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February 18, 2013

My dear Shareowners,

I am elated to announce that your Company, Wockhardt is amongst the Top 3 Indian Pharmaceutical Companies. Our Joy of Performing knows no bounds as **Team Wockhardt continues to deliver sustained Operating Profit growth for 12 consecutive quarters.**

At the recently concluded Board Meeting, the Board of Directors of your Company announced the Third Quarter (Oct-Dec 2012) financial results of FY13.

Your Company's performance in Q3FY13:

- Consolidated revenues grew by 26% to ₹1,435 crore over the corresponding quarter of FY12.
- Wockhardt's EBITDA stands at ₹545 crore showing a growth of 51% over the same period in the previous year. EBITDA Margins was 38% for Q3FY13 as compared to 31.6% in Q3FY12.
- Wockhardt also reported a Profit After Tax (PAT) of ₹428 crore, a growth of 101% over the same quarter of FY12. The PAT margin was 29.8% for Q3FY13 as compared to 18.7% in Q3FY12.



Business Highlights:

- Wockhardt's International Operations now contributes 83% of global revenues in Q3FY13.
- Wockhardt's US business contributes 54% of global revenues in Q3FY13 recording a growth of 45% (26% on \$ basis) compared to the corresponding quarter of FY12. During the quarter the company received 3 product approvals and 3 products were launched. Entacapone was launched as a sole authorised generic in the said quarter.
- The UK business recorded a growth of 19% (4% on £ basis) compared to the corresponding quarter of FY12. The Irish market recorded a growth of 3% (0% on € basis) compared to the corresponding quarter of FY12.

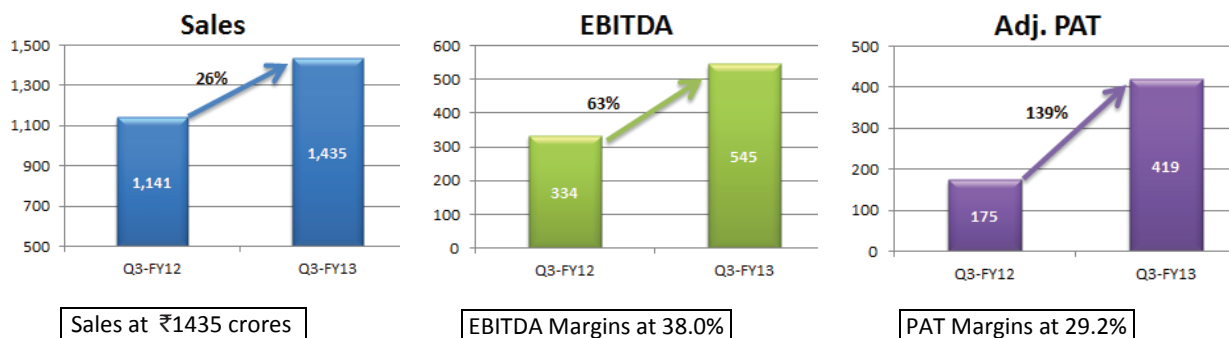
As we are on the last quarter of FY13, we promise to continue this transformation and will hope to end this financial year on a very high note. We wish to record our thankfulness for your unconditional support.

God bless us all.

Warm regards,

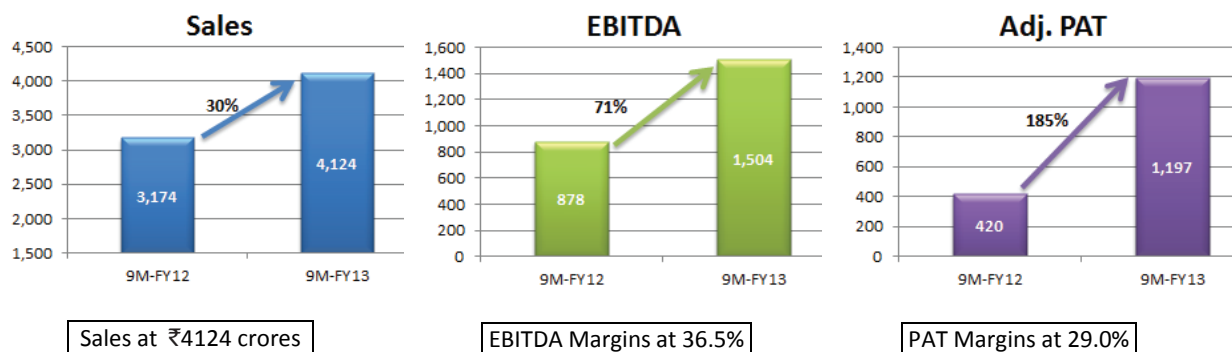
Dr. Habil Khorakiwala
Founder Chairman & Group CEO

PERFORMANCE HIGHLIGHTS Q3FY13 vs. Q3FY12 **



- Consolidated revenues at ₹1435 crores in Q3FY13 versus ₹1141 cores in Q3FY12, year-on-year growth of 26%.
 - o USA Business grows by 45% (26% in \$ terms)
 - o Europe Business (Other than France) grows by 14% (France declines by 50%)
 - o India & Emerging Markets Business grows by 15%
- Gross Margins at 71% in Q3FY13 versus 62% in Q3FY12
- EBITDA at ₹545 crores in Q3FY13 versus ₹334 crores in Q3FY12, year-on-year growth of 63%.
- EBITDA margins at 38.0% in Q3FY13 versus 29.3% in Q3FY12.
- R&D Expenses at 6.4% to Sales in Q3FY13 and growth of 80% over Q3FY12
- Adjusted Profit After Tax* at ₹419 crores in Q3FY13 versus ₹175 crores in Q3FY12, year-on-year growth of 139%.

PERFORMANCE HIGHLIGHTS 9MFY13 vs. 9MFY12 **



- Consolidated revenues at ₹4124 crores in 9M-FY13 versus ₹3174 crores in 9M-FY12, year-on-year growth of 30%.
 - o USA Business grows by 55% (30% in \$ terms)
 - o Europe Business (Other than France) grows by 19% (France declines by 36%)
 - o India & Emerging Markets Business grows by 15%
- Gross Margins at 68.2% in 9M-FY13 versus 63.0% in 9M-FY12
- EBITDA at ₹1504 crores in 9M-FY13 versus ₹878 crores in 9M-FY12, year-on-year growth of 71%.
- EBITDA margins at 36.5% in 9M-FY13 versus 27.7% in 9M-FY12.
- R&D Expenses at 5.9% of Sales in 9M-FY13 and growth of 48% over 9M-FY12.
- Net Interest cost stands at around 4.2% on an annualized basis.
- Free Cash Flow from Operations for 9MFY13 over ₹800 crores
- Adjusted Profit After Tax* at ₹1197 crores in 9M-FY13 versus ₹420 crores in 9M-FY12, year-on-year growth of 185%.

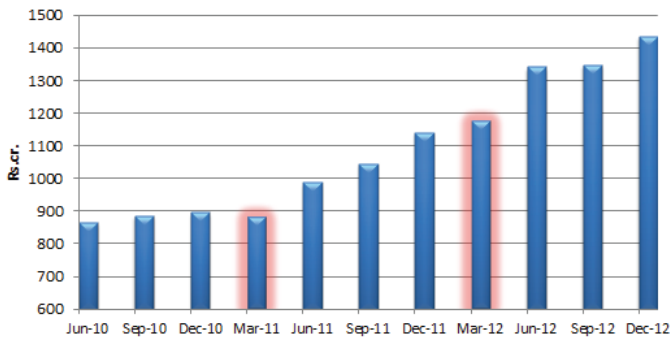
* Details of Adjusted Profit After Tax is as given in the Financial Highlights on Page 4.

** The Previous Year Financials above have been normalized by removing the Nutrition Business Profitability and expensing R&D expenses to make a like to like comparison with the current year financials.

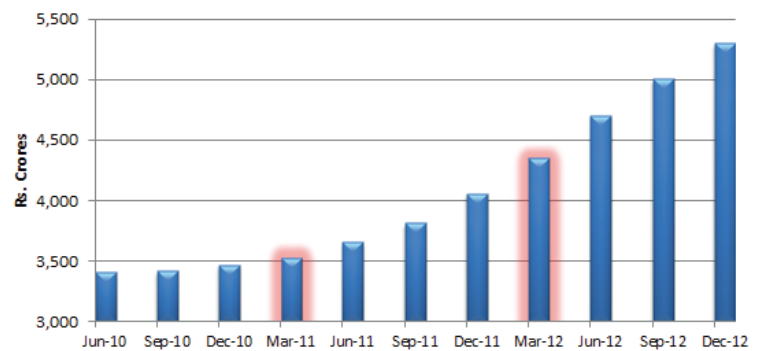
Continued Quarter on Quarter Sustainable Performance**

7th Consecutive Quarter of Sales (excluding Nutrition Business) Growth & **11th** Consecutive Quarter of TTM Sales (excluding Nutrition Business) Growth

Quarterly Sales Excluding Nutrition

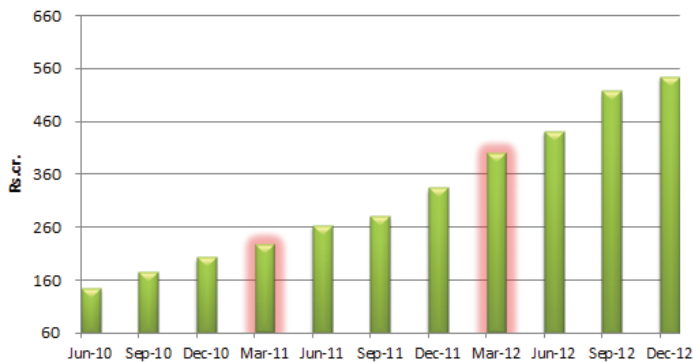


TTM Sales Excluding Nutrition

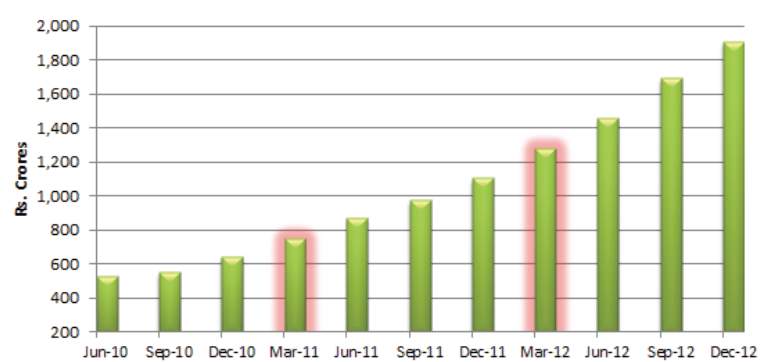


12th Consecutive Quarter of sequential growth in EBITDA (Normalized)

Quarterly EBITDA Normalized

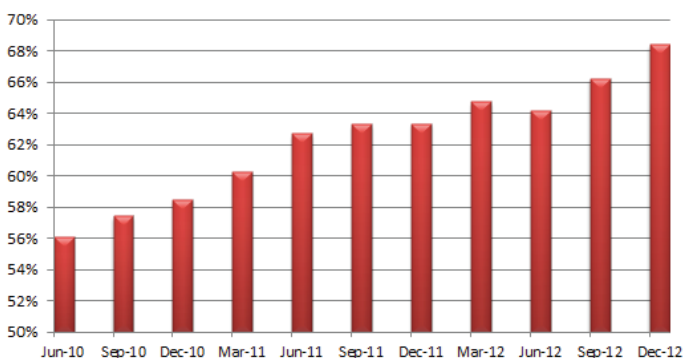


TTM EBITDA Normalized



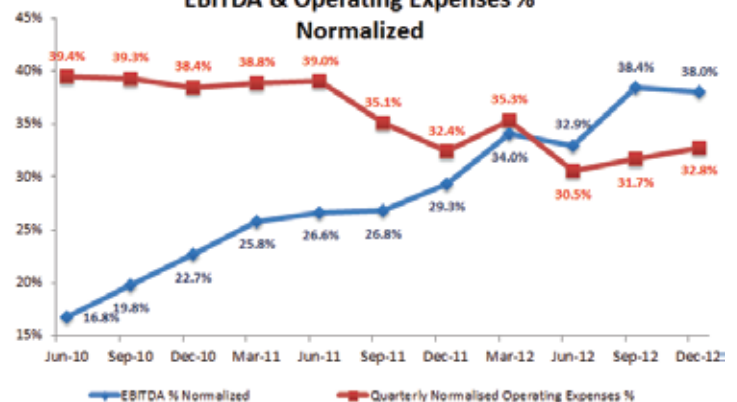
Gross Margins consistently above 60% from Mar-11 on a TTM basis

TTM Gross Margin % Normalized



Operational Excellence continues on a quarter on quarter basis

EBITDA & Operating Expenses % Normalized



* TTM = Trailing Twelve Months

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Financials**

Consolidated P&L

₹ Crore

| Particulars | Q3-FY13 | Q3-FY12 | Growth % | 9M-FY13 | Growth % | FY12 |
|--|--------------|--------------|---------------|--------------|---------------|--------------|
| Revenues from Operations | 1,435 | 1,141 | 25.8% | 4,124 | 29.9% | 4,351 |
| Material Consumption | 420 | 436 | -3.7% | 1,314 | 12.0% | 1,535 |
| Gross Margins | 1,015 | 705 | 44.0% | 2,810 | 40.4% | 2,816 |
| Gross Margin % | 70.7% | 61.8% | | 68.1% | 8.1% | 64.7% |
| Staff Cost | 157 | 136 | 15.4% | 445 | 19.0% | 543 |
| R&D Expenses | 83 | 46 | 80.4% | 224 | 47.4% | 228 |
| Other Expenditure | 230 | 188 | 22.3% | 637 | 6.7% | 767 |
| Total Expenditure | 890 | 806 | 10.4% | 2,620 | 14.1% | 3,073 |
| EBITDA | 545 | 335 | 62.7% | 1,504 | 71.3% | 1,278 |
| EBITDA Margin | 38.0% | 29.4% | | 36.5% | | 29.4% |
| Interest & Financing Cost | | | | | | |
| a. Interest | 36 | 68 | -47.1% | 125 | -24.7% | 214 |
| b. (Income)/Expense due to Exchange Rate Fluctuation | 20 | 30 | | 2 | | 21 |
| Depreciation | 30 | 26 | 15.4% | 89 | 1.1% | 116 |
| Other Income | 14 | 9 | | 40 | | 23 |
| Profit/(Loss) Before Tax before exceptional items | 473 | 220 | 115.3% | 1,328 | 135.0% | 950 |
| Exceptional Item Profit/(Loss) | 10 | -10 | | 83 | | -528 |
| Profit/(Loss) before Tax | 483 | 210 | 130.2% | 1,411 | 190.3% | 422 |
| Provision for Taxation | 16 | 54 | | 269 | | 49 |
| Deferred Taxation | 39 | -20 | | -103 | | 173 |
| Profit/(Loss) After Tax | 428 | 176 | 143.4% | 1,245 | 201.5% | 200 |
| Add: Share of Profit/(Loss) from Associates | 0 | 0 | | -1 | | 1 |
| Net Profit/(Loss) | 428 | 176 | 143.4% | 1,244 | 198.3% | 201 |
| Net Profit Margin % | 29.8% | 15.4% | | 30.2% | | 4.6% |
| Adjustments: | | | | | | |
| Divestment (Profit)/Loss | -8 | | | -1,195 | | |
| France Restructuring (Profit) / Loss | | 3 | | | | -100 |
| Settlement / Derivatives | | 7 | | | | 134 |
| CDR Recompense | 11 | | | 30 | | 160 |
| Goodwill write off (Negma - France) | | | | 621 | | 333 |
| R&D Write off | | | | 419 | | |
| Others Exceptional items | -13 | | | 43 | | |
| Tax impact of above | 1 | -1 | | 35 | | -70 |
| Deferred Tax impact of above | | -10 | | | | 147 |
| Adjusted PAT | 419 | 175 | 139.4% | 1,197 | 185.1% | 805 |
| Adjusted PAT Margin % | 29.2% | 15.4% | | 29.0% | | 18.5% |

**** The Previous Year Financials above have been normalized by removing the Nutrition Business Profitability and expensing R&D expenses to make a like to like comparison with the current year financials.**

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