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October 19, 2005

Dear Shareowner,

The time has come again, when I can eagerly share with you about the performance of your company Wockhardt Limited. The Board has just announced the consolidated results for the third quarter ended September 30, 2005. And I am happy to brief you not only about the financial figures, but also about new developments that will cement further growth in the coming quarters.

Here are the main performance highlights for the third quarter:

- ❖ Wockhardt recorded a **Net Profit of Rs. 65 crores**, a growth of **17%** over the corresponding quarter of 2004.
- ❖ We also clocked **Sales of Rs. 359 crores**, an increase of **12%**.
- ❖ **Operating Profit** increased by **9%** to **Rs. 88 crores** during the quarter.
- ❖ **Operating Margins** stood at **24.3%**.

**Nine months Net Profit** climbed **23%** to **Rs. 184 crores**, on **Sales of Rs. 1,046 crores**.

These numbers reflect the company's resilience and growth story amid changing undercurrents in the global pharmaceutical industry. We are fully committed to higher growth over the next five years, which will come organically as well as through acquisitions.

Our team - in the global and Indian markets - has been working diligently towards making possible some significant developments.

#### Wockhardt enters into alliance with Perrigo in USA

We entered into a **strategic alliance with Perrigo**, one of the largest players in the US OTC market, for the distribution of Famotidine and Ranitidine. Commercial supplies of Cefuroxime Axetil started during the quarter. Our **US Business** grew by **41%** in the third quarter.

#### Launches Terbinafine in UK

**Sales of Wockhardt UK** grew by a healthy **11%** in local currency during the quarter. For the first time, Wockhardt UK launched a new product, **Terbinafine**, on the first day of the brand going off patent. Our **German business** posted a **26%** growth in **Sales**.

#### Biotech SBU wins insulin tender in Chile

As you are aware, Biotechnology has been a significant differentiator and a growth fueller for Wockhardt. I am happy to inform you that our newly created **Biotech Strategic Business Unit** has won a **tender for supply of insulin to Chile**. Wockhardt has also received company registration for its biopharmaceuticals in the Gulf Co-operation Council (GCC) countries. Five more overseas registrations were received during the quarter, taking the total approvals so far to 25.

#### Growth in India -- powered by Wepox's No. 1 position

**Wepox**, Wockhardt's brand of erythropoietin (EPO), became **India's No. 1 prescribed EPO** during the quarter. Wosulin, our recombinant insulin brand, increased its share to 30% of new prescriptions. The Diabetology portfolio grew by 60%. Overall, Wockhardt's Formulations business in India grew by 10%, against 7% registered by the industry during the period.

#### Launches new corporate website to reflect global profile

Wockhardt has revamped its website [www.wockhardt.com](http://www.wockhardt.com). The interactive and user-friendly website reflects the company's global standing and provides a host of information to stakeholders. We welcome you to log on to [www.wockhardt.com](http://www.wockhardt.com) and experience the new global world of Wockhardt.

On behalf of 4,000 Wockhardians across the globe, I wish you and your family a **Happy Deepavali**. As has been our practice over the past years, we will be donating the amount usually spent on greeting cards to a worthy charity.

Best wishes for the festive season of Deepavali.

Warm regards,

**Habil Khorakiwala**  
 Chairman

The screenshot shows the Wockhardt website interface. At the top, there is a navigation menu with links: ABOUT US, RESEARCH & DEVELOPMENT, BIOTECHNOLOGY FOCUS, WORLDWIDE OPERATIONS, PARTNERSHIP OPPORTUNITIES, INVESTOR RELATIONS, NEWS ROOM, CAREERS, OUR OTHER WEBSITES, CONTACT US. A large banner features a family photo with the text 'Hello Tomorrow' and the Wockhardt logo with the tagline 'Healthcare is in our genes'. Below the banner, there are three main sections: 'PHOTO GALLERY' with a photo of President Dr. A.P.J. Abdul Kalam and text 'President of India Dr. A.P.J. Abdul Kalam inaugurates India's largest biopharmaceuticals complex'; 'TEAM WOCKHARDT' with the headline 'Moving forward by thinking forward' and text 'As a global pharmaceuticals and biotechnology major, Wockhardt is riding the crests of contemporary waves of change. Harnessing its energies for growth through anticipation and preparedness.'; and 'LATEST NEWS' with the headline 'Wockhardt announces Third Quarter Financial Results' and a 'Read more >' link. At the bottom, there is a 'BIOTECHNOLOGY FOCUS' section with the headline 'Wockhardt launches India's first automatic insulin device' and a 'WOSULIN' logo with 'SELECTED BUSINESS Superbrand 2004-05'. A 'Corporate Presentation' and 'Investor Update Q3 2005' link is also visible.

Visit the new Wockhardt website [www.wockhardt.com](http://www.wockhardt.com)



# Wockhardt's Biotech portfolio grows by 30%

- ◆ Wepox becomes India's largest prescribed EPO brand
- ◆ Wosulin captures 30% of new prescriptions for insulin
- ◆ Diabetology portfolio grows by 60%

## QUARTER HIGHLIGHTS

- ▲ Net Profit up 17%
- ▲ Sales grow 12%
- ▲ Operating Margins at 24.3%
- ▲ International Business grows by 16%

The only pharmaceutical company in India



**WOCKHARDT**  
Healthcare is in our genes

## WOCKHARDT LIMITED - CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND MAT ENDED 30TH SEPTEMBER, 2005

(Rs. in Million)

MAT Ended 30/9/2004	% To Sales	MAT Ended 30/9/2005	% To Sales	% Growth	Particulars	Quarter Ended 30/9/2005	% Growth	Quarter Ended 30/9/2004
11789	100.0	13933	100.0	18.2	<b>Sales</b>	3595	12.0	3209
9122	77.4	10755	77.2	17.9	Operating Expenditure	2720	12.9	2409
2667	22.6	3178	22.8	19.2	<b>EBITDA</b>	875	9.4	800
75	0.6	28	0.2	(62.7)	Interest	41	(42.3)	71
351	3.0	427	3.1	21.7	Depreciation	118	25.5	94
2241	19.0	2723	19.5	21.5	<b>Profit from Operations</b>	716	12.8	635
64	-	113	-	-	Extra Ordinary Item	-	-	-
6	-	305	-	-	Other Income	29	-	-
305	2.6	441	3.2	44.6	Provision for Taxation	95	23.4	77
2006	17.0	2474	17.8	23.3	<b>Profit After Tax</b>	650	16.5	558
545	-	546	-	-	Paid-up Equity Capital	546	-	545
18.41	-	22.68	-	23.2	<b>Earning Per Share(Rs.)</b>	5.96	16.4	5.12

Financial year of Wockhardt Limited is Jan - Dec

MAT = Moving Annual Total

In case you need further clarification, please write to our Investor Service Cell, Wockhardt Limited, Wockhardt Towers, Bandra-Kurla Complex, Bandra East, Mumbai 400 051 or E-mail [rgandhi@wockhardt.com](mailto:rgandhi@wockhardt.com)

Please do visit our corporate website [www.wockhardt.com](http://www.wockhardt.com)