



Wockhardt Limited
Regd. Office:
Wockhardt Towers
Bandra Kurla Complex
Bandra (East), Mumbai 400 051, India
Phone : 91-22-2653 4444
Fax : 91-22-2652 3905
Website : www.wockhardt.com

November 5, 2014

My dear shareowners,

It is my pleasure to inform you that your Company's Board of Directors having approved the results for Q2 (July-September) FY2014-15, have also approved payment of interim dividend of 400% on equity shares i.e. ₹20/- per equity share for 2014-15. I take this opportunity to share with you the Company's financial performance. Here are some of the key highlights.

Financial Highlights for Q2 (July-September) FY 14-15

- Consolidated revenue for the quarter was ₹1029 crore, which is a decline of 14% over the corresponding quarter of FY13-14.
- Wockhardt's EBITDA stands at ₹165 crore and EBITDA margin at 16% for the same period.
- Profit After Tax for Q2 FY14-15 was ₹3 crore, which represents a PAT margin of 0.3%.
- R&D expense (including capex) is 11.1% of sales during Q2 FY14-15.

Financial Highlights for H1 (April-September) FY14-15

- Consolidated revenue for H1 FY14-15 was ₹2020 crore.
- EBITDA stood at ₹226 crore for H1 FY14-15 and EBITDA margin at 11.2% for the same period.
- Profit After Tax for H1 FY14-15 was ₹23 crore.
- R&D expense (including capex) stood at 11.4% of sales during H1 FY14-15.

Business Highlights

- The India business recorded a growth of 18.1% in Q2 FY14-15 and 18% for H1 FY14-15.
- Wockhardt's international business contributed 67.4% of global revenue during Q2 FY14-15 and 68.8% of global revenue for H1 FY14-15.
- Wockhardt's US business contributed 24% of global revenue in Q2 FY14-15 and 26.6% of global revenue for H1 FY14-15.
- The UK business recorded a decline of 3.8% in Q2 FY14-15 and a decline of 2% in H1 FY14-15 while the Irish market recorded a growth of 14.5% in Q2 FY 14-15 and a growth of 13.8% in H1 FY14-15.

Wockhardt launched 17 new products in Domestic Market in Q2 FY14-15 and 33 new products in H1 FY2014-15.

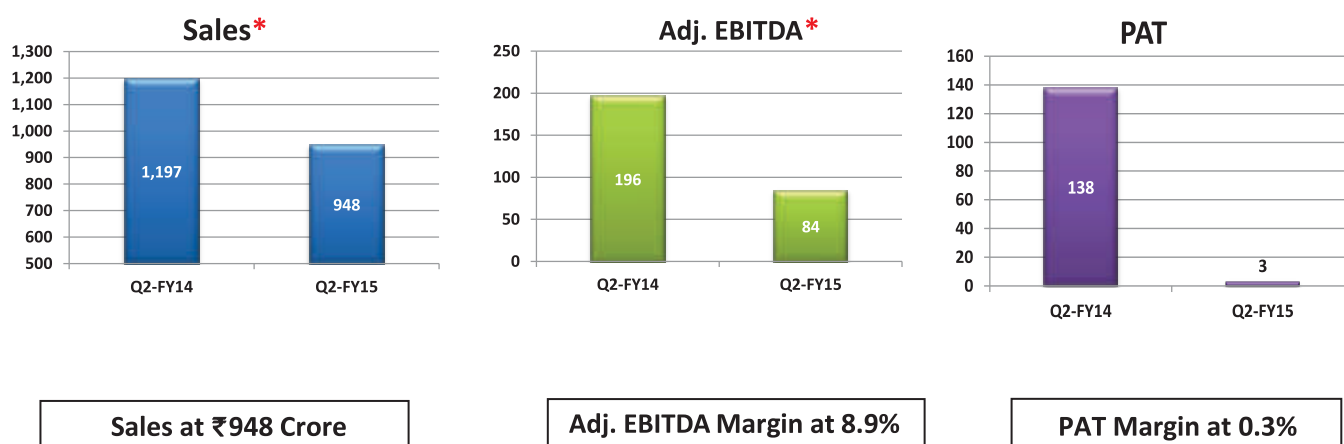
I am confident that with your continued support, we will scale even greater heights in the coming days.

I, along with all our Wockhardt Associates Worldwide, wish you and your family seasons greeting and best wishes for the New Year.

Warm regards,

Dr. Habil Khorakiwala
Founder Chairman & Group CEO

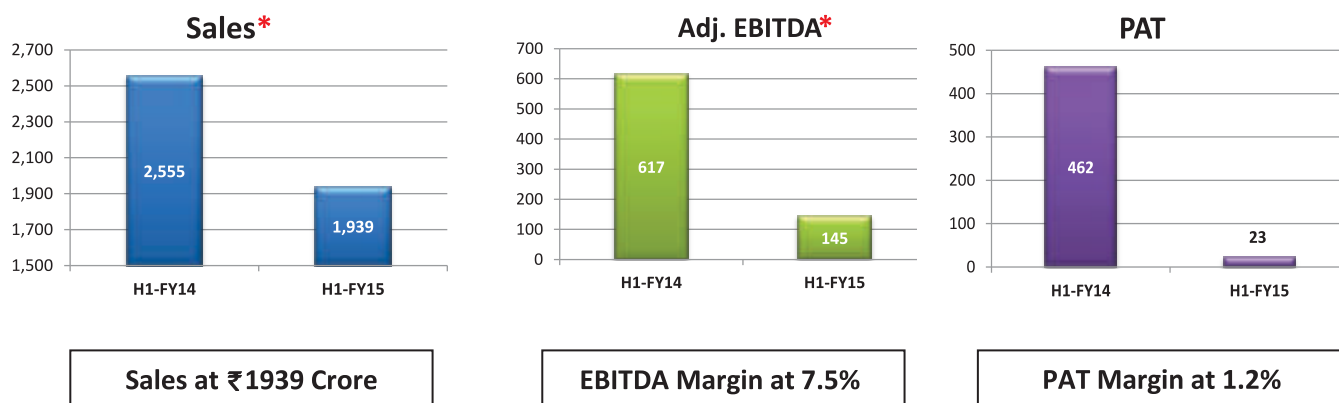
PERFORMANCE HIGHLIGHTS Q2FY15 vs. Q2FY14



- Consolidated revenues* at ₹948 crore in Q2FY15 versus ₹1197 crore in Q2FY14, year-on-year decline of 20.8%.
 - India & Emerging Markets Business grows by 14.9%, India Business grows by 18.1%.
 - Europe Business (excluding France) marginally declines by 6.5% (France grows by 45.3%).
 - USA Business declines by 56.3% (56.7% in \$ terms).
- Gross Margins at 65.1% in Q2FY15 improves from 59% in Q2FY14.
- Adj. EBITDA* at ₹84 crore in Q2FY15 versus ₹196 crore in Q2FY14 declines 57%.
- Adj. EBITDA* margins at 8.9% in Q2FY15 versus 16.4% in Q2FY14.
- R&D Expenses at 12.1% of Sales in Q2FY15.
- Profit After Tax at ₹3 crore in Q2FY15.

* Sales & Adj. EBITDA above excludes the compensation for litigation received by one of the subsidiaries of ₹81 crore during Q2FY15.

PERFORMANCE HIGHLIGHTS H1FY15 vs. H1FY14



- Consolidated revenues* at ₹1939 crore in H1FY15 versus ₹2555 crore in H1FY14, year-on-year decline of **24.1%**.
 - India & Emerging Markets Business grows by **15.7%**, India Business grows by **18%**.
 - Europe Business (excluding France) marginally **declines** by **3.6%** for H1FY15 (France grows by **56.9%**).
 - USA Business declines by **58.6%** (**60%** in \$ terms).
- Steady Gross Margins at **63%** in H1FY15 versus **62.8%** in H1FY14.
- Adj. EBITDA* at ₹145 crore in H1FY15 versus ₹617 crore in H1FY14 declines **76%**.
- Adj. EBITDA* margins at **7.5%** in H1FY15 versus **24.1%** in H1FY14.
- R&D Expenses at **11.9%** of Sales in H1FY15 and growth of **2.2%** over H1FY14.
- Profit After Tax at ₹23 crore in H1FY15.

* Sales & Adj. EBITDA above excludes the compensation for litigation received by one of the subsidiaries of ₹81 crore during Q2FY15.

Financials

Consolidated P&L

₹ Crore

Particulars	Q2-FY15	Q2-FY14	Growth %	H1FY15	Growth %
Revenues from Operations	1,029	1,197	-14.0%	2,020	-20.9%
Material Consumption	333	491	-32.2%	720	-24.3%
Gross Margins	696	706	-1.4%	1,300	-19.0%
Gross Margin %	67.6%	59.0%		64.4%	2.5%
Staff Cost	176	166	6.0%	353	10.0%
R&D Expenses	110	106	3.8%	221	8.3%
Other Expenditure	245	238	2.9%	500	8.2%
Total Expenditure	864	1,001	-13.7%	1,794	-7.4%
EBITDA	165	196	-15.8%	226	-63.4%
EBITDA Margin	16.0%	16.4%		11.2%	
Interest & Financing Cost					
a. Interest	14	19	-26.3%	29	-19.4%
b. (Income)/Expense due to Exchange Rate Fluctuation	48	25		43	
Depreciation	38	40	-5.0%	74	2.8%
Other Income	17	17		25	
Profit/(Loss) Before Tax before exceptional items	82	129	-36.1%	105	-78.4%
Exceptional Item Profit/(Loss)	0	0		2	
Profit/(Loss) before Tax	82	129	-36.1%	107	-78.2%
Provision for Taxation	78	13		79	
Deferred Taxation	-3	-22		-1	
Profit/(Loss) After Tax	7	138	-94.6%	29	-93.7%
Add: Share of Profit/(Loss) from Associates	0	0		0	
Less: Minority Interest	4	0		6	
Net Profit/(Loss)	3	138	-97.5%	23	-95.0%
Net Profit Margin %	0.3%	11.5%		1.1%	

Revenue from Operations for the quarter above includes compensation for litigation received by one of the subsidiaries ₹81 Cr.

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