
Wockhardt's Financial Results - Q1 (April-June) FY 2011-12**Wockhardt's Operating Profit (EBIDTA)****₹ 310.8 crore, a growth of 72.5%****Net Profit ₹ 193.9 crore****Consolidated Sales grew by 14.3% to ₹ 1,053.2 crore****Mumbai, August 9, 2011**

Pharmaceutical and Biotechnology major Wockhardt Limited today announced its first quarter results (April – June 2011) for the FY 2011-12. Consolidated Sales revenue was ₹ 1,053.2 crore, a growth of 14.3%. Operating Profit (EBIDTA) was ₹ 310.8 crore, a growth of 72.5% and Net Profit was ₹ 193.9 crore.

“Wockhardt is focussed on its fundamental priority of delivering a sustained all-round performance this year and in turn create value for all its stakeholders”, said Wockhardt Chairman Dr. Habil Khorakiwala. “Our positive first quarter results of FY 2011-12 is a pointer in this direction”, he further added.

USA Business:

Wockhardt USA continues to exhibit an impressive growth of 131% in the world's largest and most lucrative pharmaceutical market. With a continuous and steady stream of ANDA approvals, Wockhardt USA has been able to launch products on the date the generic market opportunity opens. While business on the existing products has been robust and growing, the infusion of new products is also augmenting this growth. For the quarter it received 4 ANDA approvals and till date has received 110 approvals in total. In the pipeline are 25 ANDA's to be approved by the US FDA. Wockhardt USA launched 3 new products this quarter and is determined to garner more market share for all its products.

India Business:

Wockhardt's India business grew by over 24% in the 1st quarter of FY 2011-12, with a market share of 2.03% (IMS June 2011). Wockhardt's strategy to expand its All-India reach is bearing much fruit. It also launched 7 new products and 6 of its brands continue to feature amongst the TOP-300 brands of the industry. The generics business grew by 16% and exports grew by a whopping 85%. Wockhardt's Power Brands continue to show huge potential in the Indian Pharmaceutical Market.

Europe Business:

Wockhardt UK continues to be the No.1 Indian generic company and overall the 4th generic company in the UK. Sales revenues grew by 17% and the growth drivers were exports and pharmacy. Wockhardt UK launched 3 new products and had 9 filings and 10 approvals during this period. Pinewood Healthcare continues to be the No.1 generic company and overall the 11th largest pharma company in Ireland. It launched 2 new products and had 2 product filings during the said period. Nexazole has already notched up a 35% market share from its launch in June 2010.

About Wockhardt

Wockhardt is a high technology global pharmaceuticals and biotechnology major with innovative multi-disciplinary research and development programmes. It has 4 research centres and 20 world-class manufacturing plants globally. Wockhardt has a multi-ethnic workforce of 6500 people from 14 different nationalities.

WOCKHARDT LIMITED

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30TH JUNE, 2011

(Rs. in Million)

PARTICULARS	QUARTER ENDED 30/06/2011	% TO SALES	QUARTER ENDED 30/06/2010	% TO SALES	GROWTH %	YEAR ENDED 31/03/2011	% TO SALES
Income from Operations	10,532	100.0	9,216	100.0	14.3	37,512	100.0
Total Expenditure	7,424	70.5	7,414	80.4	0.1	28,425	75.8
a) (Increase)/Decrease in stock	(127)	(1.2)	36	0.4	(452.8)	617	1.6
b) Consumption of raw material	2,344	22.3	2,411	26.2	(2.8)	8,750	23.3
c) Purchase of Finished Goods	1,534	14.6	1,630	17.7	(5.9)	5,786	15.4
Material Consumption	3,751	35.6	4,077	44.2	(8.0)	15,153	40.4
d) Staff Cost	1,310	12.4	1,313	14.2	(0.2)	5,247	14.0
e) R & D expenditure	188	1.8	157	1.7	19.7	483	1.3
f) Other expenditure	2,175	20.7	1,867	20.3	16.5	7,542	20.1
Other Expenditure	3,673	34.9	3,337	36.2	10.1	13,272	35.4
Gross Profit before Interest, Depreciation & Taxation	3,108	29.5	1,802	19.6	72.5	9,087	24.2
Interest/ Financing Cost							
(a) Interest	585	5.6	644	7.0	(9.2)	2,671	7.1
(b) (Income)/Expense due to Exchange Rate Fluctuation	37		(205)			(1,366)	
Depreciation	380	3.6	294	3.2	29.3	1,166	3.1
Other Income	54	-	37	-	-	159	-
Profit/(Loss) Before Tax before exceptional items	2,160		1,106			6,775	
Exceptional Item Profit/(Loss)	0		(2,156)			(5,732)	
Profit/(Loss) before Tax	2,160	20.5	(1,050)	(11.4)	305.7	1,043	2.8
Provision for Taxation	262		29			338	
Deferred Taxation	(46)		60			(252)	
Profit/(Loss) After Tax	1,944	18.5	(1,139)	(12.4)	270.7	957	
Add: Share of Profit/(Loss) from Associates	(5)		(24)			(52)	
Net Profit/(Loss)	1,939	18.4	(1,163)	(12.6)		905	2.4
Paid-up Equity Share Capital (Rs 5/-each)	547		547		-	547	
Reserves excluding Revaluation Reserve (as per last audited Balance-Sheet)	-		-		-	1,251	
Earning Per Share							
Basic Earning Per Share (Rs)	17.71		(10.63)			8.27	
Diluted Earning Per Share (Rs)	17.71		(10.63)			8.27	

Public Shareholding				
- Number of Shares	28,418,421	28,202,555		28,392,021
- Percentage to Paid-up Capital	25.97%	25.77%		25.94%
Promoters and promoter group shareholding				
a) Pledged/ Encumbered				
- Number of shares	70,158,917	67,708,917		70,158,917
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	87.06%	84.02%		87.06%
-Percentage of shares (as a % of the total share capital of the Company)	64.11%	61.87%		64.11%
b) Non-encumbered				
- Number of shares	10,426,465	12,876,465		10,426,465
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	12.94%	15.98%		12.94%
-Percentage of shares (as a % of the total share capital of the Company)	9.53%	11.77%		9.53%

Notes To Consolidated Financials:-

- 1) The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on August 9, 2011.
- 2) Winding-up petitions have been filed by certain lenders/banks in the Bombay High Court and the Company has filed affidavit in reply. ICICI Bank, as empowered by CDR and Employees Union have filed intervention application against the winding-up. On March 11, 2011 the Hon'ble High Court of Bombay, admitted the winding-up petition filed by the Trustees to the Foreign Currency Convertible Bonds (FCCBs) issued by the Company. Pursuant to an appeal filed by the Company the divisional bench of the Hon'ble High Court of Bombay has granted an ad-interim relief while requiring the Company to deposit a sum of Rs. 1,150 million with the court, which has been complied with.
- 3) In respect of certain unilaterally terminated contracts pertaining to crystallised derivative/hedging liabilities which are disputed, the amount payable is presently not ascertainable and hence not provided for.
- 4) The Company and its subsidiary have entered into definitive agreement on August 2, 2011 with Danone, for divestment of the Nutrition business and certain intellectual properties. As the said transactions are subject to customary closing conditions and various approvals, the impact of these transactions will be accounted during the quarter in which the same are closed.
- 5) The functional currency of Wockhardt EU Operations (Swiss) AG, a wholly owned subsidiary of the Company is US Dollars. In view of this the reporting/ accounting currency of the said subsidiary has been changed from Swiss Francs (CHF) to United States Dollars (USD), with effect from April 1, 2011. This change has no impact on Company's financials.
- 6) As on April 1, 2011 the Company had no investors complaints pending. During the quarter, the Company has received three complaints, which have been satisfactorily resolved. Accordingly, no complaints are pending as on June 30, 2011.
- 7) The Company is exclusively into Pharmaceutical business Segment.
- 8) Previous period figures have been recast/ re-classified to conform to the current period's presentation.