable to Taro	\$ 88,777	\$ 62,400	\$ 217,039	\$ 157,022

Taro

	Year Ended March 31,		Three months Ended March 31,	Year Ended	
	2014	2013	2012	2011	20
U.S. dollars and shares in thousands (except per share data)					
Consolidated Statements of Operations Data:					
Sales, net	\$759,285	\$670,954	\$ 145,141	\$505,668	\$392
Cost of sales	<u>179,279</u>	<u>176,128</u>	<u>45,971</u>	<u>176,143</u>	<u>159</u>
Gross profit	<u>580,006</u>	<u>494,826</u>	<u>99,170</u>	<u>329,525</u>	<u>233</u>
Operating expenses:					
Research and development	55,430	46,508	9,847	30,867	36
Selling, marketing, general and administrative	91,733	86,438	23,101	93,918	107
Settlements and loss contingencies	<u>2,590</u>	<u>33,300</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total operating expenses	<u>149,753</u>	<u>166,246</u>	<u>32,948</u>	<u>124,785</u>	<u>144</u>
Operating income	430,253	328,580	66,222	204,740	89
Financial (income) expenses, net	(12,285)	(3,931)	1,000	(3,697)	11
Other gain (loss), net	<u>1,369</u>	<u>3,352</u>	<u>(94)</u>	<u>609</u>	<u>—</u>
Income before income taxes	443,907	335,863	65,128	209,046	77
Tax expense (benefit)	<u>82,729</u>	<u>67,799</u>	<u>17,791</u>	<u>24,551</u>	<u>10</u>
Income from continuing operations	361,178	268,064	47,337	184,495	67
Net (loss) income from discontinued operations attributable to Taro	<u>(319)</u>	<u>(1,194)</u>	<u>66</u>	<u>(1,217)</u>	<u>(2)</u>
Net income	360,859	266,870	47,403	183,278	64
Net income attributable to non-controlling interest	<u>472</u>	<u>664</u>	<u>151</u>	<u>598</u>	<u>—</u>
Net income attributable to Taro	<u>\$360,387</u>	<u>\$266,206</u>	<u>\$ 47,252</u>	<u>\$182,680</u>	<u>\$ 64</u>
Net income from continuing operations attributable to Taro	\$360,706	\$267,400	\$ 47,186	\$183,897	\$ 67
Net (loss) income from discontinued operations attributable to Taro	<u>(319)</u>	<u>(1,194)</u>	<u>66</u>	<u>(1,217)</u>	<u>(2)</u>
Net income attributable to Taro	<u>\$360,387</u>	<u>\$266,206</u>	<u>\$ 47,252</u>	<u>\$182,680</u>	<u>\$ 64</u>

PHARMOS

Year Ended December 31,

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Revenues	—	—	—	—	—
Operating expenses	(\$37,542,519) ⁽¹⁾	(\$ 15,708,888)	(\$ 19,880,151)	(\$ 16,034,146)	(\$16,858,414)
Other income (expense), net	1,792,775	12,288,382 ⁽²⁾	(2,532,390)	(2,679,517)	(426,409)
Loss before income taxes	(35,749,744)	(3,420,506)	(22,412,541)	(18,713,663)	(17,284,823)
Net loss	(35,136,969)	(2,929,872)	(21,967,767)	(18,485,865)	(17,069,600)
Net loss applicable to common shareholders	<u>(\$35,136,969)⁽³⁾</u>	<u>(\$ 2,929,872)⁽³⁾</u>	<u>(\$ 21,967,767)⁽³⁾</u>	<u>(\$18,485,865)⁽³⁾</u>	<u>(\$17,069,600)⁽³⁾</u>
Net loss per share applicable to common shareholders – basic and diluted	<u>(\$ 1.74)</u>	<u>(\$ 0.15)</u>	<u>(\$ 1.22)</u>	<u>(\$ 1.37)</u>	<u>(\$ 1.51)</u>
Total assets	<u>\$ 28,393,338</u>	<u>\$ 48,990,772</u>	<u>\$ 57,664,842</u>	<u>\$69,622,482</u>	<u>\$25,250,146</u>
Long term obligations	<u>\$ 1,388,306</u>	<u>\$ 1,125,551</u>	<u>\$ 1,236,451</u>	<u>\$ 5,772,344</u>	<u>\$ 878,031</u>
Cash dividends declared	—	—	—	—	—
Average shares outstanding - basic and diluted	20,249,714	18,974,175	18,033,358	13,479,435	11,304,008

Pharmos

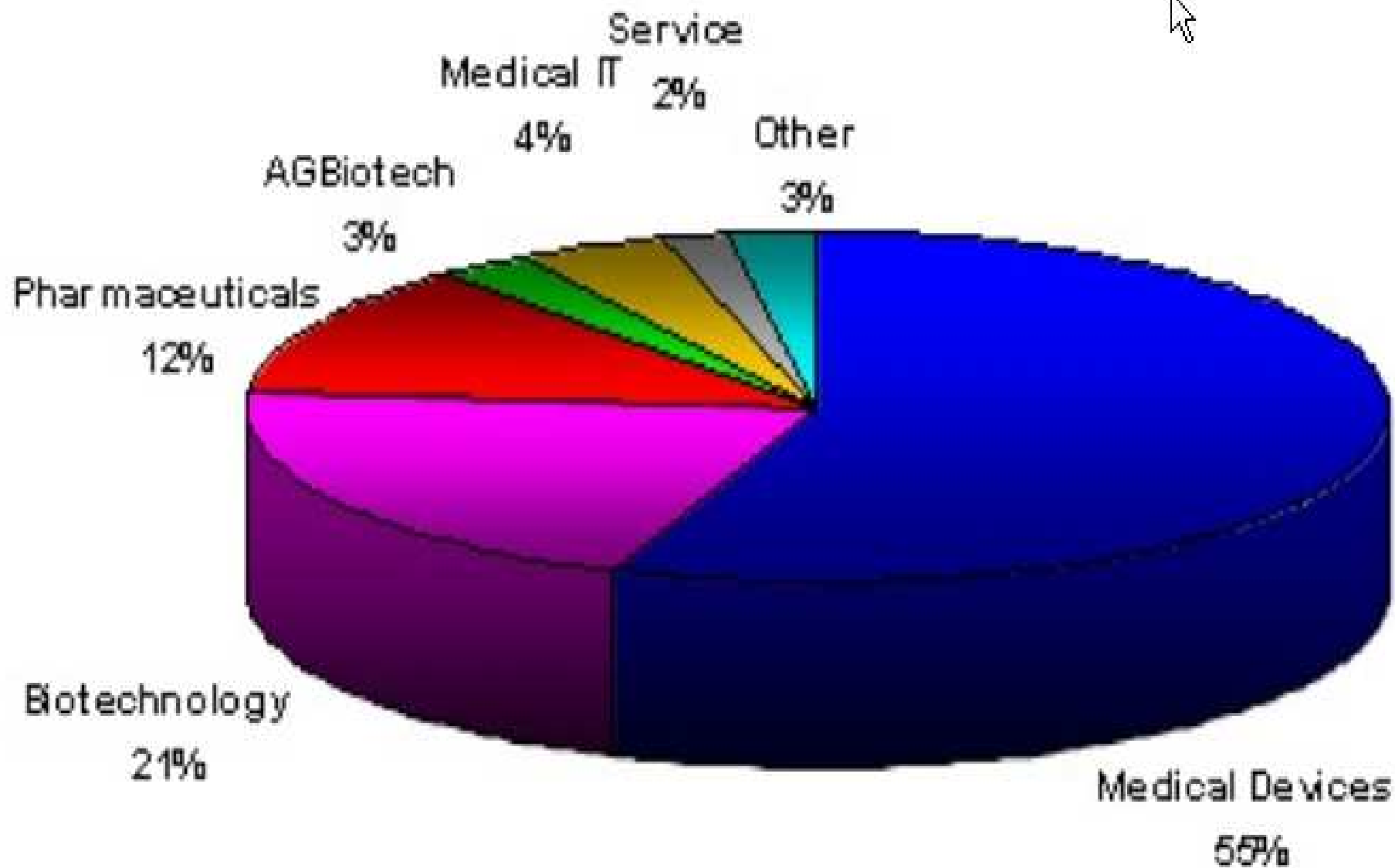
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Revenues	—	—	—	—	—
Operating expenses	\$ (6,147,384)	\$ (11,100,184)	\$ (17,579,259)	\$ (37,542,519) (1)	\$ (15,708,888)
Other income (expense), net	(821,431)	(193,348)	997,652	1,792,775	12,288,382 (2)
Loss before income taxes	(6,968,815)	(11,293,532)	(16,581,607)	(35,749,744)	(3,420,506)
Net loss	(3,054,334)	(10,089,406)	(15,625,825)	(35,136,969)	(2,929,872)
Net loss applicable to common shareholders	<u>\$ (3,054,334)(3)</u>	<u>\$ (10,089,406)(3)</u>	<u>\$ (15,625,825)(3)</u>	<u>\$ (35,136,969) (3)</u>	<u>\$ (2,929,872)(3)</u>
Net loss per share applicable to common shareholders - basic and diluted	<u>\$ (0.06)</u>	<u>\$ (0.39)</u>	<u>\$ (0.61)</u>	<u>\$ (1.74)</u>	<u>\$ (0.15)</u>
Total assets	<u>\$ 4,689,022</u>	<u>\$ 5,972,164</u>	<u>\$ 12,374,959</u>	<u>\$ 28,393,338</u>	<u>\$ 48,990,772</u>
Long term obligations	<u>\$ 1,000,000</u>	<u>\$ 4,044,316</u>	<u>\$ 410,594</u>	<u>\$ 1,388,306</u>	<u>\$ 1,125,551</u>
Cash dividends declared	—	—	—	—	—
Average shares outstanding - basic and diluted	47,445,014	25,934,973	25,591,660	20,249,714	18,974,175

	Three months ended December 31,		Twelve months ended December 31,	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Expenses				
Research and development	\$ 198,992	\$ 117,771	\$ 870,592	\$ 497,935
Grants	-	(244,479)	-	(244,479)
Research and development, net	198,992	(126,708)	870,592	253,456
General and administrative	207,184	251,593	1,005,548	1,187,335
Depreciation and amortization	664	538	2,720	1,551
Total operating expenses	406,840	125,423	1,878,860	1,442,342
Loss from operations	(406,840)	(125,423)	(1,878,860)	(1,442,342)
Other (expense) income				
Interest income	45	313	253	1,520
Interest expense	(25,000)	(26,977)	(102,789)	(110,744)
Other income (expense)	2,420	-	2,420	5,822
Other expense, net	(22,535)	(26,664)	(100,116)	(103,402)
Net loss	(\$ 429,375)	(\$ 152,087)	(\$ 1,978,976)	(\$ 1,545,744)
Net income (loss) per share				
- basic and diluted	(\$0.01)	\$0.00	(\$0.03)	(\$0.03)
Weighted average shares outstanding				
- basic and diluted	59,392,314	58,798,196	59,195,445	58,529,204

BIOTECHNOLOGY

General

Israel's Life Sciences Industry - Sectors



Source: ILSI Database - 2007

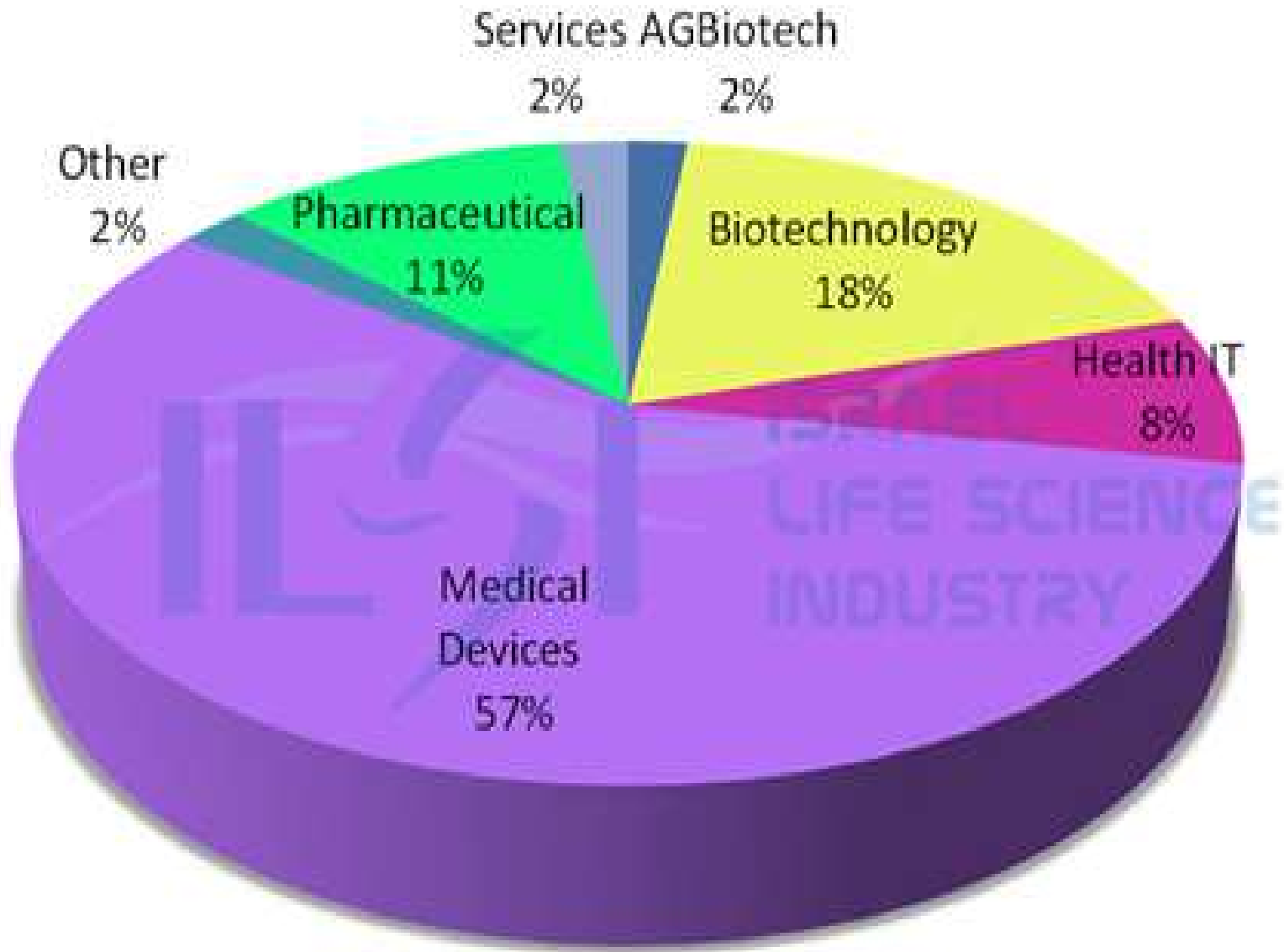
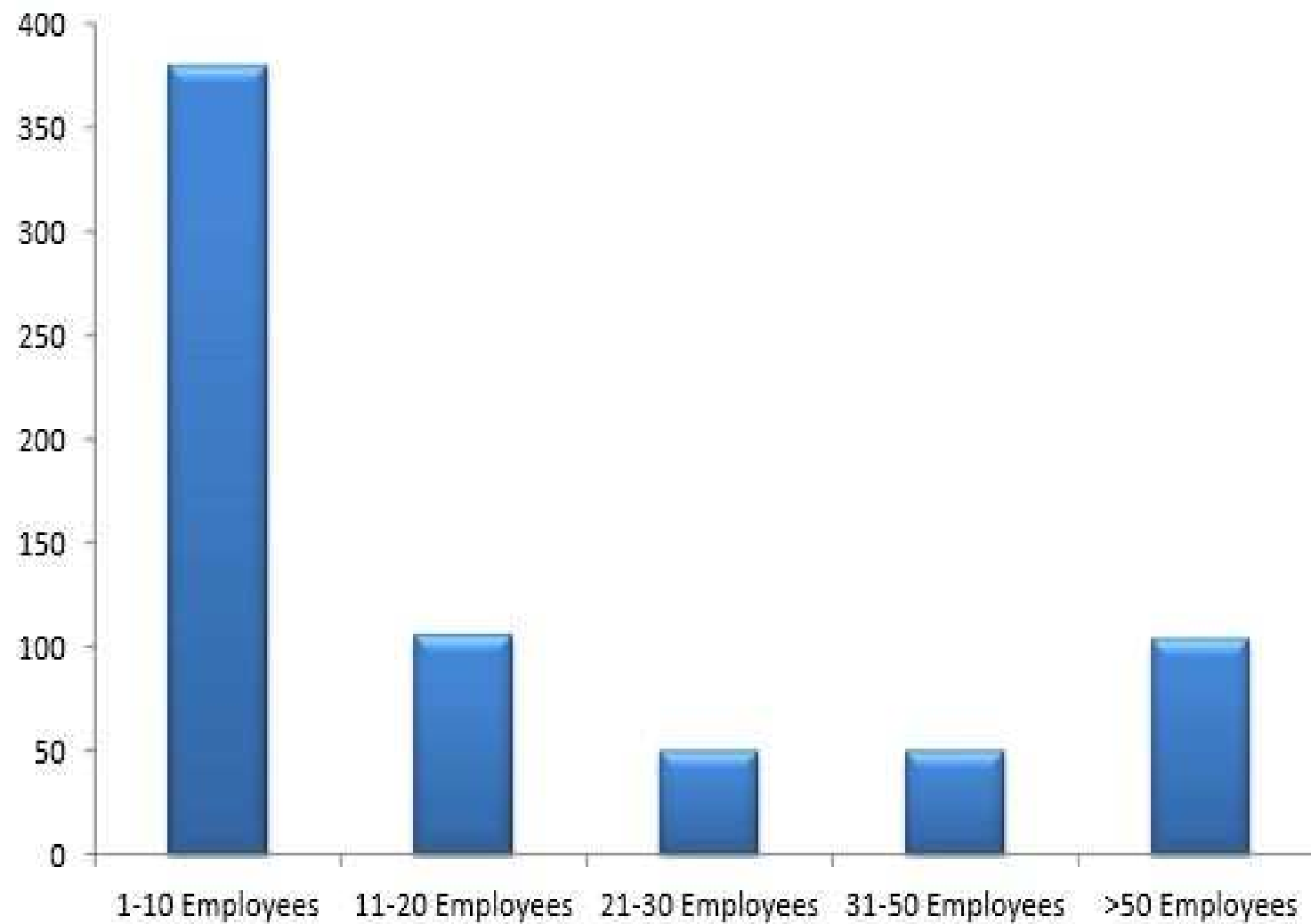
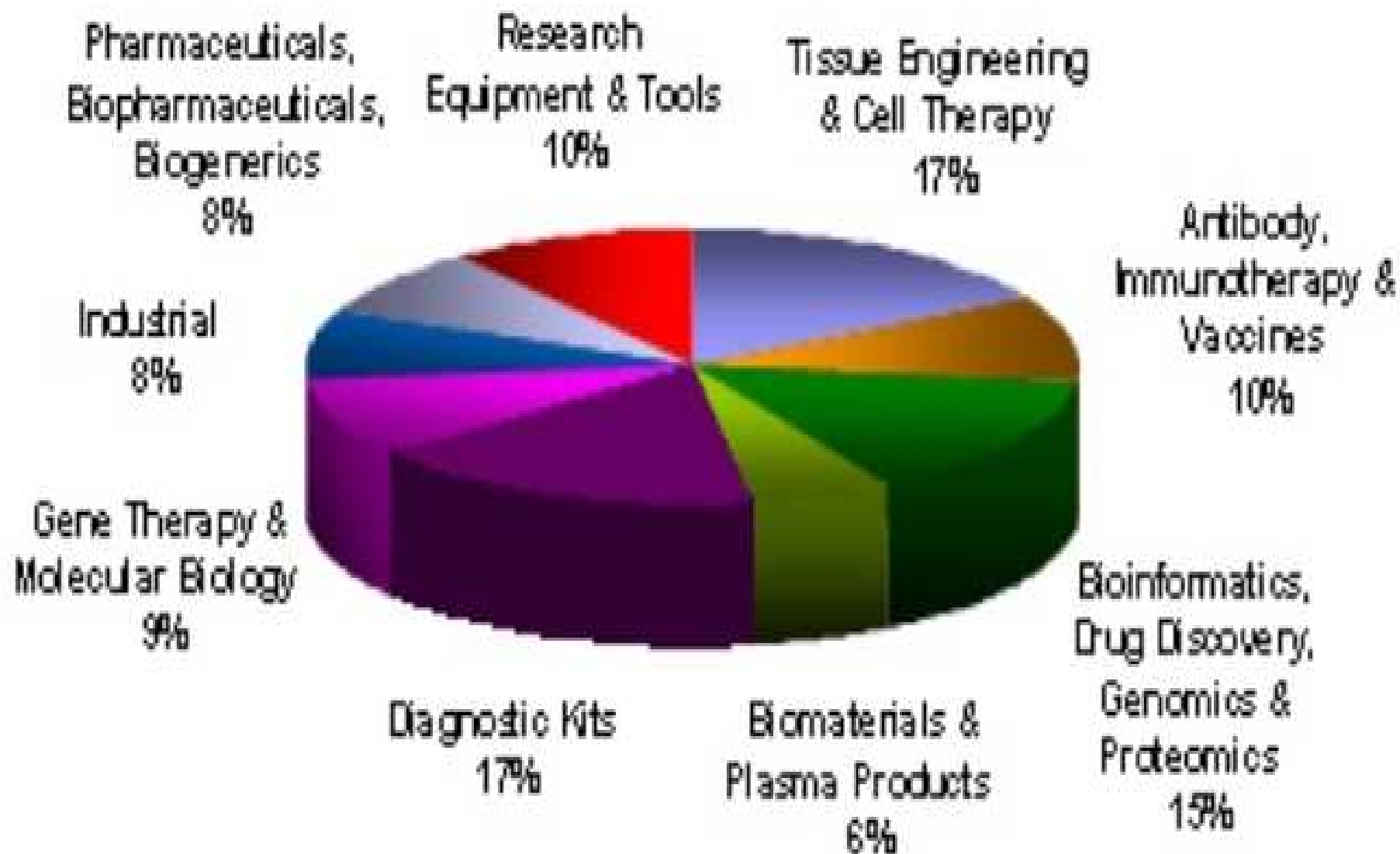


Figure 13. Number of Israeli life science companies and their respective size, 2010.



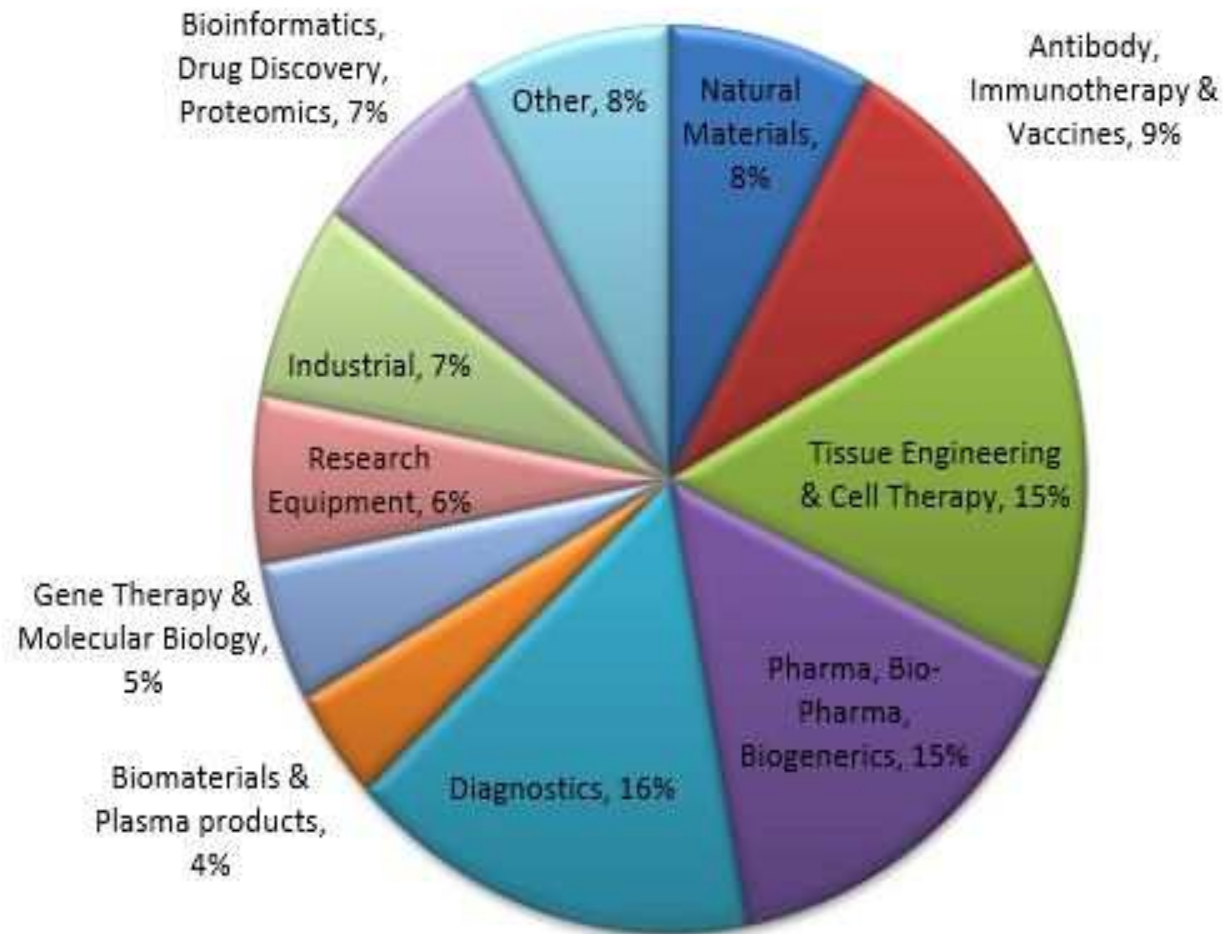
Source: Israel Life Sciences Industry (ILSI) Database, 2010.

Israel's Biotech Companies - Subsectors



Source: ILSI Database - 2007

Figure 18. Biotech companies—Subsectors, 2010.

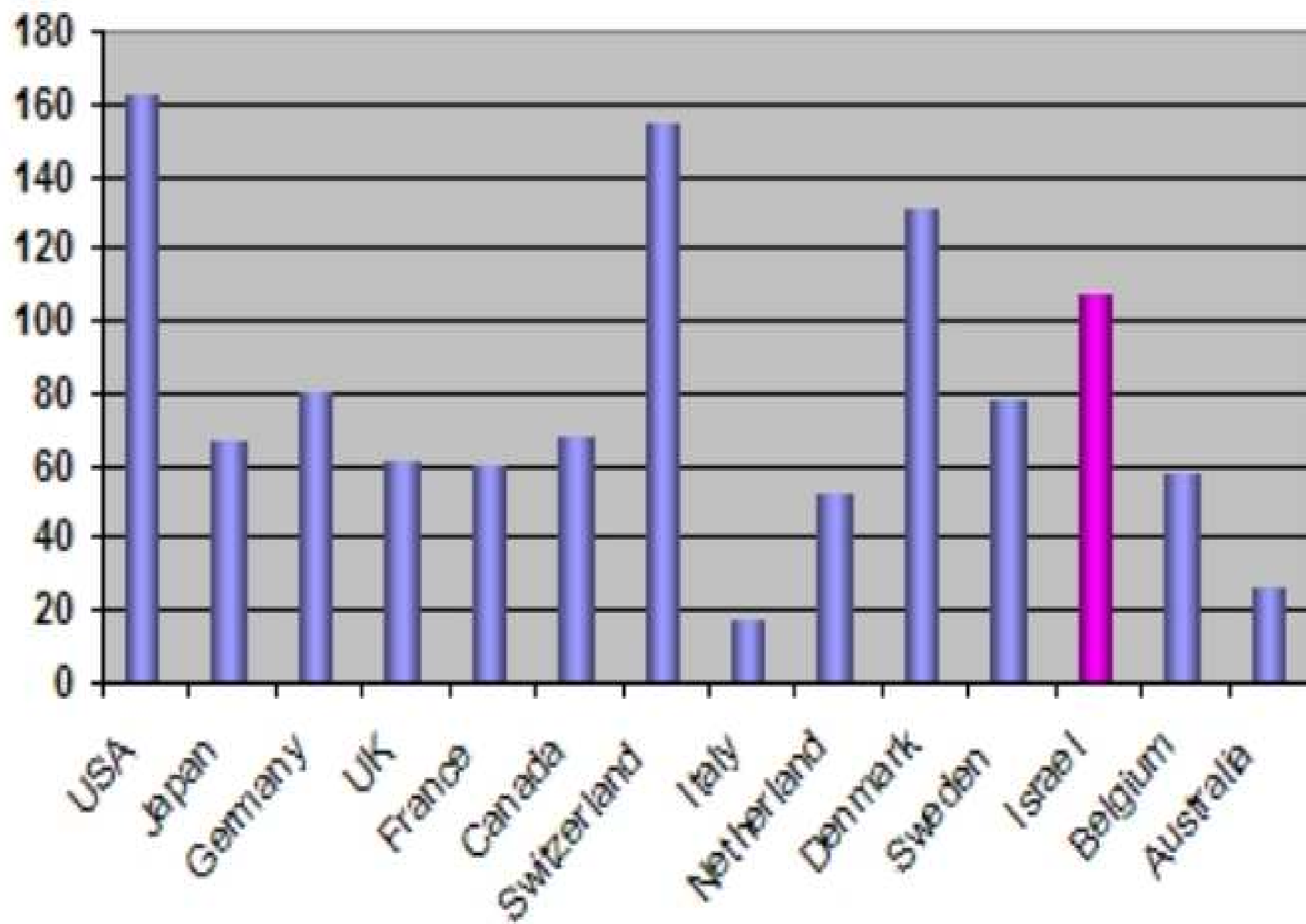


Source: ILSI Database, 2010

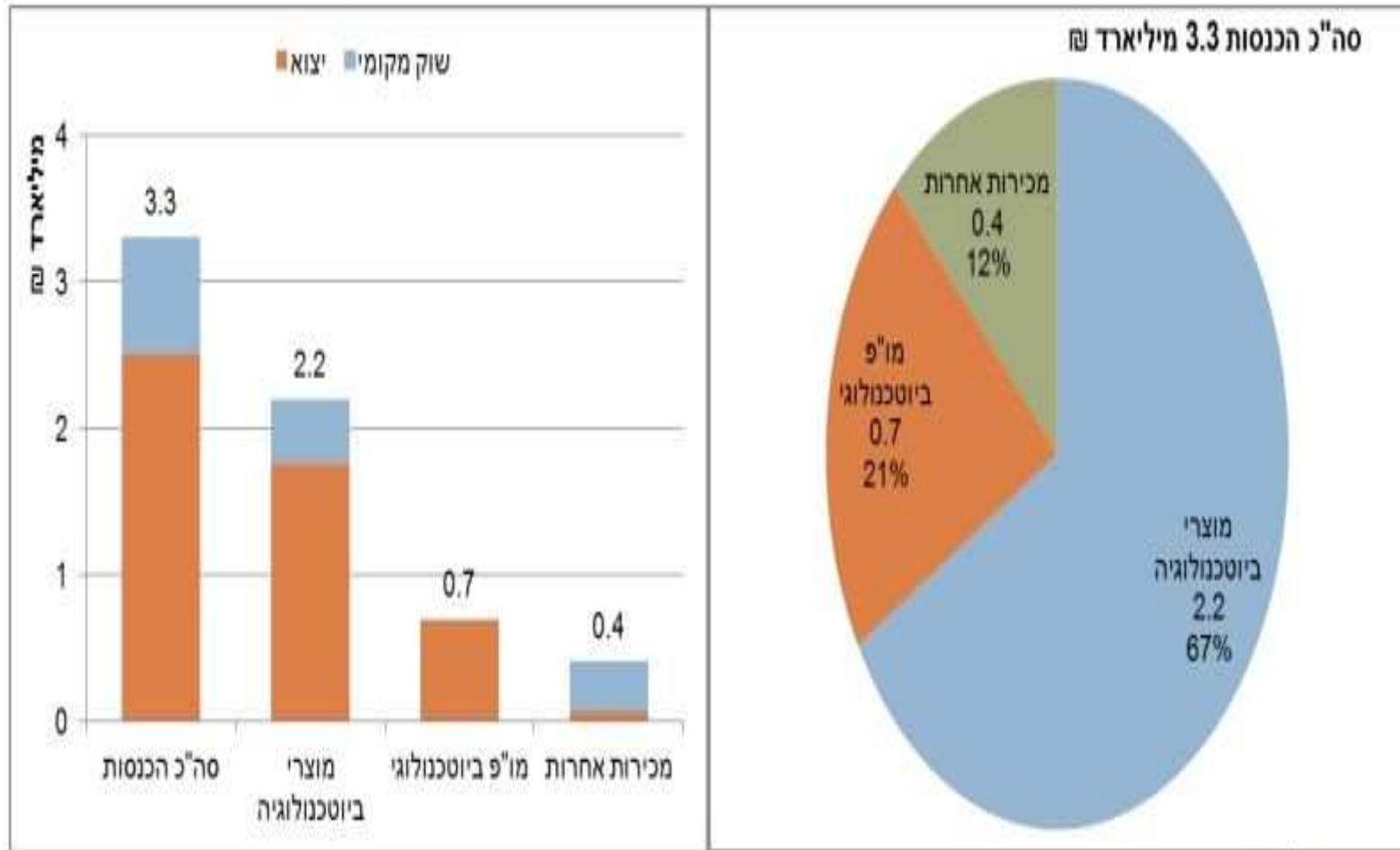
Table 7: Products in Israeli Therapeutic Companies by Therapeutic Area and Stage of Development

Sector	Area Portion	Total projects	Stage of Development					
			Research	Preclinical	Phase I	Phase II	Phase III	On Market
Neurological	21% (24%)	16 (21)	10	1 (2)	3	1 (3)	1 (3)	
Autoimmune disorders	17% (19%)	13 (16)	4 (5)	3	1	3	1 (2)	1 (2)
Cancer	19% (17%)	15	10	2	2			1
Endocrinological	8% (7%)	6	2		1			4
Dermatology	8% (7%)	6	4	1				1
Infectious diseases	6%	5		2				3
Ophthalmological	6%	5		1			1	3
Cardiovascular	4% (3%)	3	1	1			1	
Miscellaneous	12% (10%)	9	6	1		1		
Total	100%	78 (86)	37 (38)	12 (13)	7	5 (7)	4 (7)	13 (14)
Per cent.		100%	47%	15%	9%	6%	5%	17%

Number of BioPharma Patents per Million Capita

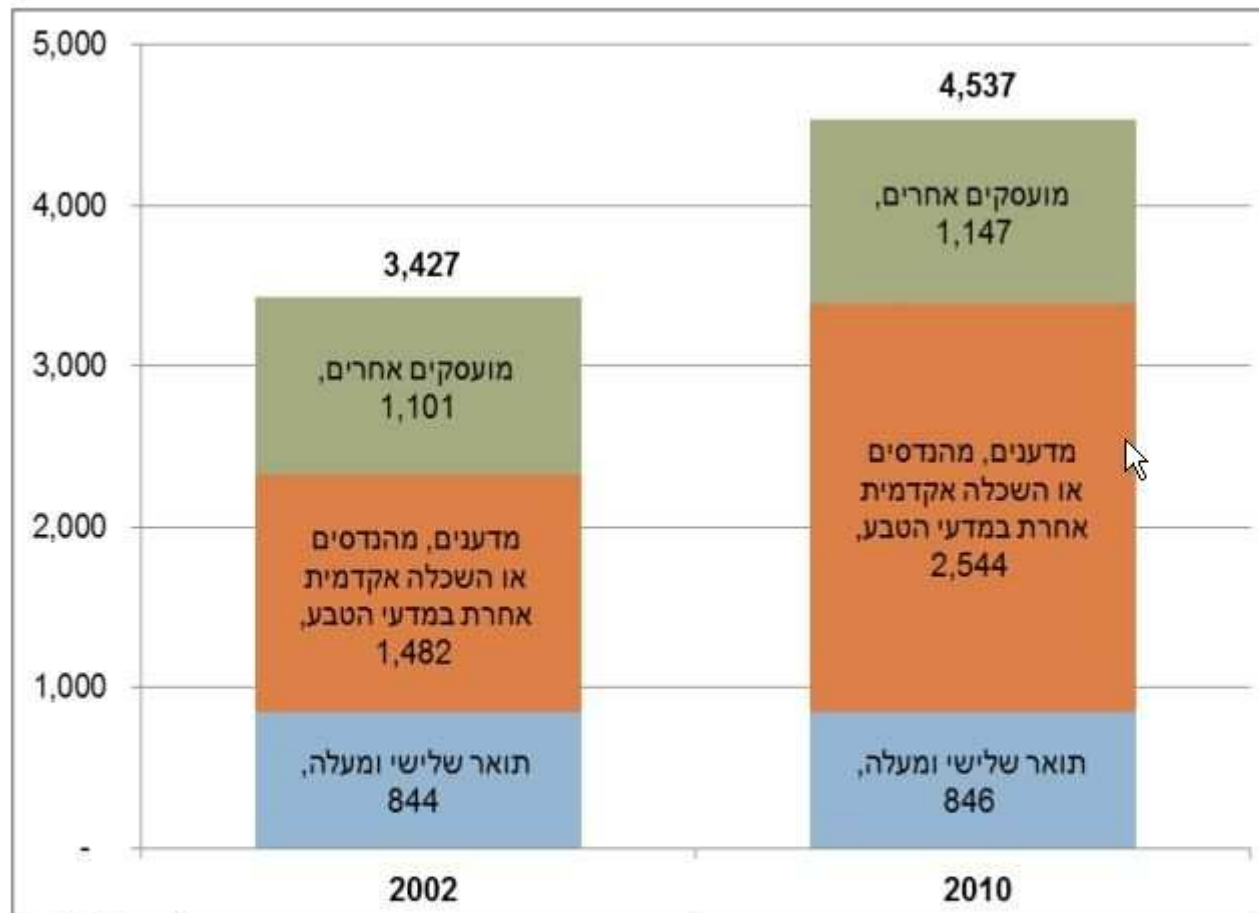


איור 6.17: פילוח ההכנסות של חברות ביוטכנולוגיה לפי סוג ויעד, 2010¹



מקורות: למ"ס

איור 6.21: משרות בביוטכנולוגיה לפי השכלה (לפי משרות), 2010 ו-2002

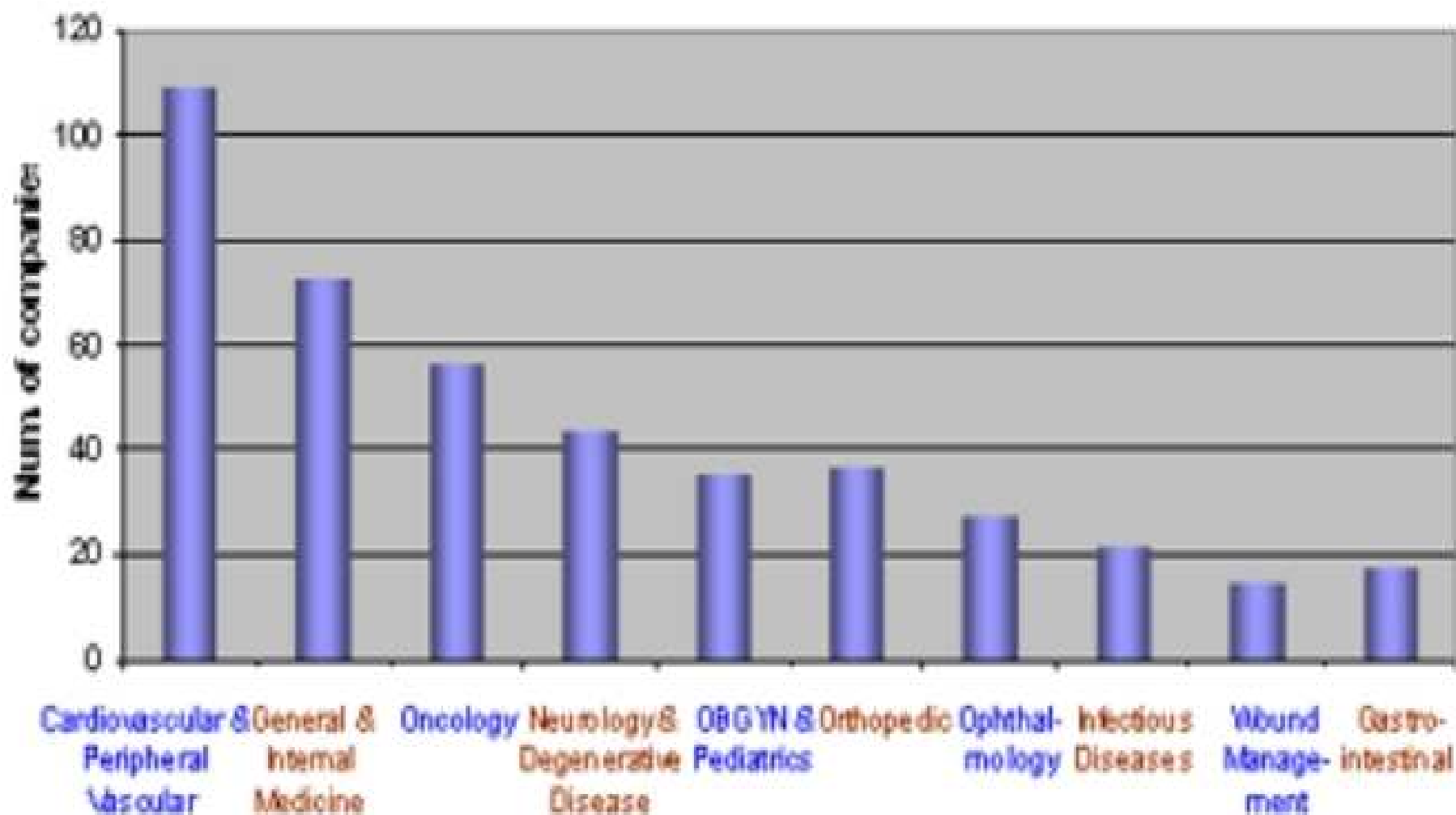


57%	148	233	מספר חברות בביוטכנולוגיה
32%	3427	4537	משרות בביוטכנולוגיה
41%	1602	2255	מספר משרות במו"פ בביוטכנולוגיה

COMPANIES

Main Medical Fields

Number of Companies (439 Total)



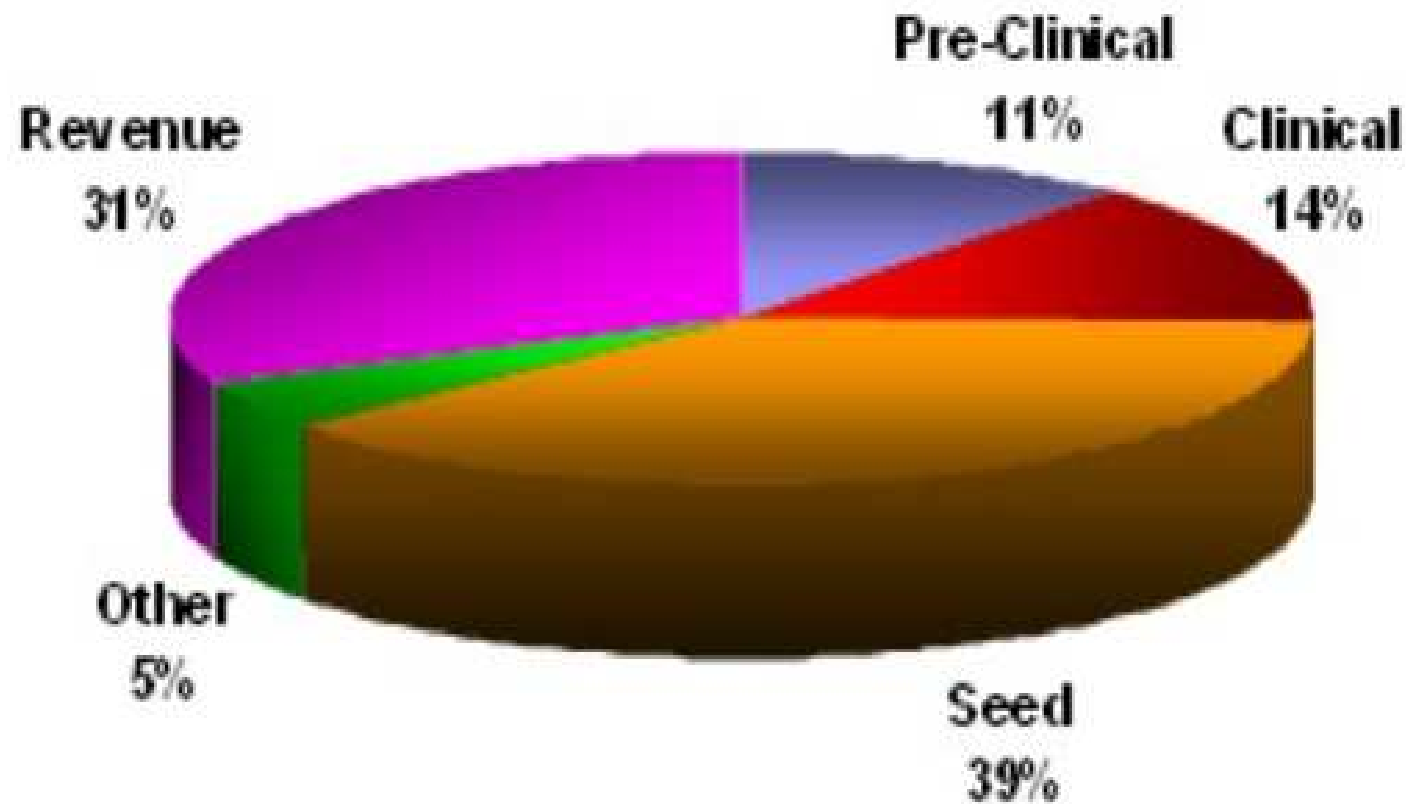
Source: ILSI Database – 2007

Table 2
Number of Companies in the Life Sciences Industry

No. of Employees:	1-10	11-20	21-30	31-50	More than 50	SUM
Ag BioTech	11	4	1	3	2	21
Biotech	88	13	6	13	9	129
Medical Devices	183	44	18	13	28	286
Pharma	48	8	4	3	11	74
IT	10	3		3	2	18
Service	3	2	1		3	9
Other	12	3	1	2	2	20
Total Number of Companies	355	77	31	37	57	557

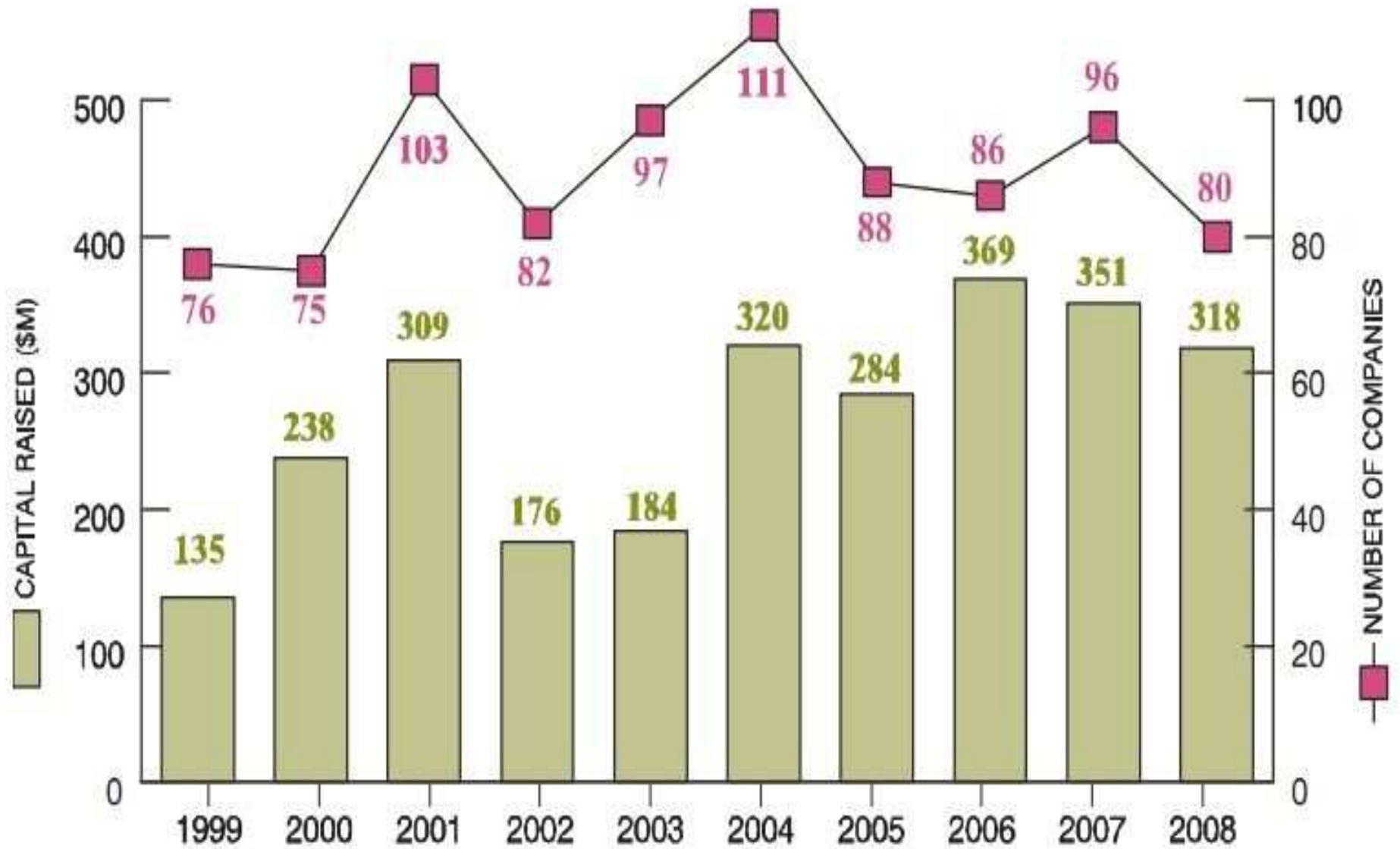
Source: ILSI Database 1/2 2005

Figure 2
Companies Developmental Stage

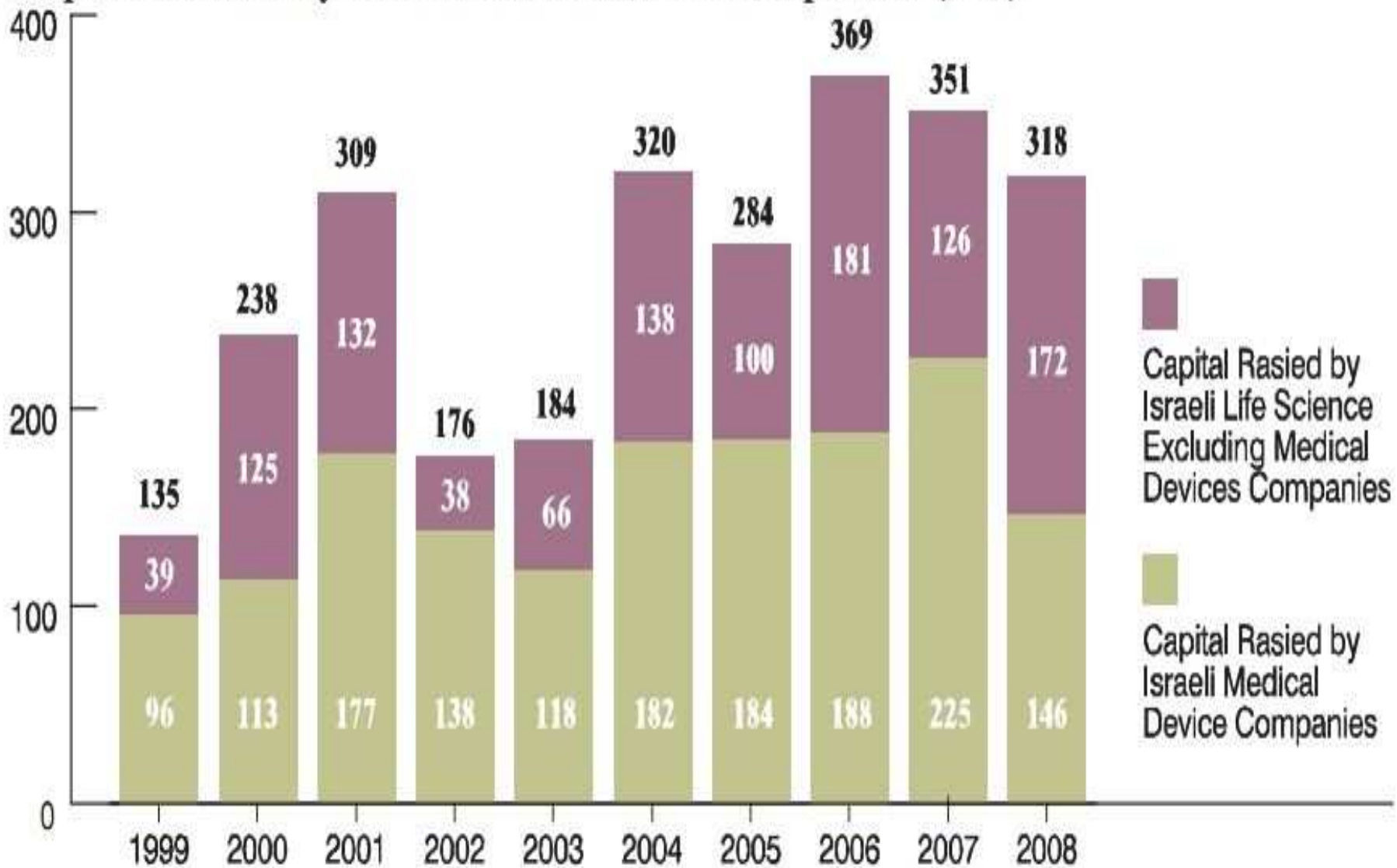


Source: ILSI Database – 2007

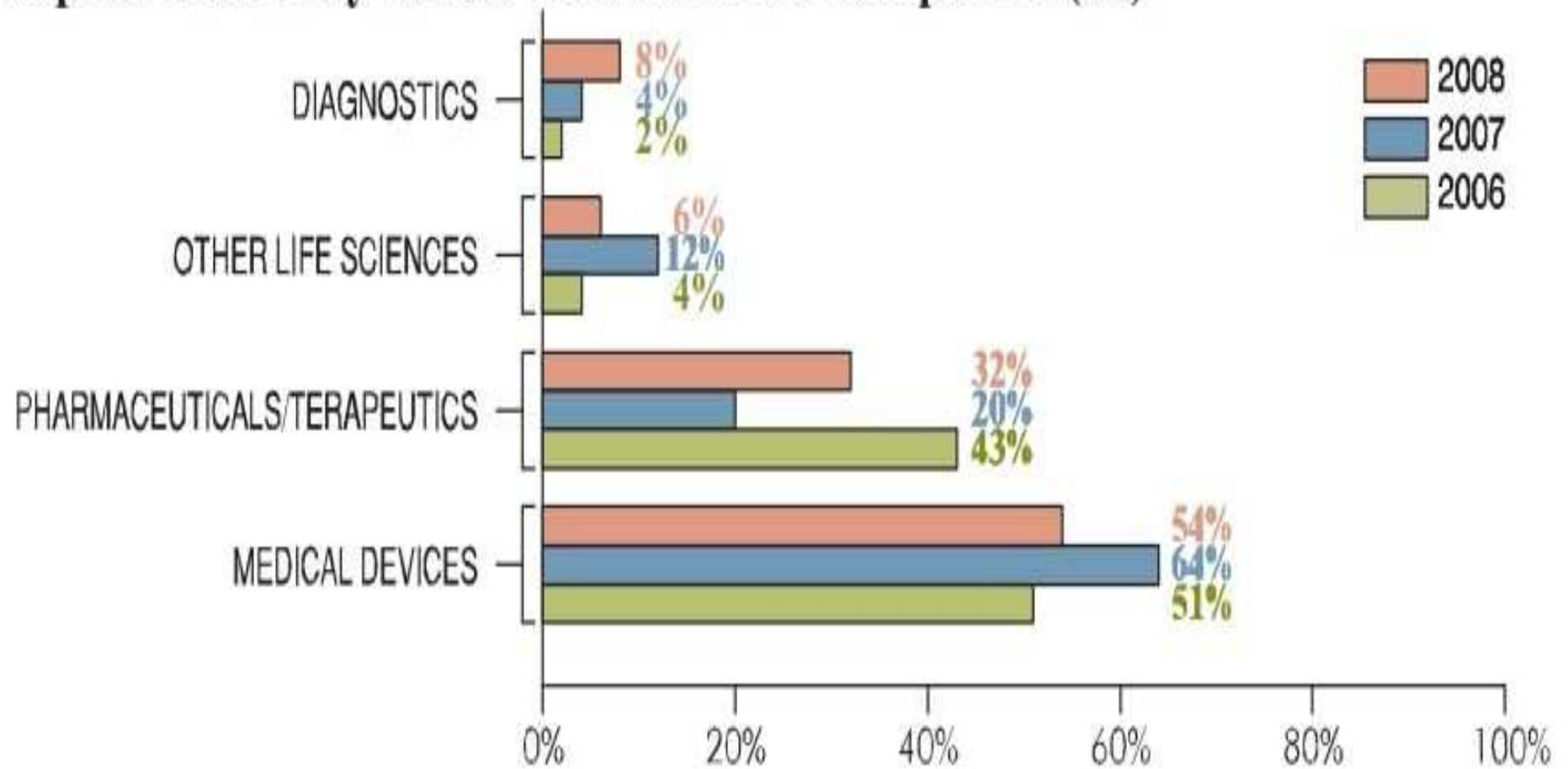
Capital Raised by Israeli Life Sciences Companies (\$M)



Capital Raised by Israeli Life Science Companies (\$M)



Capital Raised by Israeli Life Sciences Companies (%)



28-12-2009

חברות ביוטכנולוגיה

חברה	תשואה מתחילת השנה	תחום פעילות	אירוע מהותי
ביונדווקס	818%	פיתוח חיסון לשפעת	התפרצות שפעת החזירים באפריל
קומפיוג'ן	803%	פיתוח מערכת ממוחשבת לאיתור תרופות	הסכם לאיתור תרופות עם פיזר
איתמר מדיקל	761%	פיתוח ושיווק מכשור רפואי	קבלת קוד החזר CPT למוצר ה-WatchPAT בארה"ב
ביזסל	634%	החברה האם של פרוטליקס	הסכם של פרוטליקס עם פיזר
ביולייט	569%	פיתוח ושיווק תרופות ומכשור רפואי	התחלת פיילוט בחברת הפורטפוליו אייאופטימה בהודו והצלחה של אוביקיור בניסוי קליני לאיתור תופעות לוואי בסכיזופרניה
כלל ביוטכנולוגיה	560%	פיתוח תרופות	מיני אקזיט באמצעות הנפקת די-פארם
ביוקנסל	482%	פיתוח תרופות לסרטן	הצלחה בניסוי בתרופה לסרטן כליות על חולה אחד
ביוליין	442%	איתור ופיתוח תרופות	עסקה לרישוי תרופת BL1040 לאיקריה ב-285 מיליון דולר
ווידמד	404%	איתור מחלות בזמן שינה	הזמנה ראשונה של המוצר מ-GE
אקסלז	386%	פיתוח ערכה לזיהוי מחלות בדרכי העיכול והכבד	כישלון בניסוי לאיתור מחלות כבד, והסכם לשיווק בדיקה לחיידק H Pylori בארה"ב
אלוטקס	374%	ציפוי סטנטים	הפסקת פעילות החברה במארס
בי אס פי	327%	עיבוד אותות ביולוגיים לאיתור מחלות לב	שיתוף פעולה עם חברת שילר השוויצית
פרוקוגניה	324%	פיתוח וייצור מוצרים למעבדות	הסכם עם טבע לפיתוח תרופות ביו-גנריות

רנישות חרות בתחום הביוטק ו-2009 ישראל

תחום פעילות	סכום העסקה	ורכשת	רוכשת	תאריך
שיטה להחלפת מסתמי לב פגומים	335 מיליון דולר	וונטור	מדטרוניק	23/2
ציפוי לסטנטים	100 מיליון דולר		בוסטון סיינטיפיק	22/3
משאבות אינסולין	213 מיליון דולר		לא ידוע*	26/10
שתל זעיר לטיפול בגלאוקמה	170 מיליון דולר		אלקון	14/12
סרג'יקל סטראקצ'רס מפתחת מכשיל לניתוחי הרניה (קילה)	15% מהון המניות תמורת 11.9 מיליון דולר	חברת פורטפוליו של ביומדיקס, ככל הנראה מדובר בסורג'יקל סטראקצ'רס	לא ידוע**	22/12
מערכת מידע לניהול מעבדות	123 מיליון דולר	סטארלימס	מעבדות אבוט	15/12

* העסקה טרם הושלמה ** העסקה בוצעה לפי שווי של 9 מיליון דולר

Kamada

Market value over 1 billion IS

Almost zero profits currently

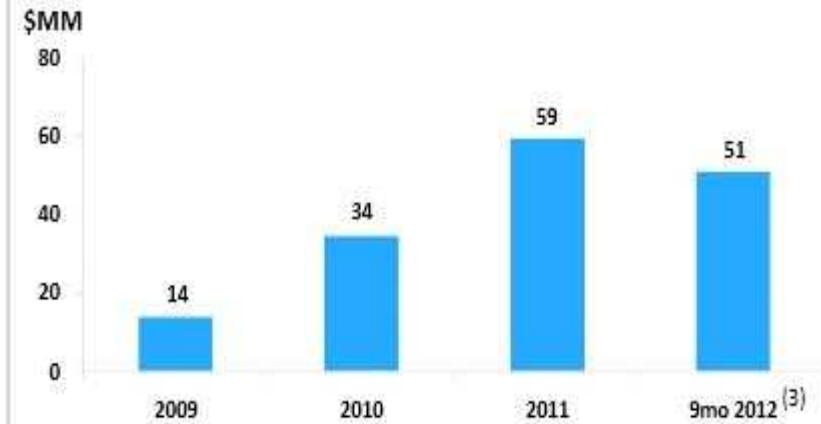
Key Highlights

- Founded in 1990
- Based in Weizmann Science Park in Ness Ziona, Israel
- Employees: ~300 ⁽¹⁾
- Publicly listed on TASE (KMDA) since 2005
- Current market capitalization: \$282.3MM ⁽²⁾
- Cash, cash equivalents and short term investments: \$33.5MM ⁽³⁾
- Total Debt: \$26.5MM ⁽³⁾⁽⁴⁾
- 2012E forecast revenues of \$72MM and already EBITDA positive ⁽³⁾

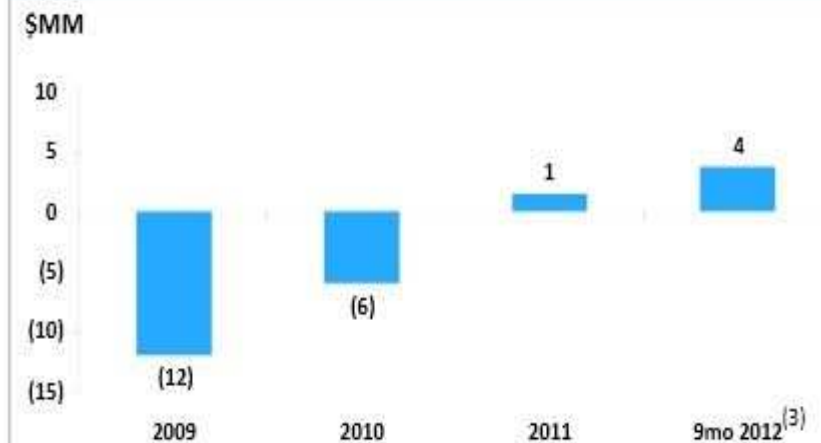
L2Y Share Price Performance ⁽²⁾



Historical Revenue



Historical EBITDA





Notes:

1. As of December 31, 2012
2. Market data as of January 21, 2013, at a conversion ratio of USD 0.268170 to ILS 1.00
3. As of 9 months ending September 30, 2012
4. Includes \$22.7MM in convertible debentures and \$3.8MM in conversion option in convertible debentures; represents the face value of the convertible debentures outstanding

Year	Sales	Net profit	
	\$milli	\$millions	
2008	16.1	-14	
2009	13.5	-22	
2010	34	-14	
2011	59	-4.2	
2012	72.7	0.3	
	KAMADA		

High Value Pipeline Focused on Orphan Indications

	Product	Indication	Phase 1	Phase 2	Phase 3	Partnership Agreement
1	Inhaled AAT for AATD ⁽¹⁾	Alpha-1 Antitrypsin Deficiency*	Completed	Ph II/III in Process in EU Entering Ph II in the US		EU: 
2	B1-AAT (IH) ⁽¹⁾	Bronchiectasis*	Completed			-
3	C1-AAT (IH) ⁽¹⁾	Cystic Fibrosis (CF)*	Completed	IND Ph II Approved		-
4	D1-AAT (IV) ⁽¹⁾	Type-1 Diabetes*	Completed	Contemplating Ph II/III		-
5	KamRAB (IM)	Prophylaxis of Rabies	Completed	Clinical Trial, Strategic Agreement		US: 

KAMADA

Consolidated Statements of Comprehensive income

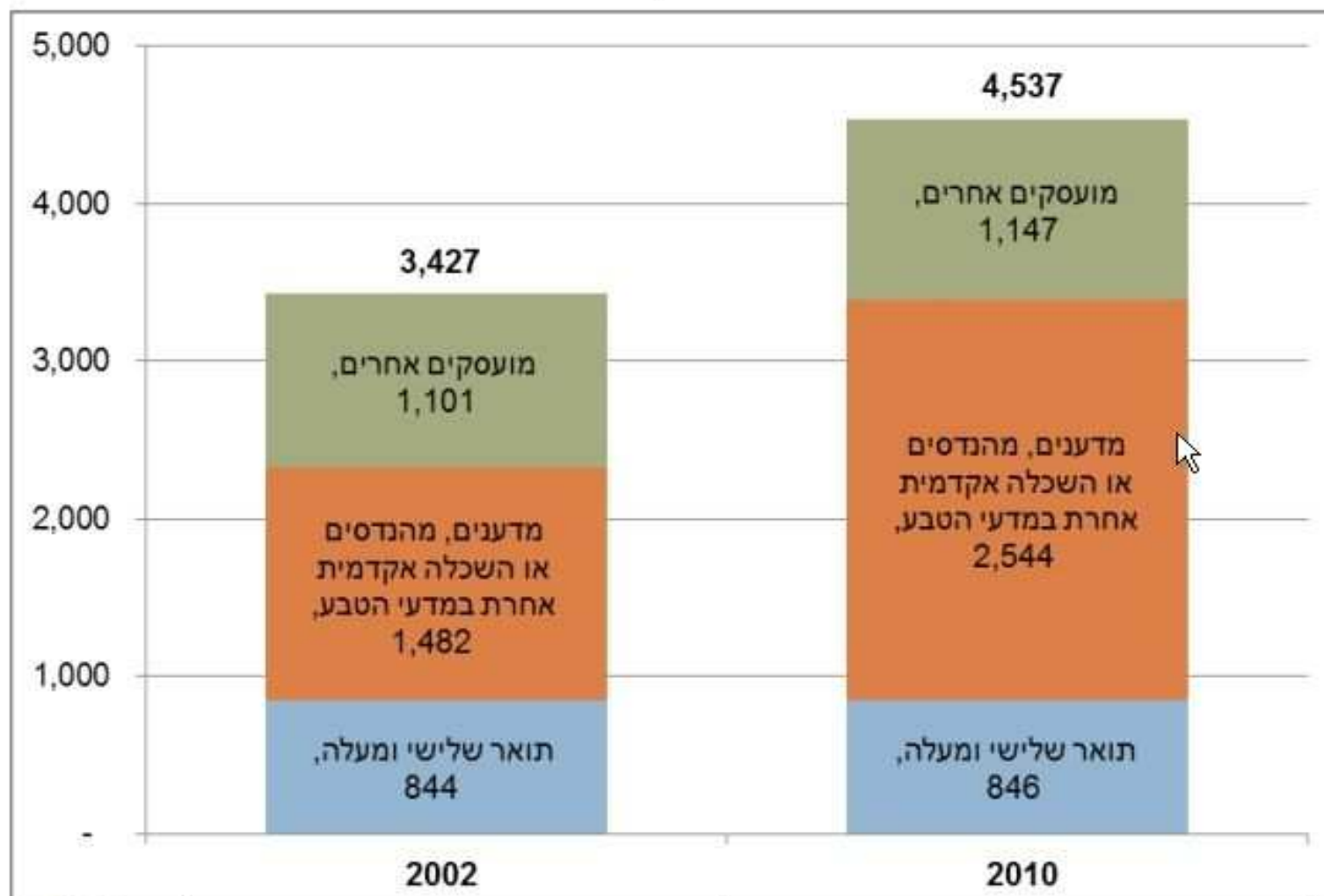
	For the year ended December 31,		For the 3 months ended December 31,	
	2013	2012	2013	2012
In thousands				
Revenues from proprietary products	\$ 50,658	\$ 46,445	\$ 18,635	\$ 15,913
Revenues from distribution	19,965	26,230	5,797	5,730
Total revenues	70,623	72,675	24,432	21,643
Cost of revenues from proprietary products	27,104	26,911	10,587	8,588
Cost of revenues from distribution	17,112	23,071	4,979	4,971
Total cost of revenues	44,216	49,982	15,566	13,559
Gross profit	26,407	22,693	8,866	8,084
Research and development expenses	12,745	11,821	3,578	2,842
Selling and marketing expenses	2,100	1,853	546	449
General and administrative expenses	7,862	4,781	2,344	1,216
Operating income	3,700	4,238	2,398	3,577
Financial income	289	578	44	123
Expense in respect of currency exchange and translation differences and derivatives instruments, net	(369)	(100)	(203)	(85)
Expense in respect of revaluation of warrants to fair value		(576)		(22)
Financial expense	(3,153)	(3,357)	(679)	(812)
Income before taxes on income	467	783	1,560	2,781
Taxes on income	24	523	9	(77)
Net Income	443	260	1,551	2,858

EMPLOYMENT

Employees

The Israeli Life Science industry employs an estimated 25,000 individuals in 557 companies (See Table 2). Of those, 80% or 20,000 employees work in 54 companies with over 50 employees each. The largest employer is the pharmaceutical sector with 16,500 employees. On the other extreme there are the 355 companies or 62% of all Life Sciences companies that employ between 1-10 workers.

איור 6.21: משרות בביוטכנולוגיה לפי השכלה (לפי משרות), 2002 ו-2010

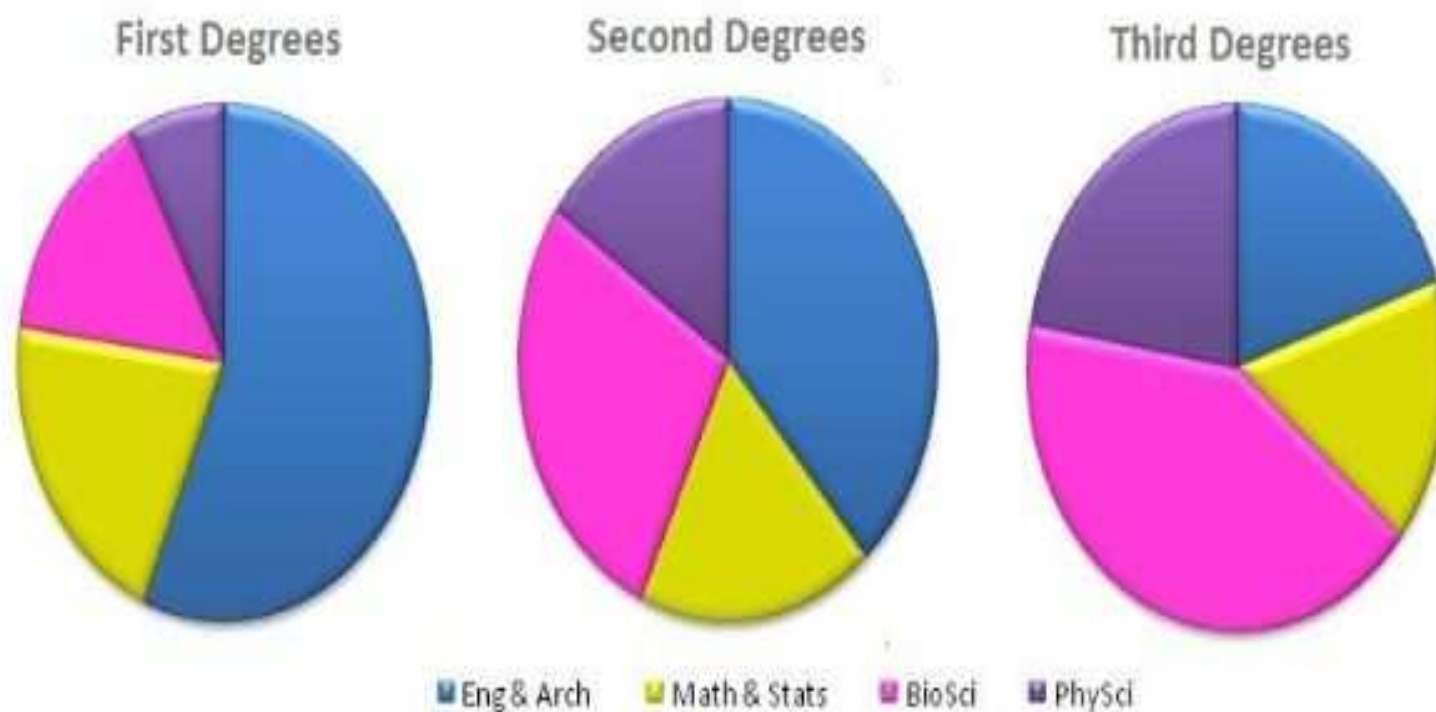


57%	148	233	מספר חברות בביוטכנולוגיה
32%	3427	4537	משרות בביוטכנולוגיה
41%	1602	2255	מספר משרות במו"פ בביוטכנולוגיה

Number of Graduating Israeli Students in Life Sciences
Academic Year 2001/2002

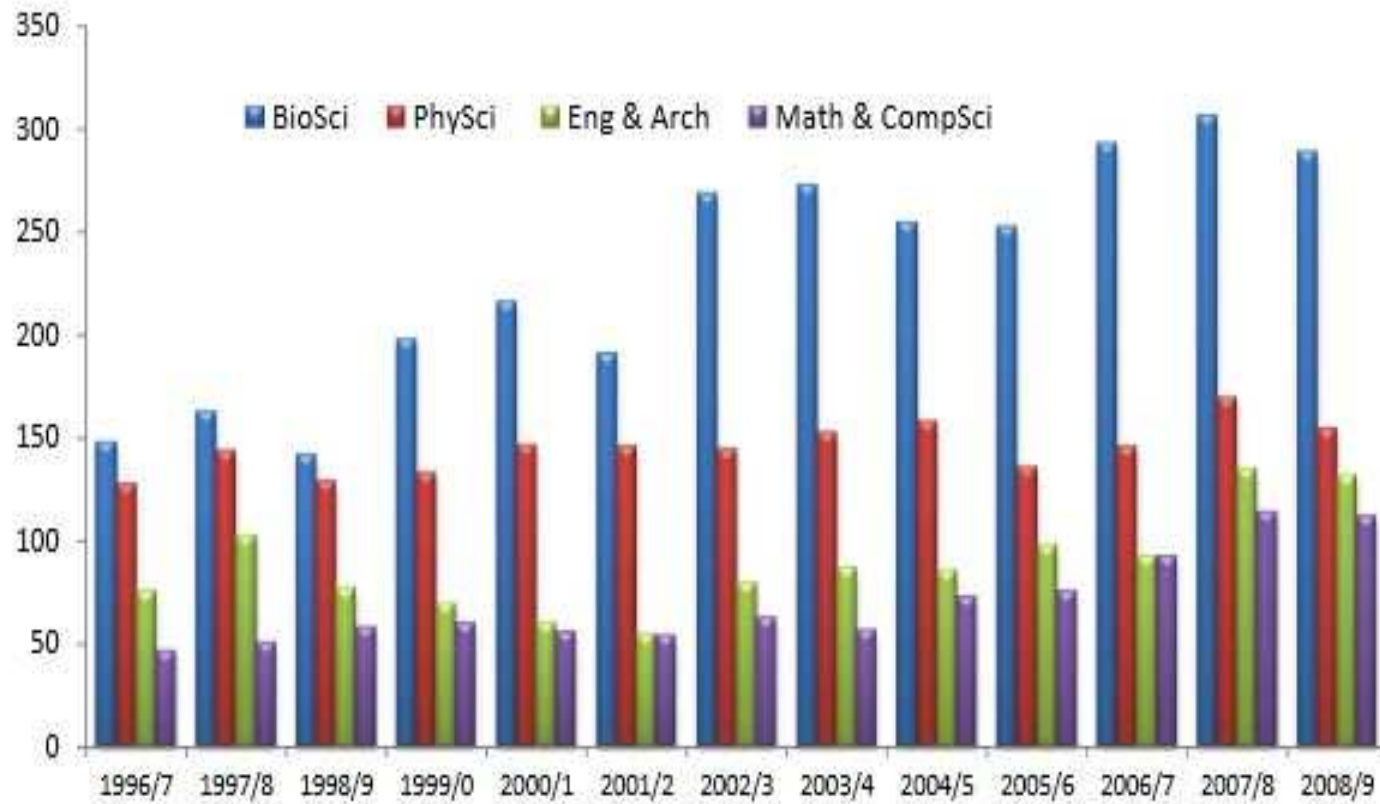
	Total Num. of Students	% of the Total	Biol ogy	% student from the Total	Medi cine	% student from the Total
First Degree	18,018	67	764	4.2	401	2.2
Second Degree	8,170	30	431	5.3	481	5.9
Third Degree	863	3	191	22.1	39	4.5
Total	27,051	100	1,386	5.1	921	3.4

Figure 3. First, Second and Third degrees in the sub-fields of Science and Technology, obtained in the 2008/09 academic year



Source: Central Bureau of Statistics Israel

Figure 2. Annual numbers of tertiary degrees (PhDs) obtained in Science and Technology in Israel



Source: Central Bureau of Statistics Israel