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October 29, 2013

My dear shareowners,

I take this opportunity to share with you the Company's financial performance. Your Company's Board of Directors has approved the results for Q2 (July- September) FY 2013-14 and here are some of the key highlights. I am also pleased to inform you that the Board has approved payment of interim dividend of 100% on equity shares i.e. Rs 5/- per equity share for 2013-14.

Financial Highlights for Q2 (July- September) FY 13-14

- ~ Consolidated revenue for the quarter was ₹1197 crore, which is a decline of 11% over the corresponding quarter of FY 12-13.
- ~ Wockhardt's EBITDA stands at ₹196 crore, which is a decline of 62% over the corresponding quarter of FY 12-13.
- ~ Profit After Tax for Q2 FY 13-14 was ₹138 crore, which represents a PAT margin of 11.5%.
- ~ R&D expense (including capex) has been increased and it was 10.2% to sales during Q2 FY 13-14.

Financial highlights for H1 (April- September) FY 13-14

- ~ Consolidated revenue for H1 FY 13-14 was ₹2555 crore.
- ~ Profit After Tax for H1 FY 13-14 was ₹462 crore which represents PAT margins of 18%.
- ~ R&D expense (including capex) stood at ₹ 226 crore for the first half which represents 8.8% of sales.
- ~ EBITDA stood at ₹617 crore for H1 FY 13-14 and EBITDA margin was 24.1% for the same period.

Business Highlights

- ~ Wockhardt's international business contributed 78% of the total revenues during Q2 FY 13-14.
- ~ Wockhardt's US Business contributed 44% in Q2 FY 13-14.
- ~ The UK Business recorded a growth of 5% in Q2 FY 13-14, while the Irish market recorded a decline of 37% in the same period.

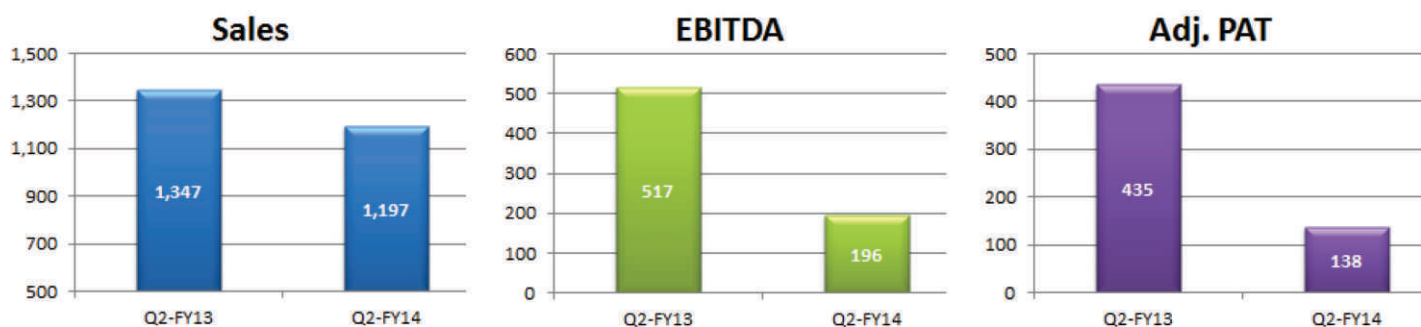
I am sure that with your continued support, we will scale even greater heights in the coming days.

I, along with all our Wockhardt Associates Worldwide, would like to wish you and your families a very Happy Diwali.

Warm regards,

Dr. Habil Khorakiwala
Founder Chairman & Group CEO

PERFORMANCE HIGHLIGHTS Q2FY14 vs. Q2FY13



Sales at ₹1197 crore

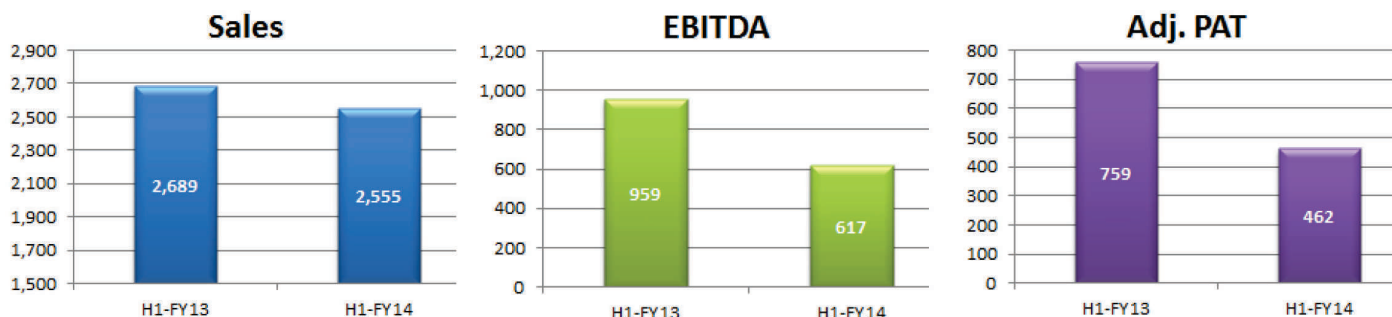
EBITDA Margins at 16.4%

PAT Margins at 11.5%

- Consolidated revenues at ₹1197 crore in Q2FY14 versus ₹1347 crore in Q2FY13, year-on-year decline of 11%.
 - USA Business declines by 19% (-26% in \$ terms)
 - Europe Business (Other than France) grows by 2% (France declines by 18%)
 - India & Emerging Markets Business declines by 7%
- Gross Margins at 59.0% in Q2FY14 versus 70.1% in Q2FY13
- EBITDA at ₹196 crore in Q2FY14 versus ₹517 crore in Q2FY13 declines 62%.
- EBITDA margins at 16.4% in Q2FY14 versus 38.4% in Q2FY13.
- R&D Expenses (including capex) at 10.2% of Sales in Q2FY14 and growth of 45% over Q2FY13.
- Adjusted Profit After Tax* at ₹138 crore in Q2FY14.

* PAT Adjusted for ₹41 crore of R&D expenses in the **previous year** for a like to like comparison.

PERFORMANCE HIGHLIGHTS H1FY14 vs. H1FY13



Sales at ₹2,555 crore

EBITDA Margins at 24.1%

PAT Margins at 18.1%

- Consolidated revenues at ₹2555 crore in H1FY14 versus ₹2689 crore in H1FY13, year-on-year decline of 5%.
 - USA Business declines by 4% (-9% in \$ terms)
 - Europe Business (Other than France) declines by 1% (France declines by 35%)
 - India & Emerging Markets Business declines by 6%
- Gross Margins at 62.8% in H1FY14 versus 66.8% in H1FY13
- EBITDA* at ₹617 crore in H1FY14 versus ₹959 crore in H1FY13, declines 36%.
- EBITDA margins at 24.1% in H1FY14 versus 35.7% in H1FY13.
- R&D Expenses (including capex) at 8.8% of Sales in H1FY14 and growth of 50% over H1FY13.
- Adjusted Profit After Tax* at ₹462 crore in H1FY14.

EBITDA & PAT Adjusted for ₹41 crore of R&D expenses in the **previous year for a like to like comparison.*

Financials

Consolidated P&L

₹ Crore

Particulars	Q2-FY14	Q2-FY13	Growth %	H1FY14	Growth %	FY13
Revenues from Operations	1,197	1,347	-11.1%	2,555	-5.0%	5,610
Material Consumption	491	403	21.8%	951	6.4%	1,710
Gross Margins	706	944	-25.2%	1,604	-10.6%	3,900
Gross Margin %	59.0%	70.1%		62.8%	-6.0%	69.5%
Staff Cost	166	151	9.9%	321	11.5%	585
R&D Expenses	106	77	37.7%	204	42.7%	354
Other Expenditure	238	199	19.6%	462	14.1%	911
Total Expenditure	1,001	830	20.6%	1,938	12.0%	3,560
EBITDA	196	517	-62.1%	617	-35.7%	2,050
EBITDA Margin	16.4%	38.4%		24.1%		36.5%
Interest & Financing Cost						
a. Interest	19	55	-65.5%	36	-66.7%	215
b. (Income)/Expense due to Exchange Rate Fluctuation	25	-37		46		28
Depreciation	40	31	29.0%	72	22.0%	122
Other Income	17	17		23		51
Profit/(Loss) Before Tax before exceptional items	129	485	-73.1%	486	-41.9%	1,736
Exceptional Item Profit/(Loss)	0	92		5		103
Profit/(Loss) before Tax	129	577	-77.3%	491	-47.1%	1,839
Provision for Taxation	13	194		50		372
Deferred Taxation	-22	-108		-21		-113
Profit/(Loss) After Tax	138	491	-71.6%	462	-43.5%	1,580
Add: Share of Profit/(Loss) from Associates	0	0		0		-1
Net Profit/(Loss)	138	491	-71.6%	462	-43.4%	1,579
Net Profit Margin %	11.5%	36.5%		18.1%		28.1%
Adjustments:						
Divestment (Profit)/Loss		-1,187				-1,195
France Restructuring (Profit) / Loss						
Settlement / Derivatives						
Goodwill write off (Negma - France)		621				621
R&D Write off		419				419
Others Exceptional items		56				49
Tax impact of above		35				52
Deferred Tax impact of above						
Adjusted PAT	138	435	-68.3%	462	-39.1%	1,525
Adjusted PAT Margin %	11.5%	32.3%		18.1%		27.2%

**EBITDA & PAT Adjusted for ₹41 crore of R&D expenses in the previous year for a like to like comparison.*

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 Email : investorrelations@wockhardt.com

Visit us at: www.wockhardt.com