

Wockhardt's dramatic turn around

Sales

- FY12 at ₹ 4,614 crores with Y-o-Y growth of 23%
- Q4FY12 at ₹ 1,241 crores with Q-o-Q growth of 32%

EBITDA

- FY12 at ₹ 1,440 crores with Y-o-Y growth of 57%
- Q4FY12 at ₹ 429 crores with Q-o-Q growth of 58%
- Margins at 31% for FY12 and at 35% for Q4FY12
- Margins significantly higher than industry average

Adjusted PAT

- FY12 at ₹ 947 crores with Y-o-Y growth of 62%
- Q4FY12 at ₹ 410 crores with Q-o-Q growth of 29%

Net Debt / Equity

- Reduces to 1.9 from 3.6 in previous year

Debt Service Net Debt / EBITDA

- Reduces to 1.9 from 3.7 in previous year

Mumbai, May 22, 2012

Pharmaceutical and Biotechnology major, Wockhardt Limited today announced its Annual Results for the financial year 2011-12.

Wockhardt's Founder Chairman & Group CEO Dr. Habil Khorakiwala said, **“Wockhardt is back to its positive financial health. Over the past 2 years, our Debt/Equity ratio has come down from a high of 5.5 to 1.9 this financial year. Our EBITDA margins at 31% for the year and 35% for the quarter, is significantly higher than the industry average. Wockhardt has shown immense growth of 57% (₹1,440 crore) on EBITDA and 62% (₹947 crore) on PAT without exceptional items during the year”.**

Annual Financial Highlights (2011-2012):

- Consolidated sales revenues grew by 23% Y-o-Y at ₹4,614 crore
- Gross margins at 64% for the year compared to 60% in 2010-11
- Operating profit (EBITDA) was ₹1,440 crore, up by 57% Y-o-Y
- Operating margins at 31% improved by 700 basis points
- PAT without exceptional items was ₹947 crore during the year

4th Quarter Financial Highlights (Jan – Mar 2012):

- Consolidated sales revenues grew by 32% Q-o-Q at ₹1,241 crore
- Gross margins at 68% for the quarter compared to 64% in same quarter last year
- Operating profit (EBITDA) was ₹429 crore, up by 58% Q-o-Q
- Operating margins at 35% improved by 600 basis points
- Adjusted Net Profit was ₹410 crore
- 9th consecutive quarter of sequential growth in EBITDA
- 4th consecutive quarter of sequential growth in Sales
- Gross margin consistently above 60% for the last 6 quarters, with Q4 being the highest at 68%

Business Highlights:

Our International operations contribute 75% of global revenues for 2011-12, showing a growth of 27%. The US business has surpassed all expectations and has logged in 41% to the overall revenues for the year showing a growth of 78%. Wockhardt USA received 9 ANDA product approvals and launched 6 products during the year. Overall it currently markets more than 70 products and is consistently growing market share for majority of its products in the US.

Wockhardt UK has grown by 13% and has now become the 3rd largest generic company in the UK. Pinewood in Ireland continues to grow markets for its leading products. Negma in France has completed its restructuring and Wockhardt's European business excluding France has grown by 7%.

India & Emerging Markets business grew by 17%. The Indian Formulation business grew by 13% backed by strong growth of 16% in the branded segment. The branded segment has outperformed market growth.

Wockhardt's global business is leveraged by its strong R&D programmes. During the year, there were 150 global patent filings, of which 44 patents were granted. Wockhardt has received for the 3rd consecutive year, the Government of India Patents Award for the 'Maximum Patents granted to an Indian Company'.

About Wockhardt:

Wockhardt is a high-technology intensive global pharmaceutical and biotechnology company with multi-disciplinary and innovative R&D programmes. It has 3 research centres globally and manufacturing facilities across India, USA, UK and Ireland. Wockhardt has a significant presence in USA, Europe and India, with 75% of its global revenues coming from international businesses. With a large pool of Patents and Intellectual Property knowhow, Wockhardt is home to 590 scientists, of whom 80 are doctorates. In all, Wockhardt has 158 Patents granted worldwide. In biotechnology research, it has built a competent 'Concept to Market' capabilities in all facets of development and manufacture of recombinant biopharmaceuticals. Wockhardt boasts of a multi-ethnic workforce of more than 8000 people from 14 different nationalities.

**For a detailed report on Investor Communication and
Founder Chairman & Group CEO, Dr. Habil Khorakiwala's video comments,
Please visit our website: www.wockhardt.com**

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3 Years Consolidated Financial Highlights:

Particulars	FY12			FY11			FY10		
	\$m	Rs.cr.	%	\$m	Rs.cr.	%	\$m	Rs.cr.	%
Net Sales	908	4,614	100%	738	3,751	100%	716	3,638	100%
<i>Growth</i>		23%			3%				
Material Consumption	331	1,682	36%	298	1,517	40%	320	1,625	45%
<i>Growth</i>		11%			-7%				
Gross Margins	577	2,932	64%	440	2,234	60%	396	2,013	55%
<i>Growth</i>		31%			11%				
Other Expenses	294	1,492	32%	259	1,318	35%	270	1,372	38%
<i>Growth</i>		13%			-4%				
EBITDA	283	1,440	31%	180	916	24%	126	642	18%
<i>Growth</i>		57%			43%				
PAT	67	343	7%	18	90	2%	-195	-990	-27%
<i>Growth</i>		281%			-109%				
Adjusted PAT	186	947	21%	115	585	16%	41	210	6%
<i>Growth</i>		62%			178%				
Key Ratios									
Net Debt ⁴ / Equity		1.9			3.6			5.5	
Debt Servicing Ratio <i>(Net Debt / EBITDA)</i>		1.9			3.7			5.7	
Interest Coverage Ratio <i>(EBIT / Interest)</i>		3.7			1.4			-2.8	
Current Ratio <i>(Current Assets ³ / Current Liabilities ³)</i>		1.3			1.0			1.0	
Basic EPS (Rs.)		31			8			-91	
Adjusted EPS (Rs.)		87			53			19	
EV/EBITDA as on 31st Mar		7.0			8.4			9.2	

Notes :

1. USD values are at a convenience translation of 1USD = Rs.50.83 (exchange rate as on 31st March 2012)
2. Adjusted PAT is after excluding one time Exceptional items and the tax effect thereon
3. Current Assets and Current Liabilities are as per Revised Schedule VI definition.
4. Net Debt = Debt - Cash