



Wockhardt Limited
Regd. Office:
Wockhardt Towers
Bandra Kurla Complex
Bandra (East), Mumbai 400 051, India
Phone : 91-22-2653 4444
Fax : 91-22-2653 4242
Website : www.wockhardt.com

July 30, 2007

Dear Shareowners,

We are halfway through the year of 2007 and I am proud to inform you that... **YES!** Wockhardt's Net Profit has hit its first century. Wockhardt's Q2 Net Profit increased by 62% at Rs. 102 Crores. Growth momentum was witnessed both at the top-line and bottom-line levels.

The main performance highlights for Q2 of 2007 are:

Consolidated Sales rise by 53% at Rs. 630 Crores
Operating Profits climbed 70% to Rs. 152 Crores
Operating Margins at 24.2% showed an improvement of 250 basis points

Unwavering strategic focus

With the acquisition of Negma Laboratories, the fourth largest independent and integrated pharmaceutical group in France, Wockhardt has emerged as the largest pharmaceutical company from India. Today, we boast of a significant presence with a strong workforce of 1500 people in the top 3 European markets - UK, France and Germany. Currently, our European business constitutes a whopping 56% of Wockhardt's sales.

Wockhardt's European connection

Negma Laboratories, France is our fifth acquisition in Europe after Wallis and CP Pharmaceuticals in UK, Esparma in Germany and Pinewood Laboratories in Ireland. Negma is a research based pharmaceuticals company with 172 patents. This acquisition will allow Wockhardt to extend this patented portfolio to other European markets where Wockhardt enjoys a strong presence. Further, it will provide us the right entry vehicle into the French generics market valued at \$ 2 billion. With Negma's robust portfolio and impressive pipeline, Wockhardt will strengthen its pan-European presence.

Like all other previous acquisitions, Wockhardt will need to seamlessly integrate and create value to gain further momentum. We recognise the critical role our European business will play and hence have engaged the services of an international consultancy firm Bain & Co. to outline strategies for the two business segments of Europe, viz. Generics and branded and cost rationalisation opportunities.



Bird's eye-view of Negma plant, France

India business outperforms the industry growth rate

India branded business continued to show a healthy growth trend of 25% outperforming the industry growth rate of 12% in 2007. Our Power brands have also registered a growth of 20%. India business continues to move ahead with its aggressive in-licensing strategy. The company firmed up alliances for 12 products in the last 6 months with a focus on Dermatology products.

US business up by 51%

The US formulation business grew by 51% in Q2 of 2007. These were primarily driven by new product launches thereby strengthening the existing product portfolio. It also received 8 new ANDA approvals including 2 injectables. Terbinafine tablets were the 2nd 'Day-One' launch for the company. Wockhardt USA Inc. currently markets 21 products in the US. Going ahead we expect a healthy growth to continue in the US market.

Lastly, please join me in welcoming Negma Laboratories as a part of this big Wockhardt family. I once again extend my sincere thankfulness to you, my dear shareowners, for all the faith and support you reposed in your company.

Warm regards,

Habil Khorakiwala
Chairman

Y€S Wockhardt. Its Europe now.

- ◆ Europe is now 56% of Wockhardt
- ◆ Significant presence with 1500 people in Top 3 EU markets - UK, France and Germany
- ◆ Largest pharmaceutical company from India
- ◆ First time Wockhardt's Net Profit hits '100' in Q2-07

QUARTER HIGHLIGHTS

- ▲ Consolidated Sales up by 53%
- ▲ Net profit up by 62%
- ▲ Operating margins at 24.2%, improvement of 250 basis points
- ▲ Irish company adds to Wockhardt's profits

WOCKHARDT LIMITED - CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND MAT ENDED 30TH JUNE, 2007

(Rs. in Million)

MAT Ended 30/06/2006	MAT Ended 30/06/2007	% Growth	Particulars	Quarter Ended 30/06/2007	% To Sales	% Growth	Quarter Ended 30/06/2006	% To Sales
14891	21184	42.3	Sales	6303	100.0	52.7	4127	100.0
11354	16311	43.7	Operating Expenditure	4781	75.8	48.0	3230	78.3
3537	4873	37.8	EBITDA	1522	24.2	69.7	897	21.2
(94)	324	(444.7)	Interest	85	1.3	(1516.7)	(6)	(0.1)
484	706	45.9	Depreciation	172	2.7	22.9	140	3.4
604	-	-	Extra Ordinary Item	-	-	-	-	-
2543	3843	51.1	Profit from Operations	1265	20.1	65.8	763	18.5
107	186	-	Other Income	25	-	-	18	-
437	761	74.1	Provision for Taxation	266	4.2	80.9	147	3.6
2213	3268	47.7	Profit After Tax	1024	16.3	61.6	634	15.4

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