

TARO INTERNATIONAL LTD.

BALANCE SHEETS

	March 31, 2019	March 31, 2018
	U.S. Dollars	
	Un-audited	
ASSETS		
CURRENT ASSETS:		
Trade accounts receivable	5,558,363	5,346,046
Other receivables and prepaid expenses:		
Prepaid expenses	43,162	-
Government authorities	963	2,245
Intercompany Receivable	9,372,443	3,460,789
Other	119,737	231,590
TOTAL Other receivables and prepaid expenses	9,536,305	3,694,624
Inventories	4,395,187	3,961,672
TOTAL CURRENT ASSETS	19,489,855	13,002,342
INTANGIBLE ASSETS AND DEFERRED COSTS, NET	3,694,248	3,848,080
TOTAL ASSETS	\$ 23,184,103	\$ 16,850,422

TARO INTERNATIONAL LTD.

BALANCE SHEETS

	March 31, 2019	March 31, 2018
	U.S. Dollars	
	Un-audited	
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable:		
Trade payables	3,920,990	2,688,254
Other current liabilities:		
Due to customers	137,652	150,590
Returns Reserve	210,262	165,492
Accrued expenses	306,458	537,906
Taxes payable	1,302,324	899,071
Other	139,346	(915)
TOTAL Other current liabilities	2,096,042	1,752,144
TOTAL CURRENT LIABILITIES	6,017,032	4,440,398
Capital note	3,500,000	3,500,000
SHAREHOLDERS' EQUITY	13,667,071	8,910,024
	\$ 23,184,103	\$ 16,850,422

Date of approval of the
financial statements

Mariano Balaguer
Group Vice President, Chief Financial Officer
and Chief Accounting Officer

TARO INTERNATIONAL LTD.

STATEMENTS OF INCOME

	<u>For the Year Ended March 31, 2019</u>	<u>For the Year Ended March 31, 2018</u>
	<u>U.S. Dollars</u>	
	<u>Un-audited</u>	
Sales	\$ 25,634,154	\$ 26,158,029
Cost of sales	<u>18,039,962</u>	<u>21,095,326</u>
Gross profit	7,594,192	5,062,703
Selling and marketing expenses	2,333,943	1,778,788
General and administrative expenses	<u>35,550</u>	<u>52,608</u>
Operating income	5,224,699	3,231,307
Financing income (expenses), net	735,094	(117,501)
Other income	<u>204,526</u>	<u>22,763</u>
Income before taxes on income	6,164,319	3,136,569
Taxes on income	<u>1,407,272</u>	<u>756,220</u>
Net income for the period	<u>\$ 4,757,047</u>	<u>\$ 2,380,349</u>

TARO INTERNATIONAL LTD.

Changes in Shareholders' Equity

	Share Capital	Additional paid in capital	Retained Earnings	Total Shareholders' Equity
	U.S. Dollars			
	Un-audited			
Balance at March 31, 2016	414	-	457,363	457,777
Net Gain	-	-	856,717	856,717
Balance at March 31, 2017	414	-	1,314,080	1,314,494
Merge of Subsidiary Net Gain	-	5,215,181	2,380,349	5,215,181 2,380,349
Balance at March 31, 2018	414	5,215,181	3,694,429	8,910,024
Net Gain	-	-	4,757,047	4,757,047
Balance at March 31, 2019	414	5,215,181	8,451,476	13,667,071