



June 9, 2015

My dear Shareowners,

It gives me great pleasure to share with you the Company's financial performance for Q4 (Jan-Mar) and twelve months for the financial year 2014-15. The Board of Directors of your Company has approved the results for this period and I wish to share some of its key highlights with you.

#### Financial Highlights for Q4FY15 (January–March)

- Consolidated revenue for the quarter reported was ₹1079 crore which is a growth of 4% as compared to last year
- EBITDA was ₹136 crore, a growth of 11% as compared to last year
- Profit After Tax was ₹34 crore with PAT margin at about 3.2%
- R&D expenses (Revenue) stood at ₹148 crore, representing 13.7% of sales and including capital expenditure at 15% of sales

#### Financial Highlights for FY2014-15 (April-March)

- Consolidated revenue was ₹4481 crore
- EBITDA was ₹827 crore
- Profit After Tax was ₹405 crore
- R&D expenses stood at ₹489 crore, representing 11% of sales and including capital expenditure at 11.5% of sales

#### Business Highlights

The company's India business, buoyed by aggressive sales strategies and new product launches, displayed strong performance with 46% growth during the quarter. Company's UK business backed by efficient business development efforts also scored second consistent strong quarterly performance and grew by 36% during the quarter. The US business declined on expected lines due to restrictions of imports from Indian facilities.

- Europe Business: UK operation grows by 36% (grows by 34% £ terms) in Q4FY15 and increases by 46% (35% in £ terms) in FY14-15. Ireland declines by 11% (6% in € terms) in Q4FY15 and decreases by 10% (11% in € terms) in FY14-15.
- India & Emerging Markets Business: Total Emerging Markets (Including India) grows by 26% for Q4FY15. Grows by 19% for FY14-15. India Business grows by 46% for Q4FY15 and grows by 24% during FY 14-15. 2 new products in Q4FY15 and 42 new products launched in FY14-15 in India.
- US Business: Declines by 21% (22% in \$ terms) over Q4FY14. Declines by 49% (51% in \$ terms) over FY13-14. During the year 14 ANDA's filed and cumulative ANDA's pending for approval is 69.

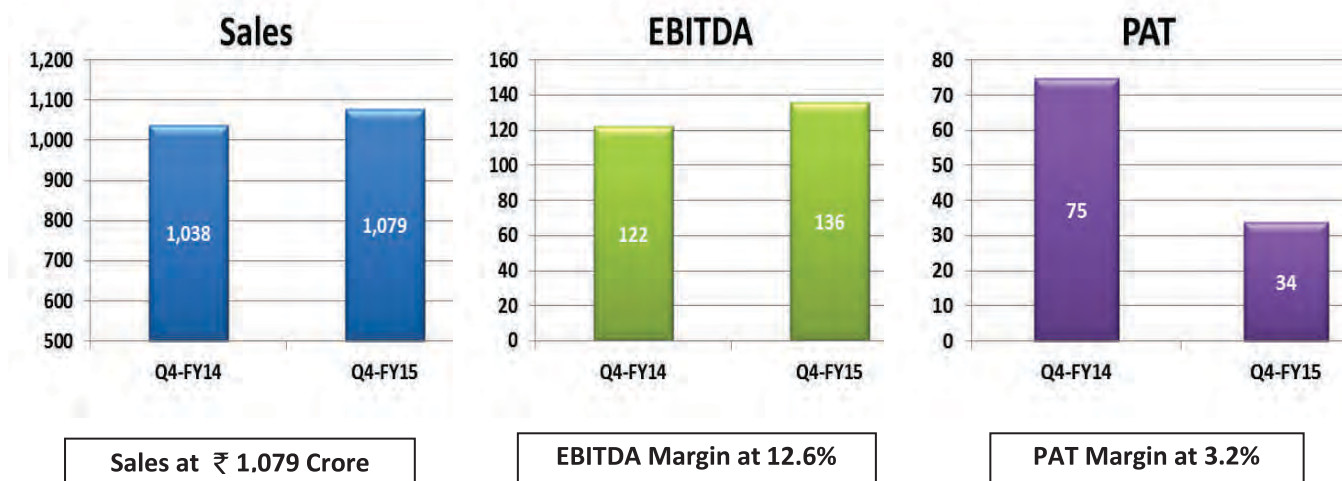
During the year, UK MHRA carried out inspection of Company's manufacturing unit at Aurangabad and has lifted Statement of Non Compliance from L-1 facility and has also restored EU GMP certification of the Company's potent product facility at Kadaiya. The company's investment in its research programs were aptly rewarded as it received the coveted Qualified Infectious Disease Product (QIDP) status for its NCE product WCK 4873 during this month. This is the third product from Wockhardt to receive this status after WCK 771 and WCK 2349 received the same status during FY15. QIDP status is granted to drugs, identified by CDC (Centre for Disease Control, USA), that act against pathogens which have a high degree of unmet need in their treatment. The incentives include fast track clinical development and review of the drug application by US FDA for drug approval and five-year extension of market exclusivity in addition to the regular patent protected period in the USA. Wockhardt is the only Indian company to receive QIDP status for its NCE products. The company continued its pursuit of creating a strong Intellectual Property (IP) base and filed 267 patents during the Twelve Months ended FY15 taking the cumulative filings to 2268. The company was granted 82 patents during the year and now totally holds 341 patents.

In closing, I want to take this opportunity to thank you for your continued support and confidence in Wockhardt. Let me assure you, we continue to stay focused in building a strong business at Wockhardt and we solicit your unstinted support for the years to come.

Warm regards,

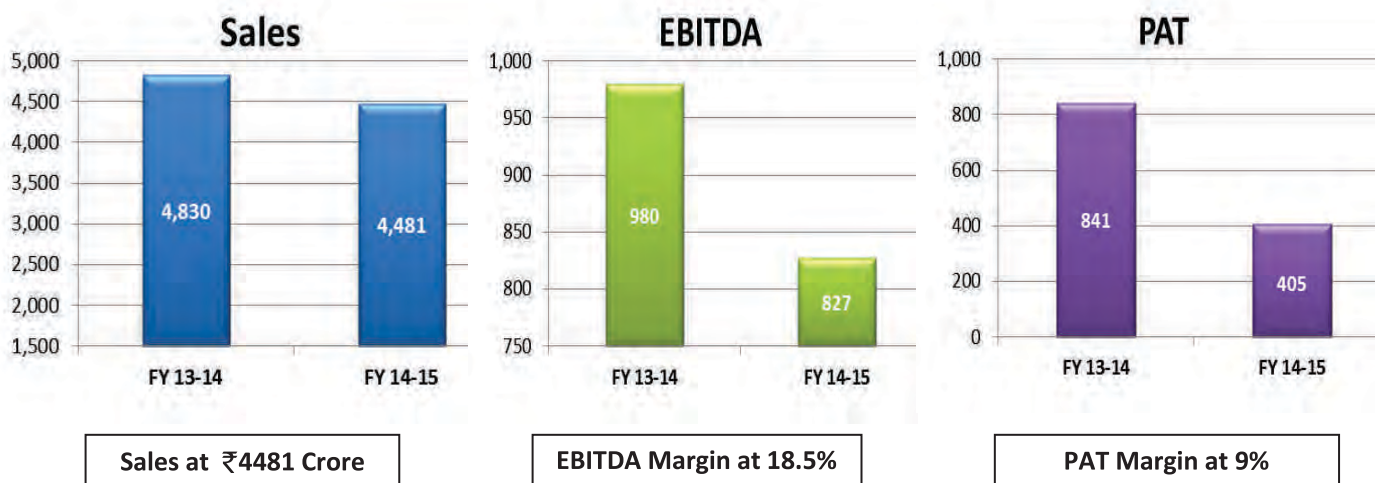
Dr. Habil Khorakiwala  
Founder Chairman & Group CEO

## PERFORMANCE HIGHLIGHTS Q4FY15 vs. Q4FY14



- Consolidated revenues at ₹ **1,079** crore in **Q4FY15** versus ₹ **1,038** crore in **Q4FY14**, year-on-year growth of **4%**
  - India & Emerging Markets Business grows by **26%**, India Business **grows** by **46%**
  - Europe Business (excluding France) grows by **20%** (France declines by **55%**)
  - USA Business declines by **21%** in INR & **22%** USD terms
- Gross Margins at **65%** in **Q4FY15** improves from **63%** in **Q4FY14**
- EBITDA at ₹ **136** crore in **Q4FY15** versus ₹ **122** crore in **Q4FY14** grows by **11%**
- EBITDA margins at **12.6%** in **Q4FY15** versus **11.8%** in **Q4FY14**
- R&D Expenses at **15%** of Sales in **Q4FY15**
- Profit After Tax at ₹ **34** crore in **Q4FY15**

## PERFORMANCE HIGHLIGHTS FY14-15 vs. FY13-14



- Consolidated revenues at ₹**4481** crore in **FY14-15** versus ₹**4830** crore in **FY13-14**, year-on-year decline of **7%**
  - India & Emerging Markets Business grows by **19%**
  - Europe Business (excluding France) grew by **38%** for **FY14-15** (France degrows by **1%**)
  - USA Business declines by **49%** (**51%** in \$ terms)
- Higher Gross Margins at **67%** in **FY14-15** versus **63%** in **FY13-14**
- EBITDA at ₹ **827** crore in **FY14-15** versus ₹**980** crore in **FY13-14** declines **16%**
- EBITDA margins at **18.5%** in **FY14-15** versus **20%** in **FY13-14**
- R&D Expenses at **11.5%** of Sales in **FY14-15** and growth of **14%** over **FY13-14**
- Profit After Tax at ₹**405** crore in **FY14-15**

# Financials

## Consolidated P&L

₹ Crore

Particulars	Q4-FY15	Q4-FY14	Growth %	FY14-15	Growth %
<b>Revenues from Operations</b>	1,079	1,038	3.9%	4,481	-7.2%
Material Consumption	372	386	-3.6%	1,478	-17.7%
<b>Gross Margins</b>	707	652	8.4%	3,003	-1.0%
<b>Gross Margin %</b>	65.5%	62.8%		67.0%	6.7%
Staff Cost	192	167	15.0%	733	10.4%
R&D Expenses	148	101	46.5%	489	21.3%
Other Expenditure	231	262	-11.8%	954	-3.3%
<b>Total Expenditure</b>	943	916	2.9%	3,654	-5.1%
<b>EBITDA</b>	136	122	11.5%	827	-15.6%
<b>EBITDA Margin</b>	12.6%	11.8%		18.5%	
Interest & Financing Cost					
a. Interest	14	17	-17.6%	55	-33.7%
b. (Income)/Expense due to Exchange Rate Fluctuation	40	-12		118	
Depreciation	35	34	2.9%	145	3.6%
Other Income	13	9		66	
<b>Profit/(Loss) Before Tax before exceptional items</b>	60	92	-34.5%	575	-31.6%
Exceptional Item Profit/(Loss)	0	-9		0	
<b>Profit/(Loss) before Tax</b>	60	83	-27.4%	575	-35.5%
Tax Expense	27	7		162	
<b>Profit/(Loss) After Tax</b>	33	76	-56.6%	413	-51.0%
Add: Share of Profit/(Loss) from Associates	0	0		0	
Less: Minority Interest	-1	1		8	
<b>Net Profit/(Loss)</b>	34	75	-54.7%	405	-51.8%
<b>Net Profit Margin %</b>	3.2%	7.2%		9.0%	

For further clarification, write to: Investor Service Cell, Wockhardt Limited, Wockhardt Towers, Bandra-Kurla Complex, Bandra East, Mumbai 400 051 or Email:investorrelations@wockhardt.com

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