



November 24, 2015

My dear shareowners,

It is my pleasure to inform you that your Company's Board of Directors have approved the results for Q2 (July–September) FY15-16. 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) FY15-16

- ◆ Consolidated revenue for the quarter was ₹1231 crore, which is a growth of 20%
- ◆ EBITDA stood at ₹201 crore and EBITDA margin at 16% for the same period
- ◆ Profit After Tax was ₹108 crore, which represents a PAT margin of about 9%
- ◆ R&D expense (including capex) was 13% of sales during Q2FY16

Financial Highlights for H1 (April–September) FY15-16

- ◆ Consolidated revenue for H1FY16 was ₹2372 crore, which is a growth of 17%
- ◆ EBITDA stood at ₹368 crore and EBITDA margin at 16% for the same period
- ◆ Profit After Tax for H1FY16 was ₹222 crore
- ◆ R&D expense (including capex) stood at 13% of sales during H1FY16

Business Highlights

- ◆ India Business recorded a growth of 22% in Q2FY16 and 24% for H1FY16
- ◆ International Business contributed 69% of global revenue during Q2FY16 and 68% of global revenue for H1FY16
- ◆ US Business contributed 19% of global revenue in Q2FY16 and H1FY16
- ◆ UK Business recorded a growth of 88% in Q2FY16 and a growth of 71% in H1FY16 while the Irish market remained flat in Q2FY16 (growth in € terms 11%) and recorded a decline of 6% in H1FY16 (growth in € terms 7%)

Wockhardt launched 8 new products in Domestic Market in Q2FY16 and 32 new products in H1FY16. The Company was granted 44 patents during the quarter and it now holds 411 patents totally. During the quarter the company had got approval from US FDA for marketing Memantine HCL Tablets from Third Party facilities. The company had also received approval for Oxycodone last Quarter. The company's on-going efforts towards remediation and compliance measures for Chikalhana and Waluj facilities continue to be in place. Supplies have been resumed from L1 facility to UK Market.

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

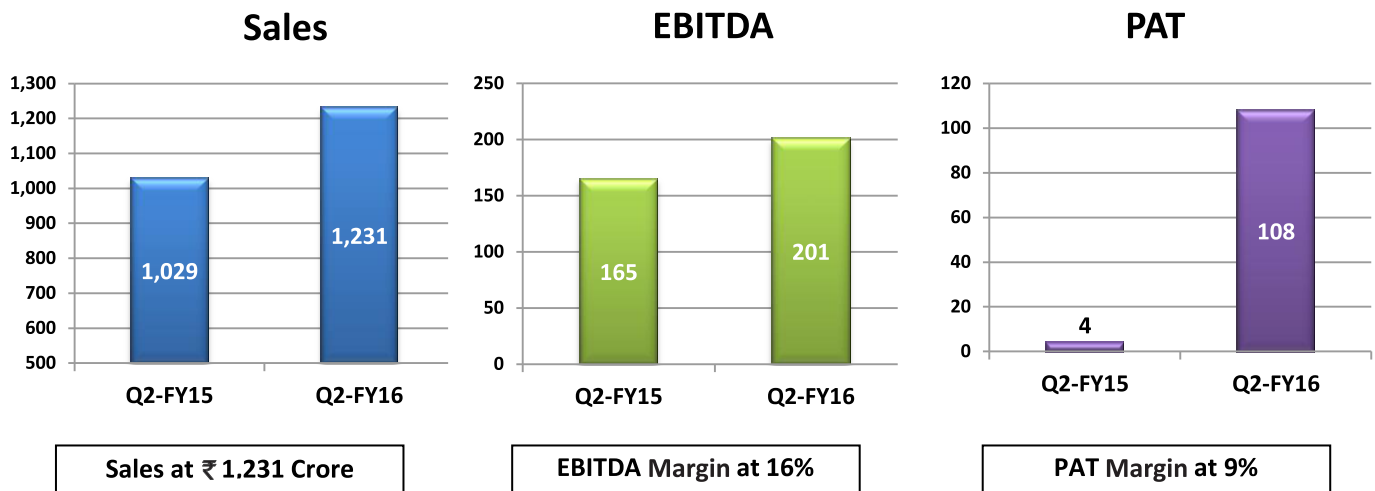
I, along with all our Wockhardt Associates Worldwide, wish you and your family seasons greeting and best wishes for the New Year.

Warm regards,

Dr. Habil Khorakiwala
Founder Chairman

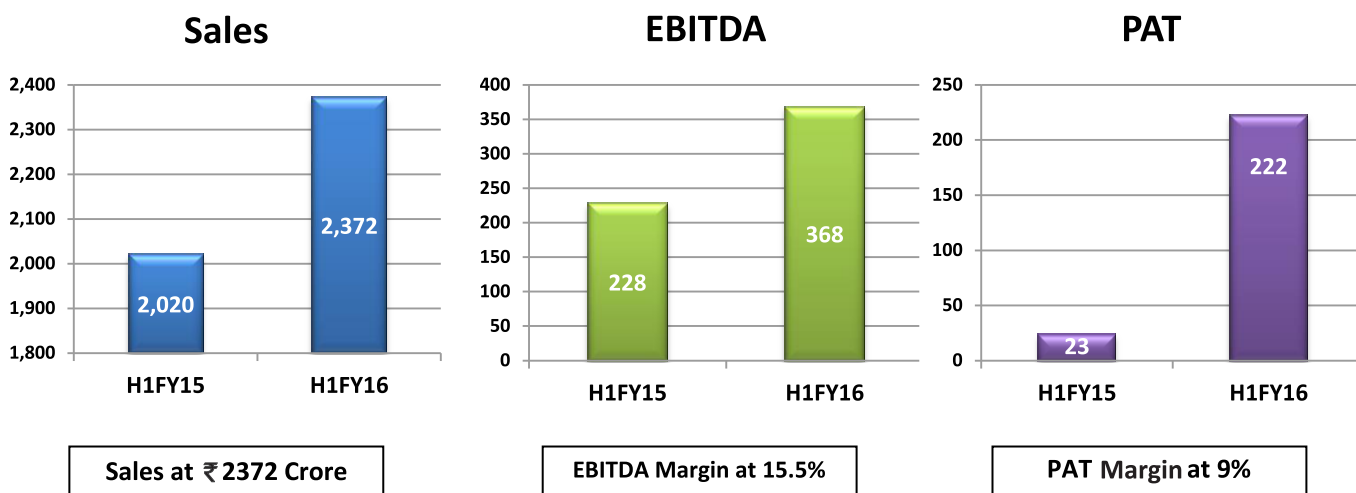


PERFORMANCE HIGHLIGHTS Q2FY16 vs. Q2FY15



- Consolidated revenues at ₹ **1,231** crore in **Q2FY16** versus ₹ **1,029** crore in **Q2FY15**, year-on-year growth of **20%**
 - India & Emerging Markets Business grows by **24%**, India Business **grows** by **22%**
 - Europe Business (excluding France) grows by **36%** (France declines by **65%**)
 - USA Business grows by **2%** in INR & declines by **5%** USD terms
- Gross Margins remains steady at **67%** in **Q2FY16** compared to **68%** in **Q2FY15**
- EBITDA at ₹ **201** crore in **Q2FY16** versus ₹ **165** crore in **Q2FY15** grows by **22 %**
- EBITDA margins at **16%** in **Q2FY16**
- R&D Expenses at **13%** of Sales in **Q2FY16**
- Profit After Tax at ₹ **108** crore in **Q2FY16**

PERFORMANCE HIGHLIGHTS H1FY16 vs. H1FY15



- Consolidated revenues at ₹**2372** crore in **H1FY16** versus ₹**2020** crore in **H1FY15**, year-on-year growth of **17%**
 - India & Emerging Markets Business grows by **27%**
 - Europe Business (excluding France) grew by **39%** for **H1FY16** (France degrows by **66%**)
 - USA Business declines by **11%** (**16%** in \$ terms)
- Steady Gross Margins at **66%** in **H1FY16** compared to **64%** in **H1FY15**
- EBITDA at ₹**368** crore in **H1FY16** versus ₹**228** crore in **H1FY15** growth of **61%**
- EBITDA margins at **16%** in **H1FY16** versus **11%** in **H1FY15**
- R&D Expenses at **13%** of Sales in **H1FY16** and growth of **37%** over **H1FY15**
- Profit After Tax at ₹**222** crore in **H1FY16**

FINANCIALS

Consolidated P&L

₹ Crore

Particulars	Q2-FY16	Q2-FY15	Growth %	H1FY16	Growth %
Revenues from Operations	1,231	1,029	19.6%	2,372	17.4%
Material Consumption	412	333	23.7%	817	13.5%
Gross Margins	819	696	17.7%	1,555	19.6%
Gross Margin %	66.5%	67.6%		65.6%	1.9%
Staff Cost	210	176	19.3%	403	14.2%
R&D Expenses	140	110	27.3%	283	28.1%
Other Expenditure	268	245	9.4%	501	0.6%
Total Expenditure	1,030	864	19.2%	2,004	11.8%
EBITDA	201	165	21.8%	368	61.4%
EBITDA Margin	16.3%	16.0%		15.5%	
Interest & Financing Cost					
Interest Exp	23	14	64.3%	40	37.9%
(Income)/Expense due to Exchange Rate Fluctuation	16	49		1	
Depreciation	35	37	-5.4%	69	-6.8%
Other Income	7	17		30	
Profit/(Loss) Before Tax before exceptional items	134	82	63.7%	288	169.2%
Exceptional Item Profit/(Loss)	-	-		-	
Profit/(Loss) before Tax	134	82	63.7%	288	169.2%
Tax Expense	18	75		52	
Profit/(Loss) After Tax	116	7	1557.1%	236	713.8%
Add: Share of Profit/(Loss) from Associates	0	0		1	
Less: Minority Interest	8	3		15	
Net Profit/(Loss)	108	4	2600.0%	222	865.2%
Net Profit Margin %	8.8%	0.4%		9.4%	

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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