



Wockhardt Limited
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May 3, 2007

Dear Shareowners,

I'm happy to be addressing you once again. We have just declared our first quarter financial results ending March 31, 2007 and you will be pleased to know that your company has commenced its first quarter with a robust performance. Success of your company's various strategic and focussed initiatives was demonstrated in the upsurge of both its revenues and profits.

Here are the main performance highlights for the first quarter:

A 49% growth in consolidated sales, at Rs. 523 crores
Operating profit climbs by 68%, at Rs. 116 crore
Net Profit at Rs. 66 crores
Operating margins improve by 260 basis points to 22.2%

Growth in overdrive

Europe business, contributing to half of Wockhardt's revenues has almost doubled during the quarter. 10 new products were launched in Europe. With Pinewood acquisition in October last year, Wockhardt gained market leadership in the Irish generic market. The business has started yielding results with the acquisition being accretive to Wockhardt's profit.

Wockhardt's international business grew by 57%. Business in all key markets - UK, US, Germany and Ireland registered healthy growth.

Bringing international experience to India

Wockhardt's India business recorded a growth of 35%. Wockhardt aggressively moved ahead in the in-licensing space with an objective to introduce to Indian patients new products that have proved their effectiveness in other parts of the world. Wockhardt now has a total of four in-licensing arrangements with companies in US, UK and Italy.

Two of Wockhardt's in-licensing deals that were signed in this quarter included the one with Advanced Biotechnologies Inc. of US to market Kelocote, a patent-protected product to treat scars and our first in-licensing agreement in the anti-wrinkle arena with Milan-based SYRIO PHARMA S.P.A. to market their B-Lift range of dermatology products.

Vitix, a patented product used for the treatment of vitiligo, that was in-licensed from LSI of UK was launched in the Indian market during the quarter. As a continuation of our focussed approach in niche therapy segments, we have launched two new divisions - 'SkinUno' to market our own and in-licensed products in the dermatology segment, and 'NutriUno' to cater to our newly acquired Dumex business.

Wockhardt, which recently acquired heritage brands Protinex and Farex from Dumex has relaunched Farex in an all new form. Farex, which was hitherto known as India's first infant food brand has been relaunched as a complete range of infant nutrition - which will include infant formula and weaning foods. Wockhardt has also acquired the technical know-how for sugar-free nutrition products based on which new products Farex Infant Formula 1 and Farex Follow-up Formula 2 have been launched.



Research efforts rewarded

Your company's efforts and commitment in the research space have borne results, as rightly exemplified by our filing of over 40 patents and the five approvals that we received in a record time span of 5 weeks. You will also be happy to know that your company's product portfolio expansion is on a growth trajectory, with 30 more ANDAs in the pipeline.

From the time Wockhardt established its ground presence in US, your company's product portfolio in US has increased by more than four times to 18 products, about one third of which are injectables.

I would like to extend my sincere thanks to you, for all this would not have been possible without your continued faith and support in the company.

Looking forward to meeting you in person at the forthcoming Annual General Meeting.

Warm regards,

Habil Khorakiwala
Chairman

Wockhardt

Revenues surge by

49%

Operating Profit soars by

68%

Europe business grows by

93%

India business escalates by

35%

QUARTER HIGHLIGHTS

- ▲ Over 40 patents filed
- ▲ Margins improve by 260 basis points
- ▲ Irish acquisition accretive to Wockhardt profit
- ▲ Two in-licensing arrangements signed with companies in US and Italy

WOCKHARDT LIMITED - CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND MAT ENDED 31ST MARCH, 2007

(Rs. in Million)

| MAT Ended 31/03/2006 | MAT Ended 31/03/2007 | % Growth | Particulars | Quarter Ended 31/03/2007 | % To Sales | % Growth | Quarter Ended 31/03/2006 | % To Sales |
|----------------------|----------------------|----------|-------------------------------|--------------------------|------------|----------|--------------------------|------------|
| 14540 | 19003 | 30.7 | Sales | 5228 | 100.0 | 48.7 | 3515 | 100.0 |
| 11163 | 14627 | 31.0 | Operating Expenditure | 4069 | 77.8 | 44.0 | 2826 | 80.4 |
| 3377 | 4376 | 29.6 | EBITDA | 1159 | 22.2 | 68.2 | 689 | 19.6 |
| (40) | 232 | (680.0) | Interest | 129 | 2.5 | (267.5) | (77) | (2.2) |
| 460 | 669 | 45.4 | Depreciation | 181 | 3.5 | 32.1 | 137 | 3.9 |
| 604 | - | - | Extra Ordinary Item | - | - | - | 604 | - |
| 2353 | 3475 | 47.7 | Profit from Operations | 849 | 16.2 | 3296.0 | 25 | 0.7 |
| 122 | 179 | - | Other Income | 22 | - | - | 33 | - |
| 358 | 627 | 75.1 | Provision for Taxation | 208 | 4.0 | 118.9 | 95 | 2.7 |
| 2117 | 3027 | 43.0 | Profit After Tax | 663 | 12.7 | 1891.9 | (37) | (1.1) |

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

Please do visit our corporate website www.wockhardt.com